BS/SE.S/325/2017 **03.09.2018**

The Listing Department, National Stock Exchange Of India Ltd., Exchange Plaza, Bandra Kurla Complex, Mumbai- 400051 Symbol and Series: MMTC/EQ	Department of Corporate Services, Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Company Scrip Code: 513377

Sub: Annual Report for FY 2016-17

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 please find attached herewith Annual Report of the Company for FY 2017-18.

This is for your information and records.

Thanking you

Your Faithfully
For MMTC Ltd.

G ANANDANARAYANAN

Digitally signed by G ANANDANARAYANAN
DN: c=IN, o=MMTC LIMITED,
postalCode=[illegible], st=Delhi,
[illegible],
serialNumber=[illegible],
cn=G ANANDANARAYANAN
Date: [illegible]

(G Anandanaryanan)
Company Secretary

55th ANNUAL REPORT 2017-18

Trading World-wide Enriching Lives.

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

BOARD OF DIRECTORS

VED PRAKASH
Chairman and Managing Director

GOVERNMENT NOMINEE DIRECTORS

DR. INDERJIT SINGH
Additional Secretary
Department of Commerce, MoC & I
(upto 28.9.2017)

J.K. DADOO
Additional Secretary & Financial Advisor
Department of Commerce, MoC & I
(upto 16.3.2018)

SUNIL KUMAR
Additional Secretary
Department of Commerce, MoC & I
(w.e.f. 17.10.2017)

DR. S.C. PANDEY
Special Secretary & Financial Advisor
Department of Commerce, MOC & I
(w.e.f. 19.3.2018)

FUNCTIONAL DIRECTORS

P.K. JAIN
Director (Marketing)
(upto 14.5.2018)

ASHWANI SONDHI
Director (Marketing)

T.K. SENGUPTA
Director (Personnel)

UMESH SHARMA
Director (Finance)
(w.e.f. 11.10.2017)

J. RAVI SHANKER
Director (Marketing)
(w.e.f. 4.7.2018)

NON-OFFICIAL PART TIME (INDEPENDENT) DIRECTORS

R. ANAND

B.K. SHUKLA

RAJNISH GOENKA

DR. JAYANT DASGUPTA

R.R. JADEJA

Contents

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 Objective

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

MMTC LIMITED

Regd. Office : Core-1, 'SCOPE Complex', 7 Institutional Area, Lodhi Road, New Delhi-110003

CIN : L51909DL1963GOI004033

NOTICE

Notice is hereby given that the **55th Annual General Meeting** of the Members of MMTC Limited will be held on **Friday, the 28th September 2018** at 11.00 A.M. at the SCOPE Auditorium, Core-8, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the year ended 31st March, 2018, along with the Directors' Report, Statutory Auditors' Report, the Comments thereupon of Comptroller & Auditor General of India and the Report of the Secretarial Auditors for the Financial Year 2017-18.
2. To declare Dividend on Equity Share Capital for the financial year ended 31st March, 2018.
3. To re-appoint Shri Ashwani Sondhi (DIN No.02653076) Director (Marketing), who retires by rotation at the AGM as Director (Marketing) of the company on the same terms & conditions as approved by the President of India. Being eligible, he has offered himself for re-appointment as Director (Marketing).
4. To authorize the Board of Directors of the company in terms of the provisions of Section 142(1) of Companies Act, 2013 to fix remuneration of the Statutory/Branch Auditors of the Company appointed by Comptroller & Auditor General of India u/s 139(5) of the Companies Act, 2013 for the financial year 2018-19.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT the appointment of Shri Sunil Kumar (DIN :07592258) as Part Time Govt Nominee Director in MMTC Limited w.e.f. 17.10.2017 by the President of India in exercise of powers vested vide Article 87(2) of Articles of Association of the Company, communicated vide Department of Commerce, Ministry of Commerce & Industry Order File No. 11/36/2001-FT(M&O) dated 28.09.2017 and by the Board of Directors in circulation on 01.11.2017 under section 161 of Companies Act 2013, and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Part Time **Govt Nominee Director** on the terms, conditions and tenure as may be determined by the President of India from time to time."

6. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the appointment of Dr. Subhash Chandra Pandey (DIN :01613073) as Part Time Govt Nominee Director in MMTC Limited w.e.f. 19.03.2018 by the President of India in exercise of powers vested vide Article 87(2) of Articles of Association of the Company, communicated vide Department of Commerce, Ministry of Commerce & Industry Order File No. 11/36/2001-FT(M&O) dated 16.03.2018 and by the Board of Directors in circulation on 22.03.2018 under section 161 of Companies Act 2013, and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Part Time **Govt Nominee Director** on the terms, conditions and tenure as may be determined by the President of India from time to time."

7. To consider and if thought fit, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the appointment of Shri J. Ravi Shanker (DIN :06961483) as Director(Marketing) in MMTC Limited w.e.f. 04.07.2018 for a period of five years or till the date of his superannuation by the President of India in exercise of powers vested vide Article 87(2) of Articles of Association of the Company, communicated vide Department of Commerce, Ministry of Commerce & Industry Office Order File No. A-12022/12/2017-E.IV dated 26.06.2018 and by the Board of Directors on 14.08.2018 as Director(Marketing) under section 161 of Companies Act 2013, and who holds office up to the date of this Annual General Meeting be and is hereby appointed as Director(Marketing) on the terms, conditions and tenure as may be determined by the President of India from time to time."

8. To consider and if thought fit, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the appointment of Shri Umesh Sharma (DIN :03298909) as Director(Finance) in MMTC Limited w.e.f. 11.10.2017 for a period of five years or till the date of his superannuation by the President of India in exercise of powers vested vide Article 87(2) of Articles of Association of the Company, communicated vide Department of Commerce, Ministry of Commerce & Industry Office Order File No. A-12022/5/2016-E.IV dated 11.10.2017 and by the Board of Directors on 01.11.2017 as Director(Finance) under section 161 of Companies Act 2013, and who holds office up to the date of this Annual General Meeting be and is hereby appointed as Director(Marketing) on the terms, conditions and tenure as may be determined by the President of India from time to time."

9. To consider and if thought fit, pass the following resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable regulations of SEBI i.e. Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for entering into the following proposed Related Party Transactions with regard to undertaking sale/purchase transactions by MMTC Limited with effect from the period mentioned against each, up to the amount as indicated in table given below:

	Related Party	Relationship	Value of Transactions with effect from 01.10.2018 to 30.09.2019
1	MMTC Pamp India Pvt Ltd	Joint Venture Company	₹ 4000 crores (for the period 1.4.2018 to 30.09.2019)
2.	Neelachal Ispat Nigam Ltd.(NINL)	Joint Venture Company	₹ 3200 Cr. for purchase and sale of products ₹ 1471.70 cr towards Corporate Guarantees on a continuing basis. Short Term working capital assistance of ₹ 1425 cr. on recurring basis including one time facility of ₹ 130 cr. besides trade finance of ₹ 550 crores.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effects to this resolution.

By Order of the Board
For MMTC Limited

sd/-

Place: New Delhi **(G.Anandnarayanan)**
Dated: 14.08.2018 **Company Secretary**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY - EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.**

   Pursuant to the provisions of Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding not more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.

2. Transfer Books and Register of Members will remain closed from **15th September 2018** to **28th September 2018** (both days inclusive). The Board of Directors, in its Meeting held on 29th May 2018, has recommended a dividend @ 30% (Re. 0.30 per share of face value Re.1.00 each) on the pre-bonus paid-up equity share capital of the company, which effectively comes down to ₹0.20 per share of face value of ₹1.00 each . The dividend, subject to the provisions of Section 126 of the Companies Act, 2013, if declared at the Annual General Meeting, will be paid in October, 2017 to the Members whose names appear on the Company's Register of Members on 28th September, 2018 in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on **14th September, 2018.**

3. The relevant explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of Special Businesses, as set out above is annexed hereto.

4. Pursuant to Section 124(1) read with Section 124(6) of the Companies Act, 2013, the dividend amounts which remain unpaid/ unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund (IEPF) of the Central Government. Therefore, Members are advised to encash their Dividend warrants immediately on receipt. During the year 2017-18, company has deposited with IEPF Authorities an amount of ₹ 21577/- towards unpaid/unclaimed dividend for the financial year 2009-10.

5. **Members are requested to:**
   - i) note that copies of Annual Report will not be distributed at the Annual General Meeting.
   - ii) bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
   - iii) deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the attendance slip.
   - iv) note that the attendance slip/ proxy form should be signed as per the specimen signature registered with M/s MCS Share Transfer Agent Limited, Registrar & Transfer Agent (RTA)/ Depository Participant (DP).
   - v) note that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
   - vi) quote their Folio / Client ID & DP ID Nos. in all correspondence.
   - vii) note that no gifts/coupons will be distributed at the Annual General Meeting.

6. Non-Resident Indian Shareholders holding shares in physical form are requested to inform the Company immediately:
   a) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank.
   b) The Change in the Residential Status on return to India for permanent settlement.
7. As per SEBI Guidelines, it has been made mandatory for all companies to use the bank account details furnished by the depositories for distributing dividends and other cash benefits, etc. through Electronic Clearing Service to the investors wherever ECS and bank details are available. Accordingly, the shareholders holding shares in Demat form should furnish the bank account details to their depository participants to avail the above facility.
8. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting
9. M/s. MCS Share Transfer Agent Ltd. F–65 Okhla Industrial Area, Phase I, New Delhi –110020 have been appointed as Registrar and Transfer Agents for carrying out its entire share related activities viz. Transfer / transmission/ transposition / dematerialization / rematerialisation / split/ consolidation of shares, change of address, bank mandate, filing of nomination, dividend payment and allied activities. Shareholders are requested to make all future correspondence related to share transfers and allied activities with this agency only.
10. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
11. Electronic copy of the Notice of the 55th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 55th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its RTA along with relevant Share Certificates.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit PAN to their DP with whom they are maintaining their demat accounts. It has also been made mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTA for registration of transfers and for securities market transactions and off-market/ private transactions involving transfer of shares of listed companies in physical form. Accordingly, members holding shares in physical mode should attach a copy of their PAN Card for every transfer request sent to the Company / RTA.
14. Members, holding shares in physical form, may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the Form-SH 13 as prescribed in the Companies (Central Government's) General Rules and Forms, 2013, any person to whom their shares in the Company shall vest on occurrence of events stated in the Form. Those holding shares in physical form may obtain from and send Form-SH 13 in duplicate to RTA of the Company. In case of shares held in dematerialized form, the nomination/ change of address has to be lodged with the respective DP.

15. Members are requested to notify immediately any change in address :
    i) To their DP In respect of shares held in a dematerialized form.
    ii) To the Companies RTA-M/S MCS Share Transfer Agent Ltd. in respect of their physical shares, if any quoting their folio number.
16. Members desirous of getting any information on any items of business of this Meeting only are requested to address their queries to the Company Secretary at the registered office of the company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
17. Annual listing fee for the year 2017-18 has been paid to both the Stock Exchanges (NSE & BSE) wherein shares of the Company are listed.
18. None of the Directors of the Company or Key Managerial Personnel is in any way related with each other.
19. Members may also note that the Notice of the 55th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.mmtclimited.com for downloading. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication in this regard, the shareholders may send requests to the Company's investor email id: ganarayanan@mmtclimited.com.
20. Voting through electronic means
    i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 55th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
    ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
    iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
    iv) The remote e-voting period commences on 24th September 2018 (09:00 AM) and ends on 27th September 2018 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th Sept. 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
    v) The process and manner for remote e-voting are as under:

       The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

       Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
       Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

<u>How to Log-in to NSDL e-Voting website?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on **<u>"Forgot User Details/Password?"</u>**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **<u>Physical User Reset Password?"</u>** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

Now, you will have to click on "Login" button.

After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

<u>How to cast your vote electronically on NSDL e-Voting system?</u>

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to <u>fcs.ppa@gmail.com</u> with a copy marked to <u>evoting@nsdl.co.in</u>.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"<u>Forgot User Details/Password?</u>"** or **"<u>Physical User Reset Password?</u>"** option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <u>www.evoting.nsdl.com</u> or call on toll free no.: 1800-222-990 or send a request at <u>evoting@nsdl.co.in</u>

vi) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

vii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14th September 2018.

viii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 14th Sept. 2018, may obtain the login ID and password by sending a request at <u>evoting@nsdl.co.in</u>.

ix) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

x) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

xi) Mr. PP Agarwal (F-4955), Proprietor of M/s P.P Agarwal & Co., Practicing **Company Secretaries** has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

xii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

xiii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xiv) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e www.mmtclimited.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE / NSE.

21. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.

22. As mandated under Regulation 36(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, brief Profile/ Resume of the Directors seeking appointment/ re-appointment is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 5

In accordance with Order File No.11/36/2001-FT(M&O) dated 28th September 2017 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 161 of the Companies Act, 2013, Shri Sunil Kumar (DIN-7592258), AS, Department of Commerce was appointed as Part Time Govt. Nominee Director on the Board of MMTC Limited w.e.f.17.10.2017.

Shri Sunil Kumar, aged 54 years, has done his Masters in Sociology. He is an IAS Officer – 1987 batch and has held many important assignments with the Central and State Governments. Presently, he is working as Additional Secretary, Deptt. Of Commerce, MOC&I, Govt. of India.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Shri Sunil Kumar as Part Time Govt. Nominee Director of the company.

Board considers it desirable that the Company should continue to avail itself of his services as Part Time Govt. Nominee Director and recommend this resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Sunil Kumar to the extent of his appointment as Part Time Govt. Nominee Director, in any way concerned or interested, financially or otherwise in the above resolution.

Item No.6

In accordance with Order File No.11/36/2001-FT(M&O) dated 16th March 2018 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 161 of the Companies Act, 2013, Dr. Subhash Chandra Pandey (DIN-01613073), SS & FA, Department of Commerce was appointed as Part Time Govt. Nominee Director on the Board of MMTC Limited w.e.f. 19.03.2018

Dr. Subhash Chandra Pandey, aged 59 years, belongs to IA&AS – 1983 batch. Dr. Pandey holds a Doctorate in Mathematics from Lucknow University in the area of Operations, Research and Nonlinear Programming. Dr. Pandey has vast experience in the area of Public Finance, Budget & Expenditure Management and Audit, R&D Production and Information Technology. Presently, he is working as Special Secretary & FA, Deptt. Of Commerce, MOC&I, Govt. of India.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Dr Subhash Chandra Pandey as Part Time Govt. Nominee Director of the company.

Board considers it desirable that the Company should continue to avail itself of his services as Part Time Govt. Nominee Director and recommend this resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Dr Subhash Chandra Pandey to the extent of his appointment as Part Time Govt. Nominee Director, in any way concerned or interested, financially or otherwise in the above resolution

Item No. 7

In accordance with Office Order File No. A-12022/12/2017-E.IV dated 26th June 2018 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 161 of the Companies Act, 2013, Shri J. Ravi Shanker, was appointed as Whole Time Director(Marketing) on the Board of MMTC Limited w.e.f. 04th July 2018.

Shri J. Ravi Shanker, aged 52 years, is B.Tech, IIT- New Delhi He has an experience of about 32 years in export of engineering equipment & projects, international and domestic trading in industrial raw materials and agro commodities. Prior to joining MMTC Ltd., Shri Ravi Shanker was holding the position of Director(Marketing) in PEC Ltd.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Shri J. Ravi Shanker as Whole Time Director(Marketing) of the company.

Board considers it desirable that the Company should continue to avail itself of his services as Whole Time Director(Marketing) and recommend this resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri J. Ravi Shanker to the extent of his appointment as Whole Time Director, in any way concerned or interested, financially or otherwise in the above resolution.

Item No. 8

In accordance with Office Order File No. A-12022/5/2016-E.IV dated 11th October 2017 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 161 of the Companies Act, 2013, Shri Umesh Sharma, was appointed as Whole Time Director(Finance) on the Board of MMTC Limited w.e.f. 11th October 2017.

Shri Umesh Sharma, aged 58 years, is C.A., LL.B He has an experience of about 32 years in accounts and audit in MMTC Ltd.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Shri Umesh Sharma as Whole Time Director(Finance) of the company.

Board considers it desirable that the Company should continue to avail itself of his services as Whole Time Director(Marketing) and recommend this resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Umesh Sharma to the extent of his appointment as Whole Time Director, in any way concerned or interested, financially or otherwise in the above resolution.

Item No.9

Section 188 of the Companies Act 2013 read with Rules 15 and 16 of Companies (Meetings of Board and its powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking of shareholder approval for material related party transactions. The Proviso to Section 188 also states that nothing in Section 188(1) will apply to any transactions entered into by the Company in its ordinary course of business and at arm length basis.

All the proposed transactions put up for approval are in ordinary course of business and the transactions with NINL – JV Company are not at arms length. However, the transactions with JV Company – MMTC PAMP India Pvt. Ltd. are at arms length basis only based on the MOU signed with the JV Company. Pursuant to the SEBI Regulation, the following contracts /arrangements /transactions are material in nature and require the approval of the unrelated shareholders of the Company by an Ordinary Resolution:

S.No.	Name of the Related Party	Relationship	Maximum Value of Transactions per annum with effect from 1.10.2017 to 30.9.2018	Nature and material Terms / Particulars of the contract or arrangement
1	MMTC Pamp India Pvt Ltd	Joint Venture Company	₹ 4000 crores (for the period 1.4.2018 to 30.09.2019)	With regard to the most recent MOU signed with MPIPL, the salient terms are: 1) MMTC may from time to time indicate its intent to purchase from existing MPIPL stocks at various locations across India Gold/Silver bullion Bars (Kilogram Bar of 995 Purity or 100 gm Gold Bar of 999 purity and silver bars of 0.999 fine purity) at applicable premium fixed by MPIPL for each location. 2) Duly authorised personnel of CBO MMTC Corporate Office shall price all bullion with MPIPL pricing desk. The minimum fixing lot will be 1 kg for Gold Bars and 100 Kg for Silver Bars.
2	Neelachal Ispat Nigam Limited	Asso Joint Venture Company	₹ 3200 Cr. for purchase and sale of products Corporate Guarantee- ₹1471.70 Cr. Short Term working capital Assistance: ₹ 1425 cr. including one time facility of ₹ 130 crores besides trade finance of ₹ 550 cr.	Shareholders Agreement between MMTC & Govt. of Orissa through M/s. IPICOL envisages that MMTC shall organize supply of raw materials and consumables for the plant on mutually agreed terms. Domestic sale and export of products of the JV Company shall be arranged by MMTC at mutually agreed terms between MMTC & NINL. Agreement for sale/purchase of finished goods was signed between MMTC & NINL vide agreement dtd. 06.08.1999, amended on 22.06.2012 and further amended on 11.02.2014. Approval of Corporate Guarantee and short term working capital assistance of Rs1425 Crores including an one time facility of Rs 130 Crores extended to the NINL was approved by the shareholders vide postal ballot resolution passed on 09.09.2015 and by the Board of Directors during 2016-17. Since both the transactions are of continuous nature hence approval of shareholders is sought for further extension.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:-

Name of the Related Party	M/s Neelachal Ispat Nigam Ltd M/s MMTC PAMP India Pvt. Ltd.
Name of Director or key managerial personnel who is related, if any	**Neelachal Ispat Nigam Ltd (in the capacity of Nominee Directors only)** Shri Ved Prakash, CMD Shri A Sondhi, Director(Mktg). Shri T K Sengupta, Direcor(Personnel) Shri Umesh Sharma, Director(Finance) **MMTC PAMP India Pvt. Ltd. (in the capacity of Nominee Directors only)** Shri J. Ravi Shanker, Director(Mktg). Shri. Umesh Sharma, Director (Finance)
Nature of relationship	**As per table given above**
Nature and material Terms /Particulars of the contract or arrangement	
Any other information relevant or important for the members to take decision on the proposed resolution	

The above contracts/arrangements/transactions were approved by the Audit Committee and recommended by the Board of directors to the unrelated shareholders of the Company for their approval.

As per Regulation 23(4) of the SEBI Listing Regulations, all entities /persons that are directly/indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders.

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise, in the ordinary resolution set out at Item No.9 of the Notice except in the capacity of Nominee Directors of MMTC indicated above. The Board recommends the Resolution set out at Item No.9 of the notice for their approval by the unrelated parties.

The documents referred in Item No. 5 to 9 above, in respect of which explanatory statement has been provided, are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company (Pursuant to Reg. 36 of the Listing Regulations and Secretarial Standards-2 on General Meetings)

Name of the Director	**Shri Sunil Kumar**	**Dr. S C Pandey**	**Shri Umesh Sharma**	**Shri J. Ravi Shanker**
Date of Birth	15/10/1963	29/06/1959	31/05/1960	21/07/1965
Date of Appointment	17/10/2017	19/03/2018	11/10/2017	04/07/2018
Qualification	IAS – 1987 PG in Sociology	Doctorate in Mathematics	C.A. & LL.B	B.Tech, IIT-Delhi
Expertise in Specific functional areas	Administration	Government Accounts & Audit	Company Audit & Accounts	Export of Engineering Equipment & Projects, International and Domestic Trading in Industrial Raw Materials and Agro Commodities
No. of Equity Shares held in the Company as on March 31, 2018	Nil	Nil	Nil	Nil
Terms & conditions of appointment/ reappointment	As per Orders of the Govt of India in this regard indicated under relevant Resolutions above.			
Remuneration last drawn during FY 2017-18(Rs)	N.A.	N.A.	₹ 20,21,827/-	N.A.*
No. of meetings of Board attended during the year	5	1	5	N.A.*
Directorships held in other Companies as on March 31, 2018	1	9	5	N.A.*
Relationship with any other Director inter-se and KMPs of the Company		-----NIL-----		

* Shri J. Ravi Shanker joined the Board of MMTC as Director (Marketing) on 04.07.2018.

DIRECTORS' REPORT

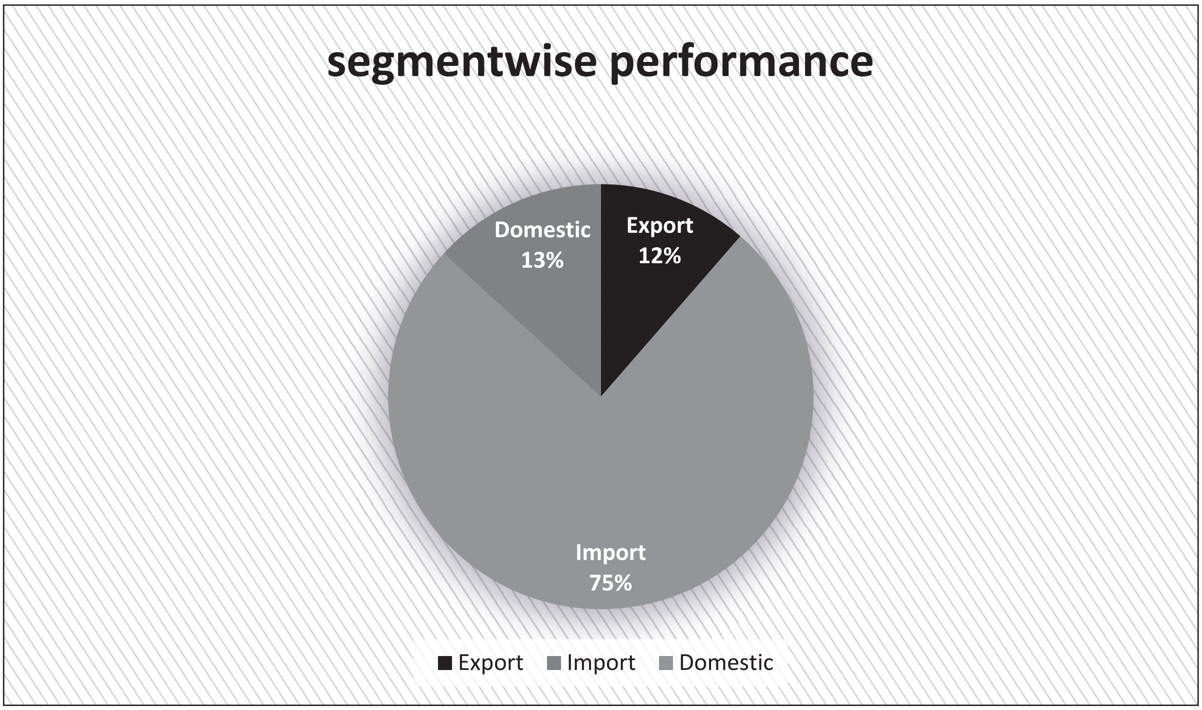
The Members
MMTC Limited,
New Delhi.

Ladies & Gentlemen,

On behalf of Board of Directors, I have the pleasure of presenting the 55th Annual Report on your company's performance for the financial year ended 31st March 2018 along with Audited Statements of Accounts and Statutory Auditor's Report.

OPERATIONAL RESULTS

Your company, one of the leading trading companies in India, recorded a turnover of ₹ 15,757 crore during 2017-18 as against the turnover of ₹ 11,593 crore registered during last fiscal. This business turnover includes Exports of ₹ 1795 crore, Imports of ₹ 11,878 crore and domestic trade of ₹ 2084 crore. The Company has reported a net profit of ₹ 48.84 crore in the current fiscal compared to ₹ 57.06 crore earned last year. The outgo has increased this year on account of pay revision and one time provision of gratuity due to enhancement in ceiling of gratuity limit.



The highlights of the Company's performance during 2017-18 are as below:-

(₹in crore)

	2017-18	2016-17
Sales of products	**15,746.49**	11,568.00
Sales of services	**10.43**	25.43
Other Trade Earnings	**693.89**	114.93
Total Revenue from Operations	**16,450.81**	11,708.36
Cost of Sales	**16,117.36**	11,483.91
Gross Profit from Operations	**333.45**	224.45
Add: Dividend and other Income	**46.43**	14.57
Less: Establishment & Administrative Overheads, etc.	**307.12**	247.71
Less: Debts/Claims Written off/withdrawn	**0.05**	0.66
Less: Provisions for Doubtful Debts/ Claims/Advances/Investments	**-**	0.48
Profit Before Interest, Depreciation and Amortization Expenses and Taxes	**72.71**	(9.83)
Add: Interest Earned (Net) (Interest earned minus Finance Cost)	**0.07**	6.47
Profit Before Depreciation and Amortization Expenses and Taxes	**72.78**	(3.36)
Less: Depreciation and Amortization Expenses	**5.24**	6.68
Less: Exceptional Items	**8.41**	(91.27)
Profit Before Taxes	**59.13**	81.23
Less: Provision for Current Taxes	**13.32**	27.45
Less: Provision for Deferred Taxes	**(3.03)**	(3.28)
Profit After Taxes	**48.84**	57.06
Add: Balance brought forward from the previous year	**718.94**	697.98
Balance		
Items of other comprehensive income recognized directly in retained earnings		
Re-measurements of post-employment benefit obligation net of tax	**-**	0.01
Dividend & Dividend Tax	**(36.11)**	(36.11)
Appropriations:		
General Reserve	**(10.00)**	-
Leaving a Balance to be carried forward	**721.67**	718.94

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

Awards and rankings

- "Gold Trophy" for the year 2014-15 under Merchant Exporter category by Northern Region of EEPC
- Special Trophy for Exports of MEIS items in the Merchant Category in the National Award category by EEPC
- IIGC 2017 award for "Promising Government Nominated Agency for supply of bullion for 2017".
- BFGC 2017 Award for "The Best Nominated Agency for supply of silver to exporters"
- "Best Agency supplying gold to Highest Number of Clients" FY 2017-18 by GJEPC.

EQUITY SHARE CAPITAL & DIVIDEND

The Board of Directors recommends declaration of dividend @ 30% on the paid up equity capital of ₹ 100 crore of the Company as on 31.3.2018 for the year 2017-18 out of profits of the Company which is equivalent to 20% on the post-bonus issue paid up capital of ₹ 150 crores. During the year, in accordance with the directives of Department of Public Assets & Management (DIPAM), Govt. of India applicable for all CPSEs, on 19th March 2018 Board of your company has recommended issue of bonus shares to the existing shareholders of the company in the ratio of 1:2 i.e. one bonus share of Re.1/- each for every two equity shares held by the shareholders as on the record date. During the current Financial Year upon receipt of approval of shareholders through postal ballot, the Authorized Share Capital was increased from ₹ 100 crores to ₹ 200 cr. Post bonus issue, the paid up capital of the company has increased from ₹ 100 crores to ₹ 150 crores comprising of 150 crores of equity shares of Re.1/- per share(face value). The entire process of bonus issue has since been completed with the transfer of appropriate proceeds being effected to the shareholders on fractional bonus shares upon disposal of such fractional bonus shares through the Independent Trustee appointed by the Board of Directors.

RESERVES

A sum of ₹ 1336.72 crore was available in the reserves and surplus of your Company as on 1st April, 2017. Your Directors have proposed that Dividend at the rate of 30% on the equity capital as on 31st March, 2018 (₹ 100 crore) be paid out of profits of the Company which comes to 20% on the post Bonus Paid Up Capital of ₹ 150 crores. Accordingly, an amount of ₹ 1348.64 crore was available in "Reserves and Surplus" of your Company as on 31st March, 2018.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earnings and outgo of your Company during 2017-18 has been as under:-

	EARNINGS		OUTGO
	₹ in crore		₹ in crore
Exports	1795.37	Imports	11,007.75
Others	1.57	Others	41.49
Total	1,796.94	Total	11,049.24

SUBSIDIARY COMPANY

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) incorporated in October 1994 with the objective to take advantage of liberalization/globalization of trade and commerce to tap South East Asian market for trading in commodities has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2017-18 MTPL achieved sales turnover of US$ 11.84 million as against US$ 113.17 million during last fiscal. The Net Loss of MTPL during the financial year 2017-18 amounted to US$ 0.38 million as against Net Profit of US$ 0.04 million earned during 2016-17. The net worth of MTPL stood at US$ 12.01 million as on 31st March 2018.

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

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

Your company has set up Neelachal Ispat Nigam Limited (NINL) - an iron & steel plant of 1.1 million tonnes capacity, 0.8 million tonne coke oven and by product unit with captive power plant, jointly with Govt. of Odisha and others. The phase-II of the Project for production of steel, with Basic Oxygen Furnace, Oxygen Plant and SMS has been commissioned and Steel Billets Production was done on trial basis. During the year 2017-18, NINL achieved a turnover of ₹ 882.58 crore and incurred net loss of ₹ 377.67 crore. This was primarily due to recession in the economy and steel sector in particular and increase in cost of raw materials imported for the Plant. After lot of persuasion and efforts, finally NINL could sign Iron Ore Mining Lease on captive basis with Govt. of Odisha for 874.24 hectare having 92 million tonne of mineable iron ore reserves in the State of Odisha. Mines are planned to commission iron ore production by March, 2019. NINL has also signed MOU with NALCO for setting up of Coal Tar Pitch Plant. With the stabilization of steel making facility and starting of iron ore mining by end of current financial year, NINL's performance is expected to improve considerably as also increase in production capacity.

Projects/ Joint Ventures

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

(i) Your Company holds 9.55% equity capital in Indian Commodity Exchange Limited (ICEX) as on 31.3.2018 out of total paid up capital of ₹ 167.5 crores. During the year under review ICEX has reported a net loss of ₹ 13.36 crore as against net loss of ₹ 14.85 crore during 2016-17. ICEX has got necessary approval from SEBI for launching diamond contracts apart from obtaining 'in principle' approval for trading in contracts for Brent Crude and WTI Crude. It has since got clearance from SEBI for restarting its trading operations. It has also been decided by ICEX and NMEX to merge NMEX with ICEX.

(ii) Your company had participated in the equity of Currency Futures Exchange under the name and style of "United Stock Exchange of India Ltd which had been merged with "BSE Limited" (BSE) wherein your Company holds 38,961 equity shares of ₹ 2/- each in BSE. During the year BSE earned a net profit of ₹ 563.95 crore against ₹ 198.64 crore in 2016-17 and recommended a dividend of ₹ 31/- on equity share of ₹ 2/- each. The shares of BSE has since been listed on National Stock Exchange(NSE).

(iii) The joint venture for medallion manufacturing unit participated as 26% equity partner in collaboration with PAMP Switzerland in the name of MMTC-PAMP India Pvt. Ltd. achieved a turnover of ₹ 34022.43 crore and profit after tax of ₹ 43.69 crore during 2017-18. MMTC has received an interim dividend of 30% for its investment in MMTC-PAMP India Pvt. Ltd. for FY 2017-18. MMTC-PAMP India Pvt. Ltd became India's first LBMA accredited refiner for Gold and silver. During 2017-18 MMTC has sold Gold Bars produced by MPIPL in the domestic market achieving a turnover of ₹ 481 crore and sale of silver bar of ₹ 170 crore.

(iv) For effective marketing of the finished products of both medallions and jewellery, your company had set up a JV Company, in partnership with a leading Indian company under the name and style of MMTC Gitanjali Limited for setting up retail stores at various cities in India. MMTC Gitanjali Limited has not reported turnover of for the year 2017-18 as against turnover of ₹26.62 crore during 2016-17. The business got interrupted midway during the year 2017-18 and MMTC has exercised the "Exit" option from the said joint venture in terms of SHA signed with the Promoters of the Company.

(v) The JV Company - M/s. SICAL Iron Ore Terminals Limited (SIOTL) could not commence commercial operations due to non-availability of iron ore for exports from Bellary-Hospet Sector in Karnataka State. In view of uncertain future of iron ore exports and to utilize the infrastructure created, Kamarajar Port Trust (erstwhile Ennore Port Trust) decided to award the facility through bidding process for modification of the facility to also handle common user coal. As coal does not have synergy with MMTC's existing line of business, MMTC Board has decided to exit from the JV. MMTC invited bids through open tender for sale of its entire 26% equity in the SIOTL JV, however, no response was received. Meanwhile, as per "Right of First Refusal' in Shareholders Agreement of SIOTL, Sical Logistics Ltd(lead promoter of SIOTL) offered to purchase MMTC's equity at reserve price fixed by MMTC which MMTC Board has decided to accept. Currently, process is on for sale of MMTC's 26% equity in SIOTL to Sical Logistics Ltd.

(vi) TM Mining Company Ltd.-your company's JV with M/s TATA Steel Ltd. for mining, exploration and allied activities. However, as the JV company was not able to generate any business since inception, MMTC Board has accorded approval for filing of necessary documents with Registrar of Companies (RoC) by the JV Company to 'strike off' the name of the JV company from the records of RoC. Lead promoter (Tata Steel) has been apprised accordingly.

(vii) To facilitate promotion of two-way trade, the SPV promoted by your Company in association with IL&FS IIDC has been allotted land to set up International Cargo hub at Haldia and Free Trade and Warehousing Zone at Kandla on lines similar to Special Economic Zone. Two plots of 2.75 acres of land in the Kandla FTWZ has been leased in March, 2016 and the annual revenue is ₹ 24.73 lakhs. Discussions are on with the other units for leasing out the plots. The Development Commissioner had granted approval for setting up a unit within Kandla FTWZ.

(viii) A 15 MW capacity Wind Mill project with 25 Wind Energy Generators commissioned by MMTC way back in March, 2007 at Gajendragad in Karnataka, is running successfully and has contributed to the development of the area by meeting some portion of energy needs of Karnataka state. The power generated from the project is sold to HESCOM. The turnover of the project during 2017-18 was ₹ 6.90 crore with a profit of ₹ 5.18 crore.

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

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

The aggregate manpower of the company as on 31st March, 2018 stood at 1127, comprising of 5 Board level functional executives, 1 CVO, 441 Officers and 579 staff. This manpower includes 3 officers, 98 staff / workers of erstwhile Mica Trading Company Ltd., which had been merged with your company pursuant to the orders of BIFR. The composite representation of the total manpower is - women employees representing 21.30% (240 employees) of the total manpower; SC, ST, OBC & persons with disabilities (PWD) to the extent of 20.67% (233 employees), 9.41% (106 employees), 10.20% (115 employees) and 2.04% (23 employees) respectively. During the year 12 officers were inducted through open advertisement.

RESERVATION POLICY

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

TRAINING AND DEVELOPMENT

For further enhancing / upgrading the skills of employees in the constantly changing business scenario, 436 employees were imparted training during the year in different spheres of company's activities. This was done through programs organized in association with in-house faculty as well as external resource persons from renowned institutions/organizations. The employees deputed for training had adequate representation of SC, ST and women employees (SC- 78, ST- 46 and women -180). In terms of man days, such training works out to 688 training man days during the year 2017-18.

IMPLEMENTATION OF OFFICIAL LANGUAGE

The Company is fully committed to implement Official Language Policy of the Government of India. Best efforts were made to achieve the targets prescribed in the Annual Programme for the year 2017-18 issued by the Department of Official Language, Ministry of Home Affairs, Govt. of India. To promote the usage of Hindi in Company's day-to-day work, several programs viz. Hindi Workshops/Hindi Typing, training on Computers/Hindi Day/Week/Fortnight were organized at Corporate Office and Regional Offices during the year. This has brought positive results and a considerable increase of use of Hindi was observed in day to day official work.

During the year under review, the Hon'ble Drafting and Evidence Sub Committee of Parliament on Official Language had included our Delhi Regional Office in their Discussion Programme while the Committee of Parliament on Official Language inspected our Regional Office Visakhapatnam for reviewing the progress of implementation of Hindi. Both the Committees had found our performance satisfactory. Three of our officials from Corporate Office had been awarded by Town Official Language Implementation Committee(PSUs), Delhi-I for their participation in the competitions conducted by different members of TOLIC.

VIGILANCE

The Vigilance Wing of your Company continued its focus on preventive vigilance to foster the goodwill & confidence stemming from value based business practices and for strengthening the Company as a professionally managed, globally competitive and internationally reputed organization. With the initiatives of Vigilance Division of your Company, various drills/manuals have been prepared and implemented. Under the new initiatives through video conference, quick redressal of problem and issues at regional level was introduced. Vigilance Division is also instrumental in overhauling of Systems and Procedures to detect and deal with the system failures and effective observance of conduct rules. During the period under review, a total number of 8 cases (involving 38 officials) were dealt by Vigilance Division. One fresh case (involving 1 official) was added to the opening tally of 7 cased (involving 37 officials). Status of the disciplinary cases as on 31.03.2018 is as under:

Position as on 1.4.2017	Receipt during 1.4.2017 to 31.3.2018	Disposed 1.4.2017-31.3.2018	Balance as on 31.03.2018
7 cases (involving 37 officials)	1 case (involving 1 officials)	4 cases (involving 19 officials)	5 cases (involving 19 officials)

Steps have been taken to streamline vigilance inspections conducted by VOs/NVOs. A system of quarterly/ yearly review of such inspections by Vigilance Division/CO is already in place. During the period under review, 186 vigilance and 42 non-vigilance inspection reports were received from VOs posted at various Regional Offices of MMTC. The same were timely processed and appropriate action was taken, wherever required. During the year, the vigilance division also processed 6 complaints (5 were carried over from last year and 1 new complaint was received). Out of 6 complaints. 5 complaints have been disposed of and action on remaining 1 complaint is in progress. Division is also instrumental in organizing "Vigilance Awareness Week" in various offices of MMTC from 30.10.2017 to 4.11.2017 with the theme of "My Vision - Corruption Free India". Training to Vigilance and Non-Vigilance Officers has been imparted on zonal basis for sensitizing the employees about the preventive vigilance aspect. During the period under review knowledge sharing sessions were held at Corporate Office to share the knowledge on trade activities, law, RTI and Vigilance matters to the newly joined executives and update the knowledge of other officers.

VIGIL MECHANISM

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

INTEGRITY PACT

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

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

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

In compliance to CSR Rules, your Company in its endeavor to continue its commitment towards CSR &

Sustainability initiatives during the year 2017-18 a sum of ₹ 1.26 crore was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceding three years.

The funds allocated during 2017-18 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of Art & Culture and Sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled. The annual report on CSR activity undertaken by your Company during 2017-18 is annexed to this Report.

CORPORATE GOVERNANCE

Your Company reposes its firm faith in continuous development, adoption and dedication towards the best corporate governance practices. Towards this end, the norms prescribed under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Guidelines applicable for CPSEs issued by the Department of Public Enterprises in this regard are being implemented in letter and spirit. However, appointment of woman director on the Board of the company including two Independent Directors as required as on 31.3.2018 is yet to be made by the Government.

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

CODE OF CONDUCT

Pursuant to Regulation 15(5) of Listing Regulations, the Code of Conduct applicable to the Board members & senior management personnel has been posted on the website of your company. All Board Members and Senior Management Personnel as on 31st March, 2018 to whom the said Code is applicable have affirmed compliance of the same for the period ended 31st March, 2018 except one CGM(under suspension). Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is given below:

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

"All the members of the Board and Senior Management Personnel except one CGM(under suspension), have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management Personnel' of the company for the financial year ended on March 31, 2018.

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

BUSINESS RESPONSIBILITY REPORT

In accordance with the provisions of regulation 34(2) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has prepared the Business Responsibility Report for inclusion in the Annual Report for the year 2017-18. The framework and principles suggested by SEBI to assess compliance with environment, social and governance norms pertaining to Corporate Social Responsibility and Sustainable Development activities of the Company. The Business Responsibility Report of your Company is annexed herewith and forms part of the Annual Report.

PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES

With effect from 1st April, 2015 it is mandatory to procure 20% of total procurement of products and services from the Micro and Small Enterprises (MSEs). Out of 20% target of annual procurement from MSEs, a sub target of 20% (i.e. 4% of 20%) shall be earmarked for MSEs owned SC/ST entrepreneurs.

Pursuant to Public Procurement Policy, during the year 2017-18, total annual procurement by MMTC in respect of administrative requirements was ₹ 10.82 Cr., out of which goods and services worth ₹ 5.73 Cr.(i.e. 52.96% against minimum required percentage of 20%) were procured from MSEs including MSEs owned by SC/ST Entrepreneurs and ₹ 0.86 Cr.(i.e. 39.74% approx. as against the stipulated guidelines of 4% out of 20%) from MSEs owned by SC/ST entrepreneurs. On successful execution of the work orders placed on them, timely payments were released to MSEs.

PUBLIC DEPOSIT SCHEME

As on 1st April 2018, there were no outstanding public deposits and the company did not invite/ accept any public deposit during the year ended 31st March, 2018.

ANNUAL RETURN

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

STATUTORY AUDITOR'S REPORT

The report of Statutory Auditors for the year 2017-18 along with Management's reply to the observations of the Statutory Auditors is annexed herewith.

COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller & Auditor General of India (C&AG) has given nil comments under section 143 (6) (b) of the Companies Act, 2013 on the Standalone Accounts of the Company for the year ended 31.03.2018. The Communication dated 30.7.2018 of C&AG of India in this regard is annexed herewith. However, the comments of C&AG of India on the consolidated accounts of the company for the year ended 31.3.2018 are yet to be received and the same alongwith Management's reply thereon, if any, shall be placed on the table at the Annual General Meeting.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. Blak & Co., Practicing Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report (in Form MR-3) along with Management's Reply on the observations of the Secretarial Auditor is annexed herewith.

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

Details of investments, loans and guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note 6,11,34 & 36 respectively of the Notes forming part of the financial statements. The company has extended working capital credit facilities limit of ₹ 80 crores during the financial year 2017-18 in addition to previous existing limit of ₹ 1345 crore to meet the day to day operational activities of the JV company – M/s Neelachal Ispat Nigam Limited in accordance with provisions of Section 186 of Companies Act 2013 duly approved by the Board.

RELATED PARTY TRANSACTIONS

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and not at Arm's Length basis. The Audit Committee granted omnibus approval for the transactions undertaken during 2017-18. The approval of the Board and Shareholders at the AGM for such Related Party Transactions were taken. Suitable disclosures as required under Ind AS-24 have been made in Note 42 of Notes to the financial statements. Details of the transaction are provided in Form AOC-2 which is annexed herewith.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website at the following link:

http://mmtclimited.com/files/related%20party%20transaction%20policy%20eng.pdf

RISK MANAGEMENT POLICY

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

CONSERVATION OF ENERGY

During the year 2017-18, there was no activity in Mica group of your company. Pursuant to rule 8(3) of Companies (Accounts) Rules, 2014.

PARTICULARS OF EMPLOYEES

Pursuant to provisions of Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, as amended from time to time, it is stated that there were no employees who were in receipt of remuneration exceeding ₹ 60 lakhs per annum or ₹ 5.00 lakhs per month during the year 2017-18.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended 31.3.2018;

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

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

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

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

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

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

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

INFORMATION UNDER RTI ACT, 2015

During the year 2017-18, in all 44 applications seeking information under RTI Act, 2005 were received from the RTI applicants. The information sought by the RTI applicants were provided in time to all the applicants without any delay. Also online RTI Quarterly Returns were filed on the website of Central Information Commission.

BOARD OF DIRECTORS

Following are the changes in the Board of Directors of your company since 1st April 2017:-

Name of the Director	Category	Date of Appointment/ Cessation	Appointment/ Cessation
Shri Anand Trivedi	Director(Marketing)	03.07.2017	Cessation
Dr. Inder Jit Singh	Govt. Nominee Director	28.09.2017	Cessation
Shri Sunil Kumar	Govt. Nominee Director	17.10.2017	Appointment
Shri J.K. Dadoo	Govt. Nominee Director	16.03.2018	Cessation
Dr. S.C. Pandey	Govt. Nominee Director	19.03.2018	Appointment
Shri Umesh Sharma	Director(Finance)	11.10.2017	Appointment
Shri P.K. Jain	Director(Marketing)	14.05.2018	Cessation
Shri J.Ravi Shanker	Director(Marketing)	04.07.2018	Appointment

The Board places on record its deep appreciation for the commendable services and the contributions made by the Directors who ceased to be on the Board w.e.f. 1.4.2017 onwards. The Board also welcomes S/Sh Sunil Kumar, Dr.S.C. Pandey, Shri Umesh Sharma and Shri J.Ravi Shanker and expresses its confidence that the Company shall immensely benefit from their rich and varied experience.

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

ACKNOWLEDGEMENTS

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

By the Order of the Board

Sd/-

Dated: 14.08.2018 **(Ved Prakash)**

Chairman & Managing Director

DIN No: 02988628

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2017-18

Overview of Global Trade and Developments

The World Bank forecasts global economic growth to edge up to 3.1 percent in 2018 after a much stronger-than-expected 2017, as the recovery in investment, manufacturing, and trade continues, and as commodity-exporting developing economies benefit from firming commodity prices.

Growth in advanced economies is expected to moderate slightly to 2.2 percent in 2018, as central banks gradually remove their post-crisis accommodation and as an upturn in investment levels off. Growth in emerging market and developing economies as a whole is projected to strengthen to 4.5 percent in 2018, as activity in commodity exporters continues to recover.

The slowdown in potential growth is the result of years of softening productivity growth, weak investment, and the aging of the global labor force. The deceleration is widespread, affecting economies that account for more than 65 percent of global GDP. Without efforts to revitalize potential growth, the decline may extend into the next decade, and could slow average global growth by a quarter percentage point and average growth in emerging market and developing economies by half a percentage point over that period.

Overview of developments in India during 2017-18

India has become the world's sixth-biggest economy according to updated World Bank figures for 2017.

It is the world's seventh-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). After the 1991 economic liberalisation, India achieved 6%-7% average GDP growth annually. In FY 2015 and 2018 India's economy became the world's fastest growing major economy, surpassing China.

India's gross domestic product (GDP) amounted to $2.597 trillion at the end of last year. The country's economy rebounded strongly from July 2017, after several quarters of slowdown. In many ways, 2017-18 was a defining year for the Indian economy. India completely reset its indirect tax system to a comprehensive GST.

Outlook for 2018-19

The International Monetary Fund (IMF) reaffirmed that India will be the fastest growing major economy in 2018, with a growth rate of 7.4 per cent that rises to 7.8 per cent in 2019 with medium-term prospects remaining positive.

The IMF's Asia and Pacific Regional Economic Outlook report said that India was recovering from the effects of demonetization and the introduction of the Goods and Services Tax .

MMTC- 2017-18 in retrospect

Financial Review

In the backdrop of above international business scenario, Your Company achieved a trade turnover of ₹ 15,757 crore during 2017-18 as against the turnover of ₹ 11,593 crore registered last fiscal. This turnover includes Exports of ₹ 1795 crore, Imports of ₹ 11,878 crore and domestic trade of ₹ 2084 crore. The increase in the performance of almost 36% over the previous year is despite various constraints like fall in average price of urea, non-import of steam coal for Government Power Plants due to increased domestic supplies by Coal India, continuing ban on iron ore mining and the resultant lower exports etc. Your Company earned a Gross Profit from operations of ₹ 333.45 crore as compared to ₹ 224.45 crore in 2016-17. The profit before tax from ordinary activities is ₹ 59.13 crore as compared to ₹ 81.23 crore in 2016-17. The Company has registered a net Profit of ₹ 48.84 crore during the year as compared to ₹ 57.06 crore earned last year. Thus the earnings per share of face value of ₹ 1/- each is ₹ 0.49 as on 31.3.2018. Besides, MMTC continues to be a zero long-term debt company.

Source and Utilization of Funds

The source of funds of the company as on 31st March, 2018 comprises of shareholders fund amounting to ₹ 1449.45 crore including equity share capital of ₹ 100 crore and non-current and current liabilities of ₹ 184.16 crore and ₹ 3783.94 crore respectively. These funds have been deployed inter alia towards non-current assets amounting to ₹ 835 crore and current assets of ₹ 4582.55 crore as on 31st March, 2018.

Internal Control Procedures

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

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

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

Subsidiary Company

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) incorporated in October 1994 with the objective to take advantage of liberalization/globalization of trade and commerce to tap South East Asian market for trading in commodities has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2017-18 MTPL achieved sales turnover of USD 11.84 million as against US$113.17 million during last fiscal. The Net Loss of MTPL during the financial year 2017-18 amounted to US$ 0.38 million as against Net Profit of US$ 0.04 million earned during 2016-17. The net worth of MTPL stood at US$ 12.01 million as on 31st March 2018.

Business Group wise Review for 2017-18

Minerals

The Minerals group of your Company play a leading role in mineral trade for a period spanning over five decades. In the last decade, MMTC could withstand the stiff competition in the global market by consolidating the mineral portfolio, dynamic and prudent strategies to insulate against the market vagaries, expanding extensively its infrastructure facilities and by attaching utmost care and importance to its trade commitments as also the quality of service and products. The group has been consistently striving to enhance its competitiveness in the area of value addition.

MMTC has provided further fillip to value addition of minerals. MMTC's co-promoted 1.1. million tpa Neelachal Ispat Nigam Ltd. (NINL) consumes annually over 2.2 million tons of various types of minerals on annual basis arranged mainly by MMTC.

During 2017-18 the Minerals Group of your Company achieved a turnover of ₹ 1316 crore, which includes exports of Iron Ore valuing ₹ 1090.54 crore, export of Chrome Ore and Chrome Concentrate approx. ₹ 190.88 crore. As per current Foreign Trade Policy iron ore (Fe content 64% & above), Chrome Ore & Concentrate and Manganese ore are allowed for export through MMTC. The group has also achieved a turnover of ₹ 31.23 crore by domestic trading of Minerals & Ore comprising of Iron ore/ Minor Minerals valued at ₹ 23.74 crore and domestic trading of dolomite, quartzite and lime stone valuing ₹ 7.49 crore.

Continuation of restrictions on Iron ore mining and its ban on movement for exports from Bellary-Hospet Sector, regulation of exports from Eastern Sector, uncompetitive FOB sale prices of Indian origin ore vis-à-vis other international suppliers i.e. Australia and Brazil (on account of export duty), subdued iron ore demand/prices in the international/spot market, high iron ore inventory with Chinese steel mills, general slowdown of Chinese economy, relative prices increase in domestic demand of ore, etc. continued to have impact on the iron ore exports during 2017-18. Despite this and the stiff competition, MMTC continued to maintain its position as a prominent exporter of minerals during the year under review. MMTC has established itself as a reliable supplier of iron ore to Japanese & South Korean markets over many decades and this portfolio will continue to bring steady business for your Company.

During the year under review, the Union Government has approved the renewal of Long Term Agreements(LTAs) for supply of iron ore (Lumps and Fines) of Grade +64% Fe content to Japanese Steel Mills(JSMs) and POSCO, South Korea for another three years(i.e. 1.4.2018 upto 31.3.2021) through MMTC Limited. Export of iron ore under the LTAs would help to strengthen India's bilateral ties with long-standing partner countries, Japan and South Korea secure an export market and result in inflow of valuable foreign exchange. The agreement will enable India to secure international market for its ores and shall provide direct and indirect employment in mining, logistics and related sectors.

Export of Chrome ore/Concentrate is canalized through MMTC while imports are under OGL. Material offered to MMTC for export is by commercial mine-owners and Processors. Sukinda Valley, Jajpur Distt., Odisha contains most of India's known reserves of chromite. Out of toal country's reserves of 344 MMT, about 95% is available in the State of Odisha. Most mine-owners are also ferro chrome producers. Ferro chrome Industry consumes more than 90% of Chrome ore produced in the country, leaving a small surplus for export.

Chrome ore Mining operations are impacted due to apex court order in August 2017 imposing 100% penalty on mining companies operating in Odisha without environmental clearance. Leases of Commercial Mines will expire on 31st March, 2020 while for captive mines, leases will expire on 31st March, 2030.

Export of Manganese Ore is canalised through MMTC while imports are kept under OGL. However, MOIL, a Govt. of India Ltd. can directly export Manganese Ore mined from its own mines. Majority of mines/production is controlled by MOIL. India has proven reserves of 475 MMT but annual production hovers around 2.4 MMT. Annual consumption of manganese in India is about 5 MMT. Almost all ore produced is consumed by domestic industry as India is deficient in high grade Mn Ore. MMTC has made one shipment of low grade fines during current year after a gap of 3 years. Lumpy ore has good demand in domestic market and hence entire production is consumed by domestic industry.

Challenges for the group is increase in steel production/consumption in India which would result in further demand of iron ore, Chrome ore and Manganese ore from domestic industry and may affect the availability of these products for export in future. Intense competition, competitors offering unsecured credit and wild price fluctuations are the threats facing the group. Possible introduction of tariff and non-tariff barriers in addition to existing 30% export duty is also a challenge. Export of more ferro-chrome may adversely affect availability of chrome ore and also concentrates for export.

This group is planning to tap small mine-owners & Traders besides focusing on current business for export of chrome ore/concentrate offered by commercial mine owners. Your company is also focusing on diversifying to develop mines including export to add new business to its portfolio.

Precious Metals, Gems & Jewellery

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

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

Despite high volatility in prices of bullion as well as Indian Rupee - US Dollar exchange rates, Precious Metals Group of your Company contributed a gross turnover of ₹ 10,106.6 crore contributing to 61.27% of the Total turnover achieved by the company. The turnover of this group includes import of gold and silver worth ₹ 8,938.38 crore, domestic trade of ₹ 1167.94 crore and export of gold medallions worth ₹ 0.27 crore. MMTC is one of the nominated agencies for import of Bullion for supply to exporters as well as domestic traders/jewellers which is the basic raw material for Gems & Jewellery Industry of India. MMTC's share stands at 3.24% for Gold and 15.38% for Silver in the country's bullion trade for 2017-18. Being a nominated Body, MMTC plays a vital role in association with Govt. of India in Policy formulation to support Gems & Jewellery exports from India and development of Jewellery sector on Pan-India basis. Government has always been supportive since inception way back in 1980s when the Jhandewalan jewellery Complex was approved by the Ministry of Commerce and MMTC being nominated as Agency for supply of gold to DTA w.e.f. September 1992.

Under the Government's Gold Monetization Scheme, MMTC has been assigned two important projects for implementation, namely, sale of Indian Gold Coins and e-Auction of medium and long term gold deposits of Govt. of India, promoting the circulation of domestic gold into the economy thereby reducing the Bullion imports saving valuable foreign exchange. The group has already sold 4 MT Gold and are expecting good volume of business. The group has started sale of precious metals lying in temples through Auction and are approaching several temples for the same. Several temples in South India have been visited and have sold more than 20MT silver through E-auction.

The Group has sold India Gold Coins(IGC) in domestic market valuing ₹ 55.16 crore during 2017-18. Your Company tied up with banks to sell Indian Gold Coin. Efforts are on to further expand distribution network for sale of Indian Gold Coin. The flagship event of MMTC Limited "Festival of Gold" was held.

Your company has been supplying Gold/Silver Medallions to various Corporates apart from effecting showroom sales.

The Company's joint venture MMTC-PAMP India Pvt. Ltd.(MPIPL) achieved a turnover of ₹ 34,022.43 crore and a profit (after tax) of ₹ 43.69 crore. During the fiscal MMTC has sold 1.68 MTs of Gold Bars & 5.9346 MT of silver produced by MPIPL in the domestic market.

Another Joint Venture for retail trade in jewellery i.e. MMTC Gitanjali Limited has not reported turnover for the year 2017-18 as against turnover of ₹ 26.62 crore achieved during 2016-17. The business got interrupted midway during the year 2017-18 and MMTC has exercised the "Exit" option from the said joint venture in terms of SHA signed with the promoters of the company.

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

Demand for Gold is expected to remain firm for this year on account of strong demand owing to traditional importance of the metal in India which is very difficult to alter.

Outlook for silver in 2018 is an upward trend in prices due to expectations on solid fundamentals, as mine supply is likely to contract while industrial and jewellery demand is like to increase.

The Precious Metals Group of your Company shall be making efforts to bring back big customers in various locations through constant customer engagement., maximize DTA operations due to the setting up of SEZ units in Jaipur and Noida, NCR. To boost sale in DTA, simplified procedures for importing bullion through FTWZ are being introduced.

Enrolment of new LBMA foreign suppliers to have better supplier base to be more competitive and have adequate quantity to supply is being explored. We are in the process of recommencing business with suppliers like City Bank, Standard Chartered Bank, HSBC etc and conduct successful rollout of the e-auction of bullion bars under the GMS scheme. The group shall be exploring new avenues of business like the Dore import business for which government departments are being pursued vigorously, auctioning of gold/silver confiscated by customs and that available with prominent temple trusts. The group also plan to conduct customer meet at all the bullion centres followed by marketing drive to enroll new customer or recommence business with existing customers. Proper follow-up mechanism shall be introduced to convert positive customers.

Metals and Industrial Raw Materials

The domestic non ferrous metals industry is broadly comprised of manufacturers of base non ferrous metals, minor metals and Ferro alloys and overseas traders. India is among the worlds' largest producers of Aluminium, Copper, Zinc. Over the past few years, domestic manufacturers have expanded their reach through numerous stock points and reduced lead time in the process. Manufacturers of Ferro Alloys like Ferro Silicon, Ferro Manganese, High Carbon Ferro Chrome have expanded operations over the past few decades. These manufacturers who initially started out as ancillary industries around steel plants have forayed into international export markets.

The import market in India is dominated by large multinational trading companies based out of Europe and Asia. The world's biggest commodities traders are active in the Indian market. Smaller LME trading houses and trading companies have also built customer bases in India. Most of the imported material is sold directly by overseas traders to their customers in India or on high seas basis.

During 2017-18 the metals group of your Company has achieved a turnover of ₹ 1063.72 crore which includes export of Pig Iron worth ₹ 401.24 crore and slag worth 0.84 crore, import of Non Ferrous Metals like Zinc, Nickel, Cobalt and Tin worth ₹ 244.94 crore, import of Industrial Raw Material viz. Antimony metal worth ₹ 0.81 crore and Domestic Trade in Steel products like pig iron, slag, billets etc worth ₹ 415.91 crore. The Pig Iron is produced by MMTC's joint venture with Govt. of Odisha, M/s. Neelachal Ispat Nigam Limited.

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

The opportunities in NFM trade are sale of NFM and Minor Metals through MMTC's extensive sales network in collaboration with foreign suppliers and sale of non-ferrous metals and metal alloys sourced from Asian countries under various trade agreements. The threats include increase in domestic production of secondary and recycled metals and installation of secondary refining and smelting plants by customers and increase in domestic manufacture of base metals like Copper, Aluminium, Lead and Zinc over the past five years has made the market more competitive.

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

MMTC remains the highest supplier of Pig Iron from India and major export share of around 42% belongs to MMTC. Its customer base has grown for both domestic and international markets. The group will be eyeing import financing opportunities-mapping with our product portfolio and business model & Policies, HMS & Shredded scrap import through Kandla, Mundra & Chennai Port. It has empanelled around 10 foreign suppliers for supply of HMS & Shredded Scraps. The group shall be exploring possibility of export of Pig Iron & Billets to Bangladeshi/Nepali & Italian markets.

Agro Products

The Agro group of your Company achieved a turnover of ₹ 549.36 crore during FY 2017-18 which include import of pulses worth ₹ 529.33 crore, and domestic trade of pulses worth ₹ 20.03 crore. The group has imported pulses on Government Account to contain the price fluctuation in the open market.

The main commodities are pulses like red lentils, tur dal, urad, chana, etc. In addition, this group has also handled Onion and Ginger.

MMTC has been in agri trade business for almost two and half decades, beginning with the then sunrise segment of Soyabean processing for export of soya DOC and sale of Crude Soya Oil in the domestic market. Opportunities for export/import of grains like Rice, Wheat and Sugar also were available either on Government account or on commercial basis. Under the Price Stabilization, MMTC has played a pioneering role for import of pulses. For building buffer stock of pulses, MMTC has been designated as one of the agencies for import of pulses by Government of India. As per directions of Govt. of India, during FY 2017-18, MMTC has imported approx 3.79 lakh tonnes of various pulses for the buffer stock programme. These pulses are being stored at various port godowns and are being released to State Government Agencies and open market as per the advice of Department of Consumer Affairs, Govt. of India.

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

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

Discontinuation of import of edible oil by Andhra Pradesh Government and Gujarat Government affected our business. Due to change in Financing policy, the imports on back to back basis of pulses, sugar, edible oil etc. and sale on high seas basis with hypothecation of the cargo have been discontinued. Due to volatile market and uncertainty in price of edible oil MMTC could not achieve any turnover in this segment.

Outlook for 2017-18 for agri commodities except pulses are not very encouraging considering the fact that international market for agri commodities are yet to recover and major commodities like wheat, rice, edible oil, etc are also yet to recover from the bearish sentiments.

In order to add business volume, the group is looking into the possibilities of export of sugar considering the record domestic production and demand existing in the neighboring countries. Similarly efforts are on to explore possibilities of export of Indian non-basmati rice to neighboring countries and also to some of the African countries. The group is participating in the tenders of State Governments for supply of RBD palm oil in consumer packs for distribution through PDS system.

Fertilizers and Chemicals

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

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

The Fertilizer group of your Company imports urea on behalf of Department of Fertilizers, Ministry of Chemicals and Fertilizers.

During FY 2017-18, the Fertilizer and Chemicals group of your Company has contributed a turnover of ₹ 1902.22 crore during the financial year 2017-18. It included import on behalf of Government of India of about 1.63 million tonnes of urea valued at about ₹ 1822 crore, and import of non-canalized fertilizer like Phosphoric acid, Powered Mono Ammonium Phosphate(PMAP), Sulphur, MOP and Urea worth ₹ 16.06 crore, domestic trade of fertilizers worth ₹ 2.21 crore. Urea is one of the major fertilizers to meet nitrogen nutrient requirement of the soil.

Powdered Mono Ammonium Phosphate (PMAP) is a new product added to the product range of the Group, which contributed a turnover of ₹ 1.07 crore during the period under review.

After a gap of 3 financial years, export of DAP to Nepal was resumed in 2017-18. DAP was procured from Paradeep Phosphates Ltd and urea was sourced from Brahmaputra Valley Fertilizer Corporation of India Limited for exporting to Nepal.

Fertilizer industry in India has been passing trough tough phase in recent years. The year under review was a difficult period for the fertilizer industry in general in India due to the rainfall turned marginally below the normal which directly impacts the quantum of chemical fertilizers used in agriculture. Further, disparity in the import price of various fertilizers caused the demand destruction which ultimately affects the industry.

As regards import of Urea on Government account, the total imports of India have come down which also impacted the overall business volumes of MMTC. Urea imports have come down as domestic production has increased which substantially bridged the gap between production and consumption. Urea remains the only canalized product for import and all other fertilizers are under OGL. One significant development on the import of canalized urea has been the signing of an MOU between the Department of Fertilizers and the canalizing agencies for import of urea.

The outlook for 2018-19 for India will depend on the monsoon and the Government policy. The global economy continues to face challenges. With food inflation being felt by countries across the globe including India, the focus especially for the developing nations would be on increasing productivity in agriculture. However, the global supply position of all the major fertilizers is expected to remain comfortable with new addition in capacities mainly in Urea, DAP and MOP.

Efforts are continuously being made to increase the volume of business in the existing product line and aggressively exploring new fertilizer products for trading. The action plan for achieving targets for 2018-19 includes import of MOP by retaining the existing customers and adding new customers, import of required quantities of Urea by Department of Fertilizers in 2018-19 and focus on Phosphates raw materials intermediates and finished fertilizers, export of urea & DAP to Nepal, sourced from BVFCL and PPL respectively and import of finished fertilizer and raw material under the comfort letter on behalf of companies like FACT and MFL.

Coal and Hydrocarbons

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

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

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

This Group of your Company has achieved a turnover of ₹ 762.43 crore which included imports of Coking Coal of ₹ 260.89 crore, Steam Coal worth ₹ 62.34 crore and domestic trade of hydrocarbons worth ₹ 439.20 crore.

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

MICA

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

General Trade

The General Trade Group of your company achieved a turnover of ₹ 56.59 crore. The group finalized export of Red Sanders based on the allocation received from Directorate of Revenue Intelligence, valuing ₹ 49.64 crore during the year 2017-18. The exports were effected from Chennai, Tuticorin and Mumbai ports. Agreements have been signed with M/s. Bharat Earth Movers Limited and M/s. Hindustan Insecticides Limited for export/import trade facilitation. Agent has also been appointed in South Africa for export of engineering products.

Sale of Wind Power generated from the Wind Farm at Gajendragad in Karnataka earned a turnover of ₹ 6.9 crore and earned carbon credits worth ₹ 0.05 crore. The power generated from the project is sold to HESCOM. The project is running successfully and has contributed to the development of the area by meeting some portion of energy needs of Karnataka state.

Cautionary Statement

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

THE ANNUAL REPORT ON CSR ACTIVITIES – 2017-18

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

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

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

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

During the year 2017-18, a sum of ₹ 1.259 crores was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceeding three years.

The funds allocated during 2017-18 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill Development, Promotion of Education, Healthcare, Promotion of Sports and Promotion of Art & Culture. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled.

2. The Composition of the CSR Committee

The Committee of Directors on CSR during 2017-18 comprised of the following members:

- Shri R. Goenka, Non-official Part-Time Director as Chairman
- Dr. Jayant Dasgupta, Non-official Part-Time Director as Member
- Addl. Secretary, Department of Commerce, Ministry of Commerce & Industry as Member
- Shri Ved Prakash, CMD as Member
- Shri T.K. Sengupta, Director (Personnel) as Member

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

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

The net profits for the preceding three financial years 2014-15, 2015-16 and 2016-17 were ₹ 59.87 crores, 47.79 crores and ₹ 81.23 crores respectively.

Thus the average net profit of the preceding three years worked out to ₹ **62.96 crores.**

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

2% of the average net profit of the Company in the preceding 3 years was ₹ 1.259 crores.

5. Details of CSR spent during the financial year.

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

₹ 0.49 crores was spent during 2017-18.

(b) Amount unspent, if any;

₹ 0.77 crores was unspent.

(c) Manner in which the amount spent during the financial year is detailed below.

Provided at Annexure-I

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

During FY 2017-18, an amount of ₹ 1.259 crs. was approved by the Board of Directors for CSR projects/programs. The entire budgeted amount has been allocated for various projects/ programs in association with the implementation partners / agencies. **In terms of Clause-4(iv)(a) of MMTC' Board approved CSR policy, the short term CSR projects are to be implemented within two years.** Accordingly, owing to the progress against various CSR projects/programs worth ₹ 0.77 crores is under various stages of implementation, the same are being carried forward for completion during 2018-19.

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

Sd/-	Sd/-
CMD, MMTC Ltd.	Chairman of the CSR Committee

Annexure-I

Manner in which the amount was spent during the financial year

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on projects or programs Sub. Heads: (1) Direct expenditure on projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Providing financial assistance to NINL under Swachh Bharat activities for construction of toilets in school buildings in villages in and around NINL	Swachh Bharat Mission	Odisha	₹ 15.00 lakhs	0	0	Project handled Directly by MMTC. Tender awarded for construction of toilets. Work in progress. Balance work to completed in Fin. Year 2018-19.
2	Providing funds to Swachh Bharat Kosh	Swachh Bharat Mission	-	₹ 7.50 lakhs	₹ 7.50 lakhs	₹ 7.50 lakhs	CSR funds disbursed. Implementing Agency: Swachh Bharat Kosh, GOI
3	Providing funds to Clean Ganga Fund	Swachh Bharat Mission	-	₹ 7.50 lakhs	₹ 7.50 lakhs	₹ 7.50 lakhs	CSR funds disbursed. Implementing Agency: National Mission for Clean Ganga, GOI
4	Providing financial assistance to Sports Authority of India (SAI) for upgradation of SAI Centres to support future Olympic and major games medalists of India	Promotion of Sports	-	₹ 13.65 lakhs	₹ 10.00 lakhs	₹ 10.00 lakhs	Partial CSR funds disbursed. Implementing Agency: Sports Authority of India (SAI). Balance ₹ 3.65 Lacs to be released during 2018-19.
5	Sponsoring jerseys for Telangana State Senior Football Team for participating in "Santosh Trophy" National Level Senior Football Tournament	Promotion of Sports	Telangana	₹ 0.35 lakhs	₹ 0.35 lakhs	₹ 0.35 lakhs	CSR funds disbursed. Implementing Agency: Telangana Football Association

6	Providing financial assistance for organizing a State Level Junior, Sub-Junior and Senior Level Girls Boxing Championship in Satna from 25th January-27th January, 2018	Promotion of Sports	Satna, Madhya Pradesh	₹ 1.00 lakhs	₹ 1.00 lakhs	₹ 1.00 lakhs	CSR funds disbursed. Implementing Agency: Satna Jila Olympic Sangh
7	Undertaking Skill Development Training Programme for Scheduled Caste Persons living below double the poverty line (DPL)	Skill Development & Livelihood	Delhi	₹ 15.00 lakhs	0	0	MOU signed with Implementing Agency National Scheduled Castes Finance & Development Corporation.Work related to Skill Development training under progress. Funds to be released during 2018-19.
8	Providing funds to Health Minister's Cancer Patients Fund (HMCPF)	Healthcare	Delhi	₹ 5.00 lakhs	₹ 5.00 lakhs	₹ 5.00 lakhs	CSR funds disbursed. Implementing Agency: Health Minister's Cancer Patients Fund
9	Undertaking Skill development training for disadvantaged social groups (Women, downtrodden and under priviledged children) through	Skill Development & Livelihood	Delhi	₹ 5.00 lakhs	₹ 4.00 lakhs	₹ 4.00 lakhs	Partial CSR funds disbursed. Implementing Agency: Shree Deep Chand Educational Society, NGO. Work under progress. The unspent amount to be released during 2018-19
10	Towards educational activities for the under privileged children	Promoting Education	Delhi	₹ 3.14 lakhs	₹ 1.34 lakhs	₹ 1.34 lakhs	CSR funds Partially released. Implementing Agency: CKS Foundation, NGO. The unspent amount will be released during 2018-19
11	Support to Human Development Institute (HDI) for infrastructure development to enable Institute to meet the growing needs of Cerebral Palsy children	Social Welfare	Alwar, Rajasthan	₹ 5.00 lakhs	₹ 5.00 lakhs	₹ 5.00 lakhs	CSR funds disbursed. Implementing Agency: Human Development Institute, Alwar, Rajasthan

12	Conducting 2 awareness programmes on various government schemes to the rural poor in the districts of Muzaffarpur and East Champaran	Social Welfare	Muzaffarpur and East Champaran, Bihar	₹ 0.90 lakhs	₹ 0.90 lakhs	₹ 0.90 lakhs	CSR funds disbursed Implementing Agency: Bhartiya Sankalp Path Foundation, NGO
13	Distribution of artificial limbs to the needy free of cost in Vizag	Social Welfare	Vizag, Andhra Pradesh	₹ 2.50 lakhs	₹ 2.50 lakhs	₹ 2.50 lakhs	CSR funds disbursed Implementing Agency: Sri Guru Deva Charitable Trust, Vizianagaram,
14	Providing access to reusable sanitary napkins to 500 adolescent girls from Govt. school and assessing the change in menstrual hygiene practices with its use	Healthcare	Delhi	₹ 8.55 lakhs	₹ 3.55 lakhs	₹ 3.55 lakhs	Partial CSR funds disbursed. Implementing Agency: Absolute Human Care Foundation, NGO. The unspent amount will be released during 2018-19 as the project is on-going.
15	Sponsoring towards organizing the magnum opus play "Raja Shiv Chhatrapati Aitihasik Gauravgatha", showcasing the life and valor of Raja Shivaji	Promotion of Art & Culture	Delhi	₹ 10.00 lakhs	0	0	Implementing Agency: Maharaja Shivchatrapati Pratisthan Trust. Documentation under progress. Funds would be released in year 2018-19.
16	Contribution to District Red Cross, Jajpur, Odisha	Healthcare	Jajpur, Odisha	₹ 0.30 lakhs	₹ 0.30 lakhs	₹ 0.30 lakhs	CSR funds disbursed. Implementing Agency: District Red Cross, Jajpur
17	Financial support towards construction of Hospital at Shirdi	Healthcare	Shirdi, Maharashtra	₹ 0.50 lakhs	0	0	Implementing Agency: Khemanand Medical Foundation, NGO. To be undertaken in the financial year 2018-19.
18	Provinding funds to National Clean Energy and Environment Fund (NCEEF)	Forest & Environment, animal welfare etc.	-	₹ 11.50 lakhs	0	0	Implementing Agency: National Clean Energy and Environment Fund. To be undertaken in the financial year 2018-19.

19	Providing infrastructure in a Govt. school in Kannigapuram, Chennai	Promoting Education	Chennai, Tamil Nadu	₹ 7.50 lakhs	0	0	Project handled Directly by MMTC. Work in progress Implementing Agency: MMTC, Chennai. Funds to be released in the financial year 2018-19.
20	Providing financial support to Akshaya Patra towards Mid-Day Meal Programme	Promoting Education	-	₹ 2.01 lakhs	0	0	Implementing Agency: Akshaya Patra, NGO. Work in progress. Funds to be released in year 2018-19.
21	Impact Assessment Studies	-	-	₹ 4.00 lakhs	0	0	Implementing Agency: To be decided. To be undertaken in the financial year 2018-19.
	Total			₹ 125.90 Lakhs	₹ 48.94 Lakhs	₹ 48.94 Lakhs	Balance Unspent CSR - Carry forward amount is ₹ 125.90 – ₹ 48.94 = ₹ 76.96 Lacs

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CORPORATE GOVERNANCE IN MMTC

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

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

BOARD OF DIRECTORS

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

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

The Composition of Board during the year 2017-18 was as under:-

S. No	Name of Director	Executive/ Non-Executive	Designation held	No. Of Directorship in other Board as on 31.3.2018	No. of Board Committees of which Member/ Chairman* (as on 31.3.2018)
1	Mr Ved Prakash	Executive	Chairman & Managing Director	Chairman-3 Director-1	Member-1
2	Mr. T K Sengupta	Executive	Director (Personnel)	Director-1	NIL
3	Mr. P K Jain (Upto 14.05.2018)	Executive	Director (Marketing)	Director-3	Member-1
4	Mr. Ashwani Sondhi	Executive	Director (Marketing)	Director-4	NIL
5	Mr. Umesh Sharma (w.e.f. 11.10.2017)	Executive	Director (Finance)	Director-5	Member-1
6	Mr Anand Trivedi (upto 03.7.2017)	Executive	Director (Marketing)	##	##
7	Mr. R Anand	Non-Executive	Part Time Non-official (Independent) Director	Director-4	Chairman-1 Member-2
8	Mr.B K Shukla	Non-Executive	Part Time Non-official (Independent) Director	NIL	NIL

9	Mr. Rajnish Goenka	Non-Executive	Part Time Non-official (Independent) Director	Director-4	Member-1
10	Dr. Jayant Dasgupta	Non-Executive	Part Time Non-official (Independent) Director	NIL	NIL
11	Mr. R R Jadeja	Non-Executive	Part Time Non-official (Independent) Director	NIL	NIL
12	Mr. J K Dadoo (upto 16.03.2018)	Non-Executive	Govt. Nominee Director	NIL	##
13	Dr Inder jit Singh (upto 28.09.2017)	Non-Executive	Govt. Nominee Director	NIL	##
14	Mr. Sunil Kumar (w.e.f. 17.10.2017)	Non-Executive	Govt. Nominee Director	1	Chairman-1
15	Dr. SC Pandey (w.e.f.19.03.2018)	Non-Executive	Govt. Nominee Director	9	Member-3

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

##Since above directors ceased to be on the Board of the Company hence their disclosures as on 31.03.2018 are not available.

Changes in Board of Directors (Since 01.04.2017)

Name Of Director	Category	Date of Appointment/ Cessation	Particulars of Change
Mr Anand Trivedi	Executive Director	03.7.2017	Cessation
Dr Inder Jit Singh	Govt. Nominee Director	28.09.2017	Cessation
Mr. J K Dadoo	Govt. Nominee Director	16.03.2018	Cessation
Mr. Sunil Kumar	Govt. Nominee Director	17.10.2017	Appointment
Dr. SC Pandey	Govt. Nominee Director	19.03.2018	Appointment
Mr. Umesh Sharma	Executive Director	11.10.2017	Appointment
Mr P K Jain	Executive Director	14.05.2018	Cessation
Mr. J. Ravi Shanker	Executive Director	04.07.2018	Appointment

Remuneration of Directors

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

The details of remuneration paid for 2017-18 to Functional Directors including CMD are given below:

Name of Director	Salary & benefits	Performance related pay during 2017-18*	Bonus, Stock option, pension, severance fee	No. of shares of MMTC held as on 31.3.2018
Executive Directors				
Mr Ved Prakash	4552772	269825	Nil	10
Mr. T K Sengupta	3311714	47777	Nil	Nil
Mr. P K Jain	3244299	238916	Nil	Nil
Mr. Ashwani Sondhi	3559003	54383	Nil	500
Mr. Umesh Sharma	1974563	47264	Nil	Nil

*PRP shown above pertains to the F Y 2016-17 paid during F Y 2017-18 on ad-hoc basis.

Meetings of the Board

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

During the year, the Board of directors met nine times i.e. on 29.05.2017, 27.07.2017, 09.08.2017, 15.09.2017, 10.11.2017, 28.12.2017, 12.02.2018, 19.03.2018, 26.03.2018 The attendance of the Directors at these Board Meetings and the last AGM on 26th September 2017 was as under:-

	Name of The Director	No. of Board meetings Held during the period the Director was on Board	No. of Board Meetings attended	Presence at Previous AGM held on 26.09.2017
(a)	**Functional Directors**			
	Mr. Ved Prakash	9	9	Yes
	Mr. T K Sengupta	9	9	Yes
	Mr. P K Jain	9	9	Yes
	Mr. Ashwani Sondhi	9	8	Yes
	Mr. Umesh Sharma (w.e.f. 11.10.2017)	5	5	N.A.
(b)	**Ex-officio Part Time Directors (Govt. Nominee)**			
	Mr. J K Dadoo (upto 16.03.2018)	8	5	No
	Dr. Inder Jit Singh (upto 28.09.2017)	3	3	No
	Mr. Sunil Kumar (w.e.f. 17.10.2017)	5	5	No
	Dr. SC Pandey (w.e.f. 19.03.2018)	1	1	No
(c)	Non- official Part Time(Independent) Directors			
	Mr. R Anand	9	9	Yes
	Mr. B K Shukla	9	9	No
	Mr Rajnish Goenka	9	8	Yes
	Mr R R Jadeja	9	8	Yes
	Dr. Jayant Dasgupta	9	7	Yes

Separate Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 26th March, 2018 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Role & Responsibilities of Non- Official Directors (Independent Directors) of CPSEs. All the Independent Directors as on that date attended the said Meeting.

Declaration by Independent Directors

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

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

COMMITTEES OF THE BOARD

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

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

1. Audit Committee of Directors

The Audit Committee of the company constituted by the Board Comprised of three Part Time Non-Official (Independent) Directors and one Part Time (Govt. Nominee) Director as on 31.03.2018. All the meetings of the committee held during the year were chaired by non-executive Independent Director. Company secretary is the Secretary to the Committee. The terms of reference of the Audit Committee include overseeing the audit function, reviewing critical findings, ensuring compliance with accounting standards and concurring financial statements before submission to the Board. The role, scope and authority of Audit Committee also include the requirements under the relevant provisions of the Companies Act, 2013 and the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015("Listing Regulation").

During the year 2017-18, the Committee met Six times as detailed hereunder:-

S. No.	Date of Meeting	Member Present	Chairperson
1	21.04.2017	Shri R Anand Shri J K Dadoo Dr Jayant Dasgupta	Shri R Anand
2	29.05.2017	Shri R Anand Shri J K Dadoo Shri B K Shukla	Shri R Anand
3	09.08.2017	Shri R Anand Shri J K Dadoo Shri B K Shukla Dr Jayant Dasgupta	Shri R Anand
4	10.11.2017	Shri R Anand Shri J K Dadoo Dr Jayant Dasgupta	Shri R Anand

S. No.	Date of Meeting	Member Present	Chairperson
5	28.12.2017	Shri R Anand Shri B K Shukla	Shri R Anand
6	12.02.2018	Shri R Anand Shri B K Shukla Dr Jayant Dasgupta	Shri R Anand

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

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

2. Nomination & Remuneration Committee of Directors:

Pursuant to the provision of Companies Act, 2013 and applicable provisions of Listing Regulations, the Nomination & Remuneration Committee of Directors' comprises of Shri B K Shukla, Part Time non- official (Independent) Director, Shri R Anand, Part Time non-official (Independent) Director Shri R.R Jadeja, Part Time non-official (Independent) Director as its Members as on 31.03.2018.The Committee performs such functions and duties and exercises such powers as specified in Part D of Schedule II of Listing Regulations, DPE Guidelines dated 26th November 2008. The Company Secretary is the Secretary of the Committee. During the year 2017-18, the Committee met one time as detailed hereunder:-

S No	Date of Meeting	Member Present	Chairperson
1	28.12.2017	Shri R Anand Shri R.R. Jadeja	Shri B K Shukla

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

3. Stakeholders Relationship Committee

During 2017-18 the Composition of Stakeholder Relationship Committee constituted by the Board of Directors comprised of Shri R. Goenka, Part Time non-official (Independent) Director, Shri Sunil Kumar, AS, Ministry of Commerce & Industry& Part Time Govt. Nominee Director, Shri. P.K. Jain, Director (Marketing), MMTC and CMD, MMTC as its members. Company Secretary is the Secretary to the Committee. The Committee expeditiously considers and monitors the resolution of grievances of the shareholders/other investors. During 2017-18 no meeting of this committee was held.

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

No. of Complaints received during the year	No. of complaints resolved during the year	No. of Complaints pending as on 31.03.2018#
9	8	1

The said complaint was resolved on 05.04.2018

4. Share Transfer Committee

Share Transfer Committee constituted by the Board of Directors comprised of all Functional Directors, MMTC as its members. Company Secretary to the Committee expeditiously considers and approves requests for physical share transfers, re–materialization and de-materialization etc. During 2017-18 no meeting of this committee was held.

5. Committee of Directors on Personal Policies

The Committee of Directors on Personnel Policies constituted by the Board comprised of Shri R.R Jadeja, Part Time Non-Official (Independent) Director as its Chairperson, Shri B.K. Shukla Part Time Non-Official (Independent Director) and Shri Ashwani Sondhi, Director(Marketing), MMTC as its Members to consider and recommend approval of modifications/formulation of service rules and other personnel policies to the Board of Directors as also to function as 'Appellate Authority' under MMTC Employees' Conduct, Discipline & Appeal Rules, 1975 as amended from time to time. The Company Secretary is the Secretary to the Committee. During 2017-18 two meetings of this Committee were held on 15.12.2017 & 12.02.2018 and Minutes of these meetings were submitted before the Board for its information.

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

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

The composition of the Committee included Shri Ved Prakash, CMD, MMTC as Chairman of the Committee with Shri R.R Jadeja, Part Time Non-official (independent) Director, Shri P.K. Jain, Director (Marketing), MMTC and Shri Ashwani Sondhi, Director (Marketing), MMTC as Member. The Company Secretary is the Secretary to the Committee.

During 2017-18 no meeting of this Committee was held.

7. Committees of Directors on CSR & Sustainability

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

During 2017-18 one meeting of this committee was held and details are hereunder:-

S No	Date of Meeting	Member Present	Chairperson
1	18.12.2017	Shri Ved Prakash Shri T.K. Sengupta	Dr. Jayant Dasgupta

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

8. Functional Management Committee of Directors

The "Functional Management Committee of Directors" constituted by the Board of Directors Consist of CMD, MMTC as the Chairman of the Committee, all Functional Directors as members and Company Secretary as Secretary to the Committee. The said Committee has been delegated the powers to take decision(s) in all matters over and above the powers delegated to CMD by the Board of Directors from time to time, except the matters specified under the Companies Act,2013/other Statutes, to be considered and decided at the meeting of Board of Directors and/or shareholders as also the matters specified and reserved by Board for its decisions or for consideration and decisions of any other committee constituted by Board of Directors under article 99 of Articles of Association of MMTC. During 2017-18 thirty one meetings of this Committee were held. The minutes of these meetings were submitted to Board of Directors for information.

9 Risk Management Committee of Directors

Risk Management Committee of Directors comprising of all functional Directors of the Company as members and CMD as Chairman of the Committee was constituted in August 2016. The said Committee shall function as per the roles specified under the Listing Agreement and other provisions of any other Statutes as amended from time to time. Company Secretary shall continue to be the Secretary to the Committee. During 2017-18 no meeting of this Committee was held .

GENERAL BODY MEETINGS

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

Nature of meeting	Date & time	Special Resolution passed
52nd Annual General Meeting	29.09.2015 at 1130hrs	one
53rd Annual General Meeting	28.09.2016 at 1030hrs	Two
54th Annual General Meeting	26.09.2017 at 1100hrs	Nil

Disclosures

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

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

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

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

e) The company has framed the "Whistle Blower Policy" which has been hoisted on MMTC's website.

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

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

Means of Communications

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

Shareholders information

(a) Annual General Meeting

The 55th Annual General Meeting of the Company is scheduled to be held on 28.09.2018 at Auditorium, SCOPE Complex , 7th Institutional Area, Lodhi Road , New Delhi-110003

(b) Financial Calendar for 2017-18

1st quarter results (unaudited) shall be declared on or before 14.08.2018

2nd quarter results (unaudited) shall be declared on or before 15.11.2018

3rd quarter results (unaudited) shall be declared on or before 14.02.2019

4th quarter results (audited) and Annual Audited Results for 2018-19 shall be declared on or before 30.05.2019 in accordance with existing applicable provisions of the Listing Regulations.

(c) Dates of Book Closure

The Share Transfer Books and Register of Members shall remain closed from 15th to 28th September 2018 (both days inclusive for the purpose of AGM and declaration of final dividend at the Annual General Meeting.

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

Year	2014-2015	2015-2016	2016-2017
Rate	25%	30%	30%
Date	12.10.2015	17.10.2016	17.10.2017

(e) Listing on stock exchanges: The Shares of the company continue to be listed at BSE and NSE. Listing fees for F.Y. 2017-18 has already been paid to both stock exchange.

(f) Market Price Data: The month-wise market price data of MMTC's scrip quoted/traded at Bombay Stock Exchange/NSE during the financial year 2017-18 is given below:

Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
Bombay Stock Exchange			National Stock Exchange		
April 2017	71.00	62.20	April 2017	71.00	62.00
May 2017	69.80	54.80	May 2017	69.8	55.00
June 2017	64.60	55.05	June 2017	64.85	55.10
July 2017	66.05	57.00	July 2017	66.20	56.90
August 2017	62.40	53.55	August 2017	62.45	53.50
September 2017	64.30	55.40	September 2017	64.30	55.30
October 2017	67.50	55.85	October 2017	67.40	56.05
November 2017	101.60	63.55	November 2017	101.70	63.75
December 2017	77.25	68.00	December 2017	77.20	68.05
January 2018	74.60	60.15	January 2018	74.50	60.00
February 2018	62.50	49.40	February 2018	62.50	49.90
March 2018	70.50	45.50	March 2018	70.50	45.50

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

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

As on 31st March 2018, out of 100 crores equity shares of MMTC Ltd of face value of Re.1/- each, 89,92,68,762 shares are held by the President of India and 10,07,28,407 shares by others in dematerialized form leaving only 2831 shares in physical form.

(i) **Share Transfer System:** The shares of the Company are transferred within the standard time from the date of lodgment. The transfer of shares held in dematerialized form are processed and approved in electronic form by NSDL/CDSL through respective depository participants. No transfer was pending as on 31.03.2018. Shares transfer and all other investor related activities are attended to and processed at the office of RTA i.e. MCS Share Transfer Agent Ltd. Shareholders may lodge the transfer deeds and any other documents, etc at the office of RTA of MMTC Limited at the address given above.

(j) **Distribution of shareholding as on 31.3.2018:** The Distribution of shareholding as on 31.3.2018 is tabulated here-in-below:

Category of Shareholder	No. of Share-holders	Total number of shares	Total shareholding as %age of total number of shares
Shareholding of Promoter and Promoter Group			
Central Government	1	899268762	89.9269
Public shareholding			
Mutual Funds / UTI	1	406248	0.040625
Financial Institutions/Banks	3	438594	0.043859
Foreign Portfolio Investors	1	1087554	0.108755
Insurance Companies	6	40016737	4.001674
Non-institutions			
Bodies Corporate	1203	9964288	0.996429
Individual holders having share capital upto ₹ 2 lakh.	108749	46560143	4.656014
Individual holders having share capital in excess of ₹2 lakh	3	902801	0.09028
Trust & Foundations	5	12500	0.00125
Non-Resident Individuals	1041	1296273	0.129627
NBFCs registered with RBI	4	46100	0.00461
TOTAL	111017	10000000	100

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

(k) Top 10 Public Shareholders as on 31st March, 2018

S.No	Name	No. of Shares held	% of total shares
1	LIFE INSURANCE CORPORATION OF INDIA	33939674	3.394
2	UNITED INDIA INSURANCE COMPANY LIMITED	2454981	0.2455
3	GENERAL INSURANCE CORPORATION OF INDIA	1840000	0.184
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	1141631	0.1142
5	MV SCIF MAURITIUS	1087554	0.1088
6	KARVY STOCK BROKING LTD(BSE)	542000	0.0542
7	IL AND FS SECURITIES SERVICES LIMITED	475667	0.0476
8	NATIONAL INSURANCE COMPANY LTD	450179	0.045
9	ICICI BANK LIMITED	406248	0.0406
10	ANGEL BROKING PRIVATE LIMITED	374807	0.0375

(l) Distribution of Shareholding as on 31st March 2018

Category (Shares)	No. of Shares	% of Shareholding	Total No. of Shareholders	% of Shareholders
1-500	12296049	1.2296	93571	84.2853
501-1000	7434269	0.7434	8976	8.0852
1001-2000	6988664	0.6989	4505	4.0579
2001-3000	3775058	0.3775	1451	1.307
3001-4000	2311283	0.2311	640	0.5765
4001-5000	2579525	0.258	537	0.4837
5001-10000	5775305	0.5775	770	0.6936
10001-50000	9480351	0.948	487	0.4387
50001-100000	3068518	0.3069	45	0.0405
And Above	946290978	94.6291	35	0.0315
Total	1000000000	100	111017	100

(m) Geographical Distribution of Shareholders as on 31st March 2018

S. No.	CITY	No. of Shareholders	% of total shareholders	No. of Shares	% of Total Shares
1	DELHI	12598	11.35	905035339	90.5
2	CHANDIGARH	345	0.31	173581	0.02
3	KANPUR	702	0.63	297430	0.03
4	JAIPUR	1884	1.7	848112	0.08
5	AHMEDABAD	5844	5.26	2891583	0.29
6	MUMBAI	15976	14.39	53822776	5.38
7	NAGPUR	569	0.51	165265	0.02
8	HYDERABAD	2628	2.37	2520763	0.25
9	BANGLORE	3511	3.16	1638536	0.16
10	CHENNAI	3430	3.09	4620699	0.46
11	THIRUVANDRUM	204	0.18	74770	0.01
12	CALCUTTA	4509	4.06	3299267	0.33
13	BHUBHANESHWAR	294	0.26	110133	0.01
14	GUWAHTI	248	0.22	184359	0.02
15	PATNA	470	0.42	186974	0.02
16	Others	57805	52.06	24130413	2.41

(n) Shareholders/ other Investor's Grievances:

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

(o) Address for Correspondence: Board Secretariat,
MMTC Limited, Core-I, Scope Complex,
7, Institutional Area, Lodi Road, New Delhi – 110 003
Phone No: 011 - 24361889/ Fax:011-24360724
E-mail: ganarayanan@mmtclimited.gov.in

BLAK & CO.

Company Secretaries

Compliance Certificate on Corporate Governance

To

The Members of **MMTC Limited**

We have examined the compliance of conditions of Corporate Governance by MMTC Limited for the year ended on March 31, 2018, as stipulated in Regulation 17 to 27and clause (b) to (i) of Regulation 46(2) and para C, D and E of schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (hereinafter referred as Listing Regulation) for the year ended 31st march 2018.

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

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

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

2. The composition of the Board of Directors in terms of number of Independent Director has not been complied with as stipulated in Clause 17(1)(a) & (b) of Listing Regulation.The Company is required to appoint 7 Independent Directors against which, 5 Independent Directors are in position as on 31.3.2018.

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

For BLAK & Co.
Company Secretaries

BLAK & CO. GLOBIZ Company Secretaries

Archana

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

Place: New Delhi
Date: 10th August, 2018

MMTC LTD

Business Responsibility Report for FY 2017-18

About the Company

MMTC Ltd is a Mini Ratna Category–I Central Public Sector Undertaking (CPSE) was incorporated in 1963 and is one of the largest International trading companies in the country. The registered office of the Company is situated at Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi – 110 003, India. The Company has 09 Regional Offices in major cities and ports of India and a wholly owned subsidiary – MMTC Transnational Pvt. Ltd (MTPL), Singapore.

The major business activities of the Company are export of Minerals and import of Precious metals, Non-Ferrous Metals, Fertilizers, Agro Products, Coal and Hydrocarbon etc. MMTC also deals in Engineering products, Joint Ventures in steel, retailing, free trade warehousing and commodity exchanges etc

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

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

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

Corporate Mission

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

Corporate Objectives

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

Business Responsibility Report – FY 2017-18

As per the Clause 55 of the Listing Agreement of the Securities Exchange Board of India [SEBI] introduced in 2012, the top Five Hundred listed companies in terms of market capitalisation have been mandated to issue annual Business Responsibility Report [BRR].

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company

   L51909DL1963G01004033
2. Name of the Company

   MMTC LIMITED
3. Registered address

   Core-1, Scope Complex,
   7 Institutional Area, Lodhi Road,
   New Delhi -110003
4. Website

   www.mmtclimited.com
5. E-mail id

   mmtc@mmtclimited.com
6. Financial Year reported

   2017-18
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

   Trading
8. List three key products/services that the Company manufactures/provides (as in balance sheet)

   (i) Gold
   (ii) Urea
   (iii) Silver

Total number of locations where business activity is undertaken by the Company

i). Number of International Locations (Provide details of major 5)

1. Subsidiary Company in Singapore

ii). Number of National Locations

9 Regional Offices in India

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

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

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	**100 Crores**
2.	Total Turnover (INR)	**16,496.67 Crores**
3.	Total profit after taxes 2017-18 (INR)	**37.52 Crores**
4.	Total budgeted expenditure on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year 2017-18, a sum of ₹ **125.90 lakhs** was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceding three years.
5.	List of activities in which expenditure in 4 above has been incurred	In terms of Sec. 135 of the Companies Act, an enterprise has to spend a minimum 2% of the average net profits of preceding 3 years calculated as per Sec. 198 of the Cos. Act. In line with said provision, CSR-Committee of Directors and Board of Directors, approved an annual CSR budget of ₹ 125.90 lakhs for expenditure during the year 2017-18. In terms of the Board approved CSR plan, 33% was allocated for Swachh Bharat/Clean Ganga; 11.91% for Sports Development; 22.35% in Skill Development & Health sectors; and 32.74% in other listed items under Schedule-VII of Company's Act'2013.

SECTION C: OTHER DETAILS

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

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

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

- No

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

– No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

DIN Number - **07696766**

Name - **Shri T. K. Sengupta**

Designation - **Director (Personnel)**

Details of the BR head

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

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

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

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

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

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

Principle 5 – *Businesses should respect and promote human rights.*

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

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

Principle 8 – *Businesses should promote inclusive growth and equitable development.*

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

S.No.	Questions	P 1	P2	P 3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y		Y	Y	Y			Y	
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	N		N	Y	Y			Y	
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y		Y	Y	Y			Y	
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y		Y	Y	Y			Y	
6.	Indicate the link for the policy to be viewed online?	www. mmtclimited. com		www. mmtclimited. com						
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y		Y	Y	Y			Y	
8.	Does the company have in-house structure to implement the policy/ policies.	Y		Y	Y	Y			Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y		Y	Y	Y			Y	
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N		N		Y				

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

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles		✓					✓		
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. **Governance related to BR**

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

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

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the company, the Board has constituted various committees with distinct role, accountability and authority. The top management reviews the performance of the organization in every meeting that is held on quarterly basis. During the year 2017-18 MMTC's Management has discussed and reviewed following:

- Corporate Plan/ Draft MoU with MoC&I
- HR related issues/HR Audit/Pay Revision/Succession Plan
- Investments in JVs
- NINL related matters
- Annual Budget
- Share price & shareholding pattern of MMTC
- Status of placement of surplus funds
- Approval of financial statements/results
- Annual Report on CSR/ BRR for 2017-18
- Implementation of CSR activities as per Schedule-VII of Companies Act-2013.

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

As per the mandate by SEBI top 500 companies by market capital have to prepare the BRR. MMTC has been publishing its BRR since 2012-13 regularly despite not being positioned in the top 100 listed Companies. The BRR forms a part of the annual report, and can be viewed on the Company's official website www.mmtclimited.com.

The organization is also a member of the United Nations Global Compact Network(UNGCN) and submits its Communication on Progress [COP] report annually. This is available to all these stakeholders on UNGC's website.

SECTION E – PRINCIPLE WISE PERFORMANCE

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

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

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

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

Yes, the Integrity Pact adopted for all the procurement tenders beyond a threshold value, Citizen Charter extends its purview to vendors, buyers, suppliers, contractors etc. while the code of conduct; whistle blower policy and Audit Committee Vigil Mechanism covers only the employees of the company.

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

All the stakeholder complaints as and when received are addressed promptly as per the extent grievances redressal policy of the Company put on public domain. In the entire year most of the employee related / vendor grievances were resolved satisfactorily. There were certain grievances related to transfers and promotions among which the genuine requests were addressed in the right earnest. The grievances filed on CPGRAMS portal are addressed and responses for such queries are filed on line keeping the time lines. All other pending cases are under consideration and attempts are being made to resolve them satisfactorily.

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

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

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

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

The total number of employees as on 31.3.2018 is 1127 (including Board level executives)

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

Total of 283 employees have been engaged on contractual basis through various agencies / societies.

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

Total number of permanent women employees–236

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

Total number of permanent employees with disabilities– 21

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

Yes

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

100%

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

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

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

Aiming towards further enhancing / upgrading the skills of employees in the constantly changing business scenario, 436(43%) employees were imparted training in Centres of Excellence/in-house programs during the year in functional / behavioral skills and other spheres of company's activities. The employees deputed for training included 78 employees/executives belonging to SC, 46 to ST and 180(17.68%) women employees. In terms of man days, such training works out to 688 training man days during the year 2017-18.

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

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

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

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

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

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

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

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

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

Principle 5 – Businesses should respect and promote human rights

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

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

   The Company is a member of the United Nations Global Compact Network(UNGCN) and submits its Communication on Progress [COP] report annually. This is available to all these stakeholders on UNGC's website.

   However, being a Government of India Company, MMTC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also encompasses the fundamental human rights as envisioned in the Universal Declaration of Human Rights. MMTC stands committed to support and respect the protection of internationally proclaimed human rights at its work places and ensure that its employees enjoy the fundamental human rights. MMTC has 3 tier grievance redressal systems called "Sahayata" for resolving employees" grievances. MMTC has in its management system provisions for health, safety, housing and education. Comprehensively covering all these aspects, MMTC has appropriate systems in place.

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

   There were 10 complaints and 9 were resolved.

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

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

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

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

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

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

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

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

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

   No

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

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

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

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

   Not Applicable

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

   Not Applicable

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

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

   a) CII

   b) FIEO

   c) FICCI

   d) ASSOCHAM

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

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

Principle 8 – Businesses should promote inclusive growth and equitable development

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

Although the organization is not involved in manufacturing products and therefore doesn't create any direct negative impact on the environment & society where it operates, still it has a CSR policy. MMTC also adopted Section 135 of the Companies Act, 2013, the CSR Rules of Ministry of Corporate Affairs and the CSR Guidelines issued by Department of Public Enterprises, Government of India. MMTC has structured process of spending a portion of its earnings in CSR activities that are directed towards the betterment of the society.

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

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

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

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

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

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

MMTC made an allocation of ₹ 125.90 lakhs for undertaking CSR activities during 2017-18.

The funds allocated during 2017-18 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill development, Promotion of healthcare, promotion of culture & heritage and Promotion of sports, facilities and equipments for differently abled persons. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled

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

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

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

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

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

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

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

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

   One case is pending for redressal before District Consumer Disputes Redressal Forum at Kolkata.

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

   Yes. Many Regional Offices organize regular Customers' Meet for Feedback and response. During Festival of Gold which is an annual event for MMTC, customer feedback is also taken which assumes utmost significance from the perspective of introducing new products of Sanchi/ Gold medallions – Retailing segment. Such Feedback has helped organization in conducting future events in more satisfactory manner.

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Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Wholesale Trade of Precious Metals & Jewellery	46498	62.14%
2.	Wholesale of Fertilizers	46692	11.68

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares Held	Applicable Section
1.	MMTC Transnational Pte Ltd, Singapore	199407265M	WHOLLY OWNED ASSOCIATE COMPANY	100.00	2 (87)
2.	Neelachal Ispat Nigam Ltd.	U27109OR1982GOI001050	ASSOCIATE	49.78	2(6)
3.	Free Trade Warehousing Pvt. Ltd.	U63023DL2005PTC134299	ASSOCIATE	26.00	2(6)
4.	MMTC Pamp India Pvt. Ltd.	U27310HR2008PTC042218	ASSOCIATE	26.00	2(6)
5.	Sical Iron Ore Terminal Ltd.	U13100TN2006PLC061022	ASSOCIATE	26.00	2(6)
6.	MMTC Gitanjali Ltd.	U74999MH2008PLC187891	ASSOCIATE	26.00	2(6)
7.	TM Mining Company Ltd.	U13100WB2010PLC156401	ASSOCIATE	26.00	2(6)
8.	Indian Commodity Exchange Ltd.	U67120DL2008PLC182140	ASSOCIATE	9.55	2(6)

IV.	SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i)	Category-wise Share Holding									
Cate-gory code	Category of Shareholder	No. of shares held at the beginning of the year (As on 01-Apr-17)				No. of shares held at the end of the year (As on 31-Mar-18)				% of Change during the year
(I)	(II)	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals/ HUF		0	0	0		0		0.00	0.00
(b)	Central/State Govts.	89,92,68,762	0	89,92,68,762	89.93	8,99,26,872	0	89,92,68,762	89.93	0.00
(c)	Bodies Corp.	0	0	0	0.00		0			
(d)	Bank/FI	0	0	0	0		0			
(e)	Any Others (Specify)	0	0	0	0		0			
	Sub Total(A) (1)	89,92,68,762	0	89,92,68,762	89.93	89,92,68,762	0	89,92,68,762	89.93	
2	Foreign									
(a)	NRIs-Individual	0	0	0	-	0	0	0.00	-	0.00
(b)	Other-Individuals	0	0	0	-	0	0	0.00	-	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	-	0.00
(d)	Bank/FI	0	0	0	0	0	0	0	-	0.00
(e)	Any Others (Specify)	0	0	0	0	0	0	0	-	0.00
	Sub Total(A) (2)	0	0	0	0.00	0	0	0	-	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	89,92,68,762	0	89,92,68,762	89.93	89,92,68,762	0	89,92,68,762	89.93	0.00
(B)	Public shareholding									
1	Institutions	0								
(a)	Mutual Funds	1,94,287	0	1,94,287	0.0194	4,06,248	0	4,06,248	0.0406	-0.02
(b)	Bank/FI	23,75,835	0	23,75,835	0.2376	4,38,594	0	4,38,594	0.0439	0.19
(c)	Central / State Govts.	0	0	0	0.0000		0		-	0.00
(d)	Venture Capital Funds	0	0	0	0.0000		0		-	0.00
(e)	Insurance Co.	5,73,52,994	0	5,73,52,994	5.7353	4,00,16,737	0	4,00,16,737	4.0017	1.73
(f)	FII	0	0		0.0000		0		-	0.00
(g)	Foreign Portfolio Investors	6,530	0	6,530	0.0007	10,87,554	0	10,87,554	0.1088	-0.11
(i)	Any Other (specify)	0	0		0.0000		0	0	-	0.00
	Sub-Total (B) (1)	5,99,29,646	0	5,99,29,646	5.9930	4,19,49,133		4,19,49,133	4.1949	1.80
2	Non-institutions									
(a)	Bodies Corp. i) Indian	63,38,691	0	63,38,691	0.6339	99,64,288	0	99,64,288	1.00	-0.36
	ii) Overseas	0	0	0	-		0	0	-	0.00
(b)	Individuals							0	-	0.00
I	Resident Individuals holding nominal share capital up to Rs 2 lakh	3,30,51,607	3,079	3,30,54,686	3.3055	4,65,57,312	2,831	4,65,60,143	4.66	-1.35

II	Resident Individuals holding nominal share capital in excess of ₹2 lakh.	3,97,128	0	3,97,128	0.0397	9,02,801	0	9,02,801	0.09	-0.05
(c)	Others (Specify)	0						0		
(c-i)	Trust	3,550	0	3,550	0.0004	12,500		12,500	0.00	-0.00
(c-ii)	Non-Resident Indians	9,45,157	0	9,45,157	0.0945	12,96,273		12,96,273	0.13	-0.04
(c-iii)	Clearing Members	0	0		0.0000			0	-	0.00
(c-iv)	NBFC s registered with RBI	62,380	0	62,380	0.0062	46,100		46,100	0.00	0.00
	Sub-Total (B) (2)	4,07,98,513	3,079	4,08,01,592	4.08	5,87,79,274	2,831	5,87,82,105	5.8782	-1.80
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	10,07,28,159	3,079	10,07,31,238	10.0731	10,07,28,407	2,831	10,07,31,238	10.0731	0.00
(C)	Shares held by Custodian for GDR's & ADR's	0	0	0	0	0	0	0.00	-	0.00
	GRAND TOTAL (A)+(B)+(C)	99,99,96,921	3,079	1,00,00,00,000	100	99,99,97,169	2,831	1,00,00,00,000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning (01-Apr-2017) of the year			Shareholding at the end (31-Mar-2018) of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% Change in shareholding during the year
1	THE PRESIDENT OF INDIA	899268762	89.9269	NIL	899268762	89.9269	NIL	0.00
	Total	899268762	89.9269	NIL	899268762	89.9269	NIL	0.00

(iii) Change in Promoter's Shareholding

S No		Shareholding		Date	Increase/ (Decrease) in Share-holding	Reason	Cumulative Shareholding during the year (01-Apr-17 to 31-Mar-18)	
		No. of Shares at the beginning (01-Apr-17)/ end of the year (31-Mar-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company**
	At the beginning of the year	89,92,68,762	89.9269	01-Apr-17	No Change during the year			
	At the end of the year	89,92,68,762	89.9269	31-Mar-18			89,92,68,762	89.9269

Detail of Top 10 Shareholders as on 31-03-17 & 31-03-18 and their transactions (Other Than Promoters)										
S. No	Name	PAN	Shareholding		Date	Increase / Decrease in Share-holding	Reason	Cumulative Share-holding during the year (31-03-17 to 31-03-18)		Category
			No of Shares at the Beginning (31-03-17) / end of the Year (31-03-18)	% of total shares of the Company				Shares	% of total shares of the Company	
1	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H	48119732	3.21	20170331					INSURANCE COMPANIES
					20171201	-346814	Sale	47772918	3.18	
					20171208	-1431904	Sale	46341014	3.09	
					20171215	-508972	Sale	45832042	3.06	
					20171222	-949842	Sale	44882200	2.99	
					20171229	-2586545	Sale	42295655	2.82	
					20180105	-4229057	Sale	38066598	2.54	
					20180112	-3120613	Sale	34945985	2.33	
					20180119	-323129	Sale	34622856	2.31	
					20180126	-666520	Sale	33956336	2.26	
					20180202	-16662	Sale	33939674	2.26	
			33939674	2.26	20180331					
2	UNITED INDIA INSURANCE COMPANY LIMITED	AAACU5552C	5481180	0.37	20170331					GIC & ITS SIBSIDIARIES
					20171110	-555964	Sale	4925216	0.33	
					20171117	-741851	Sale	4183365	0.28	
					20171124	-1272179	Sale	2911186	0.19	
					20171201	-456205	Sale	2454981	0.16	
			2454981	0.16	20180331					
3	GENERAL INSURANCE CORPORATION OF INDIA	AAACG0615N	1970000	0.13	20170331					GIC & ITS SIBSIDIARIES
					20170505	-25000	Sale	1945000	0.13	
					20170512	-25000	Sale	1920000	0.13	
					20171110	-80000	Sale	1840000	0.12	
			1840000	0.12	20180331					
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	AAACN4165C	1141631	0.08	20170331					GIC & ITS SIBSIDIARIES
			1141631	0.08	20180331	NIL	NIL			
5	MV SCIF MAURITIUS	AAGCM4803N	0	0	20170331					FOREIGN BODY CORPORATE
					20180316	393959	Purchase	393959	0.03	
					20180323	693595	Purchase	1087554	0.07	
			1087554	0.07	20180331					
6	KARVY STOCK BROKING LTD(BSE)	AABCK5190K	305000	0.02	20170331					BODY CORPORATE
					20170421	-14000	Sale	291000	0.02	
					20170428	58000	Purchase	349000	0.02	
					20170616	-32000	Sale	317000	0.02	

					20170728	-11000	Sale	306000	0.02	
					20170804	-8000	Sale	298000	0.02	
					20170811	-2000	Sale	296000	0.02	
					20170818	33000	Pur-chase	329000	0.02	
					20170825	-2000	Sale	327000	0.02	
					20170908	-6000	Sale	321000	0.02	
					20170915	-15000	Sale	306000	0.02	
					20170922	-6000	Sale	300000	0.02	
					20170929	-2000	Sale	298000	0.02	
					20171013	-2000	Sale	296000	0.02	
					20171020	-2000	Sale	294000	0.02	
					20171027	-2000	Sale	292000	0.02	
					20171031	-3000	Sale	289000	0.02	
					20171103	-7000	Sale	282000	0.02	
					20171110	178000	Pur-chase	460000	0.03	
					20171117	103000	Pur-chase	563000	0.04	
					20171124	-36000	Sale	527000	0.04	
					20171201	-20000	Sale	507000	0.03	
					20171222	18000	Pur-chase	525000	0.04	
					20180119	90000	Pur-chase	615000	0.04	
					20180209	-14000	Sale	601000	0.04	
					20180323	46000	Pur-chase	647000	0.04	
			542000	0.04	20180331	-105000	Sale			
7	IL AND FS SECURITIES SER-VICES LIMITED	AABCI5580K	107535	0.01	20170331					BODY CORPO-RATE
					20170407	-4000	Sale	103535	0.01	
					20170414	172347	Pur-chase	275882	0.02	
					20170421	-8000	Sale	267882	0.02	
					20170428	-64500	Sale	203382	0.01	
					20170505	-17000	Sale	186382	0.01	
					20170512	92322	Pur-chase	278704	0.02	
					20170519	-500	Sale	278204	0.02	
					20170623	56929	Pur-chase	335133	0.02	
					20170630	-37000	Sale	298133	0.02	
					20170707	-3000	Sale	295133	0.02	
					20170714	-16000	Sale	279133	0.02	
					20170804	-30000	Sale	249133	0.02	
					20170818	-13500	Sale	235633	0.02	
					20170825	-5000	Sale	230633	0.02	
					20170922	67806	Pur-chase	298439	0.02	
					20171103	34579	Pur-chase	333018	0.02	
					20171110	-28500	Sale	304518	0.02	
					20171215	40141	Pur-chase	344659	0.02	
					20171222	60533	Pur-chase	405192	0.03	
					20171229	-6000	Sale	399192	0.03	
					20180105	34779	Pur-chase	433971	0.03	
					20180112	78428	Pur-chase	512399	0.03	
					20180119	40821	Pur-chase	553220	0.04	

					20180126	24807	Pur-chase	578027	0.04	
					20180202	-5549	Sale	572478	0.04	
					20180209	59292	Pur-chase	631770	0.04	
					20180216	-12316	Sale	619454	0.04	
					20180223	-22443	Sale	597011	0.04	
					20180302	-3423	Sale	593588	0.04	
					20180309	-62833	Sale	530755	0.04	
					20180316	-6208	Sale	524547	0.04	
					20180323	-29540	Sale	495007	0.03	
			475667	0.03	20180331	-19340	Sale			
8	NATIONAL INSURANCE COMPANY LTD	AAACN9967E	450179	0.03	20170331					GIC & ITS SIBSIDIAR-IES
			450179	0.03	20180331	NIL	NIL			
9	ICICI BANK LIMITED	AAACI1195H	194287	0.01	20170331					PVT BANK / COOP BANK/PVT MFs /PVT INST.
					20170407	144	Pur-chase	194431	0.01	
					20170414	-1548	Sale	192883	0.01	
					20170421	-17566	Sale	175317	0.01	
					20170428	86040	Pur-chase	261357	0.02	
					20170505	-2060	Sale	259297	0.02	
					20170512	2100	Pur-chase	261397	0.02	
					20170519	10767	Pur-chase	272164	0.02	
					20170526	-642	Sale	271522	0.02	
					20170602	10862	Pur-chase	282384	0.02	
					20170609	-12293	Sale	270091	0.02	
					20170616	2178	Pur-chase	272269	0.02	
					20170623	28604	Pur-chase	300873	0.02	
					20170630	-7703	Sale	293170	0.02	
					20170707	-1369	Sale	291801	0.02	
					20170714	-460	Sale	291341	0.02	
					20170721	3004	Pur-chase	294345	0.02	
					20170728	2020	Pur-chase	296365	0.02	
					20170804	48024	Pur-chase	344389	0.02	
					20170811	-47	Sale	344342	0.02	
					20170818	-213	Sale	344129	0.02	
					20170825	-6317	Sale	337812	0.02	
					20170901	23574	Pur-chase	361386	0.02	
					20170908	-867	Sale	360519	0.02	
					20170915	-885	Sale	359634	0.02	
					20170922	-13342	Sale	346292	0.02	
					20170929	8518	Pur-chase	354810	0.02	
					20171006	-5720	Sale	349090	0.02	
					20171013	8716	Pur-chase	357806	0.02	
					20171020	4539	Pur-chase	362345	0.02	
					20171027	-6435	Sale	355910	0.02	
					20171031	-18867	Sale	337043	0.02	
					20171103	-23756	Sale	313287	0.02	

					20171110	-18935	Sale	294352	0.02	
					20171117	67809	Pur-chase	362161	0.02	
					20171124	17562	Pur-chase	379723	0.03	
					20171201	7690	Pur-chase	387413	0.03	
					20171208	5786	Pur-chase	393199	0.03	
					20171215	42283	Pur-chase	435482	0.03	
					20171222	-114858	Sale	320624	0.02	
					20171229	1600	Pur-chase	322224	0.02	
					20180105	41318	Pur-chase	363542	0.02	
					20180112	81383	Pur-chase	444925	0.03	
					20180119	3547	Pur-chase	448472	0.03	
					20180126	14630	Pur-chase	463102	0.03	
					20180202	-49841	Sale	413261	0.03	
					20180209	13392	Pur-chase	426653	0.03	
					20180216	54320	Pur-chase	480973	0.03	
					20180223	46472	Pur-chase	527445	0.04	
					20180302	-53105	Sale	474340	0.03	
					20180309	-647	Sale	473693	0.03	
					20180316	-35832	Sale	437861	0.03	
					20180323	-40562	Sale	397299	0.03	
			406248	0.03	20180331	8949	Pur-chase			
10	ANGEL BROKING PRI-VATE LIMITED	AAACM6094R	173303	0.01	20170331					BODY CORPO-RATE
					20170407	-5553	Sale	167750	0.01	
					20170414	34392	Pur-chase	202142	0.01	
					20170421	3091	Pur-chase	205233	0.01	
					20170428	-22840	Sale	182393	0.01	
					20170505	-7077	Sale	175316	0.01	
					20170512	-7990	Sale	167326	0.01	
					20170519	-613	Sale	166713	0.01	
					20170526	-33176	Sale	133537	0.01	
					20170602	6856	Pur-chase	140393	0.01	
					20170609	-14286	Sale	126107	0.01	
					20170616	5530	Pur-chase	131637	0.01	
					20170623	1058	Pur-chase	132695	0.01	
					20170630	-1626	Sale	131069	0.01	
					20170707	-4547	Sale	126522	0.01	
					20170714	-7450	Sale	119072	0.01	
					20170721	7637	Pur-chase	126709	0.01	
					20170728	-30641	Sale	96068	0.01	
					20170804	10259	Pur-chase	106327	0.01	
					20170811	-20355	Sale	85972	0.01	
					20170818	-4095	Sale	81877	0.01	
					20170825	-5536	Sale	76341	0.01	
					20170901	-4193	Sale	72148	0	

					20170908	-18812	Sale	53336	0	
					20170915	2310	Pur-chase	55646	0	
					20170922	40663	Pur-chase	96309	0.01	
					20170929	12381	Pur-chase	108690	0.01	
					20171006	-3624	Sale	105066	0.01	
					20171013	-18966	Sale	86100	0.01	
					20171020	-6830	Sale	79270	0.01	
					20171027	-1339	Sale	77931	0.01	
					20171031	-4395	Sale	73536	0	
					20171103	-12711	Sale	60825	0	
					20171110	-16018	Sale	44807	0	
					20171117	14131	Pur-chase	58938	0	
					20171124	26452	Pur-chase	85390	0.01	
					20171201	-5232	Sale	80158	0.01	
					20171208	-13589	Sale	66569	0	
					20171215	-3718	Sale	62851	0	
					20171222	9359	Pur-chase	72210	0	
					20171229	-7911	Sale	64299	0	
					20180105	-1348	Sale	62951	0	
					20180112	-5359	Sale	57592	0	
					20180119	-7594	Sale	49998	0	
					20180126	-1396	Sale	48602	0	
					20180202	-1278	Sale	47324	0	
					20180209	-11298	Sale	36026	0	
					20180216	6050	Pur-chase	42076	0	
					20180223	449850	Pur-chase	491926	0.03	
					20180302	-1952	Sale	489974	0.03	
					20180309	-14847	Sale	475127	0.03	
					20180316	-48150	Sale	426977	0.03	
					20180323	-21928	Sale	405049	0.03	
			374807	0.03	20180331	-30242	Sale			
11	BANK OF INDIA	AAACB0472C	997061	0.07	20170331					NATION-ALISED BANKS
					20171103	-250000	Sale	747061	0.05	
					20171110	-747061	Sale	0	0	
					20180331					
12	BANK OF BARODA	AAACB1534F	450000	0.03	20170331					NATION-ALISED BANKS
					20170623	-82938	Sale	367062	0.02	
					20170630	-253039	Sale	114023	0.01	
					20170707	-114023	Sale	0	0	
			0	0	20180331					
13	JIMMY DADIBA COOPER	ABGPC4171R	397128	0.03	20170331					INDIAN PUBLIC
					20170407	50	Pur-chase	397178	0.03	
					20170414	130	Pur-chase	397308	0.03	
					20170421	-15700	Sale	381608	0.03	
					20171013	-331608	Sale	50000	0	
					20171117	51000	Pur-chase	101000	0.01	

					20171124	1000	Purchase	102000	0.01	
					20171201	100000	Purchase	202000	0.01	
					20180202	-200000	Sale	2000	0	
			2000	0	20180331					
14	PUNJAB AND SIND BANK	AAACP1206G	326640	0.02	20170331					NATIONALISED BANKS
					20180105	-40000	Sale	286640	0.02	
					20180112	-206640	Sale	80000	0.01	
					20180119	-80000	Sale	0	0	
			0	0	20180331					

(v) Shareholding of Directors

S. No.	Name of Director	Shareholding		Date	Increase/ (Decrease) in Share-holding	Reason	Cumulative Shareholding during the year (01-Apr-17 to 31-Mar-18)	
		No. of Shares at the beginning (01-Apr-17)/ end of the year (31-Mar-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company*
1	Mr. Ved Prakash	10		1-Apr-17	0	Nil movement during the year		
		10		31-Mar-18				
2	Mr. Ashwani Sondhi	1,008		1-Apr-17	0	sale		
					-508		500	
		500		31-Mar-18				
3	Mr. T.K. Sengupta	0		1-Apr-17				
		0		31-Mar-18				
4	Mr. Umesh Sharma	0		1-Apr-17				
		0		31-Mar-18				
5	Mr. P.K. Jain	0		1-Apr-17				
		0		31-Mar-18				

V. INDEBTEDNESS

(₹ in Crores)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	440.18	0		440.18
ii) Interest due but not paid				0
iii) Interest accrued but not due				3.46
Total (i+ii+iii)				443.64
Change in the indebtedness during the financial year				
Addition- Principal Amount	79.08			79.08
Reduction- Interest Accrued but not due				3.28
Net Change				75.8

Indebtedness at the end of the financial year				
i) Principal Amount	519.26			519.26
ii) Interest due but not paid				0
iii) Interest accrued but not due				0.18
Total (i+ii+iii)				519.44

VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and/or Manager

S. No.	Particulars of Remuneration	Name of WTD					Total
1	Gross Salary	Mr. Ved Prakash	Mr. P.K. Jain	Mr. Ashwani Sondhi	Mr. T.K. Sengupta	Mr. Umesh Sharma	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,39,338	34,64,285	34,38,638	30,28,401	20,17,854.	1,62,88,516
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	4,83,259	18,930	1,74,748	3,31,090	3,973	10,12,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	
2	Stock Options	-	-	-	-	-	
3	Sweat Equity	-	-	-	-	-	
4	Commission - as % of Profit - Others	-	-	-	-	-	
5	Others	-	-	-	-	-	
	TOTAL (A)	48,22,597	34,83,215	36,13,386	33,59,491	20,21,827	1,73,00,51
	Ceiling as per the Act	Not Applicable					

B. REMUNERATION TO OTHER DIRECTORS

(In ₹)

S. No.		Name of Directors					Total Amount
		Mr. R. Anand	Mr. B.K. Shukla	Mr. R.R. Jadeja	Mr. Rajnish Goenka	Mr. Jayant Dasgupta	
	Independent Directors						
	Fees For Attending Board/ Committee Meetings	2,85,000	2,40,000	2,10,000	1,50,000	1,95,000	10,80,000
	Commission	0	0	0	0	0	
	Others (Please Specify)	0	0	0	0	0	
	Total (1)	2,85,000	2,40,000	2,10,000	1,50,000	1,95,000	10,80,000
	Other Non-Executive Directors						
	Fees For Attending Board/ Committee Meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Others (Please Specify)	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	Total B = (1+2)	2,85,000	2,40,000	2,10,000	1,50,000	1,95,000	10,80,000
	Total Managerial Remuneration						
	Overall ceiling as per the Act	Not Applicable					

C.	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				(In ₹)
S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO (Mr. Ved Prakash)	CFO (Mr. Umesh Sharma)	CS (Mr. G.Anandanarayanan)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,39,338	20,17,854	15,10,035	78,67,227
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	4,83,259	3,973	-	4,83,259
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-			-
2	Stock Options				-
3	Sweat Equity				-
4	Commission - as % of Profit - Others				-
5	Others				-
	Medical Reimbursement, LTA				-
TOTAL		48,22,597	20,21,827	15,10,035	83,50,486

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

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SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined, to the extent information provided, the books, papers, minute books, forms and returns filed and other records maintained by Company as given in **ANNEXURE 'A'** for the financial year ended on 31st March, 2018, except otherwise mentioned, according to the provisions of following applicable laws:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

We further report that

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

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

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

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

For BLAK & Co.
(Company Secretaries)

Archana

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

Place: New Delhi
Date : 10/08/2018

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

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'ANNEXURE A'

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

List of documents verified

1. Memorandum of Association and Articles of Association;
2. Annual Report for the preceding last financial year;
3. Annual Return as on 31st March 2017;
4. Quarterly Financial Result for the F.Y. 2017-18;
5. Quarterly Compliance Report on Corporate Governance as prescribed in Listing Agreement and LODR Regulations as applicable;
6. Quarterly Report on compliance of Corporate Governance as prescribed in Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs);
7. List of Shareholders/Shareholding Pattern & Copy of Shareholding Pattern filed with Stock-Exchange;
8. Documents with regard to appointment/re-appointment of :-
   - Statutory Auditor;
   - Internal Auditor; &
   - Tax Auditor
9. Statutory Registers including
   - Register of Contracts or Arrangements in which directors are interested under Section 189 and Rule 16 of the Companies (Meetings of Board and its Powers) Rules, 2014;
   - Register of Inter-Corporate Investments /Loans/Guarantees/Securities to which Section 186 applies;
   - Register of Directors, Key Managerial Personnel and their shareholding under Section 170 and Rule 17 of the Companies (Appointment and Qualification of Directors) Rules,2014;
   - Register of charges under Section 85 and Rule 10 of the Companies (Registration of Charges) Rules,2014;
   - Register and Index of Members under Section 88 and Rule 3 of the Companies (Management and Administration) Rules,2014 being maintained by RTA;
10. Minute books and Attendance Register of General Meeting, Board meeting and Committee Meetings under section 118;

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11. All e-forms and returns filed during the Financial Year 2017-18 filed with ROC with respective receipts/ challans fees is paid;
12. Evidence of dispatch of notices of meeting;
13. Agenda papers;
14. Copies of circular resolutions passed by the Board ;
15. Newspaper cutting of notice of closure of register of members;
16. Copies of notices of Annual General Meeting/Extraordinary General Meeting and explanatory statement and Newspaper cutting of public notice of Annual General Meeting/ Extraordinary General Meeting;
17. Dispatch register of Annual General Meeting/Extraordinary General Meeting notice;
18. Proxies lodged for general meetings, ballot papers , scrutinizer's report;
19. Resolutions received from other company/companies who are shareholders and from whom resolutions for their authorized representatives have been received by the company ;
20. Copies of Form MBP-1 received from all directors under section 184 at the first meeting of the Board in financial year 2016-17 and during the financial year whenever there is any change in the disclosures already made;
21. Agreement with courier or posting agents for dispatch of annual reports, notices to members / depositors/ debenture-holders;
22. Scrutinizer's report for poll and e-voting;
23. Director's retirement by rotation table;
24. Copies of all letters sent to and received from the stock exchange on which the company's securities are listed;
25. Copies of all disclosures received by the company under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997
26. Copies of all returns and forms filed with SEBI and stock exchange under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
27. Copies of shareholding pattern filed with stock exchanges under clause 31 of LODR regulations as applicable ;
28. Copies of all communication with regard to SEBI (Prohibition of Insider Trading) Regulations, 1992 as per Companies Insider Trading Code;
29. Compliance records under the Depositories act, 1996 and the regulations framed under the Act;

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

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

31. *Internal Audit Reports;*

32. *The constitution and compliances under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;*

33. *Agreement with the agency providing platform for e-voting;*

34. *Agreement with RTA and RTA report in respect of various matters handled by them on behalf of the company;*

35. *List of Contracts executed by the Company during the F.Y. 2017-18 including any amendment/modification therein and compliances thereof;*

36. *Sample check basis*
    a. *Goods & Service Tax*
    b. *Work Contract Tax*
    c. *Labour Laws*

For BLAK & Co.
(Company Secretaries)

Archana

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

Place: New Delhi
Date : 10/08/2018

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ANNEXURE 'B'

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

1. *That the company has not appointed a Woman Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and now Clause 17 of SEBI (LODR), 2015.*
2. *That as per the requirements of Guidelines for Corporate Governance for Central Public Sector Enterprises (CPSEs) and SEBI (LODR) Regulations 2015, the Company is required to appoint 7 Independent Directors against which, 5 Independent Directors are in position as on 31.3.2018.*

For BLAK & Co.

Archana

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

Place: New Delhi
Date : 10/08/2018

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ANNEXURE 'C'

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

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

For BLAK & Co.

Archana

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

Place: New Delhi
Date :10/08/2018

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MANAGEMENT'S REPLY TO OBSERVATIONS OF SECRETARIAL AUDITOR IN THEIR REPORT FOR THE FINANCIAL YEAR 2017-18	
AUDITORS' OBSERVATION	**MANAGEMENT'S REPLY**
(1) That the company has not appointed a Woman Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and now Clause 17 of SEBI (LODR),2015).	For (1) & (2) MMTC Ltd being a Govt of India PSU, the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors including the requirement of appointment of a woman director on the Board, has been taken up with Department of Commerce, MOC&I. It is understood from the Department of Commerce that the process is already on for the appointment of woman director including vacant positions of independent directors.
(2) That as per the requirements of Guidelines for Corporate Governance for Central Public Sector Enterprises (CPSEs) and SEBI(LODR) Regulations,2015 the Company is required to appoint 7 Independent Directors against which, 5 Independent Directors are in position as on 31.3.2018.	

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto) during year 2017-18

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

d) Salient terms of the contracts of arrangements or transactions including the value if any	With regard to the most recent MOU signed with MPIPL, the salient terms are: 1) MMTC may from time to time indicate its intent to purchase from existing MPIPL stocks at various locations across India Gold/Silver bullion Bars (Kilogram Bar of 995 Purity or 100 gm Gold Bar of 999 purity and silver bars of 0.999 fine purity) at applicable premium fixed by MPIPL for each location. 2) Duly authorised personnel of CBO MMTC Corporate Office shall price all bullion with MPIPL pricing desk. The minimum fixing lot will be 1 kg for Gold Bars and 100 Kg for Silver Bars. Value- ₹ 515.57cr.	1) Increased opportunity to sell MMTC products through Shuddhi Outlets. Joint participation in festival of Gold to provide large variety of jewellery to MMTC's Customer base. Value- ₹ 0.06 cr	Shareholders Agreement between MMTC & Govt. of Orissa through M/s. IPICOL envisaging that MMTC shall organize supply of raw materials and consumables for the plant on mutually agreed terms, domestic sale and export of products of the JV Company shall be arranged by MMTC at mutually agreed terms between MMTC & NINL. Agreement for sale/ purchase of finished goods was signed between MMTC & NINL vide agreement dtd. 06.08.1999, amended on 22.06.2012 and further amended on 11.02.2014. Value-₹ 2675.59 cr(including ₹ 1410.56cr towards working capital loan)	As at (b) above. Value-₹ 97.15 cr.
e) Justification for entering into such contracts or arrangements or transactions	1) To improve margins and the topline. 2) Alternate supply source (LBMA accredited refinery thus meeting our quality requirements) of bullion bars in the domestic market particularly useful when the supply in the market from imports is restricted due to government policies (eg. 80:20 scheme). 3) For refining and minting of gold and silver medallions to take advantage of the retail boom by providing high quality products especially considering the breakdown of machinery in our Jhandewalan mint.	1) More outlets to sell MMTC's products and new/variety of designs marketed by Shuddhi is available for sale during MMTC's Jewellery Exhibitions.	As mentioned above.	Being the L1 bidder against the tenders floated by MMTC.
f) Dates of approval by Board	14th September, 2016 29th May, 2017 (only on arms length basis).	14th September 2016 29th May, 2017 (only on arms length basis)	4th September 2016 27th July, 2017 (₹ 2700 crores for supply of raw materials and sale of finished products of NINL during 1.10.2017 to 30.09.2018 apart from Corporate Guarantee and working capital loan).	14th August 2016 27th July, 2017 (in respect of Fertilizers- ₹ 1500 Crores & ₹ 1000 Crore in respect of steel & coal
g) Amount paid as advances if any	NONE	NONE	NONE	NONE
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188			53rd AGM held on 28-09-2016 54th AGM held on 26-09-2017	
2. Details of material contracts or arrangement or transactions at arm's length basis: As per MOU with MPIPL on arms length basis as mentioned above.				

संख्या / No. POCA-I/NO/CHQ/29-47/2018-19/MMTC/441

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

गोपनीय

दिनांक / Dated 30/7/18

सेवा में,

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

विषय : **31 मार्च 2018 को समाप्त वर्ष हेतु एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों (Standalone Financial Statements) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियन्त्रंक महालेखा परीक्षक की टिप्पणियॉं**

महोदय,

मैं इस पत्र के साथ 31 मार्च 2018 को समाप्त वर्ष के लिए एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों (Standalone Financial Statements) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियन्त्रंक महालेखा परीक्षक की **'शून्य टिप्पणियॉं'** अग्रेषित करती हूँ । इन शून्य टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए और कम्पनी की आमसभा में उसी समय व उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है ।

भवदीया,

संलग्न :शून्य टिप्पणियॉं

प्राची पा.
30.VII.XVIII
(प्राची पाण्डेय)
प्रधान निदेशक

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of financial statements of MMTC Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of MMTC Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

Prachi Pandey
30.7/xviii

(Prachi Pandey)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board-I,
New Delhi.

Place: New Delhi
Dated: 30 July 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LTD.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **MMTC Limited** ("the Company"), which comprises the Balance Sheet as at 31st March, 2018, the statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, in which are incorporated the financial statements for the year ended on that date audited by the Branch Auditors of the Company's Regional Offices at Mumbai, Kolkata, Ahmedabad, Vizag, Chennai, Hyderabad, Bhubaneshwar and Jaipur.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanation provided to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in the equity for the year ended on that date

Emphasis of Matters

a. We draw attention to Note No.34 (ix) to the standalone Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non- extension of time/waiver/write off of GR-1 forms.

b. We draw attention to Note No. 34 (v), (vi), and 36 (c) to the Standalone Ind AS financial Statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Limited (NINL)-a joint venture Company.

Our opinion is not modified in respect of these matters.

Other Matter

We did not audit the Ind AS financial statements/ financial information of 8 Regional Offices included in the standalone financial statements of the Company whose Ind AS financial statements/financial information reflect total assets of INR 3,994.44 Cr. as at March 31, 2018 and total revenue of INR 12,856.26 Cr. for the year ended on that date, as considered in the standalone Ind AS financial statements. The Ind AS financial statements/financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

d) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

f) Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company;

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

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

i. There are pending litigations including matters relating to sales tax, custom duty and excise duty which are disclosed as contingent liability - refer to Note 34 and 36 to the standalone Ind AS financial statements, the impact of the same is unascertainable as the matters are *sub-judice*.

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

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

3. As required by C & AG of India through directions, issued under Section 143 (5) of the Act, 2013, we give our report in the attached "**Annexure-3**"

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

Place: New Delhi
Date: 29.05.2018

Rakesh Agarwal
Partner
M No.: 081808

Annexure-1 To the Independent Auditors' Report on the Standalone Ind AS Financial Statements of MMTC LTD.

(Referred to in Paragraph 1 under the "Report on Other Legal and Regulatory Requirement")

We further report that:

1. In Respect of Its Fixed Assets

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

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

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

Region/Office	Asset Description	Gross Value	Area	Remarks
Corporate Office	Land for Residential Colony at New Delhi	13.16 Lakhs	32.33 Acres	Lease Agreement is in Joint Name of MMTC and State Trading Corporation
Bhubaneshwar Office	Residential Building, Roads, Culverts and Electrical Installations	47.57 Lakhs	2 Acres	Lease Deed Expired in 2011. Paradeep Port recommended for renewal of lease for 15 years and Government has approved the renewal upto 2025. Execution of lease deed is under process.

2. In Respect of Its Inventory

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

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

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

3. Loans given to parties covered under section 189

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

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

ii. According to the information and explanation given to us, payment terms of loan and interest were revised by the Board by granting extension and enhancing credit facility for which a fresh agreement is yet to be entered.

iii. According to the information and explanation given to us and in consequence to extension of credit facility extended for which agreement is yet to be entered, we are unable to comment upon the amount overdue, if any, as on balance sheet date.

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

According to the information and explanations given to us, and as per the records verified by us, the company has not granted any loan or given any guarantee and provided any security covered under Section 185 of the Act. During the year, the Board of Directors of the Company has sanctioned extension of credit facility upto a limit of ₹ 630.00 Crores(Outstanding ₹ 361.70 Cr. as on 31st March 2018) to one of its joint Venture- M/s Neelachal Ispat Nigam Ltd, without taking consent of all the directors present at the board meeting which is required for compliance of section 186of the Act, though, in management's view, the said advance is related to trade activities in the ordinary course of business which is outside the purview of Sec. 186.

5. Acceptance of Deposits

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

6. Maintenance of Cost Records

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

7. Undisputed & Disputed Statutory Dues

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

(b) There were no undisputed amount payable in respect of Income Tax, Provident Fund dues, Professional Tax, Value Added Tax and Service Tax and other statutory dues in arrear as at 31st March 2018 for more than six months from the date they became payable.

(c) In case of dues of Income Tax or sales tax or service tax or duty of custom or duty of excise or value added tax or cess which have not been deposited on account of any dispute are attached as Annexure A.

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

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

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

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

10. Frauds on or by the Company

According to the information and explanations given to us and based on the audit procedures performed in accordance with the generally accepted auditing practices in India, we report that no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.

11. Managerial Remuneration

As per notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of Companies Act, 2013 is not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

12. Nidhi Companies

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.

13. Related Party Transactions

According to the information and explanations given during the course of our verification, in our opinion, all transactions with the related parties made by the company are in compliance with section 177 and 188 of the Act, where applicable and the relevant details in respect of such transactions have been appropriately disclosed in the Ind AS standaloneFinancial Statements under Ind As-24 – "Related Party Disclosures" specified under Section 133 of the Act read with relevant rules.

14. Preferential Issue

According to the information and explanations given to us and based on our examination of records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

15. Non-Cash Transactions with Directors etc.

According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with the directors as referred to in section 192 of Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

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

According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Place: New Delhi
Date:29.05.2018

RakeshAgarwal
Partner
M. No.:081808

Disputed Statutory Dues Which Have Not Been Deposited

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

Mumbai Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Bombay Sales Tax Act	Sales Tax	1989-90	14,96,06,778	Jt. Comm. Of Sale tax (Appeal IV)
Bombay Sales Tax Act	Sales Tax	1990-91	23,30,46,478	Jt. Comm. Of Sale tax (Appeal IV)
Bombay Sales Tax Act	Sales Tax	1991-92	28,98,738	Jt. Comm. Of Sale tax (Appeal IV)
Bombay Sales Tax Act	Sales Tax	2001-02	45,03,961	Jt. Comm. Of Sale tax (Appeal I)
Maharashtra VAT, 2002	Sales Tax	2008-09	26,04,822	Jt. Comm. Of Sale tax (Appeal VIII)
Maharashtra VAT, 2002	Sales Tax	2008-09	1,42,13,373	Jt. Comm. Of Sale tax (Appeal V)
Maharashtra VAT, 2002	Sales Tax	2007-08	23,99,218	Jt. Comm. Of Sale tax (Appeal VIII)
Maharashtra VAT, 2002	Sales Tax	2010-11	45,82,018	Jt. Comm. Of Sale tax (Appeal VIII)
Maharashtra VAT, 2002	Sales Tax	2010-11	1,22,470	Jt. Comm. Of Sale tax (Appeal VIII)
Maharashtra VAT, 2002	Sales Tax	2009-10	19,58,379	Jt. Comm. Of Sale tax (Appeal VIII)
Maharashtra VAT, 2002	Sales Tax	2011-12	0*	Jt. Comm. Of Sale tax (Appeal VI)
Maharashtra VAT, 2002	Sales Tax	2013-14	13,29,839	RO of Mumbai is in process of filing appeal with concerned authorities
Central Sale Tax,1956	Sales Tax	2011-12	47,25,144	Jt. Comm. Of Sale tax (Appeal VI)
Central Sale Tax,1956	Sales Tax	2008-09	51,81,978	Maharashtra Sales Tax Tribunal
Central Sale Tax,1956	Sales Tax	2007-08	71,97,308	Maharashtra Sales Tax Tribunal
Custom Act,1962	Custom Act	2012-13	34,92,29,671**	Commissioner of Customs

*Both Appeals are filed with same appellate authority for common issue.

**INR 28, 41, 24,643.00 paid to Customs Department.

Chennai Region

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

Delhi Region

Name of Statute	Nature of Dues	Amount(In₹)	Period to which the amount relates	Forum where dispute is pending
Delhi VAT	CST/LST/Interest/ Penalty (Gold-Commemorative medallions)	37,45,290.00	2002-03	Commissioner (Appeals), DVAT
Delhi VAT	LST	11,65,303.00	1984-85	Dy. Commissioner(Appeals)
Delhi VAT	LST/CST	6,56,13,467.00	1986-87	Add. Commissioner (Appeals)
Delhi VAT	LST/CST	4,31,86,549.00	1987-88	Add. Commissioner (Appeals)
Delhi VAT	LST/CST	3,77,96,673.00	1988-89	Add. Commissioner (Appeals)
Delhi VAT	LST	61,87,340.00	1989-90	Add. Commissioner (Appeals)
Delhi VAT	LST	22,23,198.00	1990-91	Add. Commissioner Appeals)
UP-VAT	LST/CST	6,17,588.00	1990-91	Moradabad, Allahabad High Court
UP-VAT	LST	4,70,578.00	1991-92	Moradabad, Allahabad High Court
UP-VAT	LST	2,64,037.00	1992-93	Moradabad, Allahabad High Court
UP-VAT	LST	1,85,100.00	1993-94	Moradabad, Allahabad High Court
UP-VAT	LST	16,35,160.00	1987-88	Joint Commissioner (Appeals), Kanpur
UP-VAT	VAT	6,11,808.00	1996-97	Commissioner (Appeals), UP-VAT
UP-VAT	VAT+Interest for non-submission of Form-3B (Gold)& Non-submission of Form 3C1(Mentha Oil)	62,457.00	2007-08	Commissioner (Appeals), UP-VAT
Haryana VAT	LST	4,24,587.00	1992-93	Faridabad, Punjab & Haryana High Court, Chandigarh
MP-VAT	LST	1,50,004.00	1999-00	Sales Tax Authority, Indore
MP-VAT	LST	47,30,692.00	1998-99	Assessing Authority, Indore
Custom & Central Excise	Customs Duty & Interest on non-export of Gold Jewellery against Gold Loan by Associates	2,72,67,919.00	1999-00	Pending before Hon'ble Delhi High Court as per directions of Hon'ble Supreme Court of India.
Delhi VAT	CST	9,05,117	2013-14	Sales Tax Authority, Delhi

Hyderabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
CST	CST	1989-90	1,49,770	STAT
APGST	Sales Tax	1993-94	6,30,615	STAT, VIZAG
CST	CST	1993-94	4,41,446	STAT, VIZAG
CST	CST	1994-95	2,04,081	AC LTU
APGST	Sales Tax	1992-93	13,96,269	STAT, VIZAG
APGST	Sales Tax	1993-94	17,62,687	STAT, VIZAG
APGST	Sales Tax	1997-98	58,43,100	STAT, VIZAG
APGST	Sales Tax	1999-00	39,04,454	STAT, VIZAG
APGST	Sales Tax	2000-01	2,52,926	STAT,VIZAG
VAT	VAT	2008-09	7,84,474	STAT
VAT	VAT	2006-07	6,76,058	AC LTU, STAT
VAT	VAT	2007-08	71,000	AC Audit
VAT	VAT	2010-11	12,83,848	CTO VIZAG
VAT	VAT	2012-13	99,49,808	ADC (CTO)

Kolkata Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Sales Tax Laws	Sales Tax	2005-06	11,31,000	Appellate Board
Sales Tax Laws	Sales Tax	2006-07	77,61,000	Appellate Board
Sales Tax Laws	Sales Tax	2013-14	54,21,000	Calcutta High Court
Sales Tax Laws	West Bengal VAT	2013-14	60,54,000	Calcutta High Court

Jaipur Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Rajasthan Sales Tax Act	Sales Tax	2003-04	1,49,46,540	Rajasthan Kar Board, Ajmer. (₹ 35.49 lacs have been deposited under protest). Sales Tax Dept. has appealed against the order of DC (Appeals) in Kar Board.
Rajasthan Sales Tax Act	Sales Tax	1999-00	26,07,605	Rajasthan Kar Board, Ajmer. Pending with Kar Board against demand on account of 4767 MT DAP u/s 84 of RST Act.
Rajasthan Value Added Tax	VAT	2012-13	68,16,650	Sales Tax Demand towards non-adjustment of Input credit and Refund Adjustment Voucher. Relevant documents submitted.
Rajasthan Value Added Tax	VAT	2013-14	1,75,861	Sales Tax Demand towards non-submission of Export declaration forms. Relevant documents submitted.
Rajasthan Value Added Tax	VAT	2014-15	4,95,72,650	Sales Tax Demand towards non-submission of Export declaration forms. Relevant documents submitted.
Rajasthan Value Added Tax	CST	2015-16	24,72,860	Sales Tax Demand towards non-submission of F Forms.
Rajasthan Value Added Tax	VAT	2015-16	86,880	Sales Tax Demand towards non-submission of Export declaration forms.
Income Tax	Income Tax	2009-10 to 2014-15	27,950	TDS Demand from 2009-10 to 2014-15.
Income Tax	Income Tax		1,130	TDS Demand for 2017-18.

Vizag Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
APGST*	APGST	1968-69	18,56,325	STAT, HYD
APGST*	APGST	1986-87	25,05,806	STAT,VIZAG
APGST*	APGST	1989-90	4,79,000	STAT
APGST*	APGST	1991-92	19,34,139	AC LTU
CST**	CST	1994-95	8,41,695	AC LTU
APGST*	APGST	1997-98	25,27,960	STAT,VIZAG
CST**	CST	2007-08	1,04,614	ADC
Service Tax	Service Tax	2003-06	12,65,26,554	CESTAT, Hyderabad
Service Tax	Service Tax	2013-14	73,21,203	CESTAT, Hyderabad
Service Tax	Service Tax	2013-14	84,41,967	CESTAT, Hyderabad
Customs Duty	Customs Duty	2009-10	17,05,405	CESTAT, Hyderabad

*Out of the disputed amounts relating to APGST the RO has deposited ₹ 83,75,068/- with authorities.

**Out of the disputed amounts relating to CST the RO had deposited ₹ 8,54,772/- with authorities.

Bhubaneswar Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
OrrisaSales Tax	Interest Penalty	1978-79	26,50,388	High Court of Orissa
OrrisaSales Tax	OdishaSales Tax	1978-79	34,00,919	High Court of Orissa
OrrisaSales Tax	OdishaSalesTax	1978-79	1,70,046	High Court of Orissa
OrrisaSales Tax	Interest Penalty	1979-80	6,53,452	High Court of Orissa
OrrisaSales Tax	Central Sale Tax	1982-83	34,83,020	High Court of Orissa
OrrisaSales Tax	Interest	1978-79	3,57,42,030	High Court of Orissa
OrrisaSales Tax	DEPB	2006-09	14,98,22,308	Odisha Sales Tax Tribunal
OrrisaSales Tax	DEPB	2010-12	5,08,43,080	High Court of Orissa
OVAT	Value Added Tax	2013-14	14,28,18,841	Odisha Sales Tax Tribunal
CST (Odisha)	Central Sale Tax,1956	2013-14	58,07,05,822	Odisha Sales Tax Tribunal
ET (Odisha)	Entry Tax	2013-14	52,63,10,091	Odisha Sales Tax Tribunal
Central Excise Act	Service Tax	2003-05	4,50,58,805	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2003-07	20,15,26,042	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2007-08	4,45,67,113	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2008-10	9,06,80,665	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2010-11	4,48,35,541	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2011-12	4,80,55,983	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2009-12	40,12,00,195	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2009-11	91,30,743	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	44,95,526	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	5,34,29,388	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise & Custom Act	Customs Duty	2012-13	1,49,02,87,737	Ass. Comm. ,CE&C, Balasore Division, Balasore
Central Excise & Custom Act	Customs Duty	2017-18	91,628	Asst. Comm., Customs, Paradip
Central Excise & Custom Act	Customs Duty	2017-18	1,95,117	Asst. Comm., Customs, Paradip
Central Excise & Custom Act	Customs Duty	2017-18	33,020	Asst. Comm., Customs, Paradip
Central Excise & Custom Act	Customs Duty	2017-18	1,32,576	Asst. Comm., Customs, Paradip

Central Excise Act	Service Tax	2017-18	12,664	Asst. Comm., Customs Excise & Service Tax, Bhubaneswar
CST (ODISHA)	Sales Tax	2014-15	4,93,756	Dy. Commissioner, Comm Tax
CST (ODISHA)	Sales Tax	2011-12, 2012-13, 2014-15	75,79,583	Addl. Commissioner (Appeals)

Corporate Office

Nature of Statute	Nature of Dues	Year	Amount	Authority
Income tax Act	Income tax Act	2015-16	1,17,51,934	CIT(A)
Income tax Act	Income tax Act	2014-15	1,55,24,136	CIT(A)
Income tax Act	Income tax Act	2013-14	3,34,92,278	ITAT
Income tax Act	Income tax Act	2012-13	4,52,05,719	ITAT
Income tax Act	Income tax Act	2011-12	7,82,45,209	ITAT
Income tax Act	Income tax Act	2010-11	3,71,73,260	ITAT
Income tax Act	Income tax Act	2009-10	8,06,98,915	ITAT
Income tax Act	Income tax Act	2005-06	4,51,65,330	Supreme Court
Income tax Act	Income tax Act	2004-05	3,58,34,174	ITAT
Income tax Act	Income tax Act	2003-04	1,08,96,834	ITAT
Income tax Act	Income tax Act	2002-03	8,56,73,253	ITAT
Income tax Act	Income tax Act	2001-02	1,17,77,218	ITAT/High Court
Income tax Act	Income tax Act	2000-01	3,94,62,696	ITAT
Income tax Act	Income tax Act	1999-00	2,85,69,897	ITAT
Income tax Act	Income tax Act	1998-99	58,90,533	ITAT
Income tax Act	Income tax Act	1997-98	50,22,928	ITAT
Income tax Act	Income tax Act	1996-97	3,73,75,477	ITAT

Out of the above demand, an amount of ₹ 21,61,86,357.00 has been deposited by the company

Ahmedabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Custom Act 1962	Differential Custom Duty	2013-14	31,29,05,785	CESTAT Chennai

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

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

We have audited the internal financial controls over financial reporting of **MMTC Ltd.** ("the Company") as of March 31, 2018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditor's Responsibility:

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

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

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

Meaning of Internal Financial Controls over Financial Reporting:

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

<u>Inherent Limitations of Internal Financial Controls over Financial Reporting:</u>

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

<u>Opinion:</u>

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: New Delhi
Date:29.05.2018

Rakesh Agarwal
Partner
M No.:081808

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

Sl. No.	Description	Observation
1.	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available?	As per explanation and information given to us and records verified by us in respect of Corporate Office & DRO and based on audit reports read with CARO reports received from other auditors for 8 regional offices, the details in respect of availability of title deed of Immovable Properties are given below:
2.	Whether there are any cases of waiver/write off of debts/loans/ interest etc.. If yes, the reason therefore and the amount involved.	As per explanation and information given to us and records verified by us in respect of Corporate Office & DRO and based on audit reports, received from other auditors for 8 regional offices, ₹ 4,50,107.94 has been written off during the financial year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Govt. or other authorities.	As per explanation and information given to us and records verified by us in respect of Corporate Office & DRO and based on audit reports, received from other auditors for 8 regional offices, proper records are maintained for inventories lying with third parties. It is informed to us, during the year, no assets received as gift/grant from Government or other Authorities.

Detail of Freehold/Leasehold Land :

Region/ Office	Asset Description	Gross Value	Area	Remarks
Corporate Office	Land for Residential Colony at New Delhi	13.16 Lakhs	32.33 Acres	Lease Agreement is in Joint Name of MMTC and State Trading Corporation
Bhubaneshwar Office	Residential Building, Roads, Culverts and Electrical Installations	47.57 Lakhs	2 Acres	Lease Deed Expired in 2011. Paradeep Port recommended for renewal of lease for 15 years and Government has approved the renewal upto 2025. Execution of lease deed is under process.

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

Place: New Delhi
Date:29.05.2018

Rakesh Agarwal
Partner
M No.:081808

<u>TO WHOM SOEVER IT MAY CONCERN</u>

We have conducted the Audit of accounts of MMTC Limited for the year ended 31st March 2018 in accordance with the directions/sub directions issued by C & AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub directions.

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

Place: New Delhi
Date:29.05.2018

Rakesh Agarwal
Partner
M No.:081808

MANAGEMENT'S REPLY TO AUDITOR'S OBSERVATIONS IN THE AUDIT REPORT ON SATANDALONE FINANCIAL STATEMENTS FOR 2017-18

Para no.	AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
	Emphasis of Matter	
a.	We draw attention to Note No.34 (ix) to the standalone Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non- extension of time/waiver/write off of GR-1 forms.	This relates to GRs pending since 1991-92. Liability, if any will be provided as and when any demand is raised and settled by the company. At present the liability, if any, on this account is unascertainable.
b	We draw attention to Note No. 34 (v), (vi), and 36 (c) to the Standalone Ind AS financial Statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Limited (NINL)-a joint venture Company.	i) NINL is a joint venture company promoted by MMTC along with Government of Orissa in which 49.78% equity share capital is held by MMTC. ii) MMTC has exclusive right to sell the finished products of NINL and to supply raw material to them. Accordingly, MMTC has been extending from time to time short term credit facility to NINL for its day to day operational activities on continuing basis. iii) Corporate guarantees are given by the Company in favour of financial institutions/ banks on behalf of NINL for securing principal and interest in respect of loans to NINL. iv) The financial position of NINL is expected to improve in coming years considering that NINL has started commercial production after major repair of blast furnace and the production levels have reached to higher capacity level, clearance of mining rights of allotted iron ore mine and expected revival of steel sector globally etc.

<table>
<tr><th colspan="3">Annexure-1 To the Independent Auditors'</th></tr>
<tr>
<td>1 (iii)</td>
<td>Title Deeds of immovable property are held in the name of the company except in the case mentioned below:
<table>
<tr><th>Region/ Office</th><th>Asset Description</th><th>Gross Value</th><th>Area</th><th>Remarks</th></tr>
<tr><td>Corporate Office</td><td>Land for Residential Colony at New Delhi</td><td>13.16 Lakhs</td><td>32.33 Acres</td><td>Lease Agreement is in Joint Name of MMTC and State Trading Corporation</td></tr>
<tr><td>Bhubaneshwar Office</td><td>Residential Building, Roads, Culverts and Electrical Installations</td><td>47.57 Lakhs</td><td>2 Acres</td><td>Lease Deed Expired in 2011. Paradeep Port recommended for renewal of lease for 15 years and Government has approved the renewal upto 2025. Execution of lease deed is under process.</td></tr>
</table>
</td>
<td>MANAGEMENT'S REPLY
The Memorandum of Agreement dated 05.02.1968 of the land (MMTC Residential Colony) at Delhi is in joint name of State Trading Corporation (STC) and MMTC. The matter has been taken up with DDA for execution of lease deed on regular basis.
Lease deed which was expired on 21/11/2010, has since been renewed for another 15 years upto 20/11/2025. The entire lease payment has been made on 08/05/2018 and formalization of lease deed is in process.</td>
</tr>
<tr>
<td>4</td>
<td>Compliance of Provision of Section 185 and 186 of the Companies Act, 2013 in respect of loans, guarantees and securities
According to the information and explanations given to us, and as per the records verified by us, the company has not granted any loan or given any guarantee and provided any security covered under Section 185 of the Act. During the year, the Board of Directors of the Company has sanctioned extension of credit facility upto a limit of Rs. 630.00 Crores(Outstanding Rs. 361.70 Cr. as on 31st March 2018) to one of its joint Venture- M/s Neelachal Ispat Nigam Ltd, without taking consent of all the directors present at the board meeting which is required for compliance of section 186 of the Act, though, in management's view, the said advance is related to trade activities in the ordinary course of business which is outside the purview of Sec. 186.</td>
<td>The trade credit facility has been extended with the approval of the Board considering the urgent need of meeting the raw material requirement of NINL. The extension of trade credit does not fall under the provisions of Section 186 of the Companies Act, 2013 and hence unanimous approval of the Board for the trade credit is not necessary.</td>
</tr>
</table>

MMTC LIMITED

FINANCIAL STATEMENTS
FOR
THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

MMTC Limited
Balance Sheet as at March 31, 2018

(₹ in Crore)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	**46.68**	50.22
Capital work-in-progress	3	**-**	0.04
Investment Property	4	**3.94**	4.09
Other intangible assets	5	**1.46**	2.14
Financial Assets			
Investments	6A	**453.03**	484.51
Trade Receivables	7A	**-**	8.49
Loans	8	**9.06**	140.29
Others	9	**58.99**	35.23
Deferred tax Assets (net)	10	**235.61**	232.58
Other non-current Assets	11A	**26.23**	34.58
Current Assets			
Inventories	12	**1,711.48**	2,366.78
Financial Assets			
Investments	6B	**-**	96.00
Trade Receivables	7B	**353.16**	505.83
Cash & Cash Equivalents	13	**50.08**	361.67
Bank Balances other than above	14	**17.82**	67.18
Loans	8	**2.82**	4.08
Others	9	**7.71**	11.72
Current Tax Assets (net)	15	**13.56**	27.92
Other Current Assets	11B	**2,425.92**	1,644.94
Total Assets		**5,417.55**	**6,078.29**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16A	**100.00**	100.00
Other Equity	16B	**1,349.45**	1,334.07
Liabilities			
Non-current liabilities			
Provisions	20A	**184.16**	187.69
Current liabilities			
Financial Liabilities			
Borrowings	17	**519.26**	440.18
Trade payables	18	**1,064.67**	688.94
Other Financial Liabilities	19	**242.81**	187.27
Other current liabilities	21	**1,805.05**	3,038.23
Provisions	20B	**136.65**	74.28
Current Tax Liabilities (net)	22	**15.50**	27.63
Total Equity and Liabilities		**5,417.55**	**6,078.29**

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC Limited

Statement of Profit and Loss for the year ended March 31, 2018

(₹ in Crore)

Particulars	Note No	Year Ended March 31, 2018	Year Ended March 31, 2017
Income			
Revenue From Operations	23	**16,450.81**	11,708.36
Other Income	24	**63.10**	42.30
Total Income (I)		**16,513.91**	**11,750.66**
Expenses			
Cost of material consumed	25	**131.39**	111.75
Purchase of Stock in Trade	26	**14,471.40**	12,822.25
Changes in inventories of finished goods, stock in trade and work in progress	27	**652.14**	(1,967.94)
Employees' Benefit Expenses	28	**259.28**	195.67
Finance Cost	29	**16.60**	21.27
Depreciation & Amortization Expenses	30	**5.24**	6.68
Other Expenses	31	**910.32**	571.02
Total expenses (II)		**16,446.37**	**11,760.70**
Profit/(loss) before exceptional items and tax (I-II)		**67.54**	(10.04)
Exceptional Items - expense/(income)	32	**8.41**	(91.27)
Profit Before Tax		**59.13**	81.23
Tax expense	33		
Current tax		**13.35**	28.20
Adjustments relating to prior periods		**(0.03)**	(0.75)
Deferred tax		**(3.03)**	(3.28)
Total Tax Expense		**10.29**	24.17
Profit for the year (A)		**48.84**	57.06
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
-Remeasurements of the defined benefit plans		**5.36**	0.28
-Equity Instruments through other comprehensive income		**(0.86)**	0.81
-Income Tax effect		**(1.85)**	(0.10)
Total Other Comprehensive Income net of tax (B)		**2.65**	0.99
Total Comprehensive Income for the year (A)+(B)		**51.49**	58.05
Earnings per equity share :			
Basic & Diluted (in ₹)	44	**0.49**	**0.57**

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC Limited
Cash Flow Statement For The Year Ended March 31, 2018

(₹ in Crore)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss before tax		**59.13**		81.23
Adjustment for:-				
Loss on valuation of inventories	**0.64**		4.71	
Depreciation & amortisation expense	**5.24**		6.68	
Net Foreign Exchange (gain)/loss	**8.05**		(0.21)	
(Profit)/Loss on sale of assets	**(0.06)**		(0.01)	
(Profit)/Loss on sale of Investment	**3.04**		-	
Interest income	**(15.39)**		(27.73)	
Dividend income	**(23.82)**		(1.21)	
Finance Costs	**16.60**		21.27	
Debts/claims written off	**0.05**		0.66	
CSR expenditure	**0.49**		-	
Allowance for Bad and Doubtful Debts / claims / advances	**-**		0.48	
Revresal of subsidy claim	**-**		7.67	
Provision no longer Required	**(0.86)**		(2.07)	
Liabilities Written Back	**(14.02)**		(6.85)	
Provision for DWA risk	**0.04**		0.07	
		(20.00)		3.45
Operating Profit before Working Capital Changes		**39.13**		**84.69**
Adjustment for:-				
Inventories	**654.66**		(1,969.99)	
Trade Receivables	**161.69**		318.58	
Loans & Other Financial Assets	**140.30**		343.96	
Other current & non current assets	**(723.26)**		(526.15)	
Trade payables	**381.97**		(234.50)	
Other Financial Liabilities	**55.54**		(163.38)	
Other current & non current liabilities	**(1,233.17)**		2,456.03	
Provisions	**61.83**	**(500.43)**	15.19	239.74
		(461.30)		324.42
Taxes Paid		**(11.09)**		(23.96)
Net cash flows from operating activities		**(472.39)**		**300.46**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	**(1.08)**		(1.77)	
Sale of fixed Assets	**0.31**		0.30	
Sale/(Purchase) of Investment	**96.00**		(123.57)	
Interest received	**15.39**		27.73	
Dividend Received	**23.82**	**134.44**	1.21	(96.09)
Net cash flows from investing activities		**134.44**		**(96.09)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings	**79.07**		168.36	
Finance Costs	**(16.60)**		(21.27)	
Dividend (inclusive of tax) paid	**(36.11)**	**26.36**	(36.11)	110.99
Net Cash From Financing Activities		**26.36**		**110.99**
D. Net changes in Cash & Cash equivalents		**(311.59)**		**315.36**
E. Opening Cash & Cash Equivalents (Note No 13)		**361.67**		**46.31**
F. Closing Cash & Cash Equivalents (Note No 13)		**50.08**		**361.67**

Note:

1. The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 on Statement of Cash Flows.
2. Cash and Cash Equivalents consist of:-

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
(a) in Current Account	**19.81**	29.63
(b) In term deposit with original maturity upto 3 months	**3.59**	305.01
(c) Debit balance in Cash Credit Account	**26.64**	26.76
Cheques, Drafts on hand	**0.00**	0.27
Cash on hand	**0.04**	0.00
	50.08	361.67

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC LIMITED

Statement of Changes in Equity for the period ended 31.03.2018

1. Equity Share Capital

(₹ in Crore)

Particulars	No of Shares	Amount
Balance as at 1.4.2017 Changes in Equity Share Capital during the year	**1,000,000,000**	**100.00**
Balance as at 31.3.2018	**1,000,000,000**	**100.00**

Particulars	No of Shares	Amount
Balance as at 1.4.2016 Changes in Equity Share Capital during the year	**1,000,000,000**	**100.00**
Balance as at 31.3.2017	**1,000,000,000**	**100.00**

B. Other Equity as at March 31, 2018

(₹ in Crore)

	Share application money pending allotment	Reserves and Surplus					Debt instruments through OCI	Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange difference on translation	Other items of OCI	Total
		Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	General Reserve	Retained Earnings						
Balance as at 1.4.2017	-	-	0.00	0.35	616.62	718.94	-	0.81	-	-	(2.65)	**1,334.07**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	48.84	-	(0.86)	-	-	3.51	**51.49**
Dividend and DDT	-	-	-	-	-	(36.11)	-	-	-	-	-	**(36.11)**
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	**-**
Any other changes	-	-	(0.00)	-	10.00	(10.00)	-	-	-	-	-	**(0.00)**
Balance as at 31.3.2018	-	-	-	0.35	626.62	721.67	-	(0.05)	-	-	0.86	**1,349.45**

Other Equity as at March 31, 2017

(₹ in Crore)

	Share application money pending allotment	Reserves and Surplus					Debt instruments through OCI	Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange difference on translation	Other items of OCI	Total
		Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	General Reserve	Retained Earnings						
Balance as at 1.4.2016	-	-	0.01	0.35	616.62	697.98	-	-	-	-	(2.83)	**1,312.13**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	**-**
Total comprehensive income for the year	-	-	-	-	-	57.06	-	0.81	-	-	0.18	**58.05**
Dividend and DDT *	-	-	-	-	-	(36.11)	-	-	-	-	-	**(36.11)**
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to retained earnings	-	-	(0.00)	-	-	-	-	-	-	-	-	**(0.00)**
Any other changes	-	-	-	-	-	0.01	-	-	-	-	0.00	**0.01**
Balance as at 31.3.2017	-	-	0.00	0.35	616.62	718.94	-	0.81	-	-	(2.65)	**1,334.07**

*Final dividend for the year ended March 31, 2017 @ 0.30 per share amounting to ₹ 30 crore and dividend distribution tax of ₹ 6.11 crore (@ ₹ 0.30 per share amounting to ₹ 30 crore for the year ended March 31, 2016 and dividend distribution tax of ₹ 6.11 crore).

Dividend not recognised at the end of reporting period

(₹ in Crore)

	As at March 31, 2018	**As at March 31, 2017**
Dividend proposed @ ₹ 0.30 per share for year ended March 31, 2018 (@ ₹ 0.30 per fully paid equity share for year ended March 31, 2017) on equity share capital as on 31.3.2018 which works out to ₹ 0.20 per share post bonus share allotted on 7.5.2018. Proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	**30.00**	30.00
The dividend distribution tax on proposed dividend	**6.11**	6.11

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC LIMITED

Notes to the Financial Statements for the year ended March 31, 2018

1. General Information

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

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

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

2. Significant Accounting Policies

2.1 Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

2.2 Functional & presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Crores of Indian rupees (₹ in crores) (upto two decimals) except number of equity shares and per share data and when otherwise indicated.

2.3 Use of estimates and judgment

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

2.4 Revenue Recognition

i) Trading Income

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

Purchases and Sales

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

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

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

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

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

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

(iv) In respect of Gold sourced domestically where price fixation is deferred, purchase is initially accounted for on the basis of invoice received from the supplier. The difference, if any, arising on price fixation is accounted for through debit / credit note.

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

e. High Sea Sales

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

ii) Other Operating Revenue

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

iii) Claims

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

iv) Service Income

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

a) The amount of revenue can be measured reliably;
b) It is probable that the economic benefits associated with the transaction will flow to the company ;
c) The stage of completion of the transaction can be measured reliably;
d) Costs incurred for the transaction and to complete the transaction can be measured reliably.

v) *Dividend and interest income*

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

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

vi) *Revenue Recognition on Actual Realization*

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

a) Duty credit / exemption under various promotional schemes of Foreign Trade Policy in force, Tax credit, refund of custom duty on account of survey shortage, and refund of income-tax/service tax / sales-tax /VAT/GST and interest thereon etc.
b) Decrees pending for execution/contested dues and interest thereon, if any:
c) Interest on overdue recoverable where realisability is uncertain.
d) Liquidated damages on suppliers/underwriters.

2.5 Property, Plant and Equipments

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

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

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

2.6 Intangible Assets

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

2.7 Non-Current Assets Held for Sale

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

2.8 Depreciation

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

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

Name of Assets	Useful life as adopted by the company as per Schedule II
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30

B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Softwares	5 years or License period as applicable

2.9 Impairment

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

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

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

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

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

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

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

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

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

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

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

De-recognition of financial assets

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

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

2.10 Borrowing Costs

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

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

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

2.11 Foreign currency translation

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

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

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

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

2.12 Inventory

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

a) Exports:

- i) Cost of export stocks is arrived at after including direct expenses incurred up to the point at which the stocks are lying. Similarly the realisable value is derived by deducting from the market price the expenses to be incurred from that point to the stage where they are sold.
- ii) In respect of mineral ores the realisable value of ores is worked out at the minimum of the Fe/Mn contents of the grade of the ore as per export contract and is compared with the weighted average cost at weighted average Fe/Mn contents/weighted average moisture contents of the ore. The embedded stocks of Iron ore are excluded from inventory and hence not valued.

b) Imports:

- i) The cost of imported stocks is arrived at by working out the yearly regional weighted average cost except for Non-ferrous Metals where weighted average cost of remaining stock after including all expenses incurred up to the point at which they are lying is considered. However, where stocks are specifically identifiable, actual cost of the material including all expenses incurred up to the point at which they are lying is considered.
- ii) Gold/Silver purchased from foreign suppliers against booking by exporters under replenishment option and not delivered at the year-end are shown as stocks of company and valued at cost.

c) Domestic:

- i) The cost of gold/silver medallions and silver articles is arrived at by working out the yearly location-wise weighted average cost of material and cost of opening stock. Costs include manufacturing/fabrication charges, wastages and other direct cost.
- ii) In case of cut & polished stones and jewellery (finished/semi-finished) where stocks are specifically identifiable, actual cost of the material including all expenses incurred up to the point at which they are lying is considered. Costs include wastage and other direct manufacturing costs.

d) Packing material

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

e) Stocks with fabricators

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

2.13 Provisions

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

2.14 Contingent Liabilities / Assets

Contingent Liabilities

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

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

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

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

Contingent Assets

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

2.15 Leases

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

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

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

2.16 Employee benefits

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

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

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

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

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

Short-term employee benefit obligations

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

2.17 Taxation

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

Current tax

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

Deferred tax

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

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

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

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

Current and deferred tax for the year

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

2.18 Investment Property

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

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized. Investment properties are depreciated in accordance to the class of assset that it belongs and the life of the asset is as conceived for the same class of asset at the Company.

2.19 Earnings per share

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

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

2.20 Discontinued operations

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

2.21 Financial instruments

i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

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

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

a) Cash and cash equivalents

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

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

c) Loans and receivables

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

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

d) Trade and other payables

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

e) Investments in Subsidiary, Associates and Joint Venture

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

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

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

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

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

ii) <u>Derivative financial instruments</u>

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

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

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

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

a) Cash flow hedges

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

b) Others

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

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

2.22 Segment Information

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

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

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

2.23 Prior Period Errors

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

Note s to accounts for the year ended March 31, 2018

3. Property, Plant and Equipment

(₹ in Crore)

Particulars	Gross carrying value as at April 1, 2017	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2018	Accumulated depreciation as at April 1, 2017	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2018	Net Carrying Value as at March 31, 2018	Net Carrying Value as at March 31, 2017
Land freehold										
- Office building	0.37	-	-	**0.37**	-	-	-	**-**	**0.37**	**0.37**
- Staff Quarters	0.13	-	-	**0.13**	-	-	-	**-**	**0.13**	**0.13**
Land leasehold										
- Office building	2.70	-	-	**2.70**	0.10	0.05	-	**0.15**	**2.55**	**2.60**
- Staff Quarters	0.15	-	-	**0.15**	0.01	0.00	-	**0.01**	**0.15**	**0.15**
Building										
- Office Building	6.89	-	-	**6.89**	0.30	0.17	-	**0.47**	**6.41**	**6.58**
- Staff Quarters/Residential Flats	1.33	0.02	-	**1.35**	0.07	0.04	-	**0.11**	**1.24**	**1.26**
- Water supply, Sewerage & Drainage	0.06	-	-	**0.06**	0.01	0.01	-	**0.02**	**0.04**	**0.05**
-Electrical Installations	3.02	-	-	**3.02**	1.70	0.07	-	**1.77**	**1.25**	**1.32**
-Roads & Culverts	0.02	-	-	**0.02**	0.01	0.00	-	**0.01**	**0.01**	**0.02**
- Audio/Fire/Airconditioning	0.11	0.00	(0.00)	**0.11**	0.05	0.02	(0.00)	**0.07**	**0.04**	**0.06**
Plant & Equipment	40.87	0.61	(0.19)	**41.29**	6.49	2.96	-	**9.45**	**31.84**	**34.38**
Furniture & Fixtures										
- Partitions	0.47	-	(0.09)	**0.38**	0.14	0.14	(0.08)	**0.20**	**0.18**	**0.33**
- Others	1.04	0.09	(0.01)	**1.12**	0.18	0.12	(0.00)	**0.30**	**0.82**	**0.86**
Vehicles	0.42	0.07	(0.01)	**0.48**	0.11	0.07	(0.00)	**0.17**	**0.31**	**0.31**
Office Equipments	1.48	0.20	(0.02)	**1.66**	0.59	0.29	(0.01)	**0.87**	**0.79**	**0.88**
Others:-										
- Railway Wagon Rakes	0.00	-	(0.00)	**0.00**	0.00	-	-	**0.00**	**0.00**	**0.00**
- Railway Loop Line at BNHT	0.00	-	-	**0.00**	-	-	-	**-**	**0.00**	**0.00**
- Computer/ Data Processors	2.00	0.07	(0.00)	**2.07**	1.08	0.45	(0.00)	**1.53**	**0.55**	**0.92**
Total	**61.06**	**1.07**	**(0.32)**	**61.81**	**10.84**	**4.40**	**(0.11)**	**15.13**	**46.68**	**50.22**
Last Year	58.94	2.43	(0.32)	61.06	5.05	5.81	(0.02)	10.84	**50.22**	
Capital Work in Progress	**0.04**	**-**	**(0.04)**	**-**	**-**	**-**	**-**	**-**	**-**	**0.04**
Last Year	0.75	0.04	(0.75)	0.04	-	-	-	-	**0.04**	

4. Investment Property

(₹ in Crore)

Particulars	As at 31st March 2018	As at 31st March 2017
Gross carrying value as at beginning of the year	**4.44**	4.44
Additions	**-**	-
Disposal/adjustments	**-**	-
Gross carrying value as at end of the year	**4.44**	**4.44**
Accumulated depreciation as at beginning of the year	**0.35**	0.18
Additions	**0.15**	0.17
Accumulated depreciation as at end of the year	**0.50**	**0.35**
Net Carrying Value as at end of the year	**3.94**	**4.09**

Amounts recognised in profit or loss for investment properties (₹ in Crore)

Particulars	31-Mar-18	31-Mar-17
Rental income	**2.21**	2.14
Direct operating expenses from property that generated rental income	**-**	-
Direct operating expenses from property that did not generate rental income	**-**	-
Profit from investment properties before depreciation	**2.21**	2.14
Depreciation	**0.15**	0.17
Profit from investment properties	**2.06**	**1.97**

Leasing arrangements

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

(₹ in Crore)

Particulars	31-Mar-18	31-Mar-17
Within one year	**0.70**	0.63
Later than one year but not later than five year	**-**	-
Later than five year	**-**	-
Total	**0.70**	**0.63**

Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹ 90.87 crore (P.Y. ₹ 82.88 crore)

5. Intangible Assets

(₹ in Crore)

Particulars	Gross carrying value as at April 1, 2017	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2018	Accumulated depreciation as at April 1, 2017	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2018	Net Carrying Value as at March 31, 2018	Net Carrying Value as at March 31, 2017
Computer Softwares	**3.38**	**0.01**	-	**3.39**	**1.24**	**0.69**	-	**1.93**	**1.46**	**2.14**
Last Year	3.35	0.03	-	3.38	0.54	0.70	-	1.24	**2.14**	

6. Investments

(₹ in Crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
A. NON-CURRENT INVESTMENTS				
a) Investments in Equity Instruments at amortized cost				
i) Subsidiaries				
Unquoted				
MMTC Transnational Pte. Ltd. 1461502 (P.Y. 1461502) fully paid up equity shares of S$ 1each.		**3.14**		3.14
ii) Joint Ventures				
Unquoted				
Neelachal Ispat Nigam Limited. 289342744(P.Y. 289342744) fully paid up equity shares of 10 each.		**379.69**		379.69
MMTC Gitanjali Limited. 2987400(P.Y. 2987400) fully paid up equity shares of ₹10 each.	**2.99**		2.99	
Add/(Less): impairment in value of investment	**(2.99)**	**0.00**	-	2.99
Free Trade Warehousing Pvt. Ltd.5000(P.Y. 2600) fully paid up equity shares of ₹10 each.		**0.01**		0.00
MMTC Pamp India Pvt. Limited.17446000(P.Y. 17446000) fully paid up equity shares of ₹ 10 each.		**17.45**		17.45
Sical Iron Ore Terminal Limited. 33800000(P.Y. 33800000) fully paid up equity shares of ₹ 10 each.		**33.80**		33.80
TM Mining Company Limited. 57200(P.Y. 57200) fully paid up equity shares of ₹ 10 each.	**0.06**		0.06	
Add/(Less): impairment in value of investment	**(0.06)**	**0.00**	-	0.06
iii) Others				
Fair value through other comprehensive income				
Quoted				
Bombay Stock Exchange Limited. 38961 (P.Y. 38961) fully paid up equity shares of ₹ 2 each.	**3.00**		3.00	
Add/(Less): Fair Value Adjustment through Other Comprehensive	**(0.05)**	**2.95**	0.81	3.81
Unquoted				
Indian Commodity Exchange Limited.32000000(P.Y. 32000000) fully paid up equity shares of ₹ 5 each.	**16.00**		16.00	
Add/(Less): Fair Value Adjustment through Other Comprehensive Income	**0.00**	**16.00**	-	16.00
Amortized cost				
Unquoted				
Indo French Biotech Limited. 4750000(P.Y. 4750000) fully paid up equity shares of ₹ 10 each.	**4.75**		4.75	
Add/(Less): impairment in value of investment	**(4.75)**	**0.00**	4.75	0.00
Advance against Equity:-				
Haldia Free Trade Warehousing Pvt. Ltd.	**-**		22.09	
Kandla Free Tarde Warehousing Pvt. Ltd.	**-**		5.48	
Free Trade Warehousing Pvt. Ltd.*	**-**	**-**	0.00	27.57
Total Investments in Equity Instruments		**453.03**		**484.51**

*Represents ₹ 24,000/- given to Free Trade Warehousing Pvt. Ltd.

(₹ in Crore)

Total Non-Current Investments (Gross)		460.88		488.45
	Aggregate Amount	Market Value	Aggregate Amount	Market Value
Aggregate amount of quoted investments and market value there of	**3.00**	**2.95**	3.00	3.81
Aggregate amount of unquoted investments	**457.88**	**-**	485.45	-
Aggregate amount of impairment in the value of investments	**7.79**	**-**	4.75	-

(₹ in Crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
B. CURRENT INVESTMENTS				
Investments in Mutual Funds (Quoted - fair value through profit or loss)				
SBI Premier Liquid Fund -Direct Plan- Daily Dividend				
Nil (P.Y. 478533.79 units of NAV ₹ 1003.064 each)		-		48.00
UTI - Liquid Cash Plan -Institutional-Direct Plan- DDR				
Nil (P.Y. 470927.669 units of NAV ₹ 1019.265 each)		-		48.00
Total		**-**		**96.00**

Total Current Investments (Gross)		-		96.00
	Cost	Market Value	Cost	Market Value
Aggregate amount of quoted investments and market value there of	-	-	96.00	96.00
Aggregate amount of unquoted investments	-	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-	-

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

ii) The Company has invested ₹ 33.80 crore (P.Y ₹ 33.80 crore) towards 26% equity in SICAL Iron Ore Terminal Limited (SIOTL), a Joint Venture for the construction and operation of iron ore terminal at Ennore Port. The construction of terminal was completed by November 2010, the same could not be commissioned due to restrictions on mining, transportation and export of iron ore. After due tender process, KPL has allowed to SIOTL for necessary modifications to also handle common user coal. MMTC's Board of Directors during its 428th meeting held on 14.09.16 approved MMTC's exit through open tender mechanism from the JV. Accordingly, bids were invited from interested bidders for sale of MMTC's equity. No bids were received in the tender process. Subsequently, during the year the lead promoter (i.e. M/s Sical Logistics Ltd) has agreed to buy MMTC's equity at the reserve price of ₹ 34.26 crore. Accordingly, the Share Purchase Agreement is being drawn. In light of above the investment is considered as good.

iii) Against the initial investment of 5.20 crore equity shares of ₹ 5 each amounting to ₹ 26.0 crore in the Indian Commodity Exchange (ICEX) [representing 26% holding of the Company in ICEX], the Company divested 2 crore equity shares at a premium of 100% during 2015-16. A Right Issue at a 100% premium was brought out by ICEX in February/March 2016 that got fully subscribed. Again during FY 2016-17, ICEX brought out Right Issue at 100% Premium that also got fully subscribed. MMTC did not participate in the above Right Issues. Consequently, the company's holding reduced to 3.20 crore equity shares valuing ₹ 16 crore out of total equity share capital of ₹ 167.50 crore of ICEX which is 9.55% of the total equity share capital. During the year a scheme to amalgamate National Multi commodity Exchange of India with ICEX has been approved. Consequently MMTC's holding will reduce to 6%. The ICEX commenced the operations during FY 2017-18.

MMTC valued its equity holding in ICEX at cost price of ₹ 5 each as at 31.03.2018 since the subscription of right issue at premium does not represent market value and cost price is perceived to be more representative of fair value as on 31st March 2018.

iv) The company has during the year fully impaired its equity investment of ₹ 2.99 crore in its joint venture M/s MMTC Gitanjali Limited in view of the recent defaults made by the main promoter, the investigations launched by the investigating agencies against them and considering the fact that JV Company has suspended its business activities. The company has also given notice for exiting from the JV Company.

v) During the year, the Advance Against Equity Pending Allotment of Shares of ₹ 27.57 crore given to Haldia Free Trade Warehousing Pvt Limited andKandla Free Trade Warehousing Pvt Limited has been converted into advance towards Project Development Fund. Accordingly, the same has now been shown under Other Non-Current Financial Assets. In respect of Advance Against Equity Pending Allotment of Shares of ₹24000/- given to Free Trade Warehousing Pvt Limited, shares have been allotted to the company during the year.

vi) The amount of ₹ 0.06 crore (P.Y. ₹ 0.06 crore) has been provided towards impairment of equity investment in TM Mining Company Ltd.- a Joint Venture company, consequent upon companies decision to exit from the JV and considering the fact that the project could not take off and no cash inflow is expected on the investment in near furture.

7. Trade Receivable

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Trade Receivables from related parties		
a) Secured, considered Good	-	-
b) Unsecured, considered good*	-	231.49
c) Doubtful	-	-
Less : Allowances for bad and doubtful debts	-	-
Sub-Total	-	**231.49**
(ii) Other Trade Receivables		
a) Secured, considered Good	**154.60**	1.09
b) Unsecured, considered good	**198.56**	281.74
c) Doubtful	**391.64**	396.14
Less : Allowances for bad and doubtful debts	**391.64**	**396.14**
Sub-Total	**353.16**	**282.83**
Total	**353.16**	**514.32**
NON-CURRENT (A)	-	8.49
CURRENT (B)	**353.16**	505.83
TOTAL	**353.16**	**514.32**

*Refer note 36 (c)

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ Nil (P.Y. ₹ Nil).

Movement in allowances for bad & doubtful debt:

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	**396.14**	395.73
Additions during the year	**0.64**	0.48
Reversals during the year	**(5.14)**	(0.07)
Utilisations during the year	**-**	-
Balance at the end of the year	**391.64**	**396.14**

8. Loans

(₹ in Crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Secured (considered good)				
Security Deposits	**-**	**0.00**	-	0.00
Loans to Related Parties	**-**	**-**	-	-
Loans to Employees	**1.08**	**4.36**	1.41	5.36
Others	**-**	**-**	-	-
Sub- Total	**1.08**	**4.36**	**1.41**	**5.36**
Unsecured (considered good)				
Security Deposits	**-**	**1.91**	-	1.57
Loans to Related Parties*	**-**	**0.00**	-	130.00
Loans to Employees	**1.55**	**2.79**	2.38	3.36
Others	**0.19**	**-**	0.29	-
Sub- Total	**1.74**	**4.70**	**2.67**	**134.93**
Doubtful				
Security Deposits	**-**	**0.17**	-	0.28
Loans to Related Parties	**-**	**-**	-	-
Loans to Employees	**-**	**-**	-	-
Others	**0.03**	**0.14**	0.03	0.14
Less: Allowance for bad and doubtful loans	**0.03**	**0.31**	0.03	0.42
Sub- Total	**-**	**-**	**-**	**-**
Total	**2.82**	**9.06**	**4.08**	**140.29**

*Refer note 36 (c)

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ 0.02 crore (P.Y. ₹ 0.03 crore).

9. Other Financial Assets

(₹ in Crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	**-**	**0.83**	-	0.05
Balance with bank for Unpaid Dividend	**-**	**0.13**		0.09
Receivable From NSEL	**-**	**209.79**	-	209.79
Demurrage and Dispatch recievable	**5.43**	**5.65**	8.28	5.65
Forward Contract Receivable	**0.65**	**-**	-	-
Advances to other Companies	**-**	**33.47**	-	5.35
Other Advances	**0.77**	**9.09**	0.58	8.15
Subsidy recoverable	**-**	**-**	0.94	-
Interest accrued due/not due on:				
-Term Deposits	**0.64**	**-**	1.57	-
-Loans to Employees	**1.26**	**10.55**	1.39	11.74
-Loans to Related Parties	**-**	**-**	-	-
-Loans to Others	**0.00**	**0.87**	0.00	0.87
Others	**-**	**20.18**	-	25.11
Less: Impairment / Allowances for bad and Doubtful Receivables	**1.04**	**231.57**	1.04	231.57
Total	**7.71**	**58.99**	**11.72**	**35.23**

- Includes ₹ 209.79 crore (P.Y. ₹ 209.79 crore) recoverable from various borrowers and National Spot Exchange (NSEL) arising on account of default of payment obligation of NSEL against which full provision of ₹ 209.79 crore (P.Y ₹ 209.79 crore) has already been made during 2013-14. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. The Government has also issued final order of merger of NSEL with its parent company, Financial Technologies (FTIL) in Feb, 2016. Against this merger order, FTIL has filed a case against Government. MMTC is also one of the intervening party in the legal case supporting the merger. CBI also investigated the case.

10. Deferred Tax Assets

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liability		
Property, plant and equipment	**(9.80)**	(10.47)
Sub Total	**(9.80)**	(10.47)
Deferred tax Assets		
Prov. For Doubtful Debts	**228.43**	227.92
DWA Risk	**0.02**	0.02
VRS Expenses	**0.42**	0.71
Provision for CSR	**-**	0.05
Provision for Litigation Settlement	**16.54**	14.35
Sub Total	**245.41**	243.05
Deferred tax Assets (net)	**235.61**	232.58

Movement in deferred tax balances during the year

(₹ in Crore)

Particulars	Balance As at March 31 2017	Recognised in Profit and Loss	Adjustments	Balance As at March 31 2018
Deferred Tax Liability				
Property plant and equipment	(10.47)	0.67	-	(9.80)
Sub Total	**(10.47)**	**0.67**	**-**	**(9.80)**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	227.92	0.52	-	228.43
Prov. for DWA Risk	0.02	(0.01)	-	0.02
VRS Expenses	0.71	(0.29)	-	0.42
CSR Provision	0.05	(0.05)	-	0.00
Prov for Litigation Settlement	14.35	2.19	-	16.54
Sub Total	**243.05**	**2.36**	**-**	**245.41**
Total	**232.58**	**3.03**	**-**	**235.61**

Recognised Deferred tax assets

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Deductible temporary differences	235.61	232.58
Total	**235.61**	**232.58**

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

11. Other Assets

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
A. Non-Current		
Capital Advances		
Advances other than Capital Advances		
-Security Deposits	**0.04**	0.04
-Advances to Related Parties	**-**	-
- Advances to other Suppliers	**4.73**	5.16
- Other Advances	**17.15**	17.20
Allowances for bad and Doubtful Advance	**(18.06)**	(18.14)
Others		
- Income Tax paid recoverable	**22.36**	30.31
- Sales Tax paid recoverable	**-**	-
- Excise/Custom duty paid recoverable	**-**	-
- Others	**0.01**	0.01
Total	**26.23**	**34.58**
B. Current		
Capital Advances	**-**	-
Advances other than Capital Advances		
-Security Deposits	**15.55**	4.60
-Advances to Related Parties	**1,425.00**	966.50

-Trade Related Advance to Related Parties	**361.70**	-
- Advances to other Suppliers	**23.21**	80.99
- Claim Recoverable Others	**63.87**	19.34
- Gold/Silver stock towards unbilled purchases	**392.97**	459.23
- Other Advances	**63.45**	81.93
Allowances for bad and Doubtful Advance	**(3.27)**	(3.70)
Others		
- Income Tax refund due	**-**	4.29
- Sales Tax refund due	**17.06**	15.98
- Excise/Custom duty refund due	**4.35**	4.35
- Service Tax refund due	**0.64**	-
-Others	**61.39**	11.43
Total	**2,425.92**	**1,644.94**

12. Inventories

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Raw Materials	**4.28**	9.23
Finished Goods	**34.19**	46.11
Stock in trade	**1672.45**	2311.37
(includes goods in transit valued at ₹ 431.23 crore (P.Y. ₹ 77.30 crore).		
Packing Materials	**-**	0.07
Others	**0.56**	-
Total	**1,711.48**	**2,366.78**

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

b) Inventories including goods in transit are valued at lower of the cost or realizable value as on 31st March 2018. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹ 0.64 crore (P.Y. ₹ 4.72 crore) and also includes ₹ 3.00 crore on account of fair value hedge adjustment (Gain) on account of hedging of gold inventory.

c) Stock-in-trade includes the following:

   i) 21020 units (P.Y. 21020 units) Certified Emission Reductions (CERs) valued at ₹ 0.05 crore (P.Y. ₹ 0.07 crore) and Nil (P.Y. 21020 units) Verified Carbon Units (VCUs) valued at ₹ Nil (P.Y. ₹ 0.03 crore) as per Ind AS-2 'Inventories', being lower of cost or net realizable value.

   ii) Nil number of CERs under certification.

   iii) An amount of ₹ 4.35 crore (P.Y. ₹ 4.30 crore) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

d) Stock in Trade includes an inventory of ₹ 856.29 crore (P.Y. ₹ 1921.83 crore) valued at cost relating to pulses imported under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses. (Refer note 36(e)).

13. Cash & Cash Equivalents

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
(a) in Current Account	**19.81**	29.63
(b) In term deposit with original maturity upto 3 months	**3.59**	305.01
(c) Debit balance in Cash Credit Account	**26.64**	26.76
Cheques, Drafts on hand	**0.00**	0.27
Cash on hand	**0.04**	0.00
Total	**50.08**	**361.67**

14. Bank Balances other than above

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
For Unpaid Dividend	**-**	-
As Margin money/under lien	**5.75**	12.50
In term deposit with original maturity more than 3 months but less than 12 months	**12.07**	54.68
Others	**-**	-
Total	**17.82**	**67.18**

15. Current tax Assets (Net)

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Advance tax paid for the FY 2017-18	**13.55**	-
Advance tax paid for the FY 2016-17	**0.01**	27.92
Total	**13.56**	**27.92**

16. A. Equity Shares Capital

Particulars	As at March 31, 2018	As at March 31, 2017
	Number	Number
Authorized		
Ordinary shares of par value of ₹ 1/- each		
Number	**1,000,000,000**	1,000,000,000
Amount	**100.00**	100.00
Issued, subscribed and fully paid		
Ordinary shares of par value of ₹ 1/- each		
Number	**1,000,000,000**	1,000,000,000
Amount	**100.00**	100.00

Reconciliation of number of shares:

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Equity Shares	**1,000,000,000**	1,000,000,000
Add: -No. of Shares issued/ subscribed during the year	**-**	-
Less: Deduction	**-**	-
Closing balance	**1,000,000,000**	**1,000,000,000**

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

Name of the Shareholder	As at March 31, 2018	As at March 31, 2017
- President of India	**899,268,762**	899,268,762

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

Movements in equity share capital: During the year, the company has neither issued nor bought back any shares.

The Company does not have any holding company.

During the year 2017-18, Board of Directors in their meeting held on 19th March, 2018, approved the issue of bonus shares in the ratio of 1:2 i.e. one bonus share of the face value of ₹ 1/- each for every two shares of the face value of ₹ 1/- each fully paid up held by the shareholders on record date which was subsequently, fixed as 4th May, 2018. Issuance of bonus shares will be done by capitalisation of free reserves to the tune of ₹ 50 crore created out of general reserves and profits of the company. The above mentioned shares were allotted by the share transfer committee in their meeting held on 7th May, 2018 to all eligible shareholders. Consequent to the allotment of bonus equity shares, the paid up share capital of the company stands increased to ₹ 150/- crore divided into 150 crore equity share of ₹ 1/- each fully paid up w.e.f. 7th May, 2018.

B. Other Equity

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Reserve	**-**	-
Corporate Social Responsibility Reserve	**-**	0.00
Research & Development Reserve	**0.35**	0.35
General reserve	**626.62**	616.62
Retained Earnings	**721.67**	718.94
Other Comprehensive Income Reserves	**0.81**	(1.84)
Total Other Equity	**1,349.45**	**1,334.07**

i) Capital Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	-	-
Transfer to general reserve	-	-
Closing Balance	**-**	**-**

ii) Corporate Social Responsibility Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	**0.00**	0.01
Transfer from surplus	**-**	-
Deduction	**(0.00)**	(0.00)
Closing Balance	**-**	**0.00**

iii) Research & Development Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	**0.35**	0.35
Transfer from surplus	**-**	-
Deduction	**-**	-
Closing Balance	**0.35**	**0.35**

iv) General Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	**616.62**	616.62
Transfer from surplus	**10.00**	-
Transfer of Capital reserve	**-**	-
Closing Balance	**626.62**	**616.62**

v) Retained Earnings

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	**718.94**	697.98
Net Profit for the year	**48.84**	57.06
Items of other comprehensive income recognized directly in retain earnings		
Remeasurements of post employment benefit obligation	**-**	0.01
Dividend and Dividend Tax	**(36.11)**	(36.11)
Appropriations:-		
General Reserve	**(10.00)**	-
Closing Balance	**721.67**	**718.94**

vi) Other Reserve

	Notes	Equity instruments through OCI	Effective Portion of cash flow hedges	Post Employee Benefit Plans Remeasurements	Total other reserves
As at April 1 2016		**-**	**-**	**(2.83)**	**(2.83)**
Remeasurements of the defined benefit plans		-	-	0.18	0.18
Equity Instruments through other comprehensive income		0.81	-	-	0.81
As at March 31, 2017		**0.81**	**0.00**	**(2.65)**	**(1.84)**
Remeasurements of the defined benefit plans		-	-	3.51	3.51
Equity Instruments through other comprehensive income		(0.86)	-	-	(0.86)
As at March 31, 2018		**(0.05)**	**-**	**0.86**	**0.81**

17. Borrowings

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
CURRENT		
(i) Loans repayable on Demand		
(a) From Banks	**-**	-
-Secured (against hypothecation of inventories, trade receivables and otther current assets present and future)	**519.26**	440.18
-Unsecured	**-**	
Total	**519.26**	**440.18**

- The loans have not been guaranteed by any of the director or others.
- The loans have been taken from Banks under Cash Credit/Packing Credit Accounts/ Others and are repayable within one year. Interest payable on loan repayable on demand is based on MCLR plus spread of banks.
- The company has not defaulted in repayment of any loan and interest thereon.

18. Trade Payable

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
CURRENT		
Other than MSMEs		
-Trade Payables	**1,064.65**	688.92
-Trade Payables to Related Parties	**0.02**	0.02
MSMEs	**-**	-
Total	**1,064.67**	**688.94**

19. Other Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
CURRENT		
Payables-Other than trade	**8.19**	12.27
Despatch/ Demurrage payable	**8.85**	8.31
Amount recovered -pending remittance	**0.33**	1.01
Interest accrued on borrowings	**2.04**	3.69
Security Deposit &EMD	**92.61**	48.52
Unpaid Dividend	**0.13**	0.09
Claims payable	**41.97**	14.77
Forward Contract Payable	**0.00**	18.00
Others	**88.69**	80.62
Total	**242.81**	**187.27**

20. Provisions

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
A. NON-CURRENT		
EMPLOYEE BENEFIT OBLIGATIONS		
a) Earned Leave	**13.63**	19.86
b) Compassionate Gratuity	**0.12**	0.12
c) Post Retirement Medical Benefit		
Retired/retiring on or after 01.01.2007	**93.32**	89.98
Retired before 01.01.2007	**45.04**	45.50
d) Half Pay Leave	**20.66**	19.38
e) Service Award	**5.44**	5.99
f) Employee's Family Benefit Scheme	**3.87**	4.42
g) Special benefit to MICA employees	**2.08**	2.44
h) Others	**-**	-
Total	**184.16**	**187.69**
B. CURRENT		

EMPLOYEE BENEFIT OBLIGATIONS		
a) Earned Leave	**2.91**	3.29
b) Compassionate Gratuity	**0.05**	0.07
c) Post Retirement Medical Benefit		
Retired/retiring on or after 01.01.2007	**4.30**	1.93
Retired before 01.01.2007	**6.79**	8.25
d) Half Pay Leave	**5.35**	3.78
e) Gratuity	**51.10**	-
f) Superannuatuation Benefits	**-**	-
g) Service Award	**1.44**	1.27
h) Bonus/performance related pay	**16.03**	12.81
i) Employee's Family Benefit Scheme	**0.73**	0.83
j) Special benefit to MICA employees	**0.57**	0.52
h) Others	**-**	
Sub Total	**89.27**	**32.75**
OTHERS		
Destinational weight and analysis risk	**0.04**	0.07
Provision for Litigation Settlements	**47.34**	41.46
Sub Total	**47.38**	**41.53**
Total	**136.65**	**74.28**

21. Other Liabilities

(₹ in Crore)

Particulars		As at March 31, 2018	As at March 31, 2017
Current			
Advance Received from Customers*	1,919.45		
Less: Claim Receivable from GOI	545.97	**1,373.48**	2,523.39
Statutory dues Payable		**14.36**	8.61
Corporate Social Responsibility Expenses		**-**	0.23
Amount payable towards unbilled purchases		**392.97**	459.23
Others		**24.24**	46.77
Total		**1,805.05**	**3,038.23**

*Includes ₹ 1685.87 crore (P.Y. ₹ 2256.10 crore) towards advance received from GOI against import of pulses under price stabilisation fund scheme. (Refer note 36(e))

22. Current tax liabilities (Net)

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Income tax payable for the FY 2017-18	**15.50**	-
Income tax payable for the FY 2016-17	**-**	27.63
Total	**15.50**	**27.63**

23. Revenue From Operations

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Products	**15,746.49**	11,568.00
Sale of Services	**10.43**	25.43
Other Operating Revenue		
- Claims	**537.35**	27.53
- Subsidy	**-**	-
- Despatch Earned	**0.03**	0.19
- Other Trade Income	**156.51**	87.21
Total	**16,450.81**	**11,708.36**

24. Other Income

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income		
- From Fixed Deposits	**5.72**	12.84
- From Customers on amount overdue	**0.01**	0.01
- Others	**10.95**	14.89
Dividend Income		
- From Subsidiary/Joint Ventures	**23.03**	-
- From Others	**0.79**	1.21
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
- Staff Quarters Rent	**0.55**	0.56
- Liabilities Written Back	**14.02**	6.85
- Foreign Exchange Gain	**-**	0.07
- Misc. Receipt	**8.03**	5.87
Total	**63.10**	**42.30**

25. Cost of Materials Consumed

(₹ in Crore)

Opening stock of Raw Material	**9.23**	7.79
Add: Transfer from purchases	**126.52**	113.44
Less: Closing Stock of Raw Material	**4.36**	9.48
Cost of Material Consumed	**131.39**	**111.75**
Consumables	**-**	**-**

26. Purchase of Stock-in-Trade

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Purchases		
Precious Metal	**9,159.10**	5,417.06
Metals	**898.40**	747.00
Fertilizers	**2,232.59**	2,646.41
Minerals	**1,270.37**	1,249.77
Agro Products	**20.02**	2,093.60
Coal and Hydrocarbons	**843.12**	622.21
General Trade	**48.10**	46.75
Others	**-**	-
B. Stock Received/(Issued) in kind		
Precious Metals	**(0.30)**	(0.55)
TOTAL	**14,471.40**	**12,822.25**

27. Changes in Inventory

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Finished Goods		
Opening Balance	**46.11**	77.53
Closing Balance	**33.69**	46.67
Changes in Inventory of Finished Goods	**12.42**	30.86
B. Stock-In-Trade		
Opening Balance	**2,310.79**	316.20
Closing Balance	**1,671.07**	2,315.00
Changes in Inventory of Stock in Trade	**639.72**	(1,998.80)
Net (Increase) /Decrease	**652.14**	(1,967.94)

28. Employees' Benefit Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Salaries and Wages		
Salaries and Allowances	**140.09**	128.40
Leave Encashment	**17.95**	11.53
Bonus	**0.08**	0.08
Performance Related Pay	**3.33**	6.50
Medical Expenses	**19.53**	23.39
Group Insurance	**0.75**	0.26
Contribution to DLIS	**0.45**	0.29
Special benefit to MICA employees	**-**	
VR Expenses	**0.01**	2.00
b) Contribution to Provident Fund & Other Funds		
Providend Fund	**11.29**	9.76
Gratutity Fund	**57.20**	0.51
Family Pension Scheme	**1.61**	1.80
Superannuation Benefit	**4.55**	8.04
c) Staff Welfare Expenses	**2.44**	3.11
TOTAL	**259.28**	**195.67**

a) In term of DPE guidelines vide OM dated 3rd Aug 2017 and 4th Aug 2017, the company has revised pay scale of Board level and below Board level Executives w.e.f. 1st Jan 2017 with approval of Board/ Administrative Ministry. Accordingly, liability for the period from 1st Jan 2017 to 31st Mar 2018 amounting to ₹ 11.71 crore (including ₹ 2.41 crore for the period 1st Jan 2017 to 31st Mar 2017) has been made in the accounts during the year.

b) Pay revision of staff cadre employees is also due from 1st Jan 2017 for which final settlement is yet to take place. Keeping in view the past practice, an ad-hoc provision of ₹ 10.45 crore towards the estimated arrears for the period 1st Jan 2017 to 31st Mar 2018 has been made in the accounts during the year.

c) In terms of amendment in the Payment of Gratuity Act w.e.f. 29th Mar 2018 and OM dated 11th April 2018 issued by DPE enhancing ceiling of payment of gratuity to the employees of CPSEs from ₹ 10 Lakhs to ₹ 20 Lakhs provision of ₹ 49.96 crore for all employees (officers and staff) including normal liability on pre revised pay/ceiling has been made in the accounts based on the actuarial valuation as on 31st Mar 2018. Further liability of ₹ 7.00 crore has also been made during the year towards differential gratuity payable to employees (officers and staff) retired during 1st Jan 2017 to 31st Mar 2018.

d) Consequential additional liability in respect of Earned Leave/Half Pay Leave has also been made based on the Actuarial Valuation.

e) During the year (22nd March, 2018) the company notified Voluntary Retirement Scheme and invited applications from employees for opting voluntary retirement with discretion to the management to accept or reject any application without assigning any reason. The said scheme was closed on 20th April, 2018. Total 86 employees had submitted offers opting for VR under this scheme. The management has on 23rd April, 2018 accepted the offers of 65 employees. Accordingly, the termination benefits in the form of ex-gratia and notice pay etc payable to the 65 employees amounting to ₹ 18.26 crore (P.Y. ₹ Nil) will be recognised in the year 2018-19 in accordance with provisions of Ind AS 19 “Employee Benefits

29. Finance Cost

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Interest Expenses	**16.45**	20.18
b) Premium on forward contract	**0.12**	1.09
c) Other Borrowing Costs	**0.03**	-
TOTAL	**16.60**	**21.27**

30. Depreciation And AmortizationExpenses

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on PPE	**4.40**	5.81
Depreciation on Investment Property	**0.15**	0.17
Amortization of Intangible Assets	**0.69**	0.70
TOTAL	**5.24**	**6.68**

31. Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Operating Expenses :		
Freight	**53.26**	22.99
Demurrage	**6.03**	17.06
Clearing, Handling, Discount & Other charges	**51.39**	74.98
L/C negotiation and other charges	**0.99**	1.39
Difference in foreign exchange	**7.77**	0.87
Customs duty	**693.60**	377.58
Excise Duty	**0.03**	0.08
Packing Material	**0.87**	2.31
Insurance	**0.15**	0.91
Godown insurance	**7.08**	3.56
Plot and Godown rent	**41.22**	16.05
Provision for destinational weight and analysis risk	**0.04**	0.07
Sub total (a)	**862.43**	**517.85**
b. Administrative Expenses :		
Rent	**4.50**	2.93
Security Expenses	**2.24**	1.60
Rates and taxes	**1.23**	1.49
Insurance	**0.21**	0.12
Repairs to buildings	**4.38**	4.13
Repairs to machinery	**0.09**	0.07
Repairs & Maintenance- Computers	**1.49**	1.40
Repairs & Maintenance - Others	**0.55**	0.56
Electricity & Water Charges	**3.41**	3.86
Advertisement & Publicity	**1.58**	1.85
Printing & Stationery	**0.56**	0.66
Postage & Courier	**0.15**	0.12
Telephone	**1.63**	1.73
Telecommunication	**0.36**	0.69
Travelling	**3.16**	3.61
Vehicle	**1.85**	1.75
Entertainment	**0.56**	0.68
Legal	**4.28**	7.01
Auditors' Remuneration (i)	**0.63**	0.66
Bank Charges	**0.70**	0.71
Books & Periodicals	**0.06**	0.05
Trade / Sales Promotion	**0.63**	0.85
Subscription	**0.53**	0.54
Training, Seminar & Conference	**0.32**	0.47
Professional/Consultancy	**2.04**	2.92
CSR Expenditure (ii)	**0.49**	0.81
Difference in foreign exchange	**0.28**	(1.00)
Donations	**-**	-
Service Tax/GST	**0.60**	1.52
Exhibition and Fairs	**2.07**	4.05
Bad Debts/Claims/Assets written off/withdrawn	**0.05**	0.66
Allowance for Bad and Doubtful Debts / claims/ advances	**-**	0.48
Miscellaneous Expenses	**7.26**	6.20
Sub Total (b)	**47.89**	**53.17**
TOTAL (a+b)	**910.32**	**571.02**

i) Amount paid to auditors

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
As Auditor	**0.34**	0.32
For Taxation Matters/Tax Audit	**0.16**	0.16
For Other Services	**0.13**	0.18
For Reimbursement of Expenses	**-**	0.00
TOTAL	**0.63**	**0.66**

ii) Details of CSR expenditure

	March 31, 2018	March 31, 2017
Gross amount required to be spent by the company	**₹ 1.26 crore**	₹ 0.81 crore

	Particulars	Spent during the year	Balance unspent
(a)	Amount spent during the year 31st March,2018		
	(i) Construction/acquisition of any asset	**-**	0.23
	(ii) On purposes other than (i) above	**0.49**	0.54
	(iii) Against CSR Reserve of previous year	**0.00**	-
(b)	Amount spent during the year 31st March,2017		
	(i) Construction/acquisition of any asset	**-**	-
	(ii) On purposes other than (i) above	**0.81**	-
	(iii) Against CSR Reserve of previous year	**0.00**	-

32. Exceptional Items

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Write-down of inventories to net realisable value and its reversal	**0.64**	4.71
Disposals of items of assets	**(0.06)**	(0.01)
Provision for dimunition in value of non current investment	**3.04**	-
Revresal of subsidy claim	**-**	7.67
Interest on delayed payments (i)	**-**	(104.43)
Litigation settlements (ii)	**5.65**	2.86
Provisions no longer required	**(0.86)**	(2.07)
TOTAL	**8.41**	**(91.27)**

i) Includes interest of ₹ Nil (P.Y. ₹ 93.38 crore) claimed from APSCSCL, as per the terms of Agreement between MMTC and APSCSCL, on abnormal delayed receipt of Subsidy of ₹ Nil (P.Y. ₹ 245.31 crore) from the Government by the Company for supply and distribution of RBD Palmolin and ₹ Nil (P.Y. ₹ 11.05 crore) towards interest on delayed payment made by APSCSCL as per the agreement which have been accounted for on receipt of the said subsidy.

ii) a) Includes ₹ 4.05 crore (P.Y. ₹ 3.24 crore) towards liability in respect of an arbitration award against the company on account of claim filed by a foreign supplier against invocation of Performance Bank Guarantee relating to import of urea. The award was challenged by the company in Hon'ble Delhi High Court which was not admitted. The company has since filed Special Leave petition against the said award in the Hon'ble Supreme Court which has been admitted by the Hon'ble Court. However, total liability amounting to ₹ 45.75 crore (P.Y. ₹ 41.46 crore) towards the claim ₹ 22.64 crore (P.Y. ₹ 22.53 crore), interest ₹ 21.41 crore (P.Y. ₹ 17.24 crore) and other cost etc. ₹ 1.70 crore (P.Y. ₹ 1.69 crore) has been made upto 31.03.2018.

b) Inculdes ₹ 1.60 crore (P.Y. ₹ Nil) towards arbitration award decided against the company relating to transactions with an Associate. The amount was deposited with Registrar General Delhi High Court on 10th May 2018 after deducting applicable TDS.

33. Tax Expense

Tax recognised in Statement of profit and loss

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current year	**13.35**	28.20
Adjustments relating to prior periods	**(0.03)**	(0.75)
Sub Total (A)	**13.32**	**27.45**
Deferred tax expense		
Origination and reversal of temporary differences	**(3.03)**	(3.28)
Sub Total (B)	**(3.03)**	**(3.28)**
Total (A+B)	**10.29**	**24.17**

Tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Defined benefit plan acturial gains (losses)	**(1.85)**	(0.10)
Total	**(1.85)**	**(0.10)**

Reconciliation of effective tax

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	**59.13**	81.23
Enacted tax Rate	**34.61**	34.61
Computed Expected Tax Expenses	**20.54**	28.11
Non-deductible expenses	**4.43**	4.87
Tax exempt income/ any other deduction or allowable exp.	**(11.63)**	(4.78)
Change in estimates related to prior years	**(0.03)**	(0.75)
Deferred Tax	**(3.03)**	(3.28)
Tax Expenses for the year	**10.29**	**24.17**

34. Contingent Liabilities& Disclosures:

i.

(₹ in Crore)

	Particulars	As at 31.3.2018	As at 31.3.2017
a)	Claims against the company not acknowledged as debts including foreign currency claim.	**323.90**	437.03
b)	Disputed Income Tax Demand against which ₹ 21.62 crore (P.Y. ₹ 30.31 crore) deposited.	**60.78**	43.06
c)	Disputed TDS demands	**0.02**	1.00
d)	Disputed Sales Tax Demand against which ₹ 4.37 crore (P.Y. ₹ 14.37 crore) deposited and ₹ 0.27 crore (P.Y. ₹ 0.07 crore) covered by Bank Guarantees.	**227.54**	236.76
e)	Disputed Service Tax Demand	**105.41**	98.93
f)	Disputed Central Excise demand	**0.17**	19.31
g)	Disputed PF demand	**2.24**	2.24
	Total	**720.06**	**838.33**

ii) Guarantees issued by Banks on behalf of the Company ₹ 15.82 crore (P.Y. ₹ 15.43 crore) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹ Nil (P.Y. ₹ 42.57 crore) have been obtained from associate suppliers.

iii) Letters of Credit opened by the Company remaining outstanding ₹ 179.29 crore (P.Y. ₹ 65.08 crore).

iv) Bonds have been furnished to Customs Authorities for performance, submission of original documents, etc, some of which are still outstanding. The amount of un-expired Bonds is ₹ 414.09 crore (P.Y. ₹ 600.29 crore).

v) Corporate Guarantees of ₹ 1410.56 crore (P.Y. ₹ 1460.56 crore) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL), a Joint Venture Company, for securing principal and interest in respect of loans to NINL. The company has also issued a comfort letter in respect of a loan of ₹ 180.00 crore given to NINL by a bank against which corporate guarantee amounting to ₹ 90.00 crore has been given by the company. The company has also issued standing instruction (SI) to the bank authorizing the bank to debit company's bank account @ ₹ 2.50 crore every month and credit the current account of NINL maintained in the same bank during the tenor of the loan i.e. 4 years from Oct, 2014 availed by NINL. Pending commitment against the said SI is ₹ 17.50 crore as on 31.3.2018.

vi) The company entered into a purchase contract with a foreign supplier for import of coking coal for onward sale to NINL (a JV company) in the year 2008-09. Due to non-performance of the contract, the supplier referred the matter for arbitration. An award was decided against MMTC for an amount of ₹ 513.10 crore (USD 7.872 crore @ ₹ 65.18 as on 31.03.2018) (PY ₹ 510.54 crore), cost of arbitration ₹ 6.37 crore (USD 0.098 crore @ ₹ 65.18 as on 31.03.2018) (PY ₹ 6.36 crore) along with interest thereon @ 7.50% p.a. from 30.9.2009 to 12.5.2014 and post award interest @ 15% p.a. from 1st June, 2014 until payment. The company filed petition before the Hon'ble Delhi High Court under section 34 of the Arbitration and Conciliation Act, 1996 against the final award which was not allowed. Against this decision of the court, the company filed an appeal before Hon'ble Division Bench of Delhi High Court that has been admitted by the Hon'ble Division Bench of Delhi High Court. The appeal is yet to come up for regular hearing.

In the meantime the party has filed a separate execution petition before separate single bench. The company has requested for disposal of this execution petition stating that the entire matter is pending before the double bench. Next date for hearing has been fixed on 09th July, 2018 for disposal of the execution petition by the single bench.

Pending final out-come of the legal proceedings, the Management has considered it prudent not to make any provision towards the award in its books of accounts as on 31.03.2018, since as per the legal opinion of senior advocate, the company has a strong case for rejection of the supplier's claim. Further, as per the legal opinion taken by the company, the liability, if any on account of this claim is to be borne by NINL exclusively. The company has communicated to NINL, the legal position on bearing of liability, if any arising out of the referred dispute.

vii) A back to back supplier of steam coal has claimed an amount of ₹ 50.43 crore (P.Y. ₹ 50.43 crore) towards increased railway freight, belt sampling rejection, rake rejection and interest for delayed payment in relation to Coal Supply on back to back basis to a customer during 2011-12 to 2012-13 which has been disputed by the customer.

viii) Custom department have raised demand of ₹ 180.32 crore (P.Y. ₹ 179.21 crore) at various ROs on account of differential custom duty/interest/penalty etc. on import of Steam Coal supplied by the company to Power utilities through associate suppliers on back to back terms on fixed margin basis. Also in case of RO Kolkata, Mumbai and Chennai ₹ 17.48 crore (P.Y. ₹ 17.48 crore), ₹ 21.56 crore (P.Y. ₹ 21.56 crore) and ₹ 3.32 crore (P.Y. ₹ 3.32 crore) shown as firm liability respectively in their books of accounts. The liability, if any, on account of custom duty shall be to the account of the backup supplier.

ix) In respect of GR-1 forms pertaining to period prior to 1993-94, outstanding beyond due date the Company has filed application with the authorized dealers for extension of time/waiver/ write off. Pending decision on the application, the liability, if any, that may arise is unascertainable. Enforcement Directorate has imposed penalty for ₹ 1.93 crore (P.Y. ₹ 1.93 crore) which are being contested. Against this, an amount of ₹ 0.03 crore (P.Y. ₹ 0.03 crore) has been deposited and bank guarantee of ₹ 1.03 crore (P.Y. ₹ 1.03 crore) furnished.

x) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.

xi) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/ Contractors, disputed rent and interest/penalty/legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.

35. Commitments

Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is ₹ Nil (P.Y. ₹ 0.08 crore). Capital commitment in respect of investment in joint venture ₹ 3.02 crore (P.Y. ₹ 8.43 crore)

36. General Disclosures :-

a) Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets (note no. 11 (B)) as well as other current liabilities (note no.21).

Items	31/03/2018		31/03/2017	
	Qty	Value	Qty	Value
Gold (in Kgs)	754.00	205.79	1,262.19	327.28
Gold Jewellery (in Grams)	-	-	288.96	0.33
Silver (in Kgs)	49,140.13	187.18	34,927.32	131.62
TOTAL	**49,894.13**	**392.97**	**36,478.47**	**459.23**

b) The company has taken decision to replace the existing ERP Package due to various changes taken place in the business model in the recent years and to also meet the latest statutory requirements.

c) Investment in and advances to Neelachal Ispat Nigam Ltd (NINL)-Joint Venture company :

i) The company alongwith Government of Odisha has set up a 1.1 MT integrated steel plant in Odisha and invested ₹ 379.69 crore (P.Y. ₹ 379.69 crore) (Note 6) towards 49.78% in equity capital in NINL.

ii) The company has been extending, from time to time, short term credit facility (cash credit) to NINL upto a limit of ₹ 1425.00 crore for its day to day operational activities on continuing basis. In addition, a trade related financial facility to the extent of ₹ 550.00 crore has also been extended. Against this, outstanding under trade receivable (note 7) is ₹ Nil (P.Y. ₹ 231.00 crore), under Other Assets (advances to related parties) (note 11) is ₹ 1786.70 crore (P.Y. ₹ 966.50 crore) and under Loans (note 8) is ₹ Nil (P.Y. ₹ 130.00 crore) aggregating to ₹ 1786.70 crore (P.Y. ₹ 1327.49 crore) as against total net worth of the company of ₹ 1449.45 crore as on 31.03.2018.

iii) The company has also given corporate guarantees amounting to ₹ 1410.56 crore (P.Y. ₹ 1460.56 crore) in favour of FIs/Banks/others to secure the loans availed by NINL and issued standing instruction to a bank to credit NINL bank account @ ₹ 2.50 crore every month during the tenor of the loan i.e. 4 years from October, 2014 against which pending commitment is ₹ 17.50 crore as on 31.3.2018(note 34 (v)).

iv) The company has recognised trade related interest of ₹ 138.73 crore (P.Y. ₹ 72.08 crore) and other interest income of ₹ Nil (P.Y. ₹ 15.40 crore) on the credit facilities extended to NINL which is included in total outstanding.

v) NINL have given corporate gurantee of ₹ 945.00 crore (P.Y. ₹ 945.00 crore) to the company to secure credit facilities extended to them from time to time.

vi Ministry of Commerce on 4th May 2018 has conveyed approval to the company to infuse an additional equity of ₹ 149.34 crore in NINL subject to contribution of equity by other stake holders and in principle approval by the banks to extend credit facilities in accordance with the revised business plan etc.

vii) NINL has been incurring losses for last 6 years and its net worth has become negative (₹ (-) 552.05 crore as on 31.3.2018 and ₹ (-) 175.14 crore as on 31.3.2017). Net assets of NINL as per their financial statements, excluding MMTC dues are ₹ 1234.65 crore as on 31.3.2018.

viii) Considering the expected operationalization of iron ore mine owned by NINL during 2018-19, capital repair of blast furnace already undertaken during 2017-18 and upward trend in the price and demand of Steel globally, the Management has considered its investment and advances as good.

d) The Company has filed a recovery suit of ₹ 31.40 crore against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 31.40 crore) which included overdue interest of ₹ 2.95 crore (P.Y. ₹ 2.95 crore) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 167.20 crore (P.Y. ₹ 167.20 crore) which is not tenable as per legal opinion and is being contested.

e) Under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses, MMTC imported Pulses from July 2015 onwards until 31.03.2017. As per the scheme MMTC's trading margin has been fixed at 1.5% on C&F cost at the time of sale and all expenses related to the import shall be to the account of Govt. The difference between the sale realised and cost incurred including MMTC's margin has been shown as claim receivable from Govt. and adjusted against advance received from Govt. pending liquidation of entire stock imported under the scheme. The stocks have been stored at various CWC/SWC/Other Godowns in various States and valued at cost.

f) A claim for ₹ 1.53 crore (P.Y. ₹ 1.89 crore) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 1.53 crore (P.Y. ₹ 1.53 crore) exists in the accounts after taking into account the EMD and other payables amounting to ₹ Nil (P.Y. ₹ 0.36 crore). EMD & other payables of ₹ 0.36 crore which was payable to the party last year has been adjusted against the claim amount of ₹ 1.89 crore which has resulted in reduction of claim receivable. The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.

g) At Regional Office, Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 3.55 crore (P.Y. ₹ 3.53 crore) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit which was vacated and Indian bank had to make payment to the foreign bank. The matter is still pending in the court. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 8.60 crore (P.Y. ₹ 8.60 crore), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.

h) At Regional Office, Hyderabad fake bills of lading covering two shipments of copper valued at ₹ 3.75 crore (P.Y. ₹ 3.75 crore) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier.

i) Hon'ble Delhi High Court has directed the Company to deposit ₹ 39.62 crore (P.Y. ₹ 39.62 crore) stated to be receivable by one of the Company's coal suppliers as per their books of accounts from MMTC in a case relating to execution of decree filed by a foreign party against the coal supplier. MMTC has filed application and counter affidavit stating that the supplier's contractual obligations are yet to be discharged and MMTC is unable to deposit any amount at this stage. Any amount found payable to the supplier after resolution of all issues, the same will be deposited with the court instead of releasing to the supplier without any liability on MMTC. The hearings are in progress.

37. Financial Instruments- Fair Values and Risk Management

37.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore as at March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.6)			18.95	18.95	18.95
Cash & Cash Equivalents (Ref Note No. 13)	50.08			50.08	
Trade Receivable (Ref Note No. 7)	353.16			353.16	
Employee Loans (Ref Note No. 8)	9.78			9.78	
Loans to related party (Ref Note No. 8)	0.00			0.00	
Security Deposits & Other Loans (Ref Note No. 8)	2.10			2.10	

Security Deposits (Ref Note No. 11)	15.59			15.59	
Other Financial Assets (Ref Note No. 9)	66.70			66.70	
Liabilities:					
Trade Payable (Ref Note No. 18)	1064.67			1064.67	
Borrowings (Ref Note No.17)	519.26			519.26	
Other Financial Liabilities (Ref Note No. 19)	242.81			242.81	

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2017:

(₹ in crore as at March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.6)			19.81	19.81	19.81
Cash & Cash Equivalents (Ref Note No. 13)	361.67			361.67	
Trade Receivable (Ref Note No. 7)	514.32			514.32	
Employee Loans (Ref Note No. 8)	12.50			12.50	
Loans to related party (Ref Note No. 8)	130.00			130.00	
Security Deposits & Other Loans (Ref Note No. 8)	1.87			1.87	
Security Deposits (Ref Note No. 11)	4.64			4.64	
Other Financial Assets (Ref Note No. 9)	46.86			46.86	
Liabilities:					
Trade Payable (Ref Note No. 18)	688.94			688.94	
Borrowings (Ref Note No.17)	440.18			440.18	
Other Financial Liabilities (Ref Note No. 19)	187.27			187.27	

37.2 Fair Value Hierarchy

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹ in crore as at March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	2.95			2.95		Quoted Price
Investment in Equity Instruments (ICEX)			16.00	16.00	Cost adopted as best estimate of Fair Value.	
Total	**2.95**	**-**	**16.00**	**18.95**		

(₹ in crore as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	3.81			3.81		Quoted Price
Investment in Equity Instruments (ICEX)			16.00	16.00	Cost adopted as best estimate of Fair Value.	
Total	**3.81**	**-**	**16.00**	**19.81**		

37.3 Financial risk management, objectives and policies

The company's activities expose it to the following financial risks:

-market risk

-credit risk and

-liquidity risk.

The company has not arranged funds that have any interest rate risk.

a) Market risk

i) Foreign Exchange Risk

The company has import and export transactions and hence has foreign exchange risk primarily with respect to the US$. The company has not arranged funds through long term borrowings. The short term foreign currency loans (buyer's credit) availed from banks are fixed interest rate borrowings. As a result, the company does not have any interest rate risk. The company's risk management policy is to use hedging instruments to hedge the risk of foreign exchange.

The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company designates the spot element of forward contracts with reference to relevant spot market exchange rate. The difference between the contracted forward and the spot market exchange rate is treated as the forward element. The changes in the spot exchange rate of hedging instrument that relate to the hedged item is deferred in the cash flow hedge reserve and recognized against the related hedged transaction when it occurs. The forward element of forward exchange contract is deferred in cost of hedging reserve and is recognized to the extent of change in forward element when the transaction occurs.

The following tables show the summary of quantitative data about the company's exposure to foreign currency risk from financial instruments expressed in ₹ :

(₹ in crore as at March 31, 2018)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	-	-	-
Trade Receivable	147.69	-	147.69
Demurrage / Despatch Receivable	7.12	-	7.12
Other Receivable	0.00	-	0.00
Total Receivable in foreign currency	**154.81**	**-**	**154.82**
Foreign Currency Loan payable	243.47	-	243.47
Interest on foreign currency loan payable	1.39	-	1.39
Trade Payables	396.97	189.50	586.47
Freight Demurrage / Despatch Payable	6.57	-	6.57
Provision towards Litigation Settlement	45.74	-	45.74
Others	0.22	-	0.22
Total Payable in Foreign Currency	**694.36**	**189.50**	**883.85**

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in crore as at March 31, 2017)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	-	-	-
Trade Receivable	139.89	-	139.89
Demurrage / Despatch Receivable	6.88	-	6.88
Other Receivable	0.17	-	0.17
Total Receivable in foreign currency	**146.94**	**-**	**146.94**
Foreign Currency Loan payable	240.17	-	240.17
Interest on foreign currency loan payable	0.91	-	0.91
Trade Payables	87.92	-	87.92
Freight Demurrage / Despatch Payable	4.19	-	4.19
Provision towards Litigation Settlement	41.46	-	41.46
Others	0.55	-	0.55
Total Payable in Foreign Currency	**375.21**	**-**	**375.21**

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

Sensitivity:

As of March 31, 2018 and March 31, 2017, every 1% increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately ₹ NIL and ₹ NIL, respectively.

a) Price Risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in balance sheet as at fair value through other comprehensive income. Out of the two securities held by the company, one is listed in NSE and the other (ICEX) is not listed.

As of March 31, 2018 and March 31, 2017, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹ 0.19 crore and ₹ 0.20 crore, respectively. It has no impact on profit or loss.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company's outstanding trade receivables are mostly secured through letter of credit/BG except in respect of JV's and Govt of India.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of Ind AS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in crore as at March 31, 2018)

Particulars	Gross Amount	Impairment	Carrying Value
Not due	177.04	-	177.04
Overdue for less than one month	133.95	-	133.95
Overdue for more than one month upto two months	0.62	-	0.62
Overdue for more than two months upto three months	2.49	-	2.49
Overdue for more than three months upto six months	3.91	-	3.91
Overdue for more than six months	426.79	391.64	35.15
Total	**744.80**	**391.64**	**353.16**

(₹ in crore as at March 31, 2017)

Particulars	Gross amount	Impairment	Carrying Value
Not due	388.93	-	388.93
Overdue for less than one month	2.96	-	2.96
Overdue for more than one month upto two months	1.05	-	1.05
Overdue for more than two months upto three months	0.64	-	0.64
Overdue for more than three months upto six months	0.74	-	0.74
Overdue for more than six months	516.14	396.14	119.99
Total	**910.46**	**396.14**	**514.32**

Trade receivables are generally considered credit impaired when overdue for more than three years (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired though overdue are of good credit quality.

With regard to ceratin trade receivables, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with scheduled banks which are subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. Credit risk related to employee loans are considered negligible since major loans like house building loans, vehicle loans etc. are secured against the property for which loan is granted to the employees. The other employee loans are covered under personal guarantee of concerned employees along with surety bonds of other serving employees. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(₹ in crore as at March 31, 2018)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	1064.67	-	-	-	-	1064.67
Short term borrowings	519.26	-	-	-	-	519.26
Other Financial Liabilities	242.81	-	-	-	-	242.81
Total	**1826.74**	**-**	**-**	**-**	**-**	**1826.74**

(₹ in crore as at March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	688.94	-	-	-	-	688.94
Short term borrowings	440.18	-	-	-	-	440.18
Other Financial Liabilities	187.27	-	-	-	-	187.27
Total	**1316.39**	**-**	**-**	**-**	**-**	**1316.39**

38. Impact of Hedging Activities

38.1 Cash Flow Hedge

As at 31st March 2018 there was no outstanding Hedging Instrument on account of the company.

38.2 Fair Value Hedge

As per the Risk Management Policy, the company enters into forward contracts with commodity exchanges to hedge against price fluctuations in gold and silver inventories. The gain or loss on the hedging instrument is recognized in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

a) *Disclosure of effects of hedge accounting on financial position for hedging instruments:*

(₹ in crore as at March 31, 2018)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Quantity (kgs)	Value
Fair Value hedge					
Price Risk					
Forward contract to sell gold				169	51.08

(₹ in crore as at March 31, 2017)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Quantity (kgs)	Value
Fair Value hedge					
Price Risk					
Forward contract to sell gold				414	118.71

b) *Disclosure of effects of hedge accounting on financial position for hedged items*:

(₹ in crore as at March 31, 2018)

Type of Hedge and risk	Carrying amount of hedged item		Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
Fair Value hedge						
Price Risk						
Inventory of gold	51.70	-	3.00	Inventories	-	-

(₹ in crore as at March 31, 2017)

Type of Hedge and risk	Carrying amount of hedged item		Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
Fair Value hedge						
Price Risk						
Inventory of gold	93.88	-	0.29	Inventories	-	-

39. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹ Nil has been made during the year.

40. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

40.1 General description of various employee's benefits schemes are as under:

a) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The scheme is funded by the Company and is managed by a separate Trust through LIC. In case of MICA division employees the scheme is managed directly by the company through LIC. The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

As per Actuarial Valuation company's expected contribution for FY 2018-19 towards the Gratuity Fund Contribution is ₹ 6.55 crore (P.Y. ₹ 0.43 crore) . However, the company is making contribution to the fund as per the demand made by Life Insurance Corporation of India.

b) Leave Compensation:

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

The liability on this account is recognized on the basis of actuarial valuation.

c) Long Service Benefits: Long Service Benefits payable to the employees are as under-

i) Service Award:

Service Award amounting to ₹ 3,500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

ii) Compassionate Gratuity

Compassionate Gratuity amounting to ₹ 50,000/- is payable in lump-sum to the dependants of the employee on death while in service.

iii) Employees' Family Benefit Scheme

Payments under Employees' Family Benefit Scheme is payable to the dependants of the employee who dies in service till the notional date of superannuation. A monthly benefit @ 40% of Basic Pay & DA last drawn subject to a maximum of ₹ 12,000/- on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum ₹ 12,000/- on rendering service of 20 years or more at the time of death.

iv) Special Benefit to MICA Division employees amounting to ₹ 5,00,000/- (Officer), ₹ 4,00,000/- (Staff) and ₹ 3,00,000/- (Worker) upon retirement

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

Net defined benefit obligation

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined Benefit Obligation	**C.Y.**	111.61	16.53	26.01	6.88	2.65	0.16	4.61
	P.Y.	69.75	23.15	23.16	7.26	2.96	0.19	5.25
Fair Value of Plan Assets	**C.Y.**	67.64	-	-	-	-	-	-
	P.Y.	70.83	-	-	-	-	-	-
Funded Status [Surplus/ (Deficit)]	**C.Y.**	-	-	-		-	-	-
	P.Y.	-	-	-	-	-	-	-
Effect of asset ceiling	**C.Y.**	-	-	-	-	-	-	-
	P.Y.	-	-	-	-	-	-	-
Net Defined Benefit Assets/ (Liabilities)	**C.Y.**	(43.97)	(16.53)	(26.01)	(6.88)	(2.65)	(0.16)	(4.61)
	P.Y.	1.09	(23.15)	(23.16)	(7.26)	(2.96)	(0.19)	(5.25)

Movement in defined benefit obligation

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined benefit obligation - Beginning of the year	**C.Y.**	69.75	23.15	23.16	7.26	2.96	0.19	5.25
	P.Y.	75.18	21.53	22.97	7.60	2.40	0.20	5.66
Current service cost	**C.Y.**	3.35	0.68	0.95	0.23	0.08		
	P.Y.	0.48	0.95	0.86	0.25	0.09		
Past Service Cost	**C.Y.**	46.76			-	-		
Interest Cost	**C.Y.**	5.41	1.75	1.75	0.55	0.22		
	P.Y.	6.01	1.72	1.84	0.61	0.19		
Benefits Paid	**C.Y.**	(8.38)	(19.08)	(2.47)	(0.87)	(0.50)		
	P.Y.	(11.14)	(7.08)	(2.27)	(1.21)	-		
Re-measurements - actuarial loss/ (gain)	**C.Y.**	(5.28)	10.03	2.63	-0.28	(0.11)	(0.02)	(0.65)
	P.Y.	(0.78)	6.03	(0.24)	0.01	0.28	(0.02)	(0.41)
Defined benefit obligation - End of the year	**C.Y.**	111.61	16.53	26.01	6.88	2.65	0.16	4.61
	P.Y.	69.75	23.15	23.16	7.26	2.96	0.19	5.25

Movement in plan asset

(₹ in crore)

Particulars	Gratuity (Funded)	
	31.03.2018	**31.03.2017**
Fair value of plan assets at beginning of year	70.83	75.83
Interest income	5.49	6.07
Employer contributions	0.00	0.29
Benefits paid	(8.38)	(11.14)
Re-measurements - Actuarial (loss)/ gain	(0.31)	(0.21)
Fair value of plan assets at end of year	67.64	70.83

Amount Recognized in Statement of Profit and Loss

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Current service cost	**C.Y.**	3.35	0.68	0.95	0.23	0.08		
	P.Y.	0.48	0.95	0.86	0.25	0.09		
Past Service Cost -Plan Amendment	**C.Y.**	46.76			-			
	P.Y.				-	-		
Service Cost (A)	**C.Y.**	50.11	0.68	0.95	0.23	0.08		
	P.Y.	0.48	0.95	0.86	0.25	0.09		
Net Interest on Net Defined Benefit Liability /(assets) (B)	**C.Y.**	(0.08)	1.75	1.75	0.55	0.22		
	P.Y.	(0.05)	1.72	1.84	0.61	0.19		
Net actuarial (gain) / loss recognized in the period	**C.Y.**		10.03	2.63	-		(0.02)	(0.65)
	P.Y.		6.03	(0.24)	-		(0.02)	(0.41)
Cost Recognized in P&L (A+B)	**C.Y.**	50.03	12.46	5.33	0.78	0.30	(0.02)	(0.65)
	P.Y.	0.43	8.70	2.46	0.86	0.29	(0.02)	(0.41)

Amount recognized in Other Comprehensive Income (OCI)

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Actuarial gain/(loss) due to DBO Experience	**C.Y.**	(5.28)			(0.07)	(0.28)		
	P.Y.	0.78	-	-	(0.05)	-	-	-
Actuarial gain/ (loss) due to assumption changes	**C.Y.**	0.31	-	-	0.28	0.11	-	-
	P.Y.	(0.21)	-	-	(0.01)	(0.28)	-	-
Actuarial gain/(loss) arising during the period (A)	**C.Y.**	(4.97)	-	-	0.21	(0.17)	-	-
	P.Y.	0.57	-	-	(0.07)	(0.28)	-	-
Return on Plan assets (greater)/less than discount rate (B)	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Actuarial gain/(loss) recognized in OCI (A+B)	**C.Y.**	(4.97)	-	-	0.21	(0.17)	-	-
	P.Y.	0.57	-	-	(0.07)	(0.28)	-	-

Sensitivity Analysis

(₹ in crore as at March 31, 2018)

Assumption	Gratuity		Change in Assumption	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
	Change in Assumption	(Funded)		(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	1.00%	(5.11)	0.50%	(0.39)	(0.56)	(0.13)	(0.06)	-	-
	-1.00%	5.59	-0.50%	0.41	0.58	0.13	0.07	-	-
Salary growth rate	1.00%	5.16	0.50%	0.41	0.56	-	-	-	-
	-1.00%	(4.78)	-0.50%	(0.39)	(0.58)	-	-	-	-

(₹ in crore as at March 31, 2017)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(1.57)	(0.58)	(0.53)	(0.14)	0.06	-	-
	-0.50%	1.65	0.62	0.55	0.15	(0.06)	-	-
Salary growth rate	0.50%	0.23	0.62	0.56	-	-	-	-
	-0.50%	(0.26)	(0.59)	(0.54)	-	-	-	-

Actuarial Assumption

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Method used	**C.Y.**	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
	P.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Discount rate	**C.Y.**	7.75%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%
	P.Y.	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%
Rate of salary increase	**C.Y.**	5.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	**C.Y.**	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
	P.Y.	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

Expected Benefit Payments

(₹ in crore)

Sr. No.	Year of payment	Gratuity* (Funded)	Year of payment	Earned Leave (Non-Funded)	Sick Leave (Non-Funded)	Long Service Benefits (Non Funded)	Special Benefit (Non Funded)	Compassionate Gratuity (Non Funded)	Employee Family Benefit (Non Funded)
1	April 2018-March 2019	11.09	April 2018-March 2019	2.91	5.35	1.44	0.57	-	-
2	April 2019-March 2020	12.16	April 2019-March 2020	2.23	3.35	1.01	0.34	-	-
3	April 2020-March 2021	11.24	April 2020-March 2021	2.23	2.46	0.86	0.36	-	-
4	April 2021-March 2022	11.46	April 2021-March 2022	1.86	3.19	0.78	0.29	-	-
5	April 2022-March 2023	11.19	April 2022-March 2023	1.45	2.38	0.65	0.31	-	-
6	April 2023 onwards	74.47	April 2023-March 2024	1.34	2.30	0.52	0.21	-	-
7		-	April 2024 onwards	4.52	6.98	1.62	0.58	-	-

*(In absolute terms i.e. undiscounted)

Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Insured benefits	100%

d) Provident Fund: The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

e) Superannuation Pension Benefit – During the year, the Company has recognized ₹ 4.55 crore (P.Y. ₹ 8.04 crore) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.

f) Post-Retirement Medical Benefit: Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme' as under:

i) The liability for the year 2017-18 has been calculated at the rate of 1.50% of PBT in respect of scheme for retirees prior to 1.1.2007 and @ 4.50% of Basic+DA paid during 2017-18 in respect of scheme for retirees after 1.1.2007, as per the defined contribution scheme.

ii) Pending creation of trust for management of fund, the contribution for the current year along with the liability as on 31.3.2017 has been shown as company's obligation as on 31.3.2018 under 'Defined Contribution Scheme' and additional contribution @ 6.25% (P.Y. @ 8.50%) has been added during the year in the present value of obligation being one year closer to settlement.

iii) During the year, total expenses of ₹ 14.49 crore (P.Y. ₹ 17.12 crore) has been charged to Profit & Loss Account.

41. Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:-Precious Metals, Metals, Minerals, Coal & Hydrocarbon, Agro Products, Fertilizer and Others

Segment Revenue and Expense

Details regarding revenue and expenses attributable to each segment must be disclosed

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

Segment revenues and results

(₹ in crore as at March 31, 2018)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment evenue from External Customers								
Within India	10107.52	801.01	35.58	779.18	1084.96	1840.26	6.94	14655.45
Outside India	0.27	402.08	1281.41	-	-	61.96	49.64	1795.36
Inter-Segment Revenue								
Total Segment Revenue	10107.79	1203.09	1316.99	779.18	1084.96	1902.22	56.58	16450.81
Segment Results								
Within India	47.15	156.67	9.30	31.13	29.66	2.84	5.19	281.94
Outside India	0.01	12.35	37.21	-	-	0.42	1.52	51.51
Total segmental results	47.16	169.02	46.51	31.13	29.66	3.26	6.71	333.45
Unallocated Corporate expenses:								
Interest expenses (net)								(0.08)
Other unallocated expenses net of other income								274.40
Profit before tax from ordinary activities								59.13

(₹ in crore as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	6044.64	532.78	14.56	639.70	236.49	2652.31	7.74	10128.22
Outside India	0.15	241.58	1272.80	-	-	21.10	44.51	1580.14
Inter-Segment Revenue								
Total Segment Revenue	6044.79	774.36	1287.36	639.70	236.49	2673.41	52.25	11708.36
Segment Results								
Within India	49.13	96.58	0.65	22.03	4.63	3.10	0.46	176.58
Outside India	-	7.38	35.26	-	-	-	1.32	43.96
Total segmental results	49.13	103.96	35.92	22.03	4.63	3.10	1.78	220.54
Unallocated Corporate expenses:								
Interest expenses (net)								(8.82)
Other unallocated expenses net of other income								148.13
Profit before tax from ordinary activities								81.23

Segment assets and liabilities

(₹ in crore as at March 31, 2018)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 **Segment Assets :**								
Assets	574.71	1700.13	204.49	424.77	777.05	480.39	445.40	4606.94
Unallocated assets								810.61
Total Assets								5417.55
A.02 **Segment Liabilities :**								
Liabilities	509.62	73.15	179.61	398.68	1418.63	387.87	37.16	3004.72
Unallocated liabilities								963.38
Total Liabilities								3968.10

(₹ in crore as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 Segment Assets :								
Assets	638.38	1121.99	224.72	396.02	2022.71	25.03	485.17	4914.01
Unallocated assets								1164.28
Total Assets								6078.29
A.02 Segment Liabilities :								
Liabilities	484.85	106.00	167.01	652.11	2287.01	68.19	91.62	3856.80
Unallocated liabilities								787.43
Total Liabilities								4644.22

Information about major customers

The revenues from transactions with a single external customer amounting to 10 percent or more of the entity's revenues are given below:

Major Customer (customer having more than 10% revenue)	2017-18	2016-17
Total Revenue	1821.99	2391.30
No. of customers	1	1
% of Total Revenue	11.08%	20.63%
Product Segment	Fertilizers	Fertilizers

42. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

42.1 Disclosures for Other than Govt. Related Entities

a) List of key management personnel

Name	Designation
i. Shri Ved Prakash	Chairman and Managing Director - (Managing Director)
ii. Shri T K Sengupta	Director (Personnel)
iii. Shri Umesh Sharma	Director(F) & (Chief Financial Officer)(w.e.f. 11.10.2017)
iv. Shri P.K.Jain	Director (upto 14.05.2018)
v. Shri Ashwani Sondhi	Director

b) Subsidiary

MMTC Transnational Pte. Ltd., Singapore

c) Joint Venture:-

i) Neelachal Ispat Nigam Ltd

ii) Free Trade Warehousing Pvt. Ltd.

iii) MMTC Pamp India Pvt. Ltd.

iv) MMTC Gitanjali Ltd.

v) Sical Iron Ore Terminal Ltd.

vi) TM Mining Co. Ltd.

d) Government and its related entities

i) Government of India - holds 89.93% equity shares of the Company and has control over the company.

ii) Central Public Sector Enterprises in which Government of India has control.

e) Post-Employment Benefit Plan

i) MMTC Limited CPF Trust

ii) MMTC Limited Gratuity Trust

iii) MMTC Limited Employees' Defined Contribution Superannuation Trust

f) Compensation of key management personnel

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Short-term benefits	1.62	1.67
Post-employment benefits	0.29	0.34
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
Total	**1.91**	**2.01**
Recovery of Loans & Advances during the year	0.01	0.01
Advances released during the year	-	-
Closing Balance of Loans & Advances as on 31.03.2017	0.02	0.02

g) Transactions with Related Parties

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Others	
	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
Sale of goods and services	-	-	-	-	-	-	-	-	0.27	0.08	546.85	630.27	-	-	-	-
Purchase of raw material/goods and services	0.06	1.55	512.08	868.86	-	-	-	-	77.34	650.32	718.18	530.82	-	-	-	-
Payments on behalf of company	-	-	-	-	-	-	-	-		-		-	-	-	48.47	41.89
Other transactions	0.00	0.20	3.49	0.09	-	-	-	0.02	19.54	-	1410.56	-	-	-	61.52	37.57

h) Outstanding balances arising from sale/purchase of goods/services

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
Trade Payables	0.02	0.02	0.00	0.00	-	-	-	-	78.27	0.51	1.46	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	0.45	-	231.00	-	-
Other Payables	-	-	-	-	-	-	-	-	-	-	-	0.00	-	-
Other Receivables	-	-	-	-	-	-	-	0.00	1.39	1.06	-	-	-	-

i) Loans to Joint Ventures

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
Loans at beginning of the year	-	-	-	-	-	-	-	-	-	-	130.00	130.00	-	-
Loan advanced	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment received/adjusted	-	-	-	-	-	-	-	-	-	-	130.00	-	-	-
Interest charged	-	-	-	-	-	-	-	-	-	-	-	15.40	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	15.40	-	-
Balance at end of the year including interest	-	-	-	-	-	-	-	-	-	-	-	130.00	-	-

j) Advances to Joint Ventures

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Haldia Free Trade Warehousing Pvt Ltd		Kandla Free Trade Warehousing Pvt Ltd	
	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
Advances given	-	-	-	-	-	-	-	-	-	-	1,786.70	966.50	0.54	4.87	-	-	-	-

k) Disclosure as per Ind AS 27 'Separate financial statements :

a) Investment in Subsidiary:

Name of the Company	Country of Incorporation	% of Company's ownership Interest	
		March 31, 2018	March 31, 2017
MMTC Transnational Pte. Ltd.	Singapore	100%	100%

b) Investment in Joint Venture

Name of the Company	Country of Incorporation	% of Company's ownership Interest	
		March 31, 2018	March 31, 2017
1. Free Trade Warehousing Pvt. Ltd.	India	50	-
2. MMTC Pamp India Pvt. Ltd.	India	26	26
3. Sical Iron Ore Terminal Ltd.	India	26	26
4. MMTC Gitanjali Ltd.	India	26	26
5. TM Mining Company Ltd.	India	26	26
6. Neelanchal Ispat Nigam Limited	India	49.78	49.78

l) Loans to KMP

Particulars	Mar-18	Mar-17
Loans at beginning of the year	0.02	0.03
Loan advanced	-	-
Repayment received	-	0.00
Interest charged	-	0.00
Interest received	0.01	0.01
Balance at end of the year including interest	0.02	0.02

m) Loans to related parties are for short term & to KMP are in the nature of welfare advances. Interest is charged basis market rates from time to time.

n) Disclosure for transactions entered with Govt. and Govt. Entities

Sr. no	Name of Govt/Govt Entities	Nature of Relationship With The Company	Nature of Transactions	Value (₹)	Outstanding Balance	
					Receivable	Payables
1	Deptt. Of Fertilizer GOI	Majority Owner	Sale of Goods	1821.99	132.99	
2	Other Departments of Govt of India	Majority Owner	Purchase/sale of goods	49.96	0.19	4.01
3	CPSEs	Related through GOI	Purchase/sale of goods	1383.76	29.45	159.15

43. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

43.1 As lessee

a) Finance leases: The Company does not have any finance lease arrangement during the period.

b) Operating lease

- **Future minimum lease payments under non-cancellable operating leases**

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Not later than 1 year	**0.74**	0.43
Later than 1 year and not later than 5 years	**3.14**	2.05
Later than 5 years	**4.28**	2.98

- **Payments recognised as an expense**

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Minimum lease payments	**2.11**	0.71
Contingent rentals	**0.00**	0.00
Sub-lease payments received	**0.00**	0.00

43.2 As a lessor

a) Finance leases: The Company does not have any finance lease arrangement during the period.

b) Operating leases

- **Future minimum lease receivables under non-cancellable operating lease**

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Not later than 1 year	**0.24**	0.69
Later than 1 year and not later than 5 years	**0.11**	0.00
Later than 5 years	**0.00**	0.00

44. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and Basic EPS is as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit (loss) for the year, attributable to the owners of the company	**48.84**	57.06
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,000,000,000**	1,000,000,000
Basic & Diluted EPS	**0.49**	0.57

45. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

(₹ in crore)

Particulars of Provision	Opening Balance as on 01.04.17	Adjustment during year	Addition during year	Closing Balance as on 31.03.18
Destinational Weight & Analysis Risk	0.07	0.07	0.04	0.04
Bonus/PRP	12.82	0.20	3.41	16.03
Provision for Litigation Settlements	41.46	(0.23)	5.65	47.34

46. The details of micro, small or medium enterprises to whom the Company owes dues as at 31st March, 2018 is as under:

(₹ in crore)

		2017-18	2016-17
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	0.09	0.02
	(ii) The interest due on above	-	-
	TOTAL (i) & (ii) (included in note 19 'Other Financial Liabilities')	0.09	0.02
b)	Amount of interest paid by the buyer in terms of Section 18 of the Act	-	-
c)	The amounts of payment made to the supplier beyond the due date	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-

47. Balances of some of the Trade Receivable, Other Assets, Trade and Other Payable are subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, management does not expect to have any material financial impact of such pending confirmation/ reconciliation.

48. Whole time Directors are allowed usage of staff cars for private use up to 1,000 km per month on payment of ₹ 2000 per month in accordance with guidelines issued by Department of Public Enterprise (GOI).

49. Accounting policies and notes attached form an integral part of the financial statements.

50. The company has made certain changes in the Accounting Policies during the year as under:-

i) Changes in the wording of Accounting Policy No.2.2 "Functional and Presentation Currency" for reporting of financial in crores of Indian rupees (₹ in crores) (upto two decimals)".

ii) Accounting Policy No. 2.4 (i) (c) (iv) has been added under Revenue Recognition to clarify the revenue recognition when gold procured domestically to bring the same in line with the existing practices followed in such cases.

The above changes have no financial impact on the financials of the company.

51. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as otherwise stated. Certain small amounts may not appear in financial statements due to rounding off in ₹ in crore. Previous year's figures have been regrouped/ rearranged wherever considered necessary.

52. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 29.05.2018

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC TRANSNATIONAL PTE LTD

(Incorporated in Singapore. Registration Number: 199407265M)

FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

MMTC TRANSNATIONAL PTE LTD

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

The Directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2018.

In the opinion of the Directors,

(a) the financial statements as set out on pages 6 to 27 are as drawn up so as to give a true and fair view of the financial position of the Company at 31 March 2018 and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Ved Prakash

Umesh Sharma (appointed on 1 November 2017)

Tapas Kumar Sengupta

Praveen Kumar Jain

Ashwani Sondhi

Rajender Prasad

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

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

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

On behalf of the Directors

Rajender Prasad	Umesh Sharma
Director	Director

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

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of MMTC Transnational Pte Ltd ("the Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the year ended 31 March 2018;
- the balance sheet as at 31 March 2018;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore,

MMTC TRANSNATIONAL PTE LTD

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2018

	Note	2018 US$	2017 US$
Revenue	3	**11,839,773**	113,169,928
Other income - net	4	**370,216**	1,012,530
Net currency translation loss		**(10,009)**	(708)
Expenses			
- Purchases for resale		**(11,836,027)**	(107,547,714)
- Freight cost		**-**	(5,084,186)
- Employee compensation	5	**(549,674)**	(633,816)
- Depreciation	12	**(2,758)**	(6,029)
- Rental expense - operating lease		**(91,190)**	(112,575)
- Bank charges		**(9,426)**	(59,733)
- Finance expense	6	**-**	(21,245)
- Other expenses	7	**(106,510)**	(678,358)
Total expenses		**(12,595,585)**	(114,143,656)
(Loss)/profit before income tax		**(395,605)**	38,094
Income tax credit/(expense)	8	**11,881**	(4,599)
(Loss)/profit after tax and total comprehensive (loss)/income		**(383,724)**	33,495

BALANCE SHEET

As at 31 March 2018

	Note	2018 US$	2017 US$
ASSETS			
Current assets			
Cash and bank deposits	9	**11,676,135**	15,200,509
Trade and other receivables	10	**12,406,593**	673,004
Other current assets	11	**26,778**	41,788
Inventories		**25,222**	9,833
		24,134,728	15,925,134
Non-current assets			
Property, plant and equipment	12	**411**	2,821
Total assets		**24,135,139**	15,927,955
LIABILITIES			
Current liabilities			
Trade and other payables	13	**12,120,463**	520,596
Current income tax liabilities	8	**-**	8,959
Total liabilities		**12,120,463**	529,555
NET ASSETS		**12,014,676**	15,398,400
EQUITY			
Share capital	15	**1,000,000**	1,000,000
Retained profits		**11,014,676**	14,398,400
Total shareholder's equity		**12,014,676**	15,398,400

MMTC TRANSNATIONAL PTE LTD

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2018

	Note	Share Capital US$	Retained Profit US$	Total US$
2018				
Beginning of financial year		1,000,000	14,398,400	15,398,400
Total comprehensive loss		-	(383,724)	(383,724)
Dividend paid	16	-	(3,000,000)	(3,000,000)
End of financial year		**1,000,000**	**11,014,676**	**12,014,676**
2017				
Beginning of financial year		1,000,000	14,364,905	15,364,905
Total comprehensive income		-	33,495	33,495
End of financial year		**1,000,000**	**14,398,400**	**15,398,400**

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2018

	Note	2018 US$	2017 US$
Cash flows from operating activities			
(Loss)/profit after tax		**(383,724)**	33,495
Adjustments for:			
Income tax (credit)/expense		**(11,881)**	4,599
Depreciation		**2,758**	6,029
Interest income		**(263,922)**	(243,603)
Interest expense		**-**	21,245
		(656,769)	(178,235)
Changes in working capital:			
Inventories		**(15,389)**	(3,900)
Trade and other receivables		**(11,719,861)**	5,113,329
Other current assets		**15,010**	1,178
Trade and other payables		**11,599,867**	(5,348,127)
Cash used in from operations		**(777,142)**	(415,755)
Interest received		**250,194**	240,868
Income tax refund		**2,922**	2,503
Net cash used in operating		**(524,026)**	(172,384)
Cash flows from investing activities			
Purchase of property, plant and equipment		**(348)**	(531)
Proceeds from disposal of property, plant and equipment		**-**	254
Net cash used in investing activities		**(348)**	(277)
Cash flows from financing activities			
Interest paid		**-**	(21,245)
Dividends paid		**(3,000,000)**	-
Repayment of borrowings		**-**	(155,375)
Net cash used in financing activities		**(3,000,000)**	(176,620)
Net decrease in cash and cash equivalents		**(3,524,374)**	(349,281)
Cash and cash equivalents at beginning of financial year		**15,200,509**	15,549,790
Cash and cash equivalents at end of financial year	9	**11,676,135**	15,200,509

MMTC TRANSNATIONAL PTE LTD

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 3 Raffles Place, #08-01, Bharat Building, Singapore 048617.

The principal activities of the Company are trading in minerals, metals, fertilizers, agricultural products, coal, gold and hydrocarbon products, jewellery and other commodities.

2. Significant accounting policies

2.1 <u>Basis of preparation</u>

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain accounting estimates and assumptions.

Interpretations and amendments to published standards effective in 2017

On 1 April 2017, the Company adopted the new or amended FRS and interpretation to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.

2.2 <u>Revenue recognition</u>

Revenue comprise 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 the Company has delivered the products to the customers in accordance with the shipment terms.

(b) *Freight income*

Freight income is recognised rateably over the terms of the agreement. All freight income and freight costs are recognised as the freight services are rendered (percentage of completion). The percentage of completion is determined using the discharge-to-discharge method. According to this method, freight income and related costs are recognised in the income statement according to the charter parties from the vessel's departure date to the delivery of the cargo (discharge). For voyages in progress at the end of an accounting period that will conclude in a subsequent accounting period, freight income and related costs are recognised according to the percentage of the estimated duration of the voyage concluded at the reporting date.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Demurrage income*

Demurrage income is recognised if the claim is considered probable.

2.3 <u>Currency translation</u>

The financial statements are presented in United States Dollar, which is the functional currency of the Company.

MMTC TRANSNATIONAL PTE LTD

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

2.4 Loans and receivables

Cash and bank deposits

Trade and other receivables

Other current assets - deposits

Cash and bank deposits, trade and other receivables and other current assets - deposits are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any accumulated impairment losses.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

2.5 Income taxes

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of transaction.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.6 Inventories

Inventories, comprise goods held for resale, are carried at the lower of cost and net realisable value. Cost is determined on a specific identification method. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

2.7 Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives of 3 years.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

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

2.8 Impairment of non-financial assets

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of assets, recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the 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 difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.9 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

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

2.10 Operating lease payments

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

2.11 Employee compensation

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

The Company's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.12 Cash and bank deposits

For the purpose of presentation in the statement of cash flows, cash and bank deposits include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown presented borrowings in current liabilities on the balance sheet.

2.13 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.14 Fair value estimation

The carrying amounts of financial assets and financial liabilities carried at amortised cost approximate their fair values.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.16 Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3. Revenue

	2018 US$	2017 US$
Sale of goods	**11,839,773**	107,901,088
Freight income	**-**	5,268,840
	11,839,773	113,169,928

4. Other income - net

	2018 US$	2017 US$
Interest income - short-term bank deposits	**263,922**	243,603
Sundry income	**61,459**	136,878
Demurrage, despatch and shortages	**44,835**	632,049
	370,216	1,012,530

5. Employee compensation

	2018 US$	2017 US$
Wages and salaries	**378,826**	389,132
Employer's contribution to defined contribution plans such as Central Provident Fund	**40,294**	38,706
Other benefits	**130,554**	205,978
	549,674	633,816

Other benefits include the rental expenses for the residential premises provided to the employees which amounted to US$75,947 (2017: US$81,605).

6. Finance expenses

	2018 US$	2017 US$
Interest expense - trust receipts and invoice financing	**-**	21,245

7. Other expenses

	2018 US$	2017 US$
Demurrage, despatch and shortages	**38,497**	582,088
Other expenses	**68,013**	96,270
	106,510	678,358

8. Income taxes

(a) Income tax (credit)/expense

	2018 US$	2017 US$
Tax expense attributable to profit is made up of:		
Current income tax	**-**	7,104
Over provision in prior financial years:		
Current income tax	**(11,881)**	(2,505)
	(11,881)	4,599

The tax on result before tax differs from the amount that would arise using the Singapore standard rate of income tax as follows:

	2018 US$	2017 US$
(Loss)/profit before income tax	**(395,605)**	38,094
Tax calculated at a tax rate of 17% (2017: 17%)	**(67,253)**	6,476
Effects of:		
Expenses not deductible for tax purposes	**1,159**	1,025
Income not subject to tax	**(2,636)**	(2,302)
Tax losses not recognised as deferred tax assets	**69,000**	-
Utilisation of previously unrecognised tax losses	**-**	(5,199)
Over provision of tax in prior financial years	**(11,881)**	(2,505)
Others	**(270)**	7,104
	(11,881)	4,599

(a) Income tax (credit)/expense (continued)

As at 31 March 2018, the Company has unabsorbed tax losses and unutilised capital allowances of approximately US$482,000 (2017: US$76,000) and US$12,000 (2017: US$12,000) respectively available for offsetting against future taxable income chargeable to tax, subject to the compliance with the provisions of the Singapore Income Tax Act and agreement by the Singapore tax authorities.

The deferred tax asset arising from unabsorbed tax losses has not been recognised in the financial statements as the realisation is not certain. The tax losses have no expiry date.

(b) Movements in current income tax liabilities

	2018 **US$**	**2017** **US$**
Beginning of financial year	**8,959**	1,857
Income tax refund	**2,922**	2,503
Tax payable on profit for current financial year	**-**	7,104
Over provision in prior financial years	**(11,881)**	(2,505)
End of financial year	**-**	8,959

9. Cash and bank deposits

	2018 **US$**	**2017** **US$**
Cash and bank balances	**152,891**	200,741
Fixed deposits with banks	**11,523,244**	14,999,768
	11,676,135	15,200,509

Cash and bank deposits are denominated in the following currencies:

	2018 **US$**	**2017** **US$**
United States Dollar	**11,659,098**	15,176,682
Singapore Dollar	**17,037**	23,827
	11,676,135	15,200,509

At balance sheet date, the fixed deposits bear interest rates ranging from 1.85% to 2.70% (2017: 1.50% to 1.85%) per annum with the maturity dates ranging between 12 months (2017: 12 months).

As balance sheet date, the Company has credit facilities of US$20,000,000 that are secured over current assets and fixed deposits with banks. There was no drawdown of the credit facilities as at 31 March 2018.

10. Trade and other receivables

	2018 **US$**	**2017** **US$**
Trade receivables:		
- third parties	**9,167**	32,871
- holding corporation	**11,792,240**	-
- related corporation	**409,535**	506,670
Interest receivable	**132,149**	118,421
Other receivables	**63,502**	15,042
	12,406,593	673,004

Trade and other receivables are denominated in the following currencies:

	2018 US$	2017 US$
United States Dollar	**12,404,172**	664,889
Singapore Dollar	**2,421**	8,115
	12,406,593	673,004

11. Other current assets

	2018 US$	2017 US$
Deposits	**26,778**	41,423
Prepayments	**-**	365
	26,778	41,788

Deposits are denominated mainly in Singapore Dollar.

12. Property, plant and equipment

	Leasehold improvements US$	Furniture and fittings US$	Computer equipment US$	Office equipment US$	Total US$
2018					
Cost					
Beginning of financial year	121,394	40,537	48,567	23,725	234,223
Additions	-	-	-	348	348
End of financial year	**121,394**	**40,537**	**48,567**	**24,073**	**234,571**
Accumulated depreciation					
Beginning of financial year	118,928	40,537	48,212	23,725	231,402
Depreciation charge	2,466	-	175	117	2,758
End of financial year	121,394	40,537	48,387	23,842	234,160
Net book value					
End of financial year	**-**	**-**	**180**	**231**	**411**

	Leasehold improvements US$	Furniture and fittings US$	Computer equipment US$	Office equipment US$	Total US$
2017					
Cost					
Beginning of financial year	121,394	40,537	48,036	23,979	233,946
Additions	-	-	531	-	531
Disposal	-	-	-	(254)	(254)
End of financial year	121,394	40,537	48,567	23,725	234,223
Accumulated depreciation					
Beginning of financial year	113,998	40,537	47,811	23,027	225,373
Depreciation charge	4,930	-	401	698	6,029
End of financial year	118,928	40,537	48,212	23,725	231,402
Net book value					
End of financial year	**2,466**	**-**	**355**	**-**	**2,821**

13. Trade and other payables

	2018 US$	2017 US$
Trade payables:		
- third parties	**11,987,812**	352,434
- holding corporation	**72,491**	91,116
Accrued operating expenses	**60,160**	77,046
	12,120,463	520,596

Trade and other payables are denominated in the following currencies:

	2018 US$	2017 US$
United States Dollar	**12,060,145**	437,104
Singapore Dollar	**60,318**	83,492
	12,120,463	520,596

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 (2017: 1,461,502) ordinary shares with no par value, amounting to a total of US$1,000,000 (2017: US$1,000,000).

16. Dividends

	2018 US$	2017 US$
Interim exempt (one-tier) dividend paid in respect of current financial year of approximately US$ 2.0527 (2017: nil) per share	**3,000,000**	-

17. 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 aggregate minimum lease payments under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	2018 US$	2017 US$
Not later than one year	**43,490**	157,411
Later than one year but not later than five years	**-**	22,834
	43,490	180,245

18. Related party transactions

(a) 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:

	2018 US$	2017 US$
Sales to holding corporation	**11,811,868**	94,424,515
Freight income from holding corporation	**-**	1,714,646
Freight income from related corporation	**-**	3,554,194
Purchases from holding corporation	**42,299**	12,422

(b) Key management personnel compensation for the financial year is as follows:

	2018 US$	2017 US$
Salaries and other short-term employee benefits	**281,955**	361,939
Post-employment benefits - contribution to defined contribution plans	**15,061**	8,397
	297,016	370,336

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 market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

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

(a) Market risk

(i) *Currency 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. The Company has insignificant financial assets and liabilities that are exposed to interest rate risk.

(b) Credit risk

Cash and bank deposits that are neither past due nor impaired are mainly deposits with banks with sound credit-ratings as determined by international credit rating agencies.

The Company has no significant concentration of credit risk except for amount due from holding corporation which has a good collection track record with the Company. The Company has policies in place to ensure that sales of goods are made to customers with adequate financial standing and an appropriate credit history.

At balance sheet date, there is no class of financial assets that is past due or impaired.

(c) Liquidity risk

The Company manages liquidity risk by maintaining cash and available funding through an adequate amount of committed credit facilities sufficient to enable it to meet its operational requirements.

The Company's major classes of financial liabilities are trade and other payables and borrowings and their contractual maturities are less than one year.

(d) Capital risk

The Company's objectives when managing capital are to ensure that the Company is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

The Company monitors its capital based on total equity. The Company is not subject to any externally imposed capital requirements.

(e) Financial instruments by category

The aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost are as follows:

	2018 US$	2017 US$
Loans and receivables	**24,109,506**	15,914,936
Financial liabilities at amortised cost	**12,120,463**	520,596

20. New or revised accounting Standards and Interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 April 2018 and which the Company has not early adopted:

- **FRS 115 Revenue from contracts with customers (effective for annual periods beginning on or after 1 January 2018)**

FRS 115 replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations.

Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Transition

The Company plans to adopt the new standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in the opening retained profits at 1 April 2018 and comparative information for 2017 will not be restated.

FRS 109 Financial instruments (effective for annual periods beginning on or after 1 January 2018)

FRS 109 replaces FRS 39 Financial instruments; Recognition and Measurement and its relevant interpretations.

FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI (FVOCI). Gains and losses realised on the sale of such financial assets at FVOCI are not transferred to profit or loss on sale but reclassified from the FVOCI reserve to retained earnings.

Under FRS 109, there are no changes to classification and measurement requirements for financial liabilities except for the recognition of fair value changes arising from changes in own credit risk. For liabilities designated at fair value through profit or loss, such changes are recognised in OCI.

FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

There is also now a new expected credit losses impairment model that replaces the incurred loss impairment model used in FRS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, contract assets under FRS 115 Revenue from contracts with customers, lease receivables, loan commitments and certain financial guarantee contracts.

The new standard also introduces expanded disclosure requirements and changes in presentation.

(i) *Transition*

The Company plans to adopt the new standard retrospectively from 1 April 2018, in line with the transition provisions permitted under the standard. Comparatives for 2017 will not be restated and the Company will recognise any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening retained earnings.

(ii) *Impairment of financial assets*

Trade receivables will be subject to the expected credit losses impairment model under FRS 109.

The Company expects the adoption of the standards above will have no material impact on the financial statements in the period of initial adoption.

- **FRS 116 Leases (effective for annual periods beginning on or after 1 January 2019)**

FRS 116 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly. The accounting for lessors will not change significantly.

Some of the Company's commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

The new standard also introduces expanded disclosure requirements and changes in presentation.

The Company has yet to determine to what extent the commitments as at 31 March 2018 will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

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

MMTC LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
FOR
THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LTD.

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of **MMTC Limited** (hereinafter referred to as "The Holding Company") its subsidiary and (the Holding Company and its subsidiary together referred to as "the Group") and its joint ventures, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement ,the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard Rules), 2015 (as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including Ind AS, of the consolidated state of affairs (financial position) of the Group and its joint ventures as at 31st March, 2018 and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Emphasis of Matters

a) We draw attention to Note No.34 (ix) to the Consolidated Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non- extension of time/waiver/write off of GR-1 forms.

b) We draw attention to Note No.34 (iv)& (v) and 36 (c)to the Consolidated Ind AS financial statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Ltd. (NINL) – a Joint Venture Company.

Our opinion is not modified in respect of these matters.

Other Matters

1. We did not audit the financial statements / financial information of one wholly owned subsidiary incorporated in Singapore – MMTC Transnational Pte Ltd whose financial statement reflect total assets of Rs 157.08 cr, net assets of Rs 75.26 cr as at 31st March, 2018, total revenues of Rs 78.73 cr and net cash outflows of Rs 22.72 cr and total net loss of Rs 3.18 cr for the year ended on that date, as considered in the consolidated Ind As financial statements.

2. The consolidated Ind As financial statements also include the Group's share of net profit/loss NIL for the year ended 31st March, 2018 in joint venture – M/s Sical Iron Ore Terminal Ltd as considered in the consolidated financial statements, whose Ind AS financial statements / financial information have not been audited by us.

3. The consolidated Ind As financial statements do not include group's share of loss in three joint ventures – M/s Free Trade Warehousing Pvt Ltd, M/s T M Mining Company Ltd and M/s Neelachal Ispat Nigam Ltd as the Group's share of their respective accumulated losses has exceeded the carrying value of the investment in respective aforesaid joint ventures of the Holding Company in earlier years (refer note no. 41). The financial statements / financial information of these joint venture companies have not been audited by us.

   The financial statements of one subsidiary and four joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and four joint ventures, and our report in terms of the sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint ventures is based solely on the report of the other auditors. The financial statements of subsidiary in Singapore have been adjusted by the Holding Company's Management in accordance with the accounting principles generally accepted in India including Indian Accounting Standards.

4. The consolidated Ind AS financial statements also include the Group's share of net profit (including other comprehensive income) of Rs 11.37 cr for the year ended 31st March 2018 as considered in the consolidated Ind AS financial statements in respect of joint venture M/s MMTC Pamp India Pvt. Ltd. whose financial statements/financial information are unaudited as stated in Note No.6 (vii).The financial statements have been furnished to us by the Holding Company's Management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the said joint venture, and our report in terms of the sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the unaudited financial statements/ financial information.

5. The consolidated Ind AS financial statements do not include the Group's share of net profit/(loss) for the year ended 31st March 2018 in joint venture MMTC Gitanjali Limited, as its financial statements / financial information is not available for the reasons stated in note no. 41 of the Consolidated Ind AS financial statement.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books and report of other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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

e) Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Holding Company.

f) With respect to the adequacy of internal financial controls over financial reporting of the Holding company, its subsidiary company and its joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure-1"**

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

   i) There are pending litigations including matters relating to sales tax, custom duty and excise duty which are disclosed as contingent liability - refer to Note No. 34 to the Consolidated Ind AS financial statements, the impact of the same is unascertainable as the matters are *sub-judice*.

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

   iii) There has been no delay in transferring amounts required to be transferred to the Investors Education and Protection Fund by the Holding Company, its subsidiary and joint ventures incorporated in India.

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

Place: New Delhi
Date: 29.05.2018

Rakesh Agarwal
Partner
M No.: 081808

Annexure-1 To the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of MMTC Ltd.

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

We have audited the internal financial controls over financial reporting of MMTC Ltd. (hereinafter referred to as "the Holding Company") and its subsidiary company, its joint venture companies which are companies incorporated in India, in conjuction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditor's Responsibility:

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Other Matters

1. Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to four joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.
2. We are not able to comment upon on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two joint ventures, which are companies incorporated in India and corresponding reports of the auditors of such companies incorporated in India has not been received.

Our opinion is not modified on the above matters.

Opinion:

In our opinion, the Holding Company and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

Place: New Delhi **Rakesh Agarwal**
Date: 29.05.2018 **Partner**
M No.: 081808

MANAGEMENT'S REPLY TO AUDITOR'S OBSERVATION IN THE AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR 2017-18

PARA NO.	AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
	Emphasis of Matter	
a.	We draw attention to Note No. 34 (ix) to the consolidated Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non- extension of time/waiver/write off of GR-1 forms.	Refer to the reply in respect of observation on Standalone Financial Statements
b.	We draw attention to Note No. 34 (v), (vi), and 36 (c) to the Consolidated Ind AS financial Statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Limited (NINL)-a joint venture Company.	Refer to the reply in respect of observation on Standalone Financial Statements

MMTC Limited

Consolidated Balance Sheet as at March 31, 2018

(₹ in Crore)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	47.09	50.74
Capital work-in-progress	3	-	0.04
Investment Property	4	3.94	4.09
Other intangible assets	5	1.46	2.14
Investments accounted for using the equity method	6A	109.49	103.42
Financial Assets			
Investments	6B	18.95	47.38
Trade Receivables	7A	-	8.48
Loans	8	9.06	140.30
Others	9	58.98	35.23
Deferred tax Assets (net)	10	235.61	232.58
Other non-current Assets	11A	26.23	34.58
Current Assets			
Inventories	12	1,711.08	2,366.84
Financial Assets			
Investments	6C	-	96.00
Trade Receivables	7B	355.41	508.74
Cash & Cash Equivalents	13	51.08	362.97
Bank Balances other than above	14	92.62	164.45
Loans	8	2.82	4.08
Others	9	8.96	12.58
Current Tax Assets (net)	15	13.56	27.93
Other Current Assets	11B	2,426.11	1,645.22
Total Assets		**5,172.45**	**5,847.79**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16A	100.00	100.00
Other Equity	16B	1,102.70	1,100.74
Non Controlling Interest		-	-
Liabilities			
Non-current liabilities			
Provisions	20A	184.15	187.70
Current liabilities			
Financial Liabilities			
Borrowings	17	519.26	440.18
Trade payables	18	1,064.83	689.00
Other Financial Liabilities	19	244.06	189.49
Other current liabilities	21	1,805.23	3,038.29
Provisions	20B	136.72	74.70
Current Tax Liabilities (net)	22	15.50	27.69
Total Equity and Liabilities		**5,172.45**	**5,847.79**

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(₹ in Crore)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
Income			
Revenue From Operations	23	16,451.01	11,826.98
Other Income	24	45.66	44.85
Total Income (I)		16,496.67	11,871.83
Expenses			
Cost of material consumed	25	131.39	111.75
Purchase of Stock in Trade	26	14,471.37	12,910.59
Changes in inventories of finished goods, stock in trade and work in progress	27	652.60	(1,967.93)
Employees' Benefit Expenses	28	262.82	199.93
Finance Cost	29	16.61	21.41
Depreciation & Amortization Expenses	30	5.36	6.80
Other Expenses	31	911.73	599.16
Total expenses (II)		16,451.88	11,881.71
Profit/(loss) before exceptional items and tax (I-II)		44.79	(9.88)
Exceptional Items - expense/(income)	32	8.41	(91.27)
Profit/(loss) before tax and share of equity accounted investees		36.38	81.39
Share of profit/(loss) of joint ventures accounted for using the equity method (net of income tax)		11.36	(86.95)
Profit/(loss) before tax		47.74	(5.56)
Tax expense	33		
i) Current Tax		13.27	28.23
ii) Adjustment relating to prior periods		(0.02)	(0.75)
iii) Deferred tax (credit) / expense		(3.03)	(3.28)
Total Tax Expense		10.22	24.20
Profit/(loss) for the year (A)		37.52	(29.76)
Profit for the Year Attributable to :			
Owners of the parent		37.52	(29.76)
Non-controlling interest		-	-
Profit/(loss) for the year		37.52	(29.76)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
-Remeasurements of the defined benefit plans		5.36	0.28
-Equity Instruments through other comprehensive income		(0.86)	0.81
-Income Tax effect		(1.85)	(0.10)
-Share of Other Comprehensive Income in Joint Ventures (net of tax)		0.01	0.22
Items that will be reclassified to profit or loss:			
-Exchange differences in translating the financial statements of foreign operation		(0.05)	(2.33)
Other Comprehensive Income net of tax (B)		2.61	(1.12)
Total Comprehensive Income for the year (A+B)		40.13	(30.88)
Total Comprehensive Income Attributable to :			
Owners of the parent		40.13	(30.88)
Non-controlling interest		-	-
Total Comprehensive Income for the year		40.13	(30.88)
Earnings per equity share :			
Basic & Diluted	46	0.38	(0.30)

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC Limited

Cash Flow Statement For The Year Ended March 31, 2018

(₹ in Crore)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) before tax		47.74		(5.56)
Adjustment for:-				
Loss on valuation of inventories	0.64		4.72	
Depreciation & amortisation expense	5.36		6.79	
Net Foreign Exchange (gain)/loss	8.11		0.80	
(Profit) /Loss on sale of Tangible Assets	(0.06)		-	
Provision for dimunition in value of non current investment	3.04		-	
Interest income	(17.09)		(29.36)	
Dividend income	(4.28)		(1.21)	
Finance Costs	16.61		21.40	
Debts/claims written off	0.05		0.66	
CSR expenditure	0.49			
Allowance for Bad & Doubtful Debts / claims/ advances	-		0.48	
Reversal of subsidy claim	-		7.67	
Provision no longer Required	(0.86)		(2.07)	
Liabilities Written Back	14.02		(6.85)	
Provision for DWA risk	0.04		0.06	
Share of (profit)/ loss of joint ventures accounted for using the equity method (net of income tax)	(11.36)		86.95	
		14.71		90.04
Operating Profit before Working Capital Changes		62.45		84.48
Adjustment for:-				
Inventories	655.12		(1,970.04)	
Trade Receivables	162.28		313.24	
Loans & Other Financial Assets	139.99		313.10	
Other current & non current assets	(700.70)		(496.53)	
Trade payables	354.04		(237.05)	
Other Financial Liabilities	54.57		(165.33)	
Other current & non current liabilities	(1,233.28)		2,461.80	
Provisions	61.46	(506.52)	17.37	236.56
		(444.07)		321.04
Taxes Paid		(11.07)		(48.14)
Net cash flows from operating activities		(455.14)		272.90
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(0.78)		(2.51)	
Sale of fixed Assets	0.31		0.35	
Sale/(Purchase) of Investments	96.00		(96.00)	
Interest received	17.09		29.37	
Dividend Received	4.28	116.90	1.21	(67.58)
Net cash flows from investing activities		116.90		(67.58)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings	79.07		167.33	
Finance Costs	(16.61)		(21.41)	
Dividend (inclusive of tax) paid	(36.11)	26.35	(36.10)	109.82
Net Cash From Financing Activities		26.35		109.82
D. Net changes in Cash & Cash equivalents		(311.89)		315.14
E. Opening Cash & Cash Equivalents (Note No 15)		362.97		47.83
F. Closing Cash & Cash Equivalents (Note No 15)		51.08		362.97

Note:

1. The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 on Statement of Cash Flows.
2. Cash and Cash Equivalents consist of :-

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
(a) in Current Account	20.80	30.92
(b) debit balance in Cash Credit Account	26.65	26.76
(c) In term deposit with original maturity upto 3 months	3.59	305.01
Cheques, Drafts on hand	-	0.27
Cash on hand	0.04	0.01
	51.08	362.97

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC Limited
Consolidated Statement of Changes in Equity for the period ended 31.03.2018

A. Equity Share Capital

(₹ in Crore)

Particulars	No of Shares	Amount
Balance as at 1.4.2017	**1,00,00,00,000**	**100**
Changes in Equity Share Capital during the year	-	-
Balance as at 31.3.2018	1,00,00,00,000	100

Particulars	No of Shares	Amount
Balance as at 1.4.2016	**1,00,00,00,000**	**100**
Changes in Equity Share Capital during the year	-	-
Balance as at 31.3.2017	**1,00,00,00,000**	**100**

B. Other Equity as at March 31, 2018

(₹ in Crore)

	Equity Components of compound financial instruments	Reserves and Surplus						Items of Other Comprehensive Income				Attributable to the owners of the parent	Non controlling interest	Total
		Bond Redemption Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	General Reserve	Retained Earnings	Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation	Other items of OCI			
Balance as at 1.4.2017	1.13	8.30	-	-	0.35	618.54	470.53	0.81	-	3.51	(2.43)	1,100.74	-	1,100.74
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	37.52	0.86	-	(0.05)	3.52	40.13	-	40.13
Dividend and DDT	-	-	-	-	-	-	(36.11)	-	-	-	-	(36.11)	-	(36.11)
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurements of defined benefit plans	--	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	10.00	(12.26)	-	-	0.20	-	(2.06)	-	(2.06)
Balance as at 31.3.2018	1.13	8.30	-	-	0.35	628.54	459.68	(0.05)	-	3.66	1.09	1,102.70	-	1,102.70

Other Equity as at March 31, 2017

(₹ in Crore)

	Equity Components of compound financial instruments	Reserves and Surplus						Items of Other Comprehensive Income				Attributable to the owners of the parent	Non controlling interest	Total
		Bond Redemption Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	General Reserve	Retained Earnings	Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation	Other items of OCI			
Balance as at 1.4.2016	1.75	8.30	-	0.01	0.35	618.54	536.36	-	-	5.84	(2.83)	1,168.32	-	1,168.32
Changes in accounting policy or prior period errors								-		-		-	-	-
Total comprehensive income for the year							(29.76)	0.81		(2.33)	0.40	(30.88)	-	(30.88)
Dividend and DDT							(36.11)					(36.11)	-	(36.11)
Unamortized premium on forward contract												-	-	-
Transfer to retained earnings				(0.01)			-					(0.01)	-	(0.01)
Re-measurements of defined benefit plans				-								-	-	-
Any other changes	(0.62)						0.04				-	(0.58)	-	(0.58)
Balance as at 31.3.2017	1.13	8.30	-	-	0.35	618.54	470.53	0.81	-	3.51	(2.43)	1,100.74	-	1,100.74

Dividend not recongised at the end of reporting period (₹ in Crore)		
	As at March 31, 2018	**As at March 31, 2017**
Dividend proposed @ ₹ 0.30 per share for year ended March 31, 2018 (@ ₹ 0.30 per fully paid equity share for the year ended March 31, 2017) on equity share capital as on 31.3.2018 which works out to ₹ 0.20 per share post bonus share alloted on 7.5.2018. Proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	30.00	30.00
Dividend distribution tax on proposed dividend	6.11	6.11

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

1. General Information

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

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

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

2. Significant Accounting Policies

2.1 a) Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

b) Basis of Consolidation

MMTC Limited together with its subsidiaries is hereinafter referred to as 'the Group'. The Company consolidates entities which it owns or controls as per the provisions of Ind AS-110. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 41. The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the group , are excluded.

Associates are entities over which the Group has significant influence but not control. Joint Ventures are entities in which the group has joint control and has rights to the net assets of the entity. Investments in associates and joint ventures are accounted for using the equity method of accounting as per the provisions of Ind AS-28. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

2.2 Functional & presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Crores of Indian rupees (₹ in crores) (upto two decimals) except number of equity shares and per share data and when otherwise indicated.

2.3 Use of estimates and judgment

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

2.4 Revenue Recognition

i) *Trading Income*

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

Purchases and Sales

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

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

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

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

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

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

   iv) In respect of Gold sourced domestically where price fixation is deferred, purchase is initially accounted for on the basis of invoice received from the supplier. The difference, if any, arising on price fixation is accounted for through debit / credit note.

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

e. High Sea Sales

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

ii) *Other Operating Revenue*

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

iii) *Claims*

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

iv) *Service Income*

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

a) The amount of revenue can be measured reliably;
b) It is probable that the economic benefits associated with the transaction will flow to the company ;
c) The stage of completion of the transaction can be measured reliably;
d) Costs incurred for the transaction and to complete the transaction can be measured reliably.

v) *Dividend and interest income*

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

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

vi) *Revenue Recognition on Actual Realization*

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

a) Duty credit/exemption under various promotional schemes of Foreign Trade Policy in force, Tax credit, refund of custom duty on account of survey shortage, and refund of income-tax/service tax/sales-tax/VAT/GST and interest thereon etc.
b) Decrees pending for execution/contested dues and interest thereon, if any:
c) Interest on overdue recoverable where realisability is uncertain.
d) Liquidated damages on suppliers/underwriters.

2.5 Property, Plant and Equipments

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

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

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

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

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

2.6 Intangible Assets

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

2.7 Non-Current Assets Held for Sale

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

2.8 Depreciation

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

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

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

2.9 Impairment

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

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

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

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

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

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

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

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

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

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

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

De-recognition of financial assets

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

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

2.10 Borrowing Costs

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

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

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

2.11 Foreign currency translation

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

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

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

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

2.12 Inventory

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

a) Exports:

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

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

b) Imports:

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

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

c) Domestic:

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

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

d) Packing material

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

e) Stocks with fabricators

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

2.13 Provisions

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

2.14 Contingent Liabilities / Assets

Contingent Liabilities

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

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

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

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

Contingent Assets

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

2.15 Leases

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

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

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

2.16 Employee benefits

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

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

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

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

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

Short-term employee benefit obligations

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

2.17 Taxation

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

Current tax

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

Deferred tax

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

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

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

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

Current and deferred tax for the year

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

2.18 Investment Property

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

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

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

2.19 Earnings per share

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

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

2.20 Discontinued operations

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

2.21 Financial instruments

i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

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

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

a) Cash and cash equivalents

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

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

c) Loans and receivables

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

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

d) Trade and other payables

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

e) Investments in Subsidiary, Associates and Joint Venture

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

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

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

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

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

ii) Derivative financial instruments

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

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

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

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

a) Cash flow hedges

In respect of firm commitments and forecast transactions changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the

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

b) Others

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

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

2.22 Segment Information

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

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

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

2.23 Prior Period Errors

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

3. Property, Plant and Equipment

(₹ in Crore)

Particulars	Gross carrying value as at April 1, 2017	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2018	Accumulated depreciation as at April 1, 2017	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2018	Net Carrying Value as at March 31, 2018	Net Carrying Value as at March 31, 2017
Land freehold										
- Office building	0.37	-	-	0.37	-	-	-	-	0.37	0.36
- Staff Quarters	0.13	-	-	0.13	-	-	-	-	0.13	0.13
Land leasehold										
- Office building	2.70	-	-	2.70	0.10	0.05	-	0.15	2.55	2.60
- Staff Quarters	0.15	-	-	0.15	0.01	-	-	0.01	0.14	0.14
Building										
- Office Building	6.89	-	-	6.89	0.30	0.17	-	0.47	6.42	6.59
- Staff Quarters/ Residential Flats	1.33	0.02	-	1.35	0.07	0.04	-	0.11	1.24	1.26
- Water supply, Sewerage & Drainage	0.06	-	-	0.06	0.01	0.01	-	0.02	0.04	0.05
-Electrical Installations	3.02	-	-	3.02	1.70	0.07	-	1.77	1.25	1.32
-Roads & Culverts	0.02	-	-	0.02	0.01	-	-	0.01	0.01	0.01
- Audio/Fire/ Airconditioning	0.11	-	-	0.11	0.05	0.02	-	0.07	0.04	0.06
Plant & Equipment	40.87	0.19	(0.19)	40.87	6.49	2.96	-	9.45	31.42	34.39
Furniture & Fixtures										
- Partitions	1.20	-	(0.08)	1.12	0.38	0.24	(0.08)	0.54	0.58	0.82
- Others	1.10	0.09	(0.01)	1.18	0.21	0.13	-	0.34	0.84	0.89
Vehicles	0.42	0.07	(0.01)	0.48	0.11	0.07	-	0.18	0.30	0.31
Office Equipments	1.50	0.62	(0.02)	2.10	0.62	0.29	(0.01)	0.90	1.20	0.88
Others:-										
- Computer/ Data Processors	2.04	0.08	-	2.12	1.11	0.45	-	1.56	0.56	0.93
					-	-	-	-	-	-
Total	61.91	1.07	(0.31)	62.67	11.17	4.50	(0.09)	15.58	47.09	50.74
Last Year	59.83	2.43	(0.35)	61.91	5.27	5.94	(0.04)	11.17	50.74	54.56
Capital Work in Progress	0.04	-	(0.04)	-	-	-	-	-	-	0.04
Last Year	0.75	0.04	(0.75)	0.04	0	0	0	0	0.04	

4. Investment Property

(₹ in Crore)

Particulars	As at 31st March 2018	As at 31st March 2017
Gross carrying value as at beginning of the year	4.44	4.44
Additions	-	-
Disposal/adjustments	-	-
Gross carrying value as at end of the year	4.44	4.44
Accumulated depreciation as at beginning of the year	0.35	0.18
Additions	0.15	0.17
Disposal/adjustments	-	-
Accumulated depreciation as at end of the year	0.50	0.35
Net Carrying Value as at end of the year	3.94	4.09

Amounts recognised in profit or loss for investment properties

Particualrs	For the year ended March 31, 2018	For the year ended March 31, 2017
Rental income	2.21	2.14
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	2.21	2.14
Depreciation	0.15	0.17
Profit from investment properties	2.06	1.97

Leasing arrangements

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

Particulars	31-Mar-18	31-Mar-17
Within one year	0.70	0.63
Later than one year but not later than five year	-	-
Later than five year	-	-
Total	0.70	0.63

Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹ 90.87 crore (P.Y. ₹ 82.88 crore).

5. Intangible Assets

(₹ in Crore)

Particulars	Gross carrying value as at April 1, 2017	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2018	Accumulated depreciation as at April 1, 2017	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2018	Net Carrying Value as at March 31, 2018	Net Carrying Value as at March 31, 2017
Computer Softwares	3.38	0.01	-	3.39	1.24	0.69	-	1.93	1.46	2.14
Total	3.38	0.01	-	3.39	1.24	0.69	-	1.93	1.46	2.14
Last Year	3.35	0.03	-	3.38	0.55	0.69	-	1.24	2.14	2.80

6. Investments

(₹ in Crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
NON CURRENT INVESTMENTS				
A) Investments in Equity Instruments - (Investments accounted for using the equity method - Joint Ventures)				
Neelachal Ispat Nigam Limited. 289342744(289342744, 31st March 2017) fully paid up equity shares of 10 each.	379.69		379.69	
Add : Income/(loss) from Joint Venture till date	(379.69)	-	(379.69)	-
MMTC Gitanjali Limited. 2987400(2987400, 31st March 2017) fully paid up equity shares of ₹10 each.	2.99		2.99	
Add/(Less) : Impairment in value of investment/(loss) from Joint Venture till date	(2.99)	-	(1.17)	1.82
Free Trade Warehousing Pvt. Ltd.5000(2600, 31st March 2017) fully paid up equity shares of ₹10 each.	0.01		-	
Add : Income/(loss) from Joint Venture till date	(0.01)	-	-	-
MMTC Pamp India Pvt. Limited.17446000(17446000, 31st March 2016) fully paid up equity shares of ₹ 10 each.	17.45		17.45	
Add : Income/(loss) from Joint Venture till date	58.26	75.71	50.37	67.82
Sical Iron Ore Terminal Limited. 33800000(33800000, 31st March 2017) fully paid up equity shares of ₹ 10 each.	33.80		33.80	
Add : Income/(loss) from Joint Venture till date	(0.02)	33.78	(0.02)	33.78
TM Mining Company Limited. 57200,(57200, 31st March 2017) fully paid up equity shares of ₹ 10 each.	0.06		0.06	
Add/(Less) : Impairment in value of investment/(loss) from Joint Venture till date	(0.06)	-	(0.06)	-
Total (A)		109.49		103.42

Particulars	As at March 31, 2018		As at March 31, 2017	
B) Investments in Equity Instruments - (Others)				
a) At Fair Value through other comprehensive income				
Quoted				
Bombay Stock Exchange Limited. 38961 (38961- 31st March 2017) fully paid up equity shares of ₹ 2 each.	3.00		3.00	
Add /(Less): Fair Value Adjustment through Other Comprehensive Income	(0.05)	2.95	0.81	3.81
Unquoted				
Indian Commodity Exchange Limited. 320000000 (320000000, 31st March 2017) fully paid up equity shares of ₹ 5 each.	16.00		16.00	
Add /(Less): Fair Value Adjustment through Other Comprehensive Income	-	16.00	-	16.00
b) At amortized cost				
Unquoted				
Indo French Biotech Limited. 4750000 (4750000, 31st March 2017) fully paid up equity shares of ₹ 10 each.	4.75		4.75	
Add/(Less) : Impairment in value of investment	(4.75)	-	4.75	-
Advance against Equity:-				
Haldia Free Trade Warehousing Pvt. Ltd.		-		22.09
Kandla Free Tarde Warehousing Pvt. Ltd.		-		5.48
Free Trade Warehousing Pvt. Ltd.*		-		0.00
Total (B)		18.95		47.38
Total Non-Current Investments (Gross)		**457.75**		**485.31**

*Represents ₹ 24,000/- given to Free Trade Warehousing Pvt. Ltd.

	Aggregate Amount	Market Value	Aggregate Amount	Market Value
Aggregate amount of quoted investments and market value there of	3.00	2.95	3.00	3.81
Aggregate amount of unquoted investments	454.75	-	482.31	-
Aggregate amount of impairment in the value of investments	7.80	-	4.75	-

Particulars	As at March 31, 2018		As at March 31, 2017	
C) CURRENT INVESTMENTS				
Investments in Mutual Funds (Quoted - fair value through profit or loss)				
SBI Premier Liquid Fund -Direct Plan- Daily Dividend				
Nil (P.Y. 478533.79 units of NAV ₹ 1003.064 each)		-		48.00
UTI - Liquid Cash Plan -Institutional-Direct Plan- DDR				
Nil (P.Y. 470927.669 units of NAV ₹1019.265 each)		-		48.00
Total (C)		-		96.00
Total Current Investments (Gross)		**-**		**96.00**
	Cost	**Market Value**	**Cost**	**Market Value**
Aggregate amount of quoted investments and market value there of	-	-	96.00	96.00
Aggregate amount of unquoted investments	-	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-	-

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

ii) The Company has invested ₹ 33.80 crore (P.Y ₹ 33.80 crore) towards 26% equity in SICAL Iron Ore Terminal Limited (SIOTL), a Joint Venture for the construction and operation of iron ore terminal at Ennore Port. The construction of terminal was completed by November 2010, the same could not be commissioned due to restrictions on mining, transportation and export of iron ore. After due tender process, KPL has allowed to SIOTL for necessary modifications to also handle common user coal. MMTC's Board of Directors during its 428th meeting held on 14.09.16 approved MMTC's exit through open tender mechanism from the JV. Accordingly, bids were invited from interested bidders for sale of MMTC's equity. No bids were received in the tender process. Subsequently, during the year the lead promoter (i.e. M/s SICAL Logistics Ltd) has agreed to buy MMTC's equity at the reserve price of ₹ 34.26 crore. Accordingly, the Share Purchase Agreement is being drawn. In light of above the investment is considered as good.

iii) Against the initial investment of 5.20 crore equity shares of ₹ 5 each amounting to ₹ 26.0 crore in the Indian Commodity Exchange (ICEX) [representing 26% holding of the Company in ICEX], the Company divested 2 crore equity shares at a premium of 100% during 2015-16. A Right Issue at a 100% premium was brought out by ICEX in February/March 2016 that got fully subscribed. Again during FY 2016-17, ICEX brought out Right Issue at 100% Premium that also got fully subscribed. MMTC did not participate in the above Right Issues. Consequently, the company's holding reduced to 3.20crore equity shares valuing ₹ 16 crore out of total equity share capital of ₹ 167.50 crore of ICEX which is 9.55% of the total equity share capital. During the year a scheme to amalgamate National Multi commodity Exchange of India with ICEX has been approved. Consequently MMTC's holding will reduce to 6%. The ICEX commenced the operations during FY 2017-18.

MMTC valued its equity holding in ICEX at cost price of ₹ 5 each as at 31.03.2018 since the subscription of right issue at premium does not represent market value and cost price is perceived to be more representative of fair value as on 31st March 2018.

iv) The company has during the year fully impaired its equity investment of ₹ 2.99 crore in its joint venture M/s MMTC Gitanjali Limited in view of the recent defaults made by the main promoter, the investigations launched by the investigating agencies against them and considering the fact that JV Company has suspended its business activities. The company has also given notice for exiting from the JV Company.

v) During the year, the Advance Against Equity Pending Allotment of Shares of ₹ 27.57 crore given to Haldia Free Trade Warehousing Pvt Limited andKandla Free Trade Warehousing Pvt Limited has been converted into advance towards Project Development Fund. Accordingly, the same has now been shown under Other Non-Current Financial Assets. In respect of Advance Against Equity Pending Allotment of Shares of ₹ 24000/- given to Free Trade Warehousing Pvt Limited, shares have been allotted to the company during the year.

vi) The amount of ₹ 0.06 crore (P.Y. ₹ 0.06 crore) has been provided towards impairment of equity investment in TM Mining Company Ltd.- a Joint Venture company, consequent upon companies decision to exit from the JV and considering the fact that the project could not take off and no cash inflow is expected on the investment in near future.

vii) Interest in Joint Venture in respect of MMTC PAMP India Pvt. Ltd. is considered based on unaudited financial statements for the year ended on 31.03.2018 pending approval of the Board of Directors of the JV Company.

7. Trade Receivable

(**₹ in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Trade Receivables from related parties		
a) Secured, considered Good	-	-
b) Unsecured, considered good*	2.66	234.18
c) Doubtful	-	-
Less : Allowances for bad and doubtful debts	-	-
Sub-Total	2.66	234.18
(ii) Other Trade Receivables		
a) Secured, considered Good	154.60	1.09
b) Unsecured, considered good	198.15	281.95
c) Doubtful	391.64	396.14
Less : Allowances for bad and doubtful debts	391.64	396.14
Sub-Total	352.75	283.04
Total (i+ii)	355.41	517.22
NON-CURRENT (A)	-	8.48
CURRENT (B)	355.41	508.74
TOTAL (A+B)	355.41	517.22

*previous year includes ₹ 231.00 crore referred in note no. 36(c).

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	396.14	395.73
Additions during the year	0.64	0.48
Reversals/ written off during the year	(5.14)	(0.07)
Utilisations during the year	-	-
Balance at the end of the year	391.64	396.14

8. Loans

(₹ **in Crore**)

Particulars	As at March 31, 2018		As at March 31, 2017	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Secured (considered good)				
Security Deposits	-	-	-	0.01
Loans to Related Parties	-	-	-	-
Loans to Employees	1.08	4.36	1.41	5.35
Others	-	-	-	
Sub- Total	1.08	4.36	1.41	5.36
Unsecured (considered good)				
Security Deposits	-	1.91	-	1.58
Loans to Related Parties*	-	-	-	130.00
Loans to Employees	1.55	2.79	2.38	3.36
Others	0.19	-	0.29	-
Sub- Total	1.74	4.70	2.67	134.94
Doubtful				
Security Deposits	-	0.17	-	0.28
Loans to Related Parties	-	-	-	-
Loans to Employees	-	-	-	-
Others	0.03	0.14	0.03	0.14
Less: Allowance for bad and doubtful loans	0.03	0.31	0.03	0.42
Sub- Total	-	-	-	-
Total	2.82	9.06	4.08	140.30

*Refer note no. 36(c)

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ 0.02 crore (P.Y. ₹ 0.03 crore).

9. Other Financial Assets

(₹ in Crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	-	0.83	-	0.05
Balance with bank for Unpaid Dividend	-	0.13	-	0.09
Receivable From NSEL	-	209.79	-	209.79
Demurrage and Despatch recievable	5.43	5.65	8.28	5.65
Forward Contract Receivable	0.65	-	-	-
Advances to other Companies	-	33.46	-	5.35
Other Advances	0.77	9.09	0.58	8.15
Subsidy recoverable	-	-	0.93	-
Interest accrued due/not due on:				
-Term Deposits	1.49	-	2.34	-
-Loans to Employees	1.26	10.55	1.39	11.74
-Loans to Related Parties	-	-	-	-
-Loans to Others	-	0.87	-	0.86
Others	0.40	20.18	0.10	25.12
Less: Impairment / Allowances for bad and Doubtful Receivables	1.04	231.57	1.04	231.57
Total	8.96	58.98	12.58	35.23

Includes ₹ 209.79 crore (P.Y.₹ 209.79 crore) recoverable from various borrowers and National Spot Exchange (NSEL) arising on account of default of payment obligation of NSEL against which full provision of ₹ 209.79 crore (P.Y ₹ 209.79 crore) has already been made during 2013-14. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. The Government has also issued final order of merger of NSEL with its parent company, Financial Technologies (FTIL) in Feb, 2016. Against this merger order, FTIL has filed a case against Government. MMTC is also one of the intervening party in the legal case supporting the merger. CBI also investigated the case.

10. Deferred Tax Assets

(₹ in Crore)

Recognised deferred tax assets and liabilities		
Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Deferred Tax Liability		
Property plant and equipment	(9.80)	(10.47)
Sub Total	(9.80)	(10.47)
Deferred tax Assets		
Prov. For Doubtful Debts	228.43	227.92
DWA Risk	0.02	0.02
VRS Expenses	0.42	0.71
Provision for CSR	-	0.05
Provision for Litigation Settlement	16.54	14.35
MAT credit	-	-
Sub Total	245.41	243.05
Net Deferred Tax (Liabilities)/Assets	235.61	232.58

(₹ in Crore)

Movement in deferred tax balances during the year				
Particulars	**Balance As at March 31 2017**	**Recognised in Profit and Loss**	**Adjustments**	**Balance As at March 31 2018**
Deferred Tax Liability				
Property plant and equipment	10.47	(0.67)	-	9.80
Sub Total (a)	10.47	(0.67)	-	9.80
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	227.92	0.52	-	228.43
Prov. for DWA Risk	0.02	(0.01)	-	0.02
VRS Expenses	0.71	(0.29)	-	0.42
CSR Provision	0.05	(0.05)	-	-
Prov for Litigation Settlement	14.35	2.19	-	16.54
MAT Credit	-	-	-	-
Sub Total (b)	243.05	2.36	-	245.41
Total	232.58	3.03	-	235.61

Recognised Deferred tax assets

(₹ in Crore)

Particulars	As at March 31 2018	As at March 31 2017
Deductible temporary differences	235.61	232.58
Total	235.61	232.58

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

11. Other Assets

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
A. Non-Current		
Capital Advances	-	-
Advances other than Capital Advances		
-Security Deposits	0.03	0.04
-Advances to Related Parties	-	-
- Advances to other Suppliers	4.73	5.16
- Other Advances	17.16	17.20
Allowances for bad and Doubtful Advance	(18.06)	(18.14)
Others	-	
- Income Tax paid recoverable	22.36	30.31
- Sales Tax paid recoverable	-	-
- Excise/Custom duty paid recoverable	-	-
- Others	0.01	0.01
Total	26.23	34.58

B. Current		
Capital Advances	-	-
Advances other than Capital Advances		
-Security Deposits	15.72	4.87
-Advances to Related Parties	1,425.00	966.50
-Trade Related Advance to Related Parties	361.70	-
- Advances to other Suppliers	23.21	80.99
- Claim Recoverable Others	63.87	19.34
-Gold/Silver stock towards unbilled purchases	392.97	459.23
- Other Advances	63.47	81.93
Allowances for bad and Doubtful Advance	(3.28)	(3.70)
Others	-	
- Income Tax refund due	-	4.29
- Sales Tax refund due	17.08	15.98
- Excise/Custom duty paid recoverable	4.35	4.35
- Service Tax refund due	0.64	-
-Others	61.38	11.44
Total	2,426.11	1,645.22

12. Inventories

(₹ **in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
Raw Materials	4.28	9.23
Finished Goods	34.19	46.11
Stock in trade	1,672.04	2,311.43
(includes goods in transit valued at ₹ 431.23 crores (P.Y. ₹ 77.30crores)		
Packing Materials	-	0.07
Others	0.57	-
Total	1,711.08	2,366.84

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

b) Inventories including goods in transit are valued at lower of the cost or realizable value as on 31st March 2018. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹ 0.64 crore (P.Y. ₹ 4.72 crore) and also includes₹ 3.00 crore on account of fair value hedge adjustment (Gain) on account of hedging of gold inventory.

c) Stock-in-trade includes the following:

i) 21020 units(P.Y. 21020 units) Certified Emission Reductions (CERs) valued at ₹ 0.05crore (P.Y. ₹ 0.07 crore) and Nil (P.Y. 21020 units) Verified Carbon Units (VCUs) valued at ₹ Nil (P.Y. ₹ 0.03 crore) as per IndAS-2 'Inventories', being lower of cost or net realizable value.

ii) Nil number of CERs under certification.

iii) An amount of ₹ 4.35 crore (P.Y. ₹ 4.30 crore) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

d) Stock in Trade includes an inventory of ₹ 856.29 crore (P.Y. ₹ 1921.83crore) valued at cost relating to pulses imported under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses. (Refer note 36(e)).

13. Cash & Cash Equivalents

(**₹ in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
(a) in Current Account	20.80	30.92
(b) debit balance in Cash Credit Account	26.65	26.76
(c) In term deposit with original maturity upto 3 months	3.59	305.01
Cheques, Drafts on hand	-	0.27
Cash on hand	0.04	0.01
Total	51.08	362.97

14. Bank Balances other than above

(**₹ in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
As Margin money/under lien	76.99	-
In term deposit with original maturity more than 3 months but less than 12 months	15.63	164.45
Others	-	
Total	92.62	164.45

15. Current tax Assets (Net)

(**₹ in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
Advance tax paid for the FY 2017-18	13.55	-
Advance tax paid for the FY 2016-17	0.01	27.92
Advance tax paid for the FY 2015-16	-	0.01
Total	13.56	27.93

16. A. Equity Shares Capital

(**₹ in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
Authorized		
Ordinary shares of par value of ₹ 1/- each		
Number	1,00,00,00,000	1,00,00,00,000
Amount	100.00	100.00
Issued, subscribed and fully paid		
Ordinary shares of par value of ₹ 1/- each		
Number	1,00,00,00,000	1,00,00,00,000
Amount	100.00	100.00

(₹ **in Crore**)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening Equity Shares	1,00,00,00,000	1,00,00,00,000
Add: No. of Shares issued/ subscribed during the year	-	-
Less: Deduction	-	-
Closing balance	1,00,00,00,000	1,00,00,00,000

No. of Shares in the Company held by shareholders holding more than 5 Parent

(₹ **in Crore**)

Name of the Shareholder	**As at March 31, 2018**	**As at March 31, 2017**
- President of India	89,92,68,762	89,92,68,762

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

Movement in equity share capital: During the year, the Company has neither issued nor bought back any shares.

The Company does not have any holding company.

During the year 2017-18, Board of Directors in their meeting held on 19th March, 2018, approved the issue of bonus shares in the ratio of 1:2 i.e. one bonus share of the face value of ₹ 1/- each for every two shares of the face value of ₹ 1/- each fully paid up held by the shareholders on record date which was subsequently, fixed as 4th May, 2018. Issuance of bonus shares will be done by capitalisation of free reserves to the tune of ₹ 50 crore created out of general reserves and profits of the company. The above mentioned shares were allotted by the share transfer committee in their meeting held on 7th May, 2018 to all eligible shareholders. Consequent to the allotment of bonus equity shares, the paid up share capital of the company stands increased to ₹ 150/- crore divided into 150 crore equity share of ₹ 1/-each fully paid up w.e.f. 7th May, 2018.

B. Other Equity

(₹ in Crore)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
General Reserve	628.54	618.54
Capital Reserve	-	-
Corporate Social Responsibility Reserve	-	-
Research & Development Reserve	0.35	0.35
Retained Earnings	459.68	470.53
Bond Redemption Reserve	8.30	8.30
Other Reserves	5.83	3.02
Total (a + b)	1,102.70	1,100.74

(i) General Reserve

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening Balance	618.54	618.54
Transfer from surplus/other reserves	10.00	-
Closing Balance	628.54	618.54

(ii) Capital Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	-	-
Transfer to general reserve	-	-
Closing Balance	-	-

(iii) Corporate Social Responsibility Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	-	0.01
Transfer from surplus	-	-
Deduction	-	(0.01)
Closing Balance	-	-

(iv) Research & Development Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	0.35	0.35
Transfer from surplus	-	-
Deduction	-	-
Closing Balance	0.35	0.35

(v) Bond Redemption Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	8.30	8.30
Transfer from surplus	-	-
Deduction	-	-
Closing Balance	8.30	8.30

(vi) Retained Earnings

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	470.53	536.36
Net Profit / (Loss) for the year	37.52	(29.76)
Items of other comprehensive income recognized directly in retained earnings	-	-
Dividend and Dividend Distribution Tax	(36.11)	(36.11)
Other Adjustments	(2.26)	0.04
Appropriations:-		
General Reserve	(10.00)	
Closing Balance	459.68	470.53

(vii) Other Reserves

	Notes	Equity Components of compound financial instruments	Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation	Remeasurements - Post Employee Benefit Plans	Total other reserves
As at April 1 2016		1.75	-	-	5.84	(2.83)	4.76
Remeasurements of the defined benefit plans		-	-	-	-	0.40	0.40
Equity Instruments through other comprehensive income		-	0.81	-	-	-	0.81
Addtion / (Deduction)		(0.62)	-	-	(2.33)	-	(2.95)
As at April 1 2017		1.13	0.81	-	3.51	(2.43)	3.02
Remeasurements of the defined benefit plans		-	-	-	-	3.52	3.52
Equity Instruments through other comprehensive income		-	(0.86)	-	-	-	(0.86)
Addtion / (Deduction)		-	-	-	0.15	-	0.15
As at March 31, 2018		1.13	(0.05)	-	3.66	1.09	5.83

17. Borrowings

(₹ **in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
CURRENT		
Loans repayable on Demand		
(a)From Banks		
-Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	519.26	440.18
-Unsecured	-	-
Total	519.26	440.18

- The loans have not been guaranteed by any of the director or others.
- The loans have been taken from Banks under Cash Credit/Packing Credit Accounts/Others and are repayable within one year.Interest payable on loan repayable on demand is based on MCLR plus spread of banks.
- The company has not defaulted in repayment of any loan and interest thereon.

18. Trade Payable

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
CURRENT		
Other than MSMEs		
-Trade Payables	1,064.34	688.98
-Trade Payables to Related Parties	0.49	0.02
MSMEs	-	-
Total	1,064.83	689.00

19. Other Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
CURRENT		
Payables-Other than trade	8.19	13.74
Despatch/ Demurrage payable	9.60	9.06
Amount recovered -pending remittance	0.33	1.01
Interest accrued on borrowings	2.04	3.69
Security Deposit &EMD	92.61	48.52
Unpaid Dividend	0.13	0.09
Claims payable	41.97	14.76
Forward Contract Payable	-	18.00
Others	89.19	80.62
Total	244.06	189.49

20. Provisions

(₹ in Crore)

Particulars	As at March 31, 2018	As at March 31, 2017
A. NON-CURRENT		
EMPLOYEE BENEFIT OBLIGATIONS		
a) Leave Encashment	13.62	19.87
b) Compassionate Gratuity	0.12	0.12
c) Post Retirement Medical Benefit	-	
Retired/retiring on or after 01.01.2007	93.32	89.98
Retired before 01.01.2007	45.04	45.50
d) Half Pay Leave	20.66	19.38
e) Service Award	5.44	5.99
f) Employee's Family Benefit Scheme	3.87	4.43
g) Special benefit to MICA employees	2.08	2.43
h) Others	-	-

Total	184.15	187.70
B. CURRENT		
EMPLOYEE BENEFIT OBLIGATIONS		
a) Earned Leave	2.91	3.29
b) Compassionate Gratuity	0.05	0.07
c) Post Retirement Medical Benefit	-	
Retired/retiring on or after 01.01.2007	4.30	1.93
Retired before 01.01.2007	6.79	8.25
d) Half Pay Leave	5.35	3.78
e) Gratuity	51.10	-
f) Superannuatuation Benefits	-	-
g) Service Award	1.44	1.27
h) Bonus/performance related pay	16.10	13.00
i) Employee's Family Benefit Scheme	0.73	0.83
j) Special benefit to MICA employees	0.57	0.52
h) Others	-	0.24
Sub Total	89.34	33.18
OTHERS		
Destinational weight and analysis risk	0.04	0.06
Provision for Litigation Settlements	47.34	41.46
Sub Total	47.38	41.52
Total	136.72	74.70

21. Other Liabilities

(₹ **in Crore**)

Particulars		As at March 31, 2018	As at March 31, 2017
Current			
Advance Received from Customers*	1919.48		
Less : Claim receivable from GOI	545.97	1,373.51	2,523.39
Statutory dues Payable		14.36	8.61
Corporate Social Responsibility Expenses		-	0.23
Amount payable towards unbilled purchases		392.97	459.23
Others		24.39	46.83
Total		1,805.23	3,038.29

*Includes ₹ 1685.87 crore (P.Y. ₹ 2256.10 crore) towards advance received from GOI against import of pulses under price stabilisation fund scheme. (Refer note 36(e))

22. Current tax liabilities (Net)

(₹ **in Crore**)

Particulars	As at March 31, 2018	As at March 31, 2017
Income tax payable for the FY 2017-18	15.50	-
Income tax payable for the FY 2016-17	-	27.69
Total	15.50	27.69

23. Revenue From Operations

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Products	15,746.39	11655.15
Sale of Services	10.44	25.43
Other Operating Revenue		
- Claims	537.36	27.53
- Subsidy	-	-
- Despatch Earned	0.32	4.43
- Other Trade Income	156.50	114.44
Total	16,451.01	11,826.98

24. Other Income

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income		
- From Fixed Deposits	7.42	14.47
- From Customers on amount overdue	0.01	0.01
- Others	10.95	14.89
Dividend Income		
-From Joint Ventures	3.49	-
- From Others	0.79	1.21
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
-Staff Quarters Rent	0.55	0.56
-Liabilities Written Back	14.02	6.85
-Foreign Exchange Gain	-	0.07
-Misc. Receipt	8.43	6.79
Total	45.66	44.85

25. Cost of Materials Consumed

(₹ in Crore)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening stock of Raw Material	9.23	7.79
Add : Transfer from purchases	126.52	113.44
Less : Closing Stock of Raw Material	4.36	9.48
Cost of Materials Consumed	131.39	111.75
Consumables	-	-

26. Purchase of Stock-in-Trade

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Purchases		
Precious Metal	9,159.09	5,417.06
Metals	898.40	749.75
Fertilizers	2,232.59	2,731.99
Minerals	1,270.37	1,249.78
Agro Products	20.02	2,093.60
Coal and Hydrocarbons	843.10	622.21
General Trade	48.10	46.75
Others	-	-
B. Stock Received/(Issued) in kind		
Precious Metals	(0.30)	(0.55)
TOTAL	14,471.37	12,910.59

27. Changes in Inventory

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Finished Goods		
Opening Balance	46.11	77.53
Closing Balance	33.69	46.66
Changes in Inventory of Finished Goods	12.42	30.87
B. Stock-In-Trade		
Opening Balance	2,310.85	316.19
Closing Balance	1,670.67	2,314.99
Changes in Inventory of Stock in Trade	640.18	(1,998.80)
Net (Increase) /Decrease	652.60	(1,967.93)

28. Employees' Benefit Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Salaries and Wages		
Salaries and Allowances	143.19	132.23
Leave Compensation	17.99	11.56
Bonus	0.08	0.08
Performance Related Pay	3.33	6.50
Medical Expenses	19.53	23.40
Group Insurance	0.80	0.32
Contribution to DLIS	0.45	0.29
Service Award	0.07	-
VR Expenses	0.01	2.00
b) Contribution to Provident Fund & Other Funds		
Providend Fund	11.55	9.76
Gratutity Fund	57.21	0.52
Family Pension Scheme	1.60	1.82
Superannuation Benefit	4.57	8.31
c) Staff Welfare Expenses	2.44	3.14
TOTAL	262.82	199.93

a. In term of DPE guidelines vide OM dated 3rd Aug 2017 and 4th Aug 2017, the company has revised pay scale of Board level and below Board level Executives w.e.f. 1st Jan 2017 with approval of Board/ Administrative Ministry. Accordingly, liability for the period from 1st Jan 2017 to 31st Mar 2018 amounting to ₹ 11.71 crore (including ₹ 2.41 crore for the period 1st Jan 2017 to 31st Mar 2017) has been made in the accounts during the year.

b. Pay revision of staff cadre employees is also due from 1st Jan 2017 for which final settlement is yet to take place. Keeping in view the past practice, an ad-hoc provision of ₹ 10.45 crore towards the estimated arrears for the period 1st Jan 2017 to 31st Mar 2018 has been made in the accounts during the year.

c. In terms of amendment in the Payment of Gratuity Act w.e.f. 29th Mar 2018 and OM dated 11th April 2018 issued by DPE enhancing ceiling of payment of gratuity to the employees of CPSEs from ₹ 10 Lakhs to ₹ 20 Lakhs provision of ₹ 49.96 crore for all employees (officers and staff) including normal liability on pre revised pay/ceiling has been made in the accounts based on the actuarial valuation as on 31st Mar 2018. Further liability of ₹ 7.00 crore has also been made during the year towards differential gratuity payable to employees (officers and staff) retired during 1st Jan 2017 to 31st Mar 2018.

d. Consequential additional liability in respect of Earned Leave/Half Pay Leave has also been made based on the Actuarial Valuation.

e. During the year (22nd March, 2018) the company notified Voluntary Retirement Scheme and invited applications from employees for opting voluntary retirement with discretion to the management to accept or reject any application without assigning any reason. The said scheme was closed on 20th April, 2018. Total 86 employees had submitted offers opting for VR under this scheme. The management has on 23rd April, 2018 accepted the offers of 65 employees. Accordingly, the termination benefits in the form of ex-gratia and notice pay etc payable to the 65 employees amounting to ₹ 18.26 crore (P.Y. ₹ Nil) will be recognised in the year 2018-19 in accordance with provisions of Ind AS 19 "Employee Benefits

29. Finance Cost

(₹ **in Crore**)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses	16.45	20.32
Premium on forward contract	0.13	-
Other Borrowing Costs	0.03	1.09
TOTAL	16.61	21.41

30. Depreciation And Amortization Expenses

(₹ **in Crore**)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on PPE	4.52	5.93
Depreciation on Investment Property	0.15	0.17
Amortization of Intangible Assets	0.69	0.70
TOTAL	5.36	6.80

31. Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Operating Expenses :		
Freight	53.26	45.22
Demurrage	6.29	20.96
Clearing, Handling, Discount & Other charges	51.41	75.19
L/C negotiation and other charges	1.05	1.79
Difference in foreign exchange	7.77	0.86
Customs duty	693.59	377.59
Excise Duty	0.03	0.08
Packing Material	0.87	2.31
Insurance	0.15	0.91
Godown insurance	7.07	3.56
Plot and Godown rent	41.22	16.05
Provision for destinational weight and analysis risk	0.04	0.07
Sub Total (a)	862.75	544.59
b. Administrative Expenses :		
Rent	5.09	3.68
Security Expenses	2.24	1.60
Rates and taxes	1.23	1.49
Insurance	0.21	0.12
Repairs to buildings	4.38	4.13
Repairs to machinery	0.09	0.07
Repairs & Maintenance- Computers	1.49	1.40
Repairs & Maintenance - Others	0.57	0.56
Electricity & Water Charges	3.42	3.86
Advertisement & Publicity	1.58	1.86
Printing & Stationery	0.56	0.66
Postage & Courier	0.15	0.12
Telephone	1.63	1.73
Telecommunication	0.40	0.77
Travelling	3.28	3.68
Vehicle	1.85	1.75
Entertainment	0.57	0.68
Legal	4.32	7.01
Auditors' Remuneration	0.70	0.71
Bank Charges	0.71	0.71
Books & Periodicals	0.06	0.05
Trade/ Sales Promotion	0.64	0.86
Subscription	0.54	0.55
Training, Seminar & Conference	0.32	0.47
Professional/Consultancy	2.07	2.94
CSR Expenditure	0.49	0.81
Difference in foreign exchange	0.34	(1.01)
Service Tax	0.60	1.52
Exhibition and Fairs	2.07	4.06
Bad Debts/Claims/Assets written off/withdrawn	0.05	0.66
Allowance for Bad and Doubtful Debts / claims/ advances	-	0.48
Miscellaneous Expenses	7.33	6.59
Sub Total (b)	48.98	54.57
TOTAL (a+b)	911.73	599.16

32. Exceptional Items

(₹ **in Crore**)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Write-down of inventories to net realisable value/ its reversal	0.64	4.72
Disposals of items of fixed assets	(0.06)	(0.01)
Provision for dimunition in value of non current investment	3.04	-
Reversal of subsidy claim	-	7.67
Interest on delayed payments (i)	-	(104.43)
Litigation settlements (ii)	5.65	2.85
Provisions no longer required	(0.86)	(2.07)
TOTAL	8.41	(91.27)

i) Includes interest of ₹ Nil (P.Y. ₹ 93.38 crore) claimed from APSCSCL, as per the terms of Agreement between MMTC and APSCSCL, on abnormal delayed receipt of Subsidy of ₹ Nil (P.Y. ₹ 245.31 crore) from the Government by the Company for supply and distribution of RBD Palmolin and ₹ Nil (P.Y. ₹ 11.05 crore) towards interest on delayed payment made by APSCSCL as per the agreement which have been accounted for on receipt of the said subsidy.

a) Includes ₹ 4.05crore (P.Y. ₹ 3.24 crore) towards liability in respect of an arbitration award against the company on account of claim filed by a foreign supplier against invocation of Performance Bank Guarantee relating to import of urea. The award was challenged by the company in Hon'ble Delhi High Court which was not admitted. The company has since filed Special Leave petition against the said award in the Hon'ble Supreme Court which has been admitted by the Hon'ble Court. However, total liability amounting to ₹ 45.75 crore (P.Y. ₹ 41.46 crore) towards the claim ₹ 22.64 crore (P.Y. ₹ 22.53 crore), interest ₹ 21.41 crore (P.Y. ₹ 17.24 crore) and other cost etc. ₹ 1.70 crore (P.Y. ₹ 1.69 crore) has been made upto 31.03.2018.

b) Includes ₹ 1.60 crore(P.Y. ₹ Nil) towards arbitration award decided against the company relating to transactions with an Associate. The amount was deposited with Registrar General Delhi High Court on 10th May 2018 after deducting applicable TDS.

33. Tax Expense

(₹ **in Crore**)

Tax recognised in Statement of profit and loss

Particulars	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Current year	13.27	28.23
Adjustments relating to prior periods	(0.02)	(0.75)
Sub Total (A)	13.25	27.48
Deferred tax expense		
Origination and reversal of temporary differences	(3.03)	(3.28)
Sub Total (B)	(3.03)	(3.28)
Total (A+B)	10.22	24.20

Tax recognised in other comprehensive income

Particulars	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Defined benefit plan actuarial gains (losses)	(1.85)	(0.10)
Total	(1.85)	(0.10)

Reconciliation of effective tax rates

(₹ **in Crore**)

Particulars	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Profit before tax	47.74	(5.56)
Enacted tax Rate (applicable to holding company)	34.61	34.61
Computed Expected Tax Expense	16.52	(1.92)
Adjustments relating to holding company :		
Non-deductible expenses	4.43	4.87
Tax exempt income/ any other deduction or allowable exp.	(11.63)	(4.78)
Change in estimates related to prior years	(0.03)	(0.75)
Deferred Tax	(3.03)	(3.28)
Adjustments relating to Subsidiary & Joint Ventures	3.96	30.06
Tax Expenses for the year	10.22	24.20
Effective Tax Rate not applicable due to different tax rates applicable to different entities		

34. Contingent Liabilities & Disclosures:

i)

(₹ **in Crore**)

	Particulars	As at 31.3.2018	As at 31.3.2017
a)	Claims against the company not acknowledged as debts including foreign currency claim.	323.90	444.38
b)	Disputed Income Tax Demand against which ₹ 21.62 crore (P.Y. ₹ 30.31 crore) deposited.	60.78	43.06
c)	Disputed TDS demands	0.02	1.00
d)	Disputed Sales Tax Demand against which ₹ 4.37 crore (P.Y. ₹ 14.37 crore) deposited and ₹ 0.27 crore (P.Y. ₹ 0.07 crore) covered by Bank Guarantees.	227.54	236.75
e)	Disputed Service Tax Demand	105.41	98.93
f)	Disputed Central Excise demand	0.17	19.32
g)	Disputed PF demand	2.24	2.24
Total		**720.06**	**845.68**

Share in Contingent Liabilities of Joint Ventures :-

(₹ **in Crore**)

Sl. No.	Name of Joint Venture	As at 31.3.2018	As at 31.3.2017
1	MMTC Gitanjali Limited*	-	0.17
2	MMTC PAMP India Pvt. Ltd.	7.89	1.55
3	SICAL Iron Ore Terminal Limited	2.98	-
4	TM Mining Company Limited	-	-
5	Neelachal Ispat Nigam Limited	133.68	145.51
6	Free Trade Ware- housing Pvt. Ltd.	-	-

*Refer note no. 41.2(i)

ii) Guarantees issued by Banks on behalf of the Company ₹ 15.82 crore (P.Y. ₹ 15.43 crore) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹ Nil (P.Y. ₹ 42.57 crore) have been obtained from associate suppliers.

iii) Letters of Credit opened by the Company remaining outstanding ₹ 256.44 crore (P.Y. ₹ 65.08 crore).

iv) Bonds have been furnished to Customs Authorities for performance, submission of original documents, etc, some of which are still outstanding. The amount of un-expired Bonds is ₹ 414.09 crore(P.Y. ₹ 600.29 crore).

v) Corporate Guarantees of ₹ 1410.56 crore (P.Y. ₹ 1460.56 crore) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL), a Joint Venture Company, for securing principal and interest in respect of loans to NINL. The company has also issued a comfort letter in respect of a loan of ₹ 180.00 crore given to NINL by a bank against which corporate guarantee amounting to ₹ 90.00 crore has been given by the company. The company has also issued standing instruction (SI) to the bank authorizing the bank to debit company's bank account @ ₹ 2.50 crore every month and credit the current account of NINL maintained in the same bank during the tenor of the loan i.e. 4 years from Oct, 2014 availed by NINL. Pending commitment against the said SI is ₹ 17.50 crore as on 31.3.2018.

vi) The company entered into a purchase contract with a foreign supplier for import of coking coal for onward sale to NINL (a JV company) in the year 2008-09. Due to non-performance of the contract, the supplier referred the matter for arbitration. An award was decided against MMTC for an amount of ₹ 513.10 crore (USD 7.872crore@ ₹ 65.18 as on 31.03.2018) (PY ₹ 510.54 crore), cost of arbitration ₹ 6.37 crore (USD 0.098 crore @ ₹ 65.18 as on 31.03.2018) (PY ₹ 6.36 crore) along with interest thereon @ 7.50% p.a. from 30.9.2009 to 12.5.2014 and post award interest @ 15% p.a. from 1st June, 2014 until payment. The company filed petition before the Hon'ble Delhi High Court under section 34 of the Arbitration and Conciliation Act, 1996 against the final award which was not allowed. Against this decision of the court, the company filed an appeal before Hon'ble Division Bench of Delhi High Court that has been admitted by the Hon'ble Division Bench of Delhi High Court. The appeal is yet to come up for regular hearing.

In the meantime the party has filed a separate execution petition before separate single bench. The company has requested for disposal of this execution petition stating that the entire matter is pending before the double bench. Next date for hearing has been fixed on 09th July, 2018 for disposal of the execution petition by the single bench.

Pending final out-come of the legal proceedings, the Management has considered it prudent not to make any provision towards the award in its books of accounts as on 31.03.2018, since as per the legal opinion of senior advocate, the company has a strong case for rejection of the supplier's claim. Further, as per the legal opinion taken by the company, the liability, if any on account of this claim is to be borne by NINL exclusively. The company has communicated to NINL, the legal position on bearing of liability, if any arising out of the referred dispute.

vii) A back to back supplier of steam coal has claimed an amount of ₹ 50.43 crore (P.Y. ₹ 50.43 crore) towards increased railway freight, belt sampling rejection, rake rejection and interest for delayed payment in relation to Coal Supply on back to back basis to a customer during 2011-12 to 2012-13 which has been disputed by the customer.

viii) Custom department have raised demand of ₹ 180.32 crore (P.Y. ₹ 179.21 crore) at various ROs on account of differential custom duty/interest/penalty etc. on import of Steam Coal supplied by the company to Power utilities through associate suppliers on back to back terms on fixed margin basis. Also in case of RO Kolkata, Mumbai and Chennai ₹ 17.48 crore (P.Y. ₹ 17.48 crore), ₹ 21.56 crore (P.Y. ₹ 21.56 crore) and ₹ 3.32 crore (P.Y. ₹ 3.32 crore)shown as firm liability respectively in their books of accounts. The liability, if any, on account of custom duty shall be to the account of the backup supplier.

ix) In respect of GR-1 forms pertaining to period prior to 1993-94, outstanding beyond due date the Company has filed application with the authorized dealers for extension of time/waiver/ write off. Pending decision on the application, the liability, if any, that may arise is unascertainable. Enforcement Directorate has imposed penalty for ₹ 1.93 crore (P.Y. ₹ 1.93 crore) which are being contested. Against this, an amount of ₹ 0.03 crore (P.Y. ₹ 0.03 crore) has been deposited and bank guarantee of ₹ 1.03 crore (P.Y. ₹ 1.03 crore) furnished.

x) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.

xi) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/ Contractors, disputed rent and interest/penalty/legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.

35. Commitments

Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is ₹ Nil (P.Y. ₹ 0.08crore).

Capital commitment in respect of investment in joint venture ₹ 3.02 crore (P.Y. ₹ 8.43 crore)

Share in Capital Commitments of Joint Ventures :

(₹ **in Crore**)

Sl.No.	Name of Joint Venture	As at 31.3.2018	As at 31.3.2017
1	MMTC Gitanjali Limited*	-	-
2	MMTC PAMP India Pvt. Ltd.	1.48	3.91
3	SICAL Iron Ore Terminal Limited	-	-
4	TM Mining Company Limited	-	-
5	Neelachal Ispat Nigam Limited	61.69	62.42
6	Free Trade Ware- housing Pvt. Ltd.	-	-

*Refer note no. 41.2(i)

36. General Disclosures :-

a) Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets (note no. 11 (B)) as well as other current liabilities (note no.21).

Items	31/03/2018		31/03/2017	
	Qty	Value	Qty	Value
Gold (in Kgs)	754.00	205.79	1,262.19	327.28
Gold Jewellery (in Grams)	-	-	288.96	0.33
Silver (in Kgs)	49,140.13	187.18	34,927.32	131.62
TOTAL	**49,894.13**	**392.97**	**36,478.47**	**459.23**

b) The company has taken decision to replace the existing ERP Package due to various changes taken place in the business model in the recent years and to also meet the latest statutory requirements.

c) Investment in and advances to Neelachal Ispat Nigam Ltd (NINL)-Joint Venture company :-

(i) The company alongwith Government of Odisha has set up a 1.1 MT integrated steel plant in Odisha and invested ₹ 379.69 crore (P.Y. ₹ 379.69 crore) (Note 6) towards 49.78% in equity capital in NINL.

(ii) The company has been extending, from time to time, short term credit facility (cash credit) to NINL upto a limit of ₹ 1425.00 crore for its day to day operational activities on continuing basis. In addition, a trade related financial facility to the extent of ₹ 550.00 crore has also been extended. Against this, outstanding under trade receivable (note 7) is ₹ Nil (P.Y. ₹ 231.00 crore), under Other Assets (advances to related parties) (note 11) is ₹ 1786.70 crore (P.Y. ₹ 966.50 crore) and under Loans(note 8) is ₹ Nil (P.Y. ₹ 130.00 crore) aggregating to ₹ 1786.70 crore (P.Y. ₹ 1327.49 crore) as against total net worth of the company of ₹ 1449.45 crore as on 31.03.2018.

(iii) The company has also given corporate guarantees amounting to ₹ 1410.56 crore (P.Y. ₹ 1460.56 crore) in favour of FIs/Banks/others to secure the loans availed by NINL and issued standing instruction to a bank to credit NINL bank account @ ₹ 2.50 crore every month during the tenor of the loan i.e. 4 years from October, 2014 against which pending commitment is ₹ 17.50 crore as on 31.3.2018(note 34 (v)).

(iv) The company has recognised trade related interest of ₹ 138.73 crore (P.Y. ₹ 72.08 crore) and other interest income of ₹ Nil (P.Y. ₹ 15.40 crore) on the credit facilities extended to NINL which is included in total outstanding.

(v) NINL have given corporate gurantee of ₹ 945.00 crore (P.Y. ₹ 945.00 crore) to the company to secure credit facilities extended to them from time to time.

(vi) Ministry of Commerce on 4th May 2018 has conveyed approval to the company to infuse an additional equity of ₹ 149.34 crore in NINL subject to contribution of equity by other stake holders and in principle approval by the banks to extend credit facilities in accordance with the revised business plan etc.

(vii) NINL has been incurring losses for last 6 years and its net worth has become negative (₹ (-) 552.05 crore as on 31.3.2018 and ₹ (-) 175.14 crore as on 31.3.2017).Net assets of NINL as per their financial statements, excluding MMTC dues are ₹ 1234.65 crore as on 31.3.2018.

(viii) Considering the expected operationalization of iron ore mine owned by NINL during 2018-19, capital repair of blast furnace already undertaken during 2017-18and upward trend in the price and demand of Steel globally, the Management has considered its investment and advances as good.

d) The Company has filed a recovery suit of ₹ 31.40 crore against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 31.40 crore) which included overdue interest of ₹ 2.95 crore (P.Y. ₹ 2.95 crore) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 167.20 crore (P.Y. ₹ 167.20 crore) which is not tenable as per legal opinion and is being contested.

e) Under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses, MMTC imported Pulses from July 2015 onwards until 31.03.2017. As per the scheme MMTC's trading margin has been fixed at 1.5% on C&F cost at the time of sale and all expenses related to the import shall be to the account of Govt. The difference between the sale realised and cost incurred including MMTC's margin has been shown as claim receivable from Govt. and adjusted against advance received from Govt. pending liquidation of entire stock imported under the scheme. The stocks have been stored at various CWC/SWC/Other Godowns in various States and valued at cost.

f) A claim for ₹ 1.53 crore (P.Y. ₹ 1.89 crore) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 1.53 crore (P.Y. ₹ 1.53 crore) exists in the accounts after taking into account the EMD and other payables amounting to ₹ Nil (P.Y. ₹ 0.36 crore). EMD & other payables of ₹ 0.36 crore which was payable to the party last year has been adjusted against the claim amount of R. 1.89 crore which has resulted in reduction of claim receivable. The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.

g) At Regional Office, Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 3.55 crore (P.Y. ₹ 3.53

crore) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit which was vacated and Indian bank had to make payment to the foreign bank. The matter is still pending in the court. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 8.60 crore (P.Y. ₹ 8.60 crore), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.

h) At Regional Office, Hyderabad fake bills of lading covering two shipments of copper valued at ₹ 3.75 crore (P.Y. ₹ 3.75 crore) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier.

i) Hon'ble Delhi High Court has directed the Company to deposit ₹ 39.62 crore (P.Y. ₹ 39.62 crore) stated to be receivable by one of the Company's coal suppliers as per their books of accounts from MMTC in a case relating to execution of decree filed by a foreign party against the coal supplier. MMTC has filed application and counter affidavit stating that the supplier's contractual obligations are yet to be discharged and MMTC is unable to deposit any amount at this stage. Any amount found payable to the supplier after resolution of all issues, the same will be deposited with the court instead of releasing to the supplier without any liability on MMTC. The hearings are in progress.

37. Financial Instruments-Fair Values and Risk Management

37.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore as at March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.6)	-	-	18.95	18.95	18.95
Cash & Cash Equivalents (Ref Note No. 13)	51.08			51.08	
Trade Receivable (Ref Note No. 7)	355.41			355.41	
Employee Loans (Ref Note No. 8)	9.78			9.78	
Loans to related party (Ref Note No. 8)	0.00			0.00	
Security Deposits & Other Loans (Ref Note No. 8)	2.44			2.44	
Security Deposits (Ref Note No. 11)	15.75			15.75	

Other Financial Assets (Ref Note No. 9)	67.94			67.94	
Liabilities:					
Trade Payable (Ref Note No. 18)	1064.83			1064.83	
Borrowings (Ref Note No.17)	519.26			519.26	
Other Financial Liabilities (Ref Note No. 19)	244.06			244.06	

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2017:

(₹ in crore as at March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.6)	-	-	19.81	19.81	19.81
Cash & Cash Equivalents (Ref Note No. 13)	362.97			362.97	
Trade Receivable (Ref Note No. 7)	517.22			517.22	
Employee Loans (Ref Note No. 8)	12.50			12.50	
Loans to related party (Ref Note No. 8)	130.00			130.00	
Security Deposits & Other Loans (Ref Note No. 8)	2.15			2.15	
Security Deposits (Ref Note No. 11)	4.91			4.91	
Other Financial Assets (Ref Note No. 9)	47.81			47.81	
Liabilities:					
Trade Payable (Ref Note No. 18)	689.00			689.00	
Borrowings (Ref Note No.17)	440.18			440.18	
Other Financial Liabilities (Ref Note No. 19)	189.49			189.49	

37.2 Fair Value Hierarchy

- **Level 1**-Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2**-Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3**-Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹ in crore as at March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	2.95			2.95		Quoted Price
Investment in Equity Instruments (ICEX)			16.00	16.00	Cost adopted as best estimate of Fair Value.	
Total	**2.95**	**-**	**16.00**	**18.95**		

(₹ in crore as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	3.81			3.81		Quoted Price
Investment in Equity Instruments (ICEX)			16.00	16.00	Cost adopted as best estimate of Fair Value.	
Total	**3.81**	**-**	**16.00**	**19.81**		

37.3 Financial risk management, objectives and policies

The company's activities expose it to the following financial risks:

-market risk

-credit risk and

-liquidity risk.

The company has not arranged funds that have any interest rate risk.

a) Market risk

(i) Foreign Exchange Risk

The company has import and export transactions and hence has foreign exchange risk primarily with respect to the US$. The company has not arranged funds through long term borrowings. The short term foreign currency loans (buyer's credit) availed from banks are fixed interest rate borrowings. As a result, the company does not have any interest rate risk. The company's risk management policy is to use hedging instruments to hedge the risk of foreign exchange.

The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company designates the spot element of forward contracts with reference to relevant spot market exchange rate. The difference between the contracted forward and the spot market exchange rate is treated as the forward element. The changes in the spot exchange rate of hedging instrument that relate to the hedged item is deferred in the cash flow hedge reserve and recognized against the related hedged transaction when it occurs. The forward element of forward exchange contract is deferred in cost of hedging reserve and is recognized to the extent of change in forward element when the transaction occurs.

The following tables show the summary of quantitative data about the company's exposure to foreign currency risk from financial instruments expressed in ₹ :

(₹ in crore as at March 31, 2018)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	0.99	-	0.99
Trade Receivable	149.94	-	149.94
Demurrage / Despatch Receivable	7.12	-	7.12
Other Receivable	-	-	-
Total Receivable in foreign currency	**158.05**	**-**	**158.05**
Foreign Currency Loan payable	243.47	-	243.47
Interest on foreign currency loan payable	1.39	-	1.39
Trade Payables	397.13	189.50	586.63
Freight Demurrage / Despatch Payable	7.32	-	7.32
Provision towards Litigation Settlement	45.74	-	45.74
Others	0.72	-	0.72
Total Payable in Foreign Currency	**695.76**	**189.50**	**885.26**

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in crore as at March 31, 2017)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	98.58	-	98.58
Trade Receivable	143.39	-	143.39
Demurrage / Despatch Receivable	6.87	-	6.87
Other Receivable	1.04	-	1.04
Total Receivable in foreign currency	**249.88**	**-**	**249.88**
Foreign Currency Loan payable	240.17	-	240.17
Interest on foreign currency loan payable	0.91	-	0.91
Trade Payables	88.58	-	88.58
Freight Demurrage / Despatch Payable	4.94	-	4.94
Provision towards Litigation Settlement	41.46	-	41.46
Others	2.90	-	2.90
Total Payable in Foreign Currency	**378.96**	**-**	**378.96**

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

Sensitivity:

As of March 31, 2018 and March 31, 2017, every 1% increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately ₹ NIL and ₹ NIL, respectively.

a) Price Risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in balance sheet as at fair value through other comprehensive income. Out of the two securities held by the company, one is listed in NSE and the other (ICEX) is not listed.

As of March 31, 2018 and March 31, 2017, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹ 0.19 crore and ₹ 0.20 crore, respectively. It has no impact on profit or loss.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company's outstanding trade receivables are mostly secured through letter of credit/BG except in respect of JV's and Govt of India.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of Ind AS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in crore as at March 31, 2018)

Particulars	Gross amount	Impairment	Carrying Value
Not due	177.04	-	177.04
Overdue for less than one month	133.94	-	133.94
Overdue for more than one month upto two months	0.62	-	0.62
Overdue for more than two months upto three months	2.49	-	2.49
Overdue for more three months upto six months	6.16	-	6.16
Overdue for more than six months	426.79	391.64	35.15
Total	**747.05**	**391.64**	**355.41**

(₹ in crore as at March 31, 2017)

Particulars	Gross amount	Impairment	Carrying Value
Not due	388.93	-	388.93
Overdue for less than one month	3.17	-	3.17
Overdue for more than one month upto two months	1.10	-	1.10
Overdue for more than two months upto three months	2.76	-	2.76
Overdue for more three months upto six months	0.74	-	0.74
Overdue for more than six months	516.66	396.14	120.52
Total	**913.36**	**396.14**	**517.22**

Trade receivables are generally considered credit impaired when overdue for more than three years (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired though overdue are of good credit quality.

With regard to certain trade receivables, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with scheduled banks which are subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. Credit risk related to employee loans are considered negligible since major loans like house building loans, vehicle loans etc are secured against the property for which loan is granted to the employees. The other employee loans are covered under personal guarantee of concerned employees along with surety bonds of other serving employees. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(₹ in crore as at March 31, 2018)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	1064.83					1064.83
Short term borrowings	519.26					519.26
Other Financial Liabilities	244.06					244.06
Total	**1828.15**	**-**	**-**	**-**	**-**	**1828.15**

(₹ in crore as at March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	689.00					689.00
Short term borrowings	440.18					440.18
Other Financial Liabilities	189.49					189.49
Total	**1318.67**	**-**	**-**	**-**	**-**	**1318.67**

38. Impact of Hedging Activities

38.1 Cash Flow Hedge

As at 31st March 2018 there was no outstanding Hedging Instrument on account of the company.

38.2 Fair Value Hedge

As per the Risk Management Policy, the company enters into forward contracts with commodity exchanges to hedge against price fluctuations in gold and silver inventories. The gain or loss on the hedging instrument is recognized in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

a) *Disclosure of effects of hedge accounting on financial position for hedging instruments:*

(₹ in crore as at March 31, 2018)

Type of Hedge and risk	**Carrying amount of hedging instrument**		**Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period**	**Nominal amounts of the hedging instruments**	
	Assets	Liabilities		Quantity	Value
				(kgs)	
Fair Value hedge					
Price Risk					
Forward contract to sell gold				169	51.08

(₹ in crore as at March 31, 2017)

Type of Hedge and risk	**Carrying amount of hedging instrument**		**Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period**	**Nominal amounts of the hedging instruments**	
	Assets	Liabilities		Quantity	Value
				(kgs)	
Fair Value hedge					
Price Risk					
Forward contract to sell gold				414	118.71

b) *Disclosure of effects of hedge accounting on financial position for hedged items:*

(₹ in crore as at March 31, 2018)

Type of Hedge and risk	**Carrying amount of hedged item**		**Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item**	**Line item in the Balance Sheet in which the hedged item is included**	**Changes in value used as the basis for recognizing hedge ineffectiveness**	**Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)**
Fair Value hedge						
Price Risk						
Inventory of gold	51.70	-	3.00	Inventories	-	-

(₹ in crore as at March 31, 2017)

Type of Hedge and risk	**Carrying amount of hedged item**	**Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item**		**Line item in the Balance Sheet in which the hedged item is included**	**Changes in value used as the basis for recognizing hedge ineffectiveness**	**Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)**
Fair Value hedge						
Price Risk						
Inventory of gold	93.88	-	0.29	Inventories	-	-

39. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹ NIL has been made during the year.

40. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

40.1 General description of various employee's benefits schemes are as under:

a) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The scheme is funded by the Company and is managed by a separate Trust through LIC. In case of MICA division employees the scheme is managed directly by the company through LIC. The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

As per Actuarial Valuation company's expected contribution for FY 2018-19 towards the Gratuity Fund Contribution is ₹ 6.55 crore (P.Y. ₹ 0.43 crore) . However, the company is making contribution to the fund as per the demand made by Life Insurance Corporation of India.

b) Leave Compensation:

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

The liability on this account is recognized on the basis of actuarial valuation.

c) Long Service Benefits: Long Service Benefits payable to the employees are as under-

i) Service Award:

Service Award amounting to ₹ 3,500/-for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

ii) Compassionate Gratuity

Compassionate Gratuity amounting to ₹ 50,000/-is payable in lump-sum to the dependants of the employee on death while in service.

iii) Employees' Family Benefit Scheme

Payments under Employees' Family Benefit Scheme is payable to the dependants of the employee who dies in service till the notional date of superannuation. A monthly benefit @ 40% of Basic Pay & DA last drawn subject to a maximum of ₹ 12,000/-on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum ₹ 12,000/-on rendering service of 20 years or more at the time of death.

iv) Special Benefit to MICA Division employees amounting to ₹ 5,00,000/-(Officer), ₹ 4,00,000/-(Staff) and ₹ 3,00,000/-(Worker) upon retirement.

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

Net defined benefit obligation

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined Benefit Obligation	C.Y.	111.61	16.53	26.01	6.88	2.65	0.16	4.61
	P.Y.	69.75	23.15	23.16	7.26	2.96	0.19	5.25
Fair Value of Plan Assets	C.Y.	67.64	-	-	-	-	-	-
	P.Y.	70.83	-	-	-	-	-	-
Funded Status [Surplus/ (Deficit)]	C.Y.		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	C.Y.		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Net Defined Benefit Assets/ (Liabilities)	C.Y.	(43.98)	(16.53)	(26.01)	(6.88)	(2.65)	(0.16)	(4.61)
	P.Y.	1.09	(23.15)	(23.16)	(7.26)	(2.96)	(0.19)	(5.25)

Movement in defined benefit obligation

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined benefit obligation-Beginning of the year	C.Y.	69.75	23.15	23.16	7.26	2.96	0.19	5.25
	P.Y.	75.18	21.53	22.97	7.60	2.40	0.20	5.66
Current service cost	C.Y.	3.35	0.68	0.95	0.23	0.08		
	P.Y.	0.48	0.95	0.86	0.25	0.09		
Past Service Cost	C.Y.	46.76			-	-		
Interest Cost	C.Y.	5.41	1.75	1.75	0.55	0.22		
	P.Y.	6.01	1.72	1.84	0.61	0.19		
Benefits Paid	C.Y.	(8.38)	(19.08)	(2.47)	(0.87)	(0.50)		
	P.Y.	(11.14)	(7.08)	(2.27)	(1.21)	-		
Re-measurements-actuarial loss/ (gain)	C.Y.	(5.28)	10.03	2.63	-0.28	(0.11)	(0.02)	(0.65)
	P.Y.	(0.78)	6.03	(0.24)	0.01	0.28	(0.02)	(0.41)
Defined benefit obligation – End of the year	C.Y.	111.61	16.53	26.01	6.88	2.65	0.16	4.61
	P.Y.	69.75	23.15	23.16	7.26	2.96	0.19	5.25

Movement in plan asset

(₹ in crore)

Particulars	Gratuity (Funded)	
	31.03.2018	31.03.2017
Fair value of plan assets at beginning of year	70.83	75.83
Interest income	5.49	6.07
Employer contributions	0.00	0.29
Benefits paid	(8.38)	(11.14)
Re-measurements-Actuarial (loss)/ gain	(0.31)	(0.21)
Fair value of plan assets at end of year	67.64	70.83

Amount Recognized in Statement of Profit and Loss

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Current service cost	**C.Y.**	3.35	0.68	0.95	0.23	0.08		
	P.Y.	0.48	0.95	0.86	0.25	0.09		
Past Service Cost – Plan Amendment	**C.Y.**	46.76			-			
	P.Y.				-	-		
Service Cost (A)	**C.Y.**	50.11	0.68	0.95	0.23	0.08		
	P.Y.	0.48	0.95	0.86	0.25	0.09		
Net Interest on Net Defined Benefit Liability/ (assets) (B)	**C.Y.**	(0.08)	1.75	1.75	0.55	0.22		
	P.Y.	(0.05)	1.72	1.84	0.61	0.19		
Net actuarial (gain) / loss recognized in the period	**C.Y.**		10.03	2.63	-		(0.02)	(0.65)
	P.Y.		6.03	(0.24)	-		(0.02)	(0.41)
Cost Recognized in P&L (A+B)	**C.Y.**	50.03	12.46	5.32	0.78	0.31	(0.02)	(0.65)
	P.Y.	0.43	8.70	2.46	0.86	0.29	(0.02)	(0.41)

Amount recognized in Other Comprehensive Income (OCI)

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Actuarial gain/(loss) due to DBO Experience	**C.Y.**	(5.28)			(0.07)	(0.28)		
	P.Y.	0.78	-	-	(0.05)	-	-	-
Actuarial gain/ (loss) due to assumption changes	**C.Y.**	0.31	-	-	0.28	0.11	-	-
	P.Y.	(0.21)	-	-	(0.01)	(0.28)	-	-
Actuarial gain/(loss) arising during the period (A)	**C.Y.**	(4.97)	-	-	0.22	(0.17)	-	-
	P.Y.	0.57	-	-	(0.07)	(0.28)	-	-

Return on Plan assets (greater)/less than discount rate (B)	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Actuarial gain/(loss) recognized in OCI (A+B)	**C.Y.**	(4.97)	-	-	0.22	(0.17)	-	-
	P.Y.	0.57	-	-	(0.07)	(0.28)	-	-

Sensitivity Analysis

(₹ in crore as at March 31, 2018)

Assumption	Gratuity		Change in Assumption	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
	Change in Assumption	(Funded)		(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	1.00%	(5.11)	0.50%	(0.39)	(0.56)	(0.13)	(0.06)		
	-1.00%	5.59	-0.50%	0.41	0.58	0.13	0.07		
Salary growth rate	1.00%	5.16	0.50%	0.41	0.56	-	-		
	-1.00%	(4.78)	-0.50%	(0.39)	(0.58)	-	-		

(₹ in crore as at March 31, 2017)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(1.57)	(0.58)	(0.53)	(0.14)	0.06	-	-
	-0.50%	1.65	0.62	0.55	0.15	(0.06)	-	-
Salary growth rate	0.50%	0.23	0.62	0.56	-	-	-	-
	-0.50%	(0.26)	(0.59)	(0.54)	-	-	-	-

a) Actuarial Assumption

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non- Funded)	(Non-Funded)
Method used	**C.Y.**	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
	P.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Discount rate	**C.Y.**	7.75%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%
	P.Y.	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%
Rate of salary increase	**C.Y.**	5.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	**C.Y.**	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
	P.Y.	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

Expected Benefit Payments

(₹ in crore)

Sr. No.	Year of payment	Gratuity*	Year of payment	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)		(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
1	April 2018-March 2019	11.09	April 2018-March 2019	2.91	5.35	1.44	0.57	-	-
2	April 2019-March 2020	12.16	April 2019-March 2020	2.23	3.35	1.01	0.34	-	-
3	April 2020-March 2021	11.24	April 2020-March 2021	2.23	2.46	0.86	0.36	-	-
4	April 2021-March 2022	11.46	April 2021-March 2022	1.86	3.19	0.78	0.29	-	-
5	April 2022-March 2023	11.19	April 2022-March 2023	1.45	2.38	0.65	0.31	-	-
6	April 2023 onwards	74.47	April 2023-March 2024	1.34	2.30	0.52	0.21	-	-
7		-	April 2024 onwards	4.52	6.98	1.62	0.58	-	-

*(In absolute terms i.e. undiscounted)

Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Insured benefits	100%

d) **Provident Fund:** The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

e) **Superannuation Pension Benefit –** During the year, the Company has recognized ₹ 4.55crore (P.Y. ₹ 8.04crore) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.

f) **Post-Retirement Medical Benefit:** Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme' as under:

a) The liability for the year 2017-18 has been calculated at the rate of 1.50% of PBT in respect of scheme for retirees prior to 1.1.2007 and @ 4.50% of Basic+DA paid during 2017-18in respect of scheme for retirees after 1.1.2007, as per the defined contribution scheme.

b) Pending creation of trust for management of fund, the contribution for the current year along with the liability as on 31.3.2017 has been shown as company's obligation as on

31.3.2018 under 'Defined Contribution Scheme' and additional contribution @ 6.25% (P.Y. @ 8.50%) has been added during the year in the present value of obligation being one year closer to settlement.

c) During the year, total expenses of ₹ 14.49crore (P.Y. ₹ 17.12 crore) has been charged to Profit & Loss Account.

41 Group Information

1. Subsidiaries

The group's subsidiaries are set out below. They have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

S.No	Name of Subsidiary	Principal Activity	Place of Incorporation	Ownership Interest held by the group	
				31.03.2018	31.03.2017
1	MMTC Transnational Pte Ltd.	Trading in minerals, Metals, fertilizers, agriculture products, coal, gold and hydrocarbon products, jewellery and other commodities	Singapore	100% (Non Controlling Interest NIL)	100% (Non Controlling Interest NIL)

2. Joint Ventures

The details of Joint Ventures in which the Group is a Joint Venturer are set out below. They have share capital consisting of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Sr.No	Name of Joint Venture	Principal Activity	Place of Incorporation	Ownership Interest held by the group		Accounting Method
				31.03.2018	31.03.2017	
1	MMTC Gitanjali Limited (i)	Trading in gold and silver coins, gold jewellery, diamond studded jewellery, lifestyle jewellery	India	26%	26%	Equity Method
2	MMTC PAMP India Pvt. Ltd. (ii)	Trading in Gold and silver bars, coins and related items and refining of gold and silver dores.	India	26%	26%	Equity Method
3	SICAL Iron Ore Terminal Limited	The company has set up its Iron Ore Terminal Facility	India	26%	26%	Equity Method
4	TM Mining Company Limited (iii)	Engaged in exploration, search, prospecting, development, extraction, exploitation of the mineral blocks/deposits.	India	26%	26%	Equity Method
5	Neelachal Ispat Nigam Limited	Iron & steel plant with captive power plant	India	49.78%	49.78%	Equity Method
6	Free Trade Ware-housing Pvt. Ltd.	Development of free trade warehousing zones in India	India	50%	50%	Equity Method

i) The company has during the year fully impaired its equity investment of ₹ 2.99 crore in its joint venture-M/s MMTC Gitanjali Limited in view of the recent defaults made by the main promoter, the investigations launched by the investigating agencies against them and considering the fact that JV Company has suspended its business activities. The company has also given notice for exiting from the JV Company. The financial statements have not been received from the JV Company, hence the same is also not considered for the purpose of consolidation.

ii) Interest in Joint Venture in respect of MMTC PAMP India Pvt. Ltd. is considered based on unaudited financial statements for the year ended on 31.03.2018 pending approval of the Board of Directors of the JV Company.

iii) The company has during the year fully impaired its equity investment of ₹ 0.06 crore in its joint venture-TM Mining Co. Ltd., consequent upon company's decision to exit from the JV and considering the fact that the project could not take off and no cash inflow is expected on the investment in near future.

iv) Quoted fair value: All the above joint ventures are unlisted entities and hence no quoted price is available. The details of carrying amount is given in Note no. 6

3. <u>Entities Consolidated</u>

The following entities are considered for consolidation purpose :-

Sl.No.	Name of Entity	Status	Financial Statements Adopted
1.	MMTC Transnational Pte Ltd.	Subsidiary	Audited
2.	MMTC PAMP India Pvt. Ltd.	Joint Venture	Unaudited
3.	SICAL Iron Ore Terminal Limited	Joint Venture	Audited
4.	TM Mining Company Limited	Joint Venture	Audited
5.	Neelachal Ispat Nigam Limited	Joint Venture	Audited
6.	Free Trade Ware-housing Pvt. Ltd.	Joint Venture	Audited

The following entities are not considered for consolidation purpose :-

Sl.No.	Name of Entity	Status	Reason for not consolidating
1.	MMTC Gitanjali Limited	Joint Venture	Refer note no.41.2(i) above

4. <u>Unrecognized Losses of Joint Ventures</u>

The unrecognized share of losses of the Joint Venture, as the group has stopped recognizing its share of losses of the joint venture being exceeded the carrying value of investment, while applying the equity method, is given below :-

Sl.No.		Cumulative Balance as at 31.3.2018	For the year ended 31.3.2018	For the year ended 31.3.2017	For the year ended 31.3.2016
1	TM Mining Company Limited	0.01	0.00	0.00	0.01
2	Neelachal Ispat Nigam Limited	274.11	186.89	87.22	-
3	Free Trade Warehousing Pvt. Ltd.	2.38	1.38	1.00	-

Information regarding Joint Ventures

(₹ in crore)

Summarized Balance Sheet	MMTC Gitanjali Limited*		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		TM Mining Company Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Current Assets												
Cash and Cash equivalents		0.03	72.75	66.56	0.04	0.04		-	35.87	88.13	0.32	1.88
Other Assets		33.16	615.25	331.82	8.20	8.22		-	367.94	310.51	0.11	0.04
Total Current Assets	-	33.19	688.00	398.38	8.24	8.26	-	-	403.81	398.64	0.43	1.92
Total Non current Assets		1.31	199.06	192.39	861.79	747.91	0.01	0.01	3,410.76	3,326.93	67.31	66.72
Current Liabilities												
Financial Liabilities (excluding trade payables and provisions)		2.11	100.86	54.92	-	-	-	-	1,997.51	1,364.84	4.02	4.01
Other Liabilities	-	25.36	478.24	250.88	737.98	624.15	0.04	0.04	648.72	481.10	3.15	1.55
Total Current Liabilities	-	27.47	579.10	305.80	737.98	624.15	0.04	0.04	2,646.23	1,845.94	7.17	5.56
Non current Liabilities		-										
Financial Liabilities (excluding trade payables and provisions)	-	-	-	-	-	-	-	-	1,543.88	1,897.49	-	-
Other Liabilities		0.02	19.52	24.11	0.25	0.22		-	176.51	157.28	65.33	9.12
Total Non Current Liabilities	-	0.02	19.52	24.11	0.25	0.22	-	-	1,720.39	2,054.77	65.33	9.12
Net Assets	-	7.01	288.44	260.86	131.80	131.80	(0.03)	(0.03)	(552.05)	(175.14)	(4.76)	53.96

*Refer note no. 41.2(i)

(₹ in crore)

Particulars	MMTC Gitanjali Limited*		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		TM Mining Company Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Revenue	-	26.62	34,022.36	24,390.16	-	-	-	-	929.16	1,268.74	-	-
Interest income	-	0.01	11.66	27.68	-	-	-	-	11.63	10.41	0.02	0.05
Depreciation and amortization	-	0.37	24.86	22.43	-	-	-	-	173.88	180.98	0.90	-
Interest expense	-	-	2.42	7.81	-	-	-	-	237.15	237.50	-	-
Income tax expense	-	0.13	21.01	6.50	-	-	-	-	(185.57)	(182.74)	(0.28)	0.19
Profit from continuing operations	-	(0.24)	43.69	14.93	-	(0.01)	(0.01)	(0.01)	(377.67)	(356.41)	(2.77)	(3.26)
Profit from discontinued operations (Post tax)	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	(0.24)	43.69	14.93	-	(0.01)	(0.01)	(0.01)	(377.67)	(356.41)	(2.77)	(3.26)
Other comprehensive income	-	-	0.04	(0.10)	-	-	-	-	2.23	0.63	-	-
Total Comprehensive income	-	(0.24)	43.73	14.83	-	(0.01)	(0.01)	(0.01)	(375.44)	(355.78)	(2.77)	(3.26)

*Refer note no. 41.2(i)

(₹ in crore)

Particulars	MMTC Gitanjali Limited*		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited (SIOTL)		TM Mining Company Limited		Neelachal Ispat Nigam Limited (NINL)		Free Trade Ware-housing Pvt. Ltd. (FTWPL)	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Opening net assets	-	7.25	260.86	246.03	131.80	131.75	(0.03)	(0.02)	(175.14)	181.89	53.96	1.27
Profit for the year	-	(0.24)	43.69	14.93	-	(0.01)	(0.01)	(0.01)	(377.67)	(356.41)	(2.77)	(3.26)
Other comprehensive income	-	-	0.04	(0.10)	-	-	-	-	2.23	0.63	-	-
Other Adjustments	-	-	(16.15)	-	-	0.06	-	-	(1.47)	(1.25)	-	-
Advance against equity	-	-	-	-			-	-			(55.95)	55.95
Closing net assets	-	7.01	288.44	260.86	131.80	131.80	(0.04)	(0.03)	(552.05)	(175.14)	(4.76)	53.96
Group's share in %	26%	26%	26%	26%	26%	26%	26%	26%	49.78%	49.78%	50%	50%
Group's share in INR	-	1.82	74.99	67.82	34.27	34.27	(0.01)	(0.01)	(274.81)	(87.18)	(2.38)	26.98
Goodwill/(Capital Reserve)	-	-	-	-	-	-	-	-	-	-	-	-
Carrying amount **	-	1.82	75.71	67.82	33.78	33.78	-	-	-	-	-	-

*Refer note no. 41.2(i)

** The carrying amount of investment in case of JV Company, NINL & FTWPL is NIL as group's share in loss of Joint Venture company exceeds the carrying amount of investment in respective Joint venture company. The carrying amount of investment in respect of JV Company, TM Mining Company Ltd. & MMTC Gitanjali Ltd. is NIL as the group's equity investment in the respective JVs has been fully impaired during the year.

43 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:-Precious Metals, Metals, Minerals, Coal & Hydrocarbon, Agro Products, Fertilizer and Others

Segment Revenue and Expense

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

(₹ in crore as at March 31, 2018)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	10,107.52	801.01	35.58	779.47	1,084.96	1,840.26	6.94	14,655.74
Outside India	0.18	402.08	1,281.41	-	-	61.96	49.64	1,795.27
Inter-Segment Revenue								
Total Segment Revenue	10107.70	1203.09	1316.99	779.47	1084.96	1902.22	56.58	16451.01
Segment Results								
Within India	47.15	156.67	9.30	31.13	29.66	2.84	5.19	281.94
Outside India	0.01	12.35	37.20	-	-	0.25	1.52	51.33
Total segmental results	47.16	169.02	46.50	31.13	29.66	3.09	6.71	333.27
Unallocated Corporate expenses:								
Interest expenses (net)								(1.77)
Other unallocated expenses net of other income								298.66
Profit before tax from ordinary activities								36.38

(₹ in crore as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	6,044.64	532.78	14.56	639.70	236.49	2,652.31	7.74	10,128.22
Outside India	0.12	244.39	1,272.80	28.07	-	108.87	44.51	1,698.76
Inter-Segment Revenue								-
Total Segment Revenue	6,044.76	777.17	1,287.36	667.77	236.49	2,761.18	52.25	11,826.98
Segment Results								-
Within India	49.13	96.58	0.66	22.02	4.63	3.10	0.46	176.58
Outside India	-	7.32	35.26	-	-	0.64	1.32	44.54
Total segmental results	49.13	103.89	35.92	22.02	4.63	3.75	1.78	221.12
Unallocated Corporate expenses:								-
Interest expenses (net)								(9.05)
Other unallocated expenses net of other income								148.78
Profit before tax from ordinary activities								81.39

Segment Assets and Liabilities

(₹ in crore as at March 31, 2018)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 Segment Assets :								
Assets	574.71	1700.13	204.49	427.35	777.05	480.45	445.40	4609.58
Unallocated assets								562.87
Total Assets								5172.45
A.02 Segment Liabilities :								
Liabilities	509.62	73.61	179.62	398.60	1418.64	388.62	37.16	3005.87
Unallocated liabilities								963.88
Total Liabilities								3969.75

(₹ in crore as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 Segment Assets:								
Assets	638.38	1121.93	224.72	399.18	2022.69	24.85	485.17	4916.92
Unallocated assets								930.87
Total Assets	638.38	1121.93	224.72	399.18	2022.69	24.85	485.17	5847.79
A.02 Segment Liabilities :								
Liabilities	484.85	106.40	167.01	653.25	2287.20	68.62	91.62	3858.95
Unallocated liabilities								788.10
Total Liabilities	484.85	106.40	167.01	653.25	2287.20	68.62	91.62	4647.05

Information about major customers

The revenues from transactions with a single external customer amounting to 10 per cent or more of the entity's revenues are given below:

(₹ in crore)

Major Customer (customer having more than 10% revenue)	2017-18	2016-17
Total Revenue	1821.99	2391.30
No. of customers	1	1
% of Total Revenue	11.08%	20.47%
Product Segment	Fertilizers	Fertilizers

44. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

44.1 Disclosures for Other than Govt. Related Entities

a) List of key management personnel

Name	Designation
Shri Ved Prakash	Chairman and Managing Director- (Managing Director)
Shri T K Sengupta	Director (Personnel)
Shri Umesh Sharma	Director (Finance) & (Chief Financial Officer) (w.e.f. 11.10.2017)
Shri P.K. Jain	Director (upto 14.5.2018)
Shri Ashwani Sondhi	Director
Shri Rajender Prasad	Managing Director, MTPL
Shri Deepak Dua	Director, MTPL

b) Subsidiary

MMTC Transnational Pte. Ltd. (MTPL), Singapore

c) Joint Venture:-

i) Neelachal Ispat Nigam Ltd

ii) Free Trade Warehousing Pvt. Ltd.

iii) MMTC Pamp India Pvt. Ltd.

iv) MMTC Gitanjali Ltd.

v) Sical Iron Ore Terminal Ltd.

vi) TM Mining Co. Ltd.

d) Government and its related entities

i) Government of India-holds 89.93% equity shares of the Company and has control over the company.

ii) Central Public Sector Enterprises in which Government of India has control.

e) Post-Employment Benefit Plan

i) MMTC Limited CPF Trust

ii) MMTC Limited Gratuity Trust

iii) MMTC Limited Employees' Defined Contribution Superannuation Trust

f) Compensation of key management personnel

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Short-term benefits	3.23	4.09
Post-employment benefits	0.35	0.40
Other long-term benefits	0.27	-
Share-based payments	-	-
Termination benefits	-	-
Total	3.85	4.49
Recovery of Loans & Advances during the year	0.01	0.01
Advances released during the year	-	-
Closing Balance of Loans & Advances as at the end of the year	0.02	0.03

g Transactions with Related Parties

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Indian Commodity Exchange Limited		MMTC Transnational Pte Ltd.		Neelachal Ispat Nigam Limited		Others	
	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
Sale of goods and services	-	-	-	-	-	-	0.27	0.08	546.85	630.27	-	-
Purchase of raw material/goods and services	0.06	1.55	512.08	868.86	-	-	77.34	650.32	718.18	530.82	-	-
Payments on behalf of company	-	-	-	-	-	-		-		-	48.47	41.89
Other transactions	-	0.20	3.49	0.09	-	0.02	19.54	-	1,410.56	-	61.52	37.57

h Outstanding balances arising from sale/purchase of goods/services

(₹ in crore)

	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Indian Commodity Exchange Limited		MMTC Transnational Pte Ltd.		Neelachal Ispat Nigam Limited	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Trade Payables	0.02	0.02	-	-	-	-	78.27	0.51	1.46	-
Trade receivables	-	-	-	-	-	-	-	0.45	-	231.00
Other Payables	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	1.39	1.06	-	-

i. Loans to Joint Ventures

(₹ in crore)

Particulars	Neelachal Ispat Nigam Limited	
	Mar-18	Mar-17
Loans at beginning of the year	130.00	130.00
Loan advanced	-	-
Repayment received	130.00	-
Interest charged	-	15.40
Interest received	-	15.40
Balance at end of the year including interest	-	130.00

j. Advances to Joint Ventures

(₹ in crore)

Particulars	Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-18	Mar-17	Mar-18	Mar-17
Advances given	1,425.00	966.49	0.54	4.87
Trade related advance given	361.70	-	-	-

k. Loans to KMP

Particulars	Mar-18	Mar-17
Loans at beginning of the year	0.02	0.03
Loan advanced	-	-
Repayment received	-	-
Interest charged	-	-
Interest received	0.01	0.01
Balance at end of the year including interest	0.02	0.02

l Loans to related parties are for short term & to KMP are in the nature of welfare advances. Interest is charged basis market rates from time to time.

m Disclosure for transactions entered with Govt. and Govt. Entities

(₹ in crore)

SR. NO	NAME OF GOVT/ GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE (₹)	OUTSTANDING BALANCE	
					RECEIVABLE	PAYABLES
1	Deptt. Of Fertilizer GOI	Majority Owner	Sale of Goods	1821.99	132.99	
2	Other Departments of Govt of India	Majority Owner	Purchase/sale of goods	49.96	0.19	4.01
3	CPSEs	Related through GOI	Purchase/sale of goods	1383.76	29.45	159.15

45. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

45.1 As lessee

a) Finance leases: The company does not have any finance lease arrangement during the period.

b) Operating lease

- **Future minimum lease payments under non-cancellable operating leases**

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Not later than 1 year	1.02	1.45
Later than 1 year and not later than 5 years	3.14	2.20
Later than 5 years	4.28	2.98

- **Payments recognised as an expense**

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Minimum lease payments	3.19	1.46
Contingent rentals	-	
Sub-lease payments received	-	

45.2 As a lessor

a) Finance leases: The company does not have any finance lease arrangement during the period.

b) Operating leases

- **Future minimum lease receivables under non-cancellable operating lease**

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Not later than 1 year	0.24	0.69
Later than 1 year and not later than 5 years	0.11	-
Later than 5 years	-	-

46 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and Basic EPS is as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit (loss) for the year, attributable to the owners of the company	37.52	(29.76)
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,000,000,000	1,000,000,000
Basic & Diluted EPS	0.38	(0.30)

47 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

(₹ in crore)

Particulars of Provision	Opening Balance as on 01.04.2017	Adjustment during year	Addition during year	Closing Balance as on 31.03.2018
Destinational Weight & Analysis Risk	0.07	0.07	0.04	0.04
Bonus/PRP	13.00	0.31	3.41	16.10
Provision for Litigation Settlements	41.46	(0.23)	5.65	47.34

48. Balances of some of the Trade Receivable, Other Assets, Trade and Other Payable are subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, management does not expect to have any material financial impact of such pending confirmation/reconciliation.

49. Whole time Directors are allowed usage of staff cars for private use up to 1,000 km per month on payment of ₹ 2000 per month in accordance with guidelines issued by Department of Public Enterprise (GOI).

50. Accounting policies and notes attached form an integral part of the financial statements.

51. The company has made certain changes in the Accounting Policies during the year as under:-

i) Changes in the wording of Accounting Policy No.2.2 "Functional and Presentation Currency" for reporting of financial in crores of Indian rupees (₹ in crores) (upto two decimals)".

ii) Accounting Policy No. 2.4 (i) (c) (iv) has been added under Revenue Recognition to clarify the revenue recognition when gold procured domestically to bring the same in line with the existing practices followed in such cases.

The above changes have no financial impact of the financials of the company.

52. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as otherwise stated. Certain small amounts may not appear in financial statements due to rounding off in ₹ in crore. Previous year's figures have been regrouped / rearranged wherever considered necessary.

53. Statement containing salient features of the financial statements of Subsidiaries/Associates companies/ Joint Ventures pursuant to Section 129 (3) of the Companies Act, 2013 in prescribed form AOC-I is attached at Annexure-A.

54. Approval of financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 29.05.2018.

As per our report of even date attached

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

For and on behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(Umesh Sharma)
Director (F) & CFO
DIN: 03298909

Date: 29.05.2018
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

		Annexure-A
	AOC-I	
	Statement containing salient features of the financial statements of Subsidiaries / Associate Companies/ Joint Ventures	
	(Pursuant to Section 129 (3) of the Companies Act, 2013)	
	Part "A": Subsidiaries	
		(₹ in crore)
1	Sl. No.	1
2	Name of the Subsidiary	MMTC Transnational Pte Ltd.,
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	US Dollars, Exchange Rate ₹ 64.4788 (Average Rate)
5	Share capital	3.14
6	Reserves & surplus	75.26
7	Total assets	157.08
8	Total Liabilities	78.68
9	Investments	-
10	Turnover	76.63
11	Profit before taxation	(2.65)
12	Provision for taxation	(0.07)
13	Profit after taxation	(2.58)
14	Proposed Dividend	NIL
15	% of shareholding	100
a)	Names of subsidiaries which are yet to commence operations	NIL
b)	Names of subsidiaries which have been liquidated or sold during the year	NIL

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

Name of Associates/Joint Ventures	Neelachal Ispat Nigam Limited	Free Trade Warehousing Pvt. Ltd.	MMTC Pamp India Pvt. Ltd.	Sical Iron Ore Terminal Ltd.	MMTC Gitanjali Ltd.	TM Mining Company Ltd.
1. Latest audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018*	31.03.2018	31.03.2017**	31.03.2018
2. Shares of Associate/Joint Ventures held by the company at the year end						
Number	289342744	5000	17446000	33800000	2987400	57200
Amount of Investment in Associates/Joint Venture	379.69	0.01	17.45	33.80	2.99	0.06
Extend of Holding %	49.78%	50%	26%	26%	26%	26%
3. Description of how there is significant influence	Equity & Management Control	Equity	Equity	Equity	Equity	Equity
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	Note (1)	N.A.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(274.81)	(2.38)	67.82	34.27	1.82	(0.01)
6. Profit / (Loss) for the year						
i. Considered in Consolidation	-	-	11.37	-	-	-
ii. Not Considered in Consolidation	(186.89)	(1.39)	-	-	-	-
a) Names of associates or joint ventures which are yet to commence operations.					NIL	
b) Names of associates or joint ventures which have been liquidated or sold during the year					NIL	

*Unaudited financial statements

**The financial statements are not received from Joint venture company for the year ended 31.03.2018. Latest audited Balance sheet for the JV company is for the year ended 31.03.2017. Details are given at Note no. 41.

Additional information as per Part -III - General Instructions for preparation of Consolidated Financial Statements

Sl. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (In ₹ Crores)	As % of consolidated profit or loss	Amount (In ₹ Crores)	As % of consolidated other comprehensive income	Amount (In ₹ Crores)	As % of total comprehensive income	Amount (In ₹ Crores)
Parent									
MMTC Limited		120.52	1449.46	78.08	29.30	101.04	2.64	79.60	31.94
Subsidiaries-Foreign									
1	MMTC Transnational Pte Ltd.,Singapore	6.21	74.69	(8.35)	(3.13)	(1.78)	(0.05)	(7.92)	(3.18)
2	Non-controlling Interest	-	-						
Joint Ventures-Indian (investment as per equity method)									
1	Free Trade Warehousing Pvt. Ltd.	(0.00)	(0.01)	(0.01)	(0.00)	-	-	(0.01)	(0.00)
2	MMTC Pamp India Pvt. Ltd.	4.84	58.26	30.28	11.36	0.35	0.01	28.33	11.37
3	Sical Iron Ore Terminal Ltd.	(0.00)	(0.02)	-	-	-	-	-	-
4	Neelachal Ispat Nigam Limited	(31.57)	(379.69)	-	-	-	-	-	-
5	MMTC Gitanjali Ltd.	-	-	-	-	-	-	-	-
6	TM Mining Company Ltd.	-	-	-	-	-	-	-	-
	Total	**100.00**	**1,202.70**	**100.00**	**37.52**	**99.62**	**2.60**	**100.00**	**40.13**

AUDITORS

Office of the Comptroller & Auditor General of India vide their letter No. CA. V/COY/CENTRAL GOVERNMENT, MMTC (12)/643 dated 04th Aug,2017 have communicated the appointment of Auditors of the company under section 139 of the Companies Act, 2013 for the financial year 2017-18. The details are given below:-

Statutory Auditor	**Region**
O P Tulsyan & Co. New Delhi	-RO Delhi including SROs -CO, New Delhi (Including foreign offices), Office of Mica Division Consolidation and merger of all branches
Branch Auditors	
Patnaik & CO Cuttack	-Bhubneshwar Regional Office including Sub-Offices/ distribution centers
B J Patel & J L Shah Ahmedabad	-Ahmedabad Regional Office including Sub-Offices/ distribution centers
Jayesh Sanghrajka & Co. LLP Mumbai	-Mumbai Regional Office including Sub-Offices/ distribution centers
Abhijit Dutt & Associates Kolkata	-Kolkata Regional Office including Sub-Offices/ distribution centers -Mica Division at Kolkata, Abhraknagar, Jhumritalaya & Giridih
Venugopal and Chenoy Hyderabad	-Hyderabad Regional Office including Sub-Offices/ distribution centers
R M K & Co. Jaipur	-Jaipur Regional Office
Padmanabhan Prakash & Co. Chennai	-Chennai Regional Office including Sub-Offices/ distribution centers - MICA Division at Gudur
Rao & Manoj Associates Visakhapatnam	-Visakhapatnam Regional Office including Sub-Offices/distribution centers

MMTC LIMITED

Regd. Office : Core-1, SCOPE Complex,7 Institutional Area, Lodhi Road,New Delhi-110003

CIN : L51909DL1963GOI004033

ATTENDANCE SLIP

55th ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY, the 28th September 2018 AT 11.00 AM

NAME OF THE MEMBER (IN BLOCK LETTERS) .... ADDRESS	
Folio No/DP ID/Client ID	
No. of Shares held	
NAME OF PROXY (IN BLOCK LETTERS, TO BE FILLED IN IF THE PROXY ATTENDS INSTEAD OF THE MEMBER	

I, hereby record my presence at the 55th Annual General Meeting of the Company held on Friday, 28th September 2018 at Scope Auditorium, Core-8, Scope Complex, 7th Institutional Area, Lodhi Road, New Delhi-110003.

Tick as applicable Member ☐ Proxy ☐ Signature of Member /Proxy ☐

NOTES :

1. The attendance slip should be signed as per the specimen signature registered with M/s MCS Share Transfer Agent Ltd, Registrar & Transfer agent (RTA)/Depository Participant(DP). Such duly completed and signed Attendance slip(s) should be han ded over at the RTA counter(s)at the venue against which RTA will provide admission card. Entry to the hall will be strictly on the basis o f admission card as provided by RTA. Members in person and Proxy-holders **may please carry photo-ID card for identification purpose**

2. **Shareholder(s)present in person or through registered proxy shall only be entertained.**

MMTC LIMITED

Regd. Office : Core-1, SCOPE COMPLEX,7 Institutional Area, Lodhi Road,New Delhi-110003

CIN : L51909DL1963GOI004033

FORM OF PROXY (MGT-11)

(Pursuant to Section 105 (6)of the Companies Act, 2013 and Rule 19(3)of the Companies (Management & Administration) Rules, 2014

Name of Member(s) Registered address :	
Folio No./DP ID-CLIENT ID	
Email ID	

I/We being the member(s)of _______shares of the above named company, hereby appoint :

1	Name :			
	Address :		Signature :	
	E Mail-ID :			
Or failing him				
2.	Name :			
	Address :		Signature :	
	E Mail-ID :			
Or failing him				
3	Name :			
	Address :		Signature :	
	E Mail-ID :			

As my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Friday, 28th September 2018 at Scope Auditorium, Core-8, Scope Complex, 7th Institutional Area, Lodhi Road, New Delhi-110003.

S.No.	Resolution	For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements of the Company including Consolidated Accounts for the year ended March 31, 2018, the Reports of the Board of Directors, Statutory Auditors Report and Comments of Comptroller and Auditor General of India and the Report of Secretarial Auditor for FY- 2017-18.		
2.	Declaration of Final Dividend for the year 2017-18		
3.	Re-appointment of Shri Ashwani Sondhi, Director(Marketing) who retires by rotation		
4.	Fixation of Remuneration of Statutory Auditors for the Year 2018-19		
Special Business			
5.	Appointment of Shri. Sunil Kumar as Part-Time Govt. Nominee Director		
6.	Appointment of Dr. Subhash Chnadra Pandey, as Part-Time Govt. Nominee Director		
7.	Appointment of Shri J. Ravi Shanker, as Director (Marketing)		
8.	Appointment of Shri Umesh Sharma, as Director (Finance)		
9.	To undertake Related Party Transactions from 1.10.2018 to 30.9.2019		

Signed this... Day of .... 20...................

Affix Revenue Stamp of **₹1/-**

Signature of shareholder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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

Corporate Office :
Core -1, "SCOPE COMPLEX" 7 Institutional Area, Lodhi Road, New Delhi - 110003 INDIA
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