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

Trading with a Global Embrace

52nd ANNUAL REPORT 2014-2015

प्रभुजिवेश
PRABHU JIVESH

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Corporate Mission

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

Corporate Objectives

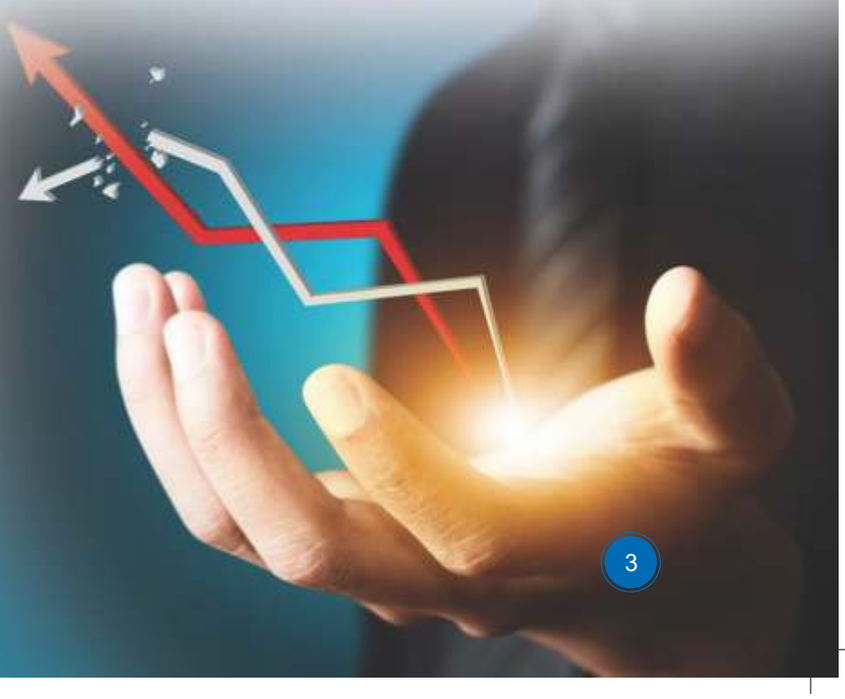
- To be a leading International Trading House in India operating in the competitive global trading environment, with focus on bulk as core competency and to improve returns on capital employed.
- To retain the position of single largest trader in the country for product lines like Minerals, Metals and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

MMTC TODAY

- One of the Largest International Trading Companies of India.
- Largest exporter of Minerals from India, bagging CAPEXIL award consecutively for the last 21 years, and recognized by EEPC for highest exports (merchant enterprise category).
- Leading importer/ supplier of Bullion and Non-ferrous Metals in the country, leading international trader of Agro Products, Fertilizers, Coal & Hydrocarbons.
- Present at 56 locations in India through offices, warehouses, port offices and retail outlets.
- Foreign office in Johannesburg, South Africa.
- MTPL, subsidiary in Singapore, with net worth of USD 15.64 million as on 31.03.15.
- Enhanced product offerings through its promoted project, Neelachal Ispat Nigam Ltd. (NINL), a 1.10 million ton Steel Plant in Odisha.
- MMTC-PAMP India Pvt. Ltd. (MPIPL) India's first LBMA accredited refiner for gold & silver.

Strategic Initiatives

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



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Performance at a Glance

₹ in million

For the financial year ending 31 March	2015	2014	2013
Total Sales	**182415**	250746	284156
which includes-			
Exports	**23007**	41270	29795
Imports	**145302**	187135	209544
Domestic	**14106**	22340	44817
Trading Profit	**2079**	3456	2997
Income from Other Sources	**1949**	2328	3203
Profit After Tax	**479**	186	(706)
At Year End			
Total Assets	**59509**	46970	66981
Net Worth	**13592**	13419	13407
Per Share (Rupees)			
Earnings	**0.48**	0.19	(0.71)
Dividend	**0.25**	0.15	0.10
Net Worth to Share Capital (times)	**13.59**	13.42	13.41
Profit after Tax to Capital Employed (%)	**6.03**	2.37	(8.82)
Profit after Tax to Net Worth (%)	**3.52**	1.39	(5.27)
Sales per Employee (₹ Million)	**126.77**	163.89	177.04

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors of MMTC Ltd. and on my own behalf, it is my great pleasure to welcome you all for the 52nd Annual General Meeting of your Company.

During the year 2014-15, your Company delivered a steady performance despite many challenges faced by the global economy and particularly by India's major trading partners. The top-line and bottom-line of the major trading companies have been adversely affected due to substantial fall in demand, volatility in commodity prices, geo-political tensions, near recessionary conditions in some European Countries, volatility and depreciation of currencies in Asian Countries etc. The worst economic turmoil in Greece has generated fears of a possible breakdown of Euro Zone. The slowdown in China has also affected the global trade adversely. The downtrend in the economies of most of India's trading partners has adversely affected the top-line of many trading companies. However, we are happy to note that due to strong structural and economic fundamentals, Indian economy has been able to withstand the global slowdown to some extent. In fact, the slowdown in China and the global recessionary conditions offer many new opportunities for Indian companies.

During the year 2014-15, the Government of India has taken many pro-business initiatives such as "Make in India", with an all-out focus on infrastructure growth and manufacturing sector, inclusive growth, skill development initiatives etc., that would make Indian economy as one of the robust economies in the world. With Indian economy showing signs of improvement, India is expected to become the fastest growing market in the world during next few years. Your company is likely to benefit from the government's pro-business initiatives.

Performance

Your Company, amidst the uncertain economic environment, has registered a net profit of Rs. 47.90 crores, a 157% increase over last year. The business turnover was Rs. 18,241 crores, which includes imports of Rs. 14,530 crores, exports of Rs. 2,301 crores and domestic trade of Rs. 1,407 crores. The turnover of various business segments has been broadly, Minerals - Rs.1,620 crores; the Precious Metals - Rs.5,142 crores; Agro Products - Rs. 299 crores; Metals - Rs. 961 crores; Fertilizer & Chemicals - Rs. 8,082 crores; Coal & Hydrocarbons - Rs.2,123 crores.The fall in turnover is mainly due to lower price of commodities and lesser imports of gold by MMTC due to Government of India's restrictions to control the current account deficit.

Despite these challenges in the International Trading environment, the net profit of your company has more than doubled over last year, while MMTC continues to be a leading International Trading Company in the country. MMTC also continues to be a zero debt company.

Business Diversification Initiatives

To take advantage of new opportunities in the free market environment, your company had promoted a number of joint ventures following the public–private partnership route for enhancing the company's future sustainability.

Your company promoted steel plant Neelachal Ispat Nigam Limited (NINL), jointly with Govt. of Orissa, has been granted Iron Ore mining lease with an estimated reserves of 110 million tones, which are at advanced stage of statutory environmental clearances. NINL has now also commenced production of steel billets. During the year 2014-15, NINL achieved a sales turnover of Rs. 1,315 Crores, and its turnover and profits were adversely affected primarily due to recession in steel sector. As the steel making facility stabilizes and the iron ore mining commences, the performance of NINL is expected to improve substantially.

The medallion manufacturing unit, created in Joint Venture with M/s PAMP of Switzerland i.e.MMTC-PAMP India Private Limited (MPIPL), is a state of art refinery for Silver and Gold medallions. During the year 2014-15, it has shown further improvement in performance. The investment of shareholders in MPIPL has been recovered in just three years of its commencing production.

Your company, in association with IL&FS, is setting up an International Cargo hub at Haldia and a Free Trade Warehousing Zone at Kandla, for which 200 acres and 75 acres of land respectively have been allotted to MMTC. The work on the Kandla FTWZ has commenced and is likely to be completed by middle of next year.

Your Company's environment friendly initiative i.e. 15 MW Windmill project in Karnataka which was commissioned in March'07, achieved the full return on capital during the year. It continues to give steady returns besides meeting a portion of energy needs of the Karnataka State.

Your company has taken many new business initiatives such as supply of Re-gasified Liquefied Natural Gas (RLNG) to one of the fertilizer companies, signing of MoU with a Jordan company for import and supply of fertilizers, renewal of focus on retail marketing of Sanchi silverware and Jewellery etc. Also, the Union Cabinet has approved entering into Long Term Agreement for export of Iron Ore with Japan and South Korea through MMTC.

In order to diversify the trade portfolio of your Company further, two new divisions i.e. Engineering Goods & Drugs, Pharma and Fine Chemicals have been set up with a purpose of exploring new opportunities for imports and exports. Besides, your company is also associating with the MSME sector to explore new products and new markets in items of General Trade.

Subsidiary Company

During the year, MMTC Transnational Pte. Ltd. (MTPL), Singapore, a 100% subsidiary of your company, achieved a business turnover of US$ 248 million with Profit-After-Tax of US$ 0.13 million. The net worth of MTPL stood at US$ 15.64 million as on 31st March 2015. Besides the growth of Net Worth over 15 times, MTPL has so far paid a total dividend of US$15.04 million as against US$ 1 million contributed by your company.

Keeping in view the huge potential in the entire African continent, your company has opened a liaison office in South Africa to enhance two-way trade between India and the countries of African continent. It is now being proposed to convert the liaison office into a subsidiary company on the lines of MTPL, Singapore in order to take full advantage of the vast opportunities available.

Human resource initiatives

Your company recognizes that its employees are the most valuable asset in our endeavor to be amongst the top companies of the country. In order to overcome the loss of expert manpower due to large scale superannuation in the company taking place, suitable initiatives are being taken to build next level of leadership that can shoulder future responsibility. While senior officers have been given Advanced Leadership Training at the best management institutions, the skills of all the employees are being regularly enhanced and upgraded by imparting training in different spheres of company's activities so as to equip them to meet the requirements of the constantly changing business environment. Measures have also been taken to motivate the workforce by giving timely promotions and addressing the genuine concerns of employees, which has generated a goodwill and renewed confidence among the employees. In order to overcome a possibility of communication gap between the management and the employees, open house communication meetings are being conducted regularly for a two-way interaction, and also to bring transparency within the system.

Corporate Social Responsibility and Sustainable Development

Your company has been making valuable contribution to the society as a part of its social agenda. It strives to make business decisions with full understanding of impact of its actions on the long-term sustainability of the communities in which it operates. Special emphasis is given to the initiatives for inclusive and participatory growth, and many initiatives have been taken in areas of infrastructure development, education, healthcare, and environmental sustainability, as well as for relief and restoration activities in times of natural calamities. Your company has been contributing actively towards "Swachh Bharat" campaign by setting up Public toilets in association with Sulabh International. Besides, your Company is also a member of the Global Compact Network and its CSR/SD initiatives are in line with the Global Compact Principles.

Corporate Governance

Your company is committed to uphold highest standards of governance and has taken several initiatives and also set up systems to strengthen transparency in business practices. For this, the Integrity Pact has been implemented for ensuring transparency, equity and competitiveness in public procurement and to plug any possibility of corrupt practices in trade. Two Independent External Monitors have also been appointed for the purpose. Quarterly compliance reports are regularly sent to the administrative Ministry as well as Stock Exchanges as per the applicable guidelines. To insulate against business risks, a Risk Management policy has been put in place in your company. The preventive vigilance mechanism has been further strengthened by introducing the three-tier system of audit.

Vision for Future

Your Company aims to be amongst the largest trading companies in South Asia by achieving excellence in all its activities through satisfaction of shareholders, customers, suppliers, employees and society. The focus would be on existing core competency areas and also new business diversification with a purpose of improving the top-line and bottom-line. With the help of a committed workforce, your Company is fully equipped to move forward by delivering best services to its customers in the overall aim of building a strong and robust enterprise of future. It is the aim of your company to become a Maharatna company in next five years.

Acknowledgements

On behalf of the Board of Directors, I place on record my deep gratitude to all the shareholders of the Company for their continued trust in the Board of Directors and the Management of the Company. I would also like to thank all our Vendors, Customers and Business Associates who have extended their support in the development and growth of your Company. Before I conclude, I wish to thank the Government especially Ministry of Commerce and Industry, Railways, Ports, NMDC, Banks, and all other stakeholders for their co-operation and support.

(Ved Prakash)
Chairman and Managing Director

Dated: 29.09.2015

BOARD OF DIRECTORS

VED PRAKASH
Chairman and Managing Director
w.e.f. 31.12.14

GOVERNMENT NOMINEE DIRECTORS

MADHUSUDAN PRASAD
upto 24.02.15

ANITA AGNIHOTRI
upto 16.06.14

B.P PANDEY
from 16.06.14 to 06.08.15

R. R. RASHMI
from 24.02.15 to 29.04.15

A. K. BHALLA
w.e.f. 29.04.15

J. K. DADOO
w.e.f. 06.08.15

FUNCTIONAL DIRECTORS

RAJEEV JAIDEVA
Director (Personnel)

M G GUPTA
Director (Finance)

ANAND TRIVEDI
Director (Marketing)

P. K. JAIN
Director (Marketing)

BOARD OF DIRECTORS

INDEPENDENT DIRECTORS

ANIL RAZDAN
upto 12.07.14

G. S. VEDI
upto 13.07.14

ARUN BALAKRISHNAN
upto 15.07.14

ARVIND KALRA

RANA SOM

N. BALA BASKAR

SUBAS PANI

S R TAYAL

SENIOR EXECUTIVES

A. K. Gupta
Chief Vigilance Officer

Ashish Majumdar

Vijay Pal

P K Das

Ashwani Sondhi

J Kishan

Umesh Sharma

DIRECTORS' REPORT

The Members
MMTC Limited,
New Delhi.

Ladies & Gentlemen,

On behalf of Board of Directors, I have pleasure in presenting 52nd Annual Report on the performance of your company for the financial year ended 31st March 2015 along with audited statements of accounts and Statutory Auditor's Report.

RESULTS OF OPERATIONS

Your company, one of the leading trading companies in India, recorded a business turnover of Rs. 182,415.04 million (including sale of services Rs.46.20 million) during 2014-15 as against the business turnover of Rs. 250,744.94 million registered during last fiscal. This business turnover includes Exports of Rs. 23007.00 million, Imports of Rs. 145301.50 million and domestic trade of Rs. 14065.90 million. The other trade related earnings contributed Rs.427.78 million. The trading profit earned by your Company stood at Rs.2079.12 million as against Rs.3455.79 million during last fiscal. The Company has reported Profit After Tax of Rs.479.10 million in the current fiscal compared to Rs.186.42 million earned last year.

The highlights of the Company's performance during 2014-15 are as below: -

		(Rs in Millions)
	2014-15	2013-14
Sale of Products	**182,374.40**	250,706.69
Sale of Services	**46.20**	39.62
Other Trade Earnings	**427.78**	1,950.15
Less : Excise Duty	**5.56**	1.37
Total Revenue from Operations	**182,842.82**	252,695.09
Cost of Sales	**180,763.70**	249,239.30

		(Rs in Millions)
Trading Profit	**2,079.12**	3,455.79
Add: Dividend and other Income	**252.05**	845.88
Less: Establishment & Administrative Overheads, and exceptional items etc	**2.053.66**	2,597.39
Less: Debts/Claims Written off	**299.96**	10.74
Less: Provisions for Doubtful Debts/ Claims/Advances/Investments	**12.36**	12.74
Profit Before Interest, Dep., Prior Period & Taxes	**(34.81)**	1,680.80
Add: Interest Earned (Net)(Interest earned minus Finance cost)	**827.65**	707.59
Profit Before Dep., Prior Period & Taxes	**792.84**	2,388.39
Less: Depreciation	**178.17**	124.22
Less: Prior Period Expenses	**15.99**	15.17
Profit Before extra ordinary items and Taxes	**598.68**	2,249.00
Less: Extraordinary item	**-**	2,104.42
Less: Provision for Current Taxes	**136.99**	765.48
Less: Provision for Deferred Taxes	**(17.41)**	(807.32)
Profit After Taxes	**479.10**	186.42
Add: Balance brought forward from the previous year	**6,448.82**	6,444.49
Balance Which the Board has appropriated as under to:		
(I) Proposed Dividend	**250.00**	150.00
(II) Dividend Tax	**50.89**	25.49
(III) General reserve	**100.00**	9.40
(IV) Opening Adjustment of Depreciation	**4.97**	-
(V) Sustainable Development Reserve	**-**	(2.11)
(VI) Corporate Social Responsibility Reserve	**-**	(4.23)
(VI) Research and Development Reserve	**-**	3.54
Leaving a balance to be carried forward	**6,522.06**	6,448.82

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.

EQUITY SHARE CAPITAL & DIVIDEND

The Board of Directors recommends declaration of dividend @25% on the equity capital of Rs 1,000 million of the Company for the year 2014-15 out of profits of the Company.

RESERVES

A sum of Rs.12418.70 million was available in the reserves and surplus of your Company as on 1st April, 2014. Your Directors have proposed that Dividend at the rate of 25% be paid out of profits of the Company. Accordingly, an amount of Rs.12591.95 million was available in "Reserves and Surplus" of your Company as on 31st March, 2015.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earnings and outgo of your Company during 2014-15 has been as under:-

EARNINGS		OUTGO	
	Rs. In Million		Rs. In Million
Exports	22,937.86	Imports	137,267.75
Others	58.99	Interest	2.60
		Others	814.86
Total	22,996.85	Total	138,085.21

SUBSIDIARY COMPANY

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd., Singapore (MTPL) was incorporated in October 1994 under the laws of Singapore with a share capital of US$ 1 million. During the year 2014-15, MTPL achieved business turnover of US$ 248.02 million as against US$ 369.46 million during last fiscal. The Profit after tax earned by MTPL during 2014-15 amounted to US$ 0.13 million. The net worth of MTPL stood at US$ 15.64 million as on 31st March 2015 as against net worth of US$ 15.51 million as on 31.03.2014.

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

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

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

Your company has set up Neelachal Ispat Nigam Limited (NINL) - an iron & steel plant of 1.1 million tonnes capacity, 0.8 million tonne coke oven and by product unit with captive power plant, jointly with Govt. of Odisha and others. The project has been granted Iron ore mining lease with an estimated reserves of 110 million tonnes. The phase-II of the Project for production of steel, with Basic Oxygen Furnace, Oxygen Plant and SMS got commissioned in March 2013 and Steel Billets Production also started. During the year 2014-15, NINL achieved a sales turnover of Rs.13156 million and loss of Rs.2327 million due to recession in the economy and steel sector in particular. With the stabilization of steel making facility and starting of iron ore mining by end of this financial year, NINL's performance is expected to improve substantially.

PROJECTS/ JOINT VENTURES

To evolve a new business model for taking advantage of new opportunities emerging in the free market environment, your company has promoted a number of joint ventures following the public-

private partnership route in earlier years. A brief on the current status of such JVs is given hereunder:

(i) M/s Indian Commodity Exchange Limited in which MMTC has a stake of 26% of the total paid up capital of Rs.100 crores has reported a net loss of Rs.81.56 million for the year 2014-15 as against a net loss of Rs.89.84 million during 2013-14.

(ii) The JV Company - Currency Futures Exchange under the name and style of "United Stock Exchange of India Ltd in which MMTC has invested an amount of Rs.30 million. The said JV Company is in the process of merger with BSE Ltd as per the approval of SEBI, CCI and shareholders of the exchange. The merger of United Stock Exchange with BSE was approved

by the Hon'ble High Court of Bombay which will be effective from the date the order is filed with ROC.

(iii) The joint venture for medallion manufacturing unit in collaboration with PAMP Switzerland in the name of MMTC-PAMP India Pvt. Ltd. achieved a turnover of Rs.220639.73 million and reported a net profit of Rs.1124.72 million for the year 2014-15 and has declared 70% dividend on the paid up capital. During the year, MMTC-PAMP became India's first LBMA accredited refiner for Gold and Silver.

(iv) For effective marketing of the finished products of both medallions and jewellery, your company has set up a JV Company, in partnership with a leading Indian company under the name and style of MMTC Gitanjali Limited for setting up retail stores at various cities in India. MMTC Gitanjali Limited has reported a turnover of Rs.111.96 million and net loss of Rs.9.70 million for the year 2014-15 as against net loss of Rs.7.86 million during 2013-14.

(v) The JV Company - M/s. SICAL Iron Ore Terminals Limited (SIOTL) could not make any progress during 2014-15 due to non-availability of iron ore for exports from Bellary-Hospet Sector in Karnataka State. The JV company has been pursuing with Kamarajar Port Limited(KPL) for permission to convert this facility for handling discharge of coal imports instead of iron ore exports, so as to meet growing demand of thermal power plants in

Tamil Nadu. Ministry of Surface Transport, Govt. of India have agreed to the proposal of KPL and KPL has already issued tender for selection of operator with first right of refusal to SICAL.

(vi) M/s Blue Water Iron Ore Terminal Private Ltd, one of the other joint ventures of your Company could not commence operation. The JV Company is being wound up.

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

(viii) To facilitate promotion of two-way trade, the SPV promoted by your Company in association with IL&FS has been allotted land to set up International Cargo hub at Haldia and Free Trade and Warehousing Zone at Kandla on lines similar to Special Economic Zone. The SPV promoted by MMTC jointly with ILFC IDC Fund has been allotted 75 acres of land at Kandla for

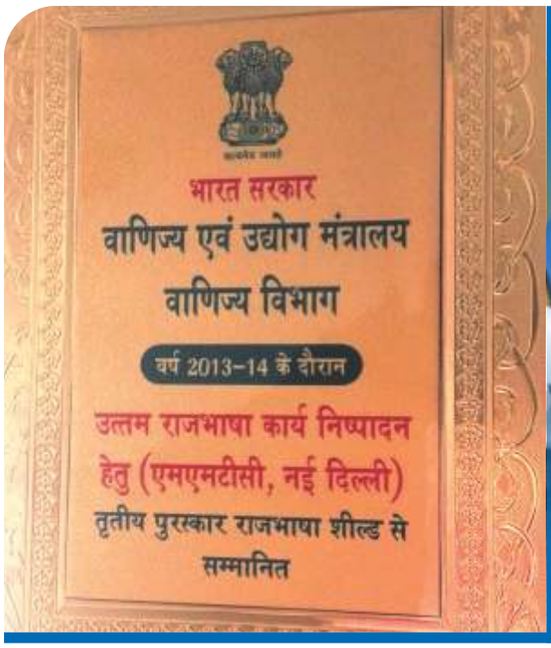
development of Phase-1 of Kandla FTWZ Project which is currently in progress. 200 acres of land have also been allotted to the SPV at Haldia to set up an International Cargo Hub outside the purview of SEZ Act, as per State Government policy. Part construction of Compound Wall to secure physical possession of the land for the Haldia project has been started. Work Orders for preparation of Business Plan and architectural Master Plan for the Haldia Project have been issued to the selected bidders. Development work at Kandla has also been started.

(ix) Your Company has set up a 15 MW Wind Mill Project with 25 Wind Energy Generators (WEGs) of 600 KVA each which was commissioned in March, 2007 by MMTC through M/s.RRB Energy Ltd. Sale of power from the project till 31.3.2015 amount to Rs.70 crores. Full return of capital on 'real cash receipt basis' has been achieved in Februarty, 2015. The project is connected to 110/33 KV Grid at Gajendragad Sub-station controlled by Karnataka State owned Enterprise i.e.M/s. Hubli Electricity Supply Company Ltd.(HESCOM).The project is running successfully for the last 8 years and has contributed to the development of the area by meeting some portion of the energy needs of Karnataka State.

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

Cordial and harmonious industrial relations continued to prevail in your company with no man-days lost during the year. Regular meetings were held with the Unions / Associations/ Federation for attaining an amicable resolution of HR related issues to achieve Company's goals and objectives.

The aggregate manpower of the company as on 31st March, 2015 stood at 1439, excluding Board level executives, comprising of 542 Officers and 897 staff. This includes 8 officers, 112 staff / workers of erstwhile Mica Trading Company Ltd., which had been merged with your company pursuant to the orders of BIFR. While the composite representation of the total manpower consisted of women employees representing 20.92% (301 employees) of the total manpower, the representation of SC, ST,



OBC & persons with disabilities (PWD) was to the extent of 21.26% (306 employees), 8.89% (128 employees), 8.61% (124 employees) and 2.29% (33 employees) respectively. During the year 16 officers were inducted through campus recruitment and open advertisement. Policy for reservations for SCs, STs, OBCs and PWD in services was followed fully in recruitment and promotion.

With the objective of further enhancing / upgrading the skills of employees in the constantly changing business scenario, 1057 employees were imparted training during the year in different spheres of company's activities. This was done through programmes organized both with in-house expertise as well as external resources from renowned institutions / organizations. The employees deputed for training included 166 employees belonging to SC, 79 to ST and 302 women employees. In terms of man-days such training works out to 2070 training man-days during the year 2014-15.

During the year an understanding was reached between MMTC and IIM-Ahmedabad that MMTC would depute senior officers for "Advanced Leadership" program once a year. In December 2014, 35 senior officers of MMTC underwent Advanced Leadership Training at the IIM-Ahmedabad. Out of 35 officers, 7 belonged to SC and 3 belonged to ST, which amounts to 28.57%.

IMPLEMENTATION OF OFFICIAL LANGUAGE

Your Company is committed to implement Official Language Policy of the Government. During the year 2014-15 your company consistently strived to adhere and implement the Official Language Policy to meet the targets given in the annual programme issued by the Department of Official Language, Ministry of Home Affairs, Govt. of India. To promote usage of the Official Language by employees of the company, several programs in the form of Hindi Workshops, Hindi Seminars, Hindi Day/Week/Fortnight were organized at the Corporate Office and Regional Offices during the year under review.

Hon'ble Parliamentary Committee on Official Languages inspected your company's Mumbai Regional Office and Bengaluru Regional Offices. During the year, the Company was awarded Rajbhasha Trophy for excellence in implementation of Official Language Policy in the Company by Ministry of Commerce.

VIGILANCE

Continuing to foster the goodwill & confidence stemming from value based business practices and strengthening the Company as a professionally managed, globally competitive & internationally reputed organization, the vigilance group of your

company carried further its focus on preventive vigilance. With the efforts of Vigilance Division of your Company, a comprehensive Finance and Accounts Manual as well as a standardized Business Manual, Corporate Risk Management Policy have been prepared and circulated for implementation. During the period under review, Vigilance Division processed 38 complaints (18 were carried forward from last year and 20 new complaints have been added to the tally) out of which 27 complaints have been disposed of and action on the remaining 11 complaints is in progress. Scrutiny of Annual property returns for the calendar year 2014 from MMTC employees have been done.

During the year under report Vigilance group of your Company was also instrumental in organizing "Vigilance Awareness Week" in various offices of MMTC from 27.10.2014 to 01.11.2014. The theme for the week was "Combating Corruption-Technology as an Enabler".

New initiatives undertaken by Vigilance Division include vigilance training and skill up gradation to vigilance & non-vigilance officers on zonal basis for sensitizing employees about the preventive vigilance aspect, ERP system up-gradation work for plugging the gaps in existing ERP Module, installation of voice recording in the cabin of Head of Finance for recording forex fixings, installation of video camera in premises where gold/silver is delivered, strengthening of KYC norms, and introduction of multi-layer system of audit.

VIGIL MECHANISM

In accordance with the provisions of Section 177 of Companies Act 2013, the Board of your company introduced a Scheme on 'Vigil Mechanism' in compliance with the directions of Audit Committee of Directors. This Audit Committee Vigil Mechanism is established for Directors and employees to report their genuine concerns. The scheme has been notified vide Circular dated 14th August 2014. The concerns if any from any employee/Director shall be addressed by the Chairman of the Audit Committee. During the year under review, no such complaint has been received.

INTEGRITY PACT

Integrity Pact has been implemented to promote transparency/equity amongst the bidders so as to plug possibility of corrupt practices in trade conducted in the Company. Integrity Pact is being implemented as part of series of steps taken by Central Vigilance Commission for ensuring

transparency, equity and competitiveness in public procurement. Shri Bijoy Chatterjee, IAS (Retd.) & Shri DRS Chaudhary IAS (Retd.), have been appointed to function as Independent External Monitors (IEM).

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

As a responsible corporate body, your Company has always been committed to discharge its social responsibility in the best possible way. Various initiatives have been taken for the benefit of society and the environment since 2006-07. With a view to address the CSR issues, your Company had revised its Corporate Social Responsibility Policy in line with the Guidelines issued by Department of Public Enterprises, Govt. of India and in accordance with the Companies Act, 2013. The average net profit of the preceding 3 years in case of your Company being negative, MMTC was statutorily not required to undertake any CSR initiative during 2014-15. In view that MMTC since 2006 has been continuously undertaking CSR initiatives, it was decided by the Board of Directors, to voluntarily make an allocation of Rs.49 lakhs for undertaking CSR activities during 2014-15, to maintain continuity in its socially responsible stature.

Your Company is a member of the Global Compact Network, India and apart from undertaking CSR/SD initiatives in line with the Global Compact Principles, it also submits its Communication on Progress (COP) to UN Global Compact every year.

The funds allocated for CSR were utilized for construction of two public toilets at Haiderpur in North Delhi, which was undertaken in association with "Sulabh International Social Service Organization", operation and maintenance of which has been assigned to Sulabh International. Besides, a small contribution was made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

In accordance with the provisions of the Companies Act, 2013 a report on CSR activities of your Company in the prescribed format is annexed herewith and forms part of the Annual 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 CG norms enshrined under the Companies Act, 2013 as also the SEBI guidelines in this regard are being implemented in letter and spirit. However, appointment of women director on the Board of the Company is yet to be complied with owing to the fact that all the directors on the board are appointed by the President of India in the case of CPSEs.

A separate report on corporate governance along with certificate from M/s Blak & Co.(CP No.11714) regarding compliance of the stipulations relating to corporate governance specified in clause 49 of the Listing Agreement(s) signed with stock exchanges is annexed hereto and forms part of this report.

CODE OF CONDUCT

Pursuant to Clause 49 (I) (D) of the Listing Agreement signed with Stock Exchanges, a detailed Code of Business Conduct and Ethics for Board Members and Senior Management Personnel has

been laid down and hosted on the website of your company. All Board Members and Senior Management Personnel, except one General Manager (under suspension) on the regular rolls of the Company as on 31st March, 2015, to whom the said Code is applicable, have affirmed compliance of the same for the period ended 31st March, 2015.

BUSINESS RESPONSIBILITY REPORT

In accordance with the directives of SEBI and

provisions of Clause 55 of Listing Agreement signed with stock exchanges, based on the list of top 100 companies given by BSE, your Company has prepared the Business Responsibility Report for inclusion in the Annual Report for the year 2014-15. The framework and principles suggested by SEBI to assess compliance with environment, social and governance norms pertain to Corporate Social Responsibility and Sustainable Development activities of the Company. The Business Responsibility Report of your Company is annexed herewith and forms part of the Annual Report.

PUBLIC DEPOSIT SCHEME

As on 1st April 2014, there were no outstanding public deposits and the company did not invite/ accept any public deposit during the year ended 31st March, 2015.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

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 2014-15 along with Management's reply to the observations of the Statutory Auditors is annexed herewith.

COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller & Auditor General of India (C&AG) has given 'NIL' comments under section 143 (6) (b) of the Companies Act, 2013 on the accounts of the Company for the year ended 31.03.2015. The communication dated 22nd July, 2015 of C&AG of India in this regard is annexed herewith.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. Black & Company, Practicing Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2015. The Secretarial Audit Report (in Form MR-3) alongwith Management's Reply on the Observations of the Secretarial Auditor is annexed herewith.

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

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note 7.5, 6.2 and 19 respectively of the Notes forming part of the financial statements.

RELATED PARTY TRANSACTIONS

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and not at Arm's Length basis. The Audit Committee granted omnibus approval for the transactions undertaken during 2014-15. The approval of the Board and Shareholders through postal ballot for such Related Party Transactions were taken. Suitable disclosures as required under AS-18 have been made in Sub-Note 25 of No. 20 of the Notes to the financial statements. Details of the transaction are provided in Form AOC-2 which is annexed herewith.

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

http://mmtclimited.gov.in/files/.pdf/95_party_policy.pdf

RISK MANAGEMENT POLICY

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

of Risk Management as practiced by the Company is provided as part of Management Discussion and Analysis Report is annexed herewith.

CONSERVATION OF ENERGY

During the year 2014-15, there was no activity in Mica group of your company. Pursuant to rule 8(3) of Companies (Accounts) Rules, 2014, a statement on conservation of energy is annexed to this report.

PARTICULARS OF EMPLOYEES

Pursuant to provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, it is stated that there were no employees who were in receipt of remuneration exceeding Rs.60 lakhs per annum or Rs. 5.00 lakhs per month during the year 2014-15.

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 31.3.2015;

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

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

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

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION &

REDRESSAL) ACT, 2013

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

The following is a summary of sexual harassment, complaints received and disposed off during each calendar year:

No. of complaints received	:	Nil
No. of complaints disposed off	:	Nil

BOARD OF DIRECTORS

Following are the changes in the Board of Directors of your company since 1st April 2014: -

- Smt. Anita Agnihotri, SS&FA, Department of Commerce, Ministry of Commerce & Industry relinquished the charge of Part Time Director on the Board of MMTC on 16th June, 2014.
- Shri Bhagwati Prasad Pandey, AS & FA, Department of Commerce, Ministry of Commerce & Industry took charge of Part Time Director on the Board of MMTC vice Smt. Anita Agnihotri w.e.f. 16th June, 2014.
- Shri Anil Razdan relinquished the charge of Part Time Non Official (Independent)Director on 12th July, 2014.
- Shri G.S.Vedi relinquished the charge of Part Time Non Official (Independent) Director on 13th July, 2014.
- Shri Arun Balakrishnan relinquished the charge of Part Time Non Official (Independent) Director on 15th July, 2014.
- Shri Ved Prakash, Director(Mktg) took the additional charge of CMD w.e.f. 31.12.2014 from Shri D.S. Dhesi who relinquished the charge of CMD, MMTC on 30.12.2014 consequent upon his demitting the office of Additional Secretary in Department of Commerce, Ministry of Commerce & Industry.
- Shri R.R. Rashmi, Additional Secretary, Department of Commerce took charge of Part Time Director on the Board of MMTC w.e.f. 24.2.2015 vice Shri Madhusudan Prasad, Special Secretary, Deptt. Of Commerce.
- Shri Ved Prakash assumed the charge of Chairman and Managing Director of MMTC Ltd on 19.3.2015.
- Shri A.K. Bhalla, Additional Secretary, Department of Commerce took charge of Part Time Director on the Board of MMTC Ltd. w.e.f. 29.4.2015 vice Shri R.R. Rashmi.
- Shri Bhagwati Prasad Pandey, AS&FA, Department of Commerce relinquished the charge of Part Time Director on the Board of MMTC on 6.8.2015.
- Shri J.K. Dadoo, Additional Secretary & Financial Advisor, Department of Commerce took charge of Part Time Director on the Board of MMTC Ltd. w.e.f. 6.8.2015 vice Shri Bhagwati Prasad Pandey.

The Board places on record its deep appreciation for the commendable services and the contributions made by Smt. Anita Agnihotri, Shri Anil Razdan, Shri G.S. Vedi, Shri Arun Balakrishanan, Shri Madhusudan Prasad, Shri D.S. Dhesi, Shri R.R. Rashmi and Shri Bhagwati Prasad Pandey. The Board also welcomes Shri A.K. Bhalla and Shri J.K. Dadoo 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 M.G. Gupta, Director(Finance) and Shri P.K. Jain,

Director(Marketing) shall retire at the AGM and, being eligible, have offered themselves for reappointment.

ACKNOWLEDGEMENTS

Your Directors would like to acknowledge and place on record their sincere appreciation of all stakeholders- Shareholders, Department of Commerce, all Govt. Agencies, RBI and other Banks, Railways, Customs, Ports, NMDC, 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-and-Managing Director

Dated: 13.8.2015

Management Discussion and Analysis Report 2014-15

Overview of Global Trade and Developments

Global Economy during FY 2014-15 has been struggling to return to growth path. There has been general downward trend in international trade. Major trading companies, since vulnerable to extreme volatilities mainly on account of substantial fall in demand as well as prices, have not only faced tremendous downfall in topline but also in bottomline. This macro-economic scenario impacted trade substantially. Buyers have always been negotiating reduction in prices even after finalization of trade. Sellers/Suppliers have been forced to reduce prices below the contracted prices even after signing of the contracts and receiving financial instruments.

Much of India's problems stem from the turmoil in the global economy, particularly on account of the slowdown in the developed markets. Although, India's trade with Greece is miniscule, the crisis in the European Union(EU) country, which is going through its worst economic turmoil ever, has had a serious impact on the country's exports on two fronts. First, the value of the Euro has eroded significantly owing to fears of a possible breakdown of the Euro zone. This has made Indian exports more expensive to European customers who contribute nearly 18 per cent of India's export revenues. Second, a 25 per cent depreciation of the euro against the US dollar in recent months has taken away the price advantage enjoyed by Indian exporters in the US as well.

The upshot of the EU crisis has been that not only has it curtailed the region's ability to import Indian goods, but also made EU products cheaper in other key trade destinations such as the US. Thus the price competitiveness of Indian exporters in the US market, which accounts for another 18 percent of India's export revenues, has also been eroded because of cheap exports from the EU region. The economies of most of our major trading partners are in a declining phase.

Overview of developments in India during 2014-15

The Indian economy expanded by 7.3% in FY15 over the 6.9% growth in FY14. Almost all sectors of the

economy have showcased a pick-up in activity in FY15 with the sectors of agriculture, forestry and fishing, mining and quarrying and public administration defence and other services being the exceptions.India is emerging market and fastest growing economy in the world.

India's growth rate is expected to accelerate to eight percent in the current financial year and the economy is expected to surpass $3 trillion in less than five years. Indian economy, which is about $2 trillion, recorded a growth rate of 7.3 percent in 2014-15. India is presently the third largest economy in Asia after China and Japan.

The cumulative value of goods exported from the country during 2014-15 stood at $310.5 billion (Rs.18,97,026 crore) which was 1.23 percent lower compared to $ 314.4 billion (Rs.19,05,011 crores) recorded in 2013-14.

MMTC- 2014-15 in retrospect

Financial Review

Your Company achieved a business turnover of Rs.182,415.04 million during 2014-15 as against the business turnover of Rs. 250,744.94 million registered last fiscal. This business turnover includes Exports of Rs. 23007.00 million, Imports of Rs. 145301.5 million and domestic trade of Rs.14065.9 million. The other trade related earnings contributed Rs.427.78 million. Your Company earned trading profit of Rs.2079.12 million as compared to Rs. 3,455.79 million in 2013-14. The profit before tax from ordinary activities is Rs.598.68 million as compared to Rs.144.58 million in 2013-14. The Company has registered a net Profit of Rs.479.10 million during the year as compared to Rs.186.42 million earned last year. Thus the earnings per share of face value of Re.1/- each for the financial year 2014-15 is Rs.0.48 as on 31.3.2015. The company's management of financial resources yielded net interest earnings of Rs.827.65 million. There was a corporate tax liability of Rs.154.00 million on the Company during 2014-15. MMTC continues to be a zero long-term debt company.

Sources and Utilization of Funds

The sources of funds of the company as on 31st March, 2015 comprises of shareholders fund amounting to Rs.13591.95 million including equity share capital of Rs.1000 million and non-current and current liabilities of Rs.2035.87 million and Rs.43881.17 million respectively. These funds have been deployed inter alia towards non-current assets amounting to Rs.8262.75 million and current assets Rs.51246.24 million as on 31st March, 2015.

Internal Control Procedures

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

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

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

Subsidiary Company

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) incorporated in October 1994 has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. However, during the year 2014-15 MTPL achieved business turnover of US$248.02 million as against US$369.46 million during last fiscal. The Profit after tax earned by MTPL during 2014-15 amounted to US$0.13 million. The net worth of MTPL stood at US$ 15.64 million as on 31st March 2015 as against the net

worth of US$ 15.51 million as on 31.3.2014.

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

Business Groupwise Review for 2014-15

Minerals

The Minerals group of your company contributed a turnover of Rs.16207.74 million during the year 2014-15, which includes exports valued at

Rs.14422.0 million, imports amounting to Rs.257.04 million and domestic trade of Rs.1528.7 million. The export made by the group includes Iron Ore valued at Rs.14,013.44 million, Chrome Ore/ Concentrate valued at Rs.341.35 million, Manganese Ore valued at Rs.67.2 million. The import under this group included Manganese ore valued at Rs.257.04 million.

Continuation of the ban on Iron ore mining and export from Bellary-Hospet Sector, regulation of export from Eastern Sector, increase in railway freight for exports which is currently over three times that of domestic movement of ore, increase in domestic demand of ore and higher export duty etc. continued to have impact on the quantum of Indian Iron ore exports during 2014-15, as compared to other international suppliers i.e. Australia and Brazil.Despite this and the stiff competition at national and international levels, MMTC continued to maintain its position as a prominent exporter of minerals during the year under review.

Capacity of domestic steel production has also expanded, resulting in lesser availability of Chrome Ore, Chrome Concentrate and Manganese Ore for exports. With the introduction of 30% ad-valorem export duty on chrome ore and chrome concentrate, the exports of these items has further declined in FY 2014-15. Further, the international low prices of iron ore have worked as a dampener for exports.

Precious Metals, Gems & Jewellery

Your company enjoys the position of market leader in the Indian bullion trade, having flexibility to operate from various centers spread all over the country offering novel product services, besides maintaining enduring relationship. Despite high volatility in prices of bullion as well as Indian Rupee US Dollar exchange rates, Precious Metals Group of your Company contributed a turnover of Rs.51428.8 million during 2014-15. This performance was realized through diversified activities, which include import of gold and silver and rough diamonds at Rs.43342.5 million. Inspite of Government curbs, the division was able to do retail business turnover of Rs.1967.14 million during FY 2014-15. During the year under review, MMTC renewed its focus on Diamond Trade Business through imports of rough diamonds from Russia.

The precious metals group of your company is continuously working on improving service to customers and now has 2% share of India's gold trade during 2014-15. The Precious Metals group is focusing on improving sales of value-added products, viz. Jewellery, medallions and silverware.

The company's joint venture MPIPL which started commercial production in 2012, achieved a turnover of Rs.22,187 crores and profit of Rs.1120 million during 2014-15 and the JV Company has declared a dividend @ 70% for the year 2014-15. In May 2014, MMTC-PAMP became India's first LBMA accredited refiner for Gold and silver. During 2014-15 MMTC has sold Gold Bars produced by MPIPL in the domestic market achieving a turnover of Rs.6120.7 million.

Government policy, Sales Tax and DVAT issues, shortage of gold in the market, lack of clarity on GST were inhibiting factors to achieving our targets. The sudden and unexpected removal of the import restrictions of gold by the end of November 2014 threw the Indian gold market into disarray.

Strategies and directions for 2015-16 include increasing the number of bullion customers (small, medium and large customers), signing of one year MOUs with customers and giving MOU bound customers preferential treatment, organizing customer meet at major bullion centers. The Company is planning to focus on Customer Delight to retain major bullion customers in the fold to

consolidate the market share. The Precious Metals Group of your company is planning to market 26% of MPIPL products on PAN India basis during this year.

The Group is also planning to revive "Festival of Gold" Mega Exhibition in NCR and formulation of Retail Policy to build MMTC Brand in the Retail Jewellery Industry on PAN India level with a slogan of "trust, purity and quality" in the minds of retail customer in India. Focus on Corporate Orders for manufacturing Sanchi Silverware and Gold/Silver Medallions is also being made. Re-launching of Sanchi Silverware afresh with newly identified items on All India basis through survey and feedback is also being done.

Retail boom in jewellery is likely to increase in the current year with positive business sentiment over the economy. The removal of import restrictions alongwith the powerful combination of increasing urbanization and strong cultural affinity for gold especially during marriages and festivals bode very well for gold demand in India. Supply is expected to plateau as Gold producers contending with lower gold prices as compared to previous years and wrestling with cost pressures have not invested in new mining projects in recent years. Outlook for silver in India looks promising with manifold industrial usage and applications, new ideas for attractive silver settings in jewellery and innovative designs for silver coins as more disposable income is available in the hands of consumer and the demographic profile of India. The company has to innovate by selling value added products and service in the bullion sector.

India has emerged as the largest hub for diamond processing in the world; access to rough diamond is a critical need to support SMEs and maintain our competitive position globally. MMTC can leverage this opportunity to become major importer for catering to diamond processing industry in India.

The prices of gold and silver continued to fluctuate on global economic concerns.

Metals and Industrial Raw Material

The Metal group of your Company contributed Rs.9611.78 million to MMTC's turnover during 2014-15 The contribution of the group comprised of export of Pig iron worth Rs.6291.14 million produced by NINL – a MMTC promoted Iron & steel plant, imports of Non-Ferrous Metals worth Rs.1511.7 million & Industrial Raw Materials worth Rs.49.5 million and domestic sales of Rs.1759.42 million, comprising of Pig Iron, Billets and others.

The metals group of your company received a major purchase orders from L&T and Ordnance Factories for supply of primary Zinc ingots valued at approximately Rs.62 crores and Rs.58 crores respectively. Increase in production by domestic manufacturers of Aluminium, Copper, Lead, Zinc and Antimony has shrunk the market for imported NFM. Many customers have switched to secondary/recycled metals due to lower costs. MMTC is facing intense competition from foreign traders (both old and new) who are expanding their operations in India. The annual turnover was directly impacted by the sudden meltdown in LME prices of base non ferrous metals and minor metals in the third quarter.

Metal prices crashed suddenly during December 2014 and January 2015 due to slowing growth in China and Europe, recessionary conditions in Russia and concerns over economic recovery in Brazil and India. Most metals are now trading at significant discount to their peak 2014 and 2013 prices. Prices of Nickel and Tin have fallen by about 57% and 37% over the past 12 months. Lead, Copper, Aluminium and Antimony prices have fallen by 15%-25% over the same period.

Decreased demand and increase in raw materials and power costs have compressed the overall profit margins of the steel industry as well as to MMTC.

Lower international prices have resulted in lower export realization thereby further affecting profitability margin to MMTC.

Since NFM Division of your company is engaged in imports, the growth of the domestic industry directly affects demand for our product. Our customers are

in fabricated metals, machinery and equipment and automotive sector. Premium levels at other Asian ports affect premium levels at Indian ports. The increase in premium rates at foreign ports and quantity discount by local producers count as major disadvantages to MMTC.

The end users of non-ferrous metals are the fabricated metals, machinery and equipment, defense, and automotive sectors. The Government of India's "Make in India" program is expected to increase production in these sectors and thereby step up demand for Non-Ferrous Metals also.

The Non Ferrous Metals Division of your company is exploring the potential for trade in metal alloys like Aluminum alloys and Zinc alloys under various free trade agreements with Asian countries. Sale of Non-Ferrous Metals through MMTC's godowns in collaboration with overseas supplier is being explored. This will enable us to offer just in time delivery and dynamic pricing options to existing customers and help us compete with domestic producers.

In FY 2015-16 we expect increased competition from domestic producers of Non Ferrous Metals who offer quantity based discounts and just-in-time delivery and dynamic pricing options to existing customers and help us compete with domestic producers. Other sources of competition include secondary metal producers and new entrants in minor metal refining segment.

The Steel Group of your company is exploring possibilities to have a long term arrangement with leading steel units like Tata Steel, VISA Steel and also with other small/medium steel units for sale of billets through contract model or MOU route both short and long term, exploring possibilities/feasibility for Billets exports to Bangladesh, Sri Lanka, Singapore/ Malaysia, Nepal and Kenya, customization of billets at NINL plant to meet the specific requirements of s
mall and medium size enterprises situated at various locations in India. This will lead to enhancement of business performance of MMTC.

Agro Products

The Agro products group of the company achieved a turnover of Rs. 2997.4 million during 2014-15, which includes exports of Rs. 2293.92 million and imports worth Rs.703.47 million.

Wheat export from Central Pool has been discontinued by Government of India, leading to loss of business opportunity. The price of wheat in the international market also dropped sharply, making export of Indian wheat unviable as the domestic prices remained unchanged at higher levels due to MSP operations and domestic demand.

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

Slowdown of economic growth in China, EU and other countries has adversely affected the commodities markets. Considering the fact that international market for agri commodities are yet to recover and major commodities like wheat, rice, edible oil, etc, are also yet to recover from the bearish sentiments, opportunity in agro commodities is not encouraging for 2015-16. However, considering the huge potential in value addition and the growing domestic market for value added products, your Company is considering to develop value added products in edible oil/pulses. The Company is also actively considering to set up an agro-processing unit alongwith suitable JV partner.

Fertilizers and Chemicals

The Fertilizer and Chemicals group contributed a turnover of Rs.80818.78 million during the financial year 2014-15. The topline has been achieved from business in Urea, MOP, Sulphur, Technical Grade Urea, Complex Fertilizer and Ammonium Sulphate and new product RLNG added to the product portfolio. Domestic distribution of finished fertilizers

has been started in a small way to understand the market.

During the year, import of Urea on behalf of the Government of India has been valued at about Rs.76313.1 million, MOP contributed to Rs. 1757 million, Sulphur imports to the tune of Rs. 230.91 million. MMTC continued its efforts in assisting the small scale sector by importing Technical Grade Urea for Industrial use valued at Rs.1660 million.

RLNG (Re-gasified Liquefied Natural Gas) is a new product added to the product range of the Group. Out of the total contracts a turnover of Rs.851.62 million has been achieved during the period under review.

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

MOP requirements of India are fulfilled through imports from overseas. However, the agricultural sector continues to remain dependent on monsoon

and the changes in the Government policy on fertilizer imports. Fertilizer industry in India has been passing through a difficult phase in recent years. The year under review was a difficult period for the fertilizer industry in general in view of huge disparity in the import price of various fertilizers remaining substantially higher as compared to the MRP and subsidy available domestically. This mis-match resulted in huge demand destruction in the case of all fertilizers except urea.

India is still dependent on import of fertilizers despite the efforts being made by the Government to enhance the domestic production of fertilizers.

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

The outlook for 2015-16 for India will depend on the monsoon and the Government policy. The global economy continues to face challenges but appears to be on the recovery path. With food inflation being felt by countries across the globe including India, the focus especially for the developing nations would be on increasing productivity in agriculture. However, the global supply position of all the major fertilizers is expected to remain comfortable with new addition in capacities mainly in Urea, DAP and MOP.

Efforts are continuously being made to increase the volume of business in the existing product line and aggressively exploring new fertilizer products for trading. The action plan for achieving targets for 2015-16 include increase in market share in MOP by retaining the existing customers and adding new customers, exploring possibilities of more imports of Urea on Govt. account, increasing imports of Technical Grade Urea by expanding the customer base, focus on NPK for increase in trade volume, developing RLNG as a regular product for MMTC, exploring business opportunities for import of raw materials for fertilizer manufacturing and seeking business opportunity in domestic distribution of fertilizers.

Coal & Hydrocarbons

The Coal & Hydrocarbons group contributed a turnover of Rs.21229.98 million to the turnover recorded by your company, comprising of import of steam coal Rs.14614.4 million and Coking Coal amounting to Rs.4862.0 million. Domestic trade of Rs.1753.6 million recorded by Coal and Hydrocarbons group consisted of Rs.901.7 million of Coking Coal, Rs.690.5 million of steam coal, Rs.119.0 million of Crude Tar, Rs.39.4 million of Hard

Coking Coal and Rs.2.9 million of Petroleum Coke.

India's demand for imported steam coal will continue for next 3-4 years on the back of growing power demand. At the same time, we have constraints for port capacity, vessel capacity and efforts are being made to overcome these constraints.India is world's fifth largest consumer of energy. Economic slowdown in International market has resulted in lower demand of coal. Higher output of coal in exporting countries since last two years coupled with lower off take is pushing international coal prices downward.Further, continuous decline in prices of crude oil and alternative fuel has also resulted in bearish future of coal.

The Coal and Hydrocarbon group of your company shall be following up with the prospective customers in power sectors consuming 65-70% steam coal and shall be targeting cement sector, which consumes almost 25-30% of steam coal in addition to targeting sponge iron units, cement plants and fertilizer plants.

Mica

As reported in earlier years, the changed market requirement and technological developments in Mica processing technologies globally led to activities at Mica Division coming to a halt since 2002-03. Measures are being taken to dispose of obsolete Plant &Machinery located at Mica Division establishment at Abrakhnagar, Kodarma District, Jharkhand.

Others

The other products contributed Rs.79.9 million to the turnover of the Company, which included domestic trade worth Rs.79.9 million by way of sale of power generated at the 15 MW wind power farms commissioned in March 2007 in Karnataka.

The General Trade Group of your Company is exploring new markets and new products for achieving some business turnover by associating MSME sector in various products other than products mentioned above.

New initiatives

Towards expanding our trade portfolio, it has been decided to set up two new divisions. These are Engineering Products and Drugs, Fine Chemicals & Pharmaceuticals. These two new trading areas are expected to provide opportunities both for exports and imports. The South Africa office is also being upgraded in order to benefit from multiple trading opportunities arising in the African continent.

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 to be included in the Board's Report (2014-15)

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 demonstrated its deep commitment towards Corporate Social Responsibility practices by conducting its business in an economically, socially and environmentally sustainable manner.

Even in the absence of an official mandate regarding CSR activities, MMTC adopted CSR as a policy initiative long ago in Sept. 2006, effective from 2007-08, and allocated 1% of retainable profit of previous year for undertaking CSR activities.Special emphasis were given on education, health care, promotion of art & culture and undertaking community related activities, besides providing relief in times of natural calamities.

In 2010, The Department of Public Enterprises (DPE) issued detailed guidelines on CSR for adoption by CPSEs. MMTC adopted these guidelines and realigned its CSR policy accordingly. These were followed by DPE guidelines of November 2011 and April 2013 which were again duly adopted by MMTC.The CSR initiatives of the company have been in line with the UN Millennium Development Goals also.

With effect from April 1, 2014, MMTC's CSR activities are being conducted in accordance with Section 135 of the Companies Act 2013. MMTC's CSR policy has been re-casted according to Section 135 of the Act and the CSR Rules as notified by Ministry of Corporate Affairs. The New CSR Policy has been hosted on MMTC's website.

In accordance with the Companies Act, the average net profit of the Company in the preceding 3 years being negative, allocation of funds was not mandated. However considering the fact that MMTC has been continuously undertaking CSR initiatives since 2006; the Board of Directors allocated Rs. 49 lakhs for undertaking CSR activities during 2014-15.

The funds allocated for CSR were majorly utilized for construction of two huge public toilet complexes at Haiderpur, a JJ-cluster of more than 3500 household in North Delhi, which was undertaken in association with "Sulabh International Social Service Organization".

Besides, a small contribution was made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

2. The Composition of the CSR Committee.

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

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

For the purpose of ascertaining the CSR Budget "average net profit" was calculated in accordance with the provisions of section 198 of the Companies Act, 2013. The net profits for the preceding three financial years 2011-12, 2012-13 and 2013-14 were Rs. 772.22 million, Rs. (1270.99) million and Rs. 462.21 million respectively.

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

The average net profit of the preceding three years was negative and worked out to Rs. (-) 36.56 million.

In accordance with the Companies Act, the average net profit of the Company in the preceding 3 years being negative, allocation was not mandated. However considering the fact that MMTC has been continuously undertaking CSR initiatives since 2006; the Board of Directors allocated Rs. 49 lakhs for undertaking CSR activities during 2014-15.

5. Details of CSR spent during the financial year.

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

Rs. 49 lakhs (voluntary contribution)

(b) Amount unspent, if any;

Rs. 0.16 lakhs (However, this amount was later spent towards cost-escalation of project of installation of roof-top solar plant)

c) Manner in which the amount spent during the financial year

Details are annexed herewith.

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

NA

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

sd/-
(Ved Prakash)
Chairman and Managing Director

sd/-
(S R Tayal)
Chairman of the CSR Committee

Annexure to Report on CSR activities forming part of Directors' Report

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other(2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on projects or programs Sub. Heads: (1) Direct expenditure on projects or programs	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Construction of two public toilets at JJ Cluster at Haiderpur, a slum in North Delhi	Promoting preventive health care and sanitation	Haiderpur, Shalimar Bagh, New Delhi	Budget: Rs. 46.25 lakhs	Rs. 48.34 lakhs	Rs. 48.34 lakhs	Rs. 48.34 lakhs. Impleme-nting Agency: Sulabh International Social Service Organization
2	Contribution to Clean Ganga Fund	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, maintaining quality of water		Budget: Rs. 0.5 lakhs	Rs. 0.5 lakhs	Rs. 0.5 lakhs	Rs. 0.5 lakhs. Impleme-nting Agency: National Mission for Clean Ganga
		TOTAL		Rs. 46.75 lakhs	Rs. 48.84 lakhs	Rs. 48.84 lakhs	Rs. 48.84 lakhs

Report on Corporate Governance

CORPORATE GOVERNANCE IN MMTC

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

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-cum-Managing Director, two Whole Time Directors (Marketing), one Whole Time Director (Personnel), one Whole Time Director (Finance), two Part-Time Directors nominated by the Department of Commerce, Ministry of Commerce & Industry, Govt. of India and five Non-official Part Time (Independent) Directors. The President of India appoints all the Directors of MMTC. 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, 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 2014-15 was as under:

S. No	Name of Director	Executive/ Non-Executive	Designation held	No. of Director -ship in other Board as on 31.3.2015	No. of Board Committees of which Member/ Chairman* (as on 31.3.2015)
1	Mr. D.S. Dhesi (up to 30.12.2014)	Executive	Chairman-cum-Managing Director	—	—
2	Mr Ved Prakash	Executive	Chairman & Managing Director (w.e.f. 19.03.2015) CMD-Incharge (from 31.12.2014 to 18.03.2015) Director (Marketing) up to 18.03.2015	Chairman -3 Director - 1	Member-1
3	Mr. P.K Jain	Executive	Director(Marketing)	Director-2	NIL
4	Mr Rajeev Jaideva	Executive	Director (Personnel)	Director-1	NIL
5	Mr.M.G.Gupta	Executive	Director (Finance)	Director-4	Member-1
6	Mr. Anand Trivedi	Executive	Director (Marketing)	Director-5	NIL
7	Ms. Anita Agnihotri (up to 16.06.2014)	Non-Executive	Govt. Nominee Director	NIL	NIL
8	Mr. B.P. Pandey (w.e.f. 16.06.2014)	Non-Executive	Govt. Nominee Director	Director-3	Member-1
9	Mr. Madhusudan Prasad (up to 24.02.2015)	Non-Executive	Govt. Nominee Director	NIL	NIL
10	Mr. Rajni Ranjan Rashmi (from 24.02.2015 to 28.04.2015)	Non-Executive	Govt. Nominee Director	Chairman -1 Director - 1	NIL
11	Mr. Anil Razdan (up to 12.07.2014)	Non-Executive	Non-official (Independent) Director	NIL	NIL
12	Mr. G.S. Vedi (up to 13.07.2014)	Non-Executive	Non-official (Independent) Director	NIL	NIL
13	Mr. Arun Balakrishnan (up to 15.07.2014)	Non-Executive	Non-official (Independent) Director	NIL	NIL
14	Mr. Arvind Kalra	Non-Executive	Non-official (Independent) Director	Director-8	Chairman-2
15	Mr. Rana Som	Non-Executive	Non-official (Independent) Director	Director-8	NIL
16	Mr. N Bala Baskar	Non-Executive	Non-official (Independent) Director	Director-3	NIL
17	Dr. Subas Pani	Non-Executive	Non-official (Independent) Director	NIL	NIL
18	Mr. Skand Ranjan Tayal	Non-Executive	Non-official (Independent) Director	Director-1	Member- 1

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

Changes in Board of Directors

Following are the changes in the Board of Directors of your company since 1st April 2014

- Smt Anita Agnihotri, SS & FA, Department of Commerce, Ministry of Commerce & Industry relinquished the charge of Part Time Director on the Board of MMTC on 16th June 2014.
- Shri B.P. Pandey, AS & FA Department of Commerce, Ministry of Commerce & Industry took charge of Part Time Director on the Board of MMTC on 16th June 2014 vice Smt Anita Agnihotri.
- Shri Anil Razdan relinquished the charge of Part Time Non Official (Independent) Director on 12th July 2014.
- Shri G.S. Vedi relinquished the charge of Part Time Non Official (Independent) Director on 13th July 2014.
- Shri Arun Balakrishnan relinquished the charge of Part Time Non Official (Independent) Director on 15th July 2014.
- Shri D.S. Dhesi , AS, Department of Commerce, MOC & I and CMD, MMTC Ltd. relinquished the charge of CMD, MMTC w.e.f. 30.12.2014.
- Shri Ved Prakash, Director(Marketing) assumed the additional charge of CMD, MMTC(CMD-I/c) vice Shri D.S. Dhesi on 31.12.2014.
- Shri Madhusudan Prasad, Spl.Secretary, Department of Commerce, Ministry of Commerce & Industry relinquished the charge of Part Time Director on the Board of MMTC on 24th February 2015.
- Shri Rajni Ranjan Rashmi, AS, Department of Commerce, Ministry of Commerce & Industry took charge of Part Time Director on the Board of MMTC vice Shri Madhusudan Prasad w.e.f. 24th February 2015.
- Shri Ved Prakash took over the charge of Chairman & Managing Director on 19.03.2015.
- Shri Rajni Ranjan Rashmi, AS, Department of Commerce, Ministry of Commerce & Industry relinquished the charge of Part Time Director on the Board of MMTC on 29th April 2015.
- Shri Ajay Kumar Bhalla, AS, Department of Commerce, Ministry of Commerce & Industry took charge of Part Time Director on the Board of MMTC w.e.f. 29th April 2015 vice Shri Rajni Ranjan Rashmi.
- Shri Bhagwati Prasad Pandey, ex-AS&FA, Department of Commerce, Ministry of Commerce & Industry relinquished the charge of Part Time Director on the Board of MMTC on 6th August 2015.
- Shri J K Dadoo, AS&FA, Department of Commerce, Ministry of Commerce & Industry took over charge of Part Time Director on the Board of MMTC w.e.f. 6th August, 2015 vice Shri Bhagwati Prasad Pandey.

Remuneration of Directors

MMTC is a Govt. of India Enterprise in which all members of the Board are appointed by the President of India through the administrative Ministry-Department of Commerce, Ministry of Commerce & Industry, Govt. of India, which, inter-alia, fixes the remuneration of such Whole Time Directors/CMD through their respective appointment orders/pay fixation orders. CMD and Whole-Time Directors of MMTC are generally appointed by the President of India with a service contract of five years or till the date of superannuation or further orders of the Government whichever is earlier. The Directors so appointed by the President of India are not entitled for any notice period/ severance fees. The functional members of the Board of Directors are entitled to Performance Related Pay in terms of Guidelines issued by the Department of Public Enterprises, Govt of India. Non-official Part Time Independent Directors are presently entitled to a sitting fee @Rs.15,000/- for attending each meeting of the Board/ Board appointed Committees. None of the Non-Executive Directors had any pecuniary relationship or transaction with the company.

The details of remuneration paid/ due for the year 2014-15 to Directors is summarized herein below:

Name of Director	Salary & benefits (Rs./lakhs)	Performance related pay for 2014-15 (Provision) (Rs./lakhs)	Bonus, Stock option, pension, severance fee	No. of shares of MMTC held as on 31.3.2015
Executive Directors				
Mr Ved Prakash	3244989	416916	NIL	05
Mr Rajeev Jaideva	2742335	407349	NIL	NIL
Mr M G Gupta	2875539	230761	NIL	05
Mr Anand Trivedi	2918157	312160	NIL	NIL
Mr P.K Jain	3622016	NIL	NIL	NIL
Non-Executive ex-officio Directors				
Ms. Anita Agnihotri	NA	NA	NA	NA
Mr. Bhagwati Prasad Pandey	NA	NA	NA	NA
Mr. Madhusudan Prasad	NA	NA	NA	NA
Mr Rajni Ranjan Rashmi	NA	NA	NA	NA
Non-official Directors (Independent)				
Mr Anil Razdan	NA	NA	NA	NA
Mr G.S. Vedi	NA	NA	NA	NA
Mr Arun Balakrishnan	NA	NA	NA	NA
Mr Arvind Kalra	NA	NA	NA	NA
Mr Rana Som	NA	NA	NA	NA
Mr N Bala Baskar	NA	NA	NA	NA
Dr. Subas Pani	NA	NA	NA	NA
Mr. Skand Ranjan Tayal	NA	NA	NA	NA

Meetings of the Board

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

During the year, the Board of Directors met eight times i.e. on 29.05.2014, 09.07.2014, 13.08.2014, 10.10.2014, 07.11.2014, 09.12.2014, 11.02.2015 and 11.03.2015. The attendance of the Directors at these Board Meetings and at the last AGM held on 18th September 2014 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 18.09.2014
(a)	**Functional Directors**			
	Mr. D S Dhesi (Upto 30.12.2014)	6	6	YES
	Mr. Ved Prakash	8	7	YES
	Mr. Rajeev Jaideva	8	8	YES
	Mr. M G Gupta	8	8	YES
	Mr. Anand Trivedi	8	8	YES
	Mr. P K Jain	8	8	YES
(b)	**Ex-officio Part Time Directors (Govt. Nominee)**			
	Ms. Anita Agnihotri (upto 16.06.2014)	1	NIL	NR
	Mr. Madhusudan Prasad (upto 24.02.2015)	7	5	NO
	Mr. B P Pandey (from 16.06.2014 to 06.08.15)	7	2	NO
	Mr. R R Rashmi (from 24.02.2015 to 28.04.2015)	1	1	NR
(c)	**Non-official Part Time (Independent) Directors**			
	Mr. Anil Razdan (up to 12.07.2014)	2	2	NR
	Mr. G S Vedi (up to 13.07.2014)	2	2	NR
	Mr. Arun Balakrishnan (up to 15.07.2014)	2	2	NR
	Mr. Arvind Kalra	8	8	YES
	Mr. Rana Som	8	6	YES
	Mr. N Bala Baskar	8	8	YES
	Dr. Subas Pani	8	5	NO
	Mr. S R Tayal	8	7	NO

*NR→ Not Required.

COMMITTEES OF THE BOARD

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

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

Audit Committee of Directors

The Audit Committee of the company constituted by the Board comprised of two Part Time Non-official (independent) Directors and one Part Time (Govt. Nominee) Director. All the meetings of the Committee held during the year were chaired by non-executive Independent Director. Company Secretary is the Secretary to the Committee. The

terms of reference of the Audit Committee include overseeing the audit function, reviewing critical findings, ensuring compliance with accounting standards and concurring financial statements before submission to the Board. The role, scope and authority of Audit Committee also include the requirements under the relevant provisions of Companies Act, 2013 and the Listing Agreement(s) signed with Stock Exchanges.

During the year 2014-15, the Committee met five times as detailed hereunder:-

S.No.	Date of Meeting	Members Present	Chairperson
1	29.05.2014	Shri Anil Razdan Shri G S Vedi Shri S R Tayal Shri Arvind Kalra	Shri Anil Razdan
2	9.06.2014	Shri Anil Razdan Shri G S Vedi Shri S R Tayal Shri Arvind Kalra	Shri Anil Razdan
3	13.08.2014	Shri B P Pandey Shri S R Tayal Shri Arvind Kalra	Shri Arvind Kalra
4	07.11.2014	Shri B P Pandey Shri S R Tayal Shri Arvind Kalra	Shri Arvind Kalra
5	11.02.2015	Shri B P Pandey Shri S R Tayal Shri Arvind Kalra	Shri Arvind Kalra

Other functional Directors and Statutory Auditor of the Company also attended the above meetings to assist the Audit Committee in its deliberations.

The minutes of the above meetings were regularly submitted to the Board for its information.

Stakeholder Relationship Committee

During 2014-15 the composition of Stakeholder Relationship Committee constituted by the Board of Directors comprised of Shri Arvind Kalra, Part Time non-official (independent) Director as Chairperson, CMD, MMTC & Director (Finance), MMTC as its members. Company Secretary is the Secretary to the Committee. The Committee expeditiously considers and monitors the resolution of grievances of the Shareholders/other investors. During 2014-15 one meeting of this Committee was held. The minutes of this meeting was submitted to Board of Directors for information.

Share Transfer Committee

During 2014-15 the composition of Share Transfer Committee constituted by the Board of Directors comprised of all Functional Directors, MMTC as its members. Company Secretary is the Secretary to the Committee. The Committee expeditiously considers and approves requests for physical share transfers, rematerialisation and dematerialization etc.

Nomination & Remuneration Committee of Directors

Pursuant to the provisions of Companies Act, 2013 and Clause 49 of Listing Agreement with Stock Exchanges, the Remuneration Committee of Directors earlier constituted by the Board of Directors has now been reconstituted and renamed as ' Nomination & Remuneration Committee of Directors' comprising of Shri Rana Som, Part Time

non-official (independent) Director, Shri Arvind Kalra, Part Time non-official (independent) Director and Shri S.R.Tayal, Part Time non-official (independent) Director as its Members. The members shall elect Chairman of the Committee among themselves. The Committee performs such functions and duties and exercises such powers as specified in Clause 49 of the Listing Agreement signed with Stock Exchanges and DPE Guidelines dated 26th November 2008. The Company Secretary is the Secretary of the Committee. During 2014-15 one meeting of Remuneration Committee of Directors was held. The minutes of this meeting was submitted to Board of Directors for information.

Committee of Directors on Personnel Policies

The Committee of Directors on Personnel Policies constituted by the Board comprised of Shri Rana Som, Part Time Non-Official (Independent) Director as its Chairman, Shri N Bala Baskar Part Time Non-Official (Independent Director) and Shri S.R. Tayal Part Time Non-Official (Independent Director) as its Members to consider and recommend approval of modifications/formulation of service rules and other personnel policies to the Board of Directors as also to function as 'Appellate Authority' under MMTC Employees' Conduct, Discipline & Appeal Rules, 1975 as amended from time to time. The Company Secretary is the Secretary to the Committee. During 2014-15 four meetings of this Committee were held. The minutes of the said meeting were submitted to Board of Directors for information.

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 present composition of the Committee included Dr. Subas Pani, Part Time Non-official (Independent) Director as Chairman of the Committee with Shri N Bala Baskar, Part Time Non-official (independent) Director as Member. The Company Secretary is the Secretary to the Committee. During 2014-15 four meetings of this Committee were held and the minutes of these meetings were submitted to Board of Directors for information.

Committee of Directors on CSR & Sustainability

Merging the Committees of SD and CSR, the Board of Directors of MMTC has reconstituted and renamed as Committee of Directors on CSR & Sustainability to approve and oversee the implementation and monitoring of CSR and Sustainability activities in accordance with applicable provisions of Companies Act 2013 and DPE Guidelines in this regard issued from time to time.

The present composition of the Committee includes Shri S R Tayal, Part Time Non-official (Independent) Director as Chairman of the Committee with Shri Rana Som, Part Time Non-official (Independent) Director, Shri Ved Prakash CMD Shri Rajeev Jaideva Director (Personnel) and Shri M.G. Gupta Director (Finance) as its Members. The Company Secretary is the Secretary to the Committee. During 2014-15 one meeting of this Committee was held, the minutes of the same were submitted to Board of Directors for information.

Functional Management Committee of Directors

The "Functional Management Committee of Directors" constituted by the Board of Directors consists of CMD, MMTC as the Chairman of the Committee, all Functional Directors as Members and Company Secretary as Secretary to the Committee. The said Committee has been delegated the powers to take decision(s) in all matters over and above the powers delegated to CMD by the Board of Directors from time to time, except the matters specified under the Companies Act, 2013/other statutes, to be considered and decided at the meeting of Board of Directors and/or shareholders as also the matters specified and reserved by the Board for its decision or for consideration and decision of any other committee constituted by Board of Directors under Article 99 of Articles of Association of MMTC. During 2014-15 forty nine meetings of this Committee were held. The minutes of these meetings were submitted to Board of Directors for information.

Risk Management Committee of Directors

In accordance with the provisions of amended

Clause 49(VI) of the Listing Agreement effective from 01.10.2014, the Risk Management Committee of Directors comprising of all Functional Directors of the Company as members and CMD as Chairman of the Committee was constituted in March 2015. The said Committee shall function as per the roles specified under the Listing Agreement and other provisions of any other Statutes as amended from time to time. Company Secretary shall continue to be the Secretary to the Committee.

GENERAL BODY MEETINGS

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

Nature of meeting	Date & time	Special Resolutions passed
49th Annual General Meeting	28.09.2012 at 1200 hrs	—
50th Annual General Meeting	30.09.2013 at 1130 hrs	—
51st Annual General Meeting	18.09.2014 at 1130 hrs	One

During 2014-15, one postal ballot process was started vide notice dated 11th March 2015 and the results of the same including two special resolutions passed by shareholders were declared by the Chairman on 27th April 2015. Further the Company has already issued another postal ballot notice dated 22nd July 2015 and the results of the same shall be declared by the Chairman on 9th September 2015 as per time frame approved by the Board of Directors.

Disclosures

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

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

(c) The CEO/CFO of the company has certified the specified matters to the Board as required under Clause 41 of Listing Agreement.

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

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

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

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

Means of communications

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

Shareholders' information

(a) Annual General Meeting

The **52nd Annual General Meeting** of the Company is scheduled to be held on 29th September 2015 at 1130 Hrs at Weightlifting Auditorium, Sports Authority of India, Gate No. 19, Jawaharlal Nehru Stadium, Lodhi Road, New Delhi-110003.

(b) Financial Calendar for 2015-16

1st quarter results (unaudited) shall be declared on or before 14.8.2015

2nd quarter results (unaudited) shall be declared on or before 14.11.2015

3rd quarter results (unaudited) shall be declared on or before 14.02.2016

4th quarter results (audited) and Annual Audited Results for 2015-16 shall be declared on or before 30.05.2016 in accordance with existing applicable provisions of the Listing Agreement.

(c) Dates of Book Closure

The Share Transfer Books and Register of Members shall remain closed from **19.9.2015 to 29.9.2015** (both days inclusive) for the purpose of declaration of final dividend at the Annual General Meeting.

(d) Dividend Payment-The details of dividend paid during the last 3 years are as under:

Year	2011-12	2012-2013	2013-2014
Rate	25%	10%	15%
Date	25.10.2012	26.10.2013	16.10.2014

(e) Listing on stock exchanges: The Shares of the company continue to be listed at BSE and NSE. During the year the company has applied for voluntary delisting as per SEBI guidelines in this regard, from Delhi, Madras and Calcutta Stock Exchanges in accordance with the decision of the board in its meeting held on 11th March 2015.

(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 2014-15, is given below:

Month	High (Rs)	Low (Rs)	Month	High (Rs)	Low (Rs)
Bombay Stock Exchange			National Stock Exchange		
April 2014	65.60	52.60	April 2014	65.50	52.45
May 2014	102.35	53.30	May 2014	102.40	53.20
June 2014	106.80	90.10	June 2014	106.75	90.00
July 2014	101.75	75.15	July 2014	101.80	75.20
August 2014	80.70	70.25	August 2014	80.70	70.05
September 2014	78.50	60.20	September 2014	78.45	59.80
October 2014	70.35	61.10	October 2014	70.30	61.05
November 2014	72.60	59.80	November 2014	72.65	59.90
December 2014	63.25	51.00	December 2014	63.25	49.00
January 2015	62.95	55.75	January 2015	63.80	55.75
February 2015	63.00	53.10	February 2015	63.10	53.75
March 2015	60.00	46.05	March 2015	60.00	46.00

(g) Registrar & Transfer Agents (RTA): The Company has since changed its RTA i.e. M/s MCS Ltd. and in accordance with the approval of the Board of Directors of the Company appointed M/s. MCS Share Transfer Agent Limited, **F–65 Okhla Industrial Area, Phase I, New Delhi -110020** as its Registrar & Share Transfer Agent 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 2015, out of 100 crores equity shares of MMTC Ltd of face value of Re.1/- each, 89,92,68,762 shares are held by the President of India and 10,07,27,809 shares by others in dematerialized form leaving only 3,429 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 31.03.2015. 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.

Distribution of shareholding as on 31.3.2015: Pursuant to Clause 35 of the Listing Agreement with the Stock Exchanges, the Distribution of shareholding as on 31.3.2015 is tabulated here in below:

Category of Shareholder	No. of Shareholders	Total number of shares	Total shareholding as %age of total number of shares
Shareholding of Promoter and Promoter Group			
Central Government	1	899268762	89.9268
Public shareholding			
Mutual Funds / UTI	2	184928	0.0185
Financial Institutions/Banks	11	2974668	0.2975
Foreign Institutional Investors	5	1526258	0.1526
Insurance Companies	6	57382994	5.7383
Non-institutions			
Bodies Corporate	1310	8323391	0.8323
Individual holders having share capital upto Rs. 1 lakh.	90389	29520620	2.9521
Individual holders having share capital in excess of Rs. 1 lakh	1	106000	0.0106
Trust & Foundations	2	1900	0.0002
Non-Resident Individual	763	710479	0.0710
TOTAL	92490	1000000000	100

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

(k) Shareholders/ other Investor's Grievances: Shareholders/ other Investors may also lodge their grievance(s) with Shri G. Anandanarayanan, Asstt. Company Secretary at ganarayanan@mmtclimited.gov.in.

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

BLAK & CO.
Company Secretaries
307 (3rd Floor), 79-Shyam Lal Road, Darya Ganj, New Delhi-110002 (India)
Tel : +91-11-43623703 Telefax: +91-11-23241223
E-mail: info@globizassociates.com

Compliance Certificate on Corporate Governance

To The Members of **MMTC Limited**

We have examined the compliance of conditions of Corporate Governance by MMTC Limited for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

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

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

a) The company has not appointed Women Director as stipulated in Clause 49(II)(A)(1).

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

c) The company has received affirmation by all Board Members and Senior Management personnel towards compliance with the Code of Conduct on an annual basis as required under Clause 49(II)(E)(2) except by one officer (General Manager) who is under suspension.

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

Place: New Delhi
Date: August 06, 2015

For **BLAK & Co.**
Company Secretaries

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

Business Responsibility Report FY 2014-2015

About Us

The Company is incorporated and domiciled in India. It is a Mini-Ratna Central Public Sector Undertaking under the administrative control of Ministry of Commerce & Industry, Govt. of India. The registered office of the Company is situated at Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi–110003, India. The Company has 11 Regional Offices in major cities and ports of India, a wholly owned subsidiary – MMTC Transnational Pte Ltd (MTPL), Singapore and a liaison office in Johannesburg, South Africa.

The principal activities of the Company are export of Minerals and import of Precious metals, Non-Ferrous Metals, Fertilizers, Agro Products, Coal and Hydrocarbon etc.

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

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

MMTC has promoted various joint ventures like Neelachal Ispat Nigam Ltd., MMTC PAMP, SHUDDHI,SICAL, Free Trade Warehousing Pvt. Ltd. etc. following the public-private partnership route to take advantage of new opportunities emerging in the free market environment.

Corporate Mission

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

Corporate Objectives

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

Business Responsibility Report – FY 2014-15

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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company
   L51909DL1963G0I004033
2. Name of the Company
   MMTC LIMITED
3. Registered address
   Core-1, Scope Complex, 7th Instituitional Area, Lodhi Road, New Delhi -110003
4. Website
   www.mmtclimited.gov.in
5. E-mail id
   mmtc@mmtclimited.com

6. Financial Year reported
2014-15

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) Precious Metals

(ii) Fertilizers

(iii) Coal & Hydrocarbon

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 in Singapore
1 Liaison Office in Johannesburg

ii. Number of National Locations
11 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)	**1000 million**
2. Total Turnover (INR)	**182415.04 million**
3. Total profit after taxes 2014-15(INR)	**479.10 million**
4. Total budgeted expenditure on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	In accordance with the Companies Act, the average net profit of the Company in the preceding 3 years being negative, allocation of funds was not mandated. However considering the fact that MMTC has been continuously undertaking CSR initiatives since 2006;the Board of Directors allocated Rs. 49 lakhs for undertaking CSR activities during 2014-15.
5. List of activities in which expenditure in 4 above has been incurred	The funds allocated for CSR were majorly utilized for construction of two hugepublic toilet complexes at Haiderpur, a JJ-cluster of more than 3500 households in North Delhi, which was undertaken in association with "Sulabh International Social Service Organization". Besides, a contribution was made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?** Yes. MMTC TRANSNATIONAL Pte LTD, SINGAPORE (Overseas Subsidiary Company)

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

   No

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

   No

SECTION D: BR INFORMATION

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

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

- DIN Number - **03368001**
- Name - **Shri Rajeev Jaideva**
- Designation - **Director (Personnel)**

b. Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	V. K. Pandey
3.	Designation	Chief General Manager (Personnel)
4.	Telephone number	011-24361256
5.	e-mail id	vkp@mmtclimited.com

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

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

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

Principle 3 – Businesses should promote the well being of all the employees.

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

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	N	Y	Y	Y	N	N	Y	N
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y		Y	Y	Y			Y	
3.	Does the policy conform to any national /international standards? If yes, specify?	N		N	Y	Y			Y	
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y		Y	Y	Y			Y	

S. No.	Questions	P 1	P2	P 3	P4	P5	P6	P7	P8	P 9
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.gov.in; www.mmtclimited.com		www. mmtclimited.gov.in; www.mmtclimited.com						
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y		Y	Y	Y			Y	
8.	Does the company have in-house structure to implement the policy/policies.	Y		Y	Y	Y			Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y		Y	Y	Y			Y	
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N			Y				

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

S. No.	Questions	P 1	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 discussion. Detailed agenda papers including other explanatory notes are circulated in advance on all major issues to enable the Board to take informed and independent decisions.

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the company, the Board has constituted various committees with distinct role, accountability and authority. The top management reviews the performance of the organization in every meeting that is held on quarterly basis. During the year 2014-15 MMTC's Management has discussed and reviewed following:

- Corporate Plan/ Draft MoU with MoC&I
- HR related issues
- Investments in JVs
- Budget
- Share price & shareholding pattern of MMTC
- Status of placement of surplus funds
- Approval of financial statements/results
- Implementation of CSR/SD activities
- Annual Report / BRR for 2013-14

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

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

This year, MMTC is not in the top hundred list. However MMTC intends to continue publishing the BRR as part of its Annual Report which it initiated during 2012-13.

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

SECTION E – PRINCIPLE WISE PERFORMANCE

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

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

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

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

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

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

   14 stakeholder complaints were received out of which 11 were resolved satisfactorily. One complaint was found to be in fictitious name.

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

Not applicable. MMTC is in the business of trading and as such does not involve directly in manufacturing. However, MMTC ensures highest quality of the products it trades.

Principle 3 – Businesses should promote the well being of all the employees

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

The total number of employees as on 31.3.2015 is 1439 (excluding board level executives)

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

Total of 227 employees have been engaged on contractual basis through various agencies / societies.

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

Total number of permanent women employees– 301

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

Total number of permanent employees with disabilities– 33

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

Yes

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

100**%**

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

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

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

- **Permanent Employees** - 1057 of 1439 i.e. 73.45%
- **Permanent Women Employees** – 302 of 1057 i.e. 28.57%
- **Employees with Disabilities** – 28 of 1057 i.e. 2.65%

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.**

Contributing to the welfare of communities in which it operates is a natural element of MMTC's CSR activities. For ensuring proper sanitation and hygiene facilities are made available for the disadvantaged, vulnerable and marginalized stakeholders, the funds allocated for CSR were utilized majorly for construction of

two huge 12-seater public toilet complexes, in Haiderpur, a JJ-cluster of more than 3500 households in North Delhi, which was undertaken in association with "Sulabh International Social Service Organization".

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?**

   Being 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. Though there is no specific provision as such for human rights in the Manual on Personnel Management of the company or Human Rights Policy, the sub-stratum of the Manual ensures that its employees enjoy the fundamental human rights. MMTC has 3 tier grievance redressal systems called "Sahayata" for resolving employees grievances. MMTC has in its management system provisions for health, safety, housing and education. Comprehensively covering all these aspects, MMTC has appropriate systems in place.

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

   No such complaint was received in the financial year.

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

Since the organization is not involved in manufacturing, this principle is 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.**

   MMTC is committed towards environmental upkeep through afforestation in the mining areas, development of tribal areas and in and around operation areas. Also, The Organisation regularly reports on its various initiatives through the Communication on Progress [COP] for the UN Global Compact.

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

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

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

   No

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

   MMTC has been replacing old electrical equipments with energy efficient star rated ones 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.

This has been mentioned on the official website (http://mmtclimited.gov.in/files/MMTCCSR.pdf)

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

   Not Applicable

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

   Not Applicable

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

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

   a. CII

   b. FIEO

   c. FICCI

   d. ASSOCHAM

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

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

Principle 8 – Businesses should promote inclusive growth and equitable development

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

   Although the organization is not involved in manufacturing products and therefore doesn't create any direct negative impact on the environment & society where it operates, still it has a CSR policy. MMTC also adopted Section 135 of the Companies Act, 2013, the CSR Rules of Ministry of Corporate Affairs and the CSR Guidelines issued by Department of Public Enterprises, Government of India. MMTC has structured process of spending a portion of its earnings in CSR activities that are directed towards the betterment of the society. Funds allocated by MMTC for undertaking CSR activities during 2014-15, was purely directed towards ensuring Swachh Bharat and creation of proper sanitation facilities for people residing in slums.

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

   MMTC has a Board Level Committee on CSR & Sustainability consisting of Independent Directors and Functional Directors with the Asst. Co. Secy. as Member Secretary. The CSR division thoroughly evaluates the various CSR proposals. Thereafter CSR proposals which fall within the parameters laid down in the Annual MOU and MMTC's CSR Policy, undergo a base-line survey and are then forwarded along with observations to the CSR Committee. The proposals so submitted are considered by the CSR Committee and proposals accepted by the Committee are forwarded to the Board, for approval. The status of its implementation of projects so approved by the Board is put up for information on a quarterly basis.

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

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

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

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

   MMTC made an allocation of Rs. 49 lakhs for undertaking CSR activities during 2014-15.

   The funds allocated for CSR were utilized for construction of two huge 12-seater public toilet complexes at Haiderpur, a JJ cluster of more than 3500 households in North Delhi. The construction was undertakenby "Sulabh International Social Service Organization".

   A contribution was also made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

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

   The projects implemented by MMTC were identified through the assessment survey carried out by a professional agency.

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

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

   None.

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

   No.

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March 2015

[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:

i) CIN:- L51909DL1963GOI004033

ii) Registration Date:- 26th September, 1963

iii) Name of the Company:- MMTC Ltd.

iv) Category / Sub-Category of the Company:- Govt. Company

v) Address of the Registered office and contact details
Core-1, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi- 110003
Phone- 01124362200
Email- mmtc@mmtclimited.gov.in

vi) Whether listed company:- Yes

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
MCS Share Transfer Agent Ltd.
F-65, Okhla Industrial Area Phase-1, New Delhi- 110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	GOLD	3831, 3835	20.46
2	UREA	3012	42.76

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1	MMTC Transnational Pte Ltd, Singapore	199407265M	WOS	100	2(87)
2	Neelachal Ispat Nigam Limited	U27109OR1982GOI001050	ASSOCIATE	49.78	2(6)
3	Devona Thermal Power and Infrastructure Ltd.	U40300DL2007PLC168654	ASSOCIATE	26	2(6)
4	Free Trade Warehousing Pvt. Ltd.	U63023DL2005PTC134299	ASSOCIATE	26	2(6)
5	MMTC Pamp India Pvt. Ltd.	U27310HR2008PTC042218	ASSOCIATE	26	2(6)
6	Sical Iron Ore Terminal Ltd.	U13100TN2006PLC061022	ASSOCIATE	26	2(6)
7	MMTC Gitanjali Ltd.	U74999MH2008PLC187891	ASSOCIATE	26	2(6)
8	TM Mining Company Ltd.	U13100WB2010PLC156401	ASSOCIATE	26	2(6)
9	Indian Commodity Exchange Ltd.	U67120DL2008PLC182140	ASSOCIATE	26	2(6)
10	Blue Water Iron Ore Terminal Pvt. Ltd.	U74999DL2008PTC225071	ASSOCIATE	-	2(6)

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

(i) Category-wise Share Holding

		No. of Shares held at the beginning of the year			No. of shares held at the end of the year			% Change during the Year
Cate-gory Code	Category of Shareholder	Demat	Physical	% of Total Shares	Demat	Physical	% of Total Shares	
A	**Promoters**							
1.	**Indian**							
(i)	Individual/ HUF							
(ii)	Central Govt.	900000000		90	899268762		89.9269	0.0812
(iii)	State Govt(s).							
(iv)	Bodies Corp.							
(v)	Banks/ FI							
(vi)	Any Other.							
	Sub-total(A)(1):-	900000000		90	899268762		89.9269	0.0812
2.	**Foreign**							
a)	NRIs – Individuals							
b)	Other - Individuals							
c)	Bodies Corp.							
d)	Banks / FI							
e)	Any Other.							
	Sub-total (A)(2):-	900000000		90	899268762		89.9269	0.0812
	Total shareholding of Promoter (A)= (A)(1)+(A)(2)	900000000			899268762		89.9269	0.0812
B.	**Public shareholding**							
1.	**Institutions**							
a)	Mutual Funds	179700		0.02	184928		.0185	2.9093
b)	Banks / FI	16604250		1.66	2974668		.2975	82.0849
c)	Central Govt.							
d)	State Govt(s)							
e)	Venture Capital Funds							
f)	Insurance Companies	55715680		5.57	57382994		5.7383	2.9925
g)	FIIs	41000		0.00	1526258		.1526	3622.5805
h)	Foreign Venture Capital							
i)	Other Funds (Specify)							
	Sub-total (B)(1)	72540630		7.25	62068848		6.2069	14.4357
2.	**Non-Institutions**							
a)	**Bodies Corporate**							
i)	Indian	7281969		0.73	8323391		.8323	
ii)	Overseas							
b)	Individual							

i)	Individual holders having share capital up to Rs 1 lakh	38171933	2121	1.93	29517191	3429	2.9521	
ii)	Individual holders having share capital in excess of Rs 1 lakh	406774		0.04	106000		.0106	
c)	Others (specify)							
i)	Trust and Foundations	7567		0.00	1900		.0002	
ii)	Non-Resident Individuals	427122		0.04	710479		.0710	
	Sub-total(B)(2):-	27457249	2121	2.75	38658961	3429	3.8662	
	Total Public Shareholding (B)=(B)(1)+(B)(2)	99997879	2121	10	100727809	3429	10.0731	
C.	**Shares held by Custodian for GDRs & ADRs**							
	Grand Total (A+B+C)	999997879	2121	100.00	999996571	3429	100.00	

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encume-red to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encume-red to total shares	% Change in shareh-olding during the year
1	Central Government	900000000	90	NIL	899268762	89.9269	NIL	0.0008
	Total	900000000	90	NIL	899268762	89.9269	NIL	0.0008

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	900000000	90	899268762	89.9269
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc)	Decrease in Promoters Shareholding by 7,31,238 shares on 1st June 2014 by offer for sale to eligible employees by order of CCEA and Department of Disinvestment.	0.0007		
	At the End of the year	899268762	89.9269		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top Ten Shareholders	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (1-4-14 to 31-3-15)	
		No of Shares at the Beginning (01-04-14)/ end of the Year (31-03-15)	% of total shares of the Company				Shares	% of total shares of the Company
1	LIFE INSURANCE	48119732	4.8120	01/04/2014				
	CORPORATION OF	48119732	4.8120	31/03/2015	Nil			
	INDIA							
2	UNITED INDIA	3235160	0.3235	01/04/2014				
	INSURANCE			13/06/2014	172731	Purchase	3407891	0.3408
	COMPANY			20/06/2014	660500	Purchase	4068391	0.4068
	LIMITED			30/06/2014	675000	Purchase	4743391	0.4743
				04/07/2014	230000	Purchase	4973391	0.4973
				11/07/2014	373700	Purchase	5347091	0.5347
				18/07/2014	134089	Purchase	5481180	0.5481
		5481180	0.5481	31/03/2015				
3	GENERAL INSURANCE	2368885	0.2369	01/04/2014				
	CORPORATION OF			06/06/2014	-50000	Sale	2318885	0.2319
	INDIA			13/06/2014	-318885	Sale	2000000	0.2000
		2000000	0.2000	31/03/2015				
4	DB INTERNATIONAL	0	0.0000	01/04/2014				
	(ASIA) LTD			30/05/2014	500000	Purchase	500000	0.0500
				13/06/2014	1000000	Purchase	1500000	0.1500
				12/12/2014	-95000	Sale	1405000	0.1405
		1405000	0.1405	31/03/2015				
5	THE NEW INDIA	1141631	0.1142	01/04/2014				
	ASSURANCE	1141631	0.1142	31/03/2015	Nil			
	COMPANY LIMITED							
6	BANK OF INDIA	1914024	0.1914	01/04/2014				
				06/06/2014	-624562	Sale	1289462	0.1289
				13/06/2014	-70000	Sale	1219462	0.1219
				11/07/2014	-222401	Sale	997061	0.0997
		997061	0.0997	31/03/2015				
7	BANK OF BARODA	1143810	0.1144	01/04/2014				
				04/07/2014	-243810	Sale	900000	0.0900
				18/07/2014	-50000	Sale	850000	0.0850
				25/07/2014	-65000	Sale	785000	0.0785
				08/08/2014	-185000	Sale	600000	0.0600
		600000	0.0600	31/03/2015				

8	ALLAHABAD BANK	8196700	0.8197	01/04/2014				
				11/04/2014	-472920	Sale	7723780	0.7724
				18/04/2014	-956924	Sale	6766856	0.6767
				25/04/2014	-180000	Sale	6586856	0.6587
				16/05/2014	-280513	Sale	6306343	0.6306
				23/05/2014	-2444188	Sale	3862155	0.3862
				30/05/2014	-608100	Sale	3254055	0.3254
				06/06/2014	-552300	Sale	2701755	0.2702
				13/06/2014	-366000	Sale	2335755	0.2336
				20/06/2014	-730000	Sale	1605755	0.1606
				30/06/2014	-476500	Sale	1129255	0.1129
				04/07/2014	-88718	Sale	1040537	0.1041
				11/07/2014	-135000	Sale	905537	0.0906
				18/07/2014	-10000	Sale	895537	0.0896
				22/08/2014	-40000	Sale	855537	0.0856
				05/09/2014	-113054	Sale	742483	0.0742
				12/09/2014	-96000	Sale	646483	0.0646
				19/09/2014	-1000	Sale	645483	0.0645
				30/09/2014	-17193	Sale	628290	0.0628
				31/10/2014	-30000	Sale	598290	0.0598
				07/11/2014	-45000	Sale	553290	0.0553
		553290	0.0553	31/03/2015				
9	NATIONAL INSURANCE COMPANY LTD	660000	0.0660	01/04/2014				
				13/06/2014	-100000	Sale	560000	0.0560
				25/07/2014	-109821	Sale	450179	0.0450
		450179	0.0450	31/03/2015				
10	PUNJAB AND SIND BANK	1000000	0.1000	01/04/2014				
				06/06/2014	-20000	Sale	980000	0.0980
				13/06/2014	-205500	Sale	774500	0.0775
				30/06/2014	-160546	Sale	613954	0.0614
				04/07/2014	-127314	Sale	486640	0.0487
				11/07/2014	-110000	Sale	376640	0.0377
		376640	0.0377	31/03/2015				
11	PUNJAB NATIONAL BANK	1311619	0.1312	01/04/2014				
				25/04/2014	-737895	Sale	573724	0.0574
				02/05/2014	-10004	Sale	563720	0.0564
				16/05/2014	-250000	Sale	313720	0.0314
				23/05/2014	-313720	Sale	0	0.0000
		0	0.0000	31/03/2015				
12	IDBI BANK LTD.	853501	0.0854	01/04/2014				
				11/04/2014	-853501	Sale	0	0.0000
		0	0.0000	31/03/2015				

(v) Shareholding of Directors and Key Managerial Personnel:

Name of the Director	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/14 to 31/03/15)	
	No of Shares at the Beginning (01/04/14)	% of total shares of the Company				Shares	% of total shares of the Company
Shri Ved PrakashCMD	10	0.0000	10.6.2014	1000	Purchase under OFS	1010	0.0001
Shri Rajeev Jaideva Director(P)	NIL	0.0000	10.6.2014	3100	Purchase under OFS	3100	0.0003
			08.07.2014	-1000	Sale	2100	0.0002
			24.02.2015	-300	Sale	1800	0.0001
			27.02.2015	-300	Sale	1500	0.0001
Shri M.G.Gupta Director(Finance)	5	0.0000	10.06.2014	3500	Purchase under OFS	3505	0.0003
			30.06.2014	-1000	Sale	2505	0.0002
			29.09.2014	-300	Sale	2205	0.0002
			01.10.2014	-300	Sale	1905	0.0002
			13.10.2014	-300	Sale	1605	0.0001
			17.10.2014	-300	Sale	1305	0.0001
			20.01.2015	-300	Sale	1005	0.0001
Shri Anand Trivedi Director(Mktg.)	NIL	0.0000	10.06.2014	3508	Purchase under OFS	3508	0.0003
			11.06.2014	-190	Sale	3318	0.0003
			12.06.2014	-105	Sale	3213	0.0003
			13.06.2014	-100	Sale	3113	0.0003
			03.07.2014	-100	Sale	3013	0.0003
			22.07.2014	-200	Sale	2813	0.0002
			06.08.2014	-100	Sale	2713	0.0002
			21.08.2014	-100	Sale	2613	0.0002
			25.08.2014	-213	Sale	2400	0.0002
			26.08.2014	-200	Sale	2200	0.0002
			27.08.2014	-200	Sale	2000	0.0002
			28.08.2014	-250	Sale	1750	0.0001
			01.09.2014	-250	Sale	1500	0.0001
			02.09.2014	-250	Sale	1250	0.0001
			03.09.2014	-250	Sale	1000	0.0001
Shri P.K.Jain Director(Mktg.)	NIL		10.06.2014	3508	Purchase under OFS	3508	0.0003

V. INDEBTEDNESS

Indebtedness of the Company including Interest Outstanding/ Accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1760.77	2368.68		4129.45
ii) Interest due but not paid				1.47
iii) Interest accrued but not due				33.99
Total (i+ii+iii)	1760.77	2368.68		4164.91
Change in Indebtedness during the financial year				
• Addition				
• Reduction	143.50	1119.46		1290.22
Net Change	143.50	1119.46		1290.22
Indebtedness at theend of the financial year				
i) Principal Amount	1617.27	1249.22		2866.49
ii) Interest due but not paid				3.28
iii) Interest accrued but not due				4.92
Total (i+ii+iii)	1617.27	1249.22		2874.69

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Shri M G Gupta Dir (Fin.) & CFO	Shri P K Jain Dir (Mktg.)	Shri Anand Trivedi Dir (Mktg.)	Shri Rajeev Jaideva Dir (P)	Shri Ved Prakash CMD	
1.	**Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961**	23,01,482	30,27,157	23,00,654	21,14,265	26,05,886	1,23,49,444
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	4,78,044	4,62,846	7,02,877	9,03,406	5,07,090	30,54,263
	(c) Profits in lieu of salary u/s 17(3) Income- tax Act, 1961	3,26,774	1,32,013	2,26,786	1,32,013	5,48,929	13,66,515
2.	**Stock Option**	NIL	NIL	NIL	NIL	NIL	NIL

3.	**Sweat Equity**	NIL	NIL	NIL	NIL	NIL	NIL
4.	**Commission - as % of profit-others, specify...**	NIL	NIL	NIL	NIL	NIL	NIL
5.	**Others, please specify Total (A)Ceiling as per the Act**	NIL	NIL	NIL	NIL	NIL	NIL

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors								Total Amount
		GS Vedi	Arvind Kalra	Subhash Pani	SR Tayal	Anil Razdan	Rana Som	Bala Bhaskar	Arun Balakrishnan	
3.	Independent Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify	75000	210000	135000	195000	75000	195000	240000	45000	11,55,000
	Total (1)	75000	210000	135000	195000	75000	195000	240000	45000	11,55,000
4.	Other Non-Executive Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify	———NIL———								
	Total (2)									
	Total (B)=(1+2)	75000	210000	135000	195000	75000	195000	240000	45000	11,55,000
	Total Manageria lRemuneration									
	Overall Ceiling as per the Act									

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section17(3) Income-tax Act, 1961				

2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give Details)
A. COMPANY					
PENALTY					
PUNISHMENT					
COMPOUNDING					
B. DIRECTORS					
PENALTY					
PUNISHMENT					
COMPOUNDING					
C. OTHER OFFICERS IN DEFAULT					
PENALTY					
PUNISHMENT					
COMPOUNDING					

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Company Secretaries

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company as given in **ANNEXURE 'A'** for the financial year ended on 31st March, 2015 according to the provisions of following applicable laws:

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

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

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

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

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

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

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

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

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

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

i. The Listing Agreements entered into by the Company with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)

**The company has made delisting application to the Stock Exchanges at Delhi, Kolkatta and Chennai*

ii. Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs)

iii. Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises(CPSEs)

However, the following Acts, Rules, Regulations, Guidelines, Standards or Agreement(s)/ Arrangement(s) required to be reported as per prescribed format are not

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applicable to the Company during the Audit Period:

i. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(As there was no event/action in this regard during the Year under Audit)**

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

   a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(As there was no event/action in this regard during the Year under Audit)**

   b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(As there was no event/action in this regard during the Year under Audit)**

   c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **(As there was no event/action in this regard during the Year under Audit)**

   d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)** and

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

iii. Secretarial Standards issued by The Institute of Company Secretaries of India. **(Since notified w.e.f. July 01, 2015)**

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 observations as stated in **Annexure 'B'** attached to the report.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items

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before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of 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.

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

For BLAK & Co.

BLAK & CO. GLOBIZ Company Secretaries

Archana

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

Place: New Delhi
***Date* : 08.08.2015**

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

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'ANNEXURE A'

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

List of documents verified

1. Memorandum of Association and Articles of Association;
2. Annual Report for the preceding three Financial Years;
3. Annual Return for Last AGM;
4. Detailed Trial Balance for the F.Y. 2014-15
5. Quarterly Financial Result for the F.Y. 2014-15;
6. Quarterly Compliance Report on Corporate Governance as prescribed in Listing Agreement;
7. Quarterly Report on compliance of Corporate Governance as prescribed in Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs);
8. Internal Audit Reports;
9. List of Shareholders/Shareholding Pattern & Copy of Shareholding Pattern filed with Stock-Exchange;
10. Appointment Letter for KMP(s) & Senior Management Personnel during the F.Y. 2014-15;
11. Organization Chart with changes in Chart during the F.Y. 2014-15;
12. Detail of Project Site/Branch Office/Factories/Works during the F.Y. 2014-15
13. Policy document approved by the Board/committee in respect of Directors/Independent Directors, Code of Conduct, Vigil Mechanism, Related Party Transactions, Whistle Blower, Nomination and Remuneration of Directors/ Senior Management
14. Copy of various Registration/Licenses/Approvals;
15. Documents with regard to appointment of :-
    - Statutory Auditor;
    - Internal Auditor; &
    - Tax Auditor
16. Statutory Registers including
    - Register of Contracts or Arrangements in which directors are interested under Section 189 and Rule 16 of the Companies (Meetings of Board and its

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Powers) Rules, 2014;

- Register of Investments not held in the name of the company under Section 187(3)and Rule 14 of the Companies (Meetings of Board and its Powers) Rules, 2014;
- Register of Inter-Corporate Investments /Loans/Guarantees/Securities to which Section 186 applies;
- Register of Directors, Key Managerial Personnel and their shareholding under Section 170 and Rule 17 of the Companies (Appointment and Qualification of Directors) Rules,2014;
- Register of charges under Section 85 and Rule 10 of the Companies (Registration of Charges) Rules,2014;
- Register and Index of Members under Section 88 and Rule 3 of the Companies (Management and Administration) Rules,2014;
- Register and Index of Debenture-holders under Section 88 and Rule 4 of the Companies (Management and Administration) Rules, 2014;
- Foreign Register of members, debenture-holders and other security- holders under Section 88 and Rule 7 of the Companies (Management and Administration) Rules,2014;

17. Minute books and Attendance Register of General Meeting, Board meeting and Committee Meetings under section 118;
18. Copies of instruments Satisfying charges;
19. Copies of all e-forms and returns filed during the Financial Year 2014-15 filed with ROC with respective receipts/ challans of fees paid including Form MGT-10;
20. Evidence of dispatch of notices of meeting;
21. Agenda papers;
22. Copies of circular resolutions passed by the Board ;
23. Newspaper cutting of notice of closure of register of members;
24. Copies of notices of Annual General Meeting/Extraordinary General Meeting and explanatory statement and Newspaper cutting of public notice of Annual General Meeting/ Extraordinary General Meeting;
25. Dispatch register of Annual General Meeting/Extraordinary General Meeting notice;
26. Proxies lodged for general meetings, ballot papers , scrutinizer report ;
27. Resolutions received from other company/companies who are shareholders and from whom resolutions for their authorized representatives have been received by the company ;

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28. Copies of Form MBP-1 received from all directors under section 184 at the first meeting of the Board in financial year 2014-15 and during the FY whenever there is any change in the disclosures already made;
29. Copies of special resolutions and copies of contracts in respect of office or place of profit under section 188, if any;
30. Relevant documents in respect of dividend paid;
31. Relevant documents for dividend transferred to unpaid dividend account;
32. Copy of Central Government's letter (through Ministry of Commerce & Industry) towards the appointment of managerial person;
33. Relevant documents in respect of postal ballot conducted during the audit period;
34. Agreement with the agency providing platform for e-voting;
35. Agreement with courier or posting agents for dispatch of annual reports, notices to members / depositors/ debenture-holders;
36. Agreement with RTA and RTA report in respect of various matters handled by them on behalf of the company;
37. Scrutinizer's report for postal ballot, poll and e-voting;
38. Director's retirement by rotation table;
39. Copies of all letters sent to and received from the stock exchange on which the company's securities are listed;
40. Copies of all disclosures received by the company under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
41. Copies of all returns and forms filed with SEBI and stock exchange under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
42. Copies of shareholding pattern filed with stock exchanges under clause 35 of the listing agreement;
43. Copies of all communication with regard to SEBI (Prohibition of Insider Trading) Regulations, 1992 as per Companies Insider Trading Code;
44. List of Contracts executed by the Company during the F.Y. 2014-15 including any amendment/modification therein
45. Compliance records under the Depositories act, 1996 and the regulations framed under the Act;
46. Compliances records under the following Regulations and Guidelines prescribed by SEBI Act, 1992, as applicable:
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

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

BLAK & CO. GLOBIZ Company Secretaries

For BLAK & Co.

Archana

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

Place: New Delhi
***Date* : 08.08.2015**

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ANNEXURE 'B'

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

1. *That the company has not appointed the Company Secretary, which is non – compliance of both- Section 203 of Companies Act, 2013 and Clause 47(a) of Listing Agreement entered into with Stock Exchanges.*
2. *That the company has not appointed a Women Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and Clause 49 of Listing Agreement entered into with Stock Exchanges.*
3. *That as per the requirements of Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs) and Listing Agreement, the Company needs to appoint two more Independent Directors to have a optimum Board Structure as prescribed.*
4. *That in the absence of agreement/ bilaterally signed documents, the Terms and Condition including period of Investment made/ Guarantee given by the Company to/ in favour of Neelanchal Ispat Nigam Limited (NINL) was not ascertained. Henceforth, Register maintained is not providing requisite information in accordance with the provisions of Section 186 of The Companies Act,2013.*
5. *That the Statutory Auditor of the Company has performed other services for which approval of Board was required to be obtained in terms of provisions of Section 144 of the Companies Act,2013, compliance of which was not ensured during the year under reporting.*

BLAK & Co. GLOBIZ Company Secretaries

For BLAK & Co.

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

Place: New Delhi
***Date :* 08.08.2015**

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ANNEXURE 'C'

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

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

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For BLAK & Co.

BLAK & CO. GLOBIZ Company Secretaries

Archana

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

Place: New Delhi
***Date* : 08.08.2015**

MANAGEMENT'S REPLY TO OBSERVATIONS OF SECRETARIAL AUDITOR IN THEIR REPORT FOR THE FINANCIAL YEAR 2014-15

AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
(i) That the company has not appointed the Company Secretary, which is non – compliance of both- Section 203 of Companies Act, 2013 and Clause 47(a) of Listing Agreement entered into with Stock Exchanges.	i) It is submitted that to fill up the vacant post of Company Secretary, the same was advertised but due to non-availability of suitable candidate this post could not be filled up. To fill up the post of Company Secretary at the level of Deputy General Manager, the advertisement is being floated shortly.
(ii) That the company has not appointed a Woman Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and Clause 49 of Listing Agreement entered into with Stock Exchanges.	For (ii) & (iii) MMTC Ltd being a Govt of India PSU, the Directors on the Board of MMTC are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The company has taken up the matter regarding mandatory requirement of appointment of at least one woman director on the Board with Department of Commerce, MOC&I. It is understood from the Department of Commerce that the process is already on and it is expected that the appointment of woman director including independent directors for vacant positions shall be made any time with the approval of the competent authority.
(iii) That as per the requirements of Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs) and Listing Agreement, the Company needs to appoint two more Independent Directors to have a optimum Board Structure as prescribed	
(iv) That in the absence of agreement/ bilaterally signed documents, the Terms and Condition including period of Investment made/ Guarantee given by the Company to/ in favour of Neelanchal Ispat Nigam Limited (NINL) was not ascertained. Henceforth, Register maintained is not providing requisite information in accordance with the provisions of Section 186 of The Companies Act, 2013.	(iv) There is no formal agreement between NINL and MMTC regarding loan. However, annual interest rate applicable is communicated to NINL as well as NINL gives a corporate guarantee as per the working capital limits sanctioned by MMTC. We have a Shareholders' Agreement where MMTC being a managing promoter, its responsibility includes for smooth running of plant of NINL.

That the Statutory Auditor of the Company has performed other services for which approval of Board was required to be obtained in terms of provisions of Section 144 of the Companies Act,2013, compliance of which was not ensured during the year under reporting.	(iv) Statutory auditors in addition to the audit have been given the assignment of tax audit, quarterly review and certification of fixed deposits and bank guarantees and other statutory compliances like Corporate Governance certificate etc. There is a clear mandate from Audit Committee of Directors that certification of verification of fixed deposits and bank guarantees have necessarily to be obtained from statutory auditors. Since there was no Secretarial Auditors, certification of corporate governance was also obtained from the statutory auditors in the past. This year we have obtained certification from the Secretarial Auditors.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
a) Nature of the relationship	Joint Venture	Joint Venture	Joint Venture	Wholly Owned Subsidiary
b) Nature of contracts/ arrangem-ents/ transacti-ons	Participation of MMTC in a Joint Venture with PAMP SA upto 26% equity	Participation of MMTC in a Joint Venture with Gitanjali Gems Private Limited upto 26% equity	Shareholders Agreement between MMTC & Govt. of Orissa through M/s. IPICOL by way of equity participation of MMTC upto 49.78% as a Managiong Promoter. as also the Agreement for sale/ purchase of finished goods was signed between MMTC & NINL vide agreement dtd.22.6.2012 and amended on 11.2.2014.	MTPL Singapore enters into sale/ purchase agreement with MMTC lotwise/ shipmentwise wherein MTPL is the seller and MMTC is the buyer. Similarly, MTPL also participates in global tenders regularly alongwith other bidders wherein being a WOS of MMTC is exempted from giving EMD, Performance Bond Guarantee and KYC norms as applicable for other bidders.
c) Duration of contra-cts/arrang-ements/ transacti-ons	1) SHA Agreement entered by both parties on 22nd October 2008. 2) MOU for marketing of refined 1 kilo/100 grams gold/silver bars entered with MPIPL on 20th March 2013 valid for 3 years. 3) MOU for marketing of upto 26% of MPIPL's total production entered with MPIPL on 22nd	SHA Agreement entered by both parties on 17th January 2009.	On ongoing basis as long as the requirement for buying and selling subsists	On ongoing basis as long as the requirement for buying and selling subsists

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
	June 2015 valid for 1 year. This supersedes the MOU at serial number 2)			
d) Salient terms of the contracts of arrangements or transactions including the value if any	With regard to the SHA, the salient features are: 1) JV to design, construct, operate and trade the products of the state of art precious metals manufacturing plant. 2) MMTC and PAMP will combine its strengths to refine gold, silver, produce, buy and sell gold and silver coins and related items and by-products of the highest quality recognized by International Standards. 3) MMTC will assist MPIPL in marketing, selling and distribution of the products manufactured by MPIP on the domestic and export markets With regard to the most recent MOU signed with MPIPL, the salient terms are:	1) MMTC will supply to MGL the entire range of silverware, gold/silver medallion and 50% plain gold jewellery to MGL on furnishing suitable financial security by MGL. If the plain gold jewellery proposed does not meet the requirements of MGL, MGL shall compensate to MMTC @ 2% of the total value of the entire quantity purchased by MGL. MGL will purchase the above supply items from 26% to 4.% of the total procurement 2) GGL will supply 50% plain gold jewellery and 100% diamond jewellery required by MGL.	Shareholders Agreement between MMTC & Govt. of Orissa through M/s. IPICOL envisaging that MMTC shall organise 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. 22.6.2012 and amended on 11.2.2014.	MTPL Singapore organises funds at very competitive rates in Singapore because of better country rating as compared to India for payment to foreign suppliers and accordingly enters into sale/purchase agreement with MMTC lotwise/ shipmentwise wherein MTPL is the seller and MMTC is the buyer. Similarly, MTPL also participates in global tenders regularly alongwith other bidders wherein being a WOS of MMTC is exempted from giving EMD, Performance Bond Guarantee and KYC norms as applicable for other bidders.
	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			

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
	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 5 kg for Gold Bars and 500 Kg for Silver Bars.			
e) Justification for entering into such contracts or arrangements or transactions	1) To improve margins and the topline	1) In order to improve the margins in bullion operations by taking advantage of retail boom in the bullion sector by expanding retail sale operations on all India basis. 2) MMTC was regularly hosting Festival of Gold exhibitions for promoting sale of gold jewellery. Hence it was felt that major retail expertise was needed for expansion.	As mentioned above.	As mentioned above.
	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			
f) Dates of	9th December 2014	9th December 2014	11th February, 2015	

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
approval by Board	11th February 2015	11th February 2015		
g) Amount paid as advances if any	**NONE**	**NONE**	**NONE**	**NONE**
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Special Resolutions in this regard were passed by the shareholders through Postal Ballot the results of the same were announced by CMD on 27.04.2015.			
2. Details of material contracts or arrangement or transactions at arm's length basis: ——— NIL————-				

ANNEXURE TO DIRECTORS' REPORT

CONSERVATION OF ENERGY: POWER AND FUEL CONSUMPTION

Under section 134(3) of the Companies Act 2013, statement containing particulars pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 for the financial year ended 31.03.2015 for Disclosure of particulars with respect to Conservation of Energy:

Sl. No.			Current Year (2014-15)	Previous Year (2013-14)
1.	Electricity	Purchase (KWh) (At Annual Minimum Guarantee) Total cost (Rs. in lacs) Average Rate (Rs/kwh)	3,09,012 16.69 5.40	3,09,012 16.69 5.40
2.	Coal	Quantity (MT) Total cost (Rs. in lacs) Average Rate (Rs. per MT)	- - -	- - -
3.	Diesel Oil	Purchase (Lt.) Total Cost (Rs. in lacs) Average Rate (Rs. per Lt.)	- - -	- - -
4.	LDO	Purchase (Lt.) Total cost (Rs. in lacs) Average Rate (Rs.per Lt.)	- - -	- - -

गोपनीय

संख्या / No. PDCA-I/ND/CHQ/29-2/MMTC/2015-16/225

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

सेवा में,

दिनाँक/Dated 22.07.2015

अध्यक्ष एवं प्रबन्ध निदेशक,
एम.एम.टी.सी. लिमिटेड,
कोर- 1, स्कोप कॉम्पलैक्स, 7, इंस्टीटयूशनल एरिया,
लोधी रोड, नई दिल्ली - 110 003

विषय : **31 मार्च 2015 को समाप्त वर्ष हेतु एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत तथा Consolidated Financial Statements पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) एवं 129(4) के अन्तर्गत भारत के नियंत्रक महालेखा परीक्षक की टिप्पणियाँ**

महोदय,

मैं इस पत्र के साथ 31 मार्च 2015 को समाप्त वर्ष के लिए एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत तथा Consolidated Financial Statements पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) एव 129(4) के अन्तर्गत भारत के नियंत्रक महालेखा परीक्षक की '**शून्य टिप्पणियाँ**' अग्रेषित करता हूँ। इन शून्य टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए और कम्पनी की महासभा में उसी समय व उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है।

भवदीय,

संलग्न : शून्य टिप्पणियाँ

विमलेन्द्र पटवर्धन
22/7/2015

(विमलेन्द्र पटवर्धन)
प्रधान निदेशक

तृतीय तल, ए-स्कन्ध, इन्द्रप्रस्थ भवन, इन्द्रप्रस्थ एस्टेट, नई दिल्ली—110002
3rd Floor, A-Wing, Indraprastha Bhawan, New Delhi-110002.
दूरभाष/Tele. : 011-23378473, फैक्स/Fax : 011-23378432
e-mail : mabnewdelhi1@cag.gov.in

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 2015.

The preparation of consolidated financial statements of MMTC LIMITED for the year ended 31st March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 21 May 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of **MMTC LIMITED** for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of **MMTC Limited** but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities as per the list annexed for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

Place: New Delhi
Dated: 22 July 2015

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

22/7/2015

(Vimalendra Patwardhan)
Principal Director Of Commercial Audit
& ex-officio Member, Audit Board-I,
New Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2015.

The preparation of financial statements of MMTC LIMITED for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act. 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 21 May 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(a) of the Act of the financial statements of **MMTC LIMITED** for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

Place: New Delhi
Dated: 22 July 2015

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

22/7/2015

(Vimalendra Patwardhan)
Principal Director Of Commercial Audit
& ex-officio Member, Audit Board-I,
New Delhi

Annexure

NAME OF SUBSIDIARY
MMTC Transnational Pte. Ltd.
NAME OF ASSOCIATES
Neelachal Ispat Nigam Limited
Devona Thermal Power & Infrastructure Ltd.*
NAME OF JOINT VENTURES
Free Trade Warehousing Pvt.Ltd.
MMTC PAMP India Pvt.Ltd.
SICAL Iron Ore Terminal Limited
MMTC Gitanjali Limited
TM Mining Company Limited
Indian Commodity Exchange Limited

* Financial Statements for the 2014-15 ware not consolidated due to non-receipt of the same.

DECADE AT A GLANCE

(₹ in Million)

Year ended 31st March	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
What we owe										
Share capital	**1000**	1000	1000	1000	1000	500	500	500	500	500
Reserves	**12592**	12419	12408	13214	12797	12371	10734	9800	8321	7833
	13592	13419	13408	14214	13797	12871	11234	10300	8821	8333
Borrowings	**2866**	4129	14783	34299	60835	51648	43052	31984	11298	5071
Other Long Term Liabilities	**265**	99	191	45	-	-	-	-	-	-
Long Term Provisions	**1771**	1825	1702	1374	-	-	-	-	-	-
	18494	19472	30084	49932	74632	64519	54286	42284	20119	13404
What we own										
Fixed assets	**2060**	2120	2107	2052	2107	2099	2075	2067	2045	773
Less: depreciation	**1482**	1302	1186	1079	993	874	757	654	519	453
Net fixed assets	**578**	818	921	973	1114	1225	1318	1413	1526	320
Investments	**4457**	4457	4697	4673	2831	2729	2316	2550	2550	2210
Misc. Exp (not written off)	**-**	-	-	-	-	-	58	22	15	45
Long Term Loans and Advances	**941**	768	1130	1095	-	-	-	-	-	-
Other Non Current Assets	**8**	15	17	23	-	-	-	-	-	-
Working capital	**10231**	11153	21865	42453	70352	60339	50291	38042	15667	10411
Deffered Tax Assets	**2279**	2261	1454	715	335	226	303	257	361	418
	18494	19472	30084	49932	74632	64519	54286	42284	20119	13404
What we earned										
Sales	**182415**	250745	284156	659291	688545	451242	368207	264234	233016	163624
Exports	**23007**	41270	29795	20454	36934	32227	45759	39114	34131	29254
Imports	**145302**	187135	209544	610417	633008	399691	306951	204499	186074	117858
Domestic	**14106**	22340	44817	28420	18603	19324	15497	20621	12811	16512
Interest earned	**998**	1378	2796	6458	4750	5742	7824	2106	1202	1213
Other income	**680**	2795	2210	4770	2369	2294	2498	1314	902	749
	184093	254918	289162	670519	695664	459278	378529	267654	235120	165586
What we spent										
Cost of sales	**180764**	249239	282985	660483	687260	449463	366966	260732	230964	161716
Establishment Expenses	**1918**	1895	2029	1843	1838	1684	1653	1184	883	706
Administration Expenses	**507**	471	482	521	554	461	385	375	327	302
Finance Cost (incl. Interest paid)	**170**	670	2195	5764	3719	4126	6659	1350	711	818
Depreciation & Amortization	**178**	124	120	120	125	133	126	127	80	42
Miscellaneous Exp Written off	**-**	-	-	-	-	58	18	13	33	41
Debts/claims/assets written off/ withdrawn Prov. for doubtful debts& dimunition in value of	**300**	11	1	3	1	3	143	231	98	191
Investment/fixed assets	**12**	13	63	133	229	19	406	373	95	67
Extra-ordinary items	**0**	2104	2444	1002	-	-	-	-	-	-
Exceptional items*	**(372)**	231	127	(1)	-	-	-	-	-	-
	183477	254758	290446	669868	693726	455947	376356	264385	233191	163883

(₹ in Million)

Year ended 31st March	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
What we saved										
Profit for the year	**616**	160	(1,284)	651	1938	3331	2173	3269	1929	1703
Provision for taxation	**120**	(42)	(572)	53	701	1168	772	1241	625	596
Profit after tax (before Prior Period Adj.)	**496**	202	(712)	598	1237	2163	1401	2028	1304	1107
Prior period adjustment	**16**	16	(6)	(109)	21	-	(1)	23	36	24
Profit available for appropriation	**480**	186	(706)	707	1216	2163	1402	2005	1268	1083
Dividend	**250**	150	100	250	250	450	400	450	250	250
Tax on dividend	**51**	25	-	41	41	75	68	76	39	35
Sustainable Development	**-**	-	2	-	-	-	-	-	-	-
Corporate Social Responsibility	**-**	-	4	-	-	-	-	-	-	-
Retained earnings	**179**	11	(812)	416	925	1638	934	1479	979	798
Gross Profit	**2079**	3456	2997	2766	3300	3176	3209	4298	2497	2218
Profit before Tax	**600**	144	(1,278)	760	1917	3331	2174	3246	1893	1679
Profit after tax	**480**	186	(706)	707	1216	2163	1402	2005	1268	1083
Net worth	**13592**	13418	13407	14213	13797	12871	11176	10278	8806	8288
Capital employed	**7943**	7842	8003	9127	8645	9725	8557	7471	5895	10731
Working capital	**10231**	11153	21865	42453	70352	60339	50291	38042	15667	10411
Ratios										
Overheads to sales %	**1.33**	0.94	0.88	0.36	0.35	0.48	0.55	0.59	0.52	0.62
Stocks to sales %	**1.75**	1.23	3.13	1.40	0.94	4.73	1.57	2.09	0.76	1.52
Trading profit to sales%	**1.14**	1.38	1.05	0.42	0.48	0.70	0.87	1.63	1.07	1.36
Profit before tax to sales %	**0.33**	0.06	(0.45)	0.12	0.28	0.74	0.59	1.23	0.81	1.03
Profit after tax to sales %	**0.26**	0.07	(0.25)	0.11	0.18	0.48	0.38	0.76	0.54	0.66
Debtors to sales %	**16.64**	6.92	7.83	4.20	3.69	3.44	5.18	5.47	4.80	4.51
Working capital to sales %	**5.61**	4.45	7.69	6.44	10.22	13.37	13.66	14.40	6.72	6.36
Sales to working capital (times)	**17.83**	22.48	13.00	15.53	9.79	7.48	7.32	6.95	14.87	15.72
Profit for the year to capital employed %	**7.76**	2.04	(16.04)	7.13	22.42	34.25	25.39	43.76	32.72	15.87
Profit after tax to capital employed %	**6.04**	2.37	(8.82)	7.75	14.07	22.24	16.38	26.84	21.51	10.09
Profit for the year to net worth %	**4.53**	1.19	(9.58)	4.58	14.05	25.88	19.44	31.81	21.91	20.55
Profir after tax to net worth %	**3.53**	1.39	(5.27)	4.97	8.81	16.81	12.54	19.51	14.40	13.07
Number of employees	**1439**	1530	1605	1673	1767	1838	1882	1953	1997	2031
Sales per employee	**126.77**	163.89	177.04	394.08	389.67	245.51	195.65	135.30	116.68	80.56

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

SOURCES AND UTILISATION OF FUNDS

(₹ in Million)

	2014-15	2013-14	2012-13
SOURCES			
Internal generation			
Profit after tax	**479**	186	(706)
Deferred Tax Adjustments	**(17)**	(807)	(739)
Depreciation	**1482**	1303	1186
Provisions	**7223**	8262	5898
Equity	**1000**	1000	1000
Reserves	**12113**	12233	13113
External generation			
Banking	**2866**	4129	14783
Current liabilities	**40020**	26308	35698
Other liabilities	**2623**	2185	2181
TOTAL SOURCES	**67789**	54799	72414
UTILISATION			
Fixed assets	**2060**	2120	2107
Investments	**4746**	5306	4895
Trade debts	**34318**	21675	26596
Inventories	**3194**	3084	8888
Loan & advances	**19571**	16433	14613
Cash & bank balance	**1638**	4727	14600
Deffered Tax	**2262**	1454	715
TOTAL UTILISATION	**67789**	54799	72414

STATEMENT OF CHANGES IN FINANCIAL POSITION

(₹ in Million)

	2014-15		2013-14		2012-13	
SOURCES OF FUNDS						
Internal generation						
Profit after tax	**479**		186		(706)	
Depreciation	**178**	**657**	124	310	120	(586)
Deffered Tax Adjustment		**2262**		1454		715
Borrowings						
Loan funds		**(1,263)**		(10,653)		(19,516)
TOTAL SOURCES		**1,656**		(8,889)		(19,387)
APPLICATION OF FUNDS						
Fixed assets		**(55)**		26		69
Investments		**(560)**		169		174
Deferred Tax Asset		**2,279**		2261		1,454
Final Dividend		**250**		150		100
Dividend Tax		**51**		25		-
Inventory		**110**		(5,805)		(356)
Sundry debtors		**13,003**		(4,903)		(5,471)
Loan & advances		**3,296**		(304)		(17,507)
Cash & Bank balance		**(3,089)**		(9,874)		(13,931)
Liabilities		**(13,878)**		9481		15,484
Provisions		**249**		(115)		597
TOTAL APPLICATION OF FUNDS		**1,656**		(8,889)		(19,387)

VALUE ADDED STATEMENT

(₹ in Million)

	2014-15		2013-14		2012-13	
		%		%		%
VALUE ADDED						
Sales & other trade earning	182843		252752		286333	
Add: Other income	958		967		462	
	183801		253719		286795	
Less:Cost of material and services used	170702		229115		268238	
TOTAL VALUE ADDITION	**13099**		**24604**		**18557**	
VALUE DISTRIBUTION						
Operating expenses	9,924	75.77	20,185	82.04	15,131	81.54
Employment costs	1,918	14.64	1,895	7.70	2,029	10.93
Administrative costs	1,280	9.77	609	2.48	648	3.49
Provisions	12	0.09	254	1.03	63	0.34
Depreciation	178	1.36	124	0.50	118	0.64
Interest(net)	(812)	(6.20)	(711)	(2.89)	(598)	(3.22)
Extra-ordinary items	-	-	2,104	8.55	2,444	13.17
Income tax	120	0.91	(42)	(0.17)	(572)	(3.08)
Dividend						
-Proposed Dividend	250	1.91	150	0.61	100	0.66
-Tax on Dividend	51	0.39	25	0.10	-	-
Transfer from Reserve & Surplus	-	-	-	-	(100)	(0.66)
Retained earning	178	1.36	11	0.04	(706)	(3.81)
TOTAL VALUE DISTRIBUTION	**13,099**	**100.00**	**24,604**	**100.00**	**18,557**	**100.00**
ANALYSIS						
Number of employee	**1,439**		**1530**		**1605**	
Value added per employee (Rs.'000)	9,103		16,081		11,562	
Net worth	13,591		13,418		13,407	
Value added per rupee of net worth	0.96		1.83		1.38	

COMMODITY - WISE PERFORMANCE

(₹ in Million)

Year ended 31st March	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
EXPORTS										
Iron Ore	**14013**	16703	9885	3049	19390	19244	27536	26554	19012	21584
Manganese ore/oxide	**67**	144	225	343	575	1019	1064	441	409	469
Chrome ore/concentrate	**341**	3526	3781	6160	8076	6269	8274	6904	7964	3191
Pig iron	**6291**	10992	2893	9404	8136	4891	5988	5090	5446	3458
Slag		18							1	1
Fertilizer		2348	1533	1489	737	805			257	
Agro Products	**2294**	7539	11478		20		2411	61	753	
Raw Wool				9						
Diamonds/gems/jewellery							434		289	291
Merchanting Trade							50	64		
Steel/HR Steel Coils										101
Others... (Tsunami Cars)										159
Total Exports	**23007**	**41270**	**29795**	**20454**	**36934**	**32228**	**45757**	**39114**	**34131**	**29254**
IMPORTS										
Metals/ IRM										
Copper/Copper Cathodes			101	1334	1240	1549	4688	3678	2691	3104
Zinc	**561**	616	837	1379	1205	1494	896	1287	1617	955
Lead	**31**	19	47	36	117	90	304	246	750	384
Tin	**195**	390	423	671	1013	522	1047	703	651	373
Nickel	**725**	754	567	1393	3304	1042	501	922	1216	561
Aluminium						11		16	172	228
Antimony Metal	**50**	67	58		26	8	5	24	10	52
Steel /Steel Scrap/ HR Coils				478	1080	1585	1065	1350	1331	274
Others			108	583	282	334	282	148	41	145
SUB TOTAL	**1561**	**1846**	**2142**	**5875**	**8267**	**6635**	**8788**	**8374**	**8479**	**6076**

COMMODITY - WISE PERFORMANCE

(₹ in Million)

Year ended 31st March	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Fertilizers:										
Sulphur	**231**	230	233	219	142	220	1566	1488	140	160
Urea	**77973**	35969	11704	48927	14534	14084	30259	37907	14223	5867
DAP				1445		574			6346	5904
MOP	**1757**	1276	5599	5279	3937	9302	7916	1647	1621	1692
Others						4	7			
SUB TOTAL	**79961**	**37475**	**17537**	**55870**	**18613**	**24184**	**39748**	**41042**	**22330**	**13623**
Diamonds/Gold/Emeralds	**43343**	84116	131374	504607	501935	316029	212891	122071	135041	76928
Agro Products	**704**	12139	13777	11843	14922	14638	16695	16160	3581	2726
Hydrocarbons	**19476**	51508	44688	32196	89229	38203	27364	16481	16296	18087
Others	**257**	51	27	27	43	1	1466	371	347	418
TOTAL IMPORTS	**145302**	**187135**	**209545**	**610417**	**633008**	**399690**	**306952**	**204499**	**186074**	**117858**
DOMESTIC										
Copper/Zinc/Brass/Alum.					18	1195		1633	2142	1492
Pig Iron/Slag/Steel	**1761**	2335	9805	8273	4180	6352	2791	2738	2806	4381
Fertilizers	**858**	49	78	87	45	40	68	56	45	41
Agro Products		5018	16041	8459	1294	1245	1042	1621	1610	1180
Gems & Jewellery/Silver	**8121**	7614	5379	6821	4918	5274	4118	7921	2369	1990
Hydrocarbon	**1762**	4456	11659	3475	5870	1753	4023	5255	3318	6893
Others	**1611**	2868	1855	1305	2278	3465	3455	1397	521	535
TOTAL DOMESTIC	**14112**	**22340**	**44817**	**28420**	**18603**	**19324**	**15497**	**20621**	**12811**	**16512**
TOTAL TURNOVER	**182420**	**250745**	**284156**	**659291**	**688545**	**451242**	**368207**	**264234**	**233016**	**163624**

COUNTRY-WISE EXPORTS

(₹ in Million)

Year ended 31st March	2015	2014	2013
AFRICA			
SOUTH AFRICA	**1858**	-	-
EITHOPIA	**-**	2647	1367
SOMALIA	**-**	-	417
	1858	2647	1,784
ASIA			
BANGLADESH	**818**	2223	1393
CHINA	**744**	3085	3899
JAPAN	**11361**	14252	9148
KOREA	**2979**	5886	6630
MALAYSIA	**-**	3623	841
NEPAL	**-**	2366	1533
PAKISTAN	**67**	**-**	**-**
INDONESIA	**1476**	1002	2372
PHILIPPINESS	**-**	426	-
SINGAPORE	**-**	-	43
TAIWAN	**-**	2264	-
THAILAND	**3694**	3122	2087
VIETNAM	**-**	314	-
	21139	38563	27945
WEST EUROPE			
SPAIN	**10**	60	66
	10	60	66
TOTAL EXPORTS	**23007**	**41270**	**29795**

COUNTRY-WISE IMPORTS

(₹ in Million)

Year ended 31st March	2015	2014	2013
AFRICA			
REPUBLIC OF SUDAN	**-**	-	53
SOUTH AFRICA	**6,744**	9,967	89,479
	6,744	**9,967**	**89,532**
ASIA			
CHINA	**72,366**	23,855	73,853
INDONESIA	**10,279**	36,385	327,455
KOREA	**670**		-
MALAYSIA	**119**	2,394	1,444
HONGKONG	**-**	437	-
RUSSIA	**676**	533	425
SINGAPORE	**733**	152	121,810
	84,843	**63,756**	**524,988**
EAST EUROPE			
KAZAKHISTAN	**-**	192	4,373
BELARUS	**517**	-	55,387
UKRAINE	**-**	-	692
	517	**192**	**60,451**
MIDDLE EAST			
DUBAI	**-**	367	4,435
IRAN	**3,919**	11,332	44,555
KUWAIT	**-**	124	-
UAE	**1,633**	4,064	106,494
	5,782	**15,887**	**155,483**

(₹ in Million)

Year ended 31st March	2015	2014	2013
NORTH AMERICA			
CANADA	**-**	-	164
USA	**-**	1,256	2,314
	-	**1,256**	**2,478**
OCEANIA			
AUSTRALIA	**12,328**	8,616	135,220
	12,328	**8,616**	**135,220**
WEST EUROPE			
LUXEMBOURG	**85**	-	-
SWEDEN	**32**	16	301
SWITZERLAND	**10,926**	16,154	109,286
NORWAY	**44**	395	448
UK	**14,769**	44,824	902,222
	25,856	61,389	1,012,258
TOTAL IMPORTS	**136,070**	**161,063**	**1,980,411**

CONTRIBUTION TO EXCHEQUER

(₹ in Million)

	2014-15	2013-14	2012-13
To Central Government			
Export Duty	**9**	-	55
Import Duty	**3,917**	8,558	6,569
Excise Duty	**6**	1	0
Service Tax	**36**	18	45
CST	**337**	885	525
Income Tax (Incl. Tax on Dividend)	**579**	188	216
Dividend	**135**	90	248
Total	**5,019**	**9,740**	**7,658**
To Railways & Ports			
Railway freight	**4,299**	4,782	3,711
Plot rent to Railways/Ports	**5**	7	1
Port Charges	**53**	53	24
Total	**4,357**	**4,842**	**3,737**
To State Government			
Local Sales Taxes/ VAT	**560**	2,566	2,296
Other Taxes/cess	**12**	105	37
Professional Tax	**2**	1	1
Total	**574**	2,672	2,334
Grand Total	**9,950**	17,254	13,728

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MMTC LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branches at Ahmedabad, Bhubaneshwar, Mumbai, Goa, Bangalore, Hyderabad, Chennai, Vizag, Kolkata (including MICA division, Abhraknagar), Jaipur and Delhi Regional Office, Corporate Office, MICA division audited by us.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at

March 31, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

(a)We draw attention to Note 9(i) & 21 to the standalone financial statements in-respect of unsecured short term loan facility of INR 8669.90 million (P.Y. 6490.00 million) extended to Neelachal Ispat Nigam Limited (NINL) an associate company. In view of continuous losses for the last three years and in accordance with the analyst's report, NINL requires robust infusion of fund / capital / raising of fresh term loan.

(b)We draw attention to Note 7.5 to the standalone financial statements in-respect of an amount of INR 3732.90 million which is due for recovery from Govt. of India on account of subsidy against import of edible oil imported into India for the State Governments from August 2012 onwards.

(c)We draw attention to Note 41 to the standalone financial statements in-respect of Balances under Sundry Debtors / Claims Recoverable / Loans & Advances / Sundry Creditors / Other Liabilities which, in many cases have not been confirmed and consequent reconciliation / adjustments if any, required upon such confirmation are not ascertainable.

(d)The RMS software is not reflecting correct inventory of Sanchi items due to the problems in the software.

(e)We draw attention to Note 22 to the standalone financial statements in-respect of non-provision of liability, if any, in case of non-extension of time / waiver / write off of GR-1 forms.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements / information of ten branches included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of INR 30922.02 million as at March 31, 2015 and total revenues of INR 105580.13 million for the year ended on that date, as considered in the standalone financial statements. The financial statements / 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the corporate office & branch auditors of the company, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

(c) The reports on the accounts of the branch offices of the Company audited under Section 143 (8) of the Act by 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 and the cash flow statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.

(e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) On the basis of the written representations received from the directors as on March 31,

2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 19 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by C&AG of India through sub-directions dated March 23, 2015 issued under Section 143(5) of the Act, we give our report in the attached "Annexure B".

For **JAIN KAPILA ASSOCIATES**
Chartered Accountants
(Firm Registration No. 000287N)

Place:New Delhi
Date:May 21, 2015

D.K. Kapila
Partner
M. No. 016905

ANNEXURE – A

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. In respect of its fixed assets:

a. The MMTC Ltd. has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals.

ii. In respect of its inventories:

(a) As explained to us, the inventories were physically verified during the year by the Management.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management needs to be strengthened in relation to the size of the MMTC Limited and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and material discrepancies were noticed on physical verification.

iii. Company has granted unsecured loan to company covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv. In our opinion according to the information/ explanations given to us, receipt of the principal amount and interest are not irregular.

v. In our opinion according to the information/ explanations given to us, the overdue amount is more than INR 0.1 million. Company has taken the reasonable steps to recover the amount.

vi. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. As regards the purchases and sale of goods, inventories and stocks that are dealt with by the company including domestic bullion transactions it needs further strengthening in such a manner so as to avoid delay in updation in ERP system vis-a-vis actual date of transaction and similarly, manual generation of invoices could be avoided.

Further, the internal control mechanism needs to be strengthened, besides the areas mention hereinbefore, in the following areas:

a. Periodic quantitate reconciliation of goods traded by the company (particularly bullion/retail trade) between the ERP and other standalone inventory system (RMS).

b. Risk assessment and Risk Management requires to be constantly reviewed/ strengthened/revamped in the light of changing needs of the business whenever considered necessary as it was noticed that due to certain acts of omissions and commissions, company had to make heavy provisions against debtors/recoverable/ losses.

c. Periodic reconciliation in-respect of sales and purchase, input / output VAT as per financial records vis-à-vis sales, purchases. Input/ output VAT as per VAT returns.

vii. According to the information and explanations given to us, Company has not accepted the deposits under directives issued

by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the companies act.

viii. The Government of India has not prescribed the maintenance of cost records under Sub section (1) of Section 148 of the Companies Act 2013.

ix. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March, 2015 for a period of more than six months from the date they became payable.

(c) In case of dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Custom or duty of Excise or Value added Tax or Cess have not been deposited on account of any dispute, then the amounts involved and a forum where is pending shall be mentioned:

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

CHENNAI REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
TNGST ACT	Sales Tax, Penalty & Interest	8,63,114	1998-99	Madras High Court
TNGST ACT	Sales Tax, Penalty & Interest	4,43,416	2000-01	Sales Tax Appeals Tribunal
TNGST ACT	Sales Tax, Penalty & Interest	11,52,785	1999-2000	Madras High Court
TNGST ACT	Sales Tax, Penalty & Interest	1,78,566	2001-02	Asst. Commissioner (Comm. Tax),Chennai
TN VAT Act	VAT & Penalty	3,55,08,765	2008-09	Joint Commissioner of Comercial Taxes Appeals

MUMBAI REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
BST ACT	Sales Tax	3,08,644	1986-87	Joint Comm. of Sales Tax
BST ACT	Sales Tax	14,96,06,778	1989-90	Joint Comm. of Sales Tax
BST ACT	Sales Tax	23,30,46,478	1990-91	Joint Comm. of Sales Tax
BST ACT	Sales Tax	28,98,738	1991-92	Joint Comm. of Sales Tax
BST ACT	Sales Tax	45,03,961	2001-02	Joint Comm. of Sales Tax
BST ACT	Sales Tax	1,42,13,373	2008-09	Joint Comm. of Sales Tax
BST ACT	Sales Tax	51,81,978	2008-09	Joint Comm. of Sales Tax

HYDERABAD REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
APGST	Sales Tax	1,49,770	1989-90	STAT
APGST	Sales Tax	29,61,551	1990-91	STAT, Vizag
APGST	Sales Tax	24,02,576	1991-92	STAT, Vizag
APGST	Sales Tax	13,96,269	1992-93	STAT, Vizag
APGST	Sales Tax	17,62,687	1992-93	STAT, Vizag
APGST	Sales Tax	6,30,615	1993-94	STAT, Vizag
CST	Central Sales Tax	4,41,446	1993-94	ADC(CT)
CST	Central Sales Tax	2,04,481	1994-95	AC(LTU)
CST	Central Sales Tax	5,97,266	1995-96	ADC(CT)
APGST	Sales Tax	38,03,875	1995-96	STAT, Vizag
APGST	Sales Tax	28,80,309	1995-96	STAT, Vizag
CST	Central Sales Tax	21,34,306	1996-97	STAT, Vizag
APGST	Sales Tax	58,43,100	1997-98	STAT, Vizag
CST	Central Sale Tax	6,35,504	1997-98	ADC(CT)
APGST	Sales Tax	55,65,147	1998-99	STAT, Vizag
APGST	Sales Tax	39,04,454	1999-2000	STAT, Vizag
APGST	Sales Tax	2,52,926	2000-2001	STAT, Vizag
APGST	Sales Tax	2,12,176	2001-02	AC (LTU)
APGST	Sales Tax	68,901	2002-03	AC (LTU)
APGST	Sales Tax	34,856	2003-04	AC (LTU)
APGST	Sales Tax	1,26,000	2004-05	AC (LTU)
VAT	VAT	6,76,058	2006-07	STAT
VAT	VAT	71,000	2007-08	AC(LTU)
VAT	VAT	5,00,000	2008-09	STAT, Vizag
VAT	VAT	11,90,100	2008-09	STAT, Vizag
Central Excise & Customs	Custom Duty	24,10,79,065	2008-09	Comm. of Customs & Excise

BHUBANESHWAR REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
Orissa Sales Tax	Interest Penalty	26,50,388	1978-79	High Court of Orissa
Orissa Sales Tax	Odisha Sales Tax	34,00,919	1978-79	— do —-
Orissa Sales Tax	Odisha Sales Tax	1,70,046	1978-79	— do —-
Orissa Sales Tax	Interest Penalty	6,53,452	1979-80	— do —-
Orissa Sales Tax	Central Sales Tax	34,83,020	1982-83	— do —-
Orissa Sales Tax	Interest	3,57,42,030	1978-79	— do —-
Orissa Sales Tax	DEPB	14,98,22,308	2006-09	Addl. Commissioner of Sales Tax, Odisha
Orissa Sales Tax	DEPB	5,08,43,080	2010-12	Addl. Commissioner of Sales Tax, Odisha
OVAT	2009-10 & 2010-11	14,28,18,841	2013-14	Addl. Commissioner of Sales Tax, Odisha
CST(ODISHA)	2009-10 & 2010-11	58,07,05,822	2013-14	Addl. Commissioner of Sales Tax, Odisha
ET(ODISHA)	2009-10 & 2010-11	52,63,10,091	2013-14	Addl. Commissioner of Sales Tax, Odisha
Central Excise Act	Service Tax	4,17,04,374	2003-05	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	15,55,24,520	2003-07	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	3,55,84,190	2007-08	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	7,60,64,279	2008-10	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	3,75,81,878	2010-11	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	3,59,43,529	2011-12	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	28,49,57,172	2009-12	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	65,20,157	2009-11	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	31,27,912	2012-13	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	3,44,69,468	2012-13	Comm., Customs excise & service tax. Bhubaneswar

JAIPUR REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
R.S.T ACT	Sales Tax	1,49,46,540/-	2003-04	Rajasthan Kar Board, Ajmer Rs. 35,49,446/- has been deposited under protest. Sales Tax Dept has appealed against the order of DC(Appeals) in Kar Board
R.S.T ACT	Sales Tax	26,07,605/-	1999-00	Rajasthan Kar Board, Ajmer Pending with Kar Board against demand on account of 4767 MT DAP u/s 84 of RST Act
RAJ VAT ACT	VAT	3,26,47,269/-	2010-11	Against the Appeal of Sales Tax Deptt., Rajasthan Kar Board decided in favour of MMTC Limited.
CST ACT	CST	59,92,494/-	2010-11	Against the Appeal of Sales Tax Deptt., Rajasthan Kar Board decided in favour of MMTC Limited.
R.S.T ACT	VAT	18,01,941/-	2010-11	Required documents have been submitted in Sales Tax Dept. Rectification pending with A.O.
ST	Turnover Tax	5,32,992/-	2003-04	High CourtSales Tax Dept has filed an appeal in High Court against Kar Board order.

Total amount deposited under protest- Rs 35,49,446.00

VIZAG REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
A.P.G.S.T ACT	Sales Tax	18,56,325	1968-69	STAT, HYD.
A.P.G.S.T ACT	Sales Tax	26,39,647	1981-82	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	6,88,552	1982-83	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	17,66,784	1983-84	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	30,00,436	1984-85	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	25,05,806	1985-86	STAT,Vizag
A.P.G.S.T ACT	Sales Tax	2,70,83,841	1986-87	STAT, Vizag
A.P.G.S.T ACT	Sales Tax	36,45,076	1987-88	ADC
A.P.G.S.T ACT	Sales Tax	19,34,139	1991-92	AC LTU
A.P.G.S.T ACT	Sales Tax	4,79,000	1989-90	STAT
CST	Sales Tax	8,41,695	1994-95	AC LTU
CST	Sales Tax	48,62,340	1995-96	STAT, Hyderabad
CST	Sales Tax	33,58,889	1996-97	STAT, Hyderabad
A.P.G.S.T ACT	Sales Tax	25,27,960	1997-98	STAT, Hyderabad
CST	Sales Tax	104,614	2007-08	ADC
Central Excise & Customs	Service Tax	12,65,26,554	2003 -06	STAT, Bangalore

KOLKATA REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
CST ACT 1956	Central Sales Tax	11,30,858	2005-06	Appellate Board
CST ACT 1956	Central Sales Tax	77,60,971	2006-07	D.C. Appeal

CORPORATE OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	AY	Forum of Dispute
Income Tax Act	Income Tax	5,61,821	1993-94	AO
Income Tax Act	Income Tax	54,81,338	1996-97	CIT(A)/ITAT
Income Tax Act	Income Tax	1,02,93,042	1993-94	AO
Income Tax Act	Income Tax	2,60,66,476	1999-00	ITAT
Income Tax Act	Income Tax	1,84,63,021	2000-01	ITAT
Income Tax Act	Income Tax	1,17,65,008	2001-02	CIT(A)/ITAT/HIGH Court
Income Tax Act	Income Tax	73,04,915	2002-03	ITAT
Income Tax Act	Income Tax	11,16,907	2003-04	AO
Income Tax Act	Income Tax	4,19,85,746	2004-05	ITAT
Income Tax Act	Income Tax	6,94,85,393	2005-06	AO
Income Tax Act	Income Tax	73,50,191	2007-08	CIT(A)/ITAT
Income Tax Act	Income Tax	2,79,66,209	2008-09	AO
Income Tax Act	Income Tax	10,64,92,947	2009-10	CIT(A)
Income Tax Act	Income Tax	3,93,72,128	2010-11	CIT(A)
Income Tax Act	Income Tax	10,17,50,890	2011-12	CIT(A)

Amount Deposited in respect of the Income Tax cases = 37,37,05,142/-

DELHI REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Delhi VAT	CST/LST/Interest/Penalty (Gold– Commemorative Medallions)	3745290	2002-03	Commissioner, DVAT
Delhi VAT	LST	1165303	1984-85	D.C. Appeal
Delhi VAT	LST/CST	65732207	1986-87	Additional Commissioner
Delhi VAT	LST/CST	43186549	1987-88	Additional Commissioner
Delhi VAT	LST/CST	40296672	1988-89	Additional Commissioner
Delhi VAT	LST	6187340	1989-90	Additional Commissioner

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Delhi VAT	LST	2223198	1990-91	Additional Commissioner
UP-VAT	LST/CST	617588	1990-91	Moradabad, Allahabad High Court
UP-VAT	LST	470578	1991-92	Moradabad, Allahabad High Court
UP-VAT	LST	264037	1992-93	Moradabad, Allahabad High Court
UP-VAT	LST	195000	1994-95	Sales Tax Authorities, Moradabad
UP-VAT	LST	185100	1993-94	Moradabad, Allahabad High Court
UP-VAT	LST	1635160	1987-88	Kanpur, Joint Commissioner
UP-VAT	VAT	921383	1993-94	Commissioner, UP-VAT
UP-VAT	VAT	1223616	1996-97	Commissioner, UP-VAT
UP-VAT	VAT+Interest for Non-submission of Form-3B (Gold) & Non-submission of Form 3C1 (Mentha Oil)	249828	2007-08	Commissioner, UP-VAT
Haryana VAT	LST	424587	1992-93	Faridabad, Punjab & Haryana High Court Chandigarh
MP-VAT	LST	150004	1999-00	Sales Tax Authority, Indore
MP-VAT	LST	4730692	1998-99	Assessing Authority, Indore
Custom & Central Excise	Customs Duty & Interest on non-export of Gold Jewellery against Gold Loan by Associates	27267919	1999-2000	Pending before Hon'ble Delhi High Court as per directions of Hon'ble Supreme Court of India
Custom & Central Excise	Custom Duty	20000000	2006-07	Dy. Commissioner of Customs,
Custom & Central Excise	Custom Duty	15050000	2007-08	Dy. Commissioner of Customs,
Custom & Central Excise	Custom Duty	6180000	2008-09	Dy. Commissioner of Customs,
Custom & Central Excise	Custom Duty	6180000	2009-10	Dy. Commissioner of Customs,
Custom & Central Excise	Excise Duty/Interest/ Penalty	1820878	2010-11	Comissioner of Central Excise,
Custom & Central Excise	Excise Duty/Interest/ Penalty	191353780	2011-12	Comissioner of Central Excise,

An amount of INR 84.83 Lacs has been deposited.

(d) As per information / explanations given to us no amount required to be transfer to Investor Education & Protection Fund accordance with the relevant provisions of the Companies act 1956.

x. The Financial Statements of the Company as at March 31, 2015 do not show any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year and company has not incurred any cash losses during the financial year and immediately preceding financial year.

xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

xii. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions which is prejudicial to the interest of the company.

xiii. In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the year.

xiv. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us there are no fraud on/or by the company has been noticed or reported during the year.

For **JAIN KAPILA ASSOCIATES**
Chartered Accountants
(Firm Registration No. 000287N)

Place:New Delhi
Date:May 21, 2015

D.K. Kapila
Partner
M. No. 016905

ANNEXURE – B

REPORT ON THE DIRECTIONS ISSUED BY C&AG UNDER SECTION 143(5) OF THE COMPANIES ACT 2013 FOR THE FINANCIAL YEAR 2014-15

(As referred to at para of Independent Auditor's Report of Standalone Financial Statements of MMTC Ltd.)

S. No.	Particulars	Response
1	If the company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including in tangible assets and land) and liabilities (including committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	According to information and explanation given to us by management the company has not received any communication from the department of disinvestment regarding selection of MMTC for disinvestment process during this year.
2	Place report whether there are any cases of waiver/write off debts/loans/interest etc., if yes, the reasons there for and the amount involved.	Total write off / claims etc. INR 299.96 million debited to Statement of Profit & Loss (Refer to note 15 B). Further Branch Auditor of RO Chennai have reported charging of INR 5.14 million to revenue consequent upon reconciliation of final account with company's subsidiary M/s MTPL.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Government or other authorities.	As per the information and explanation given to us the company has maintained proper records for inventories lying with third parties. During the year there are no assets received as gifts from Government or other authorities
4	A report on age wise analysis of pending legal/ arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) mat be given.	As informed to us the details of pending legal / arbitration cases is attached (Annexure- B1). In respect of Branches other than Delhi Regional Office and Corporate Office is based on the report of respective Branch Auditors. As informed to us, the company has legal department which closing monitoring the legal expenses as well as pending cases.

ANNEXURE – B1

1) Branches Audited by us

List of pending detail Legal / Arbitration cases as at 31.3.2015

S. No.	Branches	Pendency	Filed by MMTC		Filed against MMTC	
			Number	Amount Involved (in million)	Number	Amount Involved (in million)
1.	Corporate Office	Upto 3 years	6	36.13	3	(Counter claim of Rs. 45.70
		3 to 5 years	9	1300.30 (Counter Claim Rs. 506.10)	5	10180.90 (Counter Claim Rs. 190.40)
		More than 5 years	48	4735.40 (Counter Claim Rs. 524.30)	34	193.70 (Counter Claim Rs. 25.00)
2.	Delhi Regional Office	Upto 3 years	8	48.80	1	15.56
		3 to 5 years	2	30.76	1	-
		More than 5 years	83	400.45	1	44.34
3	MICA Division	More than 5 years	-	-	4	-

2) Branches not Audited by us, the information is complied based upon the individual reports received from the Branch Auditors

List of pending detail Legal / Arbitration cases as at 31.3.2015

S. No.	Branches	Pendency	Filed by MMTC		Filed against MMTC	
			Number	Amount Involved (in million)	Number	Amount Involved (in million)
1	Chennai		27	2197.44	9	8.78
2	Ahmedabad	Upto 3 years	1	-	-	-
		3 to 5 years	-	-	-	-
		More than 5 years	8	449.37	9	1709.62
3	Vizag	1-2 years	1	2.10	-	-
		2-3 years	2	249.50	2	-
		More than 3 years	3	28.93	12	1149.37
4	Mumbai	0-1 years	1	6.98	2	-
		1-5 years	7	5.00	2	-
			1	$0.54		-
		5-10 years	2	0.00	4	3.72
		More than 10 years	33	129.06	13	150.18
			2	$0.22	-	-
		Arbitration Cases	7	150.89	-	-
5	Hyderabad	Upto 3 years	21	4473.00	4	0.72
		3 to 5 years	1	7.32	-	-
		More than 5 years	1	14.37	1	0.15

Note: The information in respect of **Jaipur, Kolkata, Bhubaneswar, Banglore & Goa** branches has not been received by us in the Audit Reports of the respective branch auditors.

MANAGEMENT'S REPLY TO AUDITORS OBSERVATIONS IN THE AUDIT REPORT ON STANDALONE FINANCIAL STATEMENTS FOR 2014-15

	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
1 a.	**Emphasis of Matter** We draw attention to Note 9(i) & 21 to the standalone financial statements in-respect of unsecured short term loan facility of INR 8669.90 million (P.Y. 6490.00 million) extended to Neelachal Ispat Nigam Limited (NINL) an associate company. In view of continuous losses for the last three years and in accordance with the analyst's report, NINL requires robust infusion of fund / capital / raising of fresh term loan.	1. Stage-I Environment Clearance from MOEF, New Delhi is awaited and Operationalization of Iron Ore Mines of NINL is expected to commence from 2nd Quarter of 2016. By operationalization of Iron Ore Mines, NINL will save substantial amount towards purchase of essential raw materials i.e. Iron Ore and hence cost of production shall get reduced. 2. By reduced raw material cost and improved net sales realization through value added products like Steel Billets, TMT Re-Bars etc. through *stabilization of steel melting shop, profitability of* NINL is expected to increase. 3. MMTC and NINL are also trying for finalization of re-financing of existing Term Loans of NINL with the help of SBI as a lead banker, SBI CAPs as a Financial Advisor and MECON as a Technical Economic Viability (TEV) Consultant in compliance with 5/25 Re-Financing Scheme of RBI as per RBI Circular dated 15.12.2014. By taking multi-pronged initiatives as elaborated above, we are hopeful that NINL will become profitable.
b.	We draw attention to Note 7.5 to the standalone financial statements inrespect of an amount of INR 3732.90 million which is due for recovery from Govt. of India on account of subsidy against import of edible oil imported into India for the State Governments from August 2012 onwards.	An amount of Rs.373.29 crore is due from Govt. of India towards subsidies out of which Rs.177 crore is payable to APSCSCL. Our claim is valid and has never been repudiated by Government. Due to lack of budgetary provision this amount is not being settled by Department of Food. Matter was taken up at level of Secretary, Department of Commerce with Secretary, Food and Public Distribution. A request has also been made to Hon'ble Minister to seek intervention of Hon'ble Finance Minister.
c.	We draw attention to Note 41 to the Standalone Financial Statements in respect of Balances under Sundry Debtors / Claims Recoverable / Loans & Advances / Sundry Creditors / Other Liabilities which, in many cases have not been	Letters are issued to parties seeking confirmation of balances outstanding in the books of MMTC to confirm the balances. In the letter it is also mentioned that in case no communication is received before stipulated date, the balance indicated shall be treated as confirmed. However,

	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
	confirmed and consequent reconciliation / adjustments, if any, required upon such confirmation are not ascertainable.	the parties generally do not send specific confirmation. Regional Offices have not reported receipt of adverse communication.
d.	The RMS software is not reflecting correct inventory of Sanchi items due to the problems in the software.	In view of the various problems pointed out by the Auditors in RMS, a decision was taken to stop all retail sales on All India basis and carry out physical verification of Sanchi silverware, gold & silver medallions etc. as per the available physical inventory. Accordingly, all retail sales were closed wef 20th Feb, 2015. Systems Division was also directed to carry out Third Party RMS Audit. The System Auditors pointed out eight problems which were duly rectified and compliance check done by System Auditors. RMS was restarted and the duly physically verified inventory was uploaded in the system. The uploading of the inventory of DRO Main Store is in progress due to large inventory.
e.	We draw attention to Note 22 to the Standalone Financial Statements in respect of Non-provision of liability, if any, in case of non-extension of time / waiver/ write off of GR-1 forms.	This relates to GRs pending since 1991-92. Liability, if any will be provided as and when any demand is raised and settled by the company. At present the liability, if any, on this account is unascertainable.
	Annexure to Independent Auditor's Report	
	Para vi of Annexure to main Audit Report: As regards the purchases and sales of goods, inventories and stocks that are dealt with by the Company including domestic bullion transactions it needs further strengthening in such a manner so as to avoid delay in updation in ERP system viz-a-viz actual date of transaction and similarly, manual generation of invoices could be avoided. Further, the internal control mechanism needs to be strengthened, besides the areas mentioned hereinbefore, in the following areas:-	Measures have been taken to ensure that no manual invoice / challan are allowed in the bullion transactions. Even MPIPL bullion transactions are being done through ERP (logistic module). However, if there is technical failure in the ERP line or any force majure condition which is beyond control, Regional Head and RO Finance Head along with concurrence of R.O. Systems Incharge may seek specific approval of Director (PMD) and Director (Finance).
a)	Periodic quantity reconciliation of goods traded by the Company (particularly bullion / retail trade) between the ERP and other standalone inventory system (RMS).	Delhi Regional Office is maintaining stock records manually. Stocks are reconciled monthly.

	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
b)	Risk assessment and risk management requires to be constantly reviewed /strengthened / revamped in the light of changing needs of the business whenever considered necessary as it was noticed that due to certain acts of omissions and commissions, company had to make heavy provisions against debtors /recoverable / losses.	In the light of changing business scenario and needs, MMTC has already introduced and implemented Risk Management Policy in the Financial Year 2014-15. Risk Management within the company has been further strengthened by way of setting up Committees at the level of both Board, and below Board level (at Corporate Office and all Regional Offices). The Internal Audit Division role and function has been expanded by introducing concurrent and special audits by professional chartered accountant firms. All business processes are accomplished within the parameters defined in the various Company manuals on Internal Audit, Business and Accounting. These manuals can be accessed through our Company website. While transacting any business proposal, the concerned business division, is required to give an undertaking to Functional Committee of Directors (FMCOD) that 'all risks have been divulged and nothing is concealed'.
c)	Periodic reconciliation in respect of sales and purchases, input /output VAT as per financial records vis-à-vis sales, purchases, input / output VAT as per VAT returns.	During the year, instructions have been reiterated to reconcile the financial records with VAT and CST returns and Internal Auditors have been advised to check the same from time to time to ensure compliance. During the financial year 2014-15, except from one branch auditor, no such comments given by all other auditors.

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

52nd Annual Report 2014-2015

Financial Statements

For the financial year ended 31st March, 2015

Balance Sheet as at 31-03-2015

(₹ in Million)

	Note No.	As at 31-03-2015		As at 31-03-2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS	3				
Share Capital	3.1	**1,000.00**		1,000.00	
Reserves & Surplus	3.2	**12,591.95**	**13,591.95**	12,418.70	13,418.70
NON-CURRENT LIABILITIES	4				
Other Long term liabilities	4.1	**264.64**		99.47	
Long-term provisions	4.2	**1,771.23**	**2,035.87**	1,824.95	1,924.42
CURRENT LIABILITIES	5				
Short-term borrowings	5.1	**2,866.49**		4,129.45	
Trade payables	5.2	**31,643.82**		14,574.82	
Other current liabilities	5.3	**8,376.02**		11,732.62	
Short-term provisions	5.4	**994.84**	**43,881.17**	1,190.10	31,626.99
Total :			**59,508.99**		**46,970.11**
ASSETS					
NON-CURRENT ASSETS	6				
Fixed Assets	6.1				
Tangible assets	6.1.1	**576.76**		750.49	
Intangible assets	6.1.2	**1.47**		1.81	
Capital Work-in-progress	6.1.3	**0.05**		65.43	
Non-current investments	6.2	**4,456.57**		4,456.57	
Deferred tax assets (net)	6.3	**2,278.97**		2,261.56	
Long-term loans and advances	6.4	**940.61**		768.12	
Other non-current assets	6.5	**8.32**	**8,262.75**	**14.60**	**8,318.58**
CURRENT ASSETS	7				
Current investments	7.1	**-**		560.00	
Inventories	7.2	**3,194.04**		3,083.62	
Trade receivables	7.3	**30,350.75**		17,341.17	
Cash and Bank Balances	7.4	**1,637.74**		4,726.70	
Short-term loans and advances	7.5	**12,878.89**		6,871.23	
Other current assets	7.6	**3,184.82**	**51,246.24**	6,068.81	38,651.53
Total:			**59,508.99**		**46,970.11**
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
Assistant Company Secretary

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

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

(Rajeev Jaideva)
Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

Statement of Profit and Loss for the year ended 31-03-2015

(₹ in Million)

	Note No.	Year Ended 31-03-2015		Year Ended 31-03-2014	
INCOME					
Revenue from operations	8	**182,842.82**		252,695.09	
Other Income	9	**1,249.91**	**184,092.73**	2,223.39	254,918.48
Total Revenue			**184,092.73**		**254,918.48**
EXPENSES					
Cost of materials consumed	10	**1,222.05**		1,613.10	
Purchases of Stock-in-Trade	11	**169,760.55**		221,713.84	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	12	**(284.22)**		5,727.38	
Employee benefits expense	13	**1,918.27**		1,894.97	
Finance costs	14	**170.21**		669.92	
Depreciation and amortization expense		**178.17**		124.22	
Other expenses	15	**10,759.57**	**183,724.60**	20,695.49	252,438.91
Total expenses			**183,724.60**		**252,438.91**
Profit before exceptional and extraordinary items and tax			**368.13**		**2,479.57**
Exceptional Items	16		**(230.55)**		230.56
Profit before extraordinary items and tax			**598.68**		**2,249.01**
Extraordinary Items	17		**-**		2,104.42
Profit before tax			**598.68**		**144.58**
Tax expense:					
- Current tax					
Provision for Taxation		**154.00**		752.24	
Earlier years		**(17.01)**		13.24	
- Deferred tax		**(17.41)**	**119.58**	(807.32)	(41.84)
Profit for the period			**479.10**		**186.42**
Earnings per equity share of nominal value of Re.1/- each		**Before extraordinary (net of tax)**	**After extraordinary (net of tax)**	**Before extraordinary (net of tax)**	**After extraordinary (net of tax)**
Basic (in ₹)		**0.48**	**0.48**	**1.58**	**0.19**
Diluted (in ₹)		**0.48**	**0.48**	**1.58**	**0.19**
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
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DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

Cash Flow Statement for the year ended 31-03-2015

(₹ in Million)

	For the year ended 31-03-2015		For the year ended 31-03-2014	
A. Cash flows from operating activities		**598.68**		2,249.00
Profit before Tax & Extra ordinary items				
Adjustment for :				
Extra-ordinary items	**-**		(2,104.42)	
Loss on valuation of inventories	**141.14**		76.53	
Depreciation & amortisation expense	**178.17**		124.22	
Net Foreign Exchange (gain)/loss	**38.46**		1,020.54	
(Profit) /Loss on sale of Tangible Assets	**(0.32)**		(0.71)	
Interest income	**(982.06)**		(1,380.72)	
Dividend income	**(71.74)**		(32.64)	
Finance Costs	**170.20**		670.00	
Debts/claims written off	**299.96**		10.74	
Capital WIP written off	**65.79**		-	
Provision for doubtful Debts /Loans & Advances	**12.36**		12.74	
Diminution in value of investment	**-**		241.10	
Provision no longer Required	**(698.30)**		(103.45)	
Liabilities Written Back	**(87.37)**		(572.12)	
Provision for DWA risk	**0.67**	**(933.05)**	1.19	(2,036.99)
		(334.37)		212.01
Changes in assets & liabilities				
Inventories	**(251.55)**		5,728.09	
Trade Receivables	**(12,620.86)**		5,008.47	
Loans & Advances	**(6,538.89)**		4,359.12	
Other current & non current assets	**2,890.27**		(4,329.49)	
Trade payables	**17,115.18**		(12,603.54)	
Other liabilities	**(3,191.41)**		2,646.73	
Provisions	**246.03**	**(2,351.24)**	69.35	878.72
		(2,685.61)		1,090.72
Taxes Paid		**(399.34)**		(524.23)
Net cash flows from operating activities		**(3,084.95)**		566.50
B. Cash flows from Investing Activities				
Purchase of fixed assets	**(9.56)**		(20.71)	
Sale of fixed Assets	**0.40**		0.79	
Purchase of Investments	-		(0.31)	
Interest received	**982.06**		1,380.72	
Dividend Received	**71.74**	**1,044.64**	32.64	1,393.13
Net cash flows from investing activities		**1,044.64**		1,393.13
C. Cash flows from financing activities				
Borrowings	**(1,262.96)**		(10,653.47)	
Finance Costs	**(170.20)**		(670.00)	
Dividend (inclusive of tax) paid	**(175.49)**	**(1,608.65)**	(100.00)	(11,423.47)
Net cash flows from Financing Activities		**(1,608.65)**		(11,423.47)
Net increase/(decrease) in Cash & Cash Equivalents		**(3,648.96)**		(9,463.85)
Opening Balance of Cash & Cash Equivalents		**5,286.70**		14,750.54
Closing Balance of Cash & Cash Equivalents		**1,637.74**		5,286.70

Note:

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

	As at the end of	
	2014-15	**2013-14**
A. Cash and cash equivalents		
(a) Cheques, drafts on hand	**0.99**	0.80
(b) Cash on hand	**0.02**	0.06
(c) Balances with Banks		
- in current account	**44.35**	53.62
-in cash credit account (debit balance)	**1,005.19**	18.55
-term deposit with original maturity up to 3 months	**221.80**	3,201.32
-short term investment with maturity of less than 3 months	**-**	560.00
B. Others other Balances with Bank		
-As Margin money/under lien	**-**	3.00
-in term deposits with original maturity more than 3 months and upto 12 months	**365.26**	1,449.22
-in term deposits with original maturity more than 12 months	**0.13**	0.13
Total	**1,637.74**	5,286.70

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
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Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2015

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

1. General Information:

The company is incorporated and domiciled in India, and a Mini-Ratna public sector undertaking under the administrative control of Ministry of Commerce & Industry, Government of India. The registered office of the Company is situated at Core-1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003, India. The company has 11 regional offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd. (MTPL), Singapore.

The principal activities of the Company are export of Minerals 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. BASIS OF PREPARATION OF FINANCIAL STATEMENT

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

2.2. PURCHASES AND SALES

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

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

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

c. Gold/Silver received under deposit:-

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

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

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

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

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

e. Purchase/Sale is booked in respect of trade done through commodity exchange like National Spot Exchange which is backed by physical delivery of goods.

f. In respect of exports of Iron Ore/Manganese Ore where final sale value is ascertained on the basis of destinational weight and analysis results and such results are awaited, provision towards DWA risk is made @ 1% on the provisional sale value. In case of FOBT supplies where DWA risk on the purchase value is to the account of supplier provision @1% is made on the difference between sale value and purchase value.

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

2.3. REVENUE RECOGNITION

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

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

ii. Decrees pending for execution/contested dues and interest thereon, if any:

iii. Interest on overdue recoverables where realisability is uncertain.

iv. Liquidated damages on suppliers/underwriters, refund of custom duty on account of survey shortage, and refund of income-tax/sales-tax/VAT and interest thereon.

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

c) Claims are recognized in the Profit & Loss Account on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc. when it is not unreasonable to expect ultimate collection. Claims recognized but subsequently becoming doubtful are provided for through Profit & Loss Account.

2.4. PREPAID EXPENSES

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

2.5. FIXED ASSETS

(a) All fixed assets are stated at historical cost less accumulated depreciation and any impairment in value.

(b) The Company's expenditure toward construction/development of assets on land owned by the Government/Semi Government Authorities is capitalized under heading "Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company".

2.6. DEPRECIATION

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. Depreciation on assets acquired/disposed during the year is provided from/up to the date acquisition/disposal. Depreciation includes amortization of Intangible Assets and lease-hold Assets. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:

Name of Assets	Useful life as adopted by the company	Useful life as provided in Schedule II
A. General Assets		
Furniture & Fittings	10	10
Office Equipment	5	5
Vehicles		
Scooter	10	10
Car	8	8
Computers		
Servers and networks	6	6
End user devices	3	3
Lease-hold Land	As per Lease Agreement	
Wagon Rakes Investment Scheme	As per Agreement/Wagon	

Electronic installations excluding fans	10	10
Water Supply, Sewerage and Drainage	5	5
Roads		
Carpeted Roads–RCC	10	10
Carpeted Roads-Other than RCC	5	5
Non Carpeted Roads	3	3
Culverts	30	30
Buildings		
RCC	60	60
Other than RCC	30	30
Residential Flats (Ready Built)		
RCC	60	60
Other than RCC	30	30
Temporary Structure & wooden partition	3	3
Warehouse / Godown	30	30
B. Manufacturing Unit's Assets		
Factory Buildings	30	30
Electronic installations excluding fans	10	10
Water Supply, Sewerage and Drainage	5	5
Plant and Machinery		
Single Shift	15	15
Double Shift	10	10
Triple Shift	7.5	7.5
Plant and Machinery – Continuous (Wind Mill)	22	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5	-
D. Intangible Assets		
Computer Software	5	Over the useful life of the asset (As per AS-26)
E. Certain items of small value like Calculators, Wall Clock, Kitchen Utensils and other consumables whose useful life is very limited are directly charged to revenue in the year of purchase. Similarly, the cost of mobile handsets are also charged to revenue since the same is reimbursed to officials as per their entitlement, against purchase by the officials in their own name which are not returned to the Company.		
F. From the date Schedule II came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per Schedule II. Wherever, the remaining useful life of an asset is NIL, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.		

2.7. INVESTMENTS

a. Long term investments are valued at cost less provision for permanent diminution in value.

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

2.8. FOREIGN CURRENCY TRANSACTIONS

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

ii. Foreign currency monetary items (except overdue recoverable where realisibility is uncertain) are converted using the closing rate as defined in the AS-11 issued by the Institute of Chartered Accountants of India. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Profit and Loss account.

iii. Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate as defined in AS 11 issued by the Institute of Chartered Accountants of India. The difference in exchange is recognized in the Profit & Loss Account.

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

a. In respect of forward exchange contracts against existing underlying transactions, the premium/discount is recognized proportionately over the life of the contract. The loss/gain due to difference in exchange

rate between (i) closing rate or the rate on the date of settlement if the transaction is settled during the year, and (ii) the exchange rate at later of the date of the inception of the forward contract or the last reporting date is recognised in the Profit & Loss Account for the year.

b. In respect of forward contracts relating to firm commitments and highly probable forecast transactions, loss due to exchange difference is recognized in the Profit & Loss Account in the reporting period in which the exchange rate changes. Any profit or loss arising on renewal or cancellation of such contracts is recognized as income or expense for the period.

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

2.9. SEGMENT REPORTING

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

i. Precious Metals

ii. Metals

iii. Minerals

iv. Coal & Hydrocarbon

v. Agro Products

vi. Fertilizer

vii. General Trade/others.

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

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

i. Outside India

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

2.10. EMPLOYEE BENEFITS

i. Provision for gratuity, leave encashment/ availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation as per AS-15(Revised) issued by The Institute of Chartered Accountants of India.

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

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

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

2.11. PHYSICAL VERIFICATION OF STOCKS

i. Physical verification of stocks is undertaken once in a year and balances are arrived at after necessary adjustments till the end of the year. The stocks as physically verified are adopted as closing stocks and shortages/excesses suitably dealt with.

ii. In some of the cases where stocks are lying with Handling Agent/SWC/CWC/Private Parties the stocks have been adopted on the basis of certificate given by the respective agencies.

2.12. VALUATION OF STOCKS

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

a) EXPORTS:

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

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

b) IMPORTS:

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

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

c) DOMESTIC:

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

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

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

iv. STOCK ON LOAN/FABRICATION: Stocks with fabricators are taken as the stocks of the company, till adjustments.

2.13. PRIOR PERIOD ADJUSTMENTS

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

2.14. BORROWING COSTS

(i) Borrowing cost in ordinary course of business are recognized as an expense in the period in which these are incurred.

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

2.15. DEFERRED TAX

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

2.16. IMPAIRMENT OF ASSETS

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

2.17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(I) Provisions

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

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

(b) Others

(i) Provision is recognized when

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

b. a probable outflow of resources is expected to settle the obligation and

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

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

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

(II) Contingent liabilities and contingent assets

i. Contingent liabilities are not recognized but are disclosed in the Notes to the Accounts. Interest, if any on contingent liabilities are generally not disclosed in the Notes to the Accounts being indeterminable.

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

2.18. TREATEMENT OF EXPENDITURE DURING PROJECT IMPLEMENTATION /CONSTRUCTION PERIOD

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

2.19. OPERATING LEASES

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

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2015

3. SHAREHOLDERS' FUND

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

(₹ in Million)

	31-03-2015		31-03-2014	
	Number	Amount	Number	Amount
A. Authorised				
Equity Shares of Par Value Rs.1/- each	**1,000,000,000**	**1,000.00**	1,000,000,000	1,000.00
B. Issued, subscribed and fully paid				
Opening Balance	**1,000,000,000**	**1,000.00**	1,000,000,000	1,000.00
Addition				
Less : Deduction				
Closing Balance	**1,000,000,000**	**1,000.00**	**1,000,000,000**	**1,000.00**

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

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

The Company does not have any holding company.

No shareholder other than the promoters is holding more than 5% shares of the company. The shareholding of the promoters i.e. President of India as on 31-03-2015 is 899,268,762 shares (P.Y. 900,000,000 shares)- 89.93%. (P.Y. 90.00%)

3.2 RESERVES & SURPLUS

(₹ in Million)

	31-03-2015		31-03-2014	
Reserves				
Capital reserve- Opening Balance	**0.69**		0.69	
Add : Transferred from Surplus	**-**		-	
Closing Balance		**0.69**		0.69
General reserve- Opening Balance	**5,965.53**		5,956.13	
Add : Tranferred from Surplus	**100.00**		9.40	
	6,065.53		5,965.53	
Less : Deduction	**-**		-	
Closing Balance		**6,065.53**		5,965.53
Sustainable Development Reserve - Opening Balance	**-**		2.11	
Add : Tranferred from Surplus	**-**		-	
	-		2.11	
Less : Duduction	**-**		2.11	
Closing Balance		**-**		-
Corporate Social Responsibility Reserve-Opening Balance	**0.13**		4.36	
Add : Tranferred from Surplus	**-**		-	
	0.13		4.36	
Less : Duduction	**-**		4.23	
Closing Balance		**0.13**		0.13
Research and Development Reserve -Opening Balance	**3.54**		**-**	
Add: Tranferred from Surplus	**-**		3.54	
	3.54		3.54	
Less: Deduction	**-**		**-**	
Closing Balance		**3.54**		3.54
Total (A)		**6,069.89**		**5,969.89**
Surplus				
Surplus- Opening Balance	**6,448.82**		6,444.49	
Add : Net profit after tax transferred from Statement of Profit & Loss	**479.10**		186.42	
Add: Corporate Social Responsibility Reserve	**-**		4.23	
Add: Sustainable Development Reserve	**-**		2.11	
Add:Opening Ajustment of Depriciation	**(4.97)**		**-**	
Amount available for appropriation	**6,922.95**		6,637.25	
Appropriations :				
Final Dividend	**250.00**		150.00	
Dividend tax	**50.89**		25.49	
General Reserve	**100.00**		9.40	
Research and Development Reserve	**-**		3.54	
Total (B)		**6,522.06**		**6,448.82**
TOTAL (A)+(B)		**12,591.95**		**12,418.70**

(a) Final Dividend @ ₹ 0.25/- (P.Y. ₹ 0.15/-)per Equity Share of ₹ 1/- each amounting to ₹ 250 million (P.Y. ₹ 150 million) during 2014-15 has been proposed.

(b) The company has revised depreciation rates in respect of fixed assets w.e.f. 1st April, 2014 in line with Schedule II of Companies Act 2013 deriving from the useful life specified therein. Accordingly, the company has charged ₹ 4.97 million (P.Y. ₹ Nil million) to reserves in terms of the transitional provisions of Schedule II.

4. NON CURRENT LIABILITIES

4.1 OTHER LONG TERM LIABILITIES

(₹ in Million)

	31-03-2015		31-03-2014	
Trade Payable				
-Other than MSMEs	**119.87**		12.52	
-MSMEs	**-**	**119.87**	-	12.52
Others				
-Sales tax/CST/Custom duty	**68.62**		6.02	
-Others	**76.15**	**144.77**	80.93	86.95
Total		**264.64**		**99.47**

4.2 LONG TERM PROVISIONS

(₹ in Million)

	31-03-2015		31-03-2014	
Provisions for Employee Benefits				
i. Leave encashment		**247.92**		238.93
ii. Post Ret. Medical Benefits (A+B)		**1,226.26**		1,297.34
Open Group (A)	**723.48**			
Closed Group (B)	**502.78**			
iii. Half pay leave		**198.44**		189.51
iv. Service Award		**47.70**		47.68
v. Compassionate Gratuity		**1.86**		1.97
vi. Emp. Family Benefit Scheme		**49.05**		49.52
Total		**1,771.23**		**1,824.95**

5. CURRENT LIABILITIES

5.1 SHORT TERM BORROWINGS

(₹ in Million)

	31-03-2015		31-03-2014	
Loans repayable on demand				
From Banks				
(i) Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	**1,617.27**		1,760.77	
(ii) Unsecured	**1,249.22**	**2,866.49**	2,368.68	4,129.45
Total		**2,866.49**		**4,129.45**

The loans have not been guaranteed by any of the director or others.
The loans have been taken from Banks under Cash Credit/Packing Credit Accounts/Others and are repayable within one year.
The company has not defaulted in repayment of any loan and interest thereon.

5.2 TRADE PAYABLE

(₹ in Million)

	31-03-2015		31-03-2014	
A. Sundry Creditors				
i. Other than MSMEs	**31,643.82**		13,136.09	
ii. MSMEs	**-**	**31,643.82**	-	13,136.09
B. Bills payable		**-**		1,438.73
Total		**31,643.82**		**14,574.82**

Sundry Creditors include ₹ Nil million (P.Y. ₹ 173.66 million) being notional value of Nil Kgs. (P.Y. 63 Kgs.) of gold taken on loan from foreign suppliers and issued to the Customers of the Company on loan basis.
Sundry Creditors includes ₹ 540.77 million payable to foreign suppliers in respect of purchase of steam coal due to non receipt of receivables from the customer.
There are no micro, small or medium enterprises to whom the Company owes dues which are outstanding for more than 45 days as at 31st March, 2015.

5.3 OTHER CURRENT LIABILITIES

(₹ in Million)

	31-03-2015		31-03-2014	
a. Interest accrued but not due on borrowings		**4.92**		33.99
b. Interest accrued and due on borrowings		**3.28**		1.47
c. Income received in advance		**-**		0.08
d. Other payables				
-Forward Cover - Amount Payable to Bank	**2,576.90**		5,541.55	
Less: Foreign Currency Receivable	**2,522.61**		5,367.13	
	54.29		174.42	
-Sundry Creditors-Others	**70.05**		80.56	
-Advance received from customers	**270.59**		564.28	
-Unpaid Dividend	**0.31**		0.13	
-Despatch payable	**10.50**		21.45	
-Demurrage payable	**4.41**		65.67	
-Credit balance in sundry debtors	**1,022.61**		1,358.04	
-Security deposit & EMD	**349.63**		426.95	
-Taxes & Employees dues remittance pending	**1,987.66**		2,219.41	
-Salaries & Allowances	**7.84**		8.93	
-Administrative Expenses	**93.77**		139.99	
- Amount payable towards unbilled purchases	**3,150.90**		6,022.58	
-Others (i)	**1,345.26**	**8,367.82**	614.67	11,697.08
Total		**8,376.02**		**11,732.62**

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

5.4 SHORT TERM PROVISIONS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Provisions for Employee Benefits				
i. Bonus/Performance related pay		**51.05**		58.98
ii. Earned Leave		**29.31**		24.04
iii. Post Ret. Medical Benefits (A)+(B)		**78.31**		70.98
Open Group (A)	**12.55**		-	
Closing Group (B)	**65.76**		-	
iv. Half Pay Leave		**28.93**		24.34
v. Gratuity		**2.17**		0.30
vi. Superannuation Benefits		**-**		38.46
vii. Service Award		**8.34**		6.82
viii Compassionate Gratuity		**0.33**		0.40
ix. Employees' Family Benefit Scheme		**9.43**		10.50
B. Others				
i. Taxation	**157.50**		778.57	
ii. Proposed dividend	**250.00**		150.00	
iii. Dividend Distribution Tax	**50.89**		25.49	
iv. Destinational Weight and Analysis Risk	**0.67**		1.20	
v. Corporate Social Responsibility	**6.14**		-	
vi. Provision for Litigation Settlements	**321.77**	**786.97**	-	955.26
Total		**994.84**		**1,190.10**

6 NON CURRENT ASSETS

6.1 FIXED ASSETS

6.1.1 Tangible Assets

(₹ in Million)

	GROSS BLOCK					DEPRECIATION/ IMPAIRMENT						NET CARRYING VALUE	
	1-4-2014	Addition	Other Adjustments	Disposals	31-03-2015	Opening balance as at 01-04-2014	Depreciation for the year*	Impairment (reversal of impairment)	Sub-Total	Deductions/ Adjustment	Balance as at 31-03-2015	31-03-2015	31-03-2014
Land freehold													
-Office building	3.66	-	-	-	3.66	-	-	-	-	-	-	3.66	3.66
-Staff Quarters	1.33	-	-	-	1.33	-	-	-	-	-	-	1.33	1.33
Land leasehold			-		-								
-Office building	39.60	-	-	-	39.60	12.13	0.50	-	12.63	-	12.63	26.97	27.47
-Staff Quarters	2.67	-	-	-	2.67	1.12	0.03	-	1.14	-	1.14	1.53	1.55
Building			-		-								
-Office Building	127.60	-	-	-	127.60	59.21	1.52	-	60.73	-	60.73	66.87	68.39
-Staff Quarters	65.72	0.19	-	-	65.91	53.09	0.51	-	53.60	-	53.60	12.31	12.63
-Water supply, Sewerage & Drainage	9.48	-	-	-	9.48	9.40	0.09	-	9.48	-	9.48	0.00	0.09
-Electrical Installations	18.25	0.20	-	0.03	18.42	16.40	0.34	-	16.75	0.03	16.72	1.70	1.84
-Roads & Culverts	3.58	-	-	-	3.58	3.21	0.14	-	3.35	-	3.35	0.23	0.37
-Audio/Fire/ Airconditioning	12.24	0.45	(0.06)	0.08	12.55	12.00	0.16	-	12.15	0.15	12.00	0.55	0.24
Plant & Equipment	796.24	0.25	-	1.51	794.98	332.08	33.17	-	365.25	1.51	363.74	431.24	464.16
Furniture & Fixtures													
-Partitions	23.41	0.21	1.17	0.04	24.75	22.96	0.01	-	22.97	(1.13)	24.10	0.65	0.46
-Others	50.55	0.94	(2.16)	0.15	49.18	48.01	0.85	-	48.86	2.30	46.56	2.61	2.54
Vehicles	21.58	-	-	0.55	21.03	20.47	0.24	-	20.71	0.55	20.16	0.86	1.10
Office Equipments	57.48	2.12	1.08	1.13	59.55	48.03	5.29	-	53.32	0.01	53.31	6.24	9.45
Others:-													
Railway Wagon Rakes	553.64	-	-	-	553.64	421.69	25.09	106.87	553.64	-	553.64	0.00	131.96
Railway Loop Line at BNHT	26.17	-	-	-	26.17	26.17	-	-	26.17	-	26.17	0.00	0.00
Warehouse	34.11	-	-	-	34.11	19.41	2.14	-	21.54	-	21.54	12.57	14.71
Computer/ Data Processors	178.02	4.65	(0.02)	1.02	181.62	169.48	5.73	-	175.21	1.02	174.19	7.44	8.54
Total	**2,025.34**	**9.01**	**0.00**	**4.51**	**2,029.83**	**1,274.85**	**75.79**	**106.87**	**1,457.50**	**4.43**	**1,453.06**	**576.76**	**750.49**
Last Year	**2,022.79**	**15.64**	**-**	**13.10**	**2,025.34**	**1,158.05**	**115.17**	**10.88**	**1,284.10**	**9.26**	**1,274.85**	**750.49**	

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

(b) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with State Trading Corporation of India Limited (STC).

(c) Residential flats includes 41 shares (P.Y. 41 shares) of Cooperative Group Housing Society of the value of ₹ 0.002 million (PY ₹ 0.002 million). Conveyance of some of the flats of the original value as on 31.03.2015 amounting to ₹ 4.89 million (P.Y. ₹ 4.89 million) is pending to be executed.

(d) Cost of Office Building on lands not owned by the Company is ₹ 6.24 million (P.Y. ₹ 6.24 million) and provision for depreciation is ₹ 3.57 million (P.Y. ₹ 3.45 million)

(e) Cost of Water Supply on Land not owned by the Company is ₹ 0.66 million (P.Y. ₹ 0.66 million).

(f) Cost of residential building, roads & culverts and electrical installations amounting to ₹ 11.63 million (P.Y. ₹ 11.63 million) & accumulated depreciation of ₹ 6.44 million (P.Y. ₹ 6.30 million) constructed on the leasehold land at Paradip which expired on 20.11.2011 Paradip Port Trust has approved its renewal for 15 years. However, final approval of Government is awaited.

(g) The company has carried out the assessment of impairment of assets (Railway Wagon Rakes) & provision towards impairment loss in value of assets amounting to ₹ 106.87 million (P.Y. ₹10.88 million) has been made during the year.

(h) The Company has revised depreciation rates in respect of certain fixed assets w.e.f. 1st April 2014 in line with schedule II of the Companies Act, 2013 deriving from the useful life specified therein. Accordingly, the company has charged ₹ 4.97 million (P.Y. ₹ Nil million) to reserves in terms of the transitional provisions of said Schedule II.

* Depreciation for the year includes ₹ 4.97 million charged to reserves as stated above.

(i) Other adjustment column under gross block against Audio/Fire/Air conditioning, Furniture & Fixture – Partition, Furniture & Fixture – Others, Office Equipment & Computer/Data Processors includes an amount of ₹ (0.06) million, ₹ 1.17 million, ₹ (2.16) million, ₹ 1.08 million and ₹ (0.02) million respectively relating to change in classification of assets. Similarly, the accumulated depreciation against Audio/Fire/Air conditioning, Furniture & Fixture – Partition, Furniture & Fixture – Others, Office Equipment & Computer/Data Processors under Deduction/Adjustment column which includes ₹ 0.06 million, ₹ (1.17) million, ₹ 2.24 million and ₹ (0.89) million respectively against the reclassification of assets as mentioned above.

6.1.2 INTANGIBLE ASSETS

(₹ in Million)

	Gross Block							Amortisation					Net Carrying Value	
	1-4-2014	Addition	Additions through Business Combinations	Other adjustments	Disposals	31-03-2015	Opening balance as at 01-04-2014	Amortisation for the year	Impairment / (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2015	31-03-2015	31-03-2014
Computer software	2.41	0.14	-	-	-	2.55	0.60	0.48	-	1.08	-	1.08	1.47	1.81
Total	**2.41**	**0.14**	**-**	**-**	**-**	**2.55**	**0.60**	**0.48**	**-**	**1.08**	**-**	**1.08**	**1.47**	**1.81**
Last Year	**2.05**	**0.54**	**-**	**0.19**	**-**	**2.41**	**0.41**	**0.38**	**-**	**0.79**	**0.19**	**0.60**	**1.81**	

6.1.3 CAPITAL WORK-IN-PROGRESS

(₹ in Million)

	Assets					Depreciation / Impairment						Net Carrying Value	
	1-4-2014	Addition	Other adjustments	Disposals	31-03-2015	Opening balance as at 01-04-2014	Depreciation for the year	Impairment / (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2015	31-03-2015	31-03-2014
Building													
-Building Under Construction	6.71	-	-	-	6.71	6.71	-	-	6.71	-	6.71	-	-
-Electrical Installations	6.70	-	-	-	6.70	6.70	-	-	6.70	-	6.70	-	-
-Roads & Culverts	0.47	-	-	-	0.47	0.47	-	-	0.47	-	0.47	-	-
Furniture	-	0.05	-	-	0.05	-	-	-	-	-	-	0.05	-
Plant & Equipment	13.80	-	-	-	13.80	13.80	-	-	13.80	-	13.80	-	-
Development of Gomia Coal Block	65.43	0.36	-	65.79	-	-	-	-	-	-	-	-	65.43
Total	**93.12**	**0.41**	**-**	**65.79**	**27.73**	**27.68**	**-**	**-**	**27.68**	**-**	**27.68**	**0.05**	**65.43**
Last Year	**82.63**	**10.58**	**0.09**	**-**	**93.12**	**27.69**	**-**	**-**	**27.69**	**-**	**27.69**	**65.43**	

6.2 NON CURRENT INVESTMENTS

(₹ in Million)

	31-03-2015		31-03-2014	
I. TRADE INVESTMENTS				
A. Investment Property				
Bandra Kurla Complex		**36.31**		36.31
B. Investment in Equity instrument				
a) Subsidiaries				
MMTC Transnational Pte. Ltd. (Fully paid up 1,461,502 Equity shares of S $ 1 each (P.Y. Fully paid up 1,461,502 Equity shares of S $ 1 each))		**31.45**		31.45
b) Associates				
i. Neelachal Ispat Nigam Limited				
Fully paid up 289,342,744 Equity shares of Rs.10/- each (P.Y. Fully paid up 289,342,744 Equity shares of Rs. 10/- each)	**3,796.85**		3,796.85	
ii. Devona Thermal Power & Infrastructure Ltd.				
Fully paid up 13,000 Equity shares of Rs.10/- each (P.Y. Fully paid up 13,000 Equity shares of Rs.10/-each)	**0.13**	**3,796.98**	0.13	3,796.98
c) Joint Ventures				
i. Free Trade Ware- housing Pvt. Ltd.				
Fully paid 2,600 Equity shares of Rs.10/- each (P.Y. Fully paid 2,600 Equity shares of Rs.10/- each)		**0.03**		0.03
ii. MMTC Pamp India Pvt. Ltd.				
Fully paid 17,446,000 Equity shares of Rs.10/- each (P.Y. Fully paid 17,446,000 Equity shares of Rs.10/-each)		**174.46**		174.46
iii. SICAL Iron Ore Terminal Limited				
Fully paid 33,800,000 Equity shares of Rs.10/- each (P.Y. Fully paid 33,800,000 Equity shares of Rs.10/-each)		**338.00**		338.00
iv. MMTC Gitanjali Limited				
Fully paid 2,987,400 Equity shares of Rs.10/- each (P.Y. Fully paid 2,987,400 Equity shares of Rs.10/-each)		**29.87**		29.87
v. Indian Commodity Exchange Limited				
Fully paid 52,000,000 Equity shares of Rs.5/- each (P.Y. Fully paid 52,000,000 Equity shares of Rs.5/-each)	**260.00**		260.00	
Less: Provision for Diminution in value of investment	**241.10**	**18.90**	241.10	18.90
vi TM Mining Company Limited				
Fully paid 57,200 Equity shares of Rs.10/- each (P.Y. Fully paid 39,000 Equity shares of Rs.10/- each)		**0.57**		0.39
d) Others				
i. Indo French Biotech Limited				
Fully paid 4,750,000 Equity shares of Rs.10/- each (P.Y. Fully paid 4,750,000 Equity shares of Rs.10/- each)	**47.50**		47.50	
Less: Provision for Diminution in value of investment	**47.50**	**0.00**	47.50	0.00
ii. United Stock Exchange Limited				
Fully paid 30,000,000 Equity shares of Rs.1/- each (P.Y. Fully paid 30,000,000 Equity shares of Rs.1/- each)		**30.00**		30.00
C. Others				
Advance against Equity pending allotment (TM Mining Company Limited)		**-**		0.18
Total		**4,456.57**		**4,456.57**

(i) All Non Current Investments are carried at cost less provision for permanent diminution in value, if any. The company is not having any quoted investments. Aggregate amount of un-quoted investments is ₹ 4708.86 million (P.Y. ₹ 4708.86 million). Aggregate amount of provision for diminution in value of investments is ₹ 288.60 million (P.Y. ₹ 288.60 million).

(ii) The Company has invested ₹ 338.00 Million (P.Y. ₹ 338.00 Million) towards 26% equity in SICAL Iron ore Terminal Limited (SIOTL), a Joint Venture of MMTC for the construction and operation of iron ore terminal at Ennore Port. The construction of terminal was completed by November 2010, the port could not be commissioned due to restrictions on mining, transportation and export of iron ore. The proposal for modification and conversion of the facility for handling of coal through Kamarajar Port Limited (KPL) (erstwhile known as Ennore Port Limited) has been under consideration of Government. The Ministry of Shipping has decided to re-bid the project with first right of refusal to SIOTL. The compensation amount is to be arrived at according to the provision of concession agreement which will be kept upfront in the bid document with the successful bidder (other than SIOTL) which has to be paid in case SIOTL refuses to match the offer. Accordingly, no permanent diminution in the investment has been considered by the management.

(iii) Against investment of ₹ 260.00 million (P.Y. ₹ 260.00 million) in Indian Commodity Exchange Limited towards 26% equity, a provision of ₹ 241.10 million (P.Y. ₹ 241.10 million) towards permanent diminution in value of investment was made due to erosion in net worth of ICEX by 92.73% during the year 2013-14.

(iv) In regard to investment of ₹ 30.00 million (P.Y. ₹ 30.00 million) in United Stock Exchange (USE), during the current year USE has obtained approval from SEBI, CCI & Shareholders for amalgamating USE with Bombay Stock Exchange (BSE) with 1.4.2014 as appointed date. The Hon'ble High Court of Bombay has since accorded approval to the scheme of amalgamation on 24.04.2015, however, certified copy of the order is yet to be received. The amalgamation will be effective after filing of the certified copy of the order with Registrar of Companies. Consequently, the company will get 77,922 shares of BSE in exchange of 3,00,00,000 shares in USE (i.e. 1 share of BSE for every 385 shares held in USE)

6.3 DEFERRED TAX ASSETS (NET)

(₹ in Million)

Particulars	Deferred Tax Asset/ (Liability) as at 1.4.2014	Credit / (Charge) during 2014-15	Deferred Tax asset / (Liability) as at 31.3.2015
Depreciation	(159.23)	45.83	(113.40)
Prov. For Doubtful debts	2,403.89	(136.30)	2,267.59
DWA Risk	-	0.23	0.23
VRS Expenses	16.90	(5.83)	11.07
Provision for Litigation Settlements	-	111.36	111.36
Provision for CSR	-	2.12	2.12
TOTAL	**2,261.56**	**17.41**	**2,278.97**

6.4 LONG TERM LOANS AND ADVANCES

(₹ in Million)

	31-03-2015		31-03-2014	
A. CAPITAL ADVANCES				
I. Secured, considered good	**-**		-	
II. Unsecured, considered good	**0.50**		-	
III. Doubtful	**-**		-	
Sub-total	**0.50**		-	
Less: Provision for bad and doubtful advances	**-**	**0.50**	-	-
B. SECURITY DEPOSITS				
I. Secured, considered good	**106.31**		49.46	
II. Unsecured, considered good	**19.37**		17.63	
III. Doubtful	**18.76**		47.49	
Sub-total	**144.44**		114.58	
Less: Provision for bad and doubtful advances	**18.76**	**125.68**	47.49	67.09
C. LOANS AND ADVANCES TO RELATED PARTIES				
I. Secured, considered good	**-**		-	
II. Unsecured, considered good (i)	**237.20**		227.65	
Interest accrued & due/not due (i)	**38.65**		38.65	
III. Doubtful	**4.85**		4.85	
Sub-total	**280.70**		271.15	
Less: Provision for bad and doubtful advances	**4.85**	**275.85**	4.85	266.29
D. OTHER LOANS AND ADVANCES				
I. Secured, considered good				
Loans & Advances to PSUs/Other Companies	**88.40**		88.38	
Interest Accrued & Due/ Not Due	**0.03**		-	
Loans to Employees	**171.96**		180.35	
II. Unsecured, considered good				
Loans & Advances to PSUs/Other Companies	**0.32**		12.21	
Interest Accrued & Due/ Not Due	**0.00**		1.11	
Loans to Employees	**88.22**		97.63	
Others	**189.65**		55.06	
III. Doubtful (ii)	**2,486.58**		2,362.73	
Sub-total	**3,025.16**		2,797.46	
Less: Provision for bad and doubtful advances	**2,486.58**	**538.58**	2,362.73	434.74
TOTAL		**940.61**		**768.12**

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 ₹ 0.05 million (P.Y. ₹ 0.19 million).

(i) Includes ₹ 237.09 million (P.Y. ₹ 217.34 million) advanced by the company to Joint Venture Companies M/s Free Trade Warehousing Pvt. Ltd ₹ 33.32 million (P.Y. ₹ 13.57 million), Haldia Free Trade Warehousing Pvt. Ltd. ₹ 180.00 million (P.Y. ₹ 180.00 million) and Integrated Warehousing Kandla Project Development Pvt. Ltd. ₹ 23.77 million (P.Y. ₹ 23.77 million) in the form of Project Development Fund for setting up Free Trade Warehousing Projects in India. Interest accrued thereon is ₹ 38.65 million (₹ 38.65 million).

(ii) Based on the Special Audit report of RO Chennai, debit balance of ₹ 51.00 million (P.Y. ₹ 51.00 million) has remained un-reconciled against which full provision already exist in the accounts.

6.5 OTHER NON-CURRENT ASSETS

(₹ in Million)

	31-03-2015		31-03-2014	
Long Term Trade Receivables				
i. Considered good (Secured against hypothecation of assets/mortgage of title deeds and Bank Guarantees)	**-**		-	
ii. Unsecured Considered good	**10.51**		14.60	
iii. Considered doubtful	**3,751.73**		4,117.93	
Sub-total	**3,762.24**		4,132.53	
Less : Provision for bad and doubtful receivables	**3,753.92**	**8.32**	4,117.93	14.60
TOTAL		**8.32**		**1 4.60**

7 CURRENT ASSETS

7.1 CURRENT INVESTMENTS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Investment in Mutual Funds (Quoted)				
i. SBI Premier Liquid Fund-Direct Plan-Daily Dividend.				
Nil (P.Y. 558185.8958 units of ₹ 1003.25/- each)	-	-	560.00	560.00
Total		-		**560.00**

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

Aggregate market value of quoted investments as on 31.03.2015 ₹ Nil million (P.Y. ₹ 560.49 million) against cost of ₹ Nil million (P.Y. ₹ 560.00 million).

7.2 INVENTORIES

(₹ in Million)

	31-03-2015		31-03-2014	
A. Raw materials	**233.91**		260.13	
B. Finished goods	**358.50**		626.60	
C. Stock-in-trade (includes goods in transit valued at ₹ 544.19 million (P.Y. ₹ 843.55 million)	**2,601.63**		2,196.64	
D. Packing Materials	**-**	**3,194.04**	0.25	3,083.62
Total		**3,194.04**		**3,083.62**

As taken, valued and certified by the management.

Inventories including goods in transit are valued at lower of the cost or realizable value as on 31st March 2015. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹ 173.80 million (P.Y. ₹ 76.53 million) during the year out of which ₹ 32.66 million is to the account of backup suppliers/handling agents and accordingly, debited to there account.

7.3 TRADE RECEIVABLES

(₹ in Million)

	31-03-2015		31-03-2014	
A. Trade Receivables Outstanding for a period exceeding six months from the date they are due for payment				
i. Secured, Considered good	**529.92**		2,367.48	
ii. Unsecured Considered good	**3,121.85**		657.72	
iii. Doubtful	**205.60**		202.17	
	3,857.37		3,227.37	
Less: Provision for bad and doubtful debts	**205.60**	**3,651.77**	202.17	3,025.20
B. Other Trade Receivables				
i. Secured, Considered good	**3,553.63**		1,044.46	
ii. Unsecured Considered good	**23,145.35**		13,271.51	
iii. Doubtful	**-**		-	
	26,698.98		14,315.97	
Less: Provision for bad and doubtful debts	**-**	**26,698.98**	-	14,315.97
Total		**30,350.75**		**17,341.17**

7.4 CASH AND BANK BALANCES

(₹ in Million)

	31-03-2015		31-03-2014	
a. Cash and cash equivalents				
-Cheques, Drafts on hand		**0.99**		0.80
-Cash on hand		**0.02**		0.06
-Balances with Banks				
(a) in Current Account	**44.35**		53.62	
(b) in Cash Credit Account	**1,005.19**		18.55	
(c) in Term Deposits with original maturity upto 3 months	**221.80**	**1,271.34**	3,201.32	3,273.49
b. Other Balances with Banks				
-As Margin money/under lien	**-**		3.00	
-in term deposits with original maturity more than 3 months and upto 12 months	**365.26**		1,449.22	
-in term deposits with original maturity more than 12 months	**0.13**	**365.39**	0.13	1,452.35
Total		**1,637.74**		**4,726.70**

Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments ₹ 4.78 million (P.Y. ₹ 4.76 million).

Balances with banks includes ₹ 0.31 million (P.Y. ₹ 0.13 million) for unpaid dividend.

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

7.5 SHORT TERM LOANS AND ADVANCES

(₹ in Million)

	31-03-2015		31-03-2014	
A Others				
i. Bills Receivable	-		-	
Less: Bills Discounted	-		-	
Secured -Considered good		-		-
ii. Advance recoverable in cash or kind				
Secured -Considered good	**79.36**		251.23	
Unsecured -Considered good*	**12,184.30**		5,519.86	
Doubtful	**50.03**		211.28	
	12,313.70		5,982.36	
Less : Provision for Bad and Doubtful loans and advances	**50.03**	**12,263.66**	211.28	5,771.09
iii. Advance to Suppliers				
Secured -Considered good	**0.00**		-	
Unsecured -Considered good	**41.79**		167.97	
Doubtful	**4.77**		98.26	
	46.56		266.23	
Less : Provision for Bad and Doubtful loans and advances	**4.77**	**41.79**	98.26	167.97
iv. Income Tax (including advance income tax, TDS, refund due and VAT)				
Unsecured -Considered good		**573.44**		932.17
Total		**12,878.89**		**6,871.23**

Due by directors and other officers (Chief General Managers and Company Secretary) ₹ 0.10 million (P.Y. ₹ 0.12 million)

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

7.6 OTHER CURRENT ASSETS

(₹ in Million)

	31-03-2015		31-03-2014	
Deferred Premium	**33.92**		46.23	
Gold/Silver stock towards unbilled purchases	**3,150.90**		6,022.58	
	3,184.82		6,068.81	
Less: Provision for doubtful amount, if any	-	**3,184.82**	-	6,068.81
Total		**3,184.82**		**6,068.81**

8 REVENUE FROM OPERATIONS

(₹ in Million)

	2014-15		2013-14	
a. Sale of products		**182,374.40**		250,706.69
b. Sale of services		**46.20**		39.62
c. Other operating revenue				
-Despatch earned	**1.32**		1.31	
-Claims	**231.21**		1,903.97	
-Other Trade Income	**195.25**	**427.78**	44.87	1,950.15
		182,848.38		252,696.46
Less:				
d. Excise Duty	**5.56**	**5.56**	1.37	1.37
Total		**182,842.82**		**252,695.09**

In respect of coal imported for NTPC supply during previous years, sale in some cases had been booked provisionally pending issue of final invoices since final quality analysis at destination was not received. This has no impact on the profitability since the difference, if any, on issuance of final invoice shall be to the account of the supplier.

9 OTHER INCOME

(₹ in Million)

	2014-15		2013-14	
a. Interest				
-Interest on fixed deposits	**311.46**		837.47	
-Interest from customers on amount overdue	**40.15**		29.97	
-others (i)	**646.25**	**997.86**	510.07	1,377.51
b. Dividend				
-from Joint Venture company	**52.34**		-	
-others (Mutual Funds)	**19.40**	**71.74**	32.64	32.64
c. other non operating income (net of expenses directly attributable to such income)				
-Staff Quarters Rent	**5.85**		5.88	
-Misc Receipts (ii)	**87.09**		230.86	
-Liabilities Written Back	**87.37**		572.12	
-foreign exchange gain	**-**	**180.31**	4.38	813.24
Total		**1,249.91**		**2,223.39**

(i) Includes interest of ₹ 543.32 million (P.Y. ₹ 298.98 million) on short term loan facilities extended to Neelachal Ispat Nigam Limited (NINL) an Associate Company from time to time.

(ii) Includes Rental Income of ₹ 24.18 million (P.Y. ₹ 31.24 million) from investment property at Bandra Kurla Complex, Mumbai shown under note 6.2 'Non Current Investment'.

10 COST OF MATERIAL CONSUMED

(₹ in Million)

	2014-15	2013-14
Raw Material	**1,222.05**	1,586.70
Consumables	**-**	26.40
Total	**1,222.05**	**1,613.10**

11 PURCHASES OF STOCK-IN-TRADE

(₹ in Million)

Product Groups	2014-15		2013-14	
a) Purchase				
Precious Metals	**45,761.22**		83,172.77	
Metals	**8,999.58**		14,960.34	
Fertilizers	**79,829.77**		39,647.85	
Minerals	**15,914.18**		22,498.71	
Agro Products	**2,674.07**		23,584.47	
Coal and Hydrocarbons	**15,835.33**		37,890.66	
General Trade	**839.03**	**169,853.18**	-	221,754.80
b) Stock received/issued in kind				
Precious Metals	**(6.65)**		(40.96)	
Non ferrous Metals*	**(85.98)**	**(92.63)**		(40.96)
Total		**169,760.55**		**221,713.84**

* Represents reclassification of stock of copper to claims recoverable.

12 CHANGES IN INVENTORIES

(₹ in Million)

Product Groups	2014-15		2013-14	
A. FINISHED GOODS				
Opening Balance	**886.98**		946.45	
Closing Balance	**649.91**		945.34	
Change in inventory of Finished Goods		**237.07**		1.11
B. STOCK-IN-TRADE				
Opening balance	**2,196.64**		7,941.08	
Closing balance	**2,717.93**		2,214.81	
Change in inventory of Stock-in-Trade		**(521.29)**		5,726.27
Total		**(284.22)**		**5,727.38**

13 EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

	2014-15		2013-14	
Salaries and wages				
Salaries and Allowances	**1,282.59**		1,243.59	
Leave encashment	**141.99**		124.57	
VR expenses	**0.18**		21.84	
Bonus	**0.15**		0.32	
Performance Related pay	**26.80**		0.29	
Medical Expenses	**222.08**		235.41	
Group Insurance	**0.73**		0.46	
Contribution to DLIS	**3.23**	**1,677.75**	1.57	1,628.05
Contribution to provident fund and other funds				
Provident Fund	**97.08**		96.79	
Gratuity Fund	**13.97**		2.68	
Family Pension Scheme	**17.99**		14.39	
Superannuation Benefit	**78.84**	**207.88**	78.18	192.04
Staff Welfare Expenses		**32.64**		74.88
Total		**1,918.27**		**1,894.97**

14. FINANCE COSTS

(₹ in Million)

	2014-15	2013-14
I. Interest expense	**143.75**	264.89
II. Applicable Net gain/loss on foreign currency transactions	**-**	0.05
III. Premium on Forward Contract	**26.46**	404.98
Total	**170.21**	**669.92**

Interest expense include ₹ Nil million (P.Y. ₹ 23.33 million) paid for shortfall in payment of advance income tax.

15 OTHER EXPENSES

(₹ in Million)

	2014-15		2013-14	
A. Operating Expenses				
Freight	**4,991.72**		6,938.79	
Demurrage	**0.16**		0.29	
Clearing, Handling, Discount & Other charges	**1,059.17**		3,781.06	
L/C negotiation and other charges	**10.57**		5.66	
Difference in exchange (i)	**41.20**		1,046.41	
Customs duty	**3,783.78**		8,139.87	
Insurance	**7.63**		30.86	
Godown insurance	**6.92**		11.03	
Plot and Godown rent	**14.18**		8.47	
Packing Material	**8.18**		221.27	
Provision for destinational weight and analysis risk	**0.67**	**9,924.18**	1.19	20,184.92
B. Administrative Expenses				
Consumption of stores and spare parts	**0.30**		-	
Power & Fuel	**1.67**		1.67	
Rent	**26.17**		27.32	
Rates & Taxes	**17.25**		15.39	
Insurance	**1.09**		1.72	
Repairs to buildings	**47.31**		49.45	
Repairs to machinery	**0.78**		1.42	
Electricity & water Charges	**25.78**		23.27	
Advertisement & Publicity	**16.56**		16.50	
Printing & Stationery	**7.14**		6.47	
Postage & telegram	**2.99**		2.41	
Telephone	**15.05**		16.31	
Telecommunication	**6.90**		5.74	
Travelling	**38.04**		43.97	
Vehicle	**18.86**		19.20	
Entertainment	**6.74**		7.06	
Legal	**48.48**		87.79	
Auditor's Remuneration (ii)	**5.83**		6.35	
Bank Charges	**3.97**		5.68	
Books & Periodicals	**0.43**		0.48	
Trade	**5.48**		5.26	
Repair & Renewals	**18.31**		17.76	
Computer	**0.18**		1.15	
Subscription	**3.39**		3.57	
Training, Seminar & Conference	**7.54**		4.09	
Professional/Consultancy	**22.03**		26.22	
CSR Expenditure (iii)	**4.68**		6.34	
Difference in Exchange	**(2.74)**		(21.50)	
Service Tax	**8.54**		6.90	
Prior period items (iv)	**15.99**		15.17	
Exhibition, Fair and Sales Promotion	**6.86**		17.15	
Bad Debts/Claims/Assets written off/withdrawan	**299.96**		10.74	
Expenditure on Gomia Coal Block Charged off	**78.35**		-	
Provision for Bad & Doubtful Debts/Claims/Advances	**12.36**		12.74	
Miscellaneous expenses	**63.11**	**835.39**	66.78	510.57
Total		**10,759.57**		**20,695.49**

(i) Due to adoption of notional exchange rate on the B/L date.

(a) Deferred forward premium of ₹ 33.92 million (P.Y. ₹ 48.84 million) for imports and ₹ Nil million (P.Y. ₹ (2.61) million) for exports is to be recognized in the Profit & Loss Account of the subsequent accounting year.

(ii) Amount paid to auditors'

(₹ in Million)

	2014-15	2013-14
As Auditor	**2.75**	3.04
For Taxation Matters	**1.37**	1.49
For Other Services	**1.66**	1.79
For Reimbursement of Expenses	**0.05**	0.03
Total	**5.83**	**6.35**

(iii) CSR Expenditure:

₹ 4.63 million incurred on two toilet complex at Haiderpur, Delhi and ₹ 0.05 million for Clean Ganga Mission on voluntary basis. The company was not required to spend on CSR activity during the year 2014-15 as provided under Section 135 of Companies Act, 2013, since, the company did not have average net profit during the three immediately preceding financial years. The details are as under:

a. Gross amount required to be spent during the year- ₹ Nil million

b. Amount spent during the year on:

(₹ in Million)

		In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	3.29	1.39	4.68

(iv) Prior Period Items

(₹ in Million)

	2014-15	2013-14
Expenditure		
Cost of sales	**3.43**	60.77
Salaries & wages	**-**	(0.90)
Administrative Expenses	**1.63**	3.03
Interest	**(0.02)**	0.09
Others	**3.06**	29.81
Sub-Total	**8.10**	92.79
Income		
Sales	**0.29**	57.34
Interest	**(15.80)**	3.21
Other Receipts	**7.61**	17.08
Sub-Total	**(7.90)**	77.63
Total (Net)	**15.99**	**15.17**

16 EXCEPTIONAL ITEMS

(₹ in Million)

	2014-15	2013-14
Write-down of inventories to net realisable value and its reversal	**141.14**	76.53
Disposals of items of fixed assets	**(0.32)**	(0.71)
Provision for permanent diminution in investment	**-**	241.10
Loss Due to Pilferage	**3.54**	-
Litigation settlements (i)	**323.39**	17.10
Provisions no longer required (ii)	**(698.30)**	(103.45)
Diminution in value of investment property	**-**	-
Total	**(230.55)**	**230.57**

(i) Includes ₹ 321.77 million (P.Y.₹ Nil million) towards liability in respect of an arbitration award against the company on account of claim filed by a foreign supplier against invocation of Performance Bank Guarantee relating to import of urea. The award was challenged by the company in Hon'ble Delhi High Court which was not admitted. The company has since filed an appeal against the said award. Pending outcome of the appeal, liability towards the claim (₹ 216.58 million) along with interest upto 31.03.2015 (₹ 88.12 million) and other cost etc. (₹ 17.07 million) has been made during the year 2014-15.

(ii) Includes ₹ 221.35 million (P.Y. ₹ Nil million) being provision for bad & doubtful debts withdrawn during the year as a results of recovery of dues from a customer and ₹ 284.53 million (P.Y. ₹ Nil million) being the provision no longer required in respect of debt which has been written off during the financial year and included under bad debt written off in note 15 (B). It also includes ₹ 145.85 million (P.Y. ₹ Nil million) being excess provision withdrawn in respect of 'Post Retirement Medical Benefit Scheme' consequent to change of scheme to 'Defined Contribution Scheme'.

17 EXTRAORDINARY ITEMS

The Company has made provision of ₹ Nil million (P.Y ₹ 2104.42 million) in the books of accounts against ₹ 2097.92 million recoverable as on 31.03.2015 from various borrowers and National Spot Exchange (NSEL) arising on account of default in payment obligation of NSEL. The Company has filed legal suit in Mumbai High Court against NSEL and others. CBI has also registered a case and investigations are in progress.

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

i. VALUE OF IMPORTS

(₹ in Million)

	2014-15	2013-14
CIF value of imports		
Goods-in-Trade	**136,045.70**	160,033.60
Raw Materials	**1,222.05**	1,582.76
Total	**137,267.75**	161,616.36

ii. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Million)

EXPENDITURE	2014-15	2013-14
Interest	**2.60**	21.41
Foreign Offices	**5.49**	7.25
Foreign Tours	**4.12**	5.50
Despatch/ Demurrage	**88.37**	78.78
Load Port Supervision Charges	**11.72**	11.52
Watchman Charges	**0.04**	-
Ocean Freight	**675.43**	945.59
Destinational weight & Analysis Risk	**4.09**	-
Other matters:-	**25.59**	1.77
Total	**817.46**	**1,071.82**

iii. EARNINGS IN FOREIGN CURRENCY

(₹ in Million)

EARNINGS	2014-15	2013-14
FOB value of goods exported	**22,937.86**	3 9,116.58
Despatch/ Demurrage	**32.70**	21.96
Others	**26.29**	68.02
Total	**22,996.85**	**39,206.56**

iv. CONSUMPTION OF RAW MATERIALS, SPARE PARTS AND COMPONENTS

(₹ in Million)

EARNINGS	2014-15		2013-14	
	Raw Materials	Spare Parts & Components	Raw Materials	Spare Parts & Components
IMPORTED				
i. Value	**1,222.05**	**-**	1,582.76	-
ii. As % of total	**100.00**	**-**	99.75	-
INDIGENOUS				
i. Value	**-**	**-**	3.95	-
ii. As % of total	**-**	**-**	0.25	-
TOTAL VALUE	**1,222.05**	**-**	**1,586.70**	-

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

(i) Contingent Liabilities:

a) Guarantees issued by Banks on behalf of the Company ₹ 2039.36 million (P.Y. ₹ 3654.78 million) and Corporate Guarantee amounting to ₹ 404.00 million (P.Y. ₹ 3361.56 million) in favour of customer have been given towards performance of contract against which backup guarantees amounting to ₹ 3764.60 million (P.Y. ₹ 7152.38 million) have been obtained from associate suppliers.

b) Corporate Guarantees of ₹ 14693.70 million (P.Y. ₹ 13793.70 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) an Associate Company for securing principal and interest in respect of loans to NINL. The company has also issued a comfort letter during the year in respect of a loan of ₹ 1800.00 million given to NINL by a bank against which corporate guarantee amounting to ₹ 900.00 million has been given by the company. The company has also issued standing instruction to a bank during the year authorizing the bank to debit company's bank account @ ₹ 25.00 million every month and credit the current account of NINL maintained in the same bank during the tenor of the loan i.e. 4 years from Oct, 2014 availed by NINL.

c) A party has claimed an amount of ₹ 4920.39 million ($ 78.72 million translated @ ₹ 62.5050 being the closing rate of exchange as on 31.03.2015) (PY ₹ 4716.93 million) towards non lifting of part quantity of coking coal in respect of supplies to M/s NINL, relating to delivery period 2008-09. The majority arbitration award was decided against MMTC which has been challenged before Hon'ble High Court of Delhi. The interest and cost of arbitration as per arbitration award amounts to ₹ 2378.41 million as on 31.3.2015.

There is Agreement between MMTC and NINL as per which MMTC to supply raw material to NINL including imported coking coal on their behalf. Accordingly the matter regarding the dispute raised by M/s Anglo Coal towards the supply of coking coal to NINL and subsequent legal recourse taken by MMTC has been informed to NINL by MMTC from time to time.

d) Claims against the Company not acknowledged as debts ₹ 3439.48 million (P.Y. ₹ 3652.51 million).

e) Letters of Credit opened by the Company remaining outstanding ₹ 235.77 million (P.Y. ₹ 6642.69 million).

f) Sales Tax Demand of ₹ 2248.73 million (P.Y. ₹ 2445.44 million) in dispute against which ₹ 183.53 million (P.Y. ₹ 192.94 million) has

been deposited and ₹ 0.67 million (P.Y. ₹ 0.74 million) covered by bank guarantees.

g) Service Tax demand in respect of business auxiliary service amounting to ₹ 849.45 million (P.Y. ₹ 809.70 million).

h) A backup supplier of steam coal has claimed an amount of ₹ 504.30 million (P.Y. ₹ 504.30 million) towards increased railway freight, belt sampling rejection, rake rejection and interest for delayed payment in relation to Coal Supply on back to back basis to a customer during 2011-12 to 2012-13 which has been disputed by the customer.

i) Bonds have been furnished to Customs Authorities for performance, submission of original documents, etc, some of which are still outstanding. The amount of un-expired Bonds is ₹ 9372.80 million as on 31.03.2015 (P.Y. ₹ 7615.00 million), out of which, show cause notices for ₹ 47.41 million received by the company at Delhi Regional Office during 2013-14 which is taken up with custom department

j) Custom department have raised demand of ₹ 351.21 million (P.Y. ₹ 620.17 million) at various RO's on account of differential custom duty/interest/penalty etc. on import of Steam Coal supplied by the company to Power utilities through associate suppliers on back to back terms on fixed margin basis. Also in case of RO Kolkata and Mumbai ₹ 174.82 million (P.Y. ₹ Nil million) and ₹ 215.61 million (P.Y. ₹ Nil million) shown as firm liability respectively in their books of accounts. The liability, if any, on account of custom duty shall be to the account of the backup supplier.

k) Excise duty demand/penalty of ₹ 193.17 million (P.Y. ₹ 96.59 million) for which company has already filed an appeal before the CESTAT.

l) Demand of custom duty/penalty etc. of ₹ 256.99 million (P.Y. ₹ 256.99 million) against import of RBD Palm Oil under target plus license, appeal in respect is pending before CESTAT.

m) Asstt. Provident Fund Commissioner at SRO Bellary raised a PF Demand of ₹ 22.36 million (P.Y. ₹ Nil million). The company is disputing the claim based on grounds of appeal as suggested by a legal opinion.

n) 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.

o) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/Contractors, disputed rent and interest/penalty/legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.

(ii) Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ Nil million (P.Y. ₹ 9.75 million).

GENERAL DISCLOSURES:-

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

(₹ in Million)

Items	31-03-2015		31-03-2014	
	Qty.(kgs)	Value	Qty.(kgs)	Value
Gold	1,064.00	2,630.66	2,218.00	5,956.10
Gold Jewellery	-	10.23	-	5.40
Silver	14,792.11	510.01	1,550.00	61.08

21. The company has been extending, from time to time, unsecured short term loan facilities to Neelachal Ispat Nigam Limited (NINL) an Associate Company upto a limit of ₹ 7500.00 million together with one time loan of ₹ 1300.00 million for its day to day operational activities on continuing basis. Against this limit, outstanding balance of ₹ 1478.45 million (P.Y. ₹ 3494.68 million) has been shown under Note No. 7.3 'Trade Receivables' and ₹ 7191.48 million (P.Y. ₹ 2995.03 million) under Note No. 7.5 'Short Term Loans & Advances'. In addition, the company has also

given corporate guarantees etc. as disclosed under 'Contingent Liabilities' at Note No. 19 (i) (b).

22. In respect of GR-1 forms outstanding beyond due date the Company has filed application with the authorized dealers for extension of time/waiver/ write off. Pending decision on the application, the liability, if any, that may arise is unascertainable. Enforcement Directorate has imposed penalty for ₹ 19.01 million (P.Y. ₹ 19.81 million) which are being contested. Against this, an amount of ₹ Nil million (P.Y. ₹ 0.30 million) has been deposited and bank guarantee of ₹ 10.30 million (P.Y. ₹ 10.30 million) furnished.

23. The company has taken decision to replace the existing ERP Package due to various changes taken place in the business model in the recent years and to also meet the latest statutory requirements.

24. The employee's benefits provided by the Company as required under Accounting Standard 15 (Revised) are as under:-

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

ii. Post Retirement Medical Benefit (PRMB) – Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme'.

iii. 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.

iv. Long Service Benefits : Long Service Benefits payable to the employees are as under:-

(a) Service Award amounting to ₹ 2500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

(b) Compassionate Gratuity amounting to ₹ 50,000/- is payable in lump-sum to the dependants of the employee due death in service.

(c) 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 ₹ 12000/- on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum ₹ 12000/- on rendering service of 20 years or more at the time of death.

v. Provident Fund – The Company's contribution paid/payable during the year to Provident Fund is recognized in the Statement of Profit & Loss. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

vi. Pension Scheme – During the year, the Company has recognized ₹ 78.84 million (P.Y. ₹ 78.17 million) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.

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

(a) Reconciliation of present value of defined benefit obligations

(₹ in Million)

Sl. No.	Particulars	Gratuity	Earned Leave	Sick Leave	Long Service Benefits
(i)	Present value of projected benefit obligations as at 01/04/2014	764.71	262.97	213.85	116.90
(ii)	Interest cost	61.18	22.35	18.18	

(iii)	Current service cost	7.19	11.71	8.82	
(iv)	Benefit paid	70.04	85.09	12.59	
(v)	Actuarial(gain)/ loss	19.66	65.05	(1.15)	(0.21)
(vi)	Present value of obligation as at 31st March,2015 (i+ii+iii-iv+v)	782.69	277.00	227.11	116.69

(b) Expenses recognized in the statement of Profit & Loss A/c for the year ended 31st March, 2015:

(₹ in Million)

Sl. No.	Particulars	Gratuity	Earned Leave	Sick Leave	Long Service Benefits
(i)	Service cost	7.19	11.71	8.82	-
(ii)	Interest cost	61.18	22.35	18.18	-
(iii)	Actual return on plan assets	69.30	-	-	-
(iv)	Net Actuarial (gain) /loss recognized in the period	19.66	65.05	(1.15)	(0.21)
(v)	Expenses recognized in the Profit & Loss A/c (i+ii-iii+iv)	18.73	99.12	25.85	(0.21)

(c) Changes in the fair value of planned assets

(₹ in Million)

	GRATUITY
Fair value of plan assets as at 1.4.2014	779.54
Actual return on plan assets	69.30
Contribution by employer	6.89
Benefit paid	70.04
Actuarial gain/(loss)	-
Fair value of plan assets as at 31.3.2015	785.68

(d) Actuarial assumptions:

(₹ in Million)

Sl. No.	Description	As at 31/3/2015
(i)	Discount rate (Per Annum)	8.00%
(ii)	Future cost increase	6.00%
(iii)	Retirement age	60 Years
(iv)	Mortality table	IALM (2006-08)
(v)	Withdrawal rates	1% to 3% depending upon Age

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

viii. During the year company has implemented certain changes in the Post Retirement Medical Benefit Scheme making it a "Defined Contribution Scheme" which is effective from 1.4.2013. Accordingly, the following accounting has been done:

a. As per the decision of management, the company's liability as on 1.4.2013 in respect of past service has been fixed at ₹ 575.78 million for open group (i.e. serving employees and retirees on or after 1.1.2007) and ₹ 574.57 million in respect of retirees prior to 1.1.2007 as against the total provision of ₹ 1286.20 million existed in the books as on 1.4.2013.

b. The liability for the year 2013-14 has been re-calculated at the rate of 1.50% of PBT for the retirees prior to 1.1.2007 and @ 4.50% of Basic+DA in respect of serving employees amounting to total ₹ 136.14 million including interest cost of ₹ 97.78 million as against total expense of ₹ 146.14 million charged to Profit & Loss Account during 2013-14 on the basis of actuarial valuation.

c. Consequently, the excess liability existing in the books as on 1.4.2014 amounting to ₹ 145.85 million has been withdrawn during the year 2014-15 in respect of (a) and (b) above.

d. Pending creation of trust for management of fund, the contribution for the current year along with the liability as on 31.3.2014 has been shown as company's obligation as on 31.3.2015 under 'Defined Contribution Scheme' and accordingly further contribution at discounting rate of 8.50% has been added during the year in the present value of obligation being one year closer to settlement.

e. During the year, total expenses of ₹ 149.49 million (P.Y. ₹ 146.14 million) has been charged to Profit & Loss Account.

25. In terms of AS-17 the Company has identified its Primary Reportable Business Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and General Trade/others. The Secondary

Segments are identified based on the geographical location as Outside India and Within India. Details are placed at Annexure 'A'.

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

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

a) Key Management Personnel

i. Shri D.S. Dhesi — Chairman-cum Managing Director (upto 30.12.2014)

ii. Shri Ved Prakash — Director (upto 30.12.2014) Chairman and Managing Director – Managing Director (w.e.f. 31.12.2014)

iii. Shri Rajeev Jaideva — Director

iv. Shri M.G. Gupta — Director – (Chief Financial Officer)

v. Shri Anand Trivedi — Director

vi. Shri P.K.Jain — Director

b) Subsidiary
MMTC Transnational Pte. Ltd., Singapore

c) Associate
Neelachal Ispat Nigam Ltd.
Devona Thermal Power & Infrastructure Ltd.

d) Joint Ventures

- Free Trade Warehousing Pvt. Ltd.
- Haldia Free Trade Warehousing Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
- Integrated Warehousing Kandla Project Development Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
- MMTC Pamp India Pvt. Ltd.
- MMTC Gitanjali Ltd.
- Indian Commodity Exchange Ltd.
- Sical Iron Ore Terminal Ltd.
- TM Mining Company Limited
- Blue Water Iron Ore Terminal Pvt. Ltd.

B. Details of transactions during the year 2014-15

(₹ in Million)

Particulars	Subsidiary	Associates	Joint Ventures	Key management personnel	Total
Purchase of goods	11295.95	8401.64	6119.32		25816.91
Sale of goods	2848.69	6433.07	1468.94		10750.70
Dividend Received			52.34		52.34
Finance including Loans & Advances and equity contribution in cash or in kind			19.75		19.75
Corporate Guarantees		14693.70			14,693.70
Other payment Demurrage / Dispatch	0.05				0.05
Remuneration				22.24	22.24
Receivable	3.94	8669.93*		0.15	8674.02
Payable	2719.91	3.12	2.79		2725.82

*Represents ₹ 7191.48 million shown under Note No. 7.5 'Short Terms Loans & Advances' and ₹ 1478.45 million shown under Note No. 7.3 'Trade Receivables'.

27. Earning per Share:

Particulars	2014-15		2013-14	
	Before Extra-ordinary Item	After Extra-ordinary Item	Before Extra-ordinary Item	After Extra-ordinary Item
Profit after Tax (₹ in million)	479.10	479.10	1575.55	186.42
Total number of Equity Shares (million)	1000	1000	1000	1000
Basic and diluted earnings per share (₹) (Face value ₹ 1/- per share) (P.Y. Face value ₹ 1/- per share)	0.48	0.48	1.58	0.19

28. As per Accounting Standard – 27 – 'Financial reporting of interest in Joint Ventures' issued by the Institute of Chartered Accountants of India, the Company's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments

in the Joint venture companies, all incorporated in India are given below:-

(₹ in Million)

Sl. No	Name of the Joint Venture Company	% of Company's ownership Interest	Country of Incor-poration	Assets	Liabil-ities	Income	Expen-diture	Cont. Liabili-ties	Capital Commit-ments
1	Free Trade Ware-housing Pvt. Ltd.	26	India	164.33	160.98	0.89	0.37	0.07	7.70
2	MMTC Pamp India Pvt. Ltd.	26	India	2602.58	2117.13	57534.81	57089.87	30.43	5.55
3	Sical Iron Ore Terminal Ltd.	26	India	1508.31	1170.41	-	-	0.37	9.69
4	MMTC Gitanjali Ltd.	26	India	56.62	32.09	29.13	32.36	2.56	-
5	Indian Commodity Exchange Ltd. *	26	India	-	-	-	-	-	-
6	TM Mining Company Ltd.	26	India	0.06	0.05	-	(0.12)	-	-
7	Blue Water Iron Ore Terminal Pvt. Ltd.*	18#	India	-	-	-	-	-	-

* The Audited Financial Statements for the year 2014-15 of the JV has not been received.

\# No investment has been made by company in equity as on 31.03.2015

29. As required by Accounting Standard(AS) 28 "Impairment of Assets" notified by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets (Railway Wagon Rakes) & provision towards impairment loss in value of assets amounting to ₹ 106.87 million (P.Y. ₹ 10.88 million) has been made during the year.

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

(₹ in Million)

Particulars of Provision	Opening Balance as on 01.04.14	Adjus-tment during year	Addition during year	Closing Balance as on 31.03.15
Destinational Weight & Analysis Risk	1.20	1.20	0.67	0.67
Bonus/PRP	58.98	34.88	26.96	51.05
Superannuation Benefit	38.46	117.30	78.84	-
Provision for Taxation	778.57	778.57	157.50	157.50
Proposed Dividend	150.00	(100.00)	-	250.00
Tax on Proposed Dividend	25.49	224.59	250.00	50.89

31. Income tax of ₹ 571.07 million (P.Y. ₹ 931.62 million) under the head Short Term Loans and Advances consists of ₹ 391.52 million (P.Y. ₹ 366.63 million) paid to Income Tax Department against the disputed demands/tax liability for various assessment years (upto F.Y. 2013-14) and advance tax/TDS of ₹ 179.55 million (PY ₹ 564.99 million) towards income tax liability for financial year 2014-15. Provision for additional demand, if any, will be made on completion of the Appellate Proceedings.

32. The Company has filed a recovery suit of ₹ 314.02 million against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 314.02 million) which included overdue interest of ₹ 29.49 million (P.Y. ₹ 29.49 million) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 1671.97 million (P.Y. ₹ 1671.97 million) which is not tenable as per legal opinion and is being contested.

33. The company had imported pulses on the directives of the Govt. of India during the year 2007-08 to 2010-11. The Government has allowed reimbursement of losses up to 15% of landed cost and trading margin @ 1.2% of CIF value. An amount of ₹ 192.90 million (P.Y. ₹ 165.53 million) including ₹ 27.40 million deducted towards interest on excess payment by GOI during 2008-09, on account of claim lodged during 2011-12 which is within 15% of landed cost, is yet to be received. The scheme was discontinued w.e.f. 2011-12. MOC has communicated that in the meeting of group of officers held under the Chairmanship of Secretary (Coordination) on 16th Dec.2014, it was decided to recommend reimbursement of losses on actual basis for all imports undertaken by PSUs under the scheme which closed on 31.03.2011 and that Department of Consumer Affairs will seek approval of CCEA for the same.

34. The Company has incurred an amount of

₹ 78.35 million (P.Y. ₹ 65.43 million) on development of Gomia Coal Block allotted to the company in the year 2006 which was shown under Capital Work-in-Progress. Consequent upon cancellation of coal block by Govt. of India, the amount shown under Capital Work-in-Progress has been charged off to revenue.

35. A claim for ₹ 18.89 million (P.Y. ₹ 18.89 million) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 15.28 million (P.Y. ₹ 15.28 million) exists in the accounts after taking into account the EMD and other payables amounting to ₹ 3.61 million (P.Y. ₹ 3.61 million). The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been files against the Associate. The associate has also submitted a proposal for consideration of Dispute Settlement Committee.

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

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

Loanee	Balance as at 31.03.2015	Maximum outstanding during the year
Neelachal Ispat Nigam Ltd.	₹ 0.07 million	₹ 1.28 million
	(P.Y. ₹ 0.03 million)	(P.Y. ₹ 3.93 million)

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

37. At Regional Office, Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 34.03 million (P.Y. ₹ 32.63 million) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit with undertaking to pay interest from due date of payment. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 85.98 million (P.Y. ₹ 85.98 million), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.

38. At Regional Office, Hyderabad fake bills of lading covering two shipments of copper valued at ₹ 37.52 million (P.Y. ₹ 37.52 million) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier.

39. The company has changed following Accounting Policies during the year:

i. Accounting Policy No. 2.6 related to depreciation based on provisions of schedule II of Companies Act, 2013. Due to this, the profit of the company has been increased by ₹ 9.40 million during the year.

ii. Accounting Policy 2.10 (ii) relating to Employee Benefits, consequent upon change in Post Retirement Medical Benefit Scheme from Defined Benefit Scheme to Defined Contribution Scheme. Due to this, the profit of the company has been increased by ₹ 145.85 million during the year.

40. There are no micro, small or medium enterprises to whom the Company owes dues which are outstanding for more than 45 days as at 31st March, 2015.

41. Compliance of the Companies (Accounting Standard) Rules 2006 has been made. The Company has large number of transactions and diversified activities, which may have put operational constraints in strictly following the said rules. The deviation if any, have been stated in the accounting policies of the Company.

42. Letters have been issued to parties for confirmation of balances with the request to confirm or send comment by the stipulated date failing which balance as indicated in the letter would be taken as confirmed. Confirmation letters have not been received in a few cases. However, no adverse communication received from any party.

43. 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).

44. Figures for the previous year have been regrouped / re-cast wherever considered necessary.

45. Accounting policies and notes attached form an integral part of the financial statements.

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
Assistant Company Secretary

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

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

(Rajeev Jaideva)
Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

ANNEXURE - 'A' TO NOTES TO ACCOUNTS

STATEMENT OF SEGMENTAL PERFORMANCE FOR THE YEAR 2014-15

(Primary Disclosures)

Particulars	BUSINESS SEGMENTS					
	PRECIOUS METAL		METALS		MINERALS	
	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14
SEGMENT REVENUE						
External Sales						
- With in India	**51457.71**	91729.97	**3321.93**	4181.21	**1798.93**	2831.84
- Outside India			**6291.16**	11009.92	**14411.00**	20372.69
Total (A)	**51457.71**	91729.97	**9613.09**	15191.13	**16209.93**	23204.53
Inter-Segment sales						
- With in India						
- Outside India						
Total (B)						
Total Segment Revenue (A+B)	**51457.71**	91729.97	**9613.09**	15191.13	**16209.93**	23204.53
Total revenue of each segment as a percentage of total revenue of all segments	**28.21%**	36.58%	**5.27%**	6.06%	**8.89%**	9.25%
Segemental Result						
- With in India	**584.76**	1297.23	**77.89**	106.04	**-50.72**	80.65
- Outside India			**175.62**	331.79	**283.69**	
Total Segmental Result	**584.76**	1297.23	**253.51**	437.83	**232.97**	657.72
Unallocated Corporate expenses net of unallocated income						
Operating Profit						
Interest Expenses						
Interest Income						
Income taxes						
Profit from ordinary activities						
Extraordinary loss/Income						
Net Profit						
OTHER INFORMATION						
Segment assets	**2539.25**	3810.24	**8019.27**	1238.16	**2107.37**	2074.05
Unallocated Corporate assets						
Total assets						
Segment Liabilities	**1230.28**	2507.08	**930.21**	64.73	**1784.11**	2337.34
Unallocated Corporate liabilities						
Total liabilities						
Segment Capital expenditure	**0.32**					
Unallocated Capital Expenditure						
Total Capital Expenditure						
Segment Depreciation	**2.80**	4.28			**131.96**	55.36
Unallocated Depreciation						
Total Depreciation						
Non-cash expenses other than depreciation						

(₹ in Million)

BUSINESS SEGMENTS									
COAL & HYDROCARBON		AGRO PRODUCTS		FERTILIZERS		GENERAL TRADE/ OTHERS		TOTAL	
31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14
21238.22	55963.48	**703.48**	17157.48	**79967.17**	37523.58	**931.54**	87.10	**159418.97**	209474.67
		2293.92	7539.37		2348.29			**22996.07**	41270.27
21238.22	55963.48	**2997.39**	24696.85	**79967.17**	39871.87	**931.54**	87.10	**182415.04**	250744.94
21238.22	55963.48	**2997.39**	24696.85	**79967.17**	39871.87	**931.54**	87.10	**182415.04**	250744.94
11.64%	22.32%	**1.64%**	9.85%	**43.84%**	15.90%	**0.51%**	0.03%	**100.00%**	100.00%
163.67	510.19	**200.73**	222.60	**-210.90**	96.78	**87.31**	76.59	**852.74**	2390.09
		29.65	144.07		12.76			**488.96**	1065.70
163.67	510.19	**230.38**	366.67	**-210.90**	109.54	**87.31**	76.59	**1341.70**	3455.79
								1597.13	2319.41
								(255.43)	1,136.38
								143.75	264.89
								997.86	1377.51
								119.58	(41.84)
								479.10	2290.84
									2104.42
								479.10	186.42
9917.65	13318.59	**6501.79**	4754.82	**21143.06**	2191.99	**4488.12**	447.37	**54716.51**	27835.22
								4792.48	19134.89
								59508.99	46970.11
10607.72	9825.77	**520.64**	2383.66	**21767.96**	2181.24	**430.74**	70.23	**37271.66**	19370.05
								8645.38	14181.36
								45917.04	33551.41
								0.32	
								9.24	20.69
								9.56	20.69
						28.90	36.36	**163.66**	96.01
								14.51	28.21
								178.17	124.22
								706.43	270.51

ANNEXURE - 'A' TO NOTES TO ACCOUNTS CONTINUED .....

STATEMENT OF SEGMENTAL PERFORMANCE FOR THE YEAR 2014-15
(Secondary Disclosures)

(₹ in Million)

Particulars	GEOGRAPHICAL SEGMENTS					
	Outside India		Within India		Total	
	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14
SEGMENT REVENUE						
External Sales	**22,996.07**	41,270.27	**159,418.97**	209,474.67	**182,415.04**	250,744.94
Inter-Segment sales	**-**	-	**-**	-	**-**	-
Total Revenue	**22,996.07**	41,270.27	**159,418.97**	209,474.67	**182,415.04**	250,744.94
Segement Result	**488.96**	1,065.70	**852.74**	2,390.09	**1,341.70**	3,455.79
Segment assets	**1,689.22**	2,333.73	**53,027.29**	25,501.49	**54,716.51**	27,835.22
Capital expenditure	**-**	-	**0.32**	-	**0.32**	-

INFORMATION FORMING PART OF STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

PURSUANT TO PARA 5 OF PART 2 OF SCHEDULE -III OF THE COMPANIES ACT, 2013 GOODS FORMING 10% OR MORE OF THE TOTAL VALUE OF TURNOVER/ PURCHASE

1) RAW MATERIAL CONSUMED

(Value in ₹ Million)

	2014-15	2013-14
GOLD MEDALLION	1,222.05	1,586.70

2) TRADED GOODS

(Value in ₹ Million)

	PURCHASES		SALES	
	2014-15 ₹	2013-14 ₹	2014-15 ₹	2013-14 ₹
GOLD	34,136	73,207	37,319	78,422
UREA	77,878	36,100	77,976	36,200

3) SERVICES RENDERED

(Value in ₹ Million)

	2014-15 ₹	2013-14 ₹
PARCEL HANDLING CHARGES	31.83	31.31
OTHERS	14.37	8.31

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52nd Annual Report 2014-2015

MMTC TRANSNATIONAL PTE LTD

(Incorporated in Singapore. Registration Number: 199407265M)

FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

MMTC TRANSNATIONAL PTE LTD
DIRECTORS' REPORT
For the financial year ended 31 March 2015

The directors present their report to the shareholder together with the audited financial statements for the financial year ended 31 March 2015.

Directors

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

Ved Prakash

Rajeev Jaideva

Madan Gopal Gupta

Anand Trivedi

Praveen Kumar Jain

Rajender Prasad

Deepak Kumar Dua

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or related corporations.

Directors' contractual benefits

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

Share options

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

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, Price waterhouse Coopers LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

Rajender Prasad
Director

Deepak Kumar Dua
Director

23 April 2015

MMTC TRANSNATIONAL PTE LTD

STATEMENT BY DIRECTORS'

For the financial year ended 31 March 2015

In the opinion of the directors,

(a) the financial statements as set out on pages 5 to 22 are drawn up so as to give a true and fair view of the state of affairs of the Company at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

Rajender Prasad
Director

Deepak Kumar Dua
Director

23 April 2015

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

Report on the Financial Statements

We have audited the financial statements of MMTC Transnational Pte Ltd set out on pages 5 to 22, which comprise the balance sheet as at 31 March 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015, and of the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Price waterhouse Coopers LLP
Public Accountants and Chartered Accountants

Singapore, 23 April 2015

MMTC TRANSNATIONAL PTE LTD

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2015

	Note	2015 US$	2014 US$
Sale of goods		**248,019,455**	369,456,359
Other income – net	3	**918,931**	2,372,421
Net currency translation gain/(loss)		**12,108**	(228)
Expenses			
- Purchases for resale		**(247,002,626)**	(368,808,508)
- Employee compensation	4	**(850,343)**	(720,191)
- Depreciation	11	**(40,825)**	(18,322)
- Rental expense - operating lease		**(130,779)**	(287,903)
- Bank charges		**(97,189)**	(103,919)
- Finance expense	5	**(285,966)**	(743,134)
- Other expenses	6	**(403,296)**	(1,143,391)
Total expenses		**(248,811,024)**	(371,825,368)
Profit before income tax		**139,470**	3,184
Income tax (expense)/credit	7	**(9,618)**	61,750
Profit after tax and total comprehensive income		**129,852**	64,934

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

MMTC TRANSNATIONAL PTE LTD

BALANCE SHEET
As at 31 March 2015

	Note	2015 US$	2014 US$
ASSETS			
Current assets			
Cash and bank deposits	8	**15,601,440**	15,351,812
Trade and other receivables	9	**44,654,265**	16,704,224
Other current assets	10	**100,708**	148,642
Inventories		**5,478**	5,478
		60,361,891	32,210,156
Non-current assets			
Property, plant and equipment	11	**15,740**	2,357
		15,740	2,357
Total assets		**60,377,631**	32,212,513
LIABILITIES			
Current liabilities			
Trade and other payables	12	**37,622,328**	8,559,821
Borrowings	13	**7,074,653**	8,097,055
Current income tax liabilities	7	**37,135**	41,974
Total liabilities		**44,734,116**	16,698,850
NET ASSETS		**15,643,515**	15,513,663
EQUITY			
Share capital	15	**1,000,000**	1,000,000
Retained profits		**14,643,515**	14,513,663
Total shareholder's equity		**15,643,515**	15,513,663

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

MMTC TRANSNATIONAL PTE LTD

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2015

	Share capital US$	Retained profits US$	Total US$
2015			
Beginning of financial year	1,000,000	14,513,663	15,513,663
Total comprehensive income	-	129,852	129,852
End of financial year	**1,000,000**	**14,643,515**	**15,643,515**
2014			
Beginning of financial year	1,000,000	14,448,729	15,448,729
Total comprehensive income	-	64,934	64,934
End of financial year	**1,000,000**	**14,513,663**	**15,513,663**

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

MMTC TRANSNATIONAL PTE LTD

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2015

	Note	2015 US$	2014 US$
Cash flows from operating activities			
Profit after tax		**129,852**	64,934
Adjustments for:			
Income tax (credit)/expense		**9,618**	(61,750)
Depreciation		**40,825**	18,322
Interest income		**(274,284)**	(323,339)
Interest expense		**285,966**	743,134
		191,977	441,301
Changes in working capital:			
Trade and other receivables		**(27,962,715)**	206,067
Other current assets		**47,934**	101,681
Trade and other payables		**29,062,507**	4,268,825
Cash generated from operations		**1,339,703**	5,017,874
Income tax paid		**(14,457)**	(246,553)
Net cash provided by operating		**1,325,246**	4,771,321
Cash flows from investing activities			
Purchase of property, plant and equipment		**(54,208)**	-
Interest received		**286,958**	382,614
Net cash provided by investing activities		**232,750**	382,614
Cash flows from financing activities			
Dividends paid		**-**	(1,874,698)
Interest paid		**(285,966)**	(743,134)
Proceeds from borrowings		**7,074,653**	8,097,055
Repayment of borrowings		**(8,097,055)**	(11,642,884)
Net cash (used in) financing activities		**(1,308,368)**	(6,163,661)
Net increase/(decrease) in cash and cash equivalents		**249,628**	(1,009,726)
Cash and cash equivalents at beginning of financial year		**15,351,812**	16,361,538
Cash and cash equivalents at end of financial year	8	**15,601,440**	15,351,812

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

MMTC TRANSNATIONAL PTE LTD

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2015

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"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The management has assessed that there are no estimates or judgements used that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Interpretations and amendments to published standards effective in 2014

On 1 April 2014, the Company adopted the new or amended FRS and interpretation to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts.

Revenue is recognised as follows:

(a) *Sale of goods*

Revenue from the sale of goods is recognised when products have been delivered in accordance with the shipment terms.

(b) *Interest income*

Interest income is recognised using the effective interest method.

2.3 Currency translation

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

Transactions denominated in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation at

the closing rates at the balance sheet date of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.4 Bank balances
Trade and other receivables
Deposits

Bank balances, trade and other receivables and deposits are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less any accumulated impairment losses.

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

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

These assets are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets.

2.5 Income taxes

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

Deferred income tax is recognised for all temporary differences except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of transaction.

Current and deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.6 Inventories

Inventories, comprise goods held for resale, are carried at the lower of cost and net realisable value. Cost is determined on a specific identification method. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

2.7 Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably.

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

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

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

2.8 Impairment of non-financial assets

Property, plant and equipment and investments in subsidiary are reviewed for impairment whenever there is any indication that these assets may be impaired.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.9 Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently measured 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

(a) *Defined contribution plans*

The Company's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.13 Borrowing costs

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

2.14 Fair value estimation of financial assets and liabilities

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

2.15 Borrowings

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and their redemption values is recognised in profit or loss over the period of the borrowings using the effective interest method.

3. Other income - net

	2015 US$	2014 US$
Interest income		
- short-term bank deposits	**274,284**	323,339
- customers	**211,953**	849,934
	486,237	1,173,273
Sundry income	**173,195**	96,288
Demurrage, despatch and shortages	**259,499**	1,102,860
	918,931	2,372,421

4. Employee compensation

	2015 US$	2014 US$
Wages and salaries	**574,081**	505,383
Employer's contribution to defined contribution plans such as Central Provident Fund	**56,293**	62,224
Other benefits	**219,969**	152,584
	850,343	720,191

Other benefits include the rental expenses for the residential premises provided to the employees which amounted to US$90,310 (2014: US$103,960).

5. Finance expenses

	2015 US$	2014 US$
Interest expense:		
- trust receipts and invoice financing	**67,127**	46,713
- discounted bills	**218,839**	696,421
	285,966	743,134

6. Other expenses

	2015 US$	2014 US$
Demurrage, despatch and shortages	**244,779**	972,864
Other expenses	**158,517**	170,527
	403,296	1,143,391

7. Income taxes

(a) Income tax expense

	2015 US$	2014 US$
Tax expense attributable to profit is made up of:		
Current income tax	**9,618**	17,923
Overprovision in prior financial years:		
Current income tax	**-**	(79,673)
	9,618	(61,750)

The Company was granted Global Trader Programme ("GTP") status with effect from 1 April 2000 which was further renewed from 1 April 2010 till 31 March 2015. However, based on the review of the Company's current year financial performance by International Enterprise ("IE") Singapore, the Company has not met the requirements of the programme and had withdrawn from the programme from 1 April 2014.

Income covered by GTP status is taxed at a concessionary rate of 10%. Non-qualifying income is taxed at the standard rate of 17% (2014: 17%). The income tax expense on profit for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before income tax due to the following:

	2015 US$	2014 US$
Profit before income tax	**139,470**	3,184
Tax calculated at a tax rate of 17% (2014: 17%)	**23,710**	541
Effects of:		
Singapore statutory stepped income exemption	**(14,398)**	(20,489)
Income subject to a lower tax rate	**-**	24,677
Expenses not deductible for tax purposes	**6,940**	33,182
Income not subject to tax	**(6,634)**	(19,988)
	9,618	17,923

(b) Movements in current income tax liabilities

	2015 US$	2014 US$
Beginning of financial year	**41,974**	350,277
Income tax paid	**(14,457)**	(246,553)
Tax payable on profit for current financial year	**9,618**	17,923
Overprovision in prior financial years	**-**	(79,673)
End of financial year	**37,135**	41,974

8. Cash and bank deposits

	2015 US$	2014 US$
Cash and bank balances	**192,303**	324,812
Fixed deposits with banks	**15,409,137**	15,027,000
	15,601,440	15,351,812

Cash and bank deposits are denominated in the following currencies:

	2015 US$	2014 US$
United States Dollar	**15,575,425**	15,305,122
Singapore Dollar	**26,015**	46,690
	15,601,440	15,351,812

At balance sheet date, the fixed deposits bear interest rates ranging from 1.40% to 1.75% (2014: 1.36% to 2.35%) per annum with the maturity dates ranging between 9 month to 12 months (2014: 1.0 month to 10.9 months).

9. Trade and other receivables

	2015 US$	2014 US$
Trade receivables:		
- third parties	**986,555**	8,258,880
- holding corporation (Note 14)	**43,515,132**	8,303,033
Interest receivable	**123,237**	135,911
Other receivables	**29,341**	6,400
	44,654,265	16,704,224

Deposits are denominated mainly in Singapore Dollars.

Trade and other receivables are denominated in the following currencies:

	2015 US$	2014 US$
United States Dollar	**44,651,225**	16,697,824
Singapore Dollar	**3,040**	6,400
	44,654,265	16,704,224

10. Other current assets

	2015 US$	2014 US$
Deposits	**91,977**	99,406
Prepayments	**8,731**	49,236
	100,708	148,642

11. Property, plant and equipment

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

	Leasehold improvements US$	Furniture and fittings US$	Computer equipment US$	Office equipment US$	Total US$
2014					
Cost					
Beginning of financial year	71,910	40,537	45,534	21,503	179,484
Additions	-	-	-	-	-
End of financial year	71,910	40,537	45,534	21,503	179,484
Accumulated depreciation					
Beginning of financial year	59,920	39,950	39,455	19,480	158,805
Depreciation charge	11,990	293	4,113	1,926	18,322
End of financial year	71,910	40,243	43,568	21,406	177,127
Net book value End of financial year	**-**	**294**	**1,966**	**97**	**2,357**

12. Trade and other payables

	2015 US$	2014 US$
Trade payables:		
- third parties	**37,528,178**	506,963
- holding corporation	**26,301**	7,978,353
Accrued operating expenses	**67,849**	74,505
	37,622,328	8,559,821

Trade and other payables are denominated in the following currencies:

	2015 US$	2014 US$
United States Dollar	**37,543,640**	8,431,040
Singapore Dollar	**78,688**	93,306
Others	**-**	35,475
	37,622,328	8,559,821

13. Borrowings

	2015 US$	2014 US$
Short-term loan	**7,074,653**	8,097,055

The short term loan has a maturity of 16 days (2014: 15 days) from the balance sheet date.

The interest rate of the borrowing at the balance sheet date is 0.85% (2014: 1.01%) per annum.

14. Immediate and ultimate holding corporation

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

15. Share capital

The Company's share capital comprises fully paid-up 1,461,502 (2014: 1,461,502) ordinary shares with no par value, amounting to a total of US$1,000,000 (2014: US$1,000,000).

16. Commitments

(a) Purchase and sales commitments

As at balance sheet date, the outstanding commitments under purchases and sales contracts for goods not recognised in the financial statements are as follows:

	2015 US$	2014 US$
Purchase commitments	**9,065,253**	42,837,963
Sales commitments	**9,074,230**	43,223,414

(b) Operating lease commitments

The Company leases residential and office premises under non-cancellable operating leases agreements. The leases have varying terms and renewal rights.

The future minimum lease payments under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	2015 US$	2014 US$
Not later than one year	**196,909**	85,002
Later than one year but not later than five years	**161,570**	-
	358,479	85,002

17. Related party transactions

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

(a) Sales and purchases of goods and services

	2015 US$	2014 US$
Sales to holding corporation	**183,232,469**	202,947,867
Purchases from holding corporation	**47,256,240**	59,930,424

(b) Key management personnel compensation is as follows:

	2015 US$	2014 US$
Salaries and other short-term employee benefits	**382,467**	281,477
Post-employment benefits-contribution to defined contribution plans	**9,351**	6,643
	391,818	288,120

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

18. Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

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

(a) Market risk

(i) *Foreign currency exchange rate risk*

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

(ii) *Interest rate risk*

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

(iii) *Price risk*

The Company has insignificant exposure to commodities price risk as it does not hold significant commodities financial instruments.

(b) Credit risk

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings as determined by international credit rating agencies.

The Company has no significant concentration of credit risk except for amount due from holding corporation which has a good collection track record with the Company. The Company has policies in place to ensure that sales of goods are made to customers with adequate financial standing and an appropriate credit history. At balance sheet date, there is no class of financial assets that is past due or impaired.

(c) Liquidity risk

The Company manages liquidity risk by maintaining cash and available funding through an adequate amount of committed credit facilities sufficient to enable it to meet its operational requirements.

The Company's major classes of financial liabilities are trade and other payables and borrowings and their contractual maturities are less than one year.

(d) Capital risk

The Company's objectives when managing capital are to ensure that the Company is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

The Company monitors capital on the basis of the total shareholder's equity as shown on the balance sheet.

The Company is not subject to any externally imposed capital requirements.

19. New or revised accounting Standards and Interpretations

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 April 2015. The Company does not expect that adoption of these accounting standards or interpretations will have a material impact on the Company's financial statements.

20. 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 23 April 2015.

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

52nd Annual Report 2014-2015

CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31st March, 2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MMTC LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, Comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating

the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis of Qualified Opinion

In case of a joint venture (Indian Commodity Exchange Ltd.) and an associate (Devona Thermal Power & Infrastructure Ltd.) of the Holding Company not audited by us, the Holding Company did not receive the audited financial statements / information of the respective joint venture & associate whose financial statements / financial information has not been considered in these consolidated financial statements. [(Refer Note no. 24 (b)]

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2015, and their consolidated Loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

(a) We draw attention to Note 18(I)(b) & 28 to the consolidated financial statements in-respect of, unsecured short term loan facility of INR 8669.90 million (P.Y. 6490.00 million) has been extended to Neelachal Ispat Nigam Limited (NINL) an associate company. In view of continuous losses for the last three years and in accordance with the analyst's report, NINL requires robust infusion of fund / capital / raising of fresh term loan.

(b) We draw attention to Note 7.5 to the consolidated financial statements in-respect of, an amount of INR 3732.90 million is due for recovery from Govt. of India on account of subsidy against import of edible oil for the state govt.'s from August 2012 onwards.

(c) We draw attention to Note 30 to the consolidated financial statements in-respect of, Balances under Sundry Debtors / Claims Recoverable / Loans & Advances / Sundry Creditors / Other Liabilities in many cases have not been confirmed and consequent reconciliation / adjustments if any, required upon such confirmation are not ascertainable.

(d) The RMS software is not reflecting correct inventory of Sanchi items due to the problems in the package.

(e) We draw attention to Note 29 to the consolidated financial statements in-respect of, Non-provision of liability, if any, in case of non-extension of time / waiver / write off of GR-1 forms.

Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the financial statements / financial information of one subsidiary, and five jointly controlled entities, whose financial statements / financial information reflect total assets of INR 8120.99 million as at March 31, 2015, total revenues of INR 72564.08 million and net cash flows amounting to INR 791.61 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of INR 1158.23 million for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the

consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

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 the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and, except for the possible effect of the matter described in Basis for Qualified Opinion above, 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, except for the matters described in the Basis for Qualified Opinion above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) Except for the matter described in the Basis for Qualified Opinion above, the reports on the accounts of the branch offices of the Holding Company, and its subsidiaries, associate companies and jointly controlled companies incorporated in India, audited under Section 143 (8) of the Act by branch auditors have been sent to us / the other auditors, as applicable, and have been properly dealt with in preparing this report.

(d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

(g) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(i) With respect to the other matters to be

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

i. Except for the possible effect of the matter described in Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 18 (I) (c), (p) & (q) to the consolidated financial statements.

ii. Except for the possible effect of the matter described in Basis of Qualified Opinion above, the Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For **JAIN KAPILA ASSOCIATES**
Chartered Accountants
(Firm Registration No. 000287N)

D.K. Kapila
Partner
M. No. 016905

Place:New Delhi
Date:May 21, 2015

ANNEXURE – A

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. In respect of its fixed assets:

a. The MMTC Ltd. has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals.

ii. In respect of its inventories:

(a) As explained to us, the inventories were physically verified during the year by the Management.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management needs to be strengthened in relation to the size of the MMTC Limited and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and material discrepancies were noticed on physical verification.

iii. Company has granted unsecured loan to company covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv. In our opinion according to the information/ explanations given to us, receipt of the principal amount and interest is irregular.

v. In our opinion according to the information/ explanations given to us, the overdue amount is more than INR 0.1 million. Company has taken the reasonable steps to recover the amount.

vi. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. As regards the purchases and sale of goods, inventories and stocks that are dealt with by the company including domestic bullion transactions it needs further strengthening in such a manner so as to avoid delay in updation in ERP system vis-a-vis actual date of transaction and similarly, manual generation of invoices could be avoided.

Further, the internal control mechanism needs to be strengthened, besides the areas mention hereinbefore, in the following areas:

a. Periodic quantitate reconciliation of goods traded by the company (particularly bullion/retail trade) between the ERP and other standalone inventory system (RMS).

b. Risk assessment and Risk Management requires to be constantly reviewed/ strengthened/revamped in the light of changing needs of the business whenever considered necessary as it was noticed that due to certain acts of omissions and commissions, company had to make heavy provisions against debtors/recoverable/ losses.

c. Periodic reconciliation in-respect of sales and purchase, input / output VAT as per financial records vis-à-vis sales, purchases. Input/ output VAT as per VAT returns.

vii. According to the information and explanations given to us, Company has not accepted the deposits under directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the companies act.

viii. The Government of India has not prescribed the maintenance of cost records under Sub section (1) of Section 148 of the Companies Act 2013.

ix. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March, 2015 for a period of more than six months from the date they became payable.

Name of the Statute	Nature of dues	Amount in INR	Period to which amount relates	Date of payment
R & D Cess Act, 1986	Cess	6332169.00	F/y2012-13 F/y 2013-14 F/y 2014-15	Pending

(c) In case of dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Custom or duty of Excise or Value added Tax or Cess have not been deposited on account of any dispute, then the amounts involved and a forum where is pending shall be mentioned:

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

CHENNAI REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
TNGST ACT	Sales Tax, Penalty & Interest	8,63,114	1998-99	Madras High Court
TNGST ACT	Sales Tax, Penalty & Interest	4,43,416	2000-01	Sales Tax Appeals Tribunal
TNGST ACT	Sales Tax, Penalty & Interest	11,52,785	1999-2000	Madras High Court
TNGST ACT	Sales Tax, Penalty & Interest	1,78,566	2001-02	Asst. Commissioner (Comm. Tax),Chennai
TN VAT Act	VAT & Penalty	3,55,08,765	2008-09	Joint Commissioner of Comercial Taxes Appeals

MUMBAI REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
BST ACT	Sales Tax	3,08,644	1986-87	Joint Comm. of Sales Tax
BST ACT	Sales Tax	14,96,06,778	1989-90	Joint Comm. of Sales Tax
BST ACT	Sales Tax	23,30,46,478	1990-91	Joint Comm. of Sales Tax
BST ACT	Sales Tax	28,98,738	1991-92	Joint Comm. of Sales Tax
BST ACT	Sales Tax	45,03,961	2001-02	Joint Comm. of Sales Tax
BST ACT	Sales Tax	1,42,13,373	2008-09	Joint Comm. of Sales Tax
BST ACT	Sales Tax	51,81,978	2008-09	Joint Comm. of Sales Tax

HYDERABAD REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
APGST	Sales Tax	1,49,770	1989-90	STAT
APGST	Sales Tax	29,61,551	1990-91	STAT, Vizag
APGST	Sales Tax	24,02,576	1991-92	STAT, Vizag
APGST	Sales Tax	13,96,269	1992-93	STAT, Vizag
APGST	Sales Tax	17,62,687	1992-93	STAT, Vizag
APGST	Sales Tax	6,30,615	1993-94	STAT, Vizag
CST	Central Sales Tax	4,41,446	1993-94	ADC(CT)
CST	Central Sales Tax	2,04,481	1994-95	AC(LTU)
CST	Central Sales Tax	5,97,266	1995-96	ADC(CT)
APGST	Sales Tax	38,03,875	1995-96	STAT, Vizag
APGST	Sales Tax	28,80,309	1995-96	STAT, Vizag
CST	Central Sales Tax	21,34,306	1996-97	STAT, Vizag
APGST	Sales Tax	58,43,100	1997-98	STAT, Vizag
CST	Central Sale Tax	6,35,504	1997-98	ADC(CT)
APGST	Sales Tax	55,65,147	1998-99	STAT, Vizag
APGST	Sales Tax	39,04,454	1999-2000	STAT, Vizag
APGST	Sales Tax	2,52,926	2000-2001	STAT, Vizag
APGST	Sales Tax	2,12,176	2001-02	AC (LTU)
APGST	Sales Tax	68,901	2002-03	AC (LTU)
APGST	Sales Tax	34,856	2003-04	AC (LTU)
APGST	Sales Tax	1,26,000	2004-05	AC (LTU)
VAT	VAT	6,76,058	2006-07	STAT
VAT	VAT	71,000	2007-08	AC(LTU)
VAT	VAT	5,00,000	2008-09	STAT, Vizag
VAT	VAT	11,90,100	2008-09	STAT, Vizag
Central Excise & Customs	Custom Duty	24,10,79,065	2008-09	Comm. of Customs & Excise

BHUBANESHWAR REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
Orissa Sales Tax	Interest Penalty	26,50,388	1978-79	High Court of Orissa
Orissa Sales Tax	Odisha Sales Tax	34,00,919	1978-79	— do —-
Orissa Sales Tax	Odisha Sales Tax	1,70,046	1978-79	— do —-
Orissa Sales Tax	Interest Penalty	6,53,452	1979-80	— do —-

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
Orissa Sales Tax	Central Sales Tax	34,83,020	1982-83	High Court of Orissa
Orissa Sales Tax	Interest	3,57,42,030	1978-79	— do —-
Orissa Sales Tax	DEPB	14,98,22,308	2006-09	Addl. Commissioner of Sales Tax, Odisha
Orissa Sales Tax	DEPB	5,08,43,080	2010-12	Addl. Commissioner of Sales Tax, Odisha
OVAT	2009-10 & 2010-11	14,28,18,841	2013-14	Addl. Commissioner of Sales Tax, Odisha
CST(ODISHA)	2009-10 & 2010-11	58,07,05,822	2013-14	Addl. Commissioner of Sales Tax, Odisha
ET(ODISHA)	2009-10 & 2010-11	52,63,10,091	2013-14	Addl. Commissioner of Sales Tax, Odisha
Central Excise Act	Service Tax	4,17,04,374	2003-05	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	15,55,24,520	2003-07	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	3,55,84,190	2007-08	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	7,60,64,279	2008-10	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	3,75,81,878	2010-11	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	3,59,43,529	2011-12	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	28,49,57,172	2009-12	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	65,20,157	2009-11	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	31,27,912	2012-13	Comm., Customs excise & service tax. Bhubaneswar
Central Excise Act	Service Tax	3,44,69,468	2012-13	Comm., Customs excise & service tax. Bhubaneswar

JAIPUR REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
R.S.T ACT	Sales Tax	1,49,46,540/-	2003-04	Rajasthan Kar Board, Ajmer Rs. 35,49,446/- has been deposited under protest. Sales Tax Dept has appealed against the order of DC(Appeals) in Kar Board

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
R.S.T ACT	Sales Tax	26,07,605/-	1999-00	Rajasthan Kar Board, AjmerPending with Kar Board against demand on account of 4767 MT DAP u/s 84 of RST Act
RAJ VAT ACT	VAT	3,26,47,269/-	2010-11	Against the Appeal of Sales Tax Deptt., Rajasthan Kar Board decided in favour of MMTC Limited.
CST ACT	CST	59,92,494/-	2010-11	Against the Appeal of Sales Tax Deptt., Rajasthan Kar Board decided in favour of MMTC Limited.
R.S.T ACT	VAT	18,01,941/-	2010-11	Required documents have been submitted in Sales Tax Dept. Rectification pending with A.O.
ST	Turnover Tax	5,32,992/-	2003-04	High Court Sales Tax Dept has filed an appeal in High Court against Kar Board order.

VIZAG REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
A.P.G.S.T ACT	Sales Tax	18,56,325	1968-69	STAT, HYD.
A.P.G.S.T ACT	Sales Tax	26,39,647	1981-82	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	6,88,552	1982-83	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	17,66,784	1983-84	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	30,00,436	1984-85	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	25,05,806	1985-86	STAT,Vizag
A.P.G.S.T ACT	Sales Tax	2,70,83,841	1986-87	STAT, Vizag
A.P.G.S.T ACT	Sales Tax	36,45,076	1987-88	ADC
A.P.G.S.T ACT	Sales Tax	19,34,139	1991-92	AC LTU
A.P.G.S.T ACT	Sales Tax	4,79,000	1989-90	STAT
CST	Sales Tax	8,41,695	1994-95	AC LTU
CST	Sales Tax	48,62,340	1995-96	STAT, Hyderabad
CST	Sales Tax	33,58,889	1996-97	STAT, Hyderabad
A.P.G.S.T ACT	Sales Tax	25,27,960	1997-98	STAT, Hyderabad
CST	Sales Tax	104,614	2007-08	ADC
Central Excise & Customs	Service Tax	12,65,26,554	2003 -06	STAT, Bangalore

KOLKATA REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
CST ACT 1956	Central Sales Tax	11,30,858	2005-06	Appellate Board
CST ACT 1956	Central Sales Tax	77,60,971	2006-07	Appellate Board

CORPORATE OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	AY	Forum of Dispute
Income Tax Act	Income Tax	5 61 821	1993-94	AO
Income Tax Act	Income Tax	54 81 338	1996-97	CIT(A)/ITAT
Income Tax Act	Income Tax	1 02 93 042	1993-94	AO
Income Tax Act	Income Tax	2 60 66 476	1999-00	ITAT
Income Tax Act	Income Tax	1 84 63 021	2000-01	ITAT
Income Tax Act	Income Tax	1 17 65 008	2001-02	CIT(A)/ITAT/HIGH Court
Income Tax Act	Income Tax	73 04 915	2002-03	ITAT
Income Tax Act	Income Tax	11 16 907	2003-04	AO
Income Tax Act	Income Tax	4 19 85 746	2004-05	ITAT
Income Tax Act	Income Tax	6 94 85 393	2005-06	AO
Income Tax Act	Income Tax	73 50 191	2007-08	CIT(A)/ITAT
Income Tax Act	Income Tax	2 79 66 209	2008-09	AO
Income Tax Act	Income Tax	10 64 92 947	2009-10	CIT(A)
Income Tax Act	Income Tax	3 93 72 128	2010-11	CIT(A)
Income Tax Act	Income Tax	10 17 50 890	2011-12	CIT(A)

Amount Deposited in respect of the Income Tax cases = 373705142/-

DELHI REGIONAL OFFICE

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Delhi VAT	CST/LST/Interest/Penalty (Gold– Commemorative Medallions)	3745290	2002-03	Commissioner, DVAT
Delhi VAT	LST	1165303	1984-85	D.C. Appeal
Delhi VAT	LST/CST	65732207	1986-87	Additional Commissioner
Delhi VAT	LST/CST	43186549	1987-88	Additional Commissioner
Delhi VAT	LST/CST	40296672	1988-89	Additional Commissioner
Delhi VAT	LST	6187340	1989-90	Additional Commissioner

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Delhi VAT	LST	2223198	1990-91	Additional Commissioner
UP-VAT	LST/CST	617588	1990-91	Moradabad, Allahabad High Court
UP-VAT	LST	470578	1991-92	Moradabad, Allahabad High Court
UP-VAT	LST	264037	1992-93	Moradabad, Allahabad High Court
UP-VAT	LST	195000	1994-95	Sales Tax Authorities, Moradabad
UP-VAT	LST	185100	1993-94	Moradabad, Allahabad High Court
UP-VAT	LST	1635160	1987-88	Kanpur, Joint Commissioner
UP-VAT	VAT	921383	1993-94	Commissioner, UP-VAT
UP-VAT	VAT	1223616	1996-97	Commissioner, UP-VAT
UP-VAT	VAT+Interest for Non-submission of Form-3B (Gold) & Non-submission of Form 3C1 (Mentha Oil)	249828	2007-08	Commissioner, UP-VAT
Haryana VAT	LST	424587	1992-93	Faridabad, Punjab & Haryana High Court Chandigarh
MP-VAT	LST	150004	1999-00	Sales Tax Authority, Indore
MP-VAT	LST	4730692	1998-99	Assessing Authority, Indore
Custom & Central Excise	Customs Duty & Interest on non-export of Gold Jewellery against Gold Loan by Associates	27267919	1999-2000	Pending before Hon'ble Delhi High Court as per directions of Hon'ble Supreme Court of India
Custom & Central Excise	Custom Duty	20000000	2006-07	Dy. Commissioner of Customs,
Custom & Central Excise	Custom Duty	15050000	2007-08	Dy. Commissioner of Customs,
Custom & Central Excise	Custom Duty	6180000	2008-09	Dy. Commissioner of Customs,
Custom & Central Excise	Custom Duty	6180000	2009-10	Dy. Commissioner of Customs,
Custom & Central Excise	Excise Duty	910439	2010-11	Comissioner of Central Excise,
Custom & Central Excise	Excise Duty	95676890	2011-12	Comissioner of Central Excise,

MMTC-PAMP India Pvt. Ltd.

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Disallowance of expenses	816360.00	F/y 2010-11	Commissioner of Income Tax (Appeals)

(d) As per information / explanations given to us no amount required to be transfer to Investor Education & Protection Fund accordance with the relevant provisions of the Companies act 1956.

x. The Financial Statements of the Company as at March 31, 2015 do not show any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year and company has not incurred any cash losses during the financial year and immediately preceding financial year.

xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

xii. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions which is prejudicial to the interest of the company.

xiii. In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the year.

xiv. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us there are no fraud on/or by the company has been noticed or reported during the year.

For **JAIN KAPILA ASSOCIATES**
Chartered Accountants
(Firm Registration No. 000287N)

D.K. Kapila
Partner
M. No. 016905

Place:New Delhi
Date:May 21, 2015

MANAGEMENT'S REPLY TO AUDITORS OBSERVATIONS IN THE AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR 2014-15

	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
1.	**Basis of qualified opinion** In case of a joint venture (Indian Commodity Exchange Ltd.) and an associate (Devona Thermal Power & Infrastructure Ltd.) of the holding company not audited by us, the holding company did not receive the audited financial statement / information of the respective joint venture and associate whose financial statements / financial information has not been considered in these financial statements (Ref Note No. 22).	Since the audited financial statement /information of the said joint venture and associate were not received, the same have not been considered in these financial statements. The fact has been adequately disclosed in the financial statements.
2	**Emphasis of Matter**	
a.	We draw attention to Note 18(I)(b) & 28 to the consolidated financial statements in-respect of unsecured short term loan facility of INR 8669.90 million (P.Y. 6490.00 million) has been extended to Neelachal Ispat Nigam Limited (NINL) an associate company. In view of continuous losses for the last three years and in accordance with the analyst's report, NINL requires robust infusion of fund / capital / raising of fresh term loan.	Refer to the reply in respect of observation on Standalone Financial Statements.
b.	We draw attention to Note 7.5 to the consolidated financial statements in-respect of an amount of INR 3732.90 million which is due for recovery from Govt. of India on account of subsidy against import of edible oil for the State Governments from August 2012 onwards.	Refer to the reply in respect of observation on Standalone Financial Statements.
c.	We draw attention to Note 30 to the Consolidated Financial Statements in respect of Balances under Sundry Debtors / Claims Recoverable / Loans & Advances / Sundry Creditors / Other Liabilities in many cases have not been confirmed and consequent reconciliation / adjustments, if any, required upon such confirmation are not ascertainable.	Refer to the reply in respect of observation on Standalone Financial Statements.

	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
d.	The RMS software is not reflecting correct inventory of Sanchi items due to the problems in the package.	Refer to the reply in respect of observation on Standalone Financial Statements.
e.	We draw attention to Note 29 to the Consolidated Financial Statements in respect of Non-provision of liability, if any, in case of non extension of time / waiver / write off of GR-1 forms.	Refer to the reply in respect of observation on Standalone Financial Statements.
	Annexure to Independent Auditor's Report	
	Para vi of Annexure to main Audit Report: As regards the purchases and sales of goods, inventories and stocks that are dealt with by the Company including domestic bullion transactions it needs further strengthening in such a manner so as to avoid delay in updation in ERP system viz-a-viz actual date of transaction and similarly, manual generation of invoices could be avoided. Further, the internal control mechanism needs to be strengthened, besides the areas mentioned hereinbefore, in the following areas:-	Refer to the reply in respect of observation on Standalone Financial Statements.
a)	Periodic quantity reconciliation of goods traded by the Company (particularly bullion / retail trade) between the ERP and other standalone inventory system (RMS).	Refer to the reply in respect of observation on Standalone Financial Statements.
b)	Risk assessment and risk management requires to be constantly reviewed /strengthened / revamped in the light of changing needs of the business whenever considered necessary as it was noticed that due to certain acts of omissions and commissions, company had to make heavy provisions against debtors / recoverable / losses.	Refer to the reply in respect of observation on Standalone Financial Statements.
c)	Periodic reconciliation in respect of sales and purchases, input / output VAT as per financial records vis-à-vis sales, purchases, input / output VAT as per VAT returns.	Refer to the reply in respect of observation on Standalone Financial Statements.

Consolidated Balance Sheet as at 31-03-2015

(₹ in Million)

	Note No.	As at 31-03-2015		As at 31-03-2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS	3				
Share Capital	3.1	**1000.00**		1000.00	
Reserves & Surplus	3.2	**12643.09**	**13643.09**	13501.83	14501.83
MINORITY INTEREST			**-**		-
NON-CURRENT LIABILITIES	4				
Long-term borrowings	4.1	**501.72**		929.87	
Other Long term liabilities	4.2	**339.23**		166.65	
Long-term provisions	4.3	**1774.17**	**2615.12**	1826.64	2923.16
CURRENT LIABILITIES	5				
Short-term borrowings	5.1	**3862.85**		4649.28	
Trade payables	5.2	**33017.74**		15053.22	
Other current liabilities	5.3	**8689.28**		12177.90	
Short-term provisions	5.4	**1173.55**	**46743.42**	1270.97	33151.37
Total			**63001.63**		**50576.36**
ASSETS					
NON-CURRENT ASSETS	6				
Fixed Assets	6.1				
Tangible assets	6.1.1	**1169.47**		1369.69	
Intangible assets	6.1.2	**50.55**		91.28	
Capital Work-in-progress	6.1.3	**1534.60**		1418.61	
Non-current investments	6.2	**2625.72**		3761.08	
Deferred tax assets (net)	6.3	**2233.31**		2214.07	
Long-term loans and advances	6.4	**907.08**		737.68	
Other non-current assets	6.5	**12.49**	**8533.22**	18.72	9611.13
CURRENT ASSETS	7				
Current investments	7.1	**128.81**		560.45	
Inventories	7.2	**3338.22**		3168.36	
Trade receivables	7.3	**30436.35**		17424.86	
Cash and Bank Balances	7.4	**4181.49**		6458.79	
Short-term loans and advances	7.5	**13179.75**		7267.72	
Other current assets	7.6	**3203.79**	**54468.41**	6085.05	40965.23
Total			**63001.63**		**50576.36**
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
Assistant Company Secretary

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

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

(Rajeev Jaideva)
Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

Consolidated Statement of Profit and Loss for the year ended 31 March, 2015

(₹ in Million)

	Note No.	Year Ended 31-03-2015		Year Ended 31-03-2014	
INCOME					
Revenue from operations	8	**239316.42**		281422.55	
Other Income	9	**1449.06**	**240765.48**	**2399.66**	283822.21
Total Revenue			**240765.48**		283822.21
EXPENSES					
Cost of materials consumed	10	**1222.05**		1613.10	
Purchases of Stock-in-Trade	11	**225268.38**		249552.80	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	12	**(340.99)**		5 ,773.45	
Employee benefits expense	13	**2020.96**		1996.82	
Finance costs	14	**391.01**		859.31	
Depreciation and amortization expense		**237.29**		173.22	
Other expenses	15	**11147.85**	**239946.54**	21087.65	281056.35
Total expenses			239946.54		281056.35
Profit before exceptional, extraordinary items and tax			**818.94**		2,765.86
Exceptional Items	16		**(230.56)**		(10.53)
Profit before extraordinary items and tax			**1,049.49**		2776.39
Extraordinary Items	17		**0.00**		2104.42
Profit before tax			**1,049.49**		671.97
Tax expense:					
Current tax					
Provision for Taxation		**154.59**		753.32	
Earlier year		**(17.01)**		8.42	
Deferred tax		**(17.41)**		(807.32)	
Share of interest in Joint Ventures		**152.03**	**272.20**	122.46	76.88
Profit for the year before share of associates			**777.29**		595.09
Interest in share of profit from associate					
Share of profit from associates		**(1,158.23)**		(732.84)	
Less: Goodwill amortised (Associates)		**43.83**	**(1,202.07)**	43.83	(776.67)
Net profit for the year after share of associates			**(424.78)**		(181.58)
Earnings per equity share of nominal value of ₹ 1/- each		**Before extraordinary (net of taxes)**	**After extraordinary (net of taxes)**	**Before extraordinary (net of taxes)**	**After extraordinary (net of taxes)**
Basic (in ₹)		**(0.42)**	**(0.42)**	**1.21**	**(0.18)**
Diluted (in ₹)		**(0.42)**	**(0.42)**	**1.21**	**(0.18)**
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
Assistant Company Secretary

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

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

(Rajeev Jaideva)
Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

Consolidated Cash Flow Statement for the year ended 31-03-2015

(₹ in Million)

	For the year ended 31-03-2015		For the year ended 31-03-2014	
A. Cash flows from operating activities				
Profit before Tax & Extra ordinary items		**1,049.49**		2,776.39
Adjustment for :				
Extra-ordinary items	**-**		(2,104.42)	
Loss on valuation of inventories	**141.14**		76.53	
Depreciation & amortisation expense	**237.29**		217.05	
Net Foreign Exchange (gain)/loss	**37.72**		1,042.03	
(Profit) /Loss on sale of Tangible Assets	**(0.32)**		(0.71)	
Interest income	**(1,011.81)**		(1,448.45)	
Dividend income	**(71.74)**		(32.64)	
Finance Costs	**391.01**		859.31	
Debts/claims written off	**299.96**		10.74	
Capital WIP written off	**65.79**		-	
Provision for doubtful Debts /Loans & Advances	**12.36**		12.74	
Provision no longer Required	**(698.29)**		(103.45)	
Liabilities Written Back	**(87.38)**		(572.12)	
Provision for DWA risk	**0.67**	**(683.59)**	1.19	(2,042.20)
		365.90		734.19
Changes in assets & liabilities				
Inventories	**(310.99)**		5,768.72	
Trade Receivables	**(12,622.04)**		2,010.78	
Loans & Advances	**(6,534.24)**		4,410.72	
Other current & non current assets	**2,887.50**		(4,329.88)	
Trade payables	**18,010.70**		(10,562.75)	
Other liabilities	**(3,269.36)**		3,271.57	
Provisions	**246.85**	**(1,591.59)**	70.46	639.62
		(1,225.69)		1,373.81
Taxes Paid		**(551.24)**		(659.38)
Net cash flows from operating activities		**(1,776.93)**		714.43
B. Cash flows from Investing Activities				
Purchase of fixed assets	**(234.70)**		(210.77)	
Sale of tangible Assets	**0.67**		4.75	
Sale/Purchase of Investments	**-**		(1.42)	
Advance for purchase of shares	**-**		(0.13)	
Interest received	**1,011.81**		1,448.45	
Dividend Received	**71.74**		32.64	
Goodwill on consolidation	**-**	**849.52**	(0.13)	1,273.39
Net cash flows from investing activities		**849.52**		1,273.39
C. Cash flows from financing activities				
Borrowings	**(1,214.58)**		(11,215.17)	
Finance Costs	**(391.01)**		(859.31)	
Dividend (inclusive of tax) paid	**(175.49)**	**(1,781.08)**	(100.00)	(12,174.48)
Net cash flows from financing activities		**(1,781.08)**		(12,174.48)
Net increase/(decrease) in Cash & Cash Equivalents		**(2,708.49)**		(10,186.66)
Opening Balance of Cash & Cash Equivalents		**7,018.79**		17,205.45
Closing Balance of Cash & Cash Equivalents		**4,310.30**		7,018.79

Note:

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

	As at the end of		
	2014-15		**2013-14**
A. Cash and cash equivalents			
(a) Cheques, drafts on hand	**0.99**		0.80
(b) Cash on hand	**0.08**		0.11
(c) Balances with Banks			
- in current account	**56.32**		73.04
-in cash credit account (debit balance)	**1,005.19**		18.55
-term deposit with original maturity up to 3 months	**221.80**		3,202.82
-short term investment with maturity of less than 3 months	**128.81**		560.00
B. Others other Balances with Bank			
-As Margin money/under lien	**-**		3.00
-in term deposits with original maturity more than 3 months and upto 12 months	**1,330.49**		2,348.14
-in term deposits with original maturity more than 12 months	**0.13**		0.13
C. Share of interest in Joint Ventures	**1,566.49**		812.20
Total	**4,310.30**		7,018.79

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
Assistant Company Secretary

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

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

(Rajeev Jaideva)
Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

CONSOLIDATED ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2015

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

1. General Information:

The company is incorporated and domiciled in India, and a Mini- Ratna public sector undertaking under the administrative control of Ministry of Commerce & Industry, Government of India. The registered office of the Company is situated at Core-1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003, India. The company has 11 regional offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd. (MTPL), Singapore.

The principal activities of the Company are export of Minerals 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. BASIS OF PREPARATION OF FINANCIAL STATEMENT

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

2.2. PURCHASES AND SALES

a. Purchases and sales are booked on performance of the contract/agreement entered into with the sellers/buyers or against allocation letter received from government. Wherever there is part performance of such contract/agreement/allocation, the part completed is booked as Purchase/Sale.

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

c. Gold/Silver received under deposit:-

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

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

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

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

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

e. Purchase/Sale is booked in respect of trade done through commodity exchange like National Spot Exchange which is backed by physical delivery of goods.

f. In respect of exports of Iron Ore/Manganese Ore where final sale value is ascertained on the basis of destinational weight and analysis results and such results are awaited, provision towards DWA risk is made @ 1% on the provisional sale value. In case of FOBT supplies where DWA risk on the purchase value is to the account of supplier provision @1% is made on the difference between sale value and purchase value.

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

2.3. REVENUE RECOGNITION

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

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

ii. Decrees pending for execution/contested dues and interest thereon, if any:

iii. Interest on overdue recoverables where realisability is uncertain.

iv. Liquidated damages on suppliers/ underwriters, refund of custom duty on account of survey shortage, and refund of income-tax/sales-tax/VAT and interest thereon.

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

c) Claims are recognized in the Profit & Loss Account on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc. when it is not unreasonable to expect ultimate collection. Claims recognized but subsequently becoming doubtful are provided for through Profit & Loss Account.

2.4. PREPAID EXPENSES

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

2.5. FIXED ASSETS

(a) All fixed assets are stated at historical cost less accumulated depreciation and any impairment in value.

(b) The Company's expenditure toward construction/ development of assets on land owned by the Government/Semi Government Authorities is capitalized under heading "Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company".

2.6. DEPRECIATION

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. Depreciation on assets acquired/disposed during the year is provided from/up to the date acquisition/disposal. Depreciation includes amortization of Intangible Assets and lease-hold Assets. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:

Name of Assets	Useful life as adopted by the company	Useful life as provided in Schedule II
A. General Assets		
Furniture & Fittings	10	10
Office Equipment	5	5
Vehicles		
Scooter	10	10

Car	8	8
Computers		
Servers and networks	6	6
End user devices	3	3
Lease-hold Land	As per Lease Agreement	
Wagon Rakes	As per Agreement/Wagon Investment Scheme	
Electronic installations excluding fans	10	10
Water Supply, Sewerage and Drainage	5	5
Roads		
Carpeted Roads – RCC	10	10
Carpeted Roads-Other than RCC	5	5
Non Carpeted Roads	3	3
Culverts	30	30
Buildings		
RCC	60	60
Other than RCC	30	30
Residential Flats (Ready Built)		
RCC	60	60
Other than RCC	30	30
Temporary Structure & wooden partition	3	3
Warehouse / Godown	30	30
B. Manufacturing Unit's Assets		
Factory Buildings	30	30
Electronic installations excluding fans	10	10
Water Supply, Sewerage and Drainage	5	5
Plant and Machinery		
Single Shift	15	15
Double Shift	10	10
Triple Shift	7.5	7.5
Plant and Machinery – Continuous (Wind Mill)	22	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5	-
D. Intangible Assets		
Computer Software	5	Over the useful life of the asset (As per AS-26)

E.	**Certain items of small value like Calculators, Wall Clock, Kitchen Utensils and other consumables whose useful life is very limited are directly charged to revenue in the year of purchase. Similarly, the cost of mobile handsets are also charged to revenue since the same is reimbursed to officials as per their entitlement, against purchase by the officials in their own name which are not returned to the Company.**
F.	**From the date Schedule II came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per Schedule II. Wherever, the remaining useful life of an asset is NIL, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.**
G.	**Goodwill is amortised over a period of five years.**

2.7. INVESTMENTS

a. Long term investments are valued at cost less provision for permanent diminution in value.

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

2.8. FOREIGN CURRENCY TRANSACTIONS

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

ii. Foreign currency monetary items (except overdue recoverable where realisability is uncertain) are converted using the closing rate as defined in the AS-11 issued by the Institute of Chartered Accountants of India. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Profit and Loss account.

iii. Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate as defined in AS 11 issued by the Institute of Chartered Accountants of India. The difference in exchange is recognized in the Profit & Loss Account.

iv. In respect of forward exchange contracts, the

premium / discount and loss/gain will be recognized as under:-

a. In respect of forward exchange contracts against existing underlying transactions, the premium / discount is recognized proportionately over the life of the contract. The loss/gain due to difference in exchange rate between (i) closing rate or the rate on the date of settlement if the transaction is settled during the year, and (ii) the exchange rate at later of the date of the inception of the forward contract or the last reporting date is recognized in the Profit & Loss Account for the year.

b. In respect of forward contracts relating to firm commitments and highly probable forecast transactions, loss due to exchange difference is recognized in the Profit & Loss Account in the reporting period in which the exchange rate changes. Any profit or loss arising on renewal or cancellation of such contracts is recognized as income or expense for the period.

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

2.9. SEGMENT REPORTING

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

i. Precious Metals

ii. Metals

iii. Minerals

iv. Coal & Hydrocarbon

v. Agro Products

vi. Fertilizer

vii. General Trade/others.

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

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

i. Outside India

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

2.10. EMPLOYEE BENEFITS

i. Provision for gratuity, leave encashment/ availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation as per AS-15(Revised) issued by The Institute of Chartered Accountants of India.

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

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

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

2.11. PHYSICAL VERIFICATION OF STOCKS

i. Physical verification of stocks is undertaken once in a year and balances are arrived at after necessary adjustments till the end of the year. The stocks as physically verified are adopted as closing stocks and shortages/ excesses suitably dealt with.

ii. In some of the cases where stocks are lying with Handling Agent/SWC/CWC/Private Parties the stocks have been adopted on the basis of certificate given by the respective agencies.

2.12. VALUATION OF STOCKS

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

a) EXPORTS:

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

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

b) IMPORTS:

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

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

c) DOMESTIC:

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

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

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

iv. STOCK ON LOAN/FABRICATION: Stocks with fabricators are taken as the stocks of the company, till adjustments.

2.13. PRIOR PERIOD ADJUSTMENTS

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

2.14. BORROWING COSTS

(i) Borrowing cost in ordinary course of business are recognized as an expense in the period in which these are incurred.

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

2.15. DEFERRED TAX

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

2.16. IMPAIRMENT OF ASSETS

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

2.17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(I) Provisions

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

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

(b) Others

(i) Provision is recognized when

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

b. a probable outflow of resources is expected to settle the obligation

and

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

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

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

(II) Contingent liabilities and contingent assets

i. Contingent liabilities are not recognized but are disclosed in the Notes to the Accounts. Interest, if any on contingent liabilities are generally not disclosed in the Notes to the Accounts being indeterminable.

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

2.18. TREATEMENT OF EXPENDITURE DURING PROJECT IMPLEMENTATION /CONSTRUCTION PERIOD

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

2.19. OPERATING LEASES

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

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

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

2.21. PRINCIPLES OF CONSOLIDATION

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

(a) The financial statements of the Parent Company and its Subsidiary are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants on India.

(b) In translating the financial statements of non-integral foreign subsidiary for incorporation of its financial statements, the following procedures are adopted:-

i) the assets and liabilities, both monetary and non-monetary, of the non-integral foreign subsidiary translated at the closing rate as defined in the AS-11 issued by the Institute of Chartered Accountants of India;

ii) income and expense items of the non-integral foreign subsidiary are translated at average exchange rate and

iii) all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

(c) In case of Associates, where the Company, directly or indirectly through subsidiaries holds more than 20% of equity, have been accounted for using "Equity Method" of Accounting described by Accounting Standard (AS) 23 "Accounting for Investment in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

(d) The Company accounts for its share in the change in the net assets of the associates, post-acquisition, after eliminating unrealised profits and losses resulting from transactions between the company and its associates to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates' profit and loss account and through its reserve for the balance, based on available information.

(e) The differences between the cost of investment in the subsidiaries, associates, joint ventures and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

(f) The Consolidated Financial Statements include the interest of the Company in Joint Venture Companies, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is considered as, separate line items in the Consolidated Financial Statements.

(g) As far as possible the Consolidated Financial Statement is prepared using uniform accounting policies for like transactions and other events in similar circumstances, and are presented in the same manner as the Company's Separate Financial Statements.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2015

3. SHAREHOLDERS' FUND

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

(₹ in Million)

	31-03-2015		31-03-2014	
	Number	Amount	Number	Amount
A. Authorised				
Equity Shares of Par Value ₹ 1/- each	**1,000,000,000**	**1000.00**	1,000,000,000	1,000.00
B. Issued, subscribed and fully paid				
Opening Balance as on 1st April 2014	**1,000,000,000**	**1000.00**	1,000,000,000	1,000.00
Addition	-	-	-	-
Deduction	-	-	-	-
Closing Balance as 31st March 2015	**1,000,000,000**	**1000.00**	**1,000,000,000**	**1000.00**
Share of interest in Joint Ventures				
Total		**1000.00**		**1,000.00**

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

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

The Company does not have any holding company.

No shareholder other than the promoters is holding more than 5% shares of the company. The shareholding of the promoters i.e. President of India as on 31-03-2015 is 899,268,762 shares (P.Y. 900,000,000 shares) 89.93% (P.Y. 90%).

3.2 RESERVES & SURPLUS

(₹ in Million)

	31-03-2015	31-03-2014
Reserves		
Capital reserve-Opening Balance	**0.69**	**4.40**
Add: Addition	-	-
Add: Share of Interest in Joint Ventures	-	-
Less: Deduction	-	3.71
Closing Balance	**0.69**	**0.69**
General reserve-Opening Balance	**6,850.47**	**6,729.15**
Add: Addition	143.37	102.14
Add: Share of Interest in Joint Ventures	-	19.17
	6,993.84	6,850.47
Less: Deduction	-	-
Closing Balance	**6,993.84**	**6,850.47**
Foreign Currency Translation Reserve -Opening Balance	**34.77**	**(407.77)**
Add: Addition	2.97	442.53
	37.74	34.77
Less: Deduction	-	-
Closing Balance	**37.74**	**34.77**
Sustainable Development Reserve-Opening Balance	-	**2.11**
Add: Addition	-	-
	-	2.11
Less: Deduction	-	2.11
Closing Balance	**-**	**-**
Corporate Social Responsibility Reserve-Opening Balance	**0.13**	**4.36**
Add: Addition	-	-
	0.13	4.36
Less: Deduction	-	4.23
Closing Balance	**0.13**	**0.13**
Research and Development Reserve-Opening Balance	**3.54**	**-**
Add: Addition	-	3.54
	3.54	3.54
Less: Deduction	-	-
Closing Balance	**3.54**	**3.54**
Total (A)	7,035.93	6,889.59
Surplus		
Surplus-Opening Balance	**6,612.24**	**7,587.64**
Adjustment in Surplus for earlier period	(27.25)	(531.29)
Add: Net profit after tax transferred from Statement of Profit and Loss	(714.43)	(345.56)
Add: Share of interest in Joint Ventures transferred from statement of Profit and Loss	289.65	163.96
Sustainable Development Reserve	-	2.11
Corporate Social Responsibility Reserve	-	4.23
Opening Adjustment of Depreciation	(5.16)	-
Amount available for appropriation	**6,155.05**	**6,881.08**
Appropriations:		
Final Dividend	250.00	150.00
Dividend Tax	50.89	25.49
Amount transferred to general reserve	100.00	9.40
Research and Development Reserve	-	3.54
Share of Interest in Joint Ventures	147.00	80.40
Surplus-Closing Balance (B)	**5,607.15**	**6,612.24**
Total (A+B)	**12643.09**	**13501.83**

(a) The company has revised depreciation rates in respect of fixed assets w.e.f. 1st April, 2014 in line with Schedule II of Companies Act 2013 deriving from the useful life specified therein. Accordingly, the company has charged ₹ 5.16 million (P.Y. ₹ Nil million) to reserves in terms of the transitional provisions of Schedule II.

4. NON CURRENT LIABILITIES

4.1 LONG TERM BORROWINGS

(₹ in Million)

	31-03-2015		31-03-2014	
Share of interest in Joint Ventures				
a. Secured	**501.72**		89.80	
b. Unsecured	**-**	**501.72**	840.07	929.87
Total		**501.72**		**929.87**

4.2 OTHER LONG TERM LIABILITIES

(₹ in Million)

	31-03-2015		31-03-2014	
Trade payable				
-Other than MSMEs	**119.87**		12.52	
-MSMEs	**-**	**119.87**	-	12.52
Others				
-Sales Tax/CST/Custom duty	**68.62**		6.02	
-Others	**76.15**	**144.77**	80.93	86.95
		264.64		99.47
Share of Interest in Joint Ventures		**74.59**		67.17
Total		**339.23**		**166.65**

4.3 LONG TERM PROVISIONS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Provision for Employee Benefits				
i. Leave encashment	**247.92**		238.93	
ii. Post retirement medical benefits-Open Group	**723.48**		1297.34	
-Closed Group	**502.79**		0.00	
iii. Half pay leave	**198.44**		189.51	
iv. Service Award	**47.70**		47.68	
v. Compassionate Gratuity	**1.86**		1.97	
vi. Employees' Family Benefit Scheme	**49.05**	**1771.24**	49.52	1824.95
		1771.24		1824.95
Share of interest in Joint Ventures		**2.93**		1.69
Total		**1774.17**		**1826.64**

5. CURRENT LIABILITIES

5.1 SHORT TERM BORROWINGS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Loans repayable on demand				
From Banks				
Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	**2060.42**		2245.95	
Unsecured	**1249.22**	**3309.65**	2368.68	4614.63
		3309.65		4614.63
Share of interest in Joint Ventures		**553.20**		34.65
Total		**3862.85**		**4649.28**

The loans have not been guaranteed by any of the director or others.
The loans have been taken from Banks under Cash Credit/Packing Credit Accounts/Others and are repayable within one year.
The company has not defaulted in repayment of any loan and interest thereon.

5.2 TRADE PAYABLE

(₹ in Million)

	31-03-2015		31-03-2014	
A. Sundry Creditors				
i. Other than MSMEs	**31268.34**		12663.08	
ii. MSMEs	**-**	**31268.34**	-	12663.08
B. Bills payable		-		1438.73
		31268.33		14101.81
Share of interest in Joint Ventures		**1749.41**		951.41
Total		**33017.74**		**15053.22**

5.3 OTHER CURRENT LIABILITIES

(₹ in Million)

	31-03-2015		31-03-2014	
a. Interest accrued but not due on borrowings		**4.92**		33.99
b. Interest accrued and due on borrowings		**3.28**		1.47
c. Income received in advance		**-**		0.08
d. Other payables (specify nature)				
-Forward cover -Amount payable to Bank	**2,576.90**		5,541.55	
Less: Foreign Currency Receivable	**2,522.61**		5,367.14	
	54.29		174.41	
-Sundry Creditors -others	**70.05**		80.56	
-Advance received from customers	**270.85**		564.53	
-Unpaid dividend	**0.31**		0.13	
-Despatch payable	**13.91**		24.71	
-Demurrage payable	**4.41**		65.67	
-Credit balance in sundry debtors	**1022.61**		1358.04	
-Security deposit & EMD	**349.95**		426.95	
-Taxes & Employees dues remittance pending	**1988.14**		2219.93	
-Salaries & Allowances	**7.84**		9.02	
-Administrative Expenses	**95.90**		143.08	
-Amount payable towards unbilled purchases	**3150.89**		6022.58	
-Others	**1345.78**		614.67	
		8374.93		11704.28
		8383.13		11739.82
Share of interest in Joint Ventures		**306.16**		438.08
Total		**8689.28**		**12177.90**

5.4 SHORT TERM PROVISIONS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Provision for Employee Benefits				
i. Bonus/Performance related pay	**53.64**		59.89	
ii. Earned Leave	**29.31**		24.95	
iii. Post Retirement Medical Benefit-Open Group	**12.55**		70.98	
iii. Post Retirement Medical Benefit-Closed Group	**65.76**		-	
iv. Half Pay Leave	**28.93**		24.34	
v. Gratuity	**2.17**		0.78	
vi. Superannuation Benefits	-		39.20	
vii. Service Award	**8.34**		6.82	
viii. Compassionate Gratuity	**0.33**		0.40	
ix. Employees' Family Benefit Scheme	**9.43**		10.50	
x. Others	**-**	**210.46**	**-**	237.86
B. Others				
i. Taxation	**160.74**		781.09	
ii. Proposed dividend	**250.00**		150.00	
iii. Dividend Distribution Tax	**50.89**		25.49	
iv. Destinational Weight and Analysis Risk	**0.67**		1.19	
v. Corporate Social Responsibility	**6.14**		-	
vi. Provision for Litigation Settlements	**321.77**		-	
		790.21		957.78
		1000.67		1195.64
Share of interest in Joint Ventures		**172.87**		75.33
Total		**1173.55**		**1270.97**

6 NON CURRENT ASSETS

6.1 FIXED ASSETS

6.1.1 Tangible Assets

(₹ in Million)

	GROSS BLOCK					DEPRECIATION/ IMPAIRMENT						NET CARRYING VALUE	
	1-4-2014	Addition	Other Adjustments	Disposals	31-03-2015	Opening balance as at 01-04-2014	Depreciation for the year*	Impairment/ (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2015	31-03-2015	31-03-2014
Land freehold													
-Office building	3.66	-			**3.66**	-			-		**-**	**3.66**	3.66
-Staff Quarters	1.33	-			**1.33**	-			-		**-**	**1.33**	1.33
Land leasehold													
-Office building	39.60				**39.60**	12.13	0.50	-	12.63	-	**12.63**	**26.97**	27.47
-Staff Quarters	2.67				**2.67**	1.12	0.03	-	1.14		**1.14**	**1.53**	1.55
Building													
-Office Building	127.61	-	-	-	**127.61**	59.21	1.52	-	60.73	-	**60.73**	**66.88**	68.40
-Staff Quarters/ Residential Flats	70.03	0.19	(4.31)	-	**65.90**	53.46	0.51	-	53.97	(0.37)	**54.34**	**11.57**	16.57
-Water supply, Sewerage & Drainage	9.48	-	-	-	**9.48**	9.40	0.08	-	9.48		**9.48**	**-**	0.09
-Electrical Installations	18.25	0.20	0.01	0.03	**18.43**	16.40	0.34	-	16.74	0.05	**16.69**	**1.73**	1.86
-Roads & Culverts	3.58	-	-	-	**3.58**	3.21	0.14	-	3.35		**3.35**	**0.23**	0.37
-Audio/Fire/ Airconditioning	12.24	0.45	(0.06)	0.08	**12.54**	12.01	0.16	-	12.16	0.15	**12.01**	**0.53**	0.23
Plant & Equipment	796.24	0.25	-	1.51	**794.99**	332.08	33.17	-	365.25	1.51	**363.74**	**431.25**	464.16
Furniture & Fixtures		-	-	-									
-Partitions	23.42	3.31	5.71	0.04	**32.42**	22.96	0.91	-	23.86	(0.76)	**24.62**	**7.78**	0.47
-Others	52.92	0.94	(2.11)	0.15	**51.60**	49.16	1.00	-	50.16	2.28	**47.88**	**3.72**	3.76
Vehicles	21.57	-	-	0.55	**21.02**	20.47	0.24	-	20.71	0.55	**20.16**	**0.86**	1.09
Office Equipments	58.71	2.26	1.13	1.13	**60.97**	48.90	5.60	-	54.50	0.01	**54.49**	**6.48**	9.81
Others:-													
Railway Wagon Rakes	553.64	-	-	-	**553.64**	421.68	25.10	106.87	553.64	-	**553.64**	**-**	131.97
Railway Loop Line at BNHT	26.17	-	-	-	**26.17**	26.17	-	-	26.17	-	**26.17**	**-**	-
		-	-	-									
Warehouse	34.11	-	-	-	**34.11**	19.41	2.14	-	21.54	-	**21.54**	**12.56**	14.71
		-	-	-									
Computer/ Data Processors	180.58	4.87	0.08	1.37	**184.16**	171.47	6.15	-	177.62	1.15	**176.46**	**7.70**	9.11
		-	-	-									
Share of interest in Joint Ventures	688.77	34.82	-	0.58	**723.01**	82.29	56.23	0.00	138.52	0.20	**138.32**	**584.69**	606.48
Total	2724.58	47.28	0.46	5.44	**2766.89**	1361.51	133.80	106.87	1602.18	4.78	**1597.41**	**1169.47**	1363.09
Last Year	**2714.89**	**43.54**	**0.00**	**13.54**	**2744.89**	**1216.47**	**157.36**	**10.88**	**1384.71**	**9.51**	**1375.20**	**1369.69**	

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

(b) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with State Trading Corporation of India Limited (STC).

(c) Residential flats includes 41 shares (P.Y. 41 shares) of Cooperative Group Housing Society of the value of ₹ 0.002 million (PY ₹ 0.002 million). Conveyance of some of the flats of the original value as on 31.03.2015 amounting to ₹ 4.89 million (P.Y. ₹ 4.89 million) is pending to be executed.

(d) Cost of Office Building on lands not owned by the Company is ₹ 6.24 million (P.Y. ₹ 6.24 million) and provision for depreciation is ₹ 3.57 million (P.Y. ₹ 3.45 million)

(e) Cost of Water Supply on Land not owned by the Company is ₹ 0.66 million (P.Y. ₹ 0.66 million).

(f) Cost of residential building, roads & culverts and electrical installations amounting to ₹ 11.63 million (P.Y. ₹ 11.63 million) & accumulated depreciation of ₹ 6.44 million (P.Y. ₹ 6.30 million) constructed on the leasehold land at Paradip which expired on 20.11.2011 Paradip Port Trust has approved its renewal for 15 years. However, final approval of Government is awaited.

(g) The company has carried out the assessment of impairment of assets & provision towards impairment loss in value of assets amounting to ₹ 106.87 million (P.Y. ₹ 10.88 million) has been made during the year.

(h) The Company has revised depreciation rates in respect of certain fixed assets w.e.f. 1st April 2014 in line with schedule II of the Companies Act, 2013 deriving from the useful life specified therein. Accordingly the company has charged ₹ 5.16 million (P.Y. ₹ Nil million) to reserves in terms of the transitional provisions of said Schedule II.

* Depreciation for the year includes ₹ 5.16 million charged to reserves as stated above.

(i) Other adjustment column under gross block against Staff Quarters/Residential Flats, Electrical Installations, Audio/Fire/Air conditioning, Furniture & Fixture – Partition, Furniture & Fixture – Others, Office Equipment & Computer/Data Processors includes an amount of ₹ (4.31) million, ₹ (0.01) million, ₹ (0.06) million, ₹ 1.17 million, ₹ (2.16) million, ₹ 1.08 million and ₹ (0.02) million respectively relating to change in classification of assets. Similarly, the accumulated depreciation against Staff Quarters/Residential Flats, Electrical Installations, Audio/Fire/Air conditioning, Furniture & Fixture – Partition, Furniture & Fixture – Others, Office Equipment & Computer/Data Processors under Deduction/Adjustment column which includes ₹ (0.37) million, ₹ 0.01 million, ₹ 0.06 million, ₹ (1.17) million, ₹ 2.24 million and ₹ (0.89) million respectively against the reclassification of assets as mentioned above. It also includes against Furniture & Fixture – Partition ₹ 0.24 million, Furniture & Fixture – Others ₹ 0.07 million, Office Equipment ₹ 0.06 million, & Computer & Data Processors ₹ 0.10 million pertaining to foreign exchange difference on conversion of foreign subsidiary assets at closing exchange rate.

6.1.2 INTANGIBLE ASSETS

(₹ in Million)

	Gross Block						Amortisation					Net Carrying Value	
	1-4-2014	Addition	Other adjustments	Disposals	31-03-2015	Opening balance as at 01-04-2014	Amortisation for the year	Impairment / (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2015	31-03-2015	31-03-2014
Computer software	2.68	0.14	0.01		2.83	0.83	0.53		1.36	-	**1.36**	**1.47**	1.84
Goodwill on consolidation (Joint Ventures)	8.59	0.18	-	-	8.77	8.07	0.41		8.47		**8.47**	**0.30**	0.52
Goodwill on consolidation (Associates)	219.16	-			219.16	131.50	43.83		175.33		**175.33**	**43.82**	87.67
Share of interest in Joint Ventures	1.43	4.94		-	6.37	0.34	1.07		1.40		**1.40**	**4.96**	1.09
Total	231.86	5.26	0.01	-	**237.13**	140.74	45.83	-	186.57	-	**186.56**	**50.55**	91.12
Last Year	**263.37**	**1.66**	**0.19**	-	**264.84**	**122.60**	**51.14**	-	**173.74**	**0.19**	**173.55**	**91.28**	

6.1.3 CAPITAL WORK-IN-PROGRESS

(₹ in Million)

	Assets						Depreciation / Impairment					Net Carrying Value	
Assets	1-4-2014	Addition	Other adjustments	Disposals	31-03-2015	Opening balance as at 01-04-2014	Amortisation for the year	Impairment / (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2015	31-03-2015	31-03-2014
Building													
-Building Under Construction	6.71				**6.71**	6.71			6.71		**6.71**	**-**	-
-Electrical Installations	6.70				**6.70**	6.70			6.70		**6.70**	**-**	-
-Roads & Culverts	0.47				**0.47**	0.47			0.47		**0.47**	**-**	-
Computer	0.00	0.05	-	-	0.05	-	-	-	-	-	**0.00**	**0.05**	0.00
Plant & Equipment	13.80		-		**13.80**	13.80			13.80		**13.80**	**-**	-
Development of Gomia Coal Block	65.43	0.36	-	65.79	-	-			-		**-**	**-**	65.43
Share of interest in Joint Ventures	1353.18	181.75	-	-	**1534.94**	-		0.39	0.39		**0.39**	**1534.55**	1353.18
Total	1446.30	182.16	-	65.79	**1562.67**	27.69	-	0.39	28.07	-	**28.07**	**1534.60**	1418.61
Last Year	**1284.87**	**161.52**	**0.09**	**0.00**	**1446.30**	**27.69**	**0.00**	**0.00**	**27.69**	**0.00**	**27.69**	**1418.61**	

6.2 NON CURRENT INVESTMENTS

(₹ in Million)

	31-03-2015		31-03-2014	
I. TRADE INVESTMENTS				
A. Investment Property				
Bandra Kurla Complex		**36.31**		36.31
B. Investment in Equity instrument				
a) Associates				
i. Neelachal Ispat Nigam Limited				
Fully paid up 289,342,744 Equity shares of Rs.10/- each P.Y. Fully paid up 289,342,744 Equity shares of Rs. 10/- each)	**3796.85**		**3796.85**	
Add: Income from Associates till date	**(1,036.49)**		121.74	
Less: Goodwill	**219.16**	**2541.19**	219.16	3699.43
ii. Devona Thermal Power & Infrastructure Ltd.				
Fully paid up 13,000 Equity shares of Rs.10/- each				
(P.Y. Fully paid up 13,000 Equity shares of Rs.10/- each)	**0.13**		0.13	
Less: Goodwill	**0.13**	**-**	0.13	-
b) Others				
i. Indo French Biotech Limited Fully paid 4,750,000 Equity shares of Rs.10/- each (P.Y. Fully paid 4,750,000 Equity shares of Rs.10/- each)	**47.50**		47.50	
Less: Provision for Diminution in value of investment	**47.50**	**0.00**	47.50	0.00
ii. United Stock Exchange Limited Fully paid 30,000,000 Equity shares of Rs.1/- each (P.Y. Fully paid 30,000,000 Equity shares of Rs.1/- each)		**30.00**		30.00
c) Advance against Equity pending allotment -TM Mining Company Limited		**0.00**		**0.13**
		2607.50		**3765.87**
II. OTHER INVESTMENTS - Joint Ventures				
i. Indian Commodity Exchange Limited * Fully paid 52,000,000 Equity shares of Rs.5/- each (P.Y. Fully paid 52,000,000 Equity shares of Rs.5/- each)	**260.00**			
Less: Provision for Diminution in value of investment	**241.10**	**18.90**		
Share of interest in Joint Ventures		**(0.69)**		(4.79)
Total		**2625.71**		**3761.08**

*The financial statements for the year 2014-15 have not been received from JV Company, Indian Commodity Exchange Limited, hence the same has not been considered in consolidated financial statements and accordingly investment is shown.

(i) All Non Current Investments are carried at cost less provision for permanent diminution in value, if any. The company is not having any quoted investments. Aggregate amount of un-quoted investments is ₹ 3874.48 million (P.Y. ₹ 3874.48 million). Aggregate amount of provision for diminution in value of investments is ₹ 47.50 million (P.Y. ₹ 47.50 million).

(ii) In regard to investment of ₹ 30.00 million (P.Y. ₹ 30.00 million) in United Stock Exchange (USE), during the current year USE has obtained approval from SEBI, CCI & Shareholders for amalgamating USE with Bombay Stock Exchange (BSE) with 1.4.2014 as appointed date. The Hon'ble High Court of Bombay has since accorded approval to the scheme of amalgamation on 24.04.2015, however, certified copy of the order is yet to be received. The amalgamation will be effective after of filing of the certified copy of the order with Registrar of Companies. Consequently, the company will get 77,922 shares of BSE in exchange of 3,00,00,000 shares in USE (i.e. 1 share of BSE for every 385 shares held in USE)

6.3 DEFERRED TAX ASSETS (NET)

The deferred tax assets as at 31st March 2015 comprises of the following:

(₹ in Million)

Particulars	Deferred Tax Asset/ (Liability) as at 1.4.2014	Credit / (Charge) during 2014-15	Deferred Tax asset / (Liability) as at 31.3.2015
Depreciation	(159.23)	45.83	**(113.40)**
Prov. For Doubtful	2403.89	(136.30)	**2267.59**
DWA Risk	0.00	0.23	**0.23**
VRS Expenses	16.90	(5.83)	**11.07**
Provision for litigation settlement	0.00	111.36	**111.36**
Provision for CSR	0.00	2.12	**2.12**
Interest in Joint Ventures	(47.49)	1.84	**(45.66)**
Total	**2214.07**	**19.25**	**2233.31**

6.4 LONG TERM LOANS AND ADVANCES

(₹ in Million)

	31-03-2015		31-03-2014	
A. CAPITAL ADVANCES				
I. Secured, considered good	-		-	
II. Unsecured, considered good	**0.50**		-	
III. Doubtful	-		-	
	0.50		-	
Less: Provision for bad and doubtful advances	-	**0.50**	-	-
B. SECURITY DEPOSITS				
I. Secured, considered good	**106.31**		49.46	
II. Unsecured, considered good	**19.37**		17.63	
III. Doubtful	**18.76**		47.49	
	144.44		114.58	
Less: Provision for bad and doubtful advances	**18.76**	**125.68**	47.49	67.09
C. LOANS AND ADVANCES TO RELATED PARTIES				
I. Secured, considered good	**-**		-	
II. Unsecured, considered good	**0.11**		10.25	
III. Doubtful	**4.85**		4.85	
	4.95		15.10	
Less: Provision for bad and doubtful advances	**4.85**	**0.11**	4.85	10.25
D. OTHER LOANS AND ADVANCES				
I. Secured, considered good				
-Loan & advances to PSUs/Other Companies	**88.40**		88.38	
-Interest accrued & due/not due	**0.03**		**-**	
-Loan to Employees	**171.96**	**260.39**	180.35	268.73
II. Unsecured, considered good				
-Loan & advances to PSUs/Other Companies	**175.77**		173.09	
-Interest accrued & due/not due	**28.60**		29.72	
-Loan to Employees	**88.22**		97.63	
-Others	**189.65**		55.07	
III. Doubtful	**2486.58**		2362.73	
	2968.83		2718.24	
Less: Provision for bad and doubtful advances	**2486.58**	**482.24**	2362.73	355.51
		868.92		701.57
Share of interest in Joint Ventures		**38.16**		36.10
Total		**907.08**		**737.68**

6.5 OTHER NON-CURRENT ASSETS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Long Term Trade Receivables				
i. Considered good (Secured against hypothecation of assets/mortgage of title deeds and Bank Guarantees)	**-**		-	
ii. Unsecured Considered good	**10.51**		14.60	
iii. Considered doubtful	**3751.73**		4117.93	
	3762.24		4132.53	
Less : Provision for bad and doubtful receivables	**3753.92**	**8.32**	4117.93	14.60
B. Others		**-**		-
		8.32		14.60
Share of interest in Joint Ventures		**4.17**		4.12
Total		**12.49**		**18.72**

7 CURRENT ASSETS

7.1 CURRENT INVESTMENTS

(₹ in Million)

	31-03-2015		31-03-2014	
A. Investment in Mutual Funds (Quoted)				
SBI Premier Liquid Fund-Direct Plan-Daily Dividend.				
₹ Nil (P.Y. 558185.8958 units of ₹ 1003.25/- each)	-	-	560.00	560.00
Share of interest in Joint Ventures (Unquoted)		**128.81**		0.45
Total		**128.81**		**560.45**

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

Aggregate market value of quoted investments as on 31.03.2015 ₹ Nil million (P.Y. ₹ 560.49 million) against cost of ₹ Nil million (P.Y. ₹ 560.00 million).

Aggregate amount of un-quoted investments is ₹ 128.81 million (P.Y. ₹ 0.45 million).

7.2 INVENTORIES

(₹ in Million)

	31-03-2015		31-03-2014	
A. Raw materials	**233.91**		260.13	
B. Finished goods	**358.50**		626.60	
C. Stock-in-trade (includes goods in transit valued at ₹ 544.19 million (P.Y. ₹ 843.55 million)	**2,601.69**		2,196.97	
D. Others (specify nature).	**-**	**3194.10**	0.25	3083.95
		3194.10		3083.95
Share of interest in Joint Ventures		**144.12**		84.41
Total		**3338.22**		**3168.36**

As taken, valued and certified by the management.

7.3 TRADE RECEIVABLES

(₹ in Million)

	31-03-2015		31-03-2014	
A. Trade Receivables Outstanding for a period exceeding six months from the date they are due for payment				
i. Secured, Considered good	**529.92**		2367.48	
ii. Unsecured Considered good	**3,121.85**		669.79	
iii. Doubtful	**205.60**		202.17	
	3,857.37		3239.44	
Less: Provision for bad and doubtful debts	**205.60**	**3,651.77**	202.17	3037.27
B. Other Trade Receivables				
i. Secured, Considered good	**3,553.63**		1044.46	
ii. Unsecured Considered good	**23,211.37**		13276.44	
iii. Doubtful	**-**		-	
	26,765.00		14320.90	
Less: Provision for bad and doubtful debts	**-**	**26,765.00**	-	14320.90
		30416.77		17358.17
Share of interest in Joint Ventures		**19.58**		66.69
Total		**30436.35**		**17424.86**

7.4 CASH AND BANK BALANCES

(₹ in Million)

	31-03-2015		31-03-2014	
a. Cash and cash equivalents				
-Cheques, Drafts on hand		**0.99**		0.80
-Cash on hand		**0.08**		0.11
-Balances with Banks				
i. in Current Account	**56.32**		73.04	
ii. in Cash Credit Account (Debit balance)	**1,005.19**		18.55	
iii. in Term Deposits with original maturity upto 3 months	**221.80**	**1283.31**	3201.32	3292.91
b. Other Balances with Banks				
-As Margin money/lien	**-**		3.00	
-in term deposits with original maturity more than 3 months and upto 12 months	**1330.49**		2349.64	
-more than 12 months original maturity	**0.13**	**1330.62**	0.13	2352.77
		2615.00		5646.59
Share of interest in Joint Ventures		**1566.49**		812.20
Total		**4181.49**		**6458.79**

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

7.5 SHORT TERM LOANS AND ADVANCES

(₹ in Million)

	31-03-2015		31-03-2014	
Others				
i. Advance recoverable in cash or kind				
Secured -Considered good	**79.91**		254.18	
Unsecured -Considered good *	**12199.62**		5534.33	
Doubtful	**50.03**		211.28	
	12329.56		5999.79	
Less : Provision for Bad and Doubtful loans and advances	**50.03**	**12279.53**	211.28	5788.51
ii. Advance to Suppliers				
Secured -Considered good	**0.00**		-	
Unsecured -Considered good	**41.79**		167.97	
Doubtful	**4.77**		98.26	
	46.57		266.23	
Less : Provision for Bad and Doubtful loans and advances	**4.77**	**41.79**	98.26	167.97
iii. Income Tax (including advance income tax, TDS and refund due and VAT)				
Unsecured -Considered good		**573.44**		932.17
		12894.76		6888.65
Share of interest in Joint Ventures		**284.99**		379.07
Total		**13179.75**		**7267.72**

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

7.6 OTHER CURRENT ASSETS

(₹ in Million)

	31-03-2015		31-03-2014	
Deferred Premium	**33.92**		46.22	
Gold/Silver stock towards unbilled purchases	**3150.89**		6022.58	
	3184.81		6068.80	
Less: Provision for doubtful amount, if any	**-**	**3184.81**	-	6068.80
Share of interest in Joint Ventures		**18.98**		16.25
Total		**3203.79**		**6085.05**

8 REVENUE FROM OPERATIONS

(₹ in Million)

	2014-15		2013-14	
a. Sale of products		**181426.10**		257340.51
b. Sale of services		**46.20**		39.62
c. Other operating revenue				
-Despatch earned	**12.68**		9.11	
-Claims	**231.21**		1903.97	
-Subsidy	**-**		0.00	
-Other Trade Income	**210.36**		108.78	
	454.25		2021.86	
Less:				
d. Excise Duty	**5.56**	**448.69**	1.37	2020.49
		181920.99		259400.62
Share of interest in Joint Ventures		**57395.43**		22021.93
Total		**239316.42**		**281422.55**

9 OTHER INCOME

(₹ in Million)

	2014-15		2013-14	
a. Interest				
-Interest on fixed deposits	**328.24**		857.02	
-Interest from customers on amount overdue	**40.15**		81.36	
-others (i)	**659.21**	**1027.61**	510.07	1448.45
b. Dividend				
-from Joint Venture company	**52.34**			
-others (Mutual Funds)	**19.40**	**71.74**		32.64
c. Net gain/ loss on sale of investments		**-**		-
c. other non operating income (net of expenses directly attributable to such income)				
-Staff quarter rent	**5.85**		5.88	
-Misc. Receipts	**87.09**		231.65	
-Liabilities written back	**87.38**		572.12	
-foreign exchange gain	**0.00**		4.38	
Less: foreign exchange loss	**-**	**180.32**	-	814.03
		1279.66		2295.12
Share of interest in Joint Ventures		**169.39**		104.54
Total		**1449.06**		**2399.66**

(i) Includes interest of ₹ 543.32 million (P.Y. ₹ 298.98 million) on short term loan facilities extended to Neelachal Ispat Nigam Limited (NINL) an Associate Company from time to time.

10 COST OF MATERIAL CONSUMED

(₹ in Million)

	2014-15	2013-14
Raw Material	**1,222.05**	1,586.70
Packing Material	**-**	-
Consumables	**-**	26.40
Loose Tools	**-**	-
	1,222.05	1,613.10
Share of interest in Joint Ventures	**-**	-
Total	**1222.05**	**1,613.10**

11 PURCHASES OF STOCK-IN-TRADE

(₹ in Million)

Product Groups	2014-15		2013-14	
A) Purchases				
Precious Metals	**43788.27**		84441.94	
Metals	**9263.37**		15094.38	
Fertilizers	**79702.15**		39616.24	
Minerals	**16019.90**		22534.98	
Agro Products	**2949.59**		27281.96	
Coal and Hydrocarbons	**16218.18**		37961.80	
General Trade/Others	**839.03**	**168780.49**	0.00	226931.30
B) Stock received/ issued in kind				
Precious Metals		**(6.65)**		**(40.96)**
Non Ferrous Metals		**(85.98)**		
		168687.86		226890.34
Share of interest in Joint Ventures		**56580.52**		22662.46
Total		**225268.38**		**249552.80**

12 CHANGES IN INVENTORIES

(₹ in Million)

Product Groups	2014-15		2013-14	
A. FINISHED GOODS				
Opening Balance	**886.98**		946.75	
Closing Balance	**649.91**		945.42	
Change in inventory of Finished Goods		**237.07**		1.33
B. STOCK-IN-TRADE				
Opening balance	**2197.28**		7941.08	
Closing balance	**2718.31**		2214.75	
Change in inventory of Stock-in-Trade		**(521.03)**		5,726.33
		(283.96)		5,727.66
Share of interest in Joint Ventures		**(57.03)**		45.79
Total		**(340.99)**		**5,773.45**

13 EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

	2014-15		2013-14	
Salaries and wages				
Salaries and Allowances	**1316.66**		1286.42	
Leave encashment	**142.33**		124.57	
VR expenses	**0.17**		21.83	
Bonus	**2.68**		(4.07)	
Performance Related pay	**27.64**		0.29	
Medical Expenses	**72.65**		235.63	
Post Retirement Medical Expenses	**149.49**		0.00	
Group Insurance	**1.14**		0.46	
Contribution to DLIS	**3.23**	**1715.99**	1.57	1666.70
Contribution to provident fund and other funds				
Provident Fund	**100.52**		100.55	
Gratuity Fund	**14.06**		2.67	
Family Pension Scheme	**17.99**		14.49	
Superannuation Benefit	**79.12**	**211.69**	78.18	195.89
Staff Welfare Expenses		**37.08**		75.92
		1964.76		1938.51
Share of interest in Joint Ventures		**56.20**		58.31
Total		**2020.96**		**1996.82**

14. FINANCE COSTS

(₹ in Million)

	2014-15	2013-14
I. Interest expense	**161.24**	309.81
II. Other borrowing costs	**-**	-
III. Applicable Net gain/loss on foreign currency transactions	**-**	0.05
IV Premium on forward contract	**26.46**	404.99
	187.70	714.85
Share of interest in Joint Ventures	**203.31**	144.46
Total	**391.01**	**859.31**

15 OTHER EXPENSES

(₹ in Million)

	2014-15		2013-14	
A. Operating Expenses				
Freight	**5051.41**		7057.95	
Demurrage	**10.60**		2.45	
Clearing, Handling, Discount & Other charges	**1070.30**		3838.65	
L/C negotiation and other charges	**10.57**		5.66	
Difference in exchange	**41.20**		1 ,046.41	
Customs duty	**3783.78**		8139.87	
Insurance	**9.48**		30.99	
Godown insurance	**6.92**		11.03	
Plot and Godown rent	**14.18**		8.47	
Packing Material	**8.18**		221.02	
Provision for destinational weight and analysis risk	**0.67**	**10007.29**	1.19	20363.69
B. Administrative Expenses				
Consumption of stores and spare parts	**0.30**		-	
Power & Fuel	**1.67**		1.67	
Rent	**39.69**		44.73	
Rates & Taxes	**17.25**		15.39	
Insurance	**1.12**		1.77	
Repairs to buildings	**47.31**		49.45	
Repairs to machinery	**0.78**		1.42	
Electricity & water Charges	**25.90**		23.42	
Advertisement & Publicity	**16.69**		16.51	
Printing & Stationery	**7.23**		6.59	
Postage & telegram	**3.09**		2.54	
Telephone	**15.05**		16.31	
Telecommunication	**8.09**		7.26	
Travelling	**39.17**		44.31	
Vehicle	**19.32**		19.20	
Entertainment	**7.18**		7.54	
Legal	**48.55**		87.79	
Auditor's Remuneration (i)	**6.56**		7.79	
Bank Charges	**4.17**		12.10	
Books & Periodicals	**0.43**		0.48	
Trade	**5.67**		5.27	
Repair & Renewals	**18.41**		17.76	
Computer	**0.18**		1.15	
Subscription	**3.56**		4.54	
Training, Seminar & Conference	**7.54**		4.09	
Professional/Consultancy	**23.46**		29.01	
CSR & Sustainable Development	**4.68**		6.34	
Difference in Exchange	**(3.48)**		(21.49)	
Service Tax	**8.54**		-	
Prior period items (ii)	**16.00**		6.90	
Exhibition, Fair and Sales Promotion	**6.86**		15.17	
Bad Debts/Claims/Assets written off/withdrawan	**299.96**		17.15	
Expenditure on Gomia Coal Block Charged off	**78.35**		10.74	
Provision for Bad & Doubtful Debts/Claims/Advances	**12.36**		12.74	
Miscellaneous expenses	**66.24**	**857.88**	68.87	544.51
		10865.17		20908.20
Share of interest in Joint Ventures		**282.68**		179.45
Total		**11147.85**		**21087.65**

(i) Amount paid to auditors

(₹ in Million)

	2014-15	2013-14
As Auditor	**3.45**	4.48
For Taxation Matters	**1.38**	1.49
For Company Law Matters	**-**	-
For Management Services	**-**	-
For Other Services	**1.66**	1.79
For Reimbursement of Expenses	**0.07**	0.03
Total	**6.56**	**7.79**

(ii) Prior Period Items

(₹ in Million)

	2014-15	2013-14
Expenditure		
Cost of sales	**3.43**	60.77
Salaries & wages	**-**	(0.90)
Administrative Expenses	**1.63**	3.03
Interest	(0.02)	0.09
Depreciation	**-**	-
Others	**3.06**	29.81
Sub-Total	**8.10**	92.80
Income		
Sales	**0.29**	57.34
Interest	(15.80)	3.21
Other Receipts	**7.61**	17.08
Sub-Total	(7.90)	77.63
Total (Net)	**16.00**	**15.17**

16 EXCEPTIONAL ITEMS

(₹ in Million)

Exceptional item includes the following:-

	2014-15		2013-14	
Write-down of inventories to net realisable value and its reversal	**141.14**		76.53	
Reversal of any provisions for the cost of resturcturing	-		-	
Disposals of items of fixed assets	**(0.32)**		(0.71)	
Provision for permanent diminution in investment	**-**		-	
Loss Due to Pilferage	**3.54**		-	
Litigation settlements	**323.39**		17.10	
Provisions no longer required	**(698.29)**		(103.45)	
Diminution in value of investment property	**-**	**(230.56)**	0.00	(10.53)
Total		**(230.56)**		**(10.53)**

17. EXTRAORDINARY ITEMS

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

I. Contingent Liabilities:

a) Guarantees issued by Banks on behalf of the Company ₹ 2039.36 million (P.Y. ₹ 3654.78 million) and Corporate Guarantee amounting to ₹ 404 million (P.Y. ₹ 3361.56 million) in favour of customer have been given towards performance of contract against which backup guarantees amounting to ₹ 3764.60 million (P.Y. ₹ 7152.38 million) have been obtained from associate suppliers.

b) Corporate Guarantees of ₹ 14693.70 million (P.Y. ₹ 13793.70 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) for securing principal and interest in respect of loans to NINL. The company has also issued a comfort letter during the year in respect of a loan of ₹ 1800.00 million given to NINL by a bank against which a corporate guarantee amounting to ₹ 900.00 million has been given by the company. The company has also issued standing instruction to a bank during the year authorizing the bank to debit company's bank account @ ₹ 25.00 million every month and credit the current account of NINL maintained in the same bank during the tenor of the loan i.e. 4 years from Oct, 2014 availed by NINL.

c) Claims against the Company not acknowledged as debts ₹ 3431.04 million (P.Y. ₹ 3652.51 million).

d) Letters of Credit opened by the Company remaining outstanding ₹ 3143.05 million (P.Y. ₹ 7496.56 million).

e) Sales Tax Demand of ₹ 2248.73 million (P.Y. ₹ 2445.44 million) in dispute against which ₹ 183.53 million (P.Y. ₹ 192.94 million) has been deposited and ₹ 0.67 million (P.Y. ₹ 0.74 million) covered by bank guarantees.

f) Service Tax demand in respect of business auxiliary service amounting to ₹ 849.45 million (P.Y. ₹ 809.70 million).

g) A backup supplier of steam coal has claimed an amount of ₹ 504.30 million (P.Y. ₹ 504.30 million) towards increased railway freight, belt sampling rejection, rake rejection and interest for delayed payment in relation to Coal Supply on back to back basis to a customer during 2011-12 to 2012-13 which has been disputed by the customer.

h) Bonds have been furnished to Customs Authorities for performance, submission of original documents, etc, some of which are still outstanding. The amount of un-expired Bonds is ₹ 9372.80 million as on 31.03.2015 (P.Y. ₹ 7615.00 million), out of which, show cause notices for ₹ 47.41 million received by the company at Delhi Regional Office during 2013-14 which is taken up with custom department

i) A party has claimed an amount of ₹ 4920.39 million ($ 78.72 million translated @ ₹ 62.5050 being the closing rate of exchange as on 31.03.2015) (PY ₹ 4716.93 million) towards non lifting of part quantity of coking coal in respect of supplies to M/s NINL, relating to delivery period 2008-09. The majority arbitration award was decided against MMTC which has been challenged before Hon'ble High Court of Delhi. The interest and cost of arbitration as per arbitration award amounts to ₹ 2378.41 million as on 31.3.2015.

There is Agreement between MMTC and NINL as per which MMTC to supply raw material to NINL including imported coking coal on their behalf. Accordingly the matter regarding the dispute raised by M/s Anglo Coal towards the supply of coking coal to NINL and subsequent legal recourse taken by MMTC has been informed to NINL by MMTC from time to time.

j) Custom department have raised demand of ₹ 351.21 million (P.Y. ₹ 620.17 million) at various RO's on account of differential custom duty/interest/penalty etc. on import of Steam

Coal supplied by the company to Power utilities through associate suppliers on back to back terms on fixed margin basis. In case of RO Kolkata and Mumbai ₹ 174.82 million (P.Y. ₹ Nil million) and ₹ 215.61 million (P.Y. ₹ Nil million) shown as firm liability respectively in their books of accounts. The liability if any on account of custom duty shall be to the account of the backup supplier.

k) Excise duty demand/penalty of ₹ 193.17 million (P.Y. ₹ 96.59 million) for which company has already filed an appeal before the CESTAT.

l) Demand of custom duty/penalty etc. of ₹ 256.99 million (P.Y. ₹ 256.99 million) against import of RBD Palm Oil under target plus license, appeal in respect is pending before CESTAT.

m) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.

n) 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.

o) Asstt. Provident Fund Commissioner at SRO Bellary raised a PF Demand of ₹ 22.36 million (P.Y. ₹ Nil million). The company is disputing the claim based on grounds of appeal as suggested by a legal opinion.

p) Share in Contingent Liabilities of Joint Ventures based on their audited/un-audited statement of accounts ₹ 33.43 million (P.Y. ₹ 22.49 million).

q) Share in Contingent Liabilities of Associates based on their audited/un-audited statement of accounts ₹ 1595.92 million (P.Y. ₹ 3525.79 million).

II. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for ` NIL million (P.Y. ₹ 9.75 million).

b) Share in estimated amount of contracts remaining to be executed on capital account and not provided for of Joint ventures based on their audited/un-audited statement of accounts ₹ 22.94 million (P.Y. ₹ 101.46 million).

c) Share in estimated amount of contracts remaining to be executed on capital account and not provided for of Associates based on their audited/un-audited statement of accounts ₹ 886.41 million (P.Y. ₹ 1164.56 million).

GENERAL DISCLOSURES:-

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

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

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

a) Key Management Personnel

i. Shri D.S. Dhesi Chairman-cum Managing Director (upto 30.12.2014), MMTC Ltd.

ii. Shri Ved Prakash Director (upto 30.12.2014) Chairman and Managing Director- Managing Director, MMTC Ltd. (w.e.f. 31.12.2014)

iii. Shri Rajeev Jaideva Director, MMTC Ltd.

iv. Shri M.G. Gupta Director-(Chief Financial Officer), MMTC Ltd.

v. Shri Anand Trivedi Director, MMTC Ltd.

vi. Shri P.K. Jain Director, MMTC Ltd.

vii. Shri Rajender Prasad Managing Director, MTPL

viii Shri Deepak Kumar Dua Director, MTPL

b) Subsidiary

MMTC Transnational Pte. Ltd. (MTPL), Singapore

c) Associate

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

d) Joint Ventures:-

- Free Trade Warehousing Pvt. Ltd
- Haldia Free Trade Warehousing Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
- Integrated Warehousing Kandla Project Development Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
- MMTC Pamp India Pvt. Ltd.
- MMTC Gitanjali Private Ltd.
- Indian Commodity Exchange Ltd.
- Sical Iron Ore Terminal Ltd.
- TM Mining Company Limited
- Blue Water Iron Ore Terminal Pvt. Ltd.

B. Details of transactions during the year 2014-15

(₹ in Million)

Particulars	Subsidiary	Associates	Joint Ventures	Key manage-ment personnel	Total
Purchase of goods	11295.95	8401.64	6119.32		25816.91
Sale of goods	2848.69	6433.07	1468.94		10750.70
Dividend Received			52.34		52.34
Finance including Loans & advances and equity contribution in cash or in kind			19.75		19.75
Corporate Guarantees		14693.70			14,693.70
Other payment Demurrage / Dispatch	0.05				0.05
Remuneration				36.09	36.09
Receivable	3.94	8669.93*		0.15	8674.02
Payable	2719.91	3.12	2.79		2725.82

* Represents ₹ 7191.48 million shown under Note no. 7.5 'Short term loans & advances' and ₹ 1478.45 million shown under Note no. 7.3 'Trade Receivables'.

21. Earning per Share:

Particulars	2014-15		2013-14	
	Before Extra-ordinary Item	After Extra-ordinary Item	Before Extra-ordinary Item	After Extra-ordinary Item
Profit after Tax (₹ in million)	(424.78)	(424.78)	1207.55	(181.58)
Total number of Equity Shares (million)	1000	1000	1000	1000
Basic and diluted earnings per share (₹) (Face value ₹ 1/- per share) (P.Y. Face value ` 1/- per share)	(0.42)	(0.42)	1.21	(0.18)

22. As per Accounting Standard – 27 – 'Financial reporting of interest in Joint Ventures' issued by the Institute of Chartered Accountants of India, the Company's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the Joint venture companies, all incorporated in India are given below:-

(₹ in Million)

Sl. No	Name of the Joint Venture Company	% of Company's ownership Interest	Country of Incor-poration	Assets	Liabil-ities	Income	Expen-diture	Cont. Liabili-ties	Capital Commit-ments
1	Free Trade Ware-housing Pvt. Ltd.	26	India	164.33	160.98	0.89	0.37	0.07	7.70
2	MMTC Pamp India Pvt. Ltd.	26	India	2602.58	2117.13	57534.81	57089.87	30.43	5.55
3	Sical Iron Ore Terminal Ltd.	26	India	1508.31	1170.41	-	-	0.37	9.69
4	Indian Commodity Exchange Ltd. *	26	India	-	-	-	-	-	-
5	MMTC Gitanjali Ltd.	26	India	56.62	32.09	29.13	32.36	2.56	-
6	TM Mining Company Ltd.	26	India	0.06	0.05	-	(0.12)	-	-
7	Blue Water Iron Ore Terminal Pvt. Ltd.*	18**	India	-	-	-	-	-	-

*The audited financial statements for the year 2014-15 of the JV have not been received.

**No investment has been made by the company in equity till 31.03.2015.

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

(₹ in Million)

Particulars of Provision	Opening Balance as on 01.04.14	Adjus-tment during year	Addition during year	Closing Balance as on 31.03.15
Destinational Weight & Analysis Risk	1.19	1.19	0.67	0.67
Bonus/PRP	59.89	33.89	27.64	53.64
Superannuation Benefit	39.20	118.04	78.84	-
Provision for Taxation	781.09	781.09	160.74	160.74
Proposed Dividend	150.00	150.00	250.00	250.00
Tax on Proposed Dividend	25.49	25.49	50.89	50.89

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

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

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PROPORTION OF OWNER-SHIP INTEREST AS ON 31-03-2015
MMTC Transnational Pte Ltd.	Singapore	100%

NAME OF ASSOCIATES	COUNTRY OF INCORPORATION	PROPORTION OF OWNER-SHIP INTEREST AS ON 31-03-2015
Neelachal Ispat Nigam Limited	India	49.78%

NAME OF JOINT VENTURE	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2015
Free Trade Warehousing Pvt. Ltd.	India	26.00%
MMTC PAMP India Pvt. Ltd.	India	26.00%
SICAL Iron Ore Terminal Ltd.	India	26.00%
MMTC Gitanjali Ltd.	India	26.00%
TM Mining Company Limited	India	26.00%
Haldia Free Trade Warehousing Pvt. Ltd.	India	Financial statements consolidated in Free Trade Warehousing Pvt. Ltd.
Integrated Warehousing Kandla Project Development Pvt. Ltd.	India	Financial statements consolidated in Free Trade Warehousing Pvt. Ltd.

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

NAME OF ASSOCIATES	COUNTRY OF INCORPORATION	PROPORTION OF OWNER-SHIP INTEREST AS ON 31-03-2015
Devona Power & Infrastructure Limited (i)	India	26.00%

NAME OF JOINT VENTURE	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2015
Blue Water Iron Ore Terminal Pvt. Ltd. (ii)	India	18.00%*
Indian Commodity Exchange Limited (iii)	India	26.00%

(i) The financial statements for the year 2014-15 have not been received from Devona Power & Infrastructure Limited, hence the same has not been considered in consolidated financial statements.

(ii) Accounts of Blue Water Iron Ore Terminal Pvt. Ltd. have not been considered for consolidation since the company has not made any contribution towards capital/equity of Blue Water Iron Ore Terminal Pvt. Ltd. and

*No investment has been made by the company in equity till 31.03.2015.

(iii) The financial statements for the year 2014-15 have not been received from Indian Commodity Exchange Limited, hence the same has not been considered in consolidated financial statements.

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

Sl. No	Name of the entity	As % of consol-idated net assets	Amount (In Rs. Million)	As % of consol-idated profit/ (loss)	Amount (In Rs. Million)
	Parent				
	MMTC Limited	99.55	13,582.02	61.39	479.08
	Subsidiaries-Foreign				
1	MMTC Transnational Pte Ltd.,Singapore	7.00	955.23	1.09	8.54
2	Minority Interest	-	-	-	-
	Associates-Indian				
1	Neelachal Ispat Nigam Limited	(8.81)	(1,202.06)	(99.75)	(1,202.06)
	Joint Ventures-Indian				
1	Free Trade Warehousing Pvt. Ltd.	0.02	3.32	0.04	0.28

2	MMTC Pamp India Pvt. Ltd.	2.28	310.99	37.48	292.44
3	Sical Iron Ore Terminal Ltd.	(0.00)	(0.10)	(0.00)	(0.00)
4	MMTC Gitanjali Ltd.	(0.04)	(5.67)	(0.24)	(2.84)
5	TM Mining Company Ltd.	(0.00)	(0.65)	(0.02)	(0.21)
	Total	**100.00**	**13,643.09**		
			Profit earned	100.00	780.33
			Loss incurred	(100.00)	(1,205.11)
			Net Profit/ (Loss)		**(424.78)**

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

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2015
MMTC Transnational (Moscow) Pte Ltd.	Russia	100%

The status of MMTC Transnational (Moscow) Pte Ltd. is a dormant company and investment in the same have already been impaired by the ultimate holding company MMTC Transnational PTE Ltd., Singapore.

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

Particulars	Name of Joint Ventures/Associates/ Subsidiary	Accounting Policies		Proportion of MMTC's share (Gross Amount)
		MMTC Limited	Joint Venture/ Associates /Subsidiary	
Depreciation & Amortization	Sical Iron ore Terminals Limited	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	At the rates specified under schedule II of the Companies Act, 2013. If remaining useful life on subsequent review is shorter that that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on management's estimate of the useful life/ remaining useful life.	Not Quantifiable
	MMTC Pamp India Private Limited	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	Depreciation is provided on straight line basis using the rates arrived at based on the useful lives estimated by management. The management has estimated, supported by assessment by professionals, the actual useful life of certain assets in Plant & Machinery at 15 years, which are lower than the useful life indicated for such assets in Schedule II of the Companies Act, 2013.	Not Quantifiable
	MMTC Transnational Pte. Ltd, Singapore	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	Depreciation charged at 33.33% per annum	₹ 0.85 million were less charged for depreciation and amortization in the accounts.
Inventory Valuation	MMTC Transnational Pte. Ltd, Singapore	Weighted average cost	Specific identification method	Not Quantifiable
	MMTC Gitanjali Limited	Weighted average cost	on FIFO basis & on an average vender-wise	Not Quantifiable
	MMTC Pamp India Private Limited	Weighted average cost	On FIFO Basis	Not Quantifiable

Particulars	Name of Joint Ventures/Associates/ Subsidiary	Accounting Policies		Proportion of MMTC's share (Gross Amount)
		MMTC Limited	Joint Venture/ Associates /Subsidiary	
Foreign Currency Translation	Neelachal Ispat Nigam Limited	Non monetary items are reported using the exchange rate at the date of the transaction	Transactions for both capital and revenue during the year in foreign currencies are being recognized at the rate prevalent in force on the date of settlement of transactions	Not Quantifiable
	Neelachal Ispat Nigam Limited	Exchange difference in respect of liabilities relating to fixed assets charged to Profit and Loss account	Exchange differences in respect of liabilities relating to fixed assets are adjusted in the carrying amount of such assets	Not Quantifiable
Basis of preparation of Financial Statment	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Singapore Financial Reporting Standards	Not Quantifiable
Revenue Recognition	MMTC Transnational Pte. Ltd, Singapore	Interest income recognized on accrual basis	Interest income recognized on effective interest method	Not Quantifiable
	Sical Iron ore Terminals Limited	Dividend income recognized on cash basis	Dividend income recognized on time proportion basis	Not Quantifiable
Trade and other receivable	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised cost using the effective interest method	Not Quantifiable
Trade and other payables	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised cost using the effective interest method	Not Quantifiable
Terminal Benefits	MMTC Transnational Pte. Ltd, Singapore	Defined Benefit Plan except for Post Retirement Medical Benefit	Defined Contribution Plan	Not Quantifiable
Financial Assets and Liabilites	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised Cost	Not Quantifiable
Borrowings	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised cost using the effective interest method	Not Quantifiable
Income Taxes	MMTC Transnational Pte. Ltd, Singapore	As per rates applicable as on the Balance Sheet date	Recognised at the amount expected to be paid to or recovered from the tax authorities	Not Quantifiable

27. Statement containing salient features of the financial statements of Subsidiaries/Associates companies/ Joint Ventures pursuant to Section 129 (3) of the Companies Act, 2013 in prescribed form AOC-I is attached at Annexure-B.

28. The company has been extending, from time to time, unsecured short term loan facilities to Neelachal Ispat Nigam Limited (NINL) an Associate Company upto a limit of ₹ 7500.00 million together with one time loan of ₹ 1300.00 million for its day to day operational activities on continuing basis. Against this limit, outstanding balance of ₹ 1478.45 million (P.Y. ₹ 3494.68 million) has been shown under Note No. 7.3 'Trade Receivables' and ₹ 7191.48 million (P.Y. ₹ 2995.03 million) under Note No. 7.5 'Short Term Loans & Advances'. In addition, the company has also given corporate guarantees etc. as disclosed under 'Contingent Liabilities' at Note No. 18(I)(b).

29. In respect of GR-1 forms outstanding beyond due date the Company has filed application with the authorized dealers for extension of time/waiver/ write off. Pending decision on the application, the

liability, if any, that may arise is unascertainable. Enforcement Directorate has imposed penalty for ₹ 19.01 million (P.Y. ₹ 19.81 million) which are being contested. Against this, an amount of ₹ Nil million (P.Y. ₹ 0.30 million) has been deposited and bank guarantee of ₹ 10.30 million (P.Y. ₹ 10.30 million) furnished.

30. Letters have been issued to parties for confirmation of balances with the request to confirm or send comment by the stipulated date failing which balance as indicated in the letter would be taken as confirmed. Confirmation letters have not been received in a few cases. However, no adverse communication received from any party.

31. Figures for the previous year have been regrouped / re-casted wherever considered necessary.

32. Accounting policies and notes attached form an integral part of the financial statements.

As per our report of even date attached

For Jain Kapila Associates
Chartered Accountants
F.R. No.:000287N

For and on behalf of Board of Directors

(CA. D K Kapila)
Partner
M. No. 016905

(G. Anandanarayanan)
Assistant Company Secretary

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

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

(Rajeev Jaideva)
Director
DIN: 3368001

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Date: 21.05.2015
Place: New Delhi

ANNEXURE - 'A' TO NOTES TO ACCOUNTS

STATEMENT OF CONSOLIDATED SEGMENTAL PERFORMANCE FOR THE YEAR 2014-15 (Primary Disclosures)

Particulars	BUSINESS SEGMENTS					
	PRECIOUS METAL		METALS		MINERALS & ORES	
	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14
SEGMENT REVENUE						
External Sales						
- With in India	**106879.55**	113686.46	**3321.93**	4181.21	**1798.93**	2831.84
- Outside India		2592.97	**6626.22**	11278.83	**14517.42**	20410.78
Total (A)	**106879.55**	116279.43	**9948.15**	15460.04	**16316.35**	23242.62
Inter-Segment sales						
- With in India						
- Outside India						
Total (B)						
Total Segment Revenue (A+B)	**106879.55**	116279.43	**9948.15**	15460.04	**16316.35**	23242.62
Total revenue of each segment as a percentage of total revenue of all segments	**44.75%**	41.62%	**4.16%**	5.53%	**6.83%**	8.32%
Segemental Result						
- With in India	**1456.72**	1900.91	**77.89**	106.04	**(50.72)**	80.65
- Outside India		0.06	**176.76**	347.02	**284.49**	579.44
Total Segmental Result	**1456.72**	1900.97	**254.65**	453.06	**233.77**	660.09
Unallocated Corporate expenses net of unallocated income						
Operating Profit						
Interest Expenses						
Interest Income						
Income taxes						
Profit from ordinary activities						
Extraordinary loss/Income						
Net Profit						
OTHER INFORMATION						
Segment assets	**5197.73**	3809.94	**8018.88**	1257.94	**2169.38**	2074.05
Unallocated Corporate assets						
Total assets						
Segment Liabilities	**3378.09**	2507.03	**928.57**	81.99	**1846.12**	2337.34
Unallocated Corporate liabilities						
Total liabilities						
Segment Capital expenditure	**0.32**					
Unallocated Capital Expenditure						
Total Capital Expenditure						
Segment Depreciation	**2.80**	5.31			**131.96**	55.36
Unallocated Depreciation						
Total Depreciation						
Non-cash expenses other than depreciation						

(₹ in Million)

BUSINESS SEGMENTS									
HYDROCARBON		AGRO PRODUCTS		FERTILIZERS		OTHERS		TOTAL	
31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14
21238.22	55963.48	**703.48**	17157.48	**79892.59**	37523.58	**931.54**	95.06	**214766.24**	231439.11
385.58	74.78	**2566.08**	11247.52		2325.09			**24095.30**	47929.97
21623.80	56038.26	**3269.56**	28405.00	**79892.59**	39848.67	**931.54**	95.06	**238861.54**	279369.08
21623.80	56038.26	**3269.56**	28405.00	**79892.59**	39848.67	**931.54**	95.06	**238861.54**	279369.08
9.05%	20.06%	**1.37%**	10.17%	**33.45%**	14.26%	**0.39%**	0.03%	**100.00%**	100.00%
163.67	510.19	**200.73**	222.60	**(210.90)**	96.78	**87.29**	76.57	**1724.68**	2993.74
0.19	2.54	**32.40**	164.93	**45.81**	23.52			**539.65**	1117.51
163.86	512.73	**233.13**	387.53	**-165.09**	120.30	**87.29**	76.57	**2264.33**	4111.25
								3053.50	3250.17
								(789.17)	861.08
								391.01	309.81
								1027.61	1448.45
								272.20	76.88
								(424.78)	1922.84
									2104.42
								(424.78)	(181.58)
9918.66	13318.49	**6501.79**	4756.11	**21148.23**	2189.17	**4579.57**	447.31	**57534.24**	27853.01
								5467.40	22723.35
								63001.63	50576.36
10608.10	9825.49	**520.64**	2379.26	**21777.52**	2184.50	**475.37**	70.17	**39534.41**	19385.78
								9824.14	16688.75
								49358.55	36074.53
								0.32	
								234.39	206.44
								234.71	206.44
							36.36	**134.77**	97.04
								102.52	76.18
								237.29	173.22
								855.19	29.42

ANNEXURE - 'A' TO NOTES TO ACCOUNTS CONTINUED.....

STATEMENT OF CONSOLIDATED SEGMENTAL PERFORMANCE FOR 2014-15 (Secondary Disclosures)

(₹ in Million)

Particulars	GEOGRAPHICAL SEGMENTS					
	Outside India		Within India		Total	
	31st March 15	31st March 14	31st March 15	31st March 14	31st March 15	31st March 14
SEGMENT REVENUE						
External Sales	**24,095.30**	47,929.97	**214,766.24**	231,439.11	**238,861.54**	279,369.08
Inter-Segment sales	**-**	-	**-**	-	**-**	-
Total Revenue	**24,095.30**	47,929.97	**214,766.24**	231,439.11	**238,861.54**	279,369.08
Segement Result	**539.65**	1,117.51	**1,724.68**	2,993.74	**2,264.33**	4,111.25
Segment assets	**1,757.03**	2,333.73	**55,777.21**	25,519.28	**57,534.24**	27,853.01
Capital expenditure	**-**	-	**0.32**	-	**0.32**	-

Annexure-B

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 Million)

1	Sl. No.	**1**
2	Name of the subsidiary	**MMTC Transnational Pte Ltd., Singapore**
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	**N.A.**
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	**US Dollars, Exchange Rate Rs. 62.64 (Average Rate)**
5	Share capital	**31.45**
6	Reserves & surplus	**955.51**
7	Total assets	**3,789.10**
8	Total Liabilities	**2,802.14**
9	Investments	**-**
10	Turnover	**15,169.28**
11	Profit before taxation	**9.13**
12	Provision for taxation	**0.59**
13	Profit after taxation	**8.54**
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**

Part "B": Associates and Joint Ventures

(₹ in Million)

Name of Associates/ Joint Ventures	Neelachal Ispat Nigam Limited	Devona Thermal Power and Infrastructure Ltd.	Free Trade Warehousing Pvt. Ltd.	MMTC Pamp India Pvt. Ltd.	Sical Iron Ore Terminal Ltd.	MMTC Gitanjali Ltd.	TM Mining Company Ltd.	Indian Commodity Exchange Limited*	Blue Water Iron Ore Terminal Pvt. Ltd.
1. Latest audited Balance Sheet Date	31.03.2015	31.03.2014	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2014	
2. Shares of Associate/Joint Ventures held by the company on the year end									
No.	289342744	13000	2600	17446000	33800000	2987400	57200	52000000	
Amount of Investment in Associates/Joint Venture	3,796.85	0.13	0.026	174.46	338	29.874	0.572	260.00	
Extend of Holding %	49.78	26	26	26	26	26	26	26	
3. Description of how there is significant influence	EQUITY & Management Control	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY	N.A.
4. Reason why the associate/joint venture is not consolidated		Financial statements not received	N.A.	N.A.	N.A.	N.A.	N.A.	Financial statements not received	No investment has been made by the company in equity till 31.03.2015
5. Networth attributable to Shareholding as per latest audited Balance Sheet	2626.04	(2.95)	3.35	485.45	337.90	24.52	0.01	46.82	
6. Profit / Loss for the year i. Considered in Consolidation	(1,158.23)	N.A.	0.28	292.44	-	(2.52)	(0.12)	N.A	
ii. Not Considered in Consolidation	N.A.								
a) Names of associates or joint ventures which are yet to commence operations.				NIL					
b) Names of associates or joint ventures which have been liquidated or sold during the year.				NIL					

AUDITORS

Office of the Comptroller & Auditor General of India vide their letter No. CA. V/COY/CENTRAL GOVERNMENT, MMTC (12)/329 dated 1st August, 2014 have communicated the appointment of Auditors of the company under section 139 of the Companies Act, 2013 for the financial year 2014-15. The details are given below:-

Statutory Auditor		**Region**
Jain Kapila Associates New Delhi	-	RO Delhi including SROs - CO, New Delhi (Including foreign offices), Office of Mica Division Consolidation and merger of all branches
Branch Auditors		
Rajesh K Jhunjhunwala & Co. Cuttack	-	Bhubneshwar Regional Office including Sub-Offices/ distribution centers
G K Choksi & Co. Ahmedabad	-	Ahmedabad Regional Office including Sub-Offices/ distribution centers
Sundar Srini & Sridhar Bangalore	-	Bangalore Regional Office including Sub-Offices/ distribution centers
Kailash Chand Jain & Co. Mumbai	-	Mumbai Regional Office including Sub-Offices/ distribution centers
C N Hunnargikar & Co. Belgaum	-	Goa Regional Office including Sub-Offices/ distribution centers
Chaturvedi & Co. Kolkata	-	Kolkata Regional Office including Sub-Offices/ distribution centers Mica Division at Kolkata, Abhraknagar, Jhumritalaya & Giridih
C Ramachandram & Co. Hyderabad	-	Hyderabad Regional Office including Sub-Offices/ distribution centers
Bhandawat & Co. Ajmer	-	Jaipur Regional Office
Anand & Ponnappan Chennai	-	Chennai Regional Office including Sub-Offices/ distribution centers MICA Division at Gudur
Basha & Narasimhan Visakhapatnam	-	Visakhapatnam Regional Office including Sub-Offices/distribution centers

MMTC Bankers

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

MMTC OFFICES

CORPORATE OFFICE
MMTC Limited, Core 1, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
Tel: 91-11-24362200, **Email:** mmtc@mmtclimited.com
Website : www.mmtclimited.com

Regional Offices

NORTH ZONE	**DELHI REGIONAL OFFICE** F 8-11, Jhandewalan Flatted Factory Complex, Rani Jhansi Road, New Delhi-110055 Tel : 011-23623950,23623952, 23670408 Fax : 011-23633175 Email: head_jjc@mmtclimited.com **SROs/FOs: Agra, Kanpur, Ludhiana** **JAIPUR** 2nd Floor, Block 'C' Gaurav Tower-II, Malviya Nagar, JLN Marg, Jaipur -302017 Tel : 0141-2554809, 2554053, 2554735 Fax : 0141-2722501 Email : head_jaipur@mmtclimited.com
SOUTH ZONE	**CHENNAI** Essar House, 6, Espalande, Chennai -600108 (Tamilnadu) Tel : 044-25341942, 25341938 Fax : 044-25340544, 25340317 Email : head_chennai@mmtclimited.com, jvnrao@mmtclimited.com **SROs/FOs: Kochi** **BENGALURU** "Shikshak Sadan" Gr. Floor, K. G Road, Bengaluru -560002 Tel :080-22534800 to 22534830, Fax : 080-22272043 Email : head_bangalore@mmtclimited.com, mmtcbglr@mmtclimited.com **SROs/FOs : Mangalore, Gajendragad, Bellary, Banihatti, Hospet, Ranjitpura** **VIZAG** MMTC Bhawan, Port Area, P. B. No. 132, Vishakhapatnam-530035 (Andhra Pradesh) Tel : PBX : 0891-2562356, 2562771 Fax: 0891-2562611 Email : mmtcvizag@mmtclimited.com **SROs/FOs: Kakinada** **HYDERABAD** 9-1-76 to 77/1/B, 3rd Floor, S.D. Road, Secunderabad-500003 Tel : 040-27804033 Fax : 040-27804038, 27725401 Email: mmtchyd@mmtclimited.com, tsrao@mmtclimited.com **SROs/FOs: Guntur**
EAST ZONE	**KOLKATA** NIC Building, 4th & 5th Floor, 8 India Exchange Place Kolkata-700001 (West Bengal) Tel : 033-22101079,22421252, 22421261 Fax : 033-22421292 Email : head_kolkata@mmtclimited.com, mmtccol@mmtclimited.com **SRO/FOs: Haldia, jamshedpur, Guwahati**

	BHUBANESWAR Alok Bharati Complex, 7th floor, Sahid Nagar, Bhubaneswar-751007 (Odisha) Tel : 0674-2546848, 2518517, 2503336, 2544783 Fax :0674-2546847, 2512832 Email:head_bhubaneswar@mmtclimited.com, mmtcbbsr@mmtclimited.com **SROs/FOs:Paradeep, Barbil, Keonjhar**
WEST ZONE	**MUMBAI** MMTC House, C-22,E-Block, Bandra Kurla Complex, Bandra East, Mumbai-400 051 Tel : 022-26572437,26594100, 26573193, 61214500 Fax : 022-26572541, 26572807 Email : head_mumbai@mmtclimited.com, mmtcmumbai@mmtclimited.com **SROs/FOs: Nagpur, Goa** **AHMEDABAD** 2, Nagindas Chambers, Usmanpura, Ashram Road, Ahmedabad-380014 (Gujarat) Tel : 079-27540643, 27543796, 40244712, 40244711, 27545563 Fax : 079-27543739 Email : head_ahmedabad@mmtclimited.com, mmtcahm@mmtclimited.com **SROs/FOs: Kandla, Morvi, Rajkot**
Promoted Project	Neelchal Ispat Nigam Ltd, 1st Floor of Annexe, IPICOL House, Janpath, Bhubaneswar-751022 Tel : 0674-2543231 Fax : 0674-2541763
Foreign Offices	**Singapore** MMTC Transnational Pte Ltd.,20 Cecil street, # 14-03/04,Singapore Exchange Singapore-049705 Tel: 0065-65385313 PBX: 2276567, 2276517 Fax: 0065-64385327 Email : info@mtpl.com.sg **Johannesburg** MMTC Limited, 1st Floor, Sandton Office Tower, Cnr Rivonia Road & 5th street, sandhurst Ext. 3, Sandton, Johannesburg, South Africa Tel : 0027723286739 Email : chakma@mmtclimited.com

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

Aiming for Energy Secured India

- Major importer of coal
- Diversified into coal mining and windmill power generation

We support critical infrastructure like power utilities, foundries, cement and paper industries. We have also diversified into wind energy to cater to the requirements of state electricity boards.

Corporate Office : Core-1, "SCOPE COMPLEX", 7 Institutional Area, Lodi Road, New Delhi-110003
email : mmtc@mmtclimited.com website : www.mmtclimited.com

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

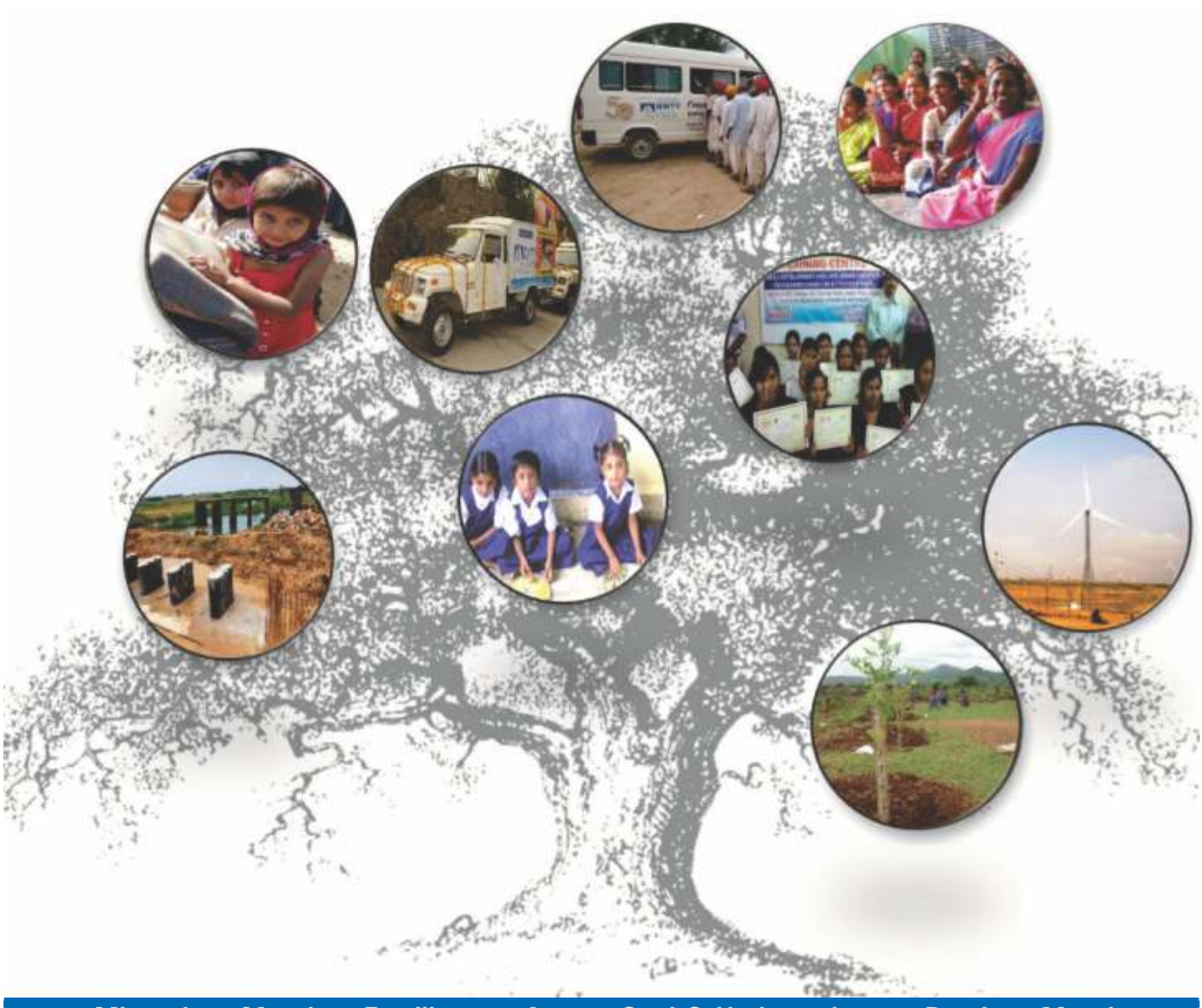
Supporting the Farming Community to Produce More

- Importing fertilizers like Urea, MOP, DAP, Sulphur etc.

We have established ourselves as a trusted and reliable supplier of fertilizers with consumers in India. We are one of the major institutional buyer of fertilizers across the globe and the single unique window for buying and selling of all fertilizer products globally.

Corporate Office : Core-1, "SCOPE COMPLEX", 7 Institutional Area, Lodi Road, New Delhi-110003
email : mmtc@mmtclimited.com website : www.mmtclimited.com

Our responsibility...



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...extends beond trading

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कारपोरेट कार्यालय
नई दिल्ली

CORPORATE OFFICE
New Delhi

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

Published by
M..G. Gupta, Director (Finance)
on behalf of **MMTC Limited**
Produced & Printed by
Corporate Communications Division

FORM A

Covering letter of the annual audit report in respect of Standalone Financial Statements to be filed with the stock exchanges

1.	Name of the Company:	MMTC Limited
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation	**Emphasis of Matter** – There are total 5(five) observations under 'Emphasis of Matter' of the Audit Report, as referred to at Para 4 hereunder.
4.	Frequency of observation	

Observation in audit report	Frequency
Para (a) under Emphasis of Matter relating to unsecured short term loan facility of INR 8669.90 million (P.Y. INR. 6490.00 million) extended to M/s. Neelachal Ispat Nigam Limited – an associate company.	Appeared first time
Para (b) under Emphasis of Matter relating to subsidy amount of INR 3732.90 million due for recovery from Govt. of India against import of edible oil.	Appeared first time
Para (c) under Emphasis of Matter relating to confirmation of balances	Repetitive since 1995-96
Para (d) under Emphasis of Matter relating to RMS software	Appeared third time since 2012-13
Para (e) under Emphasis of Matter relating to outstanding GR-1 Forms	Repetitive since 1999-2000

(M.G. Gupta)
Director (F)

(Ved Prakash)
Chairman and Managing Director

(D.K. Kapila)
Sr. Partner
Jain Kapila Associates
Chartered Accountants

(Arvind Kalra)
Chairman
Audit Committee of Directors

FORM B
Covering letter of the annual audit report in respect of Standalone Financial Statements to be filed with the stock exchanges

1.	Name of the Company:	MMTC Limited
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit qualification	**Report on other legal and regulatory requirements** - There are total 4 (Four) observations as stated in Para (vi) of Annexure to the main Audit Report as mentioned at Para 4 hereunder.
4.	Frequency of qualification	

Observation in audit report	**Frequency**
Para vi of Annexure to main Audit Report:- As regards the purchase and sale of goods, inventories and stocks that are dealt with by the Company including domestic bullion transactions it needs further strengthening in such a manner so as to avoid delay in updation in ERP system vis-a-vis actual date of transaction and similarly, manual generation of invoices could be avoided. Further, the internal control mechanism needs to be strengthened, besides the areas mentioned hereinbefore, in the following areas:-	Partly repetitive since 2012-13 and fully repetitive since 2013-14.
a) Periodic quantity reconciliation of goods traded by the Company (particularly bullion / retail trade) between the ERP and other standalone inventory system (RMS).	Repetitive since 2011-12
b) Risk assessment and risk management requires to be constantly reviewed / strengthened / revamped in the light of changing needs of the business whenever considered necessary as it was noticed that due to certain acts of omissions and commissions, company had to make heavy provisions against debtors / recoverable / losses.	Repetitive since 2011-12
c) Periodic reconciliation in respect of sales and purchases, input / output VAT as per financial records vis-à-vis sales,	Repetitive since 2012-13

		purchases, input / output VAT as per VAT returns.		
5	Draw attention of relevant notes in the annual financial statements and management response to the qualification in the directors report:			
	Reference to observation in main Audit Report	Observation	Reference to Note in Annual Financial Statements	Reference to Management's response in Director's Report
	Para (vi) of Annexure to main Audit Report	As regards the purchases and sale .....could be avoided	---	Page 82 of Annual Report
	Para (vi) (a) of Annexure to main Audit Report	Periodic quantitative reconciliation..... .....inventory system (RMS).	---	Page 82 of Annual Report
	Para (vi) (b) of Annexure to main Audit Report	Risk assessment and risk management ..... Debtors/ recoverable/ losses.	---	Page 83 of Annual Report
	Para (vi) (c) of Annexure to main Audit Report	Periodic reconciliation in respect of ..... as per VAT returns.	---	Page 83 of Annual Report
6.	Additional comments from the board/audit committee chair:	There are no additional comments from the board / audit committee chair.		

(M.G. Gupta)
Director (F)

(Ved Prakash)
Chairman and Managing Director

(D.K. Kapila)
Sr. Partner
Jain Kapila Associates
Chartered Accountants

(Arvind Kalra)
Chairman
Audit Committee of Directors