Core #1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi -110003.
Phone No:24362200; 24361889 Fax No. 24360724
Email: ganarayanan@mmtclimited.com
Website : www.mmtclimited.com CIN: L51909DL1963GOI004033

No.BS/325/SE-S/2016 05th September 2019

The Listing Department, National Stock Exchange of India Ltd Exchange Plaza **Bandra Kurla Complex** **MUMBAI 400051** **Symbol & Series: MMTC /EQ**	Department of Corporate Services Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers **Dalal Street** **MUMBAI 400 001** **Company Scrip Code:513377**

Sub: Annual Report for FY 2018-19

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 2018-19.

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, ou=COMPANY SECRETARY, postalCode=110003, st=DELHI, cn=G ANANDANARAYANAN Date: 2019.09.05 17:20:21 +05'30'

(G. Anandanaryanan)
Company Secretary

56th ANNUAL REPORT 2018-19

Expanding Exponentially to become a Global Leader

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

BOARD OF DIRECTORS

VED PRAKASH
Chairman and Managing Director

GOVERNMENT NOMINEE DIRECTORS

SUNIL KUMAR
Additional Secretary
Department of Commerce, MoC & I

DR. S.C. PANDEY
Special Secretary & Financial Advisor
Department of Commerce, MOC & I
(upto 30.6.2019)

SHASHANK PRIYA
Additional Secretary & Financial Advisor
Department of Commerce, MOC & I
(w.e.f. 19.8.2019)

FUNCTIONAL DIRECTORS

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

ASHWANI SONDHI
Director (Marketing)

T.K. SENGUPTA
Director (Personnel)
(upto 31.3.2019)

UMESH SHARMA
Director (Finance)

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

R.R. SINHA
Director (P)
(w.e.f. 19.6.2019)

NON-OFFICIAL PART TIME (INDEPENDENT) DIRECTORS

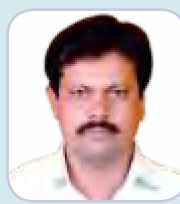
R. ANAND
(upto 14.6.2019)

B.K. SHUKLA
(upto 14.6.2019)

RAJNISH GOENKA

DR. JAYANT DASGUPTA

R.R. JADEJA



MANJUNATH G
(w.e.f. 21.12.2018)

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 Objectives

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

To retain the position of single largest trader in the country for product lines like minerals, metals and precious metals.

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

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

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

To promote development of trade-related infrastructure.

MMTC LIMITED

Regd. Office : Core-1, 'SCOPE Complex',7 Institutional Area, Lodhi Road, New Delhi-110003
CIN : L51909DL1963GOI004033

NOTICE

Notice is hereby given that the **56th Annual General Meeting** of the Members of MMTC Limited will be held on **Monday, the 30th September 2019** at 11.30 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, 2019, 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 2018-19.
2. To declare Dividend on Equity Share Capital for the financial year ended 31st March, 2019.
3. To re-appoint Shri Umesh Sharma (DIN No. 03298909) Director (Finance), who retires by rotation at the AGM as Director (Finance) 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 (Finance).
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 2019-20.

SPECIAL BUSINESS

5. To appoint Shri Manjunath G. as Part Time Non-Official Director on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of Companies Act, 2013 and Rules made thereunder, Shri Manjunath G. (DIN : 08308050) who was appointed as Part Time Non-Official Director in MMTC Limited w.e.f. 21.12.2018 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. 14/13/97-FT(ST) dated 17.12.2018 and by the Board of Directors in circulation on 27.12.2018 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 Part Time Non-Official Director on the terms, conditions and tenure as may be determined by the President of India from time to time."

6. To appoint Shri Rajiv Ranjan Sinha as whole time Director on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of Companies Act, 2013 and Rules made thereunder, Shri Rajiv Ranjan Sinha (DIN:08487833) who was appointed as Director(Personnel) in MMTC Limited w.e.f. 19.06.2019 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 No. A-12022/16/2018-E.IV dated 12.06.2019 and by the Board of Directors on 27.06.2019 as Director (Personnel) 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 (Personnel) on the terms, conditions and tenure as may be determined by the President of India from time to time."

7. To appoint Shri Shashank Priya (DIN: 08538400), as Government Nominee Director on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 152 and 161 of Companies Act, 2013, Shri Shashank Priya (DIN :08538400), AS&FA, Department of Commerce, MOC&I, Govt. of India who was appointed as Part Time Govt Nominee Director in MMTC Limited w.e.f. 19.8.2019, 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 13.08.2019 and approved by the Board of Directors in circulation on 21.08.2019 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."

8. 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 01.10.2019 to 30.09.2020
1.	Neelachal Ispat Nigam Ltd.(NINL)	Joint Venture Company	₹3500 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 ₹1375 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/-
(G.Anandnarayanan)
Company Secretary

Place: New Delhi
Dated: 21.8.2019

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 **21st September 2019** to **30th September 2019** (both days inclusive). The Board of Directors, in its Meeting held on 30th May 2019, has recommended a dividend @ 30% (Re. 0.30 per share of face value Re.1.00 each) on the paid-up equity share capital of the company. 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, 2019 to the Members whose names appear on the Company's Register of Members on 30th September, 2019 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 **20th September, 2019**.

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 2018-19, company has deposited with IEPF Authorities an amount of Rs.29806/- towards unpaid/unclaimed dividend for the financial year 2010-11.

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 2018-19 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 2018-19 is being sent in the permitted mode.

11. Electronic copy of the Notice of the 56th 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 56th 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. SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above, Shareholders holding shares in physical form, are advised to dematerialize their shares.

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 Company's 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 2018-19 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 56th Annual General Meeting and the Annual Report for 2018-19 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 56th 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 26th September 2019 (09:00 AM) and ends on 29th September 2019 (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 21st Sept. 2019, 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:

How to Log-in to NSDL e-Voting website?

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, 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.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (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.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

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

1 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 fcs.ppa@gmail.com with a copy marked to evoting@nsdl.co.in.

2. 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 "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. 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 www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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 21st September 2019.

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. 21st Sept. 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

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 two 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 along with 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. 14/13/97-FT(ST) dated 17.12.2018 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 149 of the Companies Act, 2013, Shri Manjunath.G (DIN-08308050), was appointed as Part Time Non-Official Director on the Board of MMTC Limited w.e.f. 21.12.2018.

Shri Manjunath G., Ex-Corporator, Bruhat Bangaluru Mahanagara Palike, aged 51 years, is a Diploma holder in Mechanical Engineering from MEI Polytechnic, Bengaluru.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Shri Manjunath. G as Part Time Non-Official Director of the company.

Board considers it desirable that the Company should continue to avail itself of his services as Part Time Non-Official 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 Manjunath.G to the extent of his appointment as Non-Official Independent Director, in any way concerned or interested, financially or otherwise in the above resolution.

Item No. 6

In accordance with Office Order No. A-12022/16/2018-E.IV dated 12.06.2019 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 161 of the Companies Act, 2013, Shri. R.R. Sinha (DIN-08487833) was appointed as Director (Personnel) on the Board of MMTC Limited w.e.f. 19.06.2019.

Shri Rajiv Ranjan Sinha, aged 54 years, has done Masters in Labour and Social Welfare. Prior to joining MMTC, he was holding the post of Chief General Manager(P&A/HR) in PEC Limited. He started his professional career in PSUs from Heavy Engineering and then moved on to Power Sector. He has a distinguished career of more than 30 years and brings with him vast knowledge and experience in the field of HR.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Shri. R.R. Sinha as Director (Personnel) of the company.

Board considers it desirable that the Company should avail itself of his services as Director (Personnel) 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. R.R. Sinha to the extent of his appointment as Director (Personnel), in any way concerned or interested, financially or otherwise in the above resolution

Item No. 7

In accordance with Office Order No. 11/36/2001-FT(M&O) dt. 13.8.2019 from Department of Commerce, Ministry of Commerce & Industry, Government of India and pursuant to provisions of Section 161 of the Companies Act, 2013, Shri Shashank Priya was appointed as Government Nominee Director on the Board of MMTC Limited w.e.f. 19.08.2019.

Shri Shashank Priya, M.A., LL.B, aged 53 years is a Civil Servant belonging to a 1988 batch of IRS (C&CE). Prior to joining the Department of Commerce as Additional Secretary, Shri Shashank Priya worked as Joint Secretary in the GST Council. He has about 30 years of experience of dealing with issues relating to Indirect Tax and WTO. He has also worked in different fields of Customs and Central Excise such as Central Excise Division, Anti-Smuggling, Appraising, Vigilance and Export Promotion. He has acted as a resource persons for several reputed institutions and made numerous presentations on GST and WTO issues before national and international audience in India and abroad.

The company has received a notice from a member u/s 160 of Companies Act, 2013 proposing the candidature of Shri Shashank Priya as Govt. Nominee Director on the Board of the company.

Board considers it desirable that the Company should avail itself of his services as 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 Shashank Priya 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. 8

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 arm's length. 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 1.10.2019 to 30.9.2020	Nature and material Terms / Particulars of the contract or arrangement
1.	Neelachal Ispat Nigam Limited	Joint Venture Company	₹3500 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 based trade finance of ₹1375 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 ₹1425 Crores including an one time facility of ₹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 thereafter from time to time. 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	1. M/s Neelachal Ispat Nigam Ltd
Name of Director or key managerial personnel who is related, if any	**Neelachal Ispat Nigam Ltd** **(in the capacity of Nominee Directors only)** 1. Shri Ved Prakash, CMD 2. Shri A Sondhi, Director(Mktg). 3. Shri Umesh Sharma, Director(Fin.) 4. Shri J Ravi Shanker, Director (Mktg.)
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.7 of the Notice except in the capacity of Nominee Directors of MMTC indicated above. The Board recommends the Resolution set out at Item No.7 of the notice for their approval by the unrelated parties.

The documents referred in Item No. 5 to 8 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	**Sh. Manjunath G.**	**Sh. R.R. Sinha**	**Sh. Shashank Priya**
Date of Birth	14.04.1968	02.09.1964	29.11.1965
Date of Appointment	21.12.2018	19.06.2019	19.08.2019
Qualification	Diploma in Mechanical Engineering	Masters in Labor and Social Welfare	M.A., LL.B.
Expertise in Specific functional areas	Public Administration	Human Resource Management, Industrial Relations,	GST, Customs & Central Excise, WTO Issues
No. of Equity Shares held in the Company as on March 31, 2018	Nil	Nil	Nil
Terms & Conditions of the appointment	As per the Orders of the Govt. of India in this regard indicated under relevant resolution.	As per the Orders of the Govt. of India in this regard indicated under relevant resolution.	As per the Orders of the Govt. of India in this regard indicated under relevant resolution.
Remuneration last drawn during FY 2018-19 (Rs)	45,000	Nil	N.A.
No. of meetings of Board attended during the year	2	Nil	N.A.
Directorships held in other Companies as on March 31, 2019	Nil	N.A.	N.A.
Relationship with any other Director inter-se and KMPs of the Company	Nil	Nil	Nil

DIRECTORS' REPORT

The Members

MMTC Limited,

New Delhi.

Ladies & Gentlemen,

On behalf of Board of Directors, I have the pleasure of presenting the 56th Annual Report on your company's performance for the financial year ended 31st March 2019 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 ₹28292.82 crores during 2018-19 as against the turnover of ₹15,756.92 crores registered during last fiscal. This business turnover includes Exports of ₹1103.92 crores, Imports of ₹21624.99 crores and domestic trade of ₹5563.92 crores. The Company has reported a net profit of ₹81.43 crores in the current fiscal compared to ₹48.84 crores earned last year.

The highlights of the Company's performance during 2018-19 are as below: -

(₹ in Crores)

	2018-19	2017-18
Sales of products	**28,288.27**	15,746.49
Sales of services	**4.55**	10.43
Other Trade Earnings	**686.62**	693.89
Total Revenue from Operations	**28,979.44**	16,450.81
Cost of Sales	**28,505.14**	16,117.36
Gross Profit from Operations	**474.30**	333.45
Add: Dividend and other Income	**14.21**	46.43
Less: Establishment & Administrative Overheads, etc.	**275.91**	307.12
Less: Debts/Claims Written off/withdrawn	**1.06**	0.05
Less: Provisions for Doubtful Debts/ Claims/Advances/Investments	**15.96**	-
Profit Before Interest, Depreciation and Amortization Expenses and Taxes	**195.58**	72.71
Add: Interest Earned (Net) (Interest earned minus Finance Cost)	**(61.69)**	0.07
Profit Before Depreciation and Amortization Expenses and Taxes	**133.89**	72.78
Less: Depreciation and Amortization Expenses	**5.54**	5.24
Less: Exceptional Items	**9.76**	8.41
Profit Before Taxes	**118.59**	59.13
Less: Provision for Current Taxes	**32.39**	13.32
Less: Provision for Deferred Taxes	**4.77**	(3.03)
Profit After Taxes	**81.43**	48.84
Add: Balance brought forward from the previous year	**721.67**	718.94
Balance		
Items of other comprehensive income recognized directly in retained earnings		
Re-measurements of post-employment benefit obligation net of tax	**(1.65)**	-
Dividend & Dividend Tax	**(36.17)**	(36.11)
Appropriations:		
General Reserve	**(10.00)**	(10.00)
Leaving a Balance to be carried forward	**755.28**	721.67

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

- EEPC India National Award for Star Performer Award for the year 2017-18 in the product group - Basic Iron & Steel, Large Enterprise.
- “Best Agency Supplying Gold to Highest Number of Clients” for FY 2018-19 by GJEPC.
- In the ET500 rankings MMTC has been given 98th ranking in 2018 on the basis of revenue compared to 108th in 2017.
- In the rankings 2018 of Business World of its 500 Companies published on 23.1.2019 MMTC has been ranked 99 in terms of Total Assets + Total Income.
- In Fortune India rankings of Most Valuable Firms published on 18.3.2019, MMTC has been assigned 134th rank in 2019 on the basis of Market Cap.
- Ministry of MSME, Govt. of India has adjudged MMTC as Second Runner-up under Miniratna (Category I) in recognition of its work done towards promotion of SC/ST entrepreneurs based on the performance parameters laid down by the Ministry.

EQUITY SHARE CAPITAL & DIVIDEND

The Board of Directors recommends declaration of dividend @ 30% on the paid up equity capital of ₹150 croress (post Bonus Issue) of the Company as on 31.3.2019 for the year 2018-19 out of profits of the year.

RESERVES

A sum of ₹1348.64 crores was available in the reserves and surplus of your Company as on 1st April, 2018. Your Directors have proposed that Dividend at the rate of 30% on the equity capital as on 31st March, 2019 (₹150 crores) be paid out of profits of the Company. Accordingly, an amount of ₹1342.25 crores was available in "Reserves and Surplus" of your Company as on 31st March, 2019.

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

	EARNINGS (Rs./Cr)		OUTGO (Rs./Cr)
Exports	1103.92	Imports	19840.81
Others	-	Others	111.52
Total	1103.92	Total	19952.33

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 2018-19 MTPL achieved sales turnover of US$ 154.12 million as against US$ 11.84 million during last fiscal. The Net Profit of MTPL during the financial year 2018-19 amounted to US$ 0.27 million as against Net Loss of US$ 0.38 million earned during 2017-18. The net worth of MTPL stood at US$ 12.29 million as on 31st March 2019.

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. During the year 2018-19, NINL achieved a turnover of ₹2025 crores and incurred net loss of ₹402.19 crores. This was primarily due to recession in the economy and steel sector in particular and fall in net sales realisation. Stage II clearance for operation of Mines was received in July 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 during the current financial year, NINL's performance is expected to improve as also increase in production capacity provided there is recovery in the steel sector. The Company has taken ‘in principle’ decision to divest its equity in NINL through Department of Investment & Public Asset Management.

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 presently holds 6% equity capital in Indian Commodity Exchange Limited (ICEX) as on 31.3.2019. During the year under review ICEX has reported a net profit(loss) of ₹2,851.97 lakhs as against net loss of ₹1,334.17 lakhs during 2017-18. As per regulation 17 of SECC Regulation, 2018 and SEBI Circular dated November 26, 2015, MMTC is required to reduce equity holding from 6% to 5% in ICEX and MMTC is in process of reducing its equity in ICEX. MMTC has invited Request for Proposal (RfP) for divestment of 6% MMTC's equity in 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 PAT of ₹201.05 crores and recommended a final dividend of ₹25/- on equity share of ₹2/- each apart from ₹5/- interim dividend paid in December 2018.

(iii) The joint venture for medallion manufacturing unit in collaboration with PAMP Switzerland in the name of MMTC-PAMP India Pvt. Ltd. in which MMTC has participated as 26% equity partner, achieved a turnover of ₹47610.04 crores and profit after tax of ₹96.00 croress during 2018-19. MMTC has received a dividend of 70% on its investment in MMTC-PAMP India Pvt. Ltd. for FY 2018-19. MMTC-PAMP India Pvt. Ltd became India's first LBMA accredited refiner for Gold and silver.

(iv) 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 and ban on mining / movement of iron ore for exports by state govt. 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 had 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 in on for sale of MMTC's 26% equity in SIOTL to Sical Logistics Ltd.

(v) 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. Accordingly the last balance sheet of JV has been drawn during the year and all documents have been submitted to RoC and same is 'Under Process of Striking Off' by RoC.

(v) To promote the concept of Free Trade Warehousing Zones in India, MMTC and IL&FS established SPV IN 2004-05 at few selected locations in India and formed a JV Company (Free Trade Warehousing Pvt. Ltd) with equity contribution 26% (MMTC) and 74% (IL&FS). Two 100% owned subsidiaries of FTWPL were also formed to develop FTWZ in Kandla (Kandla Free Trade Warehousing Private Limited) and Haldia (Haldia Free Trade Warehousing Private limited). Currently the JV has equity structure of 50:50. In view of financial position of promoters and the need for substantial investment for development of the project, the JV has decided to invite RFP for induction of strategic investor. Two units approved by KASEZ have taken land on sublease from JV. Regarding Haldia, the project SPV received allotment of 197 acres of land on 90 year lease basis under a lease agreement with Haldia Development Authority (HDA) signed in December 2013. However due to writ petition filed by farmers in 2015 against HDA challenging the acquisition process, Calcutta High Court has granted stay on development of land. The JV is exploring options for recouping the investments.

(vi) 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 2018-19 was ₹5.18 crores with a profit of ₹3.74 crores.

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. Wage Negotiation meetings were held with representatives of Federation of MMTC Staff Union. The agreed terms were signed in form of wage settlement. The new wage settlement is effective from 1.1.2017 and valid for 10 years with the provision of review in the year 2020 i.e. after three years. Further, 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, 2019 stood at 950, comprising of 387 Officers (inclusive of 5 Board level functional executives & 1 CVO) and 477 staff. This manpower includes 1 officer, 85 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 21.16% (201 employees) of the total manpower; SC, ST, OBC & persons with disabilities (PWD) to the extent of 20.84% (198 employees), 9.89% (94 employees), 10.63% (101 employees) and 2.42% (23 employees) respectively. During the year 03 officers were inducted through open advertisement.

PRESIDENTIAL DIRECTIVES

During the year 2018-19, the company received the orders under the Presidential directives vide Communication No. K-48921/3/2018-FT(M&O) dated 24.4.2018 from the Department of Commerce, Ministry of Commerce & Industry, Govt. of India with regard to pay revision of Board level & below Board level executives and non-unionised supervisors of CPSEs w.e.f. 1.1.2017. These norms have been implemented during the year 2018-19.

TRAINING AND DEVELOPMENT

For further enhancing / upgrading the skills of employees in the constantly changing business scenario, 369 employees were imparted training during the year in different spheres of company's activities. This was done through programmes organized in association with in-house faculty as well as external resource persons from renowned institutions/organizations. The employees deputed for training had adequate representation of SC, ST and women employees (SC- 92, ST- 28 and women-86). In terms of man days, such training works out to 528 training man days during the year 2018-19.

IMPLEMENTATION OF OFFICIAL LANGUAGE

The Company is fully committed to implement Official Language Policy of the Government of India. All out efforts were made to achieve the targets prescribed in the Annual Programme for the year 2018-19 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 Committee of Parliament on Official Language had inspected our Regional Office Ahmedabad, Sub Regional Offices Kochi and Goa for reviewing the progress of implementation of Hindi. The Committee appreciated the work being done in Hindi in all three offices and found the performance satisfactory. MMTC has been awarded the First prize in the form of a Shield by Ministry of Commerce for excellent work in Hindi. Hindi Website of MMTC is being updated regularly. In addition, a Hindi quarterly magazine Manikanchan is being published by MMTC.

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. During the intervening years, many policies changes were made with respect to Government regulations, internal systematic improvements etc. It was advised by Vigilance Wing of your company to update the Procedures/SOPs and Manuals of all Divisions and to upload the same on the intranet. Trade Divisions have updated SOPs/Business Drills, and hoisted the same on MMTC intranet. 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 of 19 complaints(8 were carried forward from the last year and 11 new complaints) were processed by Vigilance Division. Out of these 19 complaints, 18 complaints have been disposed off and action on remaining one complaint is in progress. During the year, the Division also dealt with 4 cases involving 19 officials, out of which 3 cases involving 14 officials have been disposed off, whereas one case involving 5 officials is in progress.

During the year under review, 108 vigilance and 36 non-vigilance inspection reports were received from VOs and NVOs at various Regional Offices of MMTC. The same were timely processed and appropriate action was taken, wherever required. In addition to this, Division has also conducted CTE type inspection of tenders floated by various divisions of CO and ROs. Under new initiative to maintain complete transparency, on the advice of the Division, MMTC has started inviting online applications for recruitment. Division is also instrumental in organizing "Vigilance Awareness Week" in various offices of MMTC from 29.10.2018 to 3.11.2018 with the theme of "Eradicate Corruption - Build a new India". Training to Vigilance and Non-Vigilance Officers has been imparted to apprise the mechanism of conduction vigilance inspection at their respective places in the light of business manual, CVC guidelines and instruction orders issued by Corporate Office in this regard from time to time. Format for inspection report has been standardized and circulated to all Vigilance Officers to bring uniformity in inspections being conducted by them so that it covers all areas of operation in respective ROs.

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 2018-19 a sum of ₹1.254 crore (₹125.4 lakhs) was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceding three years.

The annual budgetary funds allocated during 2018-19 under CSR have been assigned for various projects and programs majorly related to Healthcare, Promotion of Education & Nutrition, Swachh Bharat Abhiyan, Clean Ganga Mission and Skill Development and other activities as per Schedule-VII of the Companies Act. Further, keeping in view the DPE guidelines on promotion of CSR activities in Aspirational Districts, MMTC has allocated 60% of its annual CSR outlay during the year 2018-19 in Aspirational Districts, as notified by NITI Aayog. MMTC has also responded to four Parliamentary Committee on Subordinate Legislation of Rajya Sabha reviews of CSR activities of the Company held at Mumbai, Lucknow, pune and Visakhapatnam. The annual report on CSR activity undertaken by your Company during 2018-19 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 vacant positions of Independent Directors as required as on 31.3.2019 is yet to be made by the Government.

A separate Report on Corporate Governance along with certificate from M/s J K Gupta & Associates (CP No. 2448) 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 the quarterly reports on compliance of Guidelines of Corporate Governance for CPSEs 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, 2019 to whom the said Code is applicable have affirmed compliance of the same for the period ended 31st March, 2019 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, 2019."

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 2018-19. The framework and principles suggested by SEBI is to assess compliance with environment, social and governance norms pertaining to Sustainable Development Goals. The said Business Responsibility Report is annexed herewith and forms part of the Annual Report.

PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES

Under Public Procurement Policy (PPP) issued by the Ministry of Micro, Small and Medium Enterprises, Government of India for Micro & Small Enterprises (MSEs), a minimum of 25% share out of the total procurement of goods and services by Central Ministries/Departments/PSUs are to be made from MSEs. Further out of the 25% target of annual procurement from MSEs, a sub-target of 5% annual procurement from MSEs owned by SC/ST Entrepreneurs and an additional 3% reservation for the Women owned MSEs within the above 25% reservation is applicable vide Gazette Notification dated 09.11.2018. Preference will be given to firms registered with the M/o MSME as per guidelines prescribed under MSMEs Act, 2006.

Pursuant to Public Procurement Policy, during the year 2018-19, total annual procurement by MMTC in respect of administrative requirements was ₹14.65 Cr., out of which goods and services worth ₹12.33 Cr. (i.e. 84.16%) were procured from MSEs including MSEs owned by SC/ST Entrepreneurs, ₹0.6450 Cr. (i.e. 4.33%) from MSEs owned by SC/ST entrepreneurs and 0.1608 Cr. (1.09%) from MSEs owned by Women 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, 2019.

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 2018-19 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 31.03.2019. The Communication dated 31.07.2019 of C&AG of India in this regard is annexed herewith. The "NIL" Comments of C&AG of India on the Consolidated Accounts of the Company for the year ended 31.3.2019 received vide communication dated 14.8.2019 is also annexed herewith.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. J.K. Gupta & Associates, Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2019. 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 to the extent of ₹1425 cores during the year 2018-19 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 2018=19. 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 various Risks associated with the trade conducted by the company and its risk management as practiced by the Company are provided as part of Management Discussions and Analysis Report which is annexed herewith.

CONSERVATION OF ENERGY

During the year 2018-19, there was no activity in Mica group of your company. Pursuant to rule 8(3) of Companies (Accounts) Rules, 2014.

PARTICULARS OF EMPLOYEES

As per provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits as prescribed from time to time in the Directors' Report. However, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

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 31.3.2019;

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. Internal Complaints Committees (ICC) have been set up at Head Office & Regional Offices to redress complaints received regarding sexual harassment at work place. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaint was received by the Company under the above Act during the year under review.

INFORMATION UNDER RTI ACT, 2015

During the year 2018-19, a total of 87 applications (including Section 6(3) transfers), 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 in time.

BOARD OF DIRECTORS

Following are the changes in the Board of Directors of your company since 1st April 2018:-

Name of the Director	Category	Date of Appointment/ Cessation	CessationAppointment/
Shri P.K. Jain	Director(Marketing)	14.05.2018	Cessation
Shri J.Ravi Shanker	Director(Marketing)	04.07.2018	Appointment
Shri Manjunath G	Part Time Non-official Director	21.12.2018	Appointment
Shri R.Anand	Part Time Non-official Director	14.6.2019	Cessation
Shri B.K. Shukla	Part Time Non-official Director	14.6.2019	Cessation
Shri R.R. Sinha	Director(Personnel)	19.6.2019	Appointment
Dr. S.C. Pandey	Govt. Nominee Director	30.6.2019	Cessation
Shri Shashank Priya	Govt. Nominee Director	19.8.2019	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. 1.4.2018 onwards. The Board also welcomes Shri J.Ravi Shanker, Shri Manjunath G, Shri R.R. Sinha and Shri Shashank Priya 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 Umesh Sharma, Director (Finance) shall retire at the AGM and, being eligible, has offered himself for re-appointment.

ACKNOWLEDGEMENTS

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

By the Order of the Board

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

Dated: 21.08.2019

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2018-19

Overview of Global Trade and Developments

As per WTO forecasts, World merchandise trade volume is projected to slow down to 3.7% in 2019 as global GDP growth dips to 2.9%. World trade will continue to face strong headwinds in 2019 and 2020 after growing more slowly than expected in 2018 due to rising trade tensions and increased economic uncertainty. WTO economists expect merchandise trade volume growth to fall to 2.6% in 2019 - down from 3.0% in 2018. Trade growth could then rebound to 3.0% in 2020; however, this is dependent on an easing of trade tensions. Weak import demand in Europe and Asia dampened global trade volume growth in 2018 due to the large share of these regions in world trade.

Overview of developments in India during 2018-19

India moved up by 23 places in the World Bank's Ease of Doing Business Index 2018 and got 77th rank. This is attributed to 6 reforms this year- starting a business, getting electricity, construction permits, getting credit, paying taxes and trading across borders. Breaking into the top 50 is possible in the near future, with focussed attention on reforms. The "Make in India" Campaign launched by the Government of India in September 2014 permitted 100% FDI in 25 sectors of the economy except aero space, defence and media industry of India in which 74%, 49% and 26% respectively is allowed. GST, a unified consumption tax on all goods and services introduced in 2017 eradicated the disparity of taxes among different state governments and the multilayer tax system. It has pooled the resources of centre and state government under a single tax, which can benefit both. Government of India. has made a large investment in infrastructure which will provide better connectivity and hence better growth for the country. The 'Make-in-India' concept initiated by the Government aims to take the growth upto 25% of GDP in manufacturing sector from the current 17% by year 2025. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Outlook for 2019-20

With a projection of 7.5% growth per annum in GDP over the next three years, India is expected to retain its mantle as the fastest growing major economy in the world. India is expected to emerge as the world's fifth largest economy in the near future.

The Economic Survey presented to the Parliament this year sees FY20 GDP growth at 7%.It recommends a renewed focus on pushing up exports. Indian MSMEs need to be freed from shackles that convert them into dwarfs. MSMEs need to be seen as a source of innovation, growth and job creation. Policy should enable MSMEs to grow, create greater profits for their owners and contribute to job creation and productivity in the economy.

MMTC- 2018-19 in retrospect

Financial Review

In the backdrop of above international business scenario, Your Company achieved a trade turnover of ₹28,292.82 crore during 2018-19 as against the turnover of ₹15,756.92 crore registering last fiscal. This turnover includes Exports of ₹1103.91 crore, Imports of ₹21,624.99 crore and domestic trade of ₹5563.92 crore. The increase in the performance of almost 80% over the previous year is despite various constraints like fall in average price of urea, reduced import of steam coal for Government Power Plants due to increased domestic supplies by Coal India, continuing ban on export of iron ore from Karnataka and restrictions on iron ore mining in Goa, Odisha etc and the resultant lower exports etc. Your Company earned a Gross Profit from operations of ₹474.30 crore as compared to ₹333.45 crore in 2017-18. The profit before tax from ordinary activities is ₹118.59 crore as compared to ₹59.13 crore in 2017-18. The Company has registered a net Profit of ₹81.43 crore during the year as compared to ₹48.84 crore earned last year. Thus the earnings per share of face value of ₹1/- each is ₹0.54 as on 31.3.2019. 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, 2019 comprises of shareholders fund amounting to ₹1489.25 crore including equity share capital of ₹150 crore and non-current and current liabilities of ₹188.55 crore and ₹2776.97 crore respectively. These funds have been deployed inter alia towards non-current assets amounting to ₹806.73 crore and current assets of ₹3648.04 crore as on 31st March, 2019.

Internal Control Procedures

In MMTC, day-to-day affairs are managed at various managerial levels in accordance with 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 to the Directors' Report.

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

To tap South East Asian market for trading in commodities, MMTC Transnational Pte. Ltd. (MTPL), Singapore, the wholly owned subsidiary of your Company has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2018-19 MTPL achieved sales turnover of USD154.12 million as against USD11.84 million during last fiscal. The Net Profit of MTPL during the financial year 2018-19 amounted to US$0.27 million as against Net Loss of US$ 0.38 million incurred during 2017-18. The net worth of MTPL stood at USD 12.29 million as on 31st March 2019.

<u>Business Group wise Review for 2018-19</u>

Minerals

The Minerals group of your Company play a leading role in iron ore 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 NeelachalIspat Nigam Ltd. (NINL) consumes annually over 2.2 million tons of various types of minerals on annual basis arranged mainly by MMTC.

During 2018-19 the Minerals Group of your Company achieved a turnover of ₹848.78 crore, which includes exports of Iron Ore valuing ₹563.52 crore, export of Chrome Ore and Chrome Concentrate ₹125.57 crore and export of Manganese ore/oxide amounting to ₹9.75 crore. As per current EXIM Policy of Government of India (2015-20) MMTC Limited is the designated State Trading Enterprise for export of iron ore for grade Fe 64% and above.

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 price increase in domestic demand of ore, etc. continued to have impact on the iron ore exports during 2018-19 as well. 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 supply of iron ore (Lumps and Fines) under Long Term Agreements (LTAs) continued to Japanese Steel Mills(JSMs) and POSCO, South Korea. 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, JajpurDistt., Odisha contains most of India's known reserves of chromite out of total country's reserves of 344 MMT. More than 90% of local production is consumed by ferro chrome industry, leaving a small surplus quantity 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 canalized through MMTC while imports are kept under OGL. However, MOIL, a Govt. of India Enterprise. can directly export Manganese Ore mined from its own mines. 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. 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 wide price fluctuations are the threats facing the group. Export of more ferro-chrome may adversely affect availability of chrome ore and also concentrates for export. To address these challenges, efforts are being made to tap smaller mining companies, especially of low grades to expand supply base and enhance volumes.

Precious Metals, Gems & Jewellery

India's gems and jewellery sector is one of the largest in the world contributing 29 percent to the global jewellery consumption. This sector plays a significant role in the Indian economy, contributing around 7% percent to 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 ₹12,787.71 crores, contributing to almost 45% of the Total turnover achieved by the company. The turnover of this group includes import of gold and silver worth ₹9581.56 crore, domestic trade of ₹3206.15 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 3.80% for Gold and 14.70% for Silver in the country's bullion trade for 2018-19. 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. MMTC has been authorized for E-auction of gold procured under Medium and Long Term Gold Deposits-Gold Monetization Scheme(MLTGD-GMS). Under this scheme we have sold almost 9 MT gold valuing ₹2700 crores (approx.) and are expecting good volume of business. The group has also started sale of precious metals lying in temples and confiscated (Govt. Agency) gold/silver through Auction and have tied up with several temples in South India and expecting good volume of business in coming years.

The Group also sold India Gold Coins(IGC) manufactured out of domestic gold (under GMS) in domestic market valuing ₹24.78 crore during 2018-19. 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 from 1-6 November 2018 at Hotel Ashok, New Delhi.

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 ₹47,610.04 crore and a profit (after tax) of ₹96.00 crore during the period under review.

With increasing competition among the gold traders, there is a continuous decrease in the profit margin being experienced in the trade.

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 coming years 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. The group shall be conducting successful rollout of the e-auction of bullion bars PAN India under the GMS scheme. Beside follow-up with DGFT/RBI for reintroduction of OGL Loan Scheme the group shall be exploring new avenues of business like the Dore import business for which Govt. departments are being pursued vigorously.

Enrolment of new LBMA foreign suppliers to have better supplier base to be more competitive and have adequate quantity to supply is being explored. The group also plans 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

a) Non-Ferrous Metals &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 Aluminum, 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.In Copper, Aluminum, Zinc and Lead markets, traders face stiff competition from domestic producers. In Nickel, Tin and minor metals segment, overseas traders/producers command a dominant position as domestic production of these metals is virtually nil.

During 2018-19 the group has achieved a Sales Turnover of ₹193.93 crore out of which import of Non Ferrous Metals like Zinc, Nickel, Cobalt and Tinetc was worth ₹191.94 crore, and brass worth ₹1.47 crore. MMTC's supplier base comprised of reputable international suppliers of all base and minor metals and has 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.

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, Aluminum, 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. Tie 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.

(b) Steel/Pig Iron

The year 2018 was a subtle year full of upheavals especially for the iron and steel industry. While the robustness of steel demand recovery seen in 2017 was carried forward to 2018, risks have also increased. Rising trade tensions and volatile currency movements are increasing uncertainty in the global steel industry. While the forecast for 2019 is that global steel demand will grow by1.4% reaching to 1,681.2 MnT, however, the same will be dependent upon growth of steel consuming industry.

During the year the group has achieved a turnover of ₹1871.15 cr which includes export of Pig Iron worth ₹375.52 crore and slag worth ₹8.18 crore. The Domestic Trade in Steel products like pig iron, slag, billets etc was worth ₹1487.45 crore. The Pig Iron is produced by MMTC's joint venture with Govt. of Odisha, M/s. Neelachal Ispat Nigam Limited. MMTC-NINL is the 2nd largest Pig Iron exporter. MMTC caters to the overseas market like Thailand, Malaysia, South Korea, China, Taiwan, Indonesia & Vietnam and has entered into emerging markets like Bangladesh and Sri Lanka. After a long time the group has entered into Billets domestic market which was very well accepted. The group has sold approx. 36,000 MT of steel Billets in domestic market, through E-Auction & Price Circular. During the year the group has been awarded with EEPC National Award for the year 2017-18 for export of Pig Iron.

Slowdown in Steel Sector all across globe had also hit Indian Pig Iron Exports to a great extent. Despite adverse market conditions during the year, the Group has performed well. Its customer base has grown for both domestic and international markets.

The group shall be exploring possibility of export of Pig Iron & Billets to Bangladesh & Sri Lanka.

Agro Products

The Agro group of your Company achieved a turnover of ₹980.03 crore during FY 2018-19 which include import of pulses worth ₹609.69 crore, and domestic trade of pulses and edible oil amounting to ₹370.34 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.

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 2018-19, 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. MMTC is also participating in the tenders of State Governments for supply of RBD palm oil.

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. This group is no exception to this development.

Outlook for 2019-20 for agri commodities except pulses are not very encouraging considering the fact that international market for commodities like wheat, rice, edible oil, etc is yet to recover from the bearish sentiments. Currency risk is one of the major concerns for Agri commodities trade, followed by high volatility in prices and its tendency to move along with other non-related commodities like Crude Petroleum.

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. MMTC is taking initiatives for import of maize and palm oil and is also exploring opportunities for export of rice and sugar.

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 2018-19, the Fertilizer and Chemicals group of your Company has contributed a turnover of ₹10132.43 crore during the financial year 2018-19. It included import on behalf of Government of India of about 4.49 million tonnes of urea amounting to ₹10,096.53 crore, and import of Sulphur worth ₹17.27 crore, domestic trade of fertilizers worth ₹4.55 crore. Urea is one of the major fertilizers to meet nitrogen nutrient requirement of the soil. During the financial year 2018-19, MMTC's urea import have accounted for approximately 81% of country's import requirement.

Fertilizer industry in India has been passing through tough phase in recent years. The year under review was a difficult period for the fertilizer industry in general in India due to the rainfall turned marginally below the average which directly impacts the quantum of chemical fertilizers used in agriculture. Around 59% of India received substantially less rainfall. Short rainfall 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.

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 2019-20 for India will depend on the monsoon and as per forecast, the rainfall may be less than normal in current year monsoon and the Government policy. The global economy continues to face challenges. 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, i.e. import of Urea on Government account and aggressively exploring new fertilizer products for trading. The action plan for achieving targets for 2019-20 includes import of required quantities of Urea on behalf of Department of Fertilizers and focus on Phosphates raw materials intermediates and finished fertilizers, export of urea & DAP to Nepal to improve bilateral relations between the two countries.

Coal and Hydrocarbons

India imports around one-fourth of the domestic coal consumption in the country. Govt. thrust is to lower the country's reliance on coal imports by boosting the indigenous coal production; except to feed power plants located along the coast. As per the present Import Policy, coal can be freely imported (under Open General License by the consumers themselves considering their needs. The imported steam coal segment is dominated by private players.

The Coal and Hydrocarbons Group of your Company has achieved a turnover of ₹1452.19 crore which included domestic trade of hydrocarbons worth ₹355.57 crore. The products handled by this group are Steam Coal and Coking Coal.

For Steam Coal, MMTC has till now mainly focused on catering to the requirements 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.

MMTC is 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. In order to meet growing coking coal requirements of our steel plant set up under joint venture, MMTC is importing coking coal supplies from LTA suppliers i.,e. BHP Billiton, Australia and Contura Coal Sales, USA. MMTC is regularly selling LAM Coke & Nut Coke to bulk buyers like RINL, TATA Metalliks and other buyers in East India to generate fund inflow.

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 utilize the land located at Abrakhnagar, Koderma District.

General Trade

The General Trade Group of your company achieved a turnover of ₹26.60 crore during the year under review. The group finalized export of about 82 MT of Red Sanders based on the allocation received from Directorate of Revenue Intelligence, valuing ₹21.37 crore during the year 2018-19. Further, MMTC has signed contracts with foreign buyers for quantity of approx. 49 MT valuing ₹12.50 crore approx. which is under performance. During the year the group has created panel of Associate manufacturers for supply of Conductors, Cables and Transformers and participated in the tender in Liberia for supply of line hardware.

Sale of Wind Power generated from the Wind Farm at Gajendragad in Karnataka earned a turnover of ₹5.18 crore and earned a profit of ₹3.74 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 - 2018-19

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 2018-19, a sum of Rs. 125.4 lakhs was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceeding three years.

The funds allocated during 2018-19 under CSR were spent towards activities majorly related to Healthcare, Promotion of Education & Nutrition, Swachh Bharat Abhiyan, Clean Ganga Mission and Skill Development. Besides this, MMTC supported distribution of hand held KAPAS plucker machines to farmers.

2. The Composition of the CSR Committee

The Committee of Directors on CSR during 2018-19 comprised of the following members:

- Shri Rajnish Goenka, Independent Director as Chairman
- Dr. Jayant Dasgupta, Independent Director as Member
- Shri Ved Prakash, CMD as Member
- Shri T.K. Sengupta, Director (Personnel) as Member
- Shri Sunil Kumar, Addl. Secretary, MoC&I and Govt. Nominee Director 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 2015-16, 2016-17 and 2017-18 were ₹47.79 crores, ₹81.23 crores and ₹59.13 crores respectively.

Thus the average net profit of the preceding three years worked out to ₹**62.72 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 ₹**125.4 lakhs**.

5. Details of CSR spent during the financial year.

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

₹62.93 lakhs was spent during 2018-19, out of total annual allocation of Rs. 125.4 lakhs.

(b) Amount unspent, if any;

₹62.47 lakhs 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 2018-19, an amount of ₹125.4 lakhs was approved by the Board of Directors for various CSR projects/programs to be implemented in Aspirational Districts & other locations. Minimum 60% allocation is to be expended in Aspirational Districts against which MMTC has allocated more than 75% of its annual budget in Aspirational Districts. 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. Aspirational district project proposals were received only in the month of Dec'2018, although the projects works have been awarded and work is under progress and due for completion in 2019-20. Accordingly, owing to the progress against various CSR construction projects/programs worth ₹62.47 lakhs, is under various stages of implementation, the same are being carried forward for completion during FY 2019-20.

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)	(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	Constructions of labour rooms at REGEDA, UTKELA and RISIDA public health centres Aspirational Districts of Odisha	Healthcare	Kalahandi, Odisha	₹75.24 lakhs	₹22.09 lakhs	₹22.09 lakhs	Direct. The unspent amount will be released during 2019-20 as the project is on-going.
2	Providing financial support towards Mid-Day Meal Programme	Nutrition & Education	Baran, Rajasthan	₹6.11 lakhs	₹6.11 lakhs	₹6.11 lakhs	Implementing Agency: Akshaya Patra Foundation
3	Construction of cold room facility for the use of mid-day meals to children studying in schools	Nutrition & Education	Visakhapatnam, Andhra Pradesh	₹5.50 lakhs	₹5.50 lakhs	₹5.50 lakhs	Implementing Agency: Akshaya Patra Foundation
4	Providing funds to Swachh Bharat Kosh	Swachh Bharat Mission	-	₹5.00 lakhs	₹5.00 lakhs	₹5.00 lakhs	Implementing Agency: Swachh Bharat Kosh
5	Providing funds to Clean Ganga Fund	Swachh Bharat Mission	-	₹5.00 lakhs	₹5.00 lakhs	₹5.00 lakhs	Implementing Agency: National Mission for Clean Ganga
6	Distribution of hand held KAPAS plucker machines to farmers		-	₹5.00 lakhs	₹5.00 lakhs	₹5.00 lakhs	Implementing Agency: Cotton Corporation of India
7	Undertaking Skill development training for disadvantaged social groups (Women, downtrodden and under priviledged children) in the + area of beautician (beauty & wellness)	Skill Development & Livelihood	Delhi	₹5.00 lakhs	₹4.00 lakhs	₹4.00 lakhs	Implementing Agency: Shree Deep Chand Educational Society, NGO. The unspent amount will be released during 2019-20 as the project is on-going.

8	Undertaking skill development program in the trades of tailoring cutting, embroidery & lace making and fashion designing	Skill Development & Livelihood	Hazaribagh, Jharkhand	₹7.50 lakhs	₹6.00 lakhs	₹6.00 lakhs	Implementing Agency: A.K. Mishra Foundation, NGO. The unspent amount will be released during 2019-20 as the project is on-going.
9	Construction of infrastructure in school	Promoting Education	Kandikuppa, Andhra Pradesh	₹5.00 lakhs	0	0	Direct. The project is under progress. The amount will be released during 2019-20.
10	Addl. GST liablity on CSR Project of Odisha in 2017-18	Swachh Bharat Mission	Jajpur, Odisha	₹4.00 lakhs	₹4.00 lakhs	₹4.00 lakhs	Direct.
11	Impact Assessment Studies	-	-	₹1.82 lakhs	0	0	Implementing Agency: To be decided. To be undertaken in the financial year 2019-20.
12	Providing infrastructure in school	Promoting Education	Chennai, Tamil Nadu	₹0.23 lakhs	₹0.23 lakhs	₹0.23 lakhs	Direct.

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 four 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 2018-19 was as under:-

S No.	Name of Director	Executive/ Non-Executive	Designation held	Other Listed Company in which Directorship is held	No. of Directorship in other Board as on 31.3.2019	No. of Board Committees ofwhich Member/ Chairman* (as on 31.3.2019)
1	Mr Ved Prakash	Executive	Chairman & Managing Director		Chairman-3 Director-2	Member-1
2	Mr Sunil Kumar	Non-Executive	Govt. Nominee Director	State Trading Corporation Limited	1	Chairman-1
3	Dr. SC Pandey (upto 30.06.2019)	Non- Executive	Govt. Nominee Director	State Trading Corporation Limited H.M.T Ltd. Bharat Heavy Electricals Ltd.	Director-9	Member-3
4	Mr. Ashwani Sondhi	Executive	Director (Marketing)	N.A.	Director-3	NIL
5	Mr. T K Sengupta (Upto 31.03.2019)	Executive	Director (Personnel)	N.A.	Director-1	NIL
6	Mr. Umesh Sharma	Executive	Director (Finance)	State Trading Corporation Limited	Director-5	Member-1
7	Mr. J. Ravi Shanker (w.e.f. 04.07.2018)	Executive	Director (Marketing)	N.A.	Director-4	NIL
8	Mr. R Anand (Upto 14.06.2019)	Non- Executive	Part Time Non-official (Independent) Director	Sterling Holiday Resorts Ltd.	Director-6	Chairman-1 Member-2
9	Mr.B K Shukla (Upto 14.06.2019)	Non-Executive	Part Time Non-official (Independent) Director	N.A.	NIL	NIL
10	Mr. Rajnish Goenka	Non-Executive	Part Time Non-official (Independent) Director	N.A.	Director-3	Member-1
11	Dr. Jayant Dasgupta	Non-Executive	Part Time Non-official (Independent) Director	N.A.	NIL	Member-1

12	Mr. R R Jadeja	Non- Executive	Part Time Non-official (Independent) Director	N.A.	NIL	NIL
13	Mr. Manjunath G. (w.e.f. 21.12.2018)	Non-Executive	Part Time Non-official (Independent) Director	N.A.	NIL	NIL

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

Changes in Board of Directors (since 01.04.2018)

Sl. No.	Name of Director	Category	Date of Appointment/ Cessation	Particulars of Change
1	Mr. P.K. Jain	Executive Director	14.5.2018	Cessation
2	Mr. J. Ravi Shanker	Executive Director	04.07.2018	Appointment
3	Mr. G. Manjunath	Part Time Non-official (Independent) Director	21.12.2018	Appointment
4	Mr. R. Anand	Part Time Non-official (Independent) Director	14.06.2019	Cessation
5	Mr. B.K. Shukla	Part Time Non-official (Independent) Director	14.06.2019	Cessation
6	Mr. Rajiv Ranjan Sinha	Executive Director	19.06.2019	Appointment
7	Dr. S.C Pandey	Govt. Nominee Director	30.06.2019	Cessation
8	Mr. Shashank Priya	Govt. Nominee Director	19.08.2019	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 @ ₹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 2018-19 to Functional Directors including CMD are given below:

Name of Director	Salary & benefits	Performance related pay during 2018-19*	Bonus, Stock option, pension, severance fee	No. of shares of MMTC held as on 31.3.2019
Executive Directors				
Mr Ved Prakash	5727455	564952	Nil	15
Mr. T K Sengupta	4022243	64167	Nil	Nil
Mr. P K Jain (upto 14.5.2018)	722219**	(-)115891	Nil	Nil
Mr. Ashwani Sondhi	4307161	95025	Nil	750
Mr. Umesh Sharma	4254662	179440	Nil	Nil
Mr. J.Ravi Shanker (w.e.f. 4.7.2018)	2470866	0	Nil	Nil

*PRP shown above pertains to the F Y 2017-18 paid during F Y 2018-19 on ad-hoc basis and final settlement of PRP for 2015-16.

** Recovery of ₹366433/- has been made from his salary due during 2018-19 on account of recovery towards perks, apart from the recovery of ₹115891 towards PRP advance on ad-hoc basis for 2015-16 and 2016-17.

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. In terms of OM dt, 18.7.2018 regarding holding of Board Meeting of CPSEs, one meeting of the Board of Directors was held in Bhubaneswar on 16.1.2019. 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 six times i.e. on 29.05.2018, 14.08.2018, 27.09.2018, 12.11.2018, 16.01.2019, & 14.02.2019. The attendance of the Directors at these Board Meetings and the last AGM on 28th September 2018 was as under:-

	Name of The Director	No. of Board meetings held during the period the Director was on Board	No. of Board Meetings attended	Presence at Previous AGM held on 28.09.2018
(a)	**Functional Directors**			
	Mr. Ved Prakash	6	6	Yes
	Mr. Ashwani Sondhi	6	6	Yes
	Mr. T K Sengupta	6	5	Yes
	Mr. Umesh Sharma	6	6	Yes
	Mr. J. Ravi Shanker	5	5	Yes
(b)	**Ex-officio Part Time Directors (Govt. Nominee)**			
	Mr. Sunil Kumar	6	4	No
	Dr. S C Pandey	6	3	No
(c)	**Non- official Part Time(Independent) Directors**			
	Mr. R Anand	6	6	Yes
	Mr. B K Shukla	6	6	Yes
	Mr Rajnish Goenka	6	6	Yes
	Dr. Jayant Dasgupta	6	5	Yes
	Mr R R Jadeja	6	6	Yes
	Mr. Manjunath G.	2	2	N.A.

Separate Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 14th February, 2019 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.

Performance Evaluation of Board Members

Ministry of Corporate Affairs vide Circular dated 5th June 2015 has exempted Govt companies from the provisions of Section 178(2) which provides for manner of performance evaluation of Board of Directors, Committee of Board of Directors and director by the Nomination & Remuneration Committee. Similar exemption is also expected from SEBI under the SEBI(LODR) Regulations, 2015. The above mentioned circular of MCA also exempted Govt Companies from provisions of Section 134(3)(p) which requires mentioning the manner of formal evaluation of its own performance by the Bord and that of its Committees/Individual director in Board's Report, if directors are evaluated by the administrative ministry/department of the Central Govt/State Govt as per its own evaluation methodology. In this regard, DPE has already laid down a mechanism for performance appraisal of functional directors. DPE has also initiated evaluation of Independent Directors.

It may further be mentioned that MMTC enters into MOU with Govt of India (Ministry of Commerce & Industry) each year, containing key performance parameters for the company. The MOU targets are considered and form an integral part of performance appraisal of the individuals. The MOU covers all operational and performance parameters including financial targets, cost cutting targets, community development and any other relevant factor. The performance of the company is evaluated annualy by the DPE vis-à-vis MOU entered into with the Govt of India.

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. Committee of Directors on CSR and Sustainability
5. Risk Management Committee of Directors
6. Share Transfer Committee
7. Committee of Directors on Personnel Policies
8. Committee of director on Subsidiary, Joint Venture & Associate Companies
9. Functional 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 31.03.2019. 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 2018-19, the Committee met four times as detailed hereunder:-

S. No.	Date of Meeting	Member Present	Chairperson
1	29.05.2018	Shri B.K. Shukla Dr. Jayant Dasgupta	Shri R Anand
2	14.08.2018	Shri B.K. Shukla Dr. SC Pandey	Shri R Anand
3	12.11.2018	Shri B.K. Shukla Dr. Jayant Dasgupta	Shri R Anand
4	14.02.2019	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:

Your company is a Central Public Sector Enterprise and accordingly the appointment of CMD and Directors and fixation of their remuneration are decided by the President of India in accordance with the Articles of Association of the Company. However, the company has constituted a Nomination & Remuneration Committee pursuant to the provisions of the Companies Act, 2013, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance for CPSEs. The Part Time Non-official (Independent) Directors are paid sitting fees for attending Board and Committee Meetings. As per norms of the Government of India, the Government Nominee Directors are not entitled to get any remuneration/sitting fee from the company.

As appointment of Directors on the Board is made by the Government of India, accordingly evaluation of Directors is done by the Government of India. It may be noted that Ministry of Corporate Affairs vide notification dated 5.6.2015 has exempted all Government Companies from the provision of Section 178(2), (3) and (4) of Companies Act, 2013 which requires formulation of criteria for determining qualification, positive attributes, independence and annual evaluation of Directors & Policy Relating to Remuneration of Directors.

During the year 2018-19, the Nomination & Remuneration Committee of Directors comprised of Shri B K Shukla, Part Time non- official (Independent) Director as Chairperson, Shri R Anand, Part Time non-official (Independent) Director and Shri R.R Jadeja, Part Time non-official (Independent) Director as Members. The role and terms of reference of the Nomination and Remuneration Committee are as laid down in the Companies Act, 2013 including any rules made thereunder, SEBI (LODR) Regulations 2015 and DPE's Guidelines as amended from time to time. The Company Secretary is the Secretary of the Committee. During the year 2018-19, the Committee met two times as detailed hereunder:-

S. No.	Date of Meeting	Member Present	Chairperson
1	27.09.2018	Shri R Anand Shri R.R. Jadeja	Shri B K Shukla
2	16.01.2019	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

As per the requirements of Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Company has set up a Stakeholders Relationship Committee to look into the redressal of the compliance of investors. During 2018-19 the composition of Stakeholder Relationship Committee constituted by the Board of Directors comprised of Shri Sunil Kumar, AS, Ministry of Commerce & Industry & Part Time Govt. Nominee Director as Chairman, Shri R. Goenka, Part Time non-official (Independent) Director, and CMD, MMTC as its members. Company Secretary is the Secretary to the Committee. During 2018-19 no meeting of this committee was held.

Details of Investor Complaints/Grievances during the FY 2018-19:

No. of Compliance pending at the beginning of the year	No. of Complaints during the year received	No. of complaints resolved during the year	No. of Complaints pending as on 31.03.2019#
1	17	16	2

Pending complaints were resolved in the first week of April 2019.

4. 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 2018-19 one meeting of this committee was held and details are hereunder: -

S. No.	Date of Meeting	Member Present	Chairperson
1	06.08.2018	Shri Ved Prakash Shri T.K. Sengupta Dr. Jayant Dasgupta	Shri. Rajneesh Goenka

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

5. 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 2018-19 one meeting of this Committee was held on 29th March 2019 which was attended by all the members of the Committee except Director(P).

6. 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 2018-19 no meeting of this committee was held.

7. 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. The Company Secretary is the Secretary to the Committee. During 2018-19 three meetings of this Committee were held on 23.07.2018, 06.08.2018 & 14.02.2019 and Minutes of these meetings were submitted before the Board for its information.

8. **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, and Shri Ashwani Sondhi, Director (Marketing), MMTC as Member. The Company Secretary is the Secretary to the Committee. During 2018-19 no meeting of this Committee was held.

9. **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 2018-19 forty-six meetings of this Committee were held. The minutes of these meetings were submitted to Board of Directors for information.

GENERAL BODY MEETINGS

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

Nature of meeting	Date & time	Special Resolution passed
53rd Annual General Meeting	28.09.2016 at 1030hrs	Two
54th Annual General Meeting	26.09.2017 at 1100hrs	Nil
55th Annual General Meeting	28.09.2018 at 1100hrs	Nil

POSTAL BALLOT

During the year 2018-19, two special resolutions were passed through postal ballot for amending the authorized share capital of the company from Rs.100 crores to Rs.200 crores in Clause V of MOA and Article 4 of the AOA of the company and one ordinary resolution was passed for issue of bonus shares, the results were declared on 25.4.2018. Another special resolution was passed for further investment in Neelachal Ispat Nigam Ltd – a JV company, the results were declared on 24.8.2018.

Further, as of now, no ordinary/special resolution is proposed to be conducted through postal ballot.

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 Company has not opted for Employees Stock Option Scheme.

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

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

f) The Company has broadly complied with all the requirements of SEBI (LODR) Regulations 2015, the Companies Act, 2013 and Guidelines on Corporate Governance for CPSEs issued by DPE, Government of India except as mentioned above in the Report.

g) The Company had received notices from NSE/BSE for non-compliance of provisions of Regulation 17(1) of SEBI(LODR) during 2018-19. As the powers for appointment of Directors on the Board are vested with the Government of India and the same was not within the powers of Board of Directors of the Company, request was made to Stock Exchanges for waiver of penalty. Except mentioned above, 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.

h) Pursuant to Clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the disclosures regarding commodity risks by listed entities is placed at Annexure-C to this Report.

CEO/CFO Certification

As required under Regulation 17(8) of SEBI(LODR) Regulations, 2015, the Certificate duly signed by Chairman & Managing Director and CFO of the company was placed before the Board of Directors at the meeting held on 30th May 2019 and the same is annexed **(Annexure-A)** to Corporate Governance Report.

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 56th Annual General Meeting of the Company is scheduled to be held on 30th September 2019 at Auditorium, 'SCOPE' Complex , 7 Institutional Area, Lodhi Road, New Delhi-110003

(b) Financial Calendar for 2019-20

1st quarter results (unaudited) shall be declared on or before 14.08.2019

2nd quarter results (unaudited) shall be declared on or before 15.11.2019

3rd quarter results (unaudited) shall be declared on or before 14.02.2020

4th quarter results (audited) and Annual Audited Results for 2019-20 shall be declared on or before 30.05.2020 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 **21st to 30th September 2019** (both days inclusive) for the purpose of AGM and declaration of final dividend at the Annual General Meeting.

(d) Dividend Payment

Pursuant to provisions of Section 43A of SEBI (LODR) Regulations, 2015, the company has formulated a Dividend Distribution Policy annexed herewith at Annexure-B and the same is available at: https://mmtclimited.com/files/ Dividend%20Distribution%20Policy.pdf. The details of dividend paid during the last three years are as under:

Year	2015-2016	2016-2017	2017-18
Rate	30%	30%	30%
Date	17.10.2016	17.10.2017	20.10.2018

(e) Listing on stock exchanges: The Shares of the company continue to be listed at BSE and NSE. Listing fees for F.Y. 2019-20 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 2018-19 is given below:

Month	High (Rs)	Low (Rs)	Month	High (Rs)	Low (Rs)
Bombay Stock Exchange			**National Stock Exchange**		
April 2018	70.3	55.7	April 2018	70.5	55.75
May 2018	65.85	32.9	May 2018	65.8	32.80
June 2018	40.2	31	June 2018	40.25	30.95
July 2018	35.45	30.45	July 2018	35.6	30.60
August 2018	35.2	31.3	August 2018	35.15	31.25
September 2018	35.6	26.85	September 2018	35.75	26.65
October 2018	32.95	24.05	October 2018	32.85	24.05
November 2018	32.45	28.05	November 2018	32.30	28.20
December 2018	31.45	25.8	December 2018	31.40	25.70
January 2019	31.4	26	January 2019	31.35	26.00
February 2019	28.7	23.85	February 2019	28.65	23.85
March 2019	29.9	25.65	March 2019	29.85	25.50

(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 2019, out of 150 crores equity shares of MMTC Ltd of face value of Re.1/- each, 1348903143 shares are held by the President of India and 151096857 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 31.03.2019. 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) Transfer of unclaimed amount of dividend to Investor Education and Protection Fund (IEPF)

In accordance with the provision of Section 125 of Companies Act, 2013, during the Financial Year an amount of Rs. 29806/- pertaining to unclaimed final dividend for the FY 2010-11 has been transferred to IEPF. The company has uploaded the details of shareholders of the company containing information like name, address, amount due to be transferred to IEPF and due date of transfer of amount to IEPF on its website. The company has been issuing notices in the new papers from time to time to invite attention of the shareholders who have not preferred their claim, to submit their claims towards unpaid and unclaimed dividend.

(k) Transfer of shares to IEPF

In terms of section 124 (6) of Companies Act, 2013 and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), the shares in respect of which the dividend has not been paid/claimed for a period of seven years or more is required to be transferred to IEPF Authority Account. In line with these provisions as well as in accordance with the Circulars/notifications issued by the MCA from time to time, 41 number of shares of 41 shareholders were transferred to Demat Account of IEPF Authority opened with CDSL during the year 2018-19. Details of shareholders whose shares were transferred to IEPF account is available on the website of the company at the following link: https://mmtclimited.com/pages/show/166-unpaid-dividend-details, shareholders may check their details on the said web-link.

(l) Distribution of shareholding as on 31.3.2019: The Distribution of shareholding as on 31.3.2019 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	1348903143	89.93
Public shareholding			
Central Govt. (IEPF)	1	1468	0.000
Mutual Funds / UTI	2	588989	0.039
Financial Institutions/Banks	2	982427	0.065
Foreign Portfolio Investors	6	60025104	4.002
Insurance Companies	3	1400524	0.093
Non-institutions			
Bodies Corporate	715	9323563	0.622
Individual holders having share capital upto ₹2 lakh	115085	76098674	5.073
Individual holders having share capital in excess of ₹2 lakh	2	584000	0.039
Trust & Foundations	6	20250	0.001
Non-Resident Individuals	1102	2006696	0.134
NBFCs registered with RBI	4	65162	0.004
TOTAL	**116929**	**1500000000**	**100**

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

(m) Top 10 Public Shareholders as on 31st March, 2019

S. No	Name	No. of Sharesheld	% of total shares
1	LIFE INSURANCE CORPORATION OF INDIA	50909511	3.394
2	UNITED INDIA INSURANCE COMPANY LIMITED	3682471	0.2455
3	GENERAL INSURANCE CORPORATION OF INDIA	2760000	0.184
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	1712446	0.1142
5	MV SCIF MAURITIUS	992876	0.0662
6	NATIONAL INSURANCE COMPANY LTD	675268	0.045
7	KARVY STOCK BROKING LTD(BSE)	614500	0.041
8	AXIS BANK LIMITED	592982	0.0395
9	ICICI BANK LIMITED	588897	0.0393
10	WISDOMTREE INDIA INVESTMENT PORTFOLIO, INC.	406948	0.0271

(n) Distribution of Shareholding as on 31st March 2019

Category (Shares)	No. of Shares	% of Shareholding	Total No. of Shareholders	% of Shareholders
1-500	12614545	0.841	87990	74.9923
501-1000	10106421	0.6738	13483	11.4913
1001-2000	12364651	0.8243	8477	7.2248
2001-3000	7915136	0.5277	3047	2.5969
3001-4000	3741155	0.2494	1050	0.8949
4001-5000	3933255	0.2622	859	0.7321
5001-10000	10009691	0.6673	1407	1.1992
10001-50000	17098109	1.1399	906	0.7722
50001-100000	5240772	0.3494	74	0.0631
And Above	1416976265	94.4651	39	0.0332
Total	**1500000000**	**100**	**117332**	**100**

(o) Geographical Distribution of Shareholders as on 31st March 2019

S. No.	CITY	No. of Shareholders	% of total shareholders	No. of Shares	% of Total Shares
1	AHMEDABAD	6741	5.851	5166022	0.344
2	BANGALORE	3571	3.099	2527212	0.168
3	BHUBHANESHWAR	310	0.2691	186720	0.012
4	CHANDIGARH	379	0.3289	219042	0.015
5	CHENNAI	3164	2.746	7090908	0.473
6	DELHI	12915	11.21	1357593214	90.50
7	GUWAHTI	263	0.2283	329313	0.022
8	HYDERABAD	2764	2.399	3581759	0.239
9	JAIPUR	2208	1.916	1342547	0.090
10	KANPUR	725	0.6293	442676	0.030
11	KOLKATA	4197	3.643	4555671	0.304
12	MUMBAI	13601	11.80	75035051	5.00
13	NAGPUR	625	0.5425	334236	0.022
14	NCR OTH	3550	3.081	2865961	0.191
15	PATNA	512	0.4444	290169	0.019
16	TRIVANDRUM	176	0.1528	70470	0.005
17	OTHERS	61631	53.50	38369019	2.56

(p) Shareholders/ other Investor's Grievances:

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

(q) Address for Correspondence: Board Secretariat, MMTC Limited, Core-1, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi – 110003. Ph:011-24361889; E-mail: ganarayanan@mmtclimited.com

Annexure-A to Corporate Governance Report

Pursuant to provisions of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is hereby certified that:

a) The financial statements and the cash flow statement for the year ended 31.3.2019 have been reviewed and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit committee

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

sd/-	sd/-
(Umesh Sharma)	(Ved Prakash)
(Director (Finance) & CFO)	(Chairman and Managing Director)

Annexure-B to Corporate Governance Report
Dividend Distribution Policy of MMTC Limited

I Background

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed entities based on market capitalization (calculated as on 31st March of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Since MMTC is amongst the top 500 listed entities as per the criteria as at March 31, 2016, the dividend distribution policy has been formulated.

II Policy Framework

The policy has been framed broadly in line with the provisions of the Companies Act and also taking into consideration, guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises, SEBI and other guidelines, to the extent applicable.

III Factors in consideration

MMTC has been consistently paying dividends and is committed to deliver sustainable value to all stakeholders. Dividend is declared at the Annual General Meeting of the shareholders of the Company, based on the recommendations of the Board of Directors. It is at the discretion of the Board to recommend dividend. The Board may also declare interim dividend.

The decision regarding dividend pay-out is a crucial decision as it balances the amount of profit to be distributed among shareholders of the company with the requirement of deployment of internal accruals for its sustenance and growth plans. The factors generally considered before recommending/declaring dividend are as follows:

A. Circumstances under which the shareholders of the Company may or may not expect dividend

The factors that may generally be considered by the Board before making any recommendations for the dividend include, but are not limited to, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend, subject to the guidelines as applicable from time to time.

B. Financial Parameters that shall be considered while declaring dividend

Being a Central Public Sector Enterprise, the Company endeavors to declare the dividend as per the guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by DIPAM, Govt. of India on 27.05.2016, mandating every CPSE to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions.

Nonetheless, Company is expected to pay the maximum dividend permissible under the Act under which it has been set up, unless lower dividend proposed to be paid is justified on a case to case basis at the level of Ministry of Commerce & Industry after considering the following financial parameters:

(i) Net-worth and Capacity to borrow;

(ii) Long-term borrowings;

(iii) CAPEX/Business Expansion needs;

(iv) Retention of profit for further leveraging in line with the CAPEX needs; and

(v) Cash and bank balance.

C. Internal and External factors that shall be considered for declaration of dividend

C.1 Internal Factors

Net Worth of the Company

As per the extant guidelines issued by DIPAM, Govt. of India, every CPSE would pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions. Being a Government Company, MMTC is required to comply with these guidelines.

Apart from the above parameters, the Company may also consider various other internal factors, which inter alia include:

- Present & future capital requirements of the existing businesses;
- Additional investments in subsidiaries/associates of the Company;
- Any other factor as deemed fit by the Board.

C.2 External Factors

C.2.1 Economic Environment

In case of uncertain or recessionary economic and business conditions, the Company will endeavor to retain larger part of profits to build up reserves to sustain future updowns.

C.2.3 Statutory Provisions and Guidelines

The Company will adhere to the restraints imposed by Companies Act with regard to declaration of dividend. Further, being a Government Company, the Company shall also consider the guidelines in force in respect of dividend declaration as issued from time to time by the Govt. of India or by any other statutory bodies.

D. Utilization of Retained Earnings

The Company is engaged into trading of various commodities and part of its diversification measures, may form Joint Ventures in the line of business being carried out by the Company. The retained earnings will be deployed in line with the objects of the company as detailed in the Memorandum of Association of the company, thus contributing to the growth of the business and operations of the Company.

E. Parameters to be adopted with regard to various classes of shares

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

Other provisions

In case of any subsequent changes in any Statutory Act, Rules, Regulations etc. which makes any of the provisions in this policy inconsistent with them, then the provisions of the Statutory Act, Rules, Regulations etc. would prevail over the policy.

CMD is authorized to approve any minor modifications/ deviations to the policy and will be the competent authority for any interpretation with regard to this Policy.

Annexure-C to Corporate Governance Report

1 Risk Management Policy: The Board of Directors approved the Risk Management Policy after the same has been duly approved by Audit Committee of Directors to take care of various risks associated with business undertaken by the company.

2 Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year.

a. Total Exposure of the listed entity to commodities in INR and (b) Exposure of the listed entity to various commodities:

As on 31.3.2019

Commodity name	Exposure in INR towards the particular commodity Rs. Cr.	Exposure in Qty terms towards the particular commodity in Kgs	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Gold	55.52	175.9179	-	64%	-	-	64%
Silver	20.66	4534.6283	-	20%	-	-	20%

Note: 1 Silver hedging started from October 2018

2 Gold balance 36% on loan and no exposure.

c. Commodity Risk faced by the Corporation:

There is a price fluctuation risk which is covered in Commodity Exchange.

J. K. Gupta & Associates
(Company Secretaries)
256 & 257, Vardhman City Center 2,
Near Shakti Nagar Railway Under Bridge,
Gulabi Bagh, Delhi- 110052

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+91-11-23654449
+91-11-23644447
Fax : +91-11-23644448
Mobile : +91-9810043622
Website : www.jkgupta.com
E-mail : jitesh@jkgupta.com

Compliance Certificate on Corporate Governance

To
The Members of
MMTC Limited

1. We have examined the compliance of conditions of Corporate Governance by MMTC Limited for the year ended 31st March 2019 as stipulated in Regulation 17 to Regulation 27 and as per the other relevant provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises by Department of Public Enterprises (hereinafter referred as "DPE Guidelines on Corporate Governance").

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

3. In our opinion and to the best of our knowledge and information and according to the explanations given to us and based on the representations made by the directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the Listing Regulations and DPE Guidelines on Corporate Governance, except:
   a. As per Regulation 17(1), during the period under review, requisite number of independent directors were not appointed on the Board of the company.
   b. As per Regulation 17(1), during the period under review, no woman director is being appointed on the Board of the company.
   c. In compliance to the Regulation 17(10) and 25(4), the performance evaluation of the Directors of the company has not been carried out during the review period although this provision has been exempted for the Government Companies under the Companies Act, 2013.

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

For J. K. Gupta & Associates

J.K. Gupta & Associates
CS
CP No. 2448
Delhi
Company Secretaries

Jitesh Gupta
FCS No. 3978
C P No. 2448
PR No.: 2015/91

Place: Delhi
Date: 07/08/2019

MMTC Limited

Business Responsibility Report for FY 2018-19

About the Company

MMTC Ltd. 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; import of Precious metals, Non-Ferrous Metals, Fertilizers, Agro Products, Coal and Hydrocarbon and Domestic sale of Sanchi Branded silver products, India Gold Coin, Gold Medallions etc. MMTC also deals in Engineering products, has 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, Middle East, Latin America & USA.

It is the first Central Public Sector Enterprise to be accorded the status of "FIVE STAR EXPORT HOUSE" by Government of India for its 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 2018-19

As per Regulation 34(2)(f) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015, 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
   2018-19

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) Urea
   (ii) Gold
   (iii) Silver

9. Total number of locations where business activity is undertaken by the Company
   i. Number of International Locations (Provide details of major 5)
      1 Subsidiary Company in Singapore
   ii. Number of National Locations
      9 Regional Offices in India

10. Markets served by the Company - Local/State/National/International
    Asia, Europe, Africa, Middle East, Latin America and North America

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	**150 Crores**
2.	Total Turnover (INR)	**28292.82 Crores**
3.	Total profit after taxes 2018-19 (INR)	**81.43 Crores**
4.	Total budgeted expenditure on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year 2018-19, a sum of ₹125.40 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 ₹125.40 lakhs for expenditure during the year 2018-19. In terms of the Board approved CSR plan, 60% was allocated for Healthcare; 13.24% for Education & Nutrition; 7.98% for Swachh Bharat / Clean Ganga; 9.94% in Skill Development; and 8.84% in other listed items under Schedule-VII of Company's Act' 2013. Out of the total CSR budget, 79.19% was allocated for carrying out projects in Aspirational Districts notified by NITI Aayog.	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 ₹125.40 lakhs for expenditure during the year 2018-19. In terms of the Board approved CSR plan, 60% was allocated for Healthcare; 13.24% for Education & Nutrition; 7.98% for Swachh Bharat/Clean Ganga; 9.94% in Skill Development; and 8.84% in other listed items under Schedule-VII of Company's Act' 2013. Out of the total CSR budget, 79.19% was allocated for carrying out projects in Aspirational Districts notified by NITI Aayog.

SECTION C: OTHER DETAILS

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

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

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

   - No

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

   – No

SECTION D: BR INFORMATION

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

a. Details of the Director/Director responsible for implementation of the BR policy/policies for the year 2018-19

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

b. Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	
2.	Name	V. K. Pandey
3.	Designation	Chief General Manager (Personnel)
4.	Telephone number	011-24360676
5.	e-mail id	vkp@mmtclimited.com

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

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

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

Principle 3 - Businesses should promote the wellbeing of all the employees.

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

Principle 5 - Businesses should respect and promote human rights.

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

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

Principle 8 - Businesses should promote inclusive growth and equitable development.

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

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

9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y		Y	Y	Y			Y	
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y		Y		Y				

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

S. No.	Questions	P 1	P2	P 3	P4	P5	P6	P7	P8	P 9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles		✓					✓		
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

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

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

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the company, the Board has constituted various committees with distinct role, accountability and authority. The top management reviews the performance of the organization in every meeting that is held on quarterly basis. During the year 2018-19 MMTC's Management has discussed and reviewed following:

- Corporate Plan/ Draft MoU with MoC&I
- HR related issues/Pay Revision/Succession Plan/PCMM Gap Analysis
- 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. Company also engages Independent External Monitors (IEMs) in line with CVC guidelines and undertakes preventive vigilance measures.

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 31.3.2019 is 864 (including Board level executives)
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**
   Total of 304 persons 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 – 199
4. **Please indicate the Number of permanent employees with disabilities**
   Total number of permanent employees with disabilities– 23
5. **Do you have an employee association that is recognized by management?**
   Yes
6. **What percentage of your permanent employees is members of this recognized employee association?**
   100%
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

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

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

   Aiming towards further enhancing / upgrading the skills of employees in the constantly changing business scenario, 369(38.84%) 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 92(24.93%) employees/executives belonging to SC, 28 (7.59%) to ST and 86 (23.31%) women employees. In terms of man days, such training works out to 528 training man days during the year 2018-19.

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 22 grievances and all 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.

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

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

   Not Applicable

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

   Not Applicable

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

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

   a. CII

   b. FIEO

   c. FICCI

   d. ASSOCHAM

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

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

Principle 8 - Businesses should promote inclusive growth and equitable development

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

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

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 ₹125.40 lakhs for undertaking CSR activities during 2018-19.

The funds allocated during 2018-19 under CSR were spent towards activities majorly related to Healthcare, Promotion of Education & Nutrition, Swachh Bharat Abhiyan, Clean Ganga Mission and Skill Development. Besides this, MMTC supported distribution of hand held KAPAS plucker machines to farmers.

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.**

   No such case is pending for redressal.

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

   Yes. Some Regional Offices have organized Customers' Meet as well as have conducted market surveys during MMTC Festival of Gold which is an annual event for MMTC. The Feedback has helped the organization in conducting events in a more satisfactory manner.

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019
[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	44.34
2.	Wholesale of Fertilizers	46692	35.80

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 SUBSIDIARY COMPANY	100.00	2 (87)
2.	Neelachal Ispat Nigam Ltd.	U27109OR1982GOI001050	ASSOCIATE	49.78	2(6)
3.	Free Trade Warehousing Pvt. Ltd.	U63023DL2005PTC134299	ASSOCIATE	50.00	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)

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

i) Category-wise Share Holding

Category code	Category of Shareholder	No. of shares held at the beginning of the year (As on 01-Apr-18)				No. of shares held at the end of the year (As on 31-Mar-19)				% 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	1348903143	0	1348903143	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	1348903143	0	1348903143	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	1348903143	0	1348903143		89.93
(B)	Public shareholding									
1	Institutions	0								
(a)	Mutual Funds	4,06,248	0	4,06,248	0.0406	588989	0	588989	.0393	-0.02
(b)	Bank/FI	4,38,594	0	4,38,594	0.0439	982427	0	982427	0.655	0.19
(c)	Central/State Govts. (IEPF)	0	0	0	0	1468	0	1468	00.000001	0.00
(d)	Venture Capital Funds		0			-	0		-	0.00
(e)	Insurance Co.	4,00,16,737	0	4,00,16,737	4.0017	60025104	0	60025104	4.0017	1.73
(f)	FII		0			-		0	-	0.00
(g)	Foreign Portfolio Investors	10,87,554	0	10,87,554	0.1088	1400524	0	1400524	.0934	-0.11
(i)	Any Other (specify)		0	0	-		0	0	-	0.00
	Sub-Total (B)(1)	4,19,49,133		4,19,49,133	4.1949	62998512		62998512	4.1999	1.80
2	Non-institutions									
(a)	Bodies Corp. i) Indian	99,64,288	0	99,64,288	1.00	9323563	0	9323563	.6216	-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	4,65,57,312	2,831	4,65,60,143	4.66	76093213	5461	76098674		-1.35
II	Resident Individuals holding nominal share capital in excess of Rs. 2 lakh.	9,02,801	0	9,02,801	0.09	584000	0	584000		-0.05
(c)	Others (Specify)	0						0		
(c-i)	Trust	12,500		12,500	0.00	20250	0	20250		-0.00
(c-ii)	Non-Resident Indians	12,96,273		12,96,273	0.13	2006696	0	2006696		-0.04
(c-iii)	Clearing Members	0	0		0.0000			0	-	0.00
(c-iv)	NBFCs registered with RBI	46,100		46,100	0.00	65162	0	65162	0.00	
	Sub-Total (B)(2)	4,07,98,513	3,079	4,08,01,592	4.08	88092884	5461	88098345		-1.80
(B)	Total Public Shareholding (B)=(B)(1)+(B)(2)	10,07,28,159	3,079	10,07,31,238	10.0731	151091396	5461	151096897	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	1499994539	5461	1500000000	100.00	0.00

(ii) **Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning (01-Apr-2018) of the year			Shareholding at the end (31-Mar-2019) 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 share-holding during the year
1	THE PRESIDENT OF INDIA	899268762	89.9269	NIL	1348903143	89.9269	NIL	
	Total	899268762	89.9269	NIL	1348903143	89.9269	NIL	

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

Sl. No.		Shareholding		Date	Increase/ (Decrease) in Share-holding	Reason	Cumulative Shareholding during the year (01-Apr-18 to 31-Mar-19)	
		No. of Shares at the beginning (01-Apr-18)/end of the year (31-Mar-19)	% 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-18	449634381	Issue of Bonus Shares		
	At the end of the year	89,92,68,762	89.9269	31-Mar-19			1348903143	89.9269

DETAILS OF TOP 10 SHAREHOLDERS FROM 31-03-2018 to 31-03-2019 and their transactions (Other than promoters)

				Shareholding					Cumulative Shareholding during the year (31-03-18 to 31-03-19)		
S. No	Folio No	Name	PAN	No of shares at the Beginning (31-03-18)/ end of the Year (31-03-19)	% of total shares of the Company	Date	Increase/ Decrease in Share-holding	Reason	Shares	% of total shares of the company	Category
1	IN30081210000012	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H	33939674	2.26	20180331					INSURANCE COMPANIES
						20180518	16969837	**BONUS**	50909511	3.39	
				50909511	3.39	20190330					
2	IN30081210000543	UNITED INDIA INSURANCE COMPANY LIMITED	AAACU5552C	2454981	0.16	20180331					GIC & ITS SIBSIDIARIES
						20180518	1227490	**BONUS**	3682471	0.25	
				3682471	0.25	20190330					
3	IN30081210000029	GENERAL INSURANCE CORPORATION OF INDIA	AAACG0615N	1840000	0.12	20180331					GIC & ITS SIBSIDIARIES
						20180518	920000	**BONUS**	2760000	0.18	
				2760000	0.18	20190330					
4	IN30081210001728	THE NEW INDIA ASSURANCE COMPANY LIMITED	AAACN4165C	1141631	0.08	20180331					GIC & ITS SIBSIDIARIES
						20180518	570815	**BONUS**	1712446	0.11	
				1712446	0.11	20190330					

5	IN30016710081087	MV SCIF MAURITIUS	AAGCM4803N	1087554	0.07	20180331					FOREIGN BODY CORPORATE
						20180406	-10042	Sale	1077512	0.07	
						20180427	-160609	Sale	916903	0.06	
						20180504	-6159	Sale	910744	0.06	
						20180518	455372	BONUS	1366116	0.09	
						20180615	-29858	Sale	1336258	0.09	
						20180622	-4827	Sale	1331431	0.09	
						20180629	-59472	Sale	1271959	0.08	
						20180727	14843	Sale	1286802	0.09	
						20180929	-183204	Sale	1103598	0.07	
						20181116	-3427	Sale	1100171	0.07	
						20181123	25516	Purchase	1125687	0.08	
						20181228	21638	Purchase	1147325	0.08	
						20190315	-13067	Sale	1134258	0.08	
						20190322	-134685	Sale	999573	0.07	
						20190329	-6697	Sale	992876	0.07	
				992876	0.07	20190330					
6	IN30081210000502	NATIONAL INSURANCE COMPANY LTD	AAACN9967E	450179	0.03	20180331					GIC & ITS SIBSIDIARIES
						20180518	225089	BONUS	675268	0.05	
				675268	0.05	20190330					
7	IN30039411458979	KARVY STOCK BROKING LTD (BSE)	AABCK5190K	542000	0.04	20180331					OTHER BODY CORPORATE
						20180406	-24000	Sale	518000	0.03	
						20180413	-20000	Sale	498000	0.03	
						20180427	30000	Purchase	528000	0.04	
						20180518	242000	**BONUS**	770000	0.05	
						20180622	-35000	Sale	735000	0.05	
						20180629	-97500	Sale	637500	0.04	
						20190125	50000	Purchase	687500	0.05	
						20190215	-16000	Sale	671500	0.04	
						20190222	-34000	Sale	637500	0.04	
						20190308	-21000	Sale	616500	0.04	
						20190322	-2000	Sale	614500	0.04	
				614500	0.04	20190330					
8	IN30048412622255	AXIS BANK LIMITED	AAACU2414K	168815	0.01	20180331					PVT BANK/ COOPBANK/ PVT MFs/ PVT INST.
						20180406	-4306	Sale	164509	0.01	
						20180413	5699	Purchase	170208	0.01	
						20180420	-2286	Sale	167922	0.01	
						20180427	-12302	Sale	155620	0.01	
						20180504	-33346	Sale	122274	0.01	
						20180511	2863	Purchase	125137	0.01	
						20180518	94879	**BONUS**	220016	0.01	
						20180525	-653	Sale	219363	0.01	
						20180601	-23698	Sale	195665	0.01	
						20180608	-22500	Sale	173165	0.01	
						20180615	-1036	Sale	172129	0.01	
						20180622	-5008	Sale	167121	0.01	
						20180629	4815	Purchase	171936	0.01	
						20180706	-2514	Sale	169422	0.01	
						20180713	56510	Purchase	225932	0.02	

						20180720	-7841	Sale	218091	0.01	
						20180727	-40030	Sale	178061	0.01	
						20180803	-6901	Sale	171160	0.01	
						20180810	47042	Purchase	218202	0.01	
						20180817	-23400	Sale	194802	0.01	
						20180824	-5280	Sale	189522	0.01	
						20180831	-13118	Sale	176404	0.01	
						20180907	5869	Purchase	182273	0.01	
						20180914	-4694	Sale	177579	0.01	
						20180921	-4135	Sale	173444	0.01	
						20180929	143253	Purchase	316697	0.02	
						20181005	-15067	Sale	301630	0.02	
						20181012	-11312	Sale	290318	0.02	
						20181019	-25637	Sale	264681	0.02	
						20181026	-123824	Sale	140857	0.01	
						20181102	-6231	Sale	134626	0.01	
						20181116	-3234	Sale	131392	0.01	
						20181123	-176	Sale	131216	0.01	
						20181130	7677	Purchase	138893	0.01	
						20181207	5004	Purchase	143897	0.01	
						20181214	2608	Purchase	146505	0.01	
						20181221	58185	Purchase	204690	0.01	
						20181228	-58560	Sale	146130	0.01	
						20190104	-7410	Sale	138720	0.01	
						20190111	-650	Sale	138070	0.01	
						20190118	125978	Purchase	264048	0.02	
						20190125	124162	Purchase	388210	0.03	
						20190201	79557	Purchase	467767	0.03	
						20190208	-40866	Sale	426901	0.03	
						20190215	258	Purchase	427159	0.03	
						20190222	18496	Purchase	445655	0.03	
						20190301	-8823	Sale	436832	0.03	
						20190308	-58872	Sale	377960	0.03	
						20190315	-14249	Sale	363711	0.02	
						20190322	71706	Purchase	435417	0.03	
						20190329	157565		592982	0.04	
				592982	0.04	20190330					
9	IN30134820016807	ICICI BANK LIMITED	AAACI1195H	406248	0.03	20180331					PVT BANK/ COOP BANK/ PVT MFs/ PVT INST.
						20180406	-39372	Sale	366876	0.02	
						20180413	-13391	Sale	353485	0.02	
						20180420	2771	Purchase	356256	0.02	
						20180427	21965	Purchase	378221	0.03	
						20180504	-66330	Sale	311891	0.02	
						20180511	43027	Purchase	354918	0.02	
						20180518	133627	**BONUS**	488545	0.03	
						20180525	20743	Purchase	509288	0.03	
						20180601	-32015	Sale	477273	0.03	
						20180608	-43667	Sale	433606	0.03	
						20180615	-50874	Sale	382732	0.03	
						20180622	23078	Purchase	405810	0.03	
						20180629	6597	Purchase	412407	0.03	
						20180706	25600	Purchase	438007	0.03	
						20180713	44713	Purchase	482720	0.03	

						20180720	-22108	Sale	460612	0.03	
						20180727	-5685	Sale	454927	0.03	
						20180803	-3329	Sale	451598	0.03	
						20180810	14176	Purchase	465774	0.03	
						20180817	6871	Purchase	472645	0.03	
						20180824	4439	Purchase	477084	0.03	
						20180831	-693	Sale	476391	0.03	
						20180907	10426	Purchase	486817	0.03	
						20180914	-12856	Sale	473961	0.03	
						20180921	35261	Purchase	509222	0.03	
						20180929	-30623	Sale	478599	0.03	
						20181005	-10936	Sale	467663	0.03	
						20181012	28011	Purchase	495674	0.03	
						20181019	1447	Purchase	497121	0.03	
						20181026	183971	Purchase	681092	0.05	
						20181102	16721	Purchase	697813	0.05	
						20181109	17479	Purchase	715292	0.05	
						20181116	156297	Purchase	871589	0.06	
						20181123	-130012	Sale	741577	0.05	
						20181130	-51239	Sale	690338	0.05	
						20181209	-123465	Sale	566873	0.04	
						20181214	84810	Purchase	651683	0.04	
						20181221	-6515	Sale	645168	0.04	
						20181228	-12795	Sale	632373	0.04	
						20181231	-4612	Sale	627761	0.04	
						20190104	-24697	Sale	603064	0.04	
						20190111	-64090	Sale	538974	0.04	
						20190118	64414	Purchase	603388	0.04	
						20190125	22360	Purchase	625748	0.04	
						20190201	-46129	Sale	579619	0.04	
						20190208	28160	Purchase	607779	0.04	
						20190215	17755	Purchase	625534	0.04	
						20190222	32560	Purchase	658094	0.04	
						20190301	-67192	Sale	590902	0.04	
						20190308	-4374	Sale	586528	0.04	
						20190315	57100	Purchase	643628	0.04	
						20190322	-1008	Sale	642620	0.04	
						20190329	-53723	Sale	588897	0.04	
				588897	0.04	20190330					
10	IN30014210733775	WISDOMTREE INDIA INVESTMENT PORTFOLIO, INC.	AAACW7548L	0	0	20180331					FOREIGN BODY CORPORATE
						20180929	481655	Purchase	481655	0.03	
						20181005	8102	Purchase	489757	0.03	
						20181012	6516	Purchase	496273	0.03	
						20181221	-8102	Sale	488171	0.03	
						20181228	-11340	Sale	476831	0.03	
						20190118	-6520	Sale	470311	0.03	
						20190201	-8160	Sale	462151	0.03	
						20190208	-6504	Sale	455647	0.03	
						20190215	-26012	Sale	429635	0.03	
						20190222	-11361	Sale	418274	0.03	
						20190301	-6484	Sale	411790	0.03	
						20190308	-4842	Sale	406948	0.03	
				406948	0.03	20190330					

(v) Shareholding of Directors

Sl. No.	Name of Director	Shareholding		Date	Increase/ (Decrease) in Share-holding	Reason	Cumulative Shareholding during the year (01-Apr-18 to 31-Mar-19)	
		No. of Shares at the beginning (01-Apr-18)/end of the year (31-Mar-19)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Ved Prakash	10		1-Apr-18	5	Bonus Issue		
		15		31-Mar-19			15	
2	Mr. Ashwani Sondhi	500		1-Apr-18	250	Bonus Issue		
					-		750	
		750		31-Mar-19				
3	Mr. T. K. Sengupta	0		1-Apr-18				
		0		31-Mar-19				
4	Mr. Umesh Sharma	0		1-Apr-18				
		0		31-Mar-19				
5	Mr. J. Ravishanker	0		1-Apr-18				
		0		31-Mar-19				

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. J. Ravi Shanker	Mr. Ashwani Sondhi	Mr. T.K. Sengupta	Mr. P.K Jain	Mr. Umesh Sharma	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5636195	2446566	3927345	3646574	972761	4401702	21031143
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	656212	24300	474841	439836	(-) 366433	32400	1261156
	(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)	6292407	2470866	4402186	4086410	606328	4434102	22292299
	Ceiling as per the Act	Not Applicable						

B. REMUNERATION TO OTHER DIRECTORS (Rs)

S. No.		Name of Directors						Total Amount
		Mr. R. Anand	Mr. B.K. Shukla	Mr. R.R. Jadeja	Mr. Rajnish Goenka	Mr. Jayant Dasgupta	Mr. G. Manjunath	
	Independent Directors							
	Fees For Attending Board/ Committee Meetings	210000	240000	180000	120000	150000	45000	945000
	Commission	0	0	0	0	0	0	0
	Others (Please Specify)	0	0	0	0	0	0	0
	Total (1)	210000	240000	180000	120000	150000	45000	945000
	Other Non-Executive Directors	0	0	0	0	0	0	0
	Fees For Attending Board/ Committee Meetings	0	0	0	0	0	0	0
	Commission	0	0	0	0	0	0	0
	Others (Please Specify)	0	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0	0
	Total B = (1+2)	210000	240000	180000	120000	150000	45000	945000
	Total Managerial Remuneration							
	Overall ceiling as per the Act	Not Applicable						

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO (Mr. Ved Prakash)	CFO (Mr. Umesh Sharma)	CS (Mr. G.Anandanarayanan)	
1	**Gross Salary**	**6292407**	**4434102**	**2082622**	**12809131**
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5636195	4401702	2079665	12117562
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	656212	32400	2957	691569
	(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		**6292407**	**4434102**	**2082622**	**12809131**

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					
Punishment					
Compounding	N.A.				
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding	N.A.				

J. K. Gupta & Associates
(Company Secretaries)
256 & 257, Vardhman City Center 2,
Near Shakti Nagar Railway Under Bridge,
Gulabi Bagh, Delhi- 110052

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Website : www.jkgupta.com
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Form No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration 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 MMTC/the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the MMTC Limited's books, papers, minutes 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, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed, and other records maintained by the company for the financial year ended on 31st March, 2019 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Not applicable to the Company during the Audit Period]**

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

J.K. GUPTA & ASSOCIATES
CP No. 2448
Delhi
Company Secretaries

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not applicable to the Company during the Audit Period]**

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable to the Company during the Audit Period]**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable to the Company during the Audit Period]**

(f) 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;

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable to the Company during the Audit Period]**

(h) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **[Not applicable to the Company during the Audit Period]**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange;

(iii) DPE Guidelines on Corporate Governance for CPSEs.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. ***Compliance of Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises with respect to the appointment of requisite no. of Independent Directors on the Board of the Company.***

J.K. GUPTA & ASSOCIATES
CP No. 2448
Delhi
Company Secretaries

2. ***Compliance of Regulation 17(10) & 25(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not carried out the performance evaluation of the Directors, although this requirement is exempt for Government Companies under Companies Act, 2013.***

3. ***Compliance of Section 149 of Companies Act, 2013 and Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect to the appointment of Woman Director in the Company.***

We further report that:

In the absence of woman director and requisite number of independent Directors, the Company has not complied with the requirement pertaining to the composition of the Board of Directors to be constituted as per the DPE Guidelines and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. 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.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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 from whole time directors.

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.

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.

The company has also been penalized by BSE/NSE for non-compliance of Regulation 17(1) of SEBI LODR, 2015 for non-appointment of woman director and requisite number of independent directors in the company in the financial year 2018-19, for which necessary steps for waiver of penalty has been taken as directed by the Board of Directors.

We further report that during the audit period the Company has:

Obtained approval of members by way of Special Resolution passed through Postal Ballot dated August 22, 2018, and results got declared on 24.08.2018, for further investment of a Sum of Rs. 149.34 crores in M/s. Neelachal Ispat Nigam Limited (NINL) Bhubaneswar to be funded out of Internal Accrual/reserves by subscribing to 14,93,40,000 equity shares of Face Value of Rs.10/- for meeting Capital requirements of Phase-II OF NINL, made in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Obtained approval of members by way of Ordinary Resolution passed through Postal Ballot dated April 24, 2018, and results got declared on 25.04.2018, for increase in the authorized Capital of

J.K. GUPTA & ASSOCIATES
CP No. 2448
Delhi
Company Secretaries

the Company from Rs. 1,00,00,00,000/- (Rupees One Hundred Crores only) divided into 1,00,00,00,000 (One Hundred Crores) Equity Shares of Re. 1/- (Rupee One only) each to Rs. 2,00,00,00,000/- (Rupees Two Hundred Crores) divided into 2,00,00,00,000 (Two Hundred Crores) equity shares of Re.1/- and consequential amendments to the existing Clause V of the Memorandum of Association.

Obtained approval of members by way of Ordinary Resolution passed through Postal Ballot dated April 24, 2018, and results got declared on 25.04.2018, for substituting Article 4 of Article of Association in consequence to change in Authorized Share Capital of the Company.

Obtained approval of members by way of Ordinary Resolution passed through Postal Ballot dated April 24, 2018, and results got declared on 25.04.2018, to capitalize a sum not exceeding Rs. 500000000/- (Rupees Fifty Crore only) out of the Free Reserves as fully paid-up Bonus Shares, in the proportion of 1 (One) Bonus Share for every 2 (Two) existing Equity Shares of the face value of Re.1/- each to the shareholders of the Company.

For J. K. Gupta & Associates

J.K. GUPTA & ASSOCIATES CS CP No. 2448 Delhi Company Secretaries

Place: Delhi
Date: 11/07/2019

Jitesh Gupta
FCS No. 3978
C P No. 2448
PR No.: 2015/91

This report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this report.

'ANNEXURE A'

To,

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

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 relied on the Internal Auditors' Report for the period under review: hence we have verified the correctness and appropriateness of Statutory Compliances of the Company on sample basis. The qualifications/Observations mentioned in their Audit report also forming part of this report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. 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.

7. 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 J. K. Gupta & Associates

JITESH GUPTA
FCS No. 3978
C P No. 2448
PR No.: 2015/91

Place: Delhi
Date: 11/07/2019

MANAGEMENT'S REPLY TO OBSERVATIONS OF SECRETARIAL AUDITOR IN THEIR REPORT FOR THE FINANCIAL YEAR 2018-19

AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
(1) Compliance of Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises with respect to the appointment of requisite no. of Independent Directors on the Board of the Company.	In accordance with the provisions of Articles of Association of MMTC Ltd. and the Company being a Central PSU, all 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 being pursued with Ministry regularly and 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) Compliance of Regulation 17(10) & 25(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not carried out the performance evaluation of the Directors, although this requirement is exempt for Government Companies under Companies Act, 2013.	Ministry of Corporate Affairs vide General Circular dated 5th June, 2015 has exempted Government Companies from the provision of Section 178 (2) of Companies Act, 2013, which provides about the manner of performance evaluation of Board of Directors, Committee of Board of Directors and Director by the Nomination & Remuneration Committee. The performance evaluation of Functional Directors and Government Nominee Directors in respect of CPSEs is undertaken by the concerned Administrative Ministry as per its own evaluation methodology. DPE has already laid down a mechanism for evaluation of all Functional Directors. DPE has also initiated the process for evaluation of Independent Directors on the board of CPSEs.
(3) Compliance of Section 149 of Companies Act, 2013 and Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect to the appointment of Woman Director in the Company	Reply as at (1) above.

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 2018-19

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Transnational Pte. Ltd.	Neelachal Ispat Nigam Ltd
1. Details of contracts or arrangements or transactions not at arm's length basis			
a) Nature of the relationship	Joint Venture	Wholly Owned Foreign Subsidiary	Associate
b) Nature of contracts / arrangements / transactions	Sale of bullion and minted products, refining and job work.	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.	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.
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.	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 - ₹214.98 Cr.	As at (b) above. Value - ₹618.37 cr.	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 - ₹3332.17 Cr. Only for sale & purchase of goods and service.

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.	Being the L1 bidder against the tenders floated by MMTC.	As mentioned above.
f) Dates of approval by Board	14.08.2018	14.08.2018	14.08.2018
g) Amount paid as advances if any	None	None	None
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.			

गोपनीय

संख्या/ No. PDCA-I/ND/CHQ/29-56/2018-19/Vol-II/286

भारतीय लेखापरीक्षा और लेखा विभाग,
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-1, नई दिल्ली

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

दिनांक / Dated 31/7/19

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक,
एम.एम.टी.सी. लिमिटेड, कोर -1, स्कोप कॉम्प्लेक्स,
7 इंस्टिट्यूसनल एरिया, सी.ज़ी.ओ. कॉम्प्लेक्स, लोदी रोड
नई दिल्ली -110 003

विषय : 31 मार्च 2019 को समाप्त वर्ष हेतु एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियत्रंक महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2019 को समाप्त वर्ष के लिए एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियत्रंक महालेखा परीक्षक की शून्य टिप्पणियाँ अग्रेषित करती हूँ। इन शून्य टिप्पणियों को कम्पनी की वार्षिक आमसभा मे उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है।

अवदीया,

प्राची प.
31.7.19

(प्राची पाण्डेय)
प्रधान निदेशक

संलग्न : शून्य टिप्पणियाँ

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of MMTC Limited for the year ended 31 March 2019 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 the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of MMTC Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. 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 supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Prachi Pandey
31.VII.XIX

Place: New Delhi
Dated: 31 July 2019

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

गोपनीय

संख्या/ No. पी.डी.सी.ए./एम.बी.-I/सी.एफ.एस./29-56/2018-19/खंड-II/541

भारतीय लेखापरीक्षा और लेखा विभाग,
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-1, नई दिल्ली

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

दिनांक / Dated 14/8/19

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक,
एम.एम.टी.सी. लिमिटेड, कोर -1, स्कोप कॉम्प्लेक्स,
7 इंस्टिट्यूशनल एरिया, सी.जी.ओ. कॉम्प्लेक्स, लोदी रोड
नई दिल्ली -110 003

विषय : 31 मार्च 2019 को समाप्त वर्ष हेतु एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों (Consolidated Financial Statements) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) व 129(4) के अन्तर्गत भारत के नियंत्रक महालेखा परीक्षक की टिप्पणियाँ

महोदय,

मैं इस पत्र के साथ 31 मार्च 2019 को समाप्त वर्ष के लिए एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों (Consolidated Financial Statements) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) व 129(4) के अन्तर्गत भारत के नियंत्रक महालेखा परीक्षक की **'शून्य टिप्पणियाँ'** अग्रेषित करती हूँ। इन शून्य टिप्पणियों को कम्पनी की वार्षिक आमसभा में उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है।

भवदीया,

संलग्न : शून्य टिप्पणियाँ

प्राची पं.
14.8.19
(प्राची पाण्डेय)
प्रधान निदेशक

तृतीय तल, ए-स्कन्ध, इन्द्रप्रस्थ भवन, इन्द्रप्रस्थ एस्टेट, नई दिल्ली–110002
3rd Floor, A-Wing, Indraprastha Bhawan, I.P. Estate, New Delhi-110002

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of consolidated financial statements of MMTC Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of MMTC Limited for the year ended 31 March 2019 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of MMTC Limited and its joint venture company Neelachal Ispat Nigam Limited for the year ended 31 March 2019. Further, section 139(5) and 143(6)(a) of the Act are not applicable to five joint venture companies (list enclosed) being private entities and its subsidiary MMTC Transnational Pte. Ltd being entity incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller & Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Prachi Pandey
14/8/xx

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

Place: New Delhi
Dated: 14 August 2019

List of Joint ventures of MMTC Limited which are private entities

MMTC Gitanjali Limited

Free Trade Warehousing Pvt. Ltd.

MMTC Pamp India Pvt. Limited.

Sical Iron Ore Terminal Limited

TM Mining Company Limited

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LTD.

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of MMTC Limited ("the Company"), which comprises the Balance Sheet as at 31st March, 2019, 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 notes to the financial statements including 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl. No	Key Audit Matter	Auditor's Response
1.	Refer note 36(b) regarding need for replacing the existing old ERP with integrated and atest ERP system. In the absence of the one, the recent changes in laws such as Depreciation Schedule in Companies Act, introduction of GST etc. are not seamlessly captured in the system.	We performed following test in detail to ensure that all the entries passed in different accounting packages / software have been duly mapped in the preparation of financial statements as on Balance Sheet date: • Performed cut off procedure • Performed reconciliation of entries passed in different platforms
2.	Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There are large number of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case.	We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2019 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company.
	The company has 8 regional offices and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction.	It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.

3	Refer Note no. 34(i)(j) regarding contingent liability of the company on account of coal supplied by a foreign supplier for NINL. The company has been representing that the liability, if any, is to be borne by NINL but due to continuous pendency of confirmation from NINL and precarious financial condition of NINL, there is an uncertainty of recovery, in case liability is crystallised.	Considering the fact that appeal is pending before division bench of Delhi High court and representations of the management provided to us on the issue, this requires significant management judgement on the continuing support to and recovery of dues / claims from NINL. Management's key judgements about recovery of dues / claims from NINL would be a factor for determining future financial stability of the Company.
4	Advance given for development of free trade warehousing project to and investment in Haldia Free Trade warehousing Private Limited and Kandla Free Trade warehousing Private Limited. (Ref Note No. 9(ii))	We discussed the matter with the management to understand the possibility of implementation / completion of the project that resulted in creation of provision for doubtful recoveries.

Emphasis of Matters

a. We draw attention to Note No. 36 (C) to the Standalone 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.

b. We draw attention to Note No. 34(i)(j), where the company has stated that any liability arising out of appeal pending for final decision, is to be borne by NINL, however there is no confirmation from NINL

Our opinion is not modified in respect of these matters.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance the accounting principles generally accepted in India, including the accounting Standards specified 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the audit of 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 SAs 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 SAs, we exercise professional judgment and maintain professional skepticism 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements / financial information of 8 Regional Offices included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of INR 3,508.15 Crores as at March 31, 2019 and total revenue of INR 16,894.92 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements / financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the 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 this 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 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 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 & A G of India through directions, issued under Section 143 (5) of the Companies Act, 2013, we give our report in the attached **"Annexure-3"**

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

Rakesh Agarwal
Partner
M No.: 081808

Place: New Delhi
Date: 30.05.2019

Annexure-1 To the Independent Auditors' Report on the Standalone 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 asset.
   ii. Based on the physical verification reports produced before us, in our opinion, the said assets have been physically verified by the management at reasonable intervals.
   iii. Title Deeds of immoveable property are held in the name of the company except in the case mentioned below:

Region/Office	Asset Description	Gross Value	Area	Remarks
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 prejudicial 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**

   The Board of Directors of the Company, during the year, has enhanced the credit facilities to one of its joint Venture - M/s Neelachal Ispat Nigam Ltd. (NINL) from ₹550.00 Crores to ₹1,187.00 Crores thereby the total outstanding from NINL ₹2,594.56 Crore as on 31st March 2019 (PY ₹1,786.70 Crores).

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

ii. There were no undisputed amount payable in respect of Income Tax, Provident Fund dues, Professional Tax, GST, Value Added Tax and Service Tax and other statutory dues in arrear as at 31st March 2019 for more than six months from the date they became payable.

iii. 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 standalone Financial 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

Rakesh Agarwal
Partner
M. No.: 081808

Place: New Delhi
Date: 30.05.2019

Disputed Statutory Dues Which Have Not Been Deposited

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

Mumbai Region

Nature of Statute	Nature of Dues	Year	Amount Involved	Amount Deposited	Authority
Bombay Sales Tax Act	Sales Tax	1989-90	15,01,06,778	5,00,000	Jt. Comm. Of Sale tax (Appeal IV)
Bombay Sales Tax Act	Sales Tax	1990-91	23,35,46,478	5,00,000	Jt. Comm. Of Sale tax (Appeal IV)
Bombay Sales Tax Act	Sales Tax	1991-92	32,98,738	4,00,000	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)
Bombay Sales Tax Act	Sales Tax	2004-05	42,00,789	-	Jt. Comm. Of Sale tax (BST Appeals)
Maharashtra VAT, 2002	Sales Tax	2008-09	13,04,722	71,495	Maharashtra Sales Tax Tribunal
Maharashtra VAT, 2002	Sales Tax	2007-08	0**	-	Maharashtra Sales Tax Tribunal)
Maharashtra VAT, 2002	Sales Tax	2010-11	45,01,471	2,78,400	Maharashtra Sales Tax Tribunal
Maharashtra VAT, 2002	Sales Tax	2009-10	17,22,430	94,380	Maharashtra Sales Tax Tribunal
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	72,921	Jt. Comm. Of Sale tax (Appeal VI)
Central Sale Tax,1956	Sales Tax	2011-12	48,25,144*	1,00,000	Jt. Comm. Of Sale tax (Appeal VI)
Central Sale Tax,1956	Sales Tax	2008-09	51,81,979	-	Maharashtra Sales Tax Tribunal
Central Sale Tax,1956	Sales Tax	2007-08	71,97,308	-	Maharashtra Sales Tax Tribunal
Central Sale Tax,1956	Sales Tax	2014-15	7,63,905	-	RO of Mumbai is in process of filing appeal with concerned authorities.
Custom Act,1962	Custom Act	2012-13	34,92,29,671	28,41,24,643	Commissioner of Customs

*Both Appeals are filed with same appellate authority for common issue.
**Filed Second appeal for seeking more refund than granted in 1st appeal.

Chennai Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
TNGST Act	Sales Tax Penalty & Interest	2001-02	1,78,566 (SPANDEX YARN)	Assistant Commissioner of Commercial Taxes
TNVAT Act	VAT & Penalty	2008-09	3,55,08,765 (DUN PEAS)	Jt. Commissioner of Commercial Taxes Appeals

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
APGST*	APGST	1997-98	25,27,960	STAT VIZAG
CST**	CST	1994-95	8,41,695	AC LTU
CST**	CST	2007-08	1,04,614	ADC
Customs Duty	Customs Duty	2009-10	17,05,405	CESTAT, Hyderabad

*Out of the disputed amounts relating to APGST/VAT the RO has deposited ₹92,05,282/- with authorities.
**Out of the disputed amounts relating to CST the RO had deposited ₹6,65,042/- with authorities.

Kolkata Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Sales Tax,1956	Sales Tax	2005-06	11,31,000	Appellate Board
Central Sales Tax,1956	Sales Tax	2006-07	77,61,000	Sales Tax Department
Central Sales Tax,1956	Sales Tax	2013-14	46,08,000	Calcutta High Court
WB Value Added Tax Act, 2003	West Bengal VAT	2013-14	51,46,000	Calcutta High Court
WB Tax on Entry of Goods into Local Areas Act, 2012	WB Entry Tax	2015-16	95,000	Appellate Board

Hyderabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
CST	Central Sales Tax	1989-90	1,49,770	STAT
APGST	Central Sales Tax	1991-92	24,02,576	STAT
APGST	Sales Tax	1992-93	13,96,269	STAT-VIZAG
APGST	Sales Tax	1993-94	17,62,687	STAT-VIZAG
APGST	Sales Tax	1993-94	6,30,615	STAT-VIZAG
CST	Central Sales Tax	1993-94	4,41,446	STAT-VIZAG
CST	Central Sales Tax	1994-95	2,04,081	AC LTU
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	2006-07	6,76,058	AC LTU,STAT
VAT	VAT	2007-08	71,000	AC AUDIT
VAT	VAT	2010-11	13,00,000	CTO, VIZAG
VAT	VAT	2008-09	7,84,474	STAT
VAT	VAT	2012-13	99,49,808	ADC (CTO)
CST	Central Sales Tax	2013-14	4,40,000	STAT
APV AT-JC	VAT	2013-14	22,00,000	APV AT-JC

Corporate Office

CARO Reporting as on 31/03/2019

Nature of Statute	Nature of Dues	Year (A/Y)	Amount	Forum
Income Tax Act	Income Tax	2016-17	3,24,12,680	CIT(A)
Income Tax Act	Income Tax	2015-16	1,17,51,934	ITAT
Income Tax Act	Income Tax	2014-15	1,55,24,136	ITAT
Income Tax Act	Income Tax	2013-14	3,34,92,278	ITAT
Income Tax Act	Income Tax	2012-13	5,30,179	ITAT
Income Tax Act	Income Tax	2011-12	91,77,995	ITAT
Income Tax Act	Income Tax	2010-11	2,57,474	ITAT
Income Tax Act	Income Tax	2009-10	8,06,98,915	ITAT
Income Tax Act	Income Tax	2008-09	1,44,83,413	CIT(A) / Sup. Court
Income Tax Act	Income Tax	2005-06	4,51,65,330	Sup. Court
Income Tax Act	Income Tax	2004-05	3,58,34,174	ITAT
Income Tax Act	Income Tax	2003-04	1,08,96,834	ITAT
Income Tax Act	Income Tax	2002-03	8,56,73,253	ITAT
Income Tax Act	Income Tax	2001-02	1,17,77,218	High Court
Income Tax Act	Income Tax	2000-01	3,94,62,696	ITAT
Income Tax Act	Income Tax	1999-00	2,85,69,897	ITAT
Income Tax Act	Income Tax	1998-99	58,90,533	ITAT
Income Tax Act	Income Tax	1997-98	50,22,928	ITAT
Income Tax Act	Income Tax	1996-97	3,73,75,477	ITAT
	Total		**50,39,97,346**	

Out of the above demand, an amount of ₹19,08,23,523 has been deposited by the company.

Delhi Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
UP-VAT	LST/CST	1990-91	6,17,588	Moradabad, Allahabad High Court
UP-VAT	LST	1991-92	4,70,578	Moradabad, Allahabad High Court
UP-VAT	LST	1992-93	2,64,037	Moradabad, Allahabad High Court
UP-VAT	LST	1993-94	1,85,100	Moradabad, Allahabad High Court
UP-VAT	LST	1987-88	16,35,160	Joint Commissioner (Appeals), Kanpur
UP-VAT	VAT	1996-97	6,11,808	Commissioner (Appeals), UP-VAT
UP-VAT	VAT+ Interest for non-submission of Form-3B (Gold)& Non-submission of Form 3C1 (Mentha Oil)	2007-08	62,457	Commissioner (Appeals), UP-VAT

Haryana VAT	LST	1992-93	4,24,587	Faridabad, Punjab & Haryana High Court, Chandigarh
MP-VAT	LST	1999-00	1,50,004	Sales Tax Authority, Indore
MP-VAT	LST	1998-99	47,30,692	Assessing Authority, Indore
Custom & Central Excise	Customs Duty & Interest on non-export of Gold Jewellery against Gold Loan by Associates	1999-00	2,72,67,919	Pending before Hon'ble Delhi High Court as per directions of Hon'ble Supreme Court of India.

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. Next date of hearing is 15/07/2019.
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. Next date of hearing is 14/06/2019.
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 and matter pursued on 05/02/2019.
Rajasthan Value Added Tax	VAT	2013-14	1,75,861	Sales Tax Demand towards non-submission of Export declaration forms. Relevant documents submitted. Pending with A.O.
Rajasthan Value Added Tax	VAT	2014-15	19,463	Sales Tax Demand towards non-submission of Export declaration forms. Relevant documents submitted. Pending with A.O.
Rajasthan Value Added Tax	VAT	2015-16	86,880	VAT Demand towards Mismatch of Input Tax Credit.
Rajasthan Value Added Tax	VAT	2016-17	660	Demand towards Short deposit of tax & interest thereon.
Income Tax	Income Tax		22,750	TDS Demand from 2009-10 to 2017-18
Income Tax	Income Tax		1,250	TDS Demand for 2017-18.

* Total amount deposit under protest ₹35,49,446.

Bhubaneswar Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
OST Act	OST	1977-78	41,95,457	SLP Filed in Supreme Court
OAST Act	OAST	1977-78	2,09,773	SLP Filed in Supreme Court
OST Act	OST	1979-80	54,32,092	SLP Filed in Supreme Court
OAST Act	OAST	1979-80	3,00,090	SLP Filed in Supreme Court
OST Act	OST	1980-81	1,30,21,518	SLP Filed in Supreme Court
OAST Act	OAST	1980-81	6,53,245	SLP Filed in Supreme Court
OST Act	OST	1981-82	15,18,451	SLP Filed in Supreme Court
OAST Act	OAST	1981-82	3,27,928	SLP Filed in Supreme Court
Orrisa Sales Tax	Interest Penalty	1978-79	26,50,388	High Court of Orissa
Orrisa Sales Tax	Odisha Sales Tax	1978-79	34,00,919	High Court of Orissa
Orrisa Sales Tax	Odisha Sales Tax	1978-79	1,70,046	High Court of Orissa
Orrisa Sales Tax	Interest Penalty	1979-80	6,53,452	High Court of Orissa
Orrisa Sales Tax	Central Sale Tax	1982-83	34,83,020	High Court of Orissa
Orrisa Sales Tax	Interest	1978-79	3,57,42,030	Reply Flied Before DCCT as per HC direction
Orrisa Sales Tax	DEPB	2006-09	14,98,22,308	Odisha Sales Tax Tribunal
Orrisa Sales 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
CST (Odisha)	Declaration Form Issue	2011-14	75,79,583	Odisha Sales Tax Tribunal
CST (Odisha)	Sales Tax	2015-16	9,48,103	Odisha Sales Tax Tribunal
Central Excise Act	Service Tax	2003-05	4,59,90,591	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2003-07	20,97,60,144	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2007-08	4,64,49,827	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2008-10	9,48,95,549	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	2010-11	5,20,93,545	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2011-12	5,15,21,970	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2009-12	43,41,16,996	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2009-11	98,80,691	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	48,79,381	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	5,80,17,238	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2013-14	9,94,263	Customs Excise & Service Tax Appeallate Tribunal
Central Excise Act	Customs	2012-13	1,49,02,87,737	Customs Excise & Service Tax Appeallate Tribunal
Central Excise & Custom Act	Customs-DCD	2017-18	1,04,542	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise & Custom Act	Customs-DCD	2017-18	2,23,460	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise & Custom Act	Customs-DCD	2017-18	37,197	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise & Custom Act	Custom Interest and penalty	2017-18	1,32,576	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2017-18	14,548	Dept Filed Appeal
Central Excise Act	Service Tax	2014-15	17,71,628	Commissioner of customs Excise & Service Tax, Bhubaneswar
Income Tax-TDS	Income Tax Department	2007-08 to 2018-19	2,72,720	CPC
Income Tax-TDS	Income Tax Department	Prior to 2007-08	2,22,610	CPC

Ahmedabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Custom Act 1962	Differential Custom Duty	2013-14	17,83,24,573	CESTAT Chennai

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

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

We have audited the internal financial controls over financial reporting of **MMTC Ltd.** ("the Company") as of March 31, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditor's Responsibility:

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

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

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

Meaning of Internal Financial Controls over Financial Reporting:

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, 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 2019, 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

Rakesh Agarwal
Partner
M No.:081808

Place: New Delhi
Date: 30.05.2019

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

Sl. No.	Description	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has system in place to process all the accounting transactions through standalone IT systems from which data is transferred to its ERP system. However, in the absence of a modern integrated ERP, certain transactions are manually punched/recorded in the IT system. Those transactions do not have any implication on integrity of the accounts neither any financial implication. List of such transactions which are passed manually in the IT system are as below:
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There is no such case
3	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	There is no such case

List of Transactions passed manually in the ERP system

Sl. No.	Accounting Area	Accounting Activity	Impact on Integrity and Financial Implication
1	Sale of Retail Commodity	Sale of goods in retail business is done through an independent software the data of which is not automatically integrated into ERP without manual intervention	None
2	Closing Inventory	Valuation of closing inventory at lower of cost or market value is done manually and incorporated in ERP through journal vouchers.	None
3	Depreciation	Deprecation as prescribed in Schedule III of Companies Act 2013 is to be computed manually and entered into system through JV.	None
4	Hedging Entries	Accounting entries for hedging are passed manually and entered in ERP System through JV at each period end.	None
5	Month end Expense provisioning	The exercise is done manually and entered in the ERP through JV.	None

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

Rakesh Agarwal
Partner
M No.: 081808

Place: New Delhi
Date: 30.05.2019

MANAGEMENT'S REPLY TO AUDITOR'S OBSERVATIONS IN THE AUDIT REPORT ON STANDALONE FINANCIAL STATEMENTS FOR 2018-19

Para no.	AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
	Key Audit Matters	
1.	Refer note 36(b) regarding need for replacing the existing old ERP with integrated and latest ERP system. In the absence of the one, the recent changes in laws such as Depreciation Schedule in Companies Act, introduction of GST etc. are not seamlessly captured in the system. **Auditor's Response** We performed following test in detail to ensure that all the entries passed in different accounting packages/ software have been duly mapped in the preparation of financial statements as on Balance Sheet date: • Performed cut off procedure • Performed reconciliation of entries passed in different platforms	Management has decided to continue with current version of Ramco ERP system and incorporate bare minimum and essential requirements like GST etc. Coverage of other requirements through e-office software developed by National Informatics Centre (NIC) is also being explored
2.	Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There are large number of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case. The company has 8 regional offices and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction. **Auditor's Response** We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2019 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company. It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.	Legal cases are pursued at the concerned location and all the payment related to legal cases are also made by the concerned location. However, in certain high value sensitive matters legal cases are pursued at Corporate Office.
3.	Refer Note no. 34(i)(j) regarding contingent liability of the company on account of coal supplied by a foreign supplier for NINL. The company has been representing that the liability, if any, is to be borne by NINL but due to continuous pendency of confirmation from NINL and precarious financial condition of NINL, there is an uncertainty of recovery, in case liability is crystallised. **Auditor's Response** Considering the fact that appeal is pending before division bench of Delhi High court and representations of the management provided to us on the issue, this requires significant management judgement on the continuing support to and recovery of dues/claims from NINL. Management's key judgements about recovery of dues/claims from NINL would be a factor for determining future financial stability of the Company.	The Government has already taken decision to divest MMTC's equity in NINL through Department of Investment and Public Asset Management for which process has already initiated.

	Emphasis of Matters	
a.	We draw attention to Note No. 36 (C) to the Standalone 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. NINL plant is fully integrated with physical performance at almost 85% capacity utilization and is ready for capacity expansion upto 5-8 million tones is phases. There is need for bringing in strategic investor/buyer for getting fair value of divestment of MMTC's equity in NINL for which Govt. of India through DIPAM, Ministry of Finance has already initiated the process.
b	We draw attention to Note No. 34(i)(j), where the company has stated that any liability arising out of appeal pending for final decision, is to be borne by NINL, however there is no confirmation from NINL.	As per the legal opinion of senior advocate, the company has a strong case for rejection of the suppliers 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.

<table>
<tr><td></td><td colspan="5">Annexure-1 To the Independent Auditors'</td><td></td></tr>
<tr><td rowspan="3">1</td><td colspan="5">(iii) Title Deeds of immovable property are held in the name of the company except in the case mentioned below:</td><td></td></tr>
<tr><td>Region/ Office</td><td>Asset Description</td><td>Gross</td><td>Area Value</td><td>Remarks</td><td>MANAGEMENT'S REPLY</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><td>Lease deed has since been renewed upto 20/11/2025 and execution thereof is in process.</td></tr>
</table>

Para no.	AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
	Loans given to parties covered under section 189	
3	The company has granted unsecured loan to one of its joint venture company, M/s Neelachal Ispat Nigam Limited. (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.	NINL has since executed addendum to the agreement on 3rd July 2019 for the enhanced credit facility.

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

MMTC LIMITED

FINANCIAL STATEMENTS
FOR
THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

MMTC Limited

Balance Sheet as at March 31, 2019

(₹ in Crores)

Particulars	Note No	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	**43.96**	46.47
Capital work-in-progress	3	**0.28**	-
Investment Property	4	**3.99**	4.16
Other intangible assets	5	**0.80**	1.46
Financial Assets			
Investments	6A	**452.47**	453.03
Trade Receivables	7A	**-**	-
Loans	8	**7.82**	9.06
Others	9	**42.08**	58.99
Deferred tax Assets (net)	10	**230.84**	235.61
Other non-current Assets	11A	**24.49**	26.23
Current Assets			
Inventories	12	**279.81**	1,711.48
Financial Assets			
Investments	6B	**-**	-
Trade Receivables	7B	**277.83**	353.16
Cash & Cash Equivalents	13	**39.11**	50.08
Bank Balances other than above	14	**16.10**	17.82
Loans	8	**2.25**	2.82
Others	9	**6.84**	7.71
Current Tax Assets (net)	15	**22.22**	13.55
Other Current Assets	11B	**3,003.88**	2,425.92
Total Assets		**4,454.77**	**5,417.55**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16A	**150.00**	100.00
Other Equity	16B	**1,339.25**	1,349.45
Liabilities			
Non-current liabilities			
Provisions	20A	**188.55**	184.16
Current liabilities			
Financial Liabilities			
Borrowings	17	**921.93**	519.26
Trade payables	18		
Total outstanding dues of micro and small enterpriese		**6.79**	-
Total outstanding dues of creditors other than micro and small enterpriese		**1,026.97**	1,064.67
Other Financial Liabilities	19	**180.07**	242.81
Other current liabilities	21	**560.71**	1,805.05
Provisions	20B	**50.10**	136.65
Current Tax Liabilities (net)	22	**30.40**	15.50
Total Equity and Liabilities		**4,454.77**	**5,417.55**

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

(B.N. Dash)
Chief General Manager (F)

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

Date: 30.05.2019
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, 2019			
			(₹ in Crores)
Particulars	**Note No**	**Year Ended March 31, 2019**	**Year Ended March 31, 2018**
Income			
Revenue From Operations	23	**28,979.44**	16,450.81
Other Income	24	**17.79**	63.10
Total Income (I)		**28,997.23**	**16,513.91**
Expenses			
Cost of material consumed	25	**124.25**	131.39
Purchase of Stock in Trade	26	**26,046.95**	14,471.40
Changes in inventories of finished goods, stock in trade and work in progress	27	**1,453.29**	652.14
Employees' Benefit Expenses	28	**221.35**	259.28
Finance Cost	29	**65.27**	16.60
Depreciation & Amortization Expenses	30	**5.54**	5.24
Other Expenses	31	**952.23**	910.32
Total expenses (II)		**28,868.88**	**16,446.37**
Profit / (loss) before exceptional items and tax (I-II)		**128.35**	67.54
Exceptional Items - expense / (income)	32	**9.76**	8.41
Profit Before Tax		**118.59**	**59.13**
Tax expense	33		
Current tax		**33.00**	13.35
Adjustments relating to prior periods		**(0.61)**	(0.03)
Deferred tax		**4.77**	(3.03)
Total Tax Expense		**37.16**	**10.29**
Profit for the year (A)		**81.43**	**48.84**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
-Remeasurements of the defined benefit plans		**(7.78)**	5.36
-Equity Instruments through other comprehensive income		**(0.57)**	(0.86)
-Income Tax effect		**2.90**	(1.85)
Total Other Comprehensive Income net of tax (B)		**(5.45)**	**2.65**
Total Comprehensive Income for the year (A)+(B)		**75.98**	**51.49**
Earnings per equity share :			
Basic & Diluted (in ₹)	44	**0.54**	0.33

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)
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(Ashwani Sondhi)
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DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

MMTC Limited				
Cash Flow Statement For The Year Ended March 31, 2019				
				(₹ in Crores)
Particulars	**For the year ended March 31, 2019**		**For the year ended March 31, 2018**	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss before tax		**118.59**		59.13
Adjustment for:-				
Loss on valuation of inventories	**0.80**		0.64	
Depreciation & amortisation expense	**5.54**		5.24	
Net Foreign Exchange (gain) / loss	**9.40**		8.05	
(Profit) / Loss on sale of assets	**0.02**		(0.06)	
Diminution in value of non current investment	**-**		3.04	
Interest income	**(2.66)**		(15.39)	
Dividend income	**(5.40)**		(23.82)	
Finance Costs	**65.27**		16.60	
Debts/claims written off	**1.06**		0.05	
CSR expenditure	**1.35**		0.49	
Allowance for Bad and Doubtful Debts / claims / advances	**15.96**		-	
Provision no longer Required	**(3.54)**		(0.86)	
Liabilities Written Back	**(2.23)**		(14.02)	
Provision for DWA risk	**0.03**		0.04	
		85.63		(20.00)
Operating Profit before Working Capital Changes		**204.22**		**39.13**
Adjustment for:-				
Inventories	**1,430.87**		654.66	
Trade Receivables	**57.80**		161.69	
Loans & Other Financial Assets	**19.59**		140.30	
Other current & non current assets	**(574.50)**		(723.26)	
Trade payables	**(34.04)**		381.97	
Other Financial Liabilities	**(62.74)**		55.54	
Other current & non current liabilities	**(1,244.36)**		(1,233.17)	
Provisions	**(88.45)**	**(495.82)**	61.83	(500.43)
		(291.60)		**(461.30)**
Taxes Paid		**(26.16)**		(11.09)
Net cash flows from operating activities		**(317.76)**		**(472.39)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	**(2.54)**		(1.08)	
Sale of fixed Assets	**0.03**		0.31	
Sale / (Purchase) of Investment	**0.00**		96.00	
Interest received	**2.66**		15.39	
Dividend Received	**5.40**	**5.56**	23.82	134.44
Net cash flows from investing activities		**5.56**		**134.44**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings	**402.67**		79.07	
Finance Costs	**(65.27)**		(16.60)	
Dividend (inclusive of tax) paid	**(36.17)**	**301.24**	(36.11)	26.36
Net Cash From Financing Activities		**301.24**		**26.36**
D. Net changes in Cash & Cash equivalents		**(10.97)**		**(311.59)**
E. Opening Cash & Cash Equivalents (Note No 13)		**50.08**		**361.67**
F. Closing Cash & Cash Equivalents (Note No 13)		**39.11**		**50.08**

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. Adjustments for certain accruals/deferrals made at Corporate Office on the basis of information received from branch offices.
3. Cash and Cash Equivalents consist of :-

(₹ in Crores)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Balances with Banks		
(a) in Current Account	**2.76**	19.81
(b) In term deposit with original maturity upto 3 months	**12.11**	3.59
(c) Debit balance in Cash Credit Account	**24.14**	26.64
Cheques / Drafts / Stamps on hand	**0.00**	0.00
Cash on hand	**0.10**	0.04
	39.11	**50.08**

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

(B.N. Dash)
Chief General Manager (F)

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

Date: 30.05.2019
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 31.03.2019

1. Equity Share Capital

(₹ in Crores)

Particulars	No of Shares	Amount
Balance as at 1.4.2018	1,000,000,000	100.00
Changes in Equity Share Capital during the year	500,000,000	50.00
Balance as at 31.3.2019	**1,500,000,000**	**150.00**

(₹ in Crores)

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

B. Other Equity as at 31st March, 2019

(₹ 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 1.4.2018	-	-	-	0.35	626.62	721.67	-	(0.05)	-	-	0.86	**1,349.45**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	**-**
Total comprehensive income for the year	-	-	-	-	-	81.43	-	(0.57)	-	-	(4.89)	**75.97**
Dividend and DDT	-	-	-	-	-	(36.17)	-	-	-	-	-	**(36.17)**
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	**-**
Re-measurements of defined benefit plans	-	-	-	-	-	(1.65)	-	-	-	-	1.65	**-**
Any other changes	-	-	-	-	(40.00)	(10.00)	-	-	-	-	-	**(50.00)**
Balance as at 31.3.2019	**-**	**-**	**-**	**0.35**	**586.62**	**755.28**	**-**	**(0.62)**	**-**	**-**	**(2.38)**	**1,339.25**

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	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
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

*Final dividend for the year ended March 31, 2018 @ ₹ 0.30 per share amounting to ₹ 30 crore and dividend distribution tax of ₹ 6.17 crore (@ ₹ 0.30 per share amounting to ₹ 30 crore for the year ended March 31, 2017 and dividend distribution tax of ₹ 6.11 crore).

Dividend not recognised at the end of reporting period **(₹ in Crores)**

	As at March 31, 2019	As at March 31, 2018
Dividend proposed @ ₹ 0.30 per share for year ended March 31, 2019 (@ ₹ 0.30 per fully paid equity share for year ended March 31, 2018) on equity share capital as on 31.3.2019. Proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	**45.00**	**30.00**
The dividend distribution tax on proposed dividend	**9.25**	**6.17**

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

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DIN: 03298909

Date: 30.05.2019
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Notes to the Financial Statements for the year ended March 31, 2019

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 Indian rupees 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 company satisfies a performance obligation by transferring the promised goods or services to a customer and the customer obtains control of the same and it is probable that the company will collect the consideration

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 / Silver 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 Trade Payable. Loan / Trade Payable are adjusted when purchases and sales are booked.

d. In respect of Gold / Silver 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.

e. 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.

f. 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, upon which buyer obtains control over the goods and the company becomes entitle to receive sales consideration, 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 its ultimate realisation is probable. 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. Claims towards shortages / damages including liquidated damages / deficiencies in quality / quantity etc are accounted for in accordance with the provisions of relevant contracts. In case there is no such provisions in the existing contract, the claim is accounted for on receipt of acceptance by the party besides collectability of the claim amount being probable. On recognition of such claims the same will be realised/set off against advance received/claims payable etc. to the same party.

iv) *Service Income*

Revenue from services is booked, when performance obligation is satisfied by transferring the promised services to the customers, for the consideration to which the company is entitled.

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-115:-

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.

a) 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 ₹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. <u>General Assets</u>	
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**

<u>Contingent Liabilities</u>

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

<u>Contingent Assets</u>

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) <u>Non-derivative financial instruments</u>

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 the extent 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. 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.

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.

Notes to accounts for the year ended March 31, 2019

3. Property, Plant and Equipment

(₹ in crore)

Particulars	Gross carrying value as at April 1, 2018	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2019	Accumulated depreciation as at April 1, 2018	Additions/ Impairment	Disposal/ adjustments	Accumulated depreciation as at March 31, 2019	Net Carrying Value as at March 31, 2019	Net Carrying Value as at March 31, 2018
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**	0.15	0.05	-	**0.20**	**2.50**	**2.55**
- Staff Quarters	0.15	1.53	-	**1.68**	0.01	0.20	-	**0.21**	**1.47**	**0.15**
Building										
- Office Building	6.68	-	-	**6.68**	0.47	0.17	(0.00)	**0.64**	**6.04**	**6.21**
- Staff Quarters/Residential Flats	1.35	0.00	-	**1.36**	0.11	0.04	0.00	**0.16**	**1.20**	**1.24**
- Water supply, Sewerage & Drainage	0.06	-	-	**0.06**	0.02	0.01	-	**0.03**	**0.02**	**0.04**
-Electrical Installations	3.02	-	-	**3.02**	1.77	0.07	0.00	**1.84**	**1.18**	**1.25**
-Roads & Culverts	0.02	-	-	**0.02**	0.01	0.00	0.00	**0.01**	**0.01**	**0.01**
- Audio/Fire/Airconditioning	0.11	0.00	(0.00)	**0.12**	0.07	0.02	(0.00)	**0.09**	**0.03**	**0.04**
Plant & Equipment	41.29	-	-	**41.29**	9.45	3.21	(0.00)	**12.67**	**28.62**	**31.84**
Furniture & Fixtures										
- Partitions	0.38	0.00	(0.00)	**0.39**	0.20	0.14	-	**0.34**	**0.04**	**0.18**
- Others	1.12	0.21	(0.02)	**1.32**	0.30	0.14	(0.01)	**0.43**	**0.88**	**0.82**
Vehicles	0.48	0.07	-	**0.55**	0.17	0.07	-	**0.24**	**0.32**	**0.32**
Office Equipments	1.66	0.09	(0.02)	**1.72**	0.87	0.29	(0.01)	**1.14**	**0.58**	**0.79**
Others:-										
- Railway Wagon Rakes	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	2.07	0.35	(0.03)	**2.39**	1.53	0.31	(0.00)	**1.83**	**0.56**	**0.55**
Total	**61.59**	**2.26**	**(0.07)**	**63.78**	**15.12**	**4.72**	**(0.02)**	**19.82**	**43.96**	**46.47**
Last Year	60.85	1.07	(0.32)	61.60	10.84	4.40	(0.11)	15.13	**46.47**	
Capital Work in Progress	**-**	**0.28**	**-**	**0.28**	**-**	**-**	**-**	**-**	**0.28**	**-**
Last Year	0.04	-	(0.04)	-	-	-	-	-	-	

(a) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with STC Limited earlier on 50:50 basis. However, during 2018-19, the company has obtained execution of separate lease deed for 16.16 acre land from DDA towards its share.

(b) During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹0.27 crores (P.Y. Nil crore) has been made during the year.

4. Investment Property

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Gross carrying value as at beginning of the year	**4.66**	4.66
Additions	**-**	-
Disposal / adjustments	**-**	-
Gross carrying value as at end of the year	**4.66**	4.66
Accumulated depreciation as at beginning of the year	**0.50**	0.35
Additions	**0.16**	0.15
Accumulated depreciation as at end of the year	**0.66**	**0.50**
Net Carrying Value as at end of the year	**3.99**	**4.16**

Amounts recognised in profit or loss for investment properties

(₹ in Crores)

Particulars	31 March 2019	31 March 2018
Rental income	**1.86**	2.21
Direct operating expenses from property that generatedrental income	**-**	-
Direct operating expenses from property that did not generate rental income	**-**	-
Profit from investment properties before depreciation	**1.86**	2.21
Depreciation	**0.16**	0.15
Profit from investment properties	**1.70**	**2.06**

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 Crores)

Particulars	31 March 2019	31 March 2018
Within one year	**0.28**	0.70
Later than one year but not later than five year	**-**	-
Later than five year	**-**	-
Total	**0.28**	**0.70**

Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹ 126.18 crore (P.Y. ₹ 90.87 crore)

5. Other Intangible Assets

(₹ in crore)

Particulars	Gross carrying value as at April 1, 2018	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2019	Accumulated depreciation as at April 1, 2018	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2019	Net Carrying Value as at March 31, 2019	Net Carrying Value as at March 31, 2018
Computer Softwares	**3.39**	**-**	**-**	**3.39**	**1.93**	**0.66**	**-**	**2.59**	**0.80**	**1.46**
Last Year	3.38	0.01	-	3.39	1.24	0.69	-	1.93	1.46	

6. INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
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)	0.00
Free Trade Warehousing Pvt. Ltd. 5000 (P.Y. 2600) fully paid up equity shares of ₹10 each.		**0.01**		0.01
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. Nil (P.Y. 57200) fully paid up equity shares of ₹10 each.	**-**		0.06	
Add / (Less): impairment in value of investment	**-**	**-**	(0.06)	0.00
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 Income	**(0.62)**	**2.38**	(0.05)	2.95
Unquoted				
Indian Commodity Exchange Limited.32000000(P.Y. 32000000) fully paid up equity shares of ₹5 each.		**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
Total Investments in Equity Instruments		**452.47**		**453.03**

(₹ in Crores)

Total Non-Current Investments (Gross)		-		460.88
	Aggregate Amount	**Market Value**	**Aggregate Amount**	**Market Value**
Aggregate amount of quoted investments and market value there of	**3.00**	**2.38**	3.00	2.95
Aggregate amount of unquoted investments	**457.83**	**-**	457.87	-
Aggregate amount of impairment in the value of investments	**7.74**	**-**	7.79	-

Particulars	As at March 31, 2019		As at March 31, 2018	
B. CURRENT 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 Kamrajar 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, Kamrajar Port Ltd (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. However, 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 (SPA) has been signed and in terms of the agreement M/s SICAL Logistics Ltd have deposited ₹0.50 crore with MMTC towards performance of the Agreement. As per terms of SPA, M/s SIOTL has already applied to M/s Kamrajar Port Ltd for NOC / Permission of MMTC's exit from the JV. On receipt of NOC from KPL, M/s SICAL Logistics Ltd would release balance payment to MMTC and formalities of share transfer would be completed thereafter.

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. MMTC's holding as on 31.03.2019 is 6%.

MMTC valued its equity holding in ICEX at cost price of ₹5 each as at 31.03.2019 since the subscription of right issue (previous years) at premium does not represent market value and cost price is perceived to be more representative of fair value as on 31st March 2019. The equity shares of ICEX are not listed at any stock exchange in India as on 31.03.2019.

7. Trade Receivable

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Other Trade Receivables		
a) Considered Good - Secured	**178.55**	154.60
b) Considered good - Unsecured	**99.28**	198.56
c) Which have significant increase in Credit Risk	**-**	-
d) Credit impaired	**391.20**	391.64
Less : Allowances for bad and doubtful debts	**391.20**	391.64
Sub-Total	**277.83**	**353.16**
Total	**277.83**	**353.16**
NON-CURRENT (A)	**-**	-
CURRENT (B)	**277.83**	353.16
TOTAL	**277.83**	**353.16**

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 Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	**391.64**	396.14
Additions during the year	**-**	0.64
Reversals during the year	**(0.41)**	(5.14)
Utilisations during the year	**(0.03)**	-
Balance at the end of the year	**391.20**	**391.64**

8. Loans

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Considered good - Secured				
Security Deposits	**-**	**0.01**	-	0.00
Loans to Related Parties	**-**	**-**	-	-
Loans to Employees	**0.80**	**3.74**	1.08	4.36
Others	**-**	**-**	-	-
Sub- Total	**0.80**	**3.75**	**1.08**	**4.36**
Considered good - Unsecured				
Security Deposits	**-**	**1.86**	-	1.91
Loans to Related Parties	**-**	**0.00**	-	0.00
Loans to Employees	**1.45**	**2.21**	1.55	2.79
Others	-	-	0.19	-
Sub- Total	**1.45**	**4.07**	**1.74**	**4.70**
Which have significant increase in Credit Risk				
Security Deposits	**-**	**-**	-	-
Loans to Related Parties	**-**	**-**	-	-
Loans to Employees	**-**	**-**	-	-
Others	**-**	**-**	-	-
Sub- Total	**-**	**-**	**-**	**-**
Credit impaired				
Security Deposits	**-**	**0.17**	-	0.17
Loans to Related Parties	**-**	**-**	-	-
Loans to Employees	**-**	**-**	-	-
Others	**0.03**	**0.08**	0.03	0.14
Less: Allowance for bad and doubtful loans	**0.03**	**0.25**	0.03	0.31
Sub- Total	**-**	**-**	**-**	**-**
Total	**2.25**	**7.82**	**2.82**	**9.06**

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 ₹0.01 crore (P.Y. ₹0.02 crore).

9. Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	**-**	**0.86**	-	0.83
Balance with bank for Unpaid Dividend	**-**	**0.17**	-	0.13
Receivable From NSEL (i)	**-**	**208.25**	-	209.79
Demurrage and Dispatch receivable	**4.23**	**5.92**	5.43	5.65
Forward Contract Receivable	**-**	**-**	0.65	-
Advances to other Companies (ii)	**-**	**33.46**	-	33.47
Other Advances	**1.93**	**9.14**	0.77	9.09
Interest accrued due/not due on:				
- Term Deposits	**0.73**	**-**	0.64	-
- Loans to Employees	**0.95**	**9.25**	1.26	10.55
- Loans to Related Parties	**-**	**-**	-	-
- Loans to Others	**0.07**	**0.83**	0.00	0.87
Others	**-**	**20.09**	-	20.18
Less: Impairment / Allowances for bad and Doubtful Receivables	**1.07**	**245.89**	1.04	231.57
Total	**6.84**	**42.08**	**7.71**	**58.99**

(i) Represents ₹208.25 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 has already been made. During the year ₹1.54 crore has been recovered and accordingly provision made earlier to the extent has been reversed. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. CBI also investigated the case. The Hon'ble Supreme Court of India has set aside the order of amalgamation of NSEL with FTIL.

(ii) During the year a provision of ₹15.94 crore (P.Y. ₹ Nil crore) has been made against advance for project development to HFTWPL & KFTWPL.

10. Deferred Tax Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liability		
Property, plant and equipment	**(8.70)**	(9.80)
Sub Total	**(8.70)**	**(9.80)**
Deferred tax Assets		
Prov. For Doubtful Debts	**233.27**	228.43
DWA Risk	**0.01**	0.02
VRS Expenses	**6.26**	0.42
Provision for CSR	**-**	-
Provision for Litigation Settlement	**-**	16.54
Sub Total	**239.54**	**245.41**
Deferred tax Assets (net)	**230.84**	**235.61**

Movement in deferred tax balances during the year

(₹ in Crores)

Particulars	Balance As at March 31 2018	Recognised in Profit and Loss	Adjustments	Balance As at March 31 2019
Deferred Tax Liability				
Property plant and equipment	(9.80)	1.10	-	**(8.70)**
Sub Total	**(9.80)**	**1.10**	**-**	**(8.70)**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	228.43	4.84	-	**233.27**
Prov. for DWA Risk	0.02	(0.01)	-	**0.01**
VRS Expenses	0.42	5.84	-	**6.26**
Prov for Litigation Settlement	16.54	(16.54)	-	**0.00**
Sub Total	**245.41**	**(5.87)**	**-**	**239.54**
Total	**235.61**	**(4.77)**	**-**	**230.84**

Recognised Deferred tax assets

(₹ in Crores)

Deferred tax assets have been recognised in respect of the following items

Particulars	As at March 31, 2019	As at March 31, 2018
Deductible temporary differences	**230.84**	235.61

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

11. Other Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Non-Current		
Advances other than Capital Advances		
- Security Deposits	**0.04**	0.04
- Advances to other Suppliers	**4.67**	4.73
- Other Advances	**17.20**	17.15
Allowances for bad and Doubtful Advance	**(18.06)**	(18.06)
Others		
- Income Tax paid recoverable	**20.63**	22.36
- Others	**0.01**	0.01
Total	**24.49**	**26.23**
B. Current		
Advances other than Capital Advances		
- Security Deposits	**7.35**	15.55
- Advances to Related Parties	**1,425.01**	1,425.00
- Trade Related Advance to Related Parties	**1,169.56**	361.70
- Advances to other Suppliers	**2.09**	23.21
- Claim Recoverable Others	**49.58**	63.86
- Gold / Silver stock towards unbilled purchases	**227.02**	392.97
- Other Advances	**22.47**	63.46
Allowances for bad and Doubtful Advance	**(3.25)**	(3.27)
Others		
- Sales Tax refund due	**14.77**	17.06
- Excise / Custom duty refund due	**4.53**	4.35
- Service Tax refund due	**0.05**	0.64
- Others	**84.70**	61.39
Total	**3,003.88**	**2,425.92**

12. Inventories

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	**26.90**	4.28
Finished Goods	**30.10**	34.19
Stock in trade (includes goods in transit valued at ₹139.74 crore (P.Y. ₹431.23 crore).	**222.66**	1,672.45
Others	**0.15**	0.56
Total	**279.81**	**1,711.48**

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 2019. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹0.79 crore (P.Y. ₹0.64 crore).

c) Stock-in-trade includes the following:

(i) 20920 units (P.Y. 21020 units) Certified Emission Reductions (CERs) valued at ₹0.07crore (P.Y. ₹0.05 crore) as per Ind AS-2 'Inventories', being lower of cost or net realizable value.

(ii) 39939 units (P.Y. Nil units) number of CERs under certification.

(iii) An amount of ₹4.34 crore (P.Y. ₹4.35 crore) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

d) Stock in Trade includes an inventory of ₹Nil crore (P.Y. ₹856.29 crore) valued at cost relating to pulsesimported under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses. (Refer note 36(e)).

13. Cash & Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
(a) in Current Account	**2.76**	19.81
(b) In term deposit with original maturity upto 3 months	**12.11**	3.59
(c) Debit balance in Cash Credit Account	**24.14**	26.64
Cheques / Drafts / Stamps on hand	**0.00**	0.00
Cash on hand	**0.10**	0.04
Total	**39.11**	**50.08**

Term deposit includes ₹11.38 crore (P.Y. ₹ Nil crore) is against issuance of BG in favour of party.

14. Bank Balances other than above

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
For Unpaid Dividend	**-**	-
As Margin money / under lien	**4.49**	5.75
In term deposit with original maturity more than 3 months but less than 12 months	**11.61**	12.07
Total (A)	**16.10**	**17.82**

15. Current tax Assets (Net)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax paid for the FY 2018-19	**22.21**	-
Advance tax paid for the FY 2017-18	**-**	13.55
Advance tax paid for the FY 2016-17	**0.01**	0.01
Total	**22.22**	**13.55**

16. A. Equity Shares Capital

Particulars		As at March 31, 2019	As at March 31, 2018
		Number	**Number**
Authorized			
Ordinary shares of par value of ₹1/- each			
	Number	**2,000,000,000**	1,000,000,000
	Amount	**200.00**	100.00
Issued, subscribed and fully paid			
Ordinary shares of par value of ₹1/- each			
	Number	**1,500,000,000**	1,000,000,000
	Amount	**150.00**	100.00

Reconciliation of number of shares:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Equity Shares	**1,000,000,000**	1,000,000,000
Add:- No. of Shares issued / subscribed during the year	**500,000,000**	-
Less: Deduction	**-**	-
Closing balance	**1,500,000,000**	**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, 2019	As at March 31, 2018
- President of India	**1,348,903,143**	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 not bought back any shares.

The Company does not have any holding company.

During 2018-19, the company has allotted 50 crore equity shares in ratio of 1:2 as fully paid bonus shares by capitalization of free reserves amounting to ₹50 crore, pursuant to an ordinary resolution passed after taking consent of shareholders through postal ballot. Accordingly the paid up share capital of the company stands increased to ₹150/- crore divided into 150 crore equity share of ₹1/- each fully paid.

B. Other Equity

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Research & Development Reserve	**0.35**	0.35
General reserve	**586.62**	626.62
Retained Earnings	**755.28**	721.67
Other Comprehensive Income Reserves	**(3.00)**	0.81
Total Other Equity	**1,339.25**	**1,349.45**

(i) Research & Development Reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**0.35**	0.35
Transfer from surplus	**-**	-
Deduction	**-**	-
Closing Balance	**0.35**	**0.35**

(ii) General Reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**626.62**	616.62
Transfer from surplus	**10.00**	10.00
Issue of Bonus Share	**(50.00)**	-
Closing Balance	**586.62**	**626.62**

(iii) Retained Earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**721.67**	718.94
Net Profit for the year	**81.43**	48.84
Items of other comprehensive income recognized directly in retain earnings		-
Remeasurements of post employment benefit obligation	**(1.65)**	-
Dividend and Dividend Tax	**(36.17)**	(36.11)
Appropriations:-		-
General Reserve	**(10.00)**	(10.00)
Closing Balance	**755.28**	**721.67**

(iv) Other Reserve

	Equity instruments through OCI	Remeasurements - Post Employee Benefit Plans	Total other reserves
As at April 1 2017	0.81	(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**
Remeasurements of the defined benefit plans	-	(3.24)	**(3.24)**
Equity Instruments through other comprehensive income	(0.57)	-	**(0.57)**
As at March 31, 2019	**(0.62)**	**(2.38)**	**(3.00)**

17. Borrowings

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
(i) Loans repayable on Demand		
(a) From Banks		
-Secured (against hypothecation of inventories, trade receivables and otther current assets present and future)	**621.75**	519.26
-Unsecured	**300.18**	-
Total	**921.93**	**519.26**

- 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 Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
Trade Payables		
Total outstanding dues of micro and small enterpriese	**6.79**	-
Total outstanding dues of creditors other than micro and small enterpriese	**1,019.23**	1,064.65
- Trade Payables to Related Parties		
Total outstanding dues of micro and small enterpriese	**-**	-
Total outstanding dues of creditors other than micro and small enterpriese	**7.74**	0.02
Total	**1,033.76**	**1,064.67**

19. Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
Payables-Other than trade	**13.11**	8.19
Despatch / Demurrage payable	**3.40**	8.85
Amount recovered -pending remittance	**0.77**	0.33
Interest accrued on borrowings	**3.88**	2.04
Security Deposit &EMD	**34.81**	92.61
Unpaid Dividend	**0.17**	0.13
Claims payable	**43.73**	41.97
Forward Contract Payable	**-**	0.00
Others	**80.21**	88.69
Total	**180.07**	**242.81**

20. Provisions

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
A. NON-CURRENT		
EMPLOYEE BENEFIT OBLIGATIONS		
a) Earned Leave	**14.73**	13.63
b) Compassionate Gratuity	**0.10**	0.12
c) Post Retirement Medical Benefit		
Retired / retiring on or after 01.01.2007	**104.04**	93.32
Retired before 01.01.2007	**40.92**	45.04
d) Half Pay Leave	**18.92**	20.66
e) Service Award	**4.55**	5.44
f) Employee's Family Benefit Scheme	**3.38**	3.87
g) Special benefit to MICA employees	**1.91**	2.08
Total	**188.55**	**184.16**

B. CURRENT		
EMPLOYEE BENEFIT OBLIGATIONS		
a) Earned Leave	**3.30**	2.91
b) Compassionate Gratuity	**0.06**	0.05
c) Post Retirement Medical Benefit		
Retired / retiring on or after 01.01.2007	**2.53**	4.30
Retired before 01.01.2007	**8.48**	6.79
d) Half Pay Leave	**4.40**	5.35
e) Gratuity	**6.39**	51.10
f) Service Award	**1.15**	1.44
g) Bonus / performance related pay	**22.73**	16.03
h) Employee's Family Benefit Scheme	**0.62**	0.73
i) Special benefit to MICA employees	**0.40**	0.57
Sub Total	**50.07**	**89.27**
OTHERS		
Destinational weight and analysis risk	**0.03**	0.04
Provision for Litigation Settlements	**-**	47.34
Sub Total	**0.03**	**47.38**
Total	**50.10**	**136.65**

21. Other Liabilities

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Advance Received from Customers	**290.86**	1,373.48
Statutory dues Payable	**41.71**	14.36
Amount payable towards unbilled purchases	**227.02**	392.97
Others	**1.12**	24.24
Total	**560.71**	**1,805.05**

22. Current tax liabilities (Net)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax payable for the FY 2018-19	**30.40**	
Income tax payable for the FY 2017-18	**-**	15.50
Total	**30.40**	**15.50**

23. Revenue From Operations

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Products	**28,288.27**	15,746.49
Sale of Services	**4.55**	10.43
Other Operating Revenue		
- Claims	**462.68**	537.35
- Despatch Earned	**-**	0.03
- Other Trade Income	**223.94**	156.51
Total	**28,979.44**	**16,450.81**

24. Other Income

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income		
- From Fixed Deposits	**1.51**	5.72
- From Customers on amount overdue	**0.05**	0.01
- Others	**2.02**	10.95
Dividend Income		
-From Subsidiary / Joint Ventures	**5.23**	23.03
- From Others	**0.17**	0.79
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
-Staff Quarters Rent	**0.72**	0.55
-Liabilities Written Back	**2.23**	14.02
-Misc. Receipt	**5.86**	8.03
Total	**17.79**	**63.10**

25. Cost of Materials Consumed

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock of Raw Material	**4.28**	9.23
Add: Transfer from purchases	**146.97**	126.52
Less: Closing Stock of Raw Material	**27.00**	4.36
Cost of Material Consumed	**124.25**	**131.39**
Consumables	**-**	**-**

26. Purchase of Stock-in-Trade

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Purchases		
Precious Metal	**11,863.68**	9,159.10
Metals	**2,025.47**	898.40
Fertilizers	**9,755.99**	2,232.59
Minerals	**818.18**	1,270.37
Agro Products	**367.56**	20.02
Coal and Hydrocarbons	**1,195.52**	843.12
Others	**20.73**	48.10
B. Stock Received / (Issued) in kind		
Precious Metals	**(0.18)**	(0.30)
TOTAL	**26,046.95**	**14,471.40**

27. Changes in Inventory

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Finished Goods		
Opening Balance	**34.19**	46.11
Closing Balance	**31.38**	33.69
Changes in Inventory of Finished Goods	**2.81**	**12.42**
B. Stock-In-Trade		
Opening Balance	**1,673.02**	2,310.79
Closing Balance	**222.54**	1,671.07
Changes in Inventory of Stock in Trade	**1,450.48**	**639.72**
Net (Increase) / Decrease	**1,453.29**	**652.14**

28. Employees' Benefit Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Salaries and Wages		
Salaries and Allowances	**132.52**	140.09
Leave Encashment	**8.88**	17.95
Bonus	**0.07**	0.08
Performance Related Pay	**10.51**	3.33
Medical Expenses	**20.97**	19.53
Group Insurance	**0.00**	0.75
Contribution to DLIS	**0.14**	0.45
VR Expenses	**21.39**	0.01
b) Contribution to Provident Fund & Other Funds		
Providend Fund	**11.61**	11.29
Gratutity Fund	**6.93**	57.20
Family Pension Scheme	**1.33**	1.61
Superannuation Benefit	**5.43**	4.55
c) Staff Welfare Expenses	**1.57**	2.44
TOTAL	**221.35**	**259.28**

29. Finance Cost

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Interest Expenses	**65.13**	16.45
b) Premium on forward contract	**0.14**	0.12
c) Other Borrowing Costs	**-**	0.03
TOTAL	**65.27**	**16.60**

30. Depreciation And Amortization Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on PPE	**4.72**	4.40
Depreciation on Investment Property	**0.16**	0.15
Amortization of Intangible Assets	**0.66**	0.69
TOTAL	**5.54**	**5.24**

31. Other Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a. Operating Expenses :		
Freight	**123.13**	53.26
Demurrage	**0.90**	6.03
Clearing, Handling, Discount & Other charges	**16.47**	51.39
L / C negotiation and other charges	**0.67**	0.99
Difference in foreign exchange	**5.37**	7.77
Customs duty	**725.14**	693.60
Excise Duty	**-**	0.03
Packing Material	**0.66**	0.87
Insurance	**0.26**	0.15
Godown insurance	**1.46**	7.08
Plot and Godown rent	**6.56**	41.22
Provision for destinational weight and analysis risk	**0.03**	0.04
Sub total (a)	**880.65**	**862.43**
b. Administrative Expenses :		
Rent	**2.88**	4.50
Security Expenses	**3.21**	3.91
Rates and taxes	**1.49**	1.23
Insurance	**0.19**	0.21
Repairs to buildings	**4.46**	4.38
Repairs to machinery	**0.04**	0.09
Repairs & Maintenance - Computers	**2.05**	1.49
Repairs & Maintenance - Others	**0.61**	0.55
Electricity & Water Charges	**3.27**	3.41
Advertisement & Publicity	**1.62**	1.58
Printing & Stationery	**0.54**	0.56
Postage & Courier	**0.12**	0.15
Telephone	**1.27**	1.63
Telecommunication	**0.39**	0.36
Travelling	**3.46**	3.16
Vehicle	**1.88**	1.85
Entertainment	**0.55**	0.56
Legal	**7.20**	4.28
Auditors' Remuneration (i)	**0.63**	0.63
Bank Charges	**0.95**	0.70
Books & Periodicals	**0.06**	0.06
Trade / Sales Promotion	**0.47**	0.63
Subscription	**0.43**	0.53
Training, Seminar & Conference	**0.28**	0.32
Professional / Consultancy	**1.80**	2.04
CSR Expenditure (ii)	**1.35**	0.49
Difference in foreign exchange	**4.03**	0.28
Service Tax / GST	**0.59**	0.60
Exhibition and Fairs	**2.21**	2.07
Miscellaneous Expenses	**6.53**	5.59
Sub Total (b)	**54.56**	**47.85**
c. Others :		
Bad Debts / Claims / Assets written off / withdrawn	**1.06**	0.05
Allowance for Bad and Doubtful Debts / claims / advances	**15.96**	-
Sub Total (c)	**17.02**	**0.05**
TOTAL (a+b+c)	**952.23**	**910.32**

(i) Amount paid to auditors

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As Auditor	**0.33**	0.34
For Taxation Matters / Tax Audit	**0.16**	0.16
For Other Services	**0.14**	0.13
For Reimbursement of Expenses	**0.00**	-
TOTAL	**0.63**	**0.63**

ii) **Details of CSR expenditure**

	March 31, 2019	March 31, 2018
Gross amount required to be spent by the company	₹1.25 crore	₹1.26 crore
(Equivalent to 2% of Average Net Profit during preceding three Years		

Particulars	Amount spent during the year	Balance unspent
For the year ended 31st March 2019		
(i) Construction / acquisition of any asset	**0.47**	0.58
(ii) On purposes other than (i) above	**0.86**	0.11
(iii) Against CSR Reserve of previous years		
For the year ended 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 years	**0.00**	

Amount spent during the year includes ₹0.15 crore (P.Y. Nil crore) for Construction / acquisition of any asset and others of ₹0.54 crore (P.Y. Nil crore) being unspent as on 31.03.2018

32. Exceptional Items

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Write-down of inventories to net realisable value and its reversal	**0.80**	0.64
Disposals of items of assets	**0.02**	(0.06)
Provision for dimunition in value of non current investment	**-**	3.04
Litigation settlements (i)	**12.48**	5.65
Provisions no longer required	**(3.54)**	(0.86)
TOTAL	**9.76**	**8.41**

(i) a) Consequent to the finality of the arbitration award, the company remitted the final claim of the award (as computed by the Court) to the claimant party which includes interest and other cost. The balance claim amount of ₹4.87 crore is included in litigation and settlement expenses.

b) Includes ₹ Nil crore(P.Y. ₹1.60 crore) towards arbitration award decided against the company relating to transactions with a party.

c) Includes an amount of ₹2.54 crore (P.Y. ₹ Nil crore) towards cost of arbitration ₹ 0.07 crore (P.Y ₹ Nil crore) and interest on overdue payment up to 05.02.1997 ₹2.25 crore (P.Y ₹ Nil crore) and interest on cost of arbitration @18% from 01.08.2001 till 31.03.2019 ₹0.22 crore (P.Y ₹ Nil crore) decided against the company relating to transactions with a party at RO Mumbai. It was decided to release the amount by 31.05.2019 for full and final settlement of the claim as per the Hon'ble Supreme Court order.

d) Also includes an amount of ₹5.75 crore (P.Y. ₹ Nil crore) towards liability against a claim decided against the company relating to transactions at RO Bhubaneswar settled as per the Hon'ble Delhi High Court judgement.

e) Also includes an amount of ₹(0.75) crore (P.Y. ₹ Nil crore) at RO Mumbai and ₹0.07 at RO Chennai towards settlement of legal cases.

33. Tax Expense

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current year	**33.00**	13.35
Adjustments relating to prior periods	**(0.61)**	(0.03)
Sub Total (A)	**32.39**	**13.32**
Deferred tax expense		
Origination and reversal of temporary differences	**4.77**	(3.03)
Sub Total (B)	**4.77**	**(3.03)**
Total (A+B)	**37.16**	**10.29**

Tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined benefit plan acturial gains (losses)	**2.90**	(1.85)
Total	**2.90**	**(1.85)**

Reconciliation of effective tax

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	**118.59**	59.13
Enacted tax Rate	**34.94**	34.61
Computed Expected Tax Expenses	**41.44**	20.54
Non-deductible expenses	**10.29**	4.43
Tax exempt income / any other deduction or allowable exp.	**(18.74)**	(11.63)
Change in estimates related to prior years	**(0.61)**	(0.03)
Deferred Tax	**4.77**	(3.03)
Tax Expenses for the year	**37.16**	**10.29**
Adjustment : Tax effect on OCI	**(2.90)**	1.85
Net Tax Expenses for the year	**34.26**	**12.14**

34. Contingent Liabilities & Disclosures:

i) (₹ in crore)

	Particulars	As at 31 March 2019	As at 31 March 2018
(I)			
a)	Claims against the company not acknowledged as debts including foreign currency claim.	**207.87**	374.04
b)	Disputed Income Tax Demand against which ₹19.08 crore (P.Y. ₹21.62 crore) deposited.	**50.40**	60.78
c)	Disputed TDS demands	**0.00**	0.02
d)	Disputed Sales Tax Demand against which ₹17.80 crore (P.Y. ₹4.37 crore) deposited and ₹0.07 crore (P.Y. ₹0.27 crore) covered by Bank Guarantees.	**203.90**	227.54
e)	Disputed Service Tax Demand	**101.12**	105.41
f)	Disputed Central Excise demand	**19.53**	0.17
g)	Disputed PF demand	**2.24**	2.24
h)	Custom Bonds	**186.77**	414.09
i)	Outstanding GR-1 against which Bank Guarantee furnished of ₹0.73 crore (P.Y. ₹1.03 crore).	**1.60**	1.93
j)	Claims against the company not acknowledged as debts from a foreign supplier. USD 7.97 crore @ ₹69.16 (P.Y. USD 7.97 crore @ 65.18) *	**551.19**	519.47
Total (I)		**1324.61**	**1705.69**
(II)	**Others on back to back basis where liability if any is to account of associate**		
a)	Differential Custom Duty / Interest / Penalty etc.	**166.86**	180.32
Total (II)		**166.86**	**180.32**

Movement in respect of items mentioned at S.No. I) a) to j) (₹ in crore)

S. No.	Particulars	Balance as at 31st March, 2018	Reduction during the year in respect of opening balance	Addition during the year 2018-19	Balance as at 31st March, 2019
a)	Claims against the company not acknowledged as debts including foreign currency claim.	374.04	169.23	3.06	**207.87**
b)	Disputed Income Tax Demand	60.78	10.38	-	**50.40**
c)	Disputed TDS demands	0.02	0.02	0.00	**0.00**
d)	Disputed Sales Tax Demand	227.54	24.74	1.11	**203.90**
e)	Disputed Service Tax Demand	105.41	12.65	8.36	**101.12**
f)	Disputed Central Excise demand	0.17	-	19.36	**19.53**
g)	Disputed PF demand	2.24	-	-	**2.24**
h)	Custom Bonds	414.09	312.66	85.35	**186.77**
i)	Outstanding GR-1	1.93	0.33	-	**1.60**
j)	Claims against the company not acknowledged as debts from a foreign supplier	519.47	-	31.72	**551.19**
	Total	**1705.69**	**530.02**	**148.95**	**1324.61**

Movement in respect of items mentioned at S.No. II) a)

S. No.	Particulars	Balance as at 31st March, 2018	Reduction during the year in respect of opening balance	Addition during the year 2018-19	Balance as at 31st March, 2019
a)	Differential Custom Duty / Interest / Penalty etc.	180.32	13.46	-	166.86
	Total	**180.32**	**13.46**	**-**	**166.86**

*The claim by a foreign supplier relating to import of coking coal for supply to NINL (a JV company) for an amount of USD 7.872 crore and cost of arbitration USD 0.098 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 Arbitration award was against MMTC. 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 hearings in the appeal are in progress and next date of hearing 21.08.2019.

The claimant had also filed a separate execution petition before single bench of Delhi High Court for decree of arbitration award in their favour. Subsequent to the balance sheet date, Delhi High Court on 22.4.2019 ordered the company to deposit total up to date decretal amount with the court. The company filed application for recalling the said order and submitting there with list of properties of the company for security in lieu of the deposit. The Hon'ble High Court on 22.5.2019 directed the company to provide title deeds of the property documents and fixed the hearing on 8.8.2019. The direction of the court to deposit has been extended till 8.8.2019.

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 31.03.2019, 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.

ia) Guarantees issued by Banks on behalf of the Company ₹3.81 crore (P.Y. ₹15.82 crore) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹0.59 crore (P.Y. ₹ Nil crore) have been obtained from associate suppliers.

ii) Letters of Credit opened by the Company remaining outstanding ₹7.10 crore (P.Y. ₹179.29 crore).

iii) Corporate Guarantees of ₹1345.82 crore (P.Y. ₹1410.56 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.

iv) 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.

v) 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

<u>Capital Commitments:</u> 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. ₹ Nil crore).

Capital commitment in respect of investment in joint venture ₹ Nil crore (P.Y. ₹3.02 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	31/03/2019		31/03/2018	
	Qty	Value	Qty	Value
Gold (in Kgs)	515.00	147.80	754.00	205.79
Gold Jewellery (in Grams)	-	-	-	-
Silver (in Kgs)	22,703.85	79.22	49,140.13	187.18
TOTAL	**23,218.85**	**227.02**	**49,894.13**	**392.97**

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 to 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 ₹1187.00 crore has also been extended. Against this, outstanding under Other Assets (advances to related parties) (note 11) is ₹2594.57 crore (P.Y. ₹1786.70 crore) as against total net worth of the company of ₹1489.25 crore as on 31.03.2019.

(iii) The company has also given corporate guarantees amounting to ₹1345.82 crore (P.Y. ₹1410.56 crore) in favour of FIs / Banks / others to secure the loans availed by NINL (note 34 (iii)).

(iv) The company has recognised trade related interest of ₹216.67 crore (P.Y. ₹138.73 crore) on the credit facilities extended to NINL which is included in total outstanding.

(v) NINL have given corporate gurantee of ₹1975.00 crore (P.Y. ₹945.00 crore) to the company to secure credit facilities extended to them from time to time.

(vi) Subsequent to balance sheet date, the company has further release ₹79.42 crore towards additional equity capital on 5.4.2019 against Ministry of Commerce appoval dated 4th May 2018 for infusing total additional equity of ₹149.34 crore.

(vii) NINL has been incurring losses for last 7 years and its net worth has become negative ₹(-) 956.49 crore as on 31.3.2019 (P.Y. ₹(-) 552.05 crore as on 31.3.2018). Net assets of NINL as per their financial statements, excluding MMTC dues are ₹1638.08 crore as on 31.3.2019.

(viii) Considering the expected operationalization of iron ore mine owned by NINL during 2019-20, expected revival of the steel industry, 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. During the year entire stock of pulses imported on GOI account has already been liquidated and sale proceed / advance refunded after due adjustment against the purchase cost, other expenses and claims recoverable as on 31.3.2019 net advance outstanding was ₹26.28 crore however final reconciliation is pending.

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. The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.

g) At RO Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹3.77 crore (P.Y. ₹3.55 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 RO 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. The amount of ₹4.44 crore for this transaction received in full and final settlement from the local buyer which includes in Advance received from customer under other non-current liabilities.

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.

j) During the year, the company detected unauthorised delivery by security agency of 42 kg gold valued at ₹14.00 crore received on consignment from foreign supplier. However, the company has recovered the due amount from / through the custodian security agency and the transaction accounted for in the books of the company as normal trading transaction.

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, 2019)

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)			18.38	18.38	18.38
Cash & Cash Equivalents (Ref Note No. 13)	39.11			39.11	
Trade Receivable (Ref Note No. 7)	277.83			277.83	
Employee Loans (Ref Note No. 8)	8.20			8.20	
Loans to related party (Ref Note No. 8)	0.00			0.00	
Security Deposits & Other Loans (Ref Note No. 8)	1.86			1.86	
Other Financial Assets (Ref Note No. 9)	48.92			48.92	
Liabilities:					
Trade Payable (Ref Note No. 18)	1033.76			1033.76	
Borrowings (Ref Note No.17)	921.93			921.93	
Other Financial Liabilities (Ref Note No. 19)	180.07			180.07	

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2018:

(₹ 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	
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	

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, 2019)

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)	2.38			2.38		Quoted Price
Investment in Equity Instruments (ICEX)			16.00	16.00	Cost adopted as best estimate of Fair Value.	
Total	**2.38**	**-**	**16.00**	**18.38**		

(₹ 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**		

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, 2019

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	-	-	-
Trade Receivable	158.09	-	158.09
Demurrage / Despatch Receivable	4.78	-	4.78
Other Receivable	0.15	-	0.15
Total Receivable in foreign currency	**163.02**	**-**	**163.02**
Foreign Currency Loan payable	281.14	-	281.14
Interest on foreign currency loan payable	3.24	-	3.24
Trade Payables	429.39	-	429.39
Freight Demurrage / Despatch Payable	25.77	-	25.77
Provision towards Litigation Settlement	0.42	-	0.42
Others	5.64	-	5.64
Total Payable in Foreign Currency	**745.60**	**-**	**745.60**

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, 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.

Sensitivity:

As of March 31, 2019 and March 31, 2018, 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.

(i) 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, 2019 and March 31, 2018, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹0.18 crore and ₹0.19 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, 2019)

Particulars	Gross amount	Impairment	Carrying Value
Not due	181.66	-	181.66
Overdue for less than one month	11.54	-	11.54
Overdue for more than one month upto two months	7.18	-	7.18
Overdue for more than two months upto three months	15.28	-	15.28
Overdue for more than three months upto six months	6.98	-	6.98
Overdue for more than six months	446.37	391.17	55.20
Total	**669.00**	**391.17**	**277.83**

(₹ 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**

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, 2019)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	1033.76					1033.76
Short term borrowings	921.93					921.93
Other Financial Liabilities	180.07					180.07
Total	**2135.76**	**0.00**	**0.00**	**0.00**	**0.00**	**2135.76**

(₹ 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**	**0.00**	**0.00**	**0.00**	**0.00**	**1826.74**

38. Impact of Hedging Activities

38.1 Cash Flow Hedge

As at 31st March 2019 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, 2019)

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 & silver				120	41.55

(₹ 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

b. *Disclosure of effects of hedge accounting on financial position for hedged items:*

(₹ in crore as at March 31, 2019)

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	-	-	-	Inventories	-	-

(₹ 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	-	-

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 ₹0.27 crores (P.Y. Nil crore) 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 2019-20 towards the Gratuity Fund Contribution is ₹4.88 crore (P.Y. ₹6.55 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.**	105.48	18.03	23.32	5.70	2.30	0.16	4.00
	P.Y.	111.61	16.53	26.01	6.88	2.65	0.16	4.61
Fair Value of Plan Assets	**C.Y.**	99.20	-	-	-	-	-	-
	P.Y.	67.64	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)]	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Net Defined Benefit	**C.Y.**	(6.28)	(18.03)	(23.32)	(5.70)	(2.30)	(0.16)	(4.00)
Assets/(Liabilities)	P.Y.	(43.98)	(16.53)	(26.01)	(6.88)	(2.65)	(0.16)	(4.61)

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.	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
Current service cost	C.Y.	3.20	0.76	0.99	0.19	0.07		
	P.Y.	3.35	0.68	0.95	0.23	0.08		
Past Service Cost	C.Y.	0.00	-					
	P.Y.	46.76	-					
Interest Cost	C.Y.	8.36	1.26	1.98	0.52	0.20		
	P.Y.	5.41	1.75	1.75	0.55	0.22		
Benefits Paid	C.Y.	(27.43)	(6.01)	(4.08)	(1.74)	(0.54)		
	P.Y.	(8.38)	(19.08)	(2.47)	(0.87)	(0.50)		
Re-measurements - actuarial loss/(gain)	C.Y.	9.74	5.49	(1.58)	(0.16)	(0.08)	(0.00)	(0.61)
	P.Y.	(5.28)	10.03	2.63	(0.28)	(0.11)	(0.03)	(0.65)
Defined benefit obligation – End of the year	C.Y.	105.48	18.03	23.32	5.70	2.30	0.16	4.00
	P.Y.	111.61	16.53	26.01	6.88	2.65	0.16	4.61

Movement in plan asset (₹ in crore)

Particulars	Gratuity (Funded)	
	31.03.2019	31.03.2018
Fair value of plan assets at beginning of year	67.64	70.83
Interest income	5.06	5.49
Employer contributions	52.28	0.00
Benefits paid	(27.43)	(8.38)
Re-measurements - Actuarial (loss) / gain	1.65	(0.31)
Fair value of plan assets at end of year	99.20	67.64

In addition an amount of ₹0.67 crore (P.Y. ₹ Nil crore) is also available as on 31.03.2019 towards employees retired prior to 31.03.2019

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.	3.20	0.76	0.99	0.19	0.07		
	P.Y.	3.35	0.68	0.95	0.23	0.08		
Past Service Cost-Plan Amendment	C.Y.	0.00	-	-				
	P.Y.		-		-	-		
Service Cost (A)	C.Y.	3.20	0.76	0.99	0.19	0.07		
	P.Y.	3.35	0.68	0.95	0.23	0.08		
Net Interest on Net Defined Benefit Liability/ (assets) (B)	C.Y.	3.30	1.26	1.98	0.52	0.20		
	P.Y.	(0.08)	1.75	1.75	0.55	0.22		
Net actuarial (gain)/ loss recognized in the period (C)	C.Y.		5.49	(1.58)	-		(0.00)	(0.61)
	P.Y.		10.03	2.63	-		(0.03)	(0.65)
Cost Recognized in P&L (A+B+C)	C.Y.	6.49	7.51	1.39	0.72	0.27	(0.00)	(0.61)
	P.Y.	3.27	12.46	5.33	0.78	0.30	(0.03)	(0.65)

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.**	9.74			0.15	0.08		
	P.Y.	(5.28)	-	-	0.27	0.10	-	-
Actuarial gain/(loss) due to assumption changes	**C.Y.**	-	-	-	0.00	0.00	-	-
	P.Y.	-	-	-	0.01	0.01	-	-
Actuarial gain/(loss) arising during the period (A)	**C.Y.**	9.74	-	-	0.16	0.08	-	-
	P.Y.	(5.28)	-	-	0.28	0.11	-	-
Return on Plan assets (greater)/less than discount rate (B)	**C.Y.**	(1.65)	-	-	-	-	-	-
	P.Y.	0.31	-	-	-	-	-	-
Actuarial gain/(loss) recognized in OCI (A+B)	**C.Y.**	8.09	-	-	0.16	0.08	-	-
	P.Y.	(4.97)	-	-	0.28	0.11	-	-

Sensitivity Analysis

(₹ in crore as at March 31, 2019)

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%	(4.32)	0.50%	(0.43)	(0.50)	(0.11)	(0.05)	-	
	-1.00%	4.69	-0.50%	0.45	0.53	0.11	0.06	-	
Salary growth rate	1.00%	4.11	0.50%	0.46	0.53	-		-	
	-1.00%	(3.83)	-0.50%	(0.43)	(0.51)	-		-	

(₹ in crore as at March 31, 2019)

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)	-	-	-	-

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.**	7.00%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
	P.Y.	7.75%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%
Rate of salary increase	**C.Y.**	6.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	**C.Y.**	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
	P.Y.	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

Expected Benefit Payments

(₹ in 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-
1	April 2019 - March 2020	21.65	April 2019 - March 2020	3.30	4.40	1.15	0.40	-	-
2	April 2020 - March 2021	18.48	April 2020 - March 2021	2.53	2.52	0.86	0.37	-	-
3	April 2021 - March 2022	18.50	April 2021 - March 2022	2.55	3.57	0.78	0.31	-	-
4	April 2022 - March 2023	15.36	April 2022 - March 2023	1.80	2.49	0.62	0.34	-	-
5	April 2023 - March 2024	13.76	April 2023 - March 2024	1.48	2.41	0.52	0.23	-	-
6	April 2024 onwards	29.35	April 2024 - March 2025	1.11	1.51	0.38	0.19	-	-
7		-	April 2025 onwards	5.26	6.42	1.39	0.46	-	-

*(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 ₹5.43 crore (P.Y. ₹4.55 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:

a. The liability for the year 2018-19 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 2018-19 in 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 31.3.2018 has been shown as company's obligation as on 31.3.2019 under 'Defined Contribution Scheme' and additional contribution @ 6.75% (P.Y. @ 6.25%) 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 ₹15.91 crore (P.Y. ₹14.49 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 Revenue and Results

(₹ in crore as at March 31, 2019)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	12789.37	1889.24	149.94	1470.71	1432.99	10132.43	5.23	27869.91
Outside India		383.70	704.46				21.37	1109.53
Inter-Segment Revenue								
Total Segment Revenue	12789.37	2272.94	854.40	1470.71	1432.99	10132.43	26.60	28979.44
Segment Results								
Within India	65.03	255.59	16.73	49.86	17.19	29.83	3.79	438.02
Outside India		11.95	23.66				0.64	36.25
Total segmental results	65.03	267.54	40.39	49.86	17.19	29.83	4.43	474.27
Unallocated Corporate expenses:								
Interest expenses (net)								61.69
Other unallocated expenses net of other income								293.99
Profit before tax from ordinary activities								118.59

(₹ 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	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

Segment Assets and Liabilities

(₹ in crore as at March 31, 2019)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 **Segment Assets :**								
Assets	323.18	2486.00	215.62	387.99	73.76	64.06	448.33	3998.95
Unallocated assets								455.82
Total Assets								4454.77
A.02 **Segment Liabilities :**								
Liabilities	256.61	149.42	224.15	765.51	73.14	326.24	14.45	1809.52
Unallocated liabilities								1156.00
Total Liabilities								2965.52

(₹ 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

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:

Major Customer (customer having more than 10% revenue)	2018-19	2017-18
Total Revenue	10096.53	1821.99
No. of customers	1	1
% of Total Revenue	34.84%	11.08%
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) (Upto 31.03.2019)
iii. Shri Umesh Sharma	Director(F) & (Chief Financial Officer)
iv. Shri P.K. Jain	Director (Upto 14.05.2018)
iv. Shri Ashwani Sondhi	Director
v. Shri J Ravi Shanker	Director (w.e.f. 04.07.2018)

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.

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, 2019	For the year ended March 31, 2018
Short - term benefits	2.05	1.62
Post - employment benefits	0.38	0.29
Other long - term benefits	-	-
Share - based payments	-	-
Termination benefits	-	-
Total	**2.43**	**1.91**
Recovery of Loans & Advances during the year	0.01	0.01
Advances released during the year		
Closing Balance of Loans & Advances as on 31.03.2019	0.01	0.02

g. **Transactions with Related Parties**

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Others	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Sale of goods and services	-	-	1.07	-	-	-	250.39	0.27	1319.46	546.85	-	-	-	-
Purchase of raw material/ goods and services	-	0.06	213.91	512.08	-	-	367.98	77.34	2012.71	718.18	-	-	-	-
Payments on behalf of company	-	-	-	-	-	-					-	-	105.33	48.47
Other transactions	-	-	-	3.49	-	-	-	19.54	216.67	1,410.56	-	-	23.99	61.52

h. **Outstanding balances arising from sale/purchase of goods/services**

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Trade Payables	0.02	0.02	-	0.00	-	-	7.72	78.27	1.46	1.46	-	-
Trade receivables	-	-	-	-	-	-	0.03	-	-	-	-	-
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	0.22	1.39	-	-	-	-

i. **Loans to Joint Ventures**

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Loans at beginning of the year	-	-	-	-	-	-	-	-	-	130.00	-	-
Loan advanced	-	-	-	-	-	-	-	-	-	-	-	-
Repayment received / adjusted	-	-	-	-	-	-	-	-	-	130.00	-	-
Interest charged	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-
Balance at end of the year including interest	-	-	-	-	-	-	-	-	-	-	-	-

j. **Advances to Joint Ventures**

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal 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-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Advances given	-	-	-	-	-	-	-	-	2,594.56	1,786.70	-	0.54	-	-	-	-

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, 2019	March 31, 2018
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, 2019	March 31, 2018
1. Free Trade Warehousing Pvt. Ltd.	India	50	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. Neelanchal Ispat Nigam Limited	India	49.78	49.78

l. Loans to KMP

Particulars	Mar-19	Mar-18
Loans at beginning of the year	0.02	0.02
Loan advanced	-	-
Repayment received	-	-
Interest charged	-	-
Interest received	0.01	0.01
Balance at end of the year including interest	0.01	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

S. NO	NAME OF GOVT / GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE (RS)	OUTSTANDING BALANCE	
					RECEIVABLE	PAYABLES
1	Deptt. of Fertilizer GOI	Majority Owner	Sale of Goods	10096.53	35.52	0.00
2	Deptt. of Consumer Affairs GOI	Majority Owner	Import of Pulses	-	-	26.28
3	Other Departments of Govt of India	Majority Owner	Purchase/sale of goods	2680.21	1.35	6.93
4	CPSEs	Related through GOI	Purchase/sale of goods	857.67	48.15	25.05

42.2 Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

42.3 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, 2019	For the year ended March 31, 2018
Not later than 1 year	0.72	0.74
Later than 1 year and not later than 5 years	3.05	3.14
Later than 5 years	3.81	4.28

- **Payments recognised as an expense** **(₹ in crore)**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Minimum lease payments	0.97	2.11
Contingent rentals	-	-
Sub - lease payments received	-	-

42.4 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, 2019	For the year ended March 31, 2018
Not later than 1 year	0.08	0.24
Later than 1 year and not later than 5 years	0.03	0.11
Later than 5 years	-	-

43. 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, 2019	For the year ended March 31, 2018
Profit (loss) for the year, attributable to the owners of the company	81.43	48.84
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,500,000,000	1,500,000,000
Basic & Diluted EPS	0.54	0.33

44. 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 01.04.2018	Adjustment during year	Addition during year	Closing Balance as on 31.03.2019
Destinational Weight & Analysis Risk	0.04	0.04	0.03	0.03
Bonus/PRP	16.03	3.87	10.58	22.73
Provision for Litigation Settlements	47.34	59.82	12.48	-

45. The details of micro, small or medium enterprises to whom the Company owes dues as at 31st March, 2019 is as under:

(₹ in crore)

		2018-19	2017-18
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	6.86	0.09
	(ii) The interest due on above	-	-
	TOTAL (i) & (ii) (included under note 18 & 19)	6.86	0.09
b)	Amount of interest paid by the buyer in terms of Section 16 of the Act	-	-
c)	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	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

46. Disclosure in respect of Indian Accounting Standard (Ind AS)-115: "Revenue from Contract with Customers)

Transitional Provision

The company has adopted the new Indian Accounting Standard 115 (Revenue from Contract with Customers) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings as on 01.04.2018. The company has examined the changes bought in under Ind AS 115 and observed that there has been no impact on the opening retained earnings as at 01.04.2018.

Disclosure

A. (i) Contracts with customers

a) Company has recognized the following revenue during the year from contracts with its customers

(₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of products	28288.27	15746.49
Sale of services	4.55	10.44
Other operating revenue		
- Claims	462.68	537.36
- Subsidy	0.00	0.00
- Despatch Earned	0.00	0.03
- Other Trade Income	223.94	156.50
Total	**28979.44**	**16450.81**

b) Company has recognized the following amount as impairment loss against the amount receivables from its customers or contract assets arising due to contract with its customers

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Impairment Loss	0.03	0.05

(ii) Disaggregation of Revenue

The Company has identified its Operating Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and General Trade / others. The segment wise revenue generated from the contract with customers and its proportion in total revenue is as follows:-

Particulars	For the year ended March 31, 2019	As % to Total Revenue	For the year ended March 31, 2019	As % to Total Revenue
Precious Metals	12789.37	44.13%	10107.79	61.44%
Metals	2272.94	7.84%	1203.09	7.31%
Minerals	854.40	2.95%	1316.99	8.01%
Coal & Hydrocarbon	1470.71	5.08%	779.18	4.74%
Agro Products	1432.99	4.94%	1084.96	6.60%
Fertilizers	10132.43	34.96%	1902.22	11.56%
Others	26.60	0.09%	56.58	0.34%
Total	**28979.44**	**100%**	**16450.81**	**100%**

(iii) Contract Balances

(a) Receivables

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Balance	744.80	910.46
Addition/(deduction) during the year	(75.76)	(165.66)
Closing Balance	669.04	744.80

(b) Contract Assets

Company recognized contract assets when it satisfies its obligation by transferring the goods or services to the customer and right to receive the consideration is established which is subject to some conditions to be fulfilled by the company in future before receipt of consideration amount. Being a trading company performance obligation of the company is satisfied upon transferring a promised goods or service to its customers and there is no obligation on the part of the company which remains unexecuted.

(c) Contract Liabilities

Upon execution of contract with the customers, certain amount in the form of EMD, Security Deposit, Margin Money, advance for payment of custom duty etc. received from the customers which is shown as advance received from customers under the heading "Other Financial Liabilities" and "Other Liabilities"

(₹ in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	288.44	188.39
Add: Addition during the year	146.39	168.52
Less: Deduction (Refunds/adjustments)	14.39	37.08
Less: Recognised as revenue during the year forming part of opening balance	58.49	31.39
Closing Balance	361.95	288.44

During the year company has recognized revenue of ₹ Nil crore (P.Y. ₹ Nil crore) from the performance obligations satisfied in earlier periods by raising debit / credit notes to its customers.

The company has made the adjustment of ₹ Nil crore (P.Y. ₹ Nil Crore) in the revenue of ₹ Nil crore (P.Y. ₹ Nil crore) recognized during the year on account of discounts, rebates, refunds, credits, price concessions, incentives performance bonuses etc. as against the contracted revenue of ` Nil crore (P.Y. ₹ Nil crore).

(d) Practical expedients

During the year company has entered into sales contracts with its customers where some of the part is yet to be executed, same has not been disclosed as per practical expedient as the duration of the contract is less than one year or right to receive the consideration established on completion of the performance by the company.

B. Significant judgements in the application of this standard

(i) Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset / goods / services are considered to be transferred when the customer obtains control of those asset / goods / services.

(ii) The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).

(iii) The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit / credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.

(iv) Certain adjustments have been made during the year in contract value which is not significant keeping in view the amount involved.

C. Assets Recognised from costs to obtain or fulfill a contact with a customer

Being a trading company, costs incurred by the company are fixed in nature with no significant incremental cost to obtain or fulfill a contract with a customer and same is charged to profit and loss as a practical expedient.

47. Recent Accounting Pronouncements (effective from 1st April, 2019)

1) MCA has notified Ind AS - 116 (Leases) on 30th March, 2019 as part of Companies (Indian Accounting Standards) Amendment Rules, 2019. The standard supersedes existing Ind AS-17 (Leases).

The company is in the process of examining and assessing the impact of the said notification which applies to annual reporting period beginning on or after 1st April, 2019. This Ind AS provides two options to lessee either apply this standard retrospectively to each prior reporting period presented applying Ind AS 8 " Accounting policies, changes in Accounting Estimates and Errors; or retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The company will adopt this standard retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings effective from 1st April, 2019. The effect of adoption of Ind AS - 116 is expected to be insignificant. In respect of Lessors no adjustment is required on transition to this standard except for intermediate lessor.

2) Ind AS Appendix C. Uncertainty over Income Tax Treatments. On 30th March 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. Accordingly to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, *Accounting Policies, Changes in Accounting Polices, Changes in Accounting Estimates and Errors,* without using hindsight, and

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

  The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April 2019. The Company will adopt the standard on 1st April 2019 and has decided to adjust the cumulative effect in equity on date of initial application i.e. 1st April 2019 without comparatives.

  The effect on adoption of Ind As 12 Appendix C would be insignificant in the standalone financial statements.

  Amendment to Ind AS 12, Income Taxes: On 30th march 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

  The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

  Effective date for application of this amendment is annual period beginning on or after 1st April 2019. The company is currently evaluation the effect of this amendment on the standalone financial statements.

3) Amendment to Ind AS 19, plan amendment, curtailment, curtailment or settlement: On 30th March 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailment and settlements.

   The amendments require an entity:

- To use assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

  Effective date for application of this amendment is annual period beginning on or after 1st April 2019. The company does not have any impact on account of this amendment.

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. Accounting Policy No. 2.4 "Revenue Recognition" has been changed due to the adoption of Ind AS 115 'Revenue from Contract with Customers' w.e.f. 1.4.2018.

The above changes have no financial impact on 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. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30.05.2019.

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

(B N Dash)
Chief General Manager (F)

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

Date: 30.05.2019
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

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

MMTC TRANSNATIONAL PTE LTD

(Incorporated in Singapore. Registration Number: 199407265M)

FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

MMTC TRANSNATIONAL PTE LTD

DIRECTORS’ STATEMENT

For the financial year ended 31 March 2019

The directors present their statement to the shareholder together with the audited financial statements for the financial year ended 31 March 2019.

In the opinion of the directors,

(a) the financial statements as set out on pages 6 to 33 are as drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 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:

Ashwani Sondhi

Devasish Nayak (Appointed on 5 June 2018)

Ravi Shanker Janardhanan (Appointed on 31 July 2018)

Thimmasarthy Srinivasa Rao (Appointed on 30 August 2018)

Umesh Sharma

Ved Prakash

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.

Independent auditor

The independent auditor, Price water house Coopers LLP, will not seek re-appointment.

On behalf of the directors

Thimmasarthy Srinivasa Rao	**Devasish Nayak**
Director	**Director**

22 May, 2019

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 2019 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 2019;
- the balance sheet as at 31 March 2019;
- 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.

Price water house Coopers LLP
Public Accountants and Chartered Accountants

Singapore

22 May, 2019

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2019

	Note	2019 US$	2018 US$
Revenue	3	**154,120,379**	11,839,773
Other income - net	4	**549,635**	370,216
Net currency translation loss		**(832)**	(10,009)
Expenses			
- Purchases of commodities		**(152,450,867)**	(11,836,027)
- Freight cost		**(979,650)**	-
- Employee compensation	5	**(458,633)**	(549,674)
- Depreciation	12	**(1,938)**	(2,758)
- Rental expense - operating lease		**(92,073)**	(91,190)
- Bank charges		**(30,661)**	(9,426)
- Finance expense	6	**(273,800)**	-
- Other expenses	7	**(106,747)**	(106,510)
Total expenses		**(154,394,369)**	(12,595,585)
Profit / (loss) before income tax		**274,813**	(395,605)
Income tax credit	8	**-**	11,881
Profit / (loss) after tax and total comprehensive income / (loss)		**274,813**	(383,724)

BALANCE SHEET

As at 31 March 2019

	Note	2019 US$	2018 US$
ASSETS			
Current assets			
Cash and bank deposits	9	**11,434,436**	11,676,135
Trade and other receivables	10	**22,976,853**	12,406,593
Inventories		**19,552**	25,222
Other assets	11	**14,274**	26,778
	Sub total	**34,445,115**	24,134,728
Non-current assets			
Plant and equipment	12	**7,241**	411
Other assets	11	**4,881**	-
	Sub total	**12,122**	411
Total assets		**34,457,237**	24,135,139
LIABILITIES			
Current liabilities			
Trade and other payables	13	**16,450,875**	12,120,463
Borrowings	14	**5,716,873**	-
Current income tax liabilities	8	**-**	-
Total liabilities	**Sub total**	**22,167,748**	12,120,463
NET ASSETS		**12,289,489**	12,014,676
EQUITY			
Share capital	16	**1,000,000**	1,000,000
Retained earnings		**11,289,489**	11,014,676
Total shareholder's equity		**12,289,489**	12,014,676

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

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2019

	Note	Share capital US$	Retained earnings US$	Total US$
2019				
Beginning of financial year		1,000,000	11,014,676	12,014,676
Total comprehensive income		-	274,813	274,813
End of financial year		**1,000,000**	**11,289,489**	**12,289,489**
2018				
Beginning of financial year		1,000,000	14,398,400	15,398,400
Total comprehensive loss		-	(383,724)	(383,724)
Dividend paid	17	-	(3,000,000)	(3,000,000)
End of financial year		**1,000,000**	**11,014,676**	**12,014,676**

STATEMENTOF CASH FLOWS
For the financial year ended 31 March 2019

	Note	2019 US$	2018 US$
Cash flows from operating activities			
Profit / (loss) after tax		**274,813**	(383,724)
Adjustments for:			
Income tax credit		**-**	(11,881)
Depreciation		**1,938**	2,758
Interest income		**(494,643)**	(263,922)
Interest expense		**273,800**	-
		55,908	(656,769)
Changes in working capital:			
Inventories		**5,670**	(15,389)
Trade and other receivables		**(10,382,325)**	(11,719,861)
Other assets		**7,623**	15,010
Trade and other payables		**4,330,412**	11,599,867
Cash used in from operations		**(5,982,712)**	(777,142)
Income tax refund		**-**	2,922
Net cash used in operating activities		**(5,982,712)**	(774,220)
Cash flows from investing activities			
Interest received		**306,708**	250,194
Additions of plant and equipment		**(8,945)**	(348)
Proceeds from disposal of plant and equipment		**177**	-
Net cash provided by investing activities		**297,940**	249,846
Cash flows from financing activities			
Proceeds from borrowings		**5,716,873**	-
Cash and bank balances pledged		**(11,032,956)**	-
Dividend paid		**-**	(3,000,000)
Interest paid		**(273,800)**	-
Net cash used in financing activities		**(5,589,883)**	(3,000,000)
Net decrease in cash and cash equivalents		**(11,274,655)**	(3,524,374)
Cash and cash equivalents at beginning of financial year		**11,676,135**	15,200,509
Cash and cash equivalents at end of financial year	9	**401,480**	11,676,135

Reconciliation of liabilities arising from financial activities

	1 April 2018	Proceeds from borrowings	Principal and interest payments	Non-cash changes Interest expense	31 March 2019
	$	$	$	$	$
Borrowings	-	5,716,873	(273,800)	273,800	5,716,873

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 3 Raffles Place, #08-01, Bharat Building, Singapore 048617.

The principal activities of the Company are trading in minerals, metals, fertilizers, agricultural products, coal, gold and hydrocarbon products, jewellery and other commodities.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain accounting estimates and assumptions.

Interpretations and amendments to published standards effective in 2018

On 1 April 2018, 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 Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the following:

(a) Adoption of FRS 115 Revenue from Contracts with Customers

The Company has adopted the new standard using the modified retrospective approach with the cumulative impact of the adoption recognised in the opening retained earnings at 1 April 2018. Comparative information for 2018 are not restated.

The accounting policies for revenue from contracts with customers under FRS 115 are disclosed in Note 2.2.

(b) Adoption of FRS 109 Financial Instruments

The Company has adopted the new standard using the modified retrospective approach with the cumulative impact of the adoption recognised in the opening retained earnings at 1 April 2018. The adoption of the new standard had no material effect on the amount reported for current year and prior financial years. The accounting policies for financial instruments under FRS 109 are disclosed in Note 2.4.

The effects on adoption of FRS 109 to the carrying amounts of financial assets at 31 March are as follows:

Impairment of financial assets

The Company has the following financial assets subject to the expected credit loss impairment model under FRS 109:

- Cash and bank deposits
- Trade and other receivables; and
- Refundable deposits

The impairment methodology for each of these classes of financial assets under FRS 109 are different as disclosed in Note 2.4 and Note 20(b). No additional impairment allowances were recognised at 1 April 2018 on adoption of FRS 109.

2.2 Revenue from contract with customers

(a) Sale of commodities

Sales are recognised when control of the commodities have transferred to its customers (i.e. point in time). The risk of obsolescence and loss have been transferred to the customers, and either the customers have accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. No element of financing is deemed present as the sales are made with a credit term of 30 to 180 days, which is consistent with market practice.

Prior to 1 April 2018, sale of goods 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.

Revenue from the sale of goods is recognised when the Company has delivered the products to the customers, the customers have accepted the products and the collectability of the related receivables is reasonably assured.

(b) Interest income

Interest income is recognised using the effective interest rate method.

(c) Demurrage and despatch income

Demurrage and despatch income is recognised if it is estimated reliably and it is probable that it will be received.

2.3 Currency translation

The financial statements are presented in United States Dollar, which is the functional currency of the Company.

Transactions in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar 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 Financial assets

(a) The accounting for financial assets before 1 April 2018 under FRS 39 are as follows:
Loans and receivables
Cash and bank deposits
Trade and other receivables
Refundable deposits

Cash and bank deposits, trade and other receivables and refundable deposits are initially recognised at their fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Company assesses at each balance sheet date whether there is objective evidence that these financial asset are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date,which are presented as non-current assets.

(b) The accounting for financial assets from 1 April 2018 under FRS 109 are as follows:

The Company classifies its financial assets at amortised cost.

The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) At subsequent measurement

Debt instruments of the Company mainly comprise of cash and bank deposits, trade and other receivables and refundable deposits.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristic of the assets. The Company managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

The Company assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

For trade receivable, the Company applied the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For cash and bank deposits, other receivables and refundable deposits, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2.5 Income taxes

Current income tax for current and prior periods 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 that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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 transaction which is recognised directly in equity.

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 Plant and equipment

Plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to 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. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation for plant and equipment is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives of 3 years.

The residual values, estimated useful lives and depreciation method of 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 plant and equipment, the difference between the disposal proceeds and its carrying amount is included in profit or loss.

2.8 Impairment of non-financial assets

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 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 this 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

Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

2.11 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(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.

(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.

2.13 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.14 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and 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 fair value (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 from contracts with customers

	2019 US$	2018 US$
Disaggregation of revenue from contracts with customer		
Sales of commodities:		
- third parties	**102,364,932**	27,905
- holding corporation	**51,755,447**	11,811,868
	154,120,379	11,839,773

All the sales are recognised at a point in time.

4. Other income - net

	2019 US$	2018 US$
Interest income on bank deposits	**290,600**	263,922
Interest income from holding corporation	**179,737**	-
Interest income from a related corporation	**24,306**	-
Sundry income	**18,607**	61,459
Demurrage and despatch	**36,385**	44,835
	549,635	370,216

5. Employee compensation

	2019 US$	2018 US$
Wages, salaries and bonuses	**320,805**	378,826
Employer's contribution to defined contribution plans such as Central Provident Fund	**27,343**	40,294
Other benefits	**110,485**	130,554
	458,633	549,674

Other benefits include the rental expenses for the residential premises provided to the employees which amounted to US$60,970 (2018: US$75,947).

6. Finance expenses

	2019 US$	2018 US$
Interest expense - trust receipts and short-term loan	**273,800**	-

7. Other expenses

	2019 US$	2018 US$
Demurrage and despatch	**14,486**	38,497
Other expenses	**92,261**	68,013
	106,747	106,510

8. Income taxes

(a) Income tax credit

	2019 US$	2018 US$
Tax expense attributable to profit is made up of:		
Current income tax	**-**	-
Over provision in prior financial years:		
Current income tax	**-**	(11,881)
	-	(11,881)

The tax on result before tax differs from the amount that would arise using the Singapore standard rate of income tax as follows:

	2019 US$	2018 US$
Profit/(loss) before income tax	**274,813**	(395,605)
Tax calculated at a tax rate of 17% (2018: 17%)	**46,718**	(67,253)
Effects of:		
Expenses not deductible for tax purposes	**571**	1,159
Income not subject to tax	**-**	(2,636)
Tax losses not recognised as deferred tax assets	**-**	69,000
Utilisation of previously unrecognised deferred tax assets	**(47,289)**	-
Over provision of tax in prior financial years	**-**	(11,881)
Others	**-**	(270)
	-	(11,881)

As at 31 March 2019, the Company has unabsorbed tax losses and unutilised capital allowance of approximately US$209,000 (2018: US$485,900) 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

	2019 US$	2018 US$
Beginning of financial year	**-**	8,959
Income tax refund	**-**	2,922
Over provision in prior financial years	**-**	(11,881)
End of financial year	**-**	-

9. Cash and bank deposits

	2019 US$	2018 US$
Cash and bank balances	**698,229**	152,891
Fixed deposits with banks	**10,736,207**	11,523,244
	11,434,436	11,676,135

Cash and bank deposits are denominated in the following currencies:

	2019 US$	2018 US$
United States Dollar	**11,420,363**	11,659,098
Singapore Dollar	**14,073**	17,037
	11,434,436	11,676,135

At balance sheet date, the fixed deposits bear interest rates ranging from 2.70% to 3.20% (2018: 1.85% to 2.70%) per annum with the maturity dates of 12months (2018: 12 months). Weighted average effective interest rate of 2.71% (2018: 2.52%) per annum.

At balance sheet date, cash and bank balances of US$11,032,956 (2018: US$ Nil) are pledged as security granted for the borrowings (Note 14).

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2019 US$	2018 US$
Cash and bank balances	**11,434,436**	11,676,135
Less: Cash and bank balances pledged	**(11,032,956)**	-
Cash and cash equivalents per statement of cash flows	**401,480**	11,676,135

10. Trade and other receivables

	2019 US$	2018 US$
Trade receivables:		
- third parties	**21,096,759**	9,167
- holding corporation	**1,661,227**	11,792,240
- a related corporation	**-**	409,535
	22,757,986	12,210,942
Non-trade receivables:		
- a related corporation	**24,306**	-
Interest receivable from fixed deposit	**187,935**	132,149
Other receivables	**6,626**	63,502
	22,976,853	12,406,593

The non-trade amounts due from a related corporation are unsecured, interest-free and repayable on demand.
Trade and other receivables are denominated in the following currencies:

	2019 US$	2018 US$
United States Dollar	**22,970,227**	12,404,172
Singapore Dollar	**6,626**	2,421
	22,976,853	12,406,593

11. Other assets

	2019 US$	2018 US$
Current		
Refundable deposits	**14,274**	26,778
Non-current		
Refundable deposits	**4,881**	-
	19,155	26,778

Refundable deposits are denominated in Singapore Dollar.

12. Plant and equipment

	Lease hold improvements US$	Furniture and fittings US$	Computer equipment US$	Office equipment US$	Total US$
2019					
Cost					
Beginning of financial year	121,394	40,537	48,567	24,073	234,571
Additions	-	663	6,116	2,166	8,945
Disposals	-	-	(5,504)	-	(5,504)
End of financial year	121,394	41,200	49,179	26,239	238,012
Accumulated depreciation					
Beginning of financial year	121,394	40,537	48,387	23,842	234,160
Depreciation charge	-	193	1,023	722	1,938
Disposals	-	-	(5,327)	-	(5,327)
End of financial year	121,394	40,730	44,083	24,564	230,771
Net book value					
End of financial year	**-**	**470**	**5,096**	**1,675**	**7,241**
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

13. Trade and other payables

	2019 US$	2018 US$
Trade payables:		
- third parties	**16,374,904**	11,987,812
- holding corporation	**17,560**	72,491
Accrued operating expenses	**58,411**	60,160
	16,450,875	12,120,463

Trade and other payables are denominated in the following currencies:

	2019 US$	2018 US$
United States Dollar	**16,388,485**	12,060,145
Singapore Dollar	**62,390**	60,318
	16,450,875	12,120,463

14. Borrowings

	2019 US$	2018 US$
Trust receipts	**4,511,786**	-
Short-term loan	**1,205,087**	-
	5,716,873	-

Trust receipts amounting to US$1,021,824 (2018: NIL) at the balance sheet date bear interest rate at interest rate of 5.40% (2018: Nil) per annum with maturity of 6 to 11 days (2018: Nil) from the balance sheet date. The remaining trust receipts amounting to US$3,489,962 at the balance sheet date bear interest rate at 3.29% (2018: Nil) per annum with maturity of 3 to 7 days (2018: Nil) from the balance sheet date.

The short-term loan at the balance sheet date bear effective interest rate at 3.30% (2018: Nil) per annum. The short term loan has a maturity of 5 to 6 days (2018: Nil) from the balance sheet date.

Borrowings of US$5,716,873 (2018: US$ Nil) are secured over goods and receivables financed by the bank and Deed of Charge over Account on fixed deposit (Note 9) of the Company of US$11,032,956 (2018: US$ Nil).

Borrowings are denominated in United States Dollar.

15. Immediate and ultimate holding corporation

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

16. Share capital

The Company's share capital comprises fully paid-up 1,461,502 (2018: 1,461,502) ordinary shares with no par value, amounting to a total of US$1,000,000 (2018: US$1,000,000).

17. Dividends

	2019 US$	2018 US$
<u>Ordinary dividends paid</u>		
Interim exempt (one-tier) dividend paid in respect of current financial year of US$Nil (2018: US$2.0527) per share	**-**	3,000,000

18. 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:

	2019 US$	2018 US$
Not later than one year	**35,200**	43,490
Later than one year but not later than five financial years	**4,881**	-
	40,081	43,490

19. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Sales and purchase of goods and services

	2019	2018
	US$	US$
Sales to holding corporation	**51,755,447**	11,811,868
Purchases from holding corporation	**35,196,931**	42,299
Interest income from holding corporation	**179,737**	-
Interest income from related corporation	**24,306**	-

Balances with related parties at the balance sheet date are set out in Notes 10 and 13.

(b) Key management personnel compensation for the financial year is as follows:

	2019	2018
	US$	US$
Directors of the Company		
Salaries and other short-term employee benefits	**285,267**	281,955
Post-employment benefits - contribution to defined contribution plans	**13,431**	15,061
	298,698	297,016

20. 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

At 31 March 2019, the Company's short-term bank deposits at variable rates on which effective hedges had not been entered into, were denominated mainly in USD. At 31 March 2019, if the SGD interest rates had increased / decreased by 2.71% (2018: 2.52%) with all other variables including tax rate being held constant, the profit after tax for the year would have been higher / lower by $241,400 (2018: $241,000) as a result of lower/higher interest income on these short-term bank deposits.

At 31 March 2019, if the interest rates on the trust receipts increased / decreased by 0.5% (2018: Nil) with all other variables including tax rate being held constant, the net profit for the year would have been higher / lower by US$18,724 (2018: US$ Nil) as a result of lower/higher interest on the trust receipts.

At 31 March 2019, if the interest rates on the short-term loan increased / decreased by 0.5% (2018: Nil) with all other variables including tax rate being held constant, the net profit for the year would have been higher / lower by US$5,001 (2018: US$ Nil) as a result of lower / higher interest on the trust receipts.

(b) Credit risk

Credit risk refers to the risk that the counter party will default on its contractual obligation, resulting in financial loss to the Company.

(i) Risk management

The Company adopts the policy of dealing only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Company adopts the policy of dealing with financial institutions and other counter parties with high credit ratings.

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. The Company's trade receivables include seven debtors (2018: one debtor) that individually represented 4% - 33% (2018: 100%) of trade receivables at balance sheet date.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet. The Company's major classes of financial assets are cash and bank deposits, trade and other receivables and refundable deposits.

(ii) Credit rating

The Company uses the following categories of internal credit risk rating for financial assets which are subject to expected credit losses under the 3-stage general approach. These four categories reflect the respective credit risk and how the loss provision is determined for each of those categories.

Category of internal credit rating	Definition of category	Basis for recognition of expected credit losses
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows	12-month expected credit losses
Under-performing	Customers negotiating for new credit terms, default in repayment and other relevant indicators that showed customers' increased credit risk	Lifetime expected credit losses
Non-performing	Customers with prolonged default in repayment and it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation	Lifetime expected credit losses
Write-off	Customers with no reasonable expectation of recovery	Asset is written off

(iii) Impairment of financial assets

As at 31 March 2019, cash and bank deposits, other receivables and refundable deposits are rated with "performing" internal credit rating. The credit risk on cash and bank deposits, other receivables and refundable deposits are low as these balances are placed with reputable financial institutions or companies with good collection track records with the Company.

For trade receivables, the Company has applied the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables. As at 31 March 2019, there is no credit loss recognised and no significant concentration of credit risk identified for trade receivables.

To measure the expected credit losses, the Company considers historical payment patterns and credit characteristics of each debtor, and adjusts for forward looking information such as the future prospects of the debtors' core operating business, political and economic environment in which the Company's debtors operate in and other factors affecting the ability of the debtors to settle the receivables; and the amount of financial guarantee obtained on the outstanding amounts.

Expected credit loss is recognised in profit or loss. The Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, reversal to expected credit loss provision is recognised in profit or loss. Receivables are written off when there is no reasonable expectation of recovery.

In 2018, the impairment of the financial assets was assessed based on the incurred loss impairment model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively, to determine whether there was objective evidence that an impairment had been incurred but not yet identified.

The Company considered that there was evidence if any of the following indicators were present:

- There is significant difficulty of the debtor
- Breach of contract, such as default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation

Financial assets that are neither past due nor impaired

Cash and bank deposits that are neither past due nor impaired are mainly deposits with banks which have high credit-ratings as determined by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially companies with good collection track records with the Company. There was no other class of financial assets that is past due and / or impaired and no credit loss was provided as at 31 March 2019.

(c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and arrangements made with its holding corporation for adequate funding to be made available to the Company's operational requirements.

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	
	2019	2018
	US$	US$
Trade and other payables	**16,450,875**	12,120,463
Borrowings	**5,720,827**	-

(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 Board of Director's monitors its capital based on total equity. The Company was in compliance with the externally imposed capital requirements for the financial year ended 31 March 2019.

(e) Financial instruments by category

The aggregate carrying amounts of loans and receivables, financial assets and financial liabilities at amortised cost are as follows:

	2019
	US$
Financial assets, at amortised cost	**34,430,444**
Financial liabilities at amortised cost	**22,167,748**

	2018
	US$
Loans and receivables	24,109,506
Financial liabilities at amortised cost	12,120,463

(f) Fair value estimation of financial assets and liabilities

The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

21. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 April 2019 and which the Company has not early adopted:

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.

As at the reporting date, the Company has non-cancellable operating lease commitments of US$40,081, see Note 18. Of these commitments, approximately US$5,916relates to short-term leases which will be recognised on a straight-line basis as expense in profit or loss.

For the remaining lease commitments the Company expects to recognise right-of-use assets and lease liabilities of approximately US$33,667on 1 April 2019. Net current assets will be US$28,914 lower due to the presentation of a portion of the liability as a current liability.

The Company expects that net profit after tax will decrease by approximately US$57 for 2019 as a result of adopting FRS116. Operating cash flows will increase and financing cash flows decrease by approximately US$28,801 as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

The new standard also introduces expanded disclosure requirements and changes in presentation.

22. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of MMTC Transnational Pte Ltd on 22.05.2019.

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

MMTC LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
FOR
THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LTD.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of MMTC Limited ("hereinafter referred as "the Holding Company"), and its subsidiary Company (Holding Company & its subsidiary together referred to as "the Group"), and its joint venture entities which comprises the consolidated Balance Sheet as at 31st March, 2019, and the consolidated statement of Profit and Loss (including other comprehensive income), and the consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture entities as at March 31, 2019, of consolidated profit, consolidated change in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group and its joint venture entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl. No.	Key Audit Matter	Auditor's Response
1.	Refer note 36(b) regarding need for replacing the existing old ERP of holding company with integrated and latest ERP system. In the absence of the one, the recent changes in laws such as Depreciation Schedule in Companies Act, introduction of GST etc. are not seamlessly captured in the system.	We performed following test in detail to ensure that all the entries passed in different accounting packages / software have been duly mapped in the preparation of financial statements as on Balance Sheet date: • Performed cut off procedure • Performed reconciliation of entries passed in different platforms
2.	Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There is large number of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case. The holding company has 8 regional offices and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction.	We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2019 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company. It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.

3	Refer Note no. 34(i)(J) regarding contingent liability of the company on account of coal supplied by a foreign supplier for NINL. The company has been representing that the liability, if any, is to be borne by NINL but due to continuous pendency of confirmation from NINL and precarious financial condition of NINL, there is an uncertainty of recovery, in case liabilityis crystallised.	Considering the fact that appeal is pending before division bench of Delhi High court and representations of the management provided to us on the issue, this requires significant management judgement on the continuing support to and recovery of dues / claims from NINL. Management's key judgements about recovery of dues / claims from NINL would be a factor for determining future financial stability of the Company.
4	Advance given for development of free trade warehousing project to and investment in Haldia Free Trade Warehousing Private Limited and Kandla Free Trade warehousing Private Limited. (Refer Note No. 9 (ii))	We discussed the matter with the management to understand the possibility of implementation / completion of the project that resulted in creation of provision for doubtful recoveries.

Emphasis of Matters

a. We draw attention to Note No. 36(c) to the consolidated 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.

b. We draw attention to Note No. 34(i)(J) to the consolidated financial Statements, where the company has stated that any liability arising out of appeal pending for final decision,is ultimately to be borne by NINL, however there is no confirmation from NINL.

Our opinion is not modified in respect of these matters.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statement in term of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint venture entities in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directorsof the Company included in the Group and of its joint venture entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement 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 financial statements by the directors of the holding company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing ability of the Group and of its joint venture entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its joint venture entities are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture entities

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 SAs 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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. Under section 143(3)(I) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- 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 ability of the Group and its joint venture entities 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 consolidated 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 Group and its joint venture entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  We communicate with those charged with governance of the Holding Company and such other entity included in the Consolidated Financial Statements of which we are not the statutory auditors 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.

  We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 ₹238.81 Cr. net assets of ₹85.39 Cr. as at 31st March, 2019, total revenues of ₹1082.21Cr and netcash outflows of ₹78.03 cr and total net profit of ₹1.81Cr for the year ended on that date, as considered in the consolidated financial statements.
2. The consolidated financial statements also include the Group's share of net profit / loss NIL for the year ended 31 March, 2019 in joint venture – M/s Sical Iron Ore Terminal Ltd as considered in the consolidated financial statements, whose financial statements / financial information have not been audited by us.
3. The consolidated financial statements do not include Group's share of loss in two joint venture company M/sNeelachal Ispat Nigam Ltd and M/s Free Trade Warehousing Pvt. Limited as the Group's share of its 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 byus. 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 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 financial statements also include the Group's share of net profit (including other comprehensive income) of ₹24.79 cr for the year ended 31 March, 2019 as considered in the consolidated financial statements in respect of joint venture M/s MMTC Pamp India Pvt. Ltd. whose financial statements / financial information have not been audited by us.
5. The Consolidated financial statement does not include the Group's share of net profit / (loss) for the year ended 31st March 2019 in joint venture MMTC Geetanjali Limited, as its financial statements / financial information is not available for the reasons stated in Note No. 41 of the Consolidated financial statement.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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 financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014relevant 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 Group 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 financial statements, the impact of the same is unascertainable as the matters are sub-judice.

      ii. Provision, has been made in the consolidated financial statement 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 venture companies incorporated in India.

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

Rakesh Agarwal
Partner
M No.: 081808

Place: New Delhi
Date: 30.05.2019

Annexure-1 To the Independent Auditor's Report of even date on the Consolidated Financial Statements of MMTC Ltd.

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

We have audited the internal financial controls over financial reporting of MMTC Ltd. ("the Company") as of March 31, 2019, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls:

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

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 report 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, 2019, 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

Rakesh Agarwal
Partner
M No.: 081808

Place: New Delhi
Date: 30.05.2019

MANAGEMENT'S REPLY TO AUDITOR'S OBSERVATION IN THE AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR 2018-19

Para no.	AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
	Key Audit Matters	
1.	Refer note 36(b) regarding need for replacing the existing old ERP with integrated and latest ERP system. In the absence of the one, the recent changes in laws such as Depreciation Schedule in Companies Act, introduction of GST etc. are not seamlessly captured in the system. **Auditor's Response** We performed following test in detail to ensure that all the entries passed in different accounting packages/ software have been duly mapped in the preparation of financial statements as on Balance Sheet date: • Performed cut off procedure • Performed reconciliation of entries passed in different platforms	Refer to the reply in respect of observation on Standalone Financial Statements
2.	Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There are large number of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case. The company has 8 regional offices and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction. **Auditor's Response** We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2019 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company. It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.	Refer to the reply in respect of observation on Standalone Financial Statements
3.	Refer Note no. 34(i)(j) regarding contingent liability of the company on account of coal supplied by a foreign supplier for NINL. The company has been representing that the liability, if any, is to be borne by NINL but due to continuous pendency of confirmation from NINL and precarious financial condition of NINL, there is an uncertainty of recovery, in case liability is crystallised. **Auditor's Response** Considering the fact that appeal is pending before division bench of Delhi High court and representations of the management provided to us on the issue, this requires significant management judgement on the continuing support to and recovery of dues/claims from NINL. Management's key judgements about recovery of dues/claims from NINL would be a factor for determining future financial stability of the Company.	Refer to the reply in respect of observation on Standalone Financial Statements

	Emphasis of Matters	
a.	We draw attention to Note No. 36 (C) to the Standalone 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
b.	We draw attention to Note No. 34(i)(j), where the company has stated that any liability arising out of appeal pending for final decision, is to be borne by NINL, however there is no confirmation from NINL	Refer to the reply in respect of observation on Standalone Financial Statements

MMTC Limited			
Consolidated Balance Sheet as at March 31, 2019			
			(₹ in Crores)
Particulars	**Note No**	**As at March 31, 2019**	**As at March 31, 2018**
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	44.35	46.88
Capital work-in-progress	3	0.28	-
Investment Property	4	3.99	4.16
Other intangible assets	5	0.80	1.46
Investments (accounted for using the equity method)	6A	128.19	109.49
Financial Assets			
Investments	6B	18.38	18.95
Trade Receivables	7A	-	-
Loans	8	7.82	9.06
Other financial assets	9	42.08	58.97
Deferred tax Assets (net)	10	230.84	235.61
Other Assets	11A	24.50	26.23
Current Assets			
Inventories	12	279.91	1,711.08
Financial Assets			
Investments	6C	-	-
Trade Receivables	7B	427.49	355.41
Cash & Cash Equivalents	13	43.94	51.08
Bank Balances other than above	14	90.40	92.62
Loans	8	2.25	2.82
Other financial assets	9	8.32	8.96
Current Tax Assets (net)	15	22.22	13.56
Other Assets	11B	3,004.06	2,426.11
Total Assets		**4,379.82**	**5,172.45**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16A	150.00	100.00
Other Equity	16B	1,118.73	1,102.70
Non Controlling Interest		-	-
Liabilities			
Non-current liabilities			
Provisions	20A	188.55	184.15
Current liabilities			
Financial Liabilities			
Borrowings	17	961.49	519.26
Trade payables	18		
Total outstanding dues of micro and small enterprise		6.79	-
Total outstanding dues of creditors other than micro and small enterprise		1,132.25	1,064.83
Other Financial Liabilities	19	180.62	244.06
Other liabilities	21	560.71	1,805.23
Provisions	20B	50.28	136.72
Current Tax Liabilities (net)	22	30.40	15.50
Total Equity and Liabilities		**4,379.82**	**5,172.45**

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

(B.N. Dash)
Chief General Manager (F&A)

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

Date: 30.05.2019
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, 2019

(₹ in Crores)

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
Income			
Revenue From Operations	23	29,439.69	16,451.01
Other Income	24	20.89	45.66
Total Income (I)		**29,460.58**	**16,496.67**
Expenses			
Cost of material consumed	25	124.25	131.39
Purchase of Stock in Trade	26	26,482.05	14,471.37
Changes in inventories of finished goods, stock in trade and work in progress	27	1,452.79	652.60
Employees' Benefit Expenses	28	224.56	262.82
Finance Cost	29	66.70	16.61
Depreciation & Amortization Expenses	30	5.69	5.36
Other Expenses	31	973.86	911.73
Total expenses (II)		**29,329.90**	**16,451.88**
Profit before exceptional items and tax (I-II)		130.68	44.79
Exceptional Items - expense / (income)	32	9.76	8.41
Profit before tax and share of equity accounted investees		**120.92**	**36.38**
Share of profit of joint ventures accounted for using the equity method (net of income tax)		24.96	11.36
Profit before tax		**145.88**	**47.74**
Tax expense	33		
i) Current Tax		33.00	13.27
ii) Adjustment relating to prior periods		(0.61)	(0.02)
iii) Deferred tax		4.77	(3.03)
Total Tax Expense		**37.16**	**10.22**
Profit for the year (A)		**108.72**	**37.52**
Profit for the Year Attributable to :			
Owners of the parent		108.72	37.52
Non-controlling interest		-	-
Profit for the year		**108.72**	**37.52**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
- Remeasurements of the defined benefit plans		(7.79)	5.36
- Equity Instruments through other comprehensive income		(0.57)	(0.86)
- Income Tax effect		2.90	(1.85)
- Share of Other Comprehensive Income in Joint Ventures (net of tax)		(0.17)	0.01
Items that will be reclassified to profit or loss:		-	
- Exchange differences in translating the financial statements of foreign operation		5.19	(0.05)
Other Comprehensive Income net of tax (B)		**(0.44)**	**2.61**
Total Comprehensive Income for the year (A+B)		**108.28**	**40.13**
Total Comprehensive Income Attributable to :			
Owners of the parent		108.28	40.13
Non-controlling interest		-	-
Total Comprehensive Income for the year		**108.28**	**40.13**
Earnings per equity share :			
Basic & Diluted	46	**0.72**	**0.25**

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

(B.N. Dash)
Chief General Manager (F&A)

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

Date: 30.05.2019
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, 2019

(₹ in Crores)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		145.88		47.74
Adjustment for:-				
Loss on valuation of inventories	0.80		0.64	
Depreciation & amortisation expense	5.69		5.36	
Net Foreign Exchange (gain) / loss	9.41		8.11	
(Profit) / Loss on sale of Tangible Assets	0.02		(0.06)	
Provision for dimunition in value of non current investment	-		3.04	
Interest income	(5.63)		(17.09)	
Dividend income	(5.40)		(4.28)	
Finance Costs	66.70		16.61	
Debts / claims written off	1.13		0.05	
CSR expenditure	1.35		0.49	
Allowance for Bad & Doubtful Debts / claims / advances	15.96		-	
Provision no longer Required	(3.54)		(0.86)	
Liabilities Written Back	2.23		14.02	
Provision for DWA risk	0.03		0.04	
Share of (profit) / loss of joint ventures accounted for using the equity method (net of income tax)	(24.96)		(11.36)	
		63.79		14.71
Operating Profit before Working Capital Changes		**209.67**		**62.45**
Adjustment for:-				
Inventories	1,430.37		655.12	
Trade Receivables	(89.66)		162.28	
Loans & Other Financial Assets	19.35		139.99	
Other current & non current assets	(568.96)		(700.70)	
Trade payables	66.61		354.04	
Other Financial Liabilities	(63.44)		54.57	
Other current & non current liabilities	(1,244.51)		(1,233.28)	
Provisions	(88.48)	(538.72)	61.46	(506.52)
		(329.05)		(444.07)
Taxes Paid		(26.15)		(11.07)
Net cash flows from operating activities		**(355.20)**		**(455.14)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(2.63)		(0.78)	
Sale of fixed Assets	0.30		0.31	
Sale / (Purchase) of Investments	0.00		96.00	
Interest received	5.63		17.09	
Dividend Received	5.40	8.70	4.28	116.90
Net cash flows from investing activities		**8.70**		**116.90**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings	442.23		79.07	
Finance Costs	(66.70)		(16.61)	
Dividend (inclusive of dividend distribution tax) paid	(36.17)	339.36	(36.11)	26.35
Net Cash From Financing Activities		**339.36**		**26.35**
D. Net changes in Cash & Cash equivalents		(7.14)		(311.89)
E. Opening Cash & Cash Equivalents (Note No 13)		**51.08**		**362.97**
F. Closing Cash & Cash Equivalents (Note No 13)		**43.94**		**51.08**

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 Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
(a) in Current Account	7.59	20.80
(b) In term deposit with original maturity upto 3 months	12.11	3.59
(c) Debit balance in Cash Credit Account	24.14	26.65
Cheques / Drafts / Stamps on hand	-	-
Cash on hand	0.10	0.04
Total	**43.94**	**51.08**

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

(B.N. Dash)
Chief General Manager (F&A)

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

Date: 30.05.2019
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 31.03.2019

A. Equity Share Capital

(₹ in Crores)

Particulars	No of Shares	Amount
Balance as at 1.4.2018	1,000,000,000	100
Changes in Equity Share Capital during the year	500,000,000	50
Balance as at 31.3.2019	**1,500,000,000**	**150**

(₹ in Crores)

Particulars	No of Shares	Amount
Balance as at 1.4.2017	1,000,000,000	100
Changes in Equity Share Capital during the year	-	-
Balance as at 31.3.2018	**1,000,000,000**	**100**

B. Other Equity as at 31st March, 2019

(₹ in Crores)

	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 1.4.2018	1.13	8.30	-	-	0.35	628.54	459.68	(0.05)	-	3.66	1.09	1,102.70	-	1,102.70
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	108.72	(0.57)	-	5.19	(5.06)	108.28	-	108.28
Dividend and DDT	-	-	-	-	-	-	(36.17)	-	-	-	-	(36.17)	-	(36.17)
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurements of defined benefit plans	-	-	-	-	-	-	(1.43)	-	-	-	1.43	-	-	-
Any other changes	-	-	-	-	-	(40.00)	(16.08)	-	-	-	-	(56.08)	-	(56.08)
Balance as at 31.3.2019	**1.13**	**8.30**	**-**	**-**	**0.35**	**588.54**	**514.72**	**(0.62)**	**-**	**8.85**	**(2.54)**	**1,118.73**	**-**	**1,118.73**

Other Equity as at 31st March, 2018

	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**

Dividend not recognised at the end of reporting period

(₹ in Crores)

	As at March 31, 2019	As at March 31, 2018
Dividend proposed @ ₹0.30 per share for year ended March 31, 2019 (@ ₹0.30 per fully paid equity share for year ended March 31, 2018) on equity share capital as on 31.3.2019. Proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	45.00	30.00
Dividend distribution tax on proposed dividend	9.25	6.17

As per our report of even date attached

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

For and of behalf of Board of Directors

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

(G. Anandanarayanan)
Company Secretary
ACS-13691

(B.N. Dash)
Chief General Manager(F&A)

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

Date: 30.05.2019
Place: New Delhi

(Ashwani Sondhi)
Director
DIN: 02653076

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

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, associates & joint ventures 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, associates & joint ventures. 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 Indian rupees 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 company satisfies a performance obligation by transferring the promised goods or services to a customer and the customer obtains control of the same and it is probable that the company will collect the consideration to which it is entitled in exchange for the goods or services that is transferred to the customer.

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 / Silver 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 Trade Payable. Loan / Trade Payable are adjusted when purchases and sales are booked.

d. In respect of Gold / Silver 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.

e. 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.

f. 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, upon which buyer obtains control over the goods and the company becomes entitle to receive sales consideration, 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 its ultimate realisation is probable. 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. Claims towards shortages / damages including liquidated damages / deficiencies in quality / quantity etc are accounted for in accordance with the provisions of relevant contracts. In case there is no such provisions in the existing contract, the claim is accounted for on receipt of acceptance by the party besides collectability of the claim amount being probable. On recognition of such claims the same will be realised / set off against advance received / claims payable etc. to the same party.

iv) *Service Income*

Revenue from services is booked, when performance obligation is satisfied by transferring the promised services to the customers, for the consideration to which the company is entitled.

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 - 115:-

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 ₹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 MICAdivision 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) <u>Non-derivative financial instruments</u>

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 thanimpairment 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 of profit 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.

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.

Notes to Consolidated Financial Statements for the year ended March 31, 2019

3. Property, Plant and Equipment

(₹ in crore)

Particulars	Gross carrying value as at April 1, 2018	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2019	Accumulated depreciation as at April 1, 2018	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2019	Net Carrying Value as at March 31, 2019	Net Carrying Value as at March 31, 2018
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	0.15	0.05	-	0.20	2.50	2.55
- Staff Quarters	0.15	1.53	-	1.68	0.01	0.20	-	0.21	1.47	0.14
Building										
- Office Building	6.68	-	-	6.68	0.47	0.17	-	0.64	6.04	6.21
- Staff Quarters / Residential Flats	1.35	-	-	1.35	0.11	0.04	-	0.15	1.20	1.24
- Water supply, Sewerage & Drainage	0.06	-	-	0.06	0.02	0.01	-	0.03	0.03	0.04
-Electrical Installations	3.02	-	-	3.02	1.77	0.07	-	1.84	1.18	1.25
-Roads & Culverts	0.02	-	-	0.02	0.01	-	-	0.01	0.01	0.01
- Audio / Fire / Airconditioning	0.11	-	-	0.11	0.07	0.02	-	0.09	0.02	0.04
Plant & Equipment	41.29	-	0.42	41.71	9.45	3.21	-	12.66	29.05	31.42
Furniture & Fixtures	-	-	-		-	-	-			
- Partitions	1.11	-	0.06	1.17	0.54	0.26	-	0.80	0.37	0.58
- Others	1.18	0.22	(0.01)	1.39	0.34	0.15	-	0.49	0.90	0.84
Vehicles	0.48	0.07	-	0.55	0.18	0.07	(0.01)	0.24	0.31	0.30
Office Equipments	1.69	0.10	(0.42)	1.37	0.90	0.29	-	1.19	0.18	1.20
Others:-										
- Computer / Data Processors	2.11	0.39	(0.06)	2.44	1.56	0.31	(0.02)	1.85	0.59	0.56
Total	**62.45**	**2.31**	**(0.01)**	**64.75**	**15.58**	**4.85**	**(0.03)**	**20.40**	**44.35**	**46.88**
Last Year	**61.91**	**1.07**	**(0.31)**	**62.45**	**11.17**	**4.50**	**(0.09)**	**15.58**	**46.88**	**50.74**
Capital Work in Progress	**-**	**0.28**	**-**	**0.28**	**-**	**-**	**-**	**-**	**0.28**	**-**
Last Year	**0.04**	**-**	**(0.04)**	**-**	**-**	**-**	**-**	**-**	**-**	**0.04**

a) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with STC Limited earlier on 50:50 basis. However, during 2018-19, the company has obtained execution of separate lease deed for 16.16 acre land from DDA towards its share.

b) During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹0.27 crores (P.Y. Nil crore) has been made during the year.

4. Investment Property

(₹ in crore)

Particulars	As at 31st March 2019	As at 31st March 2018
Gross carrying value as at beginning of the year	4.66	4.66
Additions	-	-
Disposal/adjustments	-	-
Gross carrying value as at end of the year	**4.66**	**4.66**
Accumulated depreciation as at beginning of the year	0.51	0.35
Additions	0.16	0.15
Disposal/adjustments	-	-
Accumulated depreciation as at end of the year	0.67	0.50
Net Carrying Value as at end of the year	**3.99**	**4.16**

Amounts recognised in profit or loss for investment properties

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rental income	1.86	2.21
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	1.86	2.21
Depreciation	0.16	0.15
Profit from investment properties	1.70	2.06

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-19	31-Mar-18
Within one year	0.28	0.70
Later than one year but not later than five year	-	-
Later than five year	-	-
Total	**0.28**	**0.70**

Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹126.18 crore (P.Y. ₹90.87 crore).

5. Intangible Assets

(₹ in crore)

Particulars	Gross carrying value as at April 1, 2018	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2019	Accumulated depreciation as at April 1, 2018	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2019	Net Carrying Value as at March 31, 2019	Net Carrying Value as at March 31, 2018
Computer Softwares	3.39	-	-	3.39	1.93	0.66	-	2.59	0.80	1.46
Last Year	3.38	0.01	-	3.39	1.24	0.69	-	1.93	1.46	2.14

6. INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
NON CURRENT INVESTMENTS				
A) Investments in Equity Instruments - (Investments accounted for using the equity method - Joint Ventures) Unquoted				
Neelachal Ispat Nigam Limited. 289342744 (P.Y. 289342744) fully paid up equity shares of 10 each.	379.69		379.69	
Add / (Less): Income / (Loss) from Joint Venture till date	(379.69)	-	(379.69)	-
MMTC Gitanjali Limited. 2987400 (P.Y. 2987400) fully paid up equity shares of ₹10 each.	2.99		2.99	
Less: Impairment in value of investment	(2.99)	-	(2.99)	-
Free Trade Warehousing Pvt. Ltd. 5000 (P.Y. 5000) fully paid up equity shares of ₹10 each.	0.01		0.01	
Add / (Less): Income / (Loss) from Joint Venture till date	(0.01)	-	(0.01)	-
MMTC Pamp India Pvt. Limited. 17446000 (P.Y. 17446000) fully paid up equity shares of ₹10 each.	17.45		17.45	
Add: Income from Joint Venture till date	76.96	94.41	58.26	75.71
Sical Iron Ore Terminal Limited. 33800000 (P.Y. 33800000) fully paid up equity shares of ₹10 each.	33.80		33.80	
Add / (Less): Income / (Loss) from Joint Venture till date	(0.02)	33.78	(0.02)	33.78
TM Mining Company Limited. NIL (P.Y. 57200) fully paid up equity shares of ₹10 each.	-		0.06	
Less: Impairment in value of investment	-	-	(0.06)	-
Total (A)		**128.19**		**109.49**
B) Investments in Equity Instruments - (Others)				
a) At 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 Income	(0.62)	2.38	(0.05)	2.95
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	-	16.00	-	16.00
b) At amortized cost				
Unquoted				
Indo French Biotech Limited. 4750000 (P.Y. 4750000) fully paid up equity shares of ₹10 each.	4.75		4.75	
Less: Impairment in value of investment	(4.75)	0.00	(4.75)	0.00
Total (B)		**18.38**		**18.95**

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
Total Non-Current Investments (Gross)		457.69		457.75
	Aggregate Amount	Market Value	Aggregate Amount	Market Value
Aggregate amount of quoted investments and market value there of	3.00	2.38	3.00	2.95
Aggregate amount of unquoted investments	454.69	-	454.75	-
Aggregate amount of impairment in the value of investments	7.74	-	7.80	-

Particulars	As at March 31, 2019		As at March 31, 2018	
C) CURRENT 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 Kamrajar 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, Kamrajar Port Ltd (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. However, 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 (SPA) has been signed and in terms of the agreement M/s SICAL Logistics Ltd have deposited ₹0.50 crore with MMTC towards performance of the Agreement. As per terms of SPA, M/s SIOTL has already applied to M/s Kamrajar Port Ltd for NOC / Permission of MMTC's exit from the JV. On receipt of NOC from KPL, M/s SICAL Logistics Ltd would release balance payment to MMTC and formalities of share transfer would be completed thereafter.

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. MMTC's holding as on 31.03.2019 is 6%.

MMTC valued its equity holding in ICEX at cost price of ₹5 each as at 31.03.2019 since the subscription of right issue (previous years) at premium does not represent market value and cost price is perceived to be more representative of fair value as on 31st March 2019. The equity shares of ICEX are not listed at any stock exchange in India as on 31.03.2019.

iv. The company has fully impaired its equity investment of ₹2.99 crore in its joint venture - M/s MMTC Gitanjali Limited during the year 2017-18 in view of the recent defaults made by the main promoter, as per the media reports 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 for 2018-19, hence the same is also not considered for the purpose of consolidation.

v. The company has written off its equity investment of ₹0.06 crore in its joint venture - TM Mining Co. Ltd during the year. The JV company is in process of closure and necessary application has been made with MCA.

7. Trade Receivable

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Trade Receivables from related parties		
a) Considered Good - Secured	-	-
b) Considered good - Unsecured	3.91	2.66
c) Which have significant increase in Credit Risk	-	-
d) Credit impaired	-	-
Less: Allowances for bad and doubtful debts	-	-
Sub-Total	**3.91**	**2.66**
(ii) Other Trade Receivables		
a) Considered Good - Secured	178.56	154.60
b) Considered good - Unsecured	245.02	198.15
c) Which have significant increase in Credit Risk	-	-
d) Credit impaired	391.20	391.64
Less: Allowances for bad and doubtful debts	391.20	391.64
Sub-Total	**423.58**	**352.75**
Total	**427.49**	**355.41**
NON - CURRENT (A)	**-**	**-**
CURRENT (B)	**427.49**	**355.41**
TOTAL	**427.49**	**355.41**

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 doubtful debt		
Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Balance at the beginning of the year	391.64	396.14
Additions during the year	-	0.64
Reversals / written off during the year	(0.41)	(5.14)
Utilisations during the year	(0.03)	-
Balance at the end of the year	**391.20**	**391.64**

8. Loans

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Considered good - Secured				
Security Deposits	-	0.01	-	-
Loans to Related Parties	-	-	-	-
Loans to Employees	0.80	3.74	1.08	4.36
Others	-	-	-	-
Sub- Total	**0.80**	**3.75**	**1.08**	**4.36**
Considered good - Unsecured				
Security Deposits	-	1.86	-	1.91
Loans to Related Parties	-	-	-	-
Loans to Employees	1.45	2.21	1.55	2.79
Others	-	-	0.19	-
Sub- Total	**1.45**	**4.07**	**1.74**	**4.70**
Which have significant increase in Credit Risk				
Security Deposits	-	-	-	-
Loans to Related Parties	-	-	-	-
Loans to Employees	-	-	-	-
Others	-	-	-	-
Sub- Total	**-**	**-**	**-**	**-**
Credit impaired				
Security Deposits	-	0.17	-	0.17
Loans to Related Parties	-	-	-	-
Loans to Employees	-	-	-	-
Others	0.03	0.08	0.03	0.14
Less: Allowance for bad and doubtful loans	0.03	0.25	0.03	0.31
Sub- Total	**-**	**-**	**-**	**-**
Total	**2.25**	**7.82**	**2.82**	**9.06**

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 ₹ 0.01crore (P.Y. ₹ 0.02 crore).

9. Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	-	0.86	-	0.83
Balance with bank for Unpaid Dividend	-	0.17	-	0.13
Receivable From NSEL (i)	-	208.25	-	209.79
Demurrage and Despatch receivable	4.23	5.92	5.43	5.65
Forward contract receivable	-	-	0.65	-
Advances to other Companies (ii)	-	33.46	-	33.46
Other Advances	1.93	9.14	0.77	9.09
Interest accrued due / not due on:				
- Term Deposits	2.03	-	1.49	-
- Loans to Employees	0.95	9.25	1.26	10.55
- Loans to Related Parties	-	-	-	-
- Loans to Others	0.07	0.83	-	0.87
Others	0.18	20.09	0.40	20.17
Less: Impairment / Allowances for bad and Doubtful Receivables etc.	1.07	245.89	1.04	231.57
Total	**8.32**	**42.08**	**8.96**	**58.97**

(i) Represents ₹208.25 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 has already been made. During the year ₹1.54 crore has been recovered and accordingly provision made earlier to the extent has been reversed. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. CBI also investigated the case. The Hon'ble Supreme Court of India has set aside the order of amalgamation of NSEL with FTIL.

(ii) During the year a provision of ₹15.94 crore (P.Y. ₹Nil crore) has been made against advance for project development to HFTWPL & KFTWPL.

10. Deferred Tax Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liability		
Property plant and equipment	(8.70)	(9.80)
Sub Total	**(8.70)**	**(9.80)**
Deferred tax Assets		
Provision For Doubtful Debts	233.27	228.43
DWA Risk	0.01	0.02
VRS Expenses	6.26	0.42
Provision for Litigation Settlement	-	16.54
Sub Total	**239.54**	**245.41**
Deferred Tax Assets (Net)	**230.84**	**235.61**

Movement in deferred tax balances during the year

(₹ in Crores)

Particulars	Balance As at March 31 2018	Recognised in Profit and Loss	Adjustments	Balance As at March 31 2018
Deferred Tax Liability				
Property plant and equipment	(9.80)	1.10	-	(8.70)
Sub Total	**(9.80)**	**1.10**	**-**	**(8.70)**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	228.43	4.84	-	233.27
Provision for DWA Risk	0.02	(0.01)	-	0.01
VRS Expenses	0.42	5.84	-	6.26
CSR Provision	-	-	-	-
Provision for Litigation Settlement	16.54	(16.54)	-	-
Sub Total	**245.41**	**(5.87)**	**-**	**239.54**
Total	**235.61**	**(4.77)**	**-**	**230.84**

Particulars	As at March 31, 2019	As at March 31, 2018
Deductible temporary differences	230.84	235.61
Total	**230.84**	**235.61**

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

11. Other Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Non-Current		
Advances other than Capital Advances		
- Security Deposits	0.04	0.03
- Advances to other Suppliers	4.67	4.73
- Other Advances	17.20	17.16
Allowances for bad and Doubtful Advance	(18.06)	(18.06)
Others		
- Income Tax paid recoverable	20.64	22.36
- Others	0.01	0.01
Total	**24.50**	26.23
B. Current		
Advances other than Capital Advances		
- Security Deposits	7.48	15.72
- Advances to Related Parties	1,425.01	1,425.00
- Trade Related Advance to Related Parties	1,169.56	361.70
- Advances to other Suppliers	2.09	23.21
- Claim Recoverable Others	49.58	63.87
- Gold / Silver stock towards unbilled purchases	227.02	392.97
- Other Advances	22.50	63.47
Allowances for bad and Doubtful Advance	(3.25)	(3.28)
Others		
- Sales Tax refund due	14.79	17.08
- Excise / Custom duty refund due	4.53	4.35
- Service Tax refund due	0.05	0.64
- Others	84.70	61.38
Total	**3,004.06**	**2,426.11**

12. Inventories

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	26.90	4.28
Finished Goods	30.10	34.19
Stock in trade	222.76	1,672.04
(includes goods in transit valued at ₹139.74 crore (P.Y. ₹431.23 crore)		
Others	0.15	0.57
Total	**279.91**	**1,711.08**

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 2019. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹0.79 crore (P.Y. ₹0.64 crore).

c) Stock-in-trade includes the following:

(i) 20920 units (P.Y. 21020 units) Certified Emission Reductions (CERs) valued at ₹0.07 crore (P.Y. ₹0.05 crore) as per Ind AS-2 'Inventories', being lower of cost or net realizable value.

(ii) 39939 units (P.Y. Nil units) number of CERs under certification.

(iii) An amount of ₹4.34 crore (P.Y. ₹4.35 crore) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

d) Stock in Trade includes an inventory of ₹Nil crore (P.Y. ₹856.29 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 Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
(a) in Current Account*	7.59	20.80
(b) In term deposit with original maturity upto 3 months	12.11	3.59
(c) Debit balance in Cash Credit Account	24.14	26.65
Cheques / Drafts / Stamps on hand	-	-
Cash on hand	0.10	0.04
Total	**43.94**	**51.08**

*Includes ₹1.02 (P.Y. ₹ Nil Crore) pledged by subsidiary company as security against the borrowings from bank.

Term deposit includes ₹11.38 crore (P.Y. ₹ Nil crore) is against issuance of BG in favour of party.

14. Bank Balances other than above

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
For Unpaid Dividend	-	-
As Margin money / under lien	76.71	76.99
In term deposit with original maturity more than 3 months but less than 12 months	13.69	15.63
Total	**90.40**	**92.62**

15. Current tax Assets (Net)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax paid for the FY 2018-19	22.21	-
Advance tax paid for the FY 2017-18	-	13.55
Advance tax paid for the FY 2016-17	0.01	0.01
Total	**22.22**	**13.56**

16. A. Equity Share Capital

(₹ in Crores)

Particulars		As at March 31, 2019	As at March 31, 2018
Authorized			
Ordinary shares of par value of ₹1/- each			
	Number	2,00,00,00,000	1,00,00,00,000
	Amount	200.00	100.00
Issued, subscribed and fully paid			
Ordinary shares of par value of ₹1/- each			
	Number	1,50,00,00,000	1,00,00,00,000
	Amount	150.00	100.00

Reconciliation of number of shares:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Equity Shares	1,00,00,00,000	1,00,00,00,000
Add: No. of Shares issued / subscribed during the year	50,00,00,000	-
Less: Deduction	-	-
Closing balance	**1,50,00,00,000**	**1,00,00,00,000**

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

Name of the Shareholder	**As at March 31, 2019**	**As at March 31, 2018**
- President of India	1,34,89,03,143	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.

Movements in equity share capital: During the year, the company has not bought back any shares. During 2018-19, the company has allotted 50 crore equity shares in ratio of 1:2 as fully paid bonus shares by capitalization of free reserves amounting to ₹50 crore, pursuant to an ordinary resolution passed after taking consent of shareholders through postal ballot. Accordingly, the paid up share capital of the company stands increased to ₹150/- crore divided into 150 crore equity share of ₹1/- each fully paid.

The Company does not have any holding company.

B. Other Equity

(₹ in Crores)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
General Reserve	588.54	628.54
Research & Development Reserve	0.35	0.35
Retained Earnings	514.72	459.68
Bond Redemption Reserve	8.30	8.30
Other Reserves	6.82	5.83
Total	**1,118.73**	**1,102.70**

(i) General Reserve

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Opening Balance	628.54	618.54
Transfer from surplus / other reserves	10.00	10.00
Issue of Bonus Shares	(50.00)	-
Closing Balance	**588.54**	**628.54**

(ii) Research & Development Reserve

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Opening Balance	0.35	0.35
Transfer from surplus	-	-
Deduction	-	-
Closing Balance	**0.35**	**0.35**

(iii) Bond Redemption Reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	8.30	8.30
Transfer from surplus	-	-
Deduction	-	-
Closing Balance	**8.30**	**8.30**

(iv) Retained Earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	459.68	470.53
Net Profit for the year	108.72	37.52
Dividend and Dividend Distribution Tax	(36.17)	(36.11)
Other Adjustments	(7.51)	(2.26)
Appropriations:-		
General Reserve	(10.00)	(10.00)
Closing Balance	**514.72**	**459.68**

(v) Other Reserve

(₹ in Crores)

	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 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)
Addition / (Deduction)	-	-	-	0.15	-	0.15
As at April 1 2018	**1.13**	**(0.05)**	**-**	**3.66**	**1.09**	**5.83**
Remeasurements of the defined benefit plans	-	-	-	-	(5.06)	(5.06)
Other adjustments	-	-	-	-	1.43	1.43
Equity Instruments through other comprehensive income	-	(0.57)	-	-	-	(0.57)
Addition / (Deduction)	-	-	-	5.19	-	5.19
As at March 31, 2019	**1.13**	**(0.62)**	**-**	**8.85**	**(2.54)**	**6.82**

17. Borrowings

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
(i) Loans repayable on Demand		
(a) From Banks		
- Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	661.31	519.26
- Unsecured	300.18	-
Total	**961.49**	**519.26**

- 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 Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
Trade Payables		
Total outstanding dues of micro and small enterprise	6.79	-
Total outstanding dues of creditors other than micro and small enterprise	1,132.23	1,064.34
Trade Payables to Related Parties		
Total outstanding dues of micro and small enterprise	-	-
Total outstanding dues of creditors other than micro and small enterprise	0.02	0.49
Total	**1,139.04**	**1,064.83**

19. Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
Payables-other than trade	13.24	8.19
Despatch / Demurrage payable	3.65	9.60
Amount recovered-pending remittance	0.84	0.33
Interest accrued on borrowings	3.88	2.04
Security Deposit & EMD	34.81	92.61
Unpaid Dividend	0.17	0.13
Claims payable	43.73	41.97
Others	80.30	89.19
Total	**180.62**	**244.06**

20. Provisions

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
A. NON-CURRENT		
EMPLOYEE BENEFITS		
a) Earned Leave	14.73	13.62
b) Compassionate Gratuity	0.10	0.12
c) Post Retirement Medical Benefit		
Retired / retiring on or after 01.01.2007	104.04	93.32
Retired before 01.01.2007	40.92	45.04
d) Half Pay Leave	18.92	20.66
e) Service Award	4.55	5.44
f) Employee's Family Benefit Scheme	3.38	3.87
g) Special benefit to MICA employees	1.91	2.08
Total	**188.55**	**184.15**

B. CURRENT		
EMPLOYEE BENEFITS		
a) Earned Leave	3.30	2.91
b) Compassionate Gratuity	0.06	0.05
c) Post Retirement Medical Benefit		
Retired / retiring on or after 01.01.2007	2.53	4.30
Retired before 01.01.2007	8.48	6.79
d) Half Pay Leave	4.40	5.35
e) Gratuity	6.39	51.10
f) Super annuatuation Benefit	-	-
g) Service Award	1.15	1.44
h) Bonus / performance related pay	22.92	16.10
i) Employee's Family Benefit Scheme	0.62	0.73
j) Special benefit to MICA employees	0.40	0.57
Sub Total	**50.25**	**89.34**
OTHERS		
Destinational weight and analysis risk	0.03	0.04
Provision for Litigation Settlements	-	47.34
Sub Total	**0.03**	**47.38**
Total	**50.28**	**136.72**

21. Other Liabilities

(₹ in Crores)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Current		
Advance Received from Customers	290.86	1,373.51
Statutory dues Payable	41.71	14.36
Amount payable towards unbilled purchases	27.02	392.97
Others	1.12	24.39
Total	**560.71**	**1,805.23**

22. Current tax liabilities (Net)

(₹ in Crores)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Income tax payable for the FY 2018-19	30.40	-
Income tax payable for the FY 2017-18	-	15.50
Total	**30.40**	**15.50**

23. Revenue From Operations

(₹ in Crores)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Sale of Products	28,748.27	15,746.39
Sale of Services	4.55	10.44
Other Operating Revenue		
- Claims	462.68	537.36
- Subsidy	-	-
- Despatch Earned	0.25	0.32
- Other Trade Income	223.94	156.50
Total	**29,439.69**	**16,451.01**

24. **Other Income**

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income		
- From Fixed Deposits	3.54	7.42
- From Customers on amount overdue	0.05	0.01
- Others	2.96	10.95
Dividend Income		
- From Joint Ventures	5.23	3.49
- From Others	0.17	0.79
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
- Staff Quarters Rent	0.72	0.55
- Liabilities Written Back	2.23	14.02
- Foreign Exchange Gain	-	-
- Misc. Receipt	5.99	8.43
Total	**20.89**	**45.66**

25. **Cost of Materials Consumed**

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock of Raw Material	4.28	9.23
Add : Transfer from purchases	146.97	126.52
Less : Closing Stock of Raw Material	27.00	4.36
Cost of Materials Consumed	**124.25**	**131.39**

26. **Purchase of Stock-in-Trade**

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Purchases		
Precious Metal	11,862.48	9,159.09
Metals	2,068.57	898.40
Fertilizers	9,836.71	2,232.59
Minerals	849.42	1,270.37
Agro Products	582.58	20.02
Coal and Hydrocarbons	1,255.47	843.10
General Trade	27.00	48.10
Others	-	-
B. Stock Received / (Issued) in kind		
Precious Metals	(0.18)	(0.30)
Total	**26,482.05**	**14,471.37**

27. **Changes in Inventory**

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Finished Goods		
Opening Balance	34.19	46.11
Closing Balance	31.38	33.69
Changes in Inventory of Finished Goods	2.81	12.42
B. Stock-In-Trade		
Opening Balance	1,672.62	2,310.85
Closing Balance	222.64	1,670.67
Changes in Inventory of Stock in Trade	1,449.98	640.18
Net (Increase) / Decrease	**1,452.79**	**652.60**

28. Employees' Benefit Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Salaries and Wages		
Salaries and Allowances	135.30	143.19
Leave encashment	8.90	17.99
Bonus	0.18	0.08
Performance Related Pay	10.51	3.33
Medical Expenses	20.98	19.53
Group Insurance	0.05	0.80
Contribution to DLIS	0.14	0.45
Service Award	0.12	0.07
VR Expenses	21.39	0.01
b) Contribution to Provident Fund & Other Funds		
Providend Fund	11.80	11.55
Gratutity Fund	6.94	57.21
Family Pension Scheme	1.33	1.60
Superannuation Benefit	5.45	4.57
c) Staff Welfare Expenses	1.47	2.44
Total	**224.56**	**262.82**

29. Finance Cost

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses	66.56	16.45
Premium on forward contract	0.14	0.13
Other Borrowing Costs	-	0.03
Total	**66.70**	**16.61**

30. Depreciation And Amortization Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on PPE	4.87	4.52
Depreciation on Investment Property	0.16	0.15
Amortization of Intangible Assets	0.66	0.69
Total	**5.69**	**5.36**

31. Other Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Operating Expenses :		
Freight	129.98	53.26
Demurrage	1.00	6.29
Clearing, Handling, Discount & Other charges	29.64	51.41
L / C negotiation and other charges	0.88	1.05
Difference in foreign exchange	5.37	7.77
Customs duty	725.14	693.59
Excise Duty	-	0.03
Packing Material	0.66	0.87
Insurance	0.27	0.15
Godown insurance	1.46	7.07
Plot and Godown rent	6.56	41.22
Provision for destinational weight and analysis risk	0.03	0.04
Sub Total (a)	**900.99**	**862.75**
b) Administrative Expenses :		
Rent	3.52	5.09
Security Expenses	3.20	3.91
Rates and taxes	1.51	1.23
Insurance	0.19	0.21
Repairs to buildings	4.46	4.38
Repairs to machinery	0.04	0.09
Repairs & Maintenance- Computers	2.05	1.49
Repairs & Maintenance - Others	0.62	0.57
Electricity & Water Charges	3.29	3.42
Advertisement & Publicity	1.62	1.58
Printing & Stationery	0.55	0.56
Postage & Courier	0.12	0.15
Telephone	1.27	1.63
Telecommunication	0.43	0.40
Travelling	3.63	3.28
Vehicle	1.89	1.85
Entertainment	0.56	0.57
Legal	7.20	4.32
Auditors' Remuneration	0.75	0.70
Bank Charges	0.98	0.71
Books & Periodicals	0.06	0.06
Trade / Sales Promotion	0.47	0.64
Subscription	0.44	0.54
Training, Seminar & Conference	0.28	0.32
Professional / Consultancy	1.83	2.07
CSR Expenditure	1.35	0.49
Difference in foreign exchange	4.04	0.34
Service Tax / GST	0.59	0.60
Exhibition and Fairs	2.21	2.07
Miscellaneous Expenses	6.63	5.66
Sub Total (b)	**55.78**	**48.93**
c) Others		
Allowance for Bad and Doubtful Debts / claims / advances	15.96	-
Bad Debts / Claims / Assets written off / withdrawn	1.13	0.05
Sub Total (c)	**17.09**	**0.05**
Total (a+b+c)	**973.86**	**911.73**

32. Exceptional Items

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Write-down of inventories to net realisable value and its reversal	0.80	0.64
Disposals of items of fixed assets	0.02	(0.06)
Provision for dimunition in value of non current investment	-	3.04
Litigation settlements (i)	12.48	5.65
Provisions no longer required	(3.54)	(0.86)
Total	**9.76**	**8.41**

(i) a) Consequent to the finality of the arbitration award, the company remitted the final claim of the award (as computed by the Court) to the claimant party which includes interest and other cost. The balance claim amount of ₹4.87 crore is included in litigation and settlement expenses.

b) Includes ₹Nil crore (P.Y. ₹1.60 crore) towards arbitration award decided against the company relating to transactions with a party.

c) Includes an amount of ₹2.54 crore (P.Y. ₹ Nil crore) towards cost of arbitration ₹0.07 crore (P.Y ₹ Nil crore) and interest on overdue payment up to 05.02.1997 ₹2.25 crore (P.Y ₹ Nil crore) and interest on cost of arbitration @18% from 01.08.2001 till 31.03.2019 ₹0.22 crore (P.Y ₹ Nil crore) decided against the company relating to transactions with a party at RO Mumbai. It was decided to release the amount by 31.05.2019 for full and final settlement of the claim as per the Hon'ble Supreme Court order.

d) Also includes an amount of ₹5.75 crore (P.Y. ₹ Nil crore) towards liability against a claim decided against the company relating to transactions at RO Bhubaneswar settled as per the Hon'ble Delhi High Court judgement.

e) Also includes an amount of ₹(0.75) crore (P.Y. Nil crore) at RO Mumbai and ₹0.07 at RO Chennai towards settlement of legal cases.

33. Tax Expense

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current year	33.00	13.27
Adjustments relating to prior periods	(0.61)	(0.02)
Sub Total (A)	**32.39**	**13.25**
Deferred tax expense		
Origination and reversal of temporary differences	4.77	(3.03)
Sub Total (B)	**4.77**	**(3.03)**
Total (A+B)	**37.16**	**10.22**
Tax recognised in other comprehensive income		
Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Defined benefit plan actuarial gains (losses)	2.90	(1.85)
Total	**2.90**	**(1.85)**
Reconciliation of effective tax rates		
Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Profit before tax	145.87	47.74
Enacted tax Rate (applicable to holding company)	34.94	34.61
Computed Expected Tax Expense	50.97	16.52
Adjustments relating to holding company :		
Non-deductible expenses	10.29	4.43
Tax exempt income/ any other deduction or allowable exp.	(18.74)	(11.63)
Change in estimates related to prior years	(0.61)	(0.03)
Deferred Tax	4.77	(3.03)
Adjustments relating to Subsidiary & Joint Ventures	(9.52)	3.96
Tax Expenses for the year	**37.16**	**10.22**
Adjustment : Tax effect on OCI	(2.90)	1.85
Net Tax Expenses for the year	**34.26**	**12.07**

34. Contingent Liabilities & Disclosures:

(₹ in Crores)

	Particulars	As at 31.3.2019	As at 31.3.2018
I)			
a)	Claims against the company not acknowledged as debts including foreign currency claim.	207.87	374.04
b)	Disputed Income Tax Demand against which ₹19.08 crore (P.Y. ₹21.62 crore) deposited.	50.40	60.78
c)	Disputed TDS demands	0.00	0.02
d)	Disputed Sales Tax Demand against which ₹17.80 crore (P.Y. ₹4.37 crore) deposited and ₹0.07 crore (P.Y. ₹0.27 crore) covered by Bank Guarantees.	203.90	227.54
e)	Disputed Service Tax Demand	101.12	105.41
f)	Disputed Central Excise demand	19.53	0.17
g)	Disputed PF demand	2.24	2.24
h)	Custom Bonds	186.77	414.09
i)	Outstanding GR-1 against which Bank Guarantee furnished of ₹0.73 crore (P.Y. ₹1.03 crore).	1.60	1.93
j)	Claims against the company not acknowledged as debts from a foreign supplier. USD 7.97 crore @ ₹69.16 (P.Y. USD 7.97 crore @ ₹65.18) *	551.19	519.47
	Total (I)	**1,324.61**	**1705.69**
II)	**Others on back to back basis where liability if any is to account of associate**		
a)	Differential Custom Duty / Interest / Penalty etc.	166.86	180.32
	Total (II)	**166.86**	**180.32**

Movement in respect of items mentioned at S. No. (I)

	Particulars	Balance as at 31st March, 2018	Reduction during the year in respect of opening balance	Addition during the year 2018-19	Balance as at 31st March, 2019
a)	Claims against the company not acknowledged as debts including foreign currency claim.	374.04	169.23	3.06	207.87
b)	Disputed Income Tax Demand	60.78	10.38	-	50.40
c)	Disputed TDS demands	0.02	0.02	0.00	0.00
d)	Disputed Sales Tax Demand	227.54	24.74	1.11	203.90
e)	Disputed Service Tax Demand	105.41	12.65	8.36	101.12
f)	Disputed Central Excise demand	0.17	-	19.36	19.53
g)	Disputed PF demand	2.24	-	-	2.24
h)	Custom Bonds	414.09	312.66	85.35	186.77
i)	Outstanding GR-1	1.93	0.33	-	1.60
j)	Claims against the company not acknowledged as debts including foreign supplier	519.47	-	31.72	551.19
	Total (I)	**1,705.69**	**530.02**	**148.95**	**1,324.62**

Movement in respect of items mentioned at S.No. (II)

	Particulars	Balance as at 31st March, 2018	Reduction during the year in respect of opening balance	Addition during the year 2018-19	Balance as at 31st March, 2019
a)	Differential Custom Duty / Interest / Penalty etc.	180.32	13.46	-	166.86
	Total (II)	**180.32**	**13.46**	**-**	**166.86**

Share in Contingent Liabilities of Joint Ventures :-

(₹ in Crores)

Sl. No.	Name of Joint Venture	As at 31.3.2019	As at 31.3.2018
1	MMTC Gitanjali Limited	-	-
2	MMTC PAMP India Pvt. Limited	2.25	0.73
3	TM Mining Company Limited	-	-
4	SICAL Iron Ore Terminal Limited	2.98	2.98
5	Neelachal Ispat Nigam Limited	252.42	133.68
6	Free Trade Ware- housing Pvt. Ltd.	-	-

* The claim by a foreign supplier relating to import of coking coal for supply to NINL (a JV company) for an amount of USD 7.872 crore and cost of arbitration USD 0.098 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 Arbitration award was against MMTC. 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 hearings in the appeal are in progress and next date of hearing 21.08.2019.

The claimant had also filed a separate execution petition before single bench of Delhi High Court for decree of arbitration award in their favour. Subsequent to the balance sheet date, Delhi High Court on 22.4.2019 ordered the company to deposit total up to date decretal amount with the court.The company filed application for recalling the said order and submitting there with list of properties of the company for security in lieu of the deposit. The Hon'ble High Court on 22.5.2019 directed the company to provide title deeds of the property documents and fixed the hearing on 8.8.2019. The direction of the court to deposit has been extended till 8.8.2019.

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 31.03.2019, 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.

i) a) Guarantees issued by Banks on behalf of the Company ₹3.81 crore (P.Y. ₹15.82 crore) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹0.59 crore (P.Y. ₹ Nil crore) have been obtained from associate suppliers.

ii) Letters of Credit opened by the Company remaining outstanding ₹99.57 crore (P.Y. ₹179.29 crore).

iii) Corporate Guarantees of ₹1345.82 crore (P.Y. ₹1410.56 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.

iv) 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.

v) 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. ₹ Nil crore).

Capital commitment in respect of investment in joint venture ₹ Nil crore (P.Y. ₹3.02 crore).

Share in Capital Commitments of Joint Ventures :-

(₹ in Crores)

Sl. No.	Name of Joint Venture	As at 31.3.2019	As at 31.3.2018
1	MMTC Gitanjali Limited	-	-
2	MMTC PAMP India Pvt. Limited	0.63	1.48
3	TM Mining Company Limited	-	-
4	SICAL Iron Ore Terminal Limited	-	-
5	Neelachal Ispat Nigam Limited	60.57	61.69
6	Free Trade Ware - housing Pvt. Ltd.	2.21	2.40

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	31/03/2019		31/03/2018	
	Qty	Value	Qty	Value
Gold (in Kgs)	515.00	147.80	754.00	205.79
Gold Jewellery (in Grams)	-	-	-	-
Silver (in Kgs)	22,703.85	79.22	49,140.13	187.18
TOTAL	**23,218.85**	**227.02**	**49,894.13**	**392.97**

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 to 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 ₹1187.00 crore has also been extended. Against this, outstanding under Other Assets (advances to related parties) (note 11) is ₹2594.57 crore (P.Y. ₹1786.70 crore) as against total net worth of the company of ₹1489.25 crore as on 31.03.2019.

(iii) The company has also given corporate guarantees amounting to ₹1345.82 crore (P.Y. ₹1410.56 crore) in favour of FIs / Banks / others to secure the loans availed by NINL (note 34 (iii)).

(iv) The company has recognised trade related interest of ₹216.67 crore (P.Y. ₹138.73 crore) on the credit facilities extended to NINL which is included in total outstanding.

(v) NINL have given corporate gurantee of ₹1975.00 crore (P.Y. ₹945.00 crore) to the company to secure credit facilities extended to them from time to time.

(vi) Subsequent to balance sheet date, the company has further released ₹79.42 crore towards additional equity capital on 5.4.2019 against Ministry of Commerce approval dated 4th May 2018 for infusing total additional equity of ₹149.34 crore.

(vii) NINL has been incurring losses for last 7 years and its net worth has become negative ₹ (-) 956.49 crore as on 31.3.2019 (P.Y. ₹ (-) 552.05 crore as on 31.3.2018).Net assets of NINL as per their financial statements, excluding MMTC dues are ₹1638.08 crore as on 31.3.2019.

(viii) Considering the expected operationalization of iron ore mine owned by NINL during 2019-20, expected revival of the steel industry, 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. During the year entire stock of pulses imported on GOI account has already been liquidated and sale proceed / advance refunded after due adjustment against the purchase cost, other expenses and claims recoverable as on 31.3.2019 net advance outstanding was ₹26.28 crore however final reconciliation is pending.

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. The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.

g) At RO Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹3.77 crore (P.Y. ₹3.55 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 RO 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. The amount of ₹4.44 crore for this transaction received in full and final settlement from the local buyer which includes in Advance received from customer under other non-current liabilities.

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.

j) During the year, the company detected unauthorised delivery by security agency of 42 kg gold valued at ₹14.00 crore received on consignment from foreign supplier. However, the company has recovered the due amount from / through the custodian security agency and the transaction accounted for in the books of the company as normal trading transaction.

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, 2019

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)	-	-	18.38	18.38	18.38
Cash & Cash Equivalents (Ref Note No. 13)	43.94			43.94	
Trade Receivable (Ref Note No. 7)	427.49			427.49	
Employee Loans (Ref Note No. 8)	8.20			8.20	
Loans to related party (Ref Note No. 8)	0.00			0.00	
Security Deposits & Other Loans (Ref Note No. 8)	2.04			2.04	
Security Deposits (Ref Note No. 11)	7.52			7.52	
Other Financial Assets (Ref Note No. 9)	50.40			50.40	
Liabilities:					
Trade Payable (Ref Note No. 18)	1139.04			1139.04	
Borrowings (Ref Note No. 17)	961.49			961.49	
Other Financial Liabilities (Ref Note No. 19)	180.62			180.62	

(₹ 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	

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, 2019

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)	2.38			2.38		Quoted Price
Investment in Equity Instruments (ICEX)			16.00	16.00	Cost adopted as best estimate of Fair Value.	
Total	**2.38**	**-**	**16.00**	**18.38**		

(₹ 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**		

37.3 Financial risk management, objectives and policies

The campaign activities expose it to the following financial risk:

- 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, 2019)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	79.13	-	79.13
Trade Receivable	307.74	-	307.74
Demurrage / Despatch Receivable	4.78	-	4.78
Other Receivable	1.62	-	1.62
Total Receivable in foreign currency	**393.27**	**-**	**393.27**
Foreign Currency Loan payable	320.70	-	320.70
Interest on foreign currency loan payable	3.24	-	3.24
Trade Payables	542.39	-	542.39
Freight Demurrage / Despatch Payable	26.02	-	26.02
Provision towards Litigation Settlement	0.42	-	0.42
Others	5.84	-	5.84
Total Payable in Foreign Currency	**898.61**	**-**	**898.61**

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, 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.

Sensitivity:

As of March 31, 2019 and March 31, 2018, 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.

(i) 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, 2019 and March 31, 2018, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹0.18 crore and ₹0.19 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 IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in crore as at March 31, 2019)

Particulars	Gross amount	Impairment	Carrying Value
Not due	331.34	-	331.34
Overdue for less than one month	11.54	-	11.54
Overdue for more than one month upto two months	7.18	-	7.18
Overdue for more than two months upto three months	15.28	-	15.28
Overdue for more three months upto six months	6.98	-	6.98
Overdue for more than six months	446.37	391.20	55.17
Total	**818.69**	**391.20**	**427.49**

(₹ 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**

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 tocertain 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 loanslike 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, 2019)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	1139.04					1139.04
Short term borrowings	961.49					961.49
Other Financial Liabilities	180.62					180.62
Total	**2281.15**	**-**	**-**	**-**	**-**	**2281.15**

(₹ 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**

38. Impact of Hedging Activities

38.1 Cash Flow Hedge

As at 31st March 2019 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, 2019)

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 & silver				120	41.55

(₹ 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 & silver				169	51.08

b. Disclosure of effects of hedge accounting on financial position for hedged items:

(₹ in crore as at March 31, 2019)

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		-		Inventories	-	-

(₹ 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	-	-

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 ₹0.27 crores (P.Y. Nil crore) 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 2019-20 towards the Gratuity Fund Contribution is ₹4.88 crore (P.Y. ₹6.55 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.**	105.48	18.03	23.32	5.70	2.30	0.16	4.00
	P.Y.	111.61	16.53	26.01	6.88	2.65	0.16	4.61
Fair Value of Plan Assets	**C.Y.**	99.20	-	-	-	-	-	-
	P.Y.	67.64	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)]	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Net Defined Benefit Assets/(Liabilities)	**C.Y.**	(6.28)	(18.03)	(23.32)	(5.70)	(2.30)	(0.16)	(4.00)
	P.Y.	(43.98)	(16.53)	(26.01)	(6.88)	(2.65)	(0.16)	(4.61)

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.**	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
Current service cost	**C.Y.**	3.20	0.76	0.99	0.19	0.07		
	P.Y.	3.35	0.68	0.95	0.23	0.08		
Past Service Cost	**C.Y.**	0.00	-					
	P.Y.	46.76	-					
Interest Cost	**C.Y.**	8.36	1.26	1.98	0.52	0.20		
	P.Y.	5.41	1.75	1.75	0.55	0.22		
Benefits Paid	**C.Y.**	(27.43)	(6.01)	(4.08)	(1.74)	(0.54)		
	P.Y.	(8.38)	(19.08)	(2.47)	(0.87)	(0.50)		
Re-measurements - actuarial loss/(gain)	**C.Y.**	9.74	5.49	(1.58)	(0.16)	(0.08)	(0.00)	(0.61)
	P.Y.	(5.28)	10.03	2.63	(0.28)	(0.11)	(0.03)	(0.65)
Defined benefit obligation – End of the year	**C.Y.**	105.48	18.03	23.32	5.70	2.30	0.16	4.00
	P.Y.	111.61	16.53	26.01	6.88	2.65	0.16	4.61

Movement in plan asset

(₹ in crore)

Particulars	Gratuity (Funded)	
	31.03.2019	**31.03.2018**
Fair value of plan assets at beginning of year	67.64	70.83
Interest income	5.06	5.49
Employer contributions	52.28	0.00
Benefits paid	(27.43)	(8.38)
Re-measurements - Actuarial (loss) / gain	1.65	(0.31)
Fair value of plan assets at end of year	99.20	67.64

In addition an amount of ₹0.67 crore (PY NIL) is also available with LIC as on 31.3.2019 towards employees retired prior to 31.3.2019.

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.**	3.20	0.76	0.99	0.19	0.07		
	P.Y.	3.35	0.68	0.95	0.23	0.08		
Past Service Cost-Plan Amendment	**C.Y.**	0.00	-	-				
	P.Y.		-		-	-		
Service Cost (A)	**C.Y.**	3.20	0.76	0.99	0.19	0.07		
	P.Y.	3.35	0.68	0.95	0.23	0.08		
Net Interest on Net Defined Benefit Liability / (assets) (B)	**C.Y.**	3.30	1.26	1.98	0.52	0.20		
	P.Y.	(0.08)	1.75	1.75	0.55	0.22		
Net actuarial (gain) / loss recognized in the period	**C.Y.**		5.49	(1.58)	-		(0.00)	(0.61)
	P.Y.		10.03	2.63	-		(0.03)	(0.65)
Cost Recognized in P&L (A+B)	**C.Y.**	6.49	7.51	1.39	0.72	0.27	(0.00)	(0.61)
	P.Y.	3.27	12.46	5.33	0.78	0.30	(0.03)	(0.65)

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.**	9.74			0.15	0.08		
	P.Y.	(5.28)	-	-	0.27	0.10	-	-
Actuarial gain / (loss) due to assumption changes	**C.Y.**	-	-	-	0.00	0.00	-	-
	P.Y.	-	-	-	0.01	0.01	-	-
Actuarial gain/(loss) arising during the period (A)	**C.Y.**	9.74	-	-	0.16	0.08	-	-
	P.Y.	(5.28)	-	-	0.28	0.11	-	-
Return on Plan assets (greater) / less than discount rate (B)	**C.Y.**	(1.65)	-	-	-	-	-	-
	P.Y.	0.31	-	-	-	-	-	-
Actuarial gain/(loss) recognized in OCI (A+B)	**C.Y.**	8.09	-	-	0.16	0.08	-	-
	P.Y.	(4.97)	-	-	0.28	0.11	-	-

Sensitivity Analysis

(₹ in crore as at March 31, 2019)

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%	(4.32)	0.50%	(0.43)	(0.50)	(0.11)	(0.05)	-	
	-1.00%	4.69	-0.50%	0.45	0.53	0.11	0.06	-	
Salary growth rate	1.00%	4.11	0.50%	0.46	0.53	-		-	
	-1.00%	(3.83)	-0.50%	(0.43)	(0.51)	-		-	

(₹ 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	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)	-	-	-	-

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.**	7.00%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
	P.Y.	7.75%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%
Rate of salary increase	**C.Y.**	6.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	**C.Y.**	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
	P.Y.	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

Expected Benefit Payments

(₹ in 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-
1	April 2019-March 2020	21.65	April 2019-March 2020	3.30	4.40	1.15	0.40	-	-
2	April 2020-March 2021	18.48	April 2020-March 2021	2.53	2.52	0.86	0.37	-	-
3	April 2021-March 2022	18.50	April 2021-March 2022	2.55	3.57	0.78	0.31	-	-
4	April 2022-March 2023	15.36	April 2022-March 2023	1.80	2.49	0.62	0.34	-	-
5	April 2023-March 2024	13.76	April 2023-March 2024	1.48	2.41	0.52	0.23	-	-
6	April 2024 onwards	29.35	April 2024-March 2025	1.11	1.51	0.38	0.19	-	-
7		-	April 2025 onwards	5.26	6.42	1.39	0.46	-	-

*(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 ₹5.43 crore (P.Y. ₹4.55 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:

a. The liability for the year 2018-19 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 2018-19 in 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 31.3.2018 has been shown as company's obligation as on 31.3.2019 under 'Defined Contribution Scheme' and additional contribution @ 6.75% (P.Y. @ 6.25%) 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 ₹15.91 crore (P.Y. ₹14.49 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	
				31.03.2019	31.03.2018
1	MMTC Transnational Pte Ltd.	Trading in Minerals, Metals, Fertilizers, Agro products, Coal & Hydrocarbons, Bullion, 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.

S. No.	Name of Joint Venture	Principal Activity	Place of Incorporation	Ownership Interest held by the group		Accounting Method
				31.03.2019	31.03.2018	
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.	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 (ii)	Engaged in exploration, search, prospecting, development, extraction, exploitation of the mineral blocks/deposits.	India	26%	26%	Equity Method
5	NeelachalIspat 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 fully impaired its equity investment of ₹2.99 crore in its joint venture- M/s MMTC Gitanjali Limited during the year 2017-18 in view of the recent defaults made by the main promoter, as per the media reports 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 for 2018-19, hence the same is also not considered for the purpose of consolidation.

(ii) The company has written off its equity investment of ₹0.06 crore in its joint venture-TM Mining Co. Ltd. during the year. The JV company is in process of closure and necessary application has been made with MCA.

(iii) 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. Entities Consolidated

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	Audited
3.	SICAL Iron Ore Terminal Limited	Joint Venture	Audited
4.	Neelachal Ispat Nigam Limited	Joint Venture	Audited
5.	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
2.	TM Mining Company Limited	Joint Venture	Refer note no. 41.2(ii) above

4. Unrecognized Losses of Joint Ventures

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.	Name of Joint Venture	Cumulative Balance as at 31.3.2019	For the year ended 31.3.2019	For the year ended 31.3.2018	For the year ended 31.3.2017
1	Neelachal Ispat Nigam Limited	475.02	200.90	186.89	87.22
2	Free Trade Warehousing Pvt. Ltd.	3.83	1.45	1.38	1.00

42. Information regarding Joint Ventures

(₹ in crore)

Summarized Balance Sheet	MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		TM Mining Company Limited		MMTC Gitanjali Limited*	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Current Assets												
Cash and Cash equivalents	89.37	72.75	4.59	1.23	55.87	35.87	0.19	0.32				
Other Assets	619.16	618.45	44.39	8.21	490.11	367.94	-	0.11				
Total Current Assets	708.53	691.20	48.98	9.44	545.98	403.81	0.19	0.43	-	-	-	-
Total Non current Assets	186.76	199.55	977.64	860.59	3,475.44	3,410.76	66.86	67.40	-	0.01		
Current Liabilities												
Financial Liabilities (excluding trade payables and provisions)	183.75	65.17	-	-	1,881.72	1,997.52	4.02	4.02	-	-		
Other Liabilities	320.07	336.87	754.96	737.98	1,506.60	648.70	5.26	3.15	-	0.04	-	-
Total Current Liabilities	503.82	402.04	754.96	737.98	3,388.32	2,646.22	9.28	7.17	-	0.04	-	-
Non current Liabilities												
Financial Liabilities (excluding trade payables and provisions)	-	-	141.37	-	1,397.82	1,543.88	-	-	-	-	-	-
Other Liabilities	28.39	196.71	0.35	0.25	191.77	176.52	65.42	65.42				
Total Non Current Liabilities	28.39	196.71	141.72	0.25	1,589.59	1,720.40	65.42	65.42	-	-	-	-
Net Assets	363.08	292.00	129.94	131.80	(956.49)	(552.05)	(7.65)	(4.76)	-	(0.03)	-	-

*Refer note no. 41.2(i)

(₹ in crore)

Particulars	MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		TM Mining Company Limited		MMTC Gitanjali Limited*	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue	47,639.41	33,946.22	-	-	2,005.43	929.16	0.53	0.25	-	-	-	-
Interest income	18.26	11.69	-	-	7.47	11.63	0.00	0.02	-	-	-	-
Depreciation and amortization	26.09	24.86	-	-	150.53	173.88	0.90	0.90	-	-	-	-
Interest expense	29.75	2.42	-	-	231.52	237.15	0.33	0.21	-	-	-	-
Income tax expense	53.85	22.09	-	-	(197.54)	(185.57)	0.09	(0.28)	-	-	-	-
Profit from continuing operations	95.99	47.26	-	-	(402.19)	(377.67)	(2.89)	(2.77)	(0.01)	(0.01)	-	-
Profit from discontinued operations (Post tax)	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	95.99	47.26	-	-	(402.19)	(377.67)	(2.89)	(2.77)	(0.01)	(0.01)	-	-
Other comprehensive income	(0.64)	0.04	-	-	(1.39)	2.23	-	-	-	-	-	-
Total Comprehensive income	95.35	47.30	-	-	(403.58)	(375.44)	(2.89)	(2.77)	(0.01)	(0.01)	-	-

Particulars	MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited (SIOTL)		Neelachal Ispat Nigam Limited (NINL)		Free Trade Ware-housing Pvt. Ltd. (FTWPL)		TM Mining Company Limited		MMTC Gitanjali Limited*	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Opening net assets	292.00	260.85	131.80	131.80	(552.05)	(175.14)	(4.76)	53.96	(0.03)	(0.02)	-	-
Profit for the year	95.99	47.26	-	-	(402.19)	(377.67)	(2.89)	(2.77)	(0.01)	(0.01)	-	-
Other comprehensive income	(0.64)	0.04	-	-	(1.39)	2.23	-	-	-	-	-	-
Other Adjustments	(24.27)	(16.15)	(1.86)	-	(0.86)	(1.47)	-	-	-	-	-	-
Advance against equity	-	-	-	-	-	-	-	(55.95)	-	-	-	-
Closing net assets	363.08	292.00	129.94	131.80	(956.49)	(552.05)	(7.65)	(4.76)	(0.04)	(0.03)	-	-
Group's share in%	26%	26%	26%	26%	49.78%	49.78%	50%	50%	26%	26%	26%	26%
Group's share in INR	94.40	75.92	33.78	34.27	(476.14)	(274.81)	(3.83)	(2.38)	(0.01)	(0.01)	-	-
Goodwill/(Capital Reserve)	-	-	-	-	-	-	-	-	-	-	-	-
Carrying amount **	94.40	75.71	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 MMTC Gitanjali Ltd. is NIL as the group's equity investment in the JV has been fully impaired. The investment in JV Company TM Mining Company Ltd. has been written off 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, 2019)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	12,788.18	1,889.24	149.94	1,470.71	1,432.99	10,132.43	5.23	27,868.72
Outside India	0.00	427.88	735.81	60.80	237.38	81.38	27.71	1,570.97
Inter-Segment Revenue								
Total Segment Revenue	**12788.18**	**2317.12**	**885.75**	**1531.51**	**1670.37**	**10213.81**	**32.94**	**29439.69**
Segment Results								
Within India	65.03	255.59	16.73	49.86	17.19	29.83	3.79	438.02
Outside India	-	12.90	23.78	0.90	1.85	0.09	0.69	40.21
Total segmental results	**65.03**	**268.49**	**40.51**	**50.76**	**19.04**	**29.92**	**4.48**	**478.23**
Unallocated Corporate expenses:								
Interest expenses (net)								60.15
Other unallocated expenses net of other income								297.16
Share of Profit / (Loss of Joint Venture)								24.96
Profit before tax from ordinary activities								**145.88**

(₹ 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	**10,107.70**	**1,203.09**	**1,316.99**	**779.47**	**1,084.96**	**1,902.22**	**56.58**	**16,451.01**
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
Share of Profit/(Loss of Joint Venture)								11.36
Profit before tax from ordinary activities								47.74

Segment Assets and Liabilities

(₹ in crore as at March 31, 2019)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A. 01 Segment Assets :								
Assets	323.18	2495.55	245.70	438.48	129.83	63.97	451.89	4148.61
Unallocated assets								231.21
Total Assets								**4379.82**
A. 02 Segment Liabilities :								
Liabilities	256.61	161.14	254.12	821.21	84.35	326.55	18.89	1922.89
Unallocated liabilities								1188.20
Total Liabilities								**3111.09**

(₹ 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**

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)	2018-19	2017-18
Total Revenue	10096.53	1821.99
No. of customers	1	1
% of Total Revenue	34.84%	11.08%
Product Segment	Fertilizers	Fertilizers

44. **Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"**

44.1 **Disclosures for Other than Govt. Related Entities**

a. **List of key management personnel**

Name	Designation
i. Shri Ved Prakash	Chairman and Managing Director- (Managing Director)
ii. Shri T.K. Sengupta	Director (Personnel) (Upto 31.03.2019)
iii. Shri Umesh Sharma	Director(F) & (Chief Financial Officer)
iv. Shri P.K. Jain	Director (Upto 14.05.2018)
v. Shri Ashwani Sondhi	Director
vi. Shri J. Ravi Shanker	Director (w.e.f. 04.07.2018)
vii. Shri T.S. Rao	Managing Director, MTPL
viii. Shri Debashish Nayak	Director (F), 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.

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, 2019	For the year ended March 31, 2018
Short-term benefits	3.96	3.23
Post-employment benefits	0.47	0.35
Other long-term benefits	-	0.27
Share-based payments	-	-
Termination benefits	-	-
Total	**4.44**	**3.85**
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	0.01	0.02

g. Transactions with Related Parties

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Others	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Sale of goods and services	-	-	1.07	-	-	-	1319.46	546.85	-	-	-	-
Purchase of raw material/goods and services	-	0.06	213.91	512.08	-	-	2012.71	718.18	-	-	-	-
Payments on behalf of company	-	-	-	-	-	-			-	-	105.33	48.47
Other transactions	-	-	-	3.49	-	-	216.67	1,410.56	-	-	23.99	61.52

h. Outstanding balances arising from sale/purchase of goods/services

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Trade Payables	0.02	0.02	-	0.00	-	-	1.46	1.46	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	-
Other Payables	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	-	-

i. Loans to Joint Ventures

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Loans at beginning of the year	-	-	-	-	-	-	-	130.00	-	-
Loan advanced	-	-	-	-	-	-	-	-	-	-
Repayment received/adjusted	-	-	-	-	-	-	-	130.00	-	-
Interest charged	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-
Balance at end of the year including interest	-	-	-	-	-	-	-	-	-	-

j. Advances to Joint Ventures

(₹ in crore)

Particulars	MMTC Gitanjali Limited		MMTC-PAMP India Private Limited		Sical Iron Ore Terminal Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Haldia Free Trade Warehousing Pvt Ltd		Kandla Free Trade Warehousing Pvt Ltd	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Advances given	-	-	-	-	-	-	2,594.56	1,786.70	-	0.54	-	-	-	-

k. **Loans to KMP**

(₹ in crore)

Particulars	Mar-19	Mar-18
Loans at beginning of the year	0.02	0.02
Loan advanced	-	-
Repayment received	-	-
Interest charged	-	-
Interest received	0.01	0.01
Balance at end of the year including interest	0.01	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)

S. NO	NAME OF GOVT/ GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE (RS)	OUTSTANDING BALANCE	
					RECEIVABLE	PAYABLES
1	Deptt. Of Fertilizer GOI	Majority Owner	Sale of Goods	10096.53	35.52	0.00
2	Deptt. Of Consumer Affairs GOI	Majority Owner	Import of Pulses	-	-	26.28
3	Other Departments of Govt of India	Majority Owner	Purchase/sale of goods	2680.21	1.35	6.93
4	CPSEs	Related through GOI	Purchase/sale of goods	857.67	48.15	25.05

45. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

45.1 As lessee

a) **Finance lease: 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, 2019	For the year ended March 31, 2018
Not later than 1 year	0.97	1.02
Later than 1 year and not later than 5 years	3.08	3.14
Later than 5 years	3.81	4.28

- **Payments recognised as an expense**

(₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Minimum lease payments	1.62	3.19
Contingent rentals	-	-
Sub-lease payments received	-	-

45.2 As a lessor

a) **Finance lease : The company does not have any finance lease arrangement during the period.**

b) **Operating lease :**

- **Future minimum lease receivables under non-cancellable operating lease**

(₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Not later than 1 year	0.08	0.24
Later than 1 year and not later than 5 years	0.03	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, 2019	For the year ended March 31, 2018
Profit for the year, attributable to the owners of the company	108.72	37.52
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,500,000,000	1,500,000,000
Basic & Diluted EPS	0.72	0.25

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 01.04.2018	Adjustment during year	Addition during year	Closing Balance as on 31.03.2019
Destinational Weight & Analysis Risk	0.04	0.04	0.03	0.03
Bonus/PRP	16.10	3.87	10.69	22.92
Provision for Litigation Settlements	47.34	59.82	12.48	0.00

48. Disclosure in respect of Indian Accounting Standard (Ind AS)-115: "Revenue from Contract with Customers)

Transitional Provision

The company has adopted the new Indian Accounting Standard 115 (Revenue from Contract with Customers) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings as on 01.04.2018. The company has examined the changes bought in under Ind AS 115 and observed that there has been no impact on the opening retained earnings as at 01.04.2018.

Disclosure

A.(i) Contracts with customers

a) Company has recognized the following revenue during the year from contracts with its customers

(₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of products	28,748.27	15,746.39
Sale of services	4.55	10.44
Other operating revenue		
-Claims	462.68	537.36
-Subsidy	-	-
-Despatch Earned	0.25	0.32
-Other Trade Income	223.94	156.50
Total	**29,439.69**	**16,451.01**

b) Company has recognized the following amount as impairment loss against the amount receivables from its customers or contract assets arising due to contract with its customers.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Impairment Loss	0.03	0.05

(ii) **Disaggregation of Revenue**

The Company has identified its Operating Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and General Trade / others. The segment wise revenue generated from the contract with customers and its proportion in total revenue is as follows:-

(₹ in crore)

Particulars	For the year ended March 31, 2019	As % to Total Revenue	For the year ended March 31, 2018	As % to Total Revenue
Precious Metals	12,788.18	43.44	10,107.70	61.44
Metals	2,317.12	7.87	1,203.09	7.31
Minerals	885.75	3.01	1,316.99	8.01
Coal & Hydrocarbon	1,531.51	5.20	779.47	4.74
Agro Products	1,670.37	5.67	1,084.96	6.60
Fertilizers	10,213.81	34.69	1,902.22	11.56
Others	32.94	0.11	56.58	0.34
Total	**29,439.69**	**100.00**	**16,451.01**	**100.00**

(ii) **Contract Balances**

(a) **Receivables**

Particulars	As at March 31,2019	As at March 31,2018
Opening Balance	747.05	913.36
Addition / (deduction) during the year	71.64	(166.31)
Closing Balance	818.69	747.05

(b) **Contract Assets**

Company recognized contract assets when it satisfies its obligation by transferring the goods or services to the customer and right to receive the consideration is established which is subject to some conditions to be fulfilled by the company in future before receipt of consideration amount. Being a trading company performance obligation of the company is satisfied upon transferring a promised goods or service to its customers and there is no obligation on the part of the company which remains unexecuted.

(c) **Contract Liabilities**

Upon execution of contract with the customers, certain amount in the form of EMD, Security Deposit, Margin Money, advance for payment of custom duty etc. received from the customers which is shown as advance received from customers under the heading "Other Financial Liabilities" and "Other Liabilities"

Particulars	As at March 31,2019	As at March 31,2018
Opening Balance `	288.44	188.39
Add: Addition during the year	146.39	168.52
Less: Deduction (Refunds / adjustments)	14.39	37.08
Less: Recognised as revenue during the year forming part of opening balance	58.49	31.39
Closing Balance	361.95	288.44

During the year company has recognized revenue of ₹ Nil crore (P.Y. ₹ Nil crore) from the performance obligations satisfied in earlier periods by raising debit/credit notes to its customers.

The company has made the adjustment of ₹ Nil crore (P.Y. ₹ Nil Crore) in the revenue of ₹ Nil crore (P.Y. ₹ Nil crore) recognized during the year on account of discounts, rebates, refunds, credits, price concessions, incentives performance bonuses etc. as against the contracted revenue of ₹ Nil crore (P.Y. ₹ Nil crore).

(d) **Practical expedients**

During the year company has entered into sales contracts with its customers where some of the part is yet to be executed, same has not been disclosed as per practical expedient as the duration of the contract is less than one year or right to receive the consideration established on completion of the performance by the company.

B. Significant judgements in the application of this standard

(i) Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset / goods / services are considered to be transferred when the customer obtains control of those asset / goods / services.

(ii) The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).

(iii) The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit/credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.

(iv) Certain adjustments have been made during the year in contract value which is not significant keeping in view the amount involved.

C. Assets Recognised from costs to obtain or fulfil a contact with a customer

Being a trading company, costs incurred by the company are fixed in nature with no significant incremental cost to obtain or fulfil a contract with a customer and same is charged to profit and loss as a practical expedient.

49. Recent Accounting Pronouncements (effective from 1st April, 2019)

1) MCA has notified Ind AS- 116 (Leases) on 30th March, 2019 as part of Companies (Indian Accounting Standards) Amendment Rules, 2019. The standard supersedes existing Ind AS-17 (Leases).

The company is in the process of examining and assessing the impact of the said notification which applies to annual reporting period beginning on or after 1st April, 2019. This Ind AS provides two options to lessee either apply this standard retrospectively to each prior reporting period presented applying Ind AS 8 "Accounting policies, changes in Accounting Estimates and Errors; or retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The company will adopt this standard retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings effective from 1st April, 2019. The effect of adoption of Ind AS-116 is expected to be insignificant. In respect of Lessors no adjustment is required on transition to this standard except for intermediate lessor.

2) Ind AS Appendix C. Uncertainty over Income Tax Treatments. On 30th March 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. Accordingly to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Polices, Changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April 2019. The Company will adopt the standard on 1st April 2019 and has decided to adjust the cumulative effect in equity on date of initial application i.e. 1st April 2019 without comparatives.

The effect on adoption of IndAs 12 Appendix C would be insignificant in the financial statements.

Amendment to Ind AS 12, Income Taxes: On 30th march 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after 1st April 2019. The company is currently evaluation the effect of this amendment on the financial statements.

3) Amendment to Ind AS 19, plan amendment, curtailment, curtailment or settlement: On 30th March 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailment and settlements.

The amendments require an entity:

- To use assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1st April 2019. The company does not have any impact on account of this amendment.

50. 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.

51. 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).

52. Accounting policies and notes attached form an integral part of the financial statements.

53. The company has made certain changes in the Accounting Policies during the year as under:-

i. Accounting Policy No. 2.4 "Revenue Recognition" has been changed due to the adoption of Ind AS 115 'Revenue from Contract with Customers' w.e.f. 1.4.2018.

The above changes have no financial impact on the financials of the company.

54. 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.

55. 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.

56. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30.05.2019.

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

(B.N. Dash)
Chief General Manager(F&A)

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

Date: 30.05.2019
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 Crores)
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 ₹69.9692 (Average Rate)
5	Share capital	3.14
6	Reserves & surplus	82.25
7	Total assets	238.81
8	Total Liabilities	153.41
9	Investments	-
10	Turnover	1,078.62
11	Profit before taxation	1.81
12	Provision for taxation	-
13	Profit after taxation	1.81
14	Proposed Dividend	NIL
15	% of shareholding	100
a)	Names of subsidiaries which are yet to commence operations	NIL
b)	Names of subsidiaries which have been liquidated or sold during the year	NIL

AOC-I Part "B": Associates and Joint Ventures					
					(₹ In Crores)
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.**
1. Latest audited Balance Sheet Date	31.03.2019	31.03.2019	31.3.2019	31.03.2019	31.03.2017**
2. Shares of Associate / Joint Ventures held by the company at the year end					
Number	289342744	5000	17446000	33800000	2987400
Amount of Investment in Associates / Joint Venture	379.69	0.01	17.45	33.80	2.99
Extend of Holding %	49.78%	50%	26%	26%	26%
3. Description of how there is significant influence	Equity & Management Control	Equity	Equity	Equity	Equity
4. Reason why the associate / joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	Note (1)
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(476.14)	(3.83)	94.40	33.78	1.82
6. Profit/(Loss) for the year					
i. Considered in Consolidation	-	-	24.79	-	-
ii. Not Considered in Consolidation	(200.90)	(1.45)	-	-	-
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				TM Mining Co. Ltd. (under closure process)	

**The financial statements are not received from Joint venture company for the year ended 31.03.2019. 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		117.38	1489.26	75.38	81.95	1,260.27	(5.45)	70.65	76.50
Subsidiaries-Foreign									
1	MMTC Transnational Pte Ltd.,Singapore	6.48	82.21	1.66	1.81	(1,199.07)	5.19	6.46	6.99
2	Non-controlling Interest	-	-						
Joint Ventures-Indian (investment as per equity method)									
1	Free Trade Warehousing Pvt. Ltd.	(0.00)	(0.01)	-	-	-	-	-	-
2	MMTC Pamp India Pvt. Ltd.	6.07	76.96	22.96	24.96	38.80	(0.17)	22.90	24.79
3	Sical Iron Ore Terminal Ltd.	(0.00)	(0.02)	-	-	-	-	-	-
4	Neelachal Ispat Nigam Limited	(29.93)	(379.69)	-	-	-	-	-	-
5	MMTC Gitanjali Ltd.	-	-	-	-	-	-	-	-
6	TM Mining Company Ltd.	-	-	-	-	-	-	-	-
	Total	**100.00**	**1,268.72**	**100.00**	**108.72**	**100.00**	**(0.43)**	**100.00**	**108.28**

AUDITORS

Office of the Comptroller & Auditor General of India vide their letter No. CA. V/COY/CENTRAL GOVERNMENT, MMTC (10)/628 dated 16th Aug, 2018 and letter No. CA. V/COY/CENTRAL GOVERNMENT, MMTC (12)/903 dated 30th Aug,2018 have communicated the appointment of Auditors of the company under section 139 of the Companies Act, 2013 for the financial year 2018-19. 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
J P Shah & Co. 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

एमएमटीसी
लि मि टे ड
MMTC
LIMITED
भारत सरकार का उपक्रम
A GOVT. OF INDIA ENTERPRISE
touching lives, adding value

MMTC LIMITED

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

CIN: L51909DL1963GOI004033

ATTENDANCE SLIP

56th ANNUAL GENERAL MEETING TO BE HELD ON MONDAY, the 30th September 2019 AT 11:30 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 56th Annual General Meeting of the Company held on Monday, 30th September 2019 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 handed 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 ______________s hares of the above named company, hereby appoint:

1	Name: Address: E Mail-ID:		Signature:	
Or failing him				
2.	Name: Address: E Mail-ID:		Signature:	
Or failing him				
3.	Name: Address: E Mail-ID:		Signature:	

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 Monday, 30th September 2019 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, 2019, 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 2018-19.		
2.	Declaration of Final Dividend for the year 2018-19.		
3.	Re-appointment of Shri Umesh Sharma, who retires by rotation.		
4.	Fixation of Remuneration of Statutory Auditors for the Year 2019-20.		
Special Business			
5.	Appointment of Shri Manjunath .G as Part Time Non-Official Director		
6.	Appointment of Shri R.R Sinha as Director (Personnel)		
7.	Appointment of Shri Shashank Priya as Govt. Nominee Director		
8.	To undertake Related Party Transactions from 1.10.2019 to 30.9.2020)		

Signed this............................ Day of .... 2019.

Affix Revenue Stamp of ₹1/-

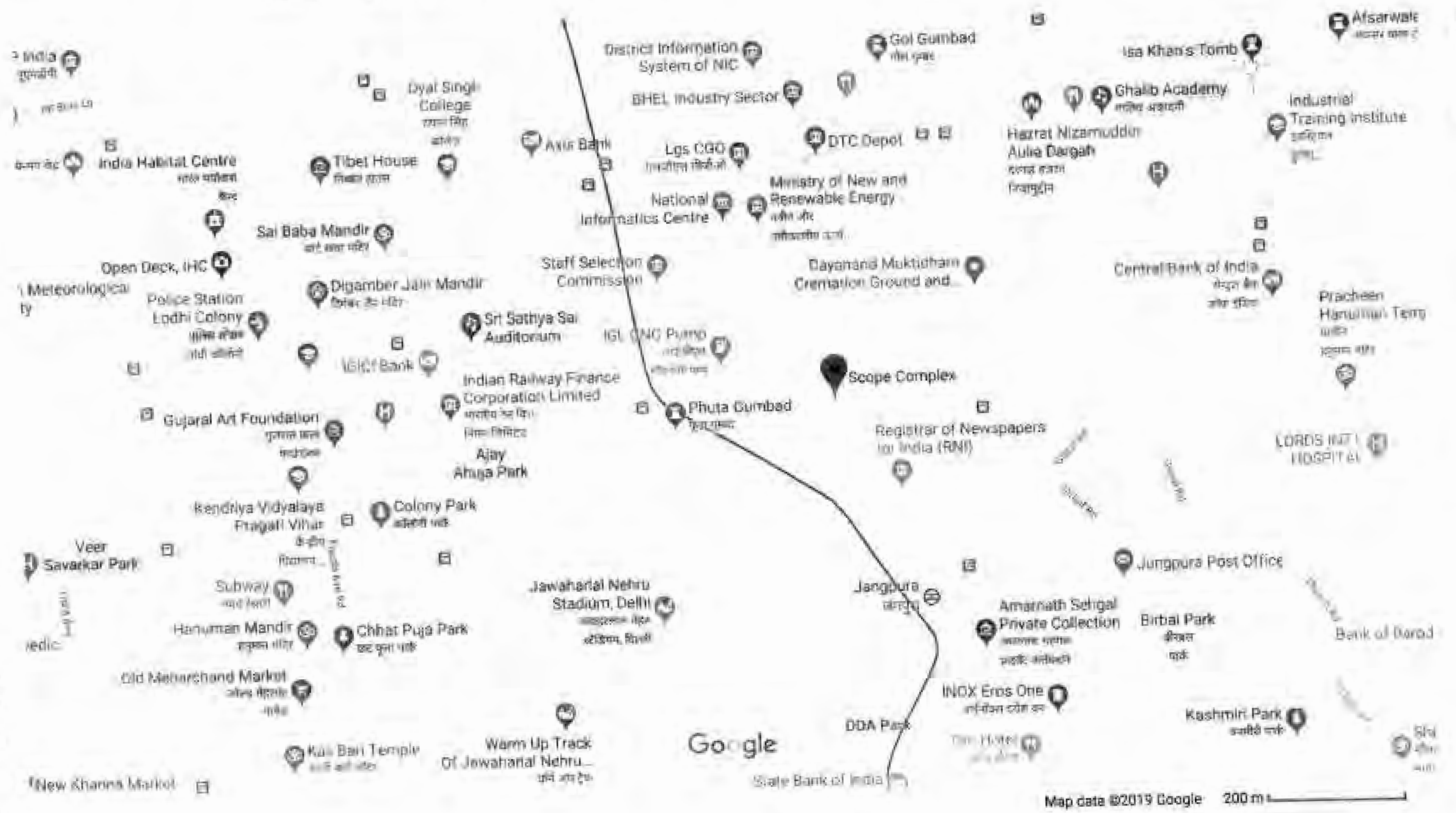
Signature of shareholder

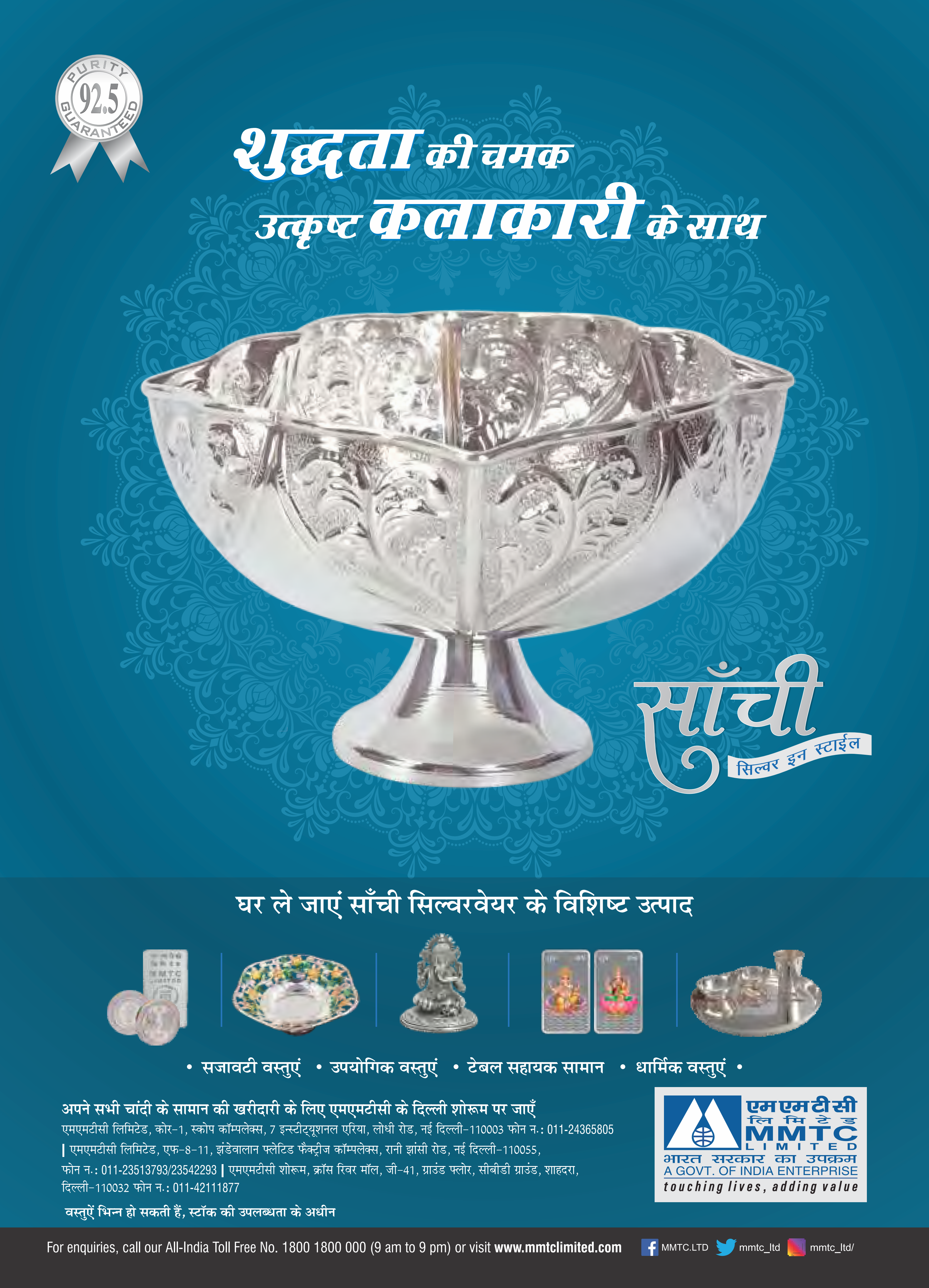
Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Google Maps

Scope Complex

Location Map of the Venue of AGM-MMTC Ltd




PURITY 92.5 GUARANTEED
शुद्धता की चमक
उत्कृष्ट कलाकारी के साथ
साँची
सिल्वर इन स्टाईल
घर ले जाएं साँची सिल्वरवेयर के विशिष्ट उत्पाद
• सजावटी वस्तुएं • उपयोगिक वस्तुएं • टेबल सहायक सामान • धार्मिक वस्तुएं •
अपने सभी चांदी के सामान की खरीदारी के लिए एमएमटीसी के दिल्ली शोरूम पर जाएँ
एमएमटीसी लिमिटेड, कोर-1, स्कोप कॉम्पलेक्स, 7 इन्स्टीट्यूशनल एरिया, लोधी रोड, नई दिल्ली-110003 फोन न.: 011-24365805 | एमएमटीसी लिमिटेड, एफ-8-11, झंडेवालान फ्लेटिड फैक्ट्रीज कॉम्पलेक्स, रानी झांसी रोड, नई दिल्ली-110055, फोन न.: 011-23513793/23542293 | एमएमटीसी शोरूम, क्रॉस रिवर मॉल, जी-41, ग्राउंड फ्लोर, सीबीडी ग्राउंड, शाहदरा, दिल्ली-110032 फोन न.: 011-42111877
वस्तुऐं भिन्न हो सकती हैं, स्टॉक की उपलब्धता के अधीन
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MMTC LIMITED
भारत सरकार का उपक्रम
A GOVT. OF INDIA ENTERPRISE
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कारपोरेट कार्यालय
नई दिल्ली

एमएमटीसी लिमिटेड की ओर से
उमेश शर्मा, निदेशक (वित्त)
द्वारा प्रकाशित
कारपोरेट कम्युनिकेशन्स प्रभाग
द्वारा निर्मित एवं मुद्रित

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New Delhi

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