



30<sup>th</sup> October, 2023

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051

**BSE Scrip Code: 513377**

**NSE Scrip Code: MMTC**

Dear Sirs,

**Sub: Notice of the 60<sup>th</sup> Annual General Meeting and Integrated Annual Report for the financial year 2022-23**

**Notice convening the 60<sup>th</sup> Annual General Meeting (“Notice”) and Integrated Annual Report** of the Company for the financial year 2022-23, being sent to the members through electronic mode, are attached.

The Notice and Integrated Annual Report are also available on the website of the Company and can be accessed using the below given links:

Notice	<a href="https://mmtclimited.com/upload/contents/File-294..pdf">https://mmtclimited.com/upload/contents/File-294..pdf</a>
Integrated Annual Report	<a href="https://mmtclimited.com/files/.pdf/91_MMTC-AR-2022-23.pdf">https://mmtclimited.com/files/.pdf/91_MMTC-AR-2022-23.pdf</a>

This is for your information and records.

Thanking you

Yours faithfully,  
For MMTC Limited  
AJAY KUMAR MISRA Digitally signed by  
AJAY KUMAR MISRA  
Date: 2023.10.30  
17:30:07 +05'30'  
Ajay Kumar Misra  
Company Secretary

Encl.: As above

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



## MMTC LIMITED

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

CIN : L51909DL1963GOI004033

### NOTICE

Notice is hereby given that the **60<sup>th</sup> Annual General Meeting** of the Members of MMTC Limited will be held **on 22<sup>nd</sup> November, 2023 at 1130 Hrs.** through Video Conferencing ("VC") / Other Audio visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the year ended 31<sup>st</sup> March, 2023, along with the Directors' Report, Statutory Auditors' Report, the Comments thereupon of Comptroller & Auditor General of India and the Report of the Secretarial Auditor for the Financial Year 2022-23.
2. To re-appoint Shri R.R Sinha, Director (Personnel) who retires by rotation at the AGM as Director ((Personnel)) of the company on the same terms & conditions as approved by the President of India. Being eligible, he has offered himself for re-appointment as Director (Personnel).

“RESOLVED THAT the appointment of **Shri R,R Sinha (DIN: 08487833)** who was appointed as Director (Personnel) in MMTC Limited w.e.f 19/06/2019 pursuant to the provisions of Section 196 of Companies Act, 2013, by the President of India in exercise of powers vested vide Article 87(2) of Articles of Association of the Company, communicated vide Department of Commerce, Ministry of Commerce & Industry Order regulated by MOC&I Order No.A-12022/16/2018-E-IV dated 12.06.2019 and approved by the Board of Directors in its meeting to be held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”

3. To authorize the Board of Directors of the company in terms of the provisions of Section 142(1) of Companies Act, 2013 to fix remuneration of the Statutory/Branch Auditors of the Company appointed by Comptroller & Auditor General of India u/s 139(5) of the Companies Act, 2013 for the financial year 2023-24.

#### SPECIAL BUSINESS

4. To regularize the appointment of following directors on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution :
  - i) “RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No.11/36/2001-FT(M&O)-Vol.I dated 24.02.2023 of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Ms Arti Bhatnagar (IDAS:1990)**

**(DIN:10065528)**, Additional Secretary & Financial Adviser(AS&FA), Department of Commerce, MOC&I having given her “Consent to act as Director”, be and is hereby appointed as Part time Govt. Nominee Director on the Board of MMTC Limited w.e.f. 13.03.2023 and approved by the Board of Directors in its meeting to be held on 30.05.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”

- ii) “RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Smt. S. Meenakshi (DIN:07655232)**, having given her “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Directors on the Board of MMTC Limited w.e.f. 09.06.2023 approved by the Board of Directors in its meeting to be held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”
- iii) RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Shri Srinivas Rao Maddi (DIN:01740690)** having given his “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Directors on the Board of MMTC Limited w.e.f. 10.06.2023 approved by the Board of Directors in its meeting to be held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”
- iv) “RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Shri Nabarun Nayak (DIN:10258327)**, having given his “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Director on the Board of MMTC Limited w.e.f. 03-08-2023 approved by the Board of Directors in its meeting to be held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”

By Order of the Board  
For MMTC Limited  
sd/-

Ajay Kumar Misra  
(Company Secretary)

Place: New Delhi  
Dated:22.09.2023

## NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted the holding of the Annual General Meeting (AGM) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The Company has enabled the Members to participate at the 60<sup>th</sup> AGM through the VC/OAVM facility provided by Central Depository Services Ltd. (CDSL). The instructions for participation by Members are given in the subsequent paragraphs.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. As per the provisions under the MCA Circulars, Members attending the 60<sup>th</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 60<sup>th</sup> AGM being held through VC.
6. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
7. The Company has appointed M/S VAP & Associates - Company Secretaries, Practicing Company Secretary (FCS No.: F8323, C.P. No.:13901) to act as the Scrutiniser, to scrutinise the e-voting process in a fair and transparent manner.
8. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 60<sup>th</sup> AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 60<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

9. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate Members are required to send a certified copy of the Board resolution authorising their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail through its registered e-mail address to vapassociatespcs@gmail.com with a copy marked to [evoting@cdslindia.com](mailto:evoting@cdslindia.com).

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. The Register of Members and Share Transfer books will remain closed from **16.11.2023 to 22.11.2023 (both days inclusive)**.

12. In line with the MCA Circulars, the notice of the 60<sup>th</sup> AGM along with the Annual Report 2022-23 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2022-23 will also be available on the Company's website at [www.mmtclimited.com](http://www.mmtclimited.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).

13. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special businesses to be transacted at the 60<sup>th</sup> AGM is annexed hereto.

14. As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of Shri R.R Sinha, Director (Personnel) retiring by rotation and seeking re-appointment under Item No. 2 and the other Director seeking appointment under Item No. 4 of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.

15. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller and Auditor General of India shall appoint the Statutory Auditors of the Company for the FY 2023-24 under Section 139 of the Companies Act, 2013. The members may authorise the Board of Directors to fix an appropriate remuneration of Auditors for the FY 2023-24 as may be deemed fit by the Board.

16. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them and participate in corporate actions.

17. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights shall be as per the number of equity share held by the Member(s) as on cut-off date. Members are eligible to cast vote only if they are holding shares as on that date. Kindly note that a person who is not a member of the Company as on the Cut-off date should treat this Notice for Information Purposes Only.

18. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. The shares in respect of which the dividends have not been paid or claimed for a period of seven consecutive years or more, are also liable to be transferred to the demat account of the IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The details of investors (whose payment is due) are available on company's website so as to enable the investors to claim the same.

19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. It has also made mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTAs for registration of transfers and for securities market transactions and off-market/ private transactions involving transfer of shares of listed companies in physical form. Accordingly, members holding shares in physical form can submit their PAN to MCS Shares Transfer Agents Ltd. - RTA of the Company.

20. Members holding shares in multiple folios in physical mode are requested to apply for Consolidation of their holdings in one folio to the Company or RTA of the Company along with relevant Share Certificates. A consolidated share certificate will be issued to such Members after making requisite changes.

21. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter to M/s MCS Shares Transfer Agents Ltd. - RTA of the Company.

22. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to RTA of the Company in the prescribed form. In case of shares held in dematerialised form, the nomination has to be lodged with the respective Depository Participant.

**23. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA of the Company in case the shares are held by them in physical form.**

24. Members, who have not registered their NECS Mandate, are requested to send their NECS Mandate request to the Registrar / Investor Service Department of the Company or to their Depository Participant. Members who have not registered their e-mail addresses/ Bank details can update the same in the following manner:-

For shareholders holding shares in Physical Mode - Please send a request letter with following details to the RTA of the Company by post or through email at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com) with following details/ documents:

**For updating email ID For updating Bank account:** 1. Folio No. 2. Name of Shareholder 3. Copy of PAN and AADHAR (Self attested) (Signature shall match with the specimen signature available with the Company/ RTA)

In addition to details required for updating email, following details/documents are required :

Bank Account details like Bank Account number, Name of the Bank & Branch, MICR Code/ IFSC Code, 2. Cancelled Cheque

For shareholders holding shares in **Demat Mode**: Shareholders can update email IDs, mobile numbers and Bank Account details by contacting their respective Depository Participants as per the process advised by them.

25. The Register of Directors and Key Managerial Personnel and their shareholding will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice and up to the date of AGM. Members seeking to inspect such documents can send an email to [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com).

26. Since the 60<sup>th</sup> AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

27. Annual listing fee for the year 2023-24 has been paid to both the Stock Exchanges (NSE & BSE) wherein shares of the Company are listed.

28. None of the Directors of the Company or Key Managerial Personnel is in any way related with each other.

### **VOTING THROUGH ELECTRONIC MEANS**

1. In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E-voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of CDSL (India) Ltd for facilitating remote e-voting for AGM. Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

### **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on **19.11.2023 (09:00 A.M.) and end on 21.11.2023 (05:00 P.M.)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **15<sup>th</sup> November, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System My easi Tab.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>



<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e CDSL and NSDL

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000 and 022-2499 7000

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- (iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [akmisra@mmtclimited.com](mailto:akmisra@mmtclimited.com), [vapassociatespcs@gmail.com](mailto:vapassociatespcs@gmail.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **ten days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com). These queries will be replied to by the company suitably by email.
8. **Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.**

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, (CDSL )** Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

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

**Item No. 4**

i) In accordance with communication No.11/36/2001-FT(M&O)-Vol.I dated 24.02.2023 of Department of Commerce, Ministry of Commerce & Industry, Government of India, Ms. Arti Bhatnagar (IDAS:1990) (DIN:10065528), Additional Secretary & Financial Adviser (AS&FA), Department of Commerce, MOC&I having given her "Consent to act as Director", be and is hereby appointed as Part time Govt. Nominee Director on the Board of MMTC Limited w.e.f. 13.03.2023.

Ms. Arti Bhatnagar, aged 58 years, holds a post graduate degree in Economics and M.Phil in Defence Strategic Studies from Madras University. Ms. Bhatnagar is an alumni of the National Defence College.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Ms. Arti Bhatnagar to the extent of her appointment as Government Nominee Director in any way concerned or interested, financially or otherwise in the above resolution.

ii) In accordance with provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce,

Ministry of Commerce & Industry, Government of India, Smt. S. Meenakshi (DIN:07655232), having given her “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Directors on the Board of MMTC Limited w.e.f 09.06.2023.

S. Meenakshi, aged 43 years, holds degree in BSC, MA and M.Phil ( Public Administration) .

None of the Directors or Key Managerial Personnel of the Company or their relatives except Smt. S. Meenakshi to the extent of her appointment as Independent Director in any way concerned or interested, financially or otherwise in the above resolution.

iii) In accordance with provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, Shri Srinivas Rao Maddi (DIN:01740690) having given his “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Directors on the Board of MMTC Limited w.e.f. 10.06.2023.

Shri Srinivas Rao Maddi, aged 56 years, holds degree in Bcom & LLB .

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Srinivas Rao Maddi to the extent of his appointment as Independent Director in any way concerned or interested, financially or otherwise in the above resolution.

iv) In accordance with provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, Shri Nabarun Nayak (DIN:10258327), having given his “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Director on the Board of MMTC Limited w.e.f. 03-08-2023.

Shri Nabarun Nayak, aged 49 years, holds degree in Graduate in Humanities.

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

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

<b>Name of the Director</b>	<b>SMT ARTI BHATNAGAR</b>	<b>SMT S. MEENAKSHI</b>
<b>Date of Birth</b>	01/10/1965	01/03/1980
<b>Date of Appointment</b>	13/03/2023	9/06/2023
<b>Qualification</b>	She has a post graduate degree in Economics and M.Phil in Defence Strategic Studies from Madras University. Ms Bhatnagar is an alumni of the National Defence College.	Holds degree in BSC, MA and M.Phil ( Public Administration) .
<b>Expertise in Specific functional areas</b>	Ms Arti Bhatnagar is a Civil Servant of the Indian Defence Accounts Service of 1990 Batch. She is presently working as Additional Secretary & Financial Adviser, MOC&I, Ministry of Heavy Industry and Ministry of MSME. With about 25 years of experience in dealing with Finance, Accounts and Audit of the Defence Forces, her expertise is in handling defence acquisition and procurement contracts. Ms Bhatnagar has worked as JS(Security), Cabinet Secretariat handling SPG for five years. She has also worked as Chief Vigilance Officer for Air India, Pawan Hans Ltd and Airport Authority of India.	Social service.
<b>No. of Equity Shares held in the Company as on March 31, 2023</b>	NIL	NIL
<b>Terms &amp; Conditions of the appointment</b>	As per the Orders of the Govt of India in regard to her original appointment. She is only seeking appointment to fulfill the mandatory requirement.	Pursuant to the Order No.11/9/2011-FT(M&O) dated 2.06.2023 of Department of Commerce, Ministry of Commerce & Industry.
<b>Remuneration</b>	N.A	N.A.
<b>No. of meetings of Board attended during the year (2022-23)</b>	0	0

<b>Name of the Director</b>	<b>SMT ARTI BHATNAGAR</b>	<b>SMT S. MEENAKSHI</b>
<b>Directorships held in other Companies as on 31.3.2023</b>	NIL	NIL
<b>Relationship with any other Director inter-se and KMPs of the Company</b>	NIL	NIL

<b>Name of the Director</b>	<b>Shri Srinivas Rao Maddi</b>	<b>Shri Nabarun Nayak</b>
<b>Date of Birth</b>	26.11.1966	09.02.1974
<b>Date of Appointment</b>	10.06.2023	3.08.2023
<b>Qualification</b>	Bcom & LLB	Graduate in Humanities
<b>Expertise in Specific functional areas</b>	Social Service	Social Service.
<b>No. of Equity Shares held in the Company as on March 31, 2023</b>	NIL	NIL
<b>Terms &amp; Conditions of the appointment</b>	Pursuant to the Order No.11/9/2011-FT(M&O) dated 2.06.2023 of Department of Commerce, Ministry of Commerce & Industry.	Pursuant to the Order No.11/9/2011-FT(M&O) dated 2.06.2023 of Department of Commerce, Ministry of Commerce & Industry.
<b>Remuneration</b>	N.A	N.A.
<b>No. of meetings of Board attended during the year</b>	0	0
<b>Directorships held in other Companies as on 31.3.2023</b>	3	N.A
<b>Relationship with any other Director inter-se and KMPs of the Company</b>	Nil	Nil



<b>Name of the Director</b>	<b>Shri R.R Sinha</b>
<b>Date of Birth</b>	02.09.1964
<b>Date of Appointment</b>	19.06.2019
<b>Qualification</b>	Masters in Labour & Social Welfare
<b>Expertise in Specific functional areas</b>	. He has a distinguished career of more than 32 years and brings with him vast knowledge and experience in the field of HR
<b>No. of Equity Shares held in the Company as on March 31, 2023</b>	NIL
<b>Terms &amp; Conditions of the appointment</b>	Appointment is regulated by MOC&I Order No. A-12022/16/2018-E-IV dated 12.06.2019, he is only seeking reappointment to fulfill the mandatory requirement and only Retiring by rotation
<b>Remuneration</b>	In the pay scale of Rs. 180000-340000 (IDA PATTERN)
<b>No. of meetings of Board attended during the year</b>	8
<b>Directorships held in other Companies as on 31.3.2023</b>	MMTC Transnational Pte Ltd, Singapore
<b>Relationship with any other Director inter-se and KMPs of the Company</b>	Nil

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Amrit Mahotsav

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भारत 2023 INDIA

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

MMTC | Building a global stature of  
India's Trade & Industry



60<sup>th</sup>

ANNUAL REPORT  
2022-23



## **MMTC LIMITED**

**Regd. Office : Core-1, 'SCOPE Complex', 7 Institutional Area,  
Lodhi Road, New Delhi - 110 003  
CIN : L51909DL1963GOI004033**

### **BOARD OF DIRECTORS**

#### **CMD AND FUNCTIONAL DIRECTORS**

Shri Vibhu Nayar, Chairman & Managing Director (upto 31.08.2022)  
Shri Hardeep Singh, Chairman & Managing Director (Addl.Charge) (w.e.f. 27.10.2022)  
Shri J.Ravi Shanker, Director (Marketing) (upto 03.07.2023)  
Shri Rajiv Ranjan Sinha, Director (Personnel)  
Shri Kapil Kumar Gupta, Director (Finance)

#### **GOVERNMENT NOMINEE DIRECTORS**

Shri Shashank Priya, SS & FA, DoC (upto 10.01.2023)  
Shri Vipul Bansal, Joint Secretary, DoC  
Smt. Arti Bhatnagar, Additional Secretary & Financial Adviser, MOC & I (w.e.f 13.03.2023)

#### **NON-OFFICIAL INDEPENDENT DIRECTORS**

Dr. Pradip Kumar Varma  
Ms. S. Meenakshi (w.e.f 09.06.2023)  
Shri Srinivas Rao Maddi (w.e.f 10.06.2023)  
Shri Nabarun Nayak (w.e.f 03.08.2023)

#### **COMPANY SECRETARY**

Shri Ajay Kumar Misra

#### **REGISTRAR & SHARE TRANSFER AGENT**

MCS Shares Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-1, New Delhi-110020  
**Tel:** 011-41406150  
**E-mail:** admin@mcregistrars.com

#### **BANKERS**

State Bank of India (Consortium Leader)

#### **STATUTORY AUDITORS**

M/s. M.L. Puri & Co.  
Chartered Accountants  
407, New Delhi House  
27, Barakhamba Road  
New Delhi - 110 001

#### **SECRETARIAL AUDITORS**

M/s.Parul Jain VAP & Associates  
Company Secretaries  
105, Charms Solitaire, Ahinsa Khand  
2, Indrapuram, Ghaziabad, U.P. 201014  
Mobile : 991001070  
Landline : 0120-4272409  
E-mail : vapassociatespcs@gmail.com  
caparul09@gmail.com



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# Corporate Mission

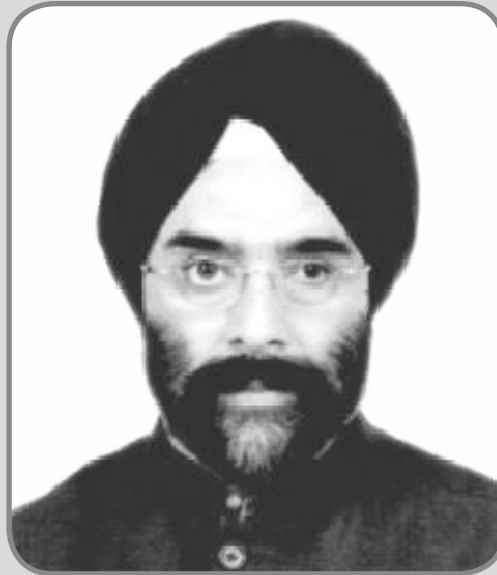
**A**s the largest trading company of India and a major trading company of Asia, MMTC aims at improving its position further by achieving sustainable and viable growth rate through excellence in all its activities, generating optimum profits through total satisfaction of shareholders, customers, suppliers,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

# Corporate Objectives

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



## CHAIRMAN'S STATEMENT



Dear Shareholders,

Good Morning,

I welcome you all on behalf of the members of the Board to the 60<sup>th</sup> Annual General Meeting of the Company for the financial year 2022-23. In pursuance of guidelines of the Ministry of Corporate Affairs, this Annual General Meeting of the Company is being held through virtual mode.

A copy of the Annual General Report containing Board's Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2023, together with Auditors' Report, Comments of C&AG, Management's reply thereto and Directors' Report along with Management discussions and analysis has already been circulated and with your permission, I take them as 'read'.

The Company is not carrying business activities as directed. In the year 2022-23, your Company had a turnover of Rs. 271.77 Crore with a profit of Rs. 1076.07 Crore. This profit is attributed to the disinvestment of M/s. NINL Ltd. under the aegis of DIPAM, Government of India.

I would like to express sincere thanks and gratitude to our valued members of the Board for their guidance, our esteemed shareholders for their support and trust in the company, various Ministries of Government of India, particularly the Department of Commerce, Ministry of Commerce & Industry for their valuable guidance and support in all our endeavors and our employees for their engagement and perseverance.

**Hardeep Singh**  
Chairman and Managing Director (Addl. Charge)

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

## **NOTICE**

Notice is hereby given that the **60<sup>th</sup> Annual General Meeting** of the Members of MMTC Limited will be held on **22nd November, 2023 (Wednesday) at 11:30 A.M.** at Core-1, 'SCOPE Complex', 7 Institutional Area, Lodhi Road, New Delhi-110003 through Video Conferencing ("VC") / Other Audio visual Means ("OAVM") to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the year ended 31<sup>st</sup> March, 2023, along with the Directors' Report, Statutory Auditors' Report, the Comments thereupon of Comptroller & Auditor General of India and the Report of the Secretarial Auditor for the Financial Year 2022-23.
2. To re-appoint Shri R. R. Sinha, Director (Personnel) who retires by rotation at the AGM as Director ((Personnel)) of the company on the same terms & conditions as approved by the President of India. Being eligible, he has offered himself for re-appointment as Director (Personnel).

"RESOLVED THAT the appointment of **Shri R.R. Sinha (DIN: 08487833)** who was appointed as Director (Personnel) in MMTC Limited w.e.f 19/06/2019 pursuant to the provisions of Section 196 of Companies Act, 2013, by the President of India in exercise of powers vested vide Article 87(2) of Articles of Association of the Company, communicated vide Department of Commerce, Ministry of Commerce & Industry Order No. A-12022/16/2018-E-IV dated 12.06.2019 and approved by the Board of Directors in its meeting held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized."

3. To authorize the Board of Directors of the company in terms of the provisions of Section 142(1) of Companies Act, 2013 to fix remuneration of the Statutory/Branch Auditors of the Company appointed by Comptroller & Auditor General of India u/s 139(5) of the Companies Act, 2013 for the financial year 2023-24.

### **SPECIAL BUSINESS**

4. To regularize the appointment of following directors on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as an Special Resolution :
  - i) "RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No.11/36/2001-FT(M&O)-Vol.I dated 24.02.2023 of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Ms Arti Bhatnagar (IDAS:1990) (DIN:10065528)**, Additional Secretary & Financial Adviser(AS&FA), Department of Commerce, MOC&I having given her "Consent to act as Director", be and is hereby appointed as Part time Govt. Nominee Director on the Board of MMTC Limited w.e.f. 13.03.2023 and approved by the Board of Directors in its meeting held on 30.05.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized."
  - ii) "RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Smt. S. Meenakshi (DIN:07655232)**, having given her "Consent to act as Director", be and are hereby appointed as Non-Official Independent Director on the Board of MMTC Limited w.e.f. 09.06.2023 approved by the Board of Directors in its meeting held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized."
  - iii) RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Shri Srinivas Rao Maddi (DIN:01740690)** having given his "Consent to act as Director", be and are hereby appointed as Non-Official Independent Director on the Board of MMTC Limited w.e.f. 10.06.2023 approved by the Board of Directors in its meeting held on



22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”

- iv) “RESOLVED THAT subject to provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, **Shri Nabarun Nayak (DIN:10258327)**, having given his “Consent to act as Director”, be and are hereby appointed as Non-Official Independent Director on the Board of MMTC Limited w.e.f. 03-08-2023 approved by the Board of Directors in its meeting held on 22.09.2023 on the terms, conditions and tenure as may be determined by the President of India from time to time, be and is hereby regularized.”

By Order of the Board  
For MMTC Limited  
sd/-  
( Company Secretary)

Place : New Delhi

Dated : 22.09.2023



NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted the holding of the Annual General Meeting (AGM) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The Company has enabled the Members to participate at the 60<sup>th</sup> AGM through the VC/OAVM facility provided by Central Depository Services Ltd. (CDSL). The instructions for participation by Members are given in the subsequent paragraphs.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. As per the provisions under the MCA Circulars, Members attending the 60<sup>th</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 60<sup>th</sup> AGM being held through VC.
6. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
7. The Company has appointed M/S VAP & Associates - Company Secretaries, Practicing Company Secretary (FCS No.: F8323, C.P. No.:13901) to act as the Scrutiniser, to scrutinise the e-voting process in a fair and transparent manner.
8. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 60<sup>th</sup> AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 60<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
9. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate Members are required to send a certified copy of the Board resolution authorising their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail through its registered e-mail address to vapassociatespcs@gmail.com with a copy marked to evoting@cdslindia.com.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The Register of Members and Share Transfer books will remain closed from **16th November, 2023 to 22nd November, 2023 (both days inclusive)**.
12. In line with the MCA Circulars, the notice of the 60<sup>th</sup> AGM along with the Annual Report 2022-23 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2022-23 will also be available on the Company's website at [www.mmtclimited.com](http://www.mmtclimited.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special businesses to be transacted at the 60<sup>th</sup> AGM is annexed hereto.
14. As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of Shri R.R Sinha, Director (Personnel) retiring by



rotation and seeking re-appointment under Item No. 2 and the other Director seeking appointment under Item No. 4 of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.

15. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller and Auditor General of India shall appoint the Statutory Auditors of the Company for the FY 2023-24 under Section 139 of the Companies Act, 2013. The members may authorise the Board of Directors to fix an appropriate remuneration of Auditors for the FY 2023-24 as may be deemed fit by the Board.
16. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are requested to have their shares dematerialised so as to be able to freely transfer them and participate in corporate actions.
17. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights shall be as per the number of equity share held by the Member(s) as on cut-off date. Members are eligible to cast vote only if they are holding shares as on that date. Kindly note that a person who is not a member of the Company as on the Cut-off date should treat this Notice for Information Purposes Only.
18. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. The shares in respect of which the dividends have not been paid or claimed for a period of seven consecutive years or more, are also liable to be transferred to the demat account of the IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The details of investors (whose payment is due) are available on company's website so as to enable the investors to claim the same.\
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. It has also made mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTAs for registration of transfers and for securities market transactions and off-market/ private transactions involving transfer of shares of listed companies in physical form. Accordingly, members holding shares in physical form can submit their PAN to MCS Shares Transfer Agents Ltd. - RTA of the Company.
20. Members holding shares in multiple folios in physical mode are requested to apply for Consolidation of their holdings in one folio to the Company or RTA of the Company along with relevant Share Certificates. A consolidated share certificate will be issued to such Members after making requisite changes.
21. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter to M/s MCS Shares Transfer Agents Ltd. - RTA of the Company.
22. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to RTA of the Company in the prescribed form. In case of shares held in dematerialised form, the nomination has to be lodged with the respective Depository Participant.
23. **Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA of the Company in case the shares are held by them in physical form.**
24. Members, who have not registered their NECS Mandate, are requested to send their NECS Mandate request to the Registrar / Investor Service Department of the Company or to their Depository Participant. Members who have not registered their e-mail addresses/ Bank details can update the same in the following manner:-

For shareholders holding shares in Physical Mode - Please send a request letter with following details to the RTA of the Company by post or through email at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com) with following details/ documents:

**For updating email ID For updating Bank account:** 1. Folio No. 2. Name of Shareholder 3. Copy of PAN and AADHAR (Self attested) (Signature shall match with the specimen signature available with the Company/ RTA)

In addition to details required for updating email, following details/documents are required :

Bank Account details like Bank Account number, Name of the Bank & Branch, MICR Code/ IFSC Code, 2. Cancelled Cheque

For shareholders holding shares in **Demat Mode:** Shareholders can update email IDs, mobile numbers and Bank Account details by contacting their respective Depository Participants as per the process advised by them.

25. The Register of Directors and Key Managerial Personnel and their shareholding will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice and up to the date of AGM. Members seeking to inspect such documents can send an email to [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com).
26. Since the 60<sup>th</sup> AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
27. Annual listing fee for the year 2023-24 has been paid to both the Stock Exchanges (NSE & BSE) wherein shares of the Company are listed.
28. None of the Directors of the Company or Key Managerial Personnel is in any way related with each other.

#### **VOTING THROUGH ELECTRONIC MEANS**

1. In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E-voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of CDSL (India) Ltd for facilitating remote e-voting for AGM. Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **19th November, 2023 (09:00 A.M.) and end on 21st November, 2023 (05:00 P.M.)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **15th November 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are



advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System My easi Tab.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>

Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

(iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company /Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [akmisra@mmtclimited.com](mailto:akmisra@mmtclimited.com), [vapassociatespcs@gmail.com](mailto:vapassociatespcs@gmail.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **ten days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, (CDSL )** Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

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

**Item No. 4**

- i) In accordance with communication No.11/36/2001-FT(M&O)-Vol.I dated 24.02.2023 of Department of Commerce, Ministry of Commerce & Industry, Government of India, Ms. Arti Bhatnagar(IDAS:1990) (DIN:10065528), Additional Secretary & Financial Adviser(AS&FA), Department of Commerce, MOC&I having given her "Consent to act as Director", be and is hereby appointed as Part time Govt. Nominee Director on the Board of MMTC Limited w.e.f. 13.03.2023.

Ms. Arti Bhatnagar, aged 58 years, holds has a post graduate degree in Economics and M.Phil in Defence Strategic Studies from Madras University. Ms. Bhatnagar is an alumni of the National Defence College.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Ms. Arti Bhatnagar to the extent of her appointment as Government Nominee Director in any way concerned or interested, financially or otherwise in the above resolution.

- ii) In accordance with provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, Smt. S. Meenakshi (DIN:07655232), having given her "Consent to act as Director", be and are hereby appointed as Non-Official Independent Directors on the Board of MMTC Limited w.e.f 09.06.2023.

S. Meenakshi, aged 43 years, holds degree in BSC, MA and M.Phil ( Public Administration) .

None of the Directors or Key Managerial Personnel of the Company or their relatives except Smt. S. Meenakshi to the extent of her appointment as Independent Director in any way concerned or interested, financially or otherwise in the above resolution.

- iii) In accordance with provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, Shri Srinivas Rao Maddi (DIN:01740690) having given his "Consent to act as Director", be and are hereby appointed as Non-Official Independent Directors on the Board of MMTC Limited w.e.f. 10.06.2023.

Shri Srinivas Rao Maddi, aged 56 years, holds degree in Bcom & LLB .

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Srinivas Rao Maddi to the extent of his appointment as Independent Director in any way concerned or interested, financially or otherwise in the above resolution.

- iv) In accordance with provisions of Section 161 of Companies Act 2013 and in accordance with communication No. 11/9/2011-FT(M&O) dated 2.6.2023, of Department of Commerce, Ministry of Commerce & Industry, Government of India, Shri Nabarun Nayak (DIN:10258327), having given his "Consent to act as Director", be and are hereby appointed as Non-Official Independent Director on the Board of MMTC Limited w.e.f. 03-08-2023.

Shri Nabarun Nayak, aged 49 years, holds degree in Graduate in Humanities.

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

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

<b>Name of the Director</b>	<b>SMT ARTI BHATNAGAR</b>	<b>SMT S. MEENAKSHI</b>
<b>Date of Birth</b>	01/10/1965	01/03/1980
<b>Date of Appointment</b>	13/03/2023	9/06/2023
<b>Qualification</b>	She has a post graduate degree in Economics and M.Phil in Defence Strategic Studies from Madras University. Ms Bhatnagar is an alumni of the National Defence College.	Holds degree in BSC, MA and M.Phil ( Public Administration) .
<b>Expertise in Specific functional areas</b>	MsArti Bhatnagar is a Civil Servant of the Indian Defence Accounts Service of 1990 Batch. She is presently working as Additional Secretary & Financial Adviser, MOC&I, Ministry of Heavy Industry and Ministry of MSME. With about 25 years of experience in dealing with Finance, Accounts and Audit of the Defence Forces, her expertise is in handling defence acquisition and procurement contracts. Ms Bhatnagar has worked as JS(Security), Cabinet Secretariat handling SPG for five years. She has also worked as Chief Vigilance Officer for Air India, Pawan Hans Ltd and Airport Authority of India.	Social service.
<b>No. of Equity Shares held in the Company as on March 31, 2023</b>	NIL	NIL
<b>Terms &amp; Conditions of the appointment</b>	As per the Orders of the Govt of India in regard to her original appointment. She is only seeking appointment to fulfill the mandatory requirement.	Pursuant to the Order No.11/9/2011-FT (M&O) dated 2.06.2023 of Department of Commerce, Ministry of Commerce & Industry.
<b>Remuneration</b>	N.A	N.A.
<b>No. of meetings of Board attended during the year (2022-23)</b>	0	0
<b>Directorships held in other Companies as on 31.3.2023</b>	NIL	NIL
<b>Relationship with any other Director inter-se and KMPs of the Company</b>	NIL	NIL



<b>Name of the Director</b>	<b>Shri Srinivas Rao Maddi</b>	<b>Shri Nabarun Nayak</b>
<b>Date of Birth</b>	26.11.1966	09.02.1974
<b>Date of Appointment</b>	10.06.2023	3.08.2023
<b>Qualification</b>	Bcom & LLB	Graduate in Humanities
<b>Expertise in Specific functional areas</b>	Social Service	Social Service.
<b>No. of Equity Shares held in the Company as on March 31, 2023</b>	NIL	NIL
<b>Terms &amp; Conditions of the appointment</b>	Pursuant to the Order No.11/9/2011-FT(M&O) dated 2.06.2023 of Department of Commerce, Ministry of Commerce & Industry	Pursuant to the Order No.11/9/2011-FT(M&O) dated 2.06.2023 of Department of Commerce, Ministry of Commerce & Industry.
<b>Remuneration</b>	N.A	N.A.
<b>No. of meetings of Board attended during the year</b>	0	0
<b>Directorships held in other Companies as on 31.3.2023</b>	3	N.A
<b>Relationship with any other Director inter-se and KMPs of the Company</b>	NIL	NIL

<b>Name of the Director</b>	<b>Shri R.R Sinha</b>
<b>Date of Birth</b>	02.09.1964
<b>Date of Appointment</b>	19.06.2019
<b>Qualification</b>	Masters in Labour & Social Welfare
<b>Expertise in Specific functional areas</b>	He has a distinguished career of more than 32 years and brings with him vast knowledge and experience in the field of HR
<b>No. of Equity Shares held in the Company as on March 31, 2023</b>	NIL
<b>Terms &amp; Conditions of the appointment</b>	Appointment is regulated by MOC&I Order No. A-12022/16/2018-E-IV dated 12.06.2019, he is only seeking reappointment to fulfill the mandatory requirement and only Retiring by rotation
<b>Remuneration</b>	In the pay scale of Rs. 180000-340000 (IDAPATTERN)
<b>No. of meetings of Board attended during the year</b>	8
<b>Directorships held in other Companies as on 31.3.2023</b>	MMTC Transnational Pte Ltd, Singapore
<b>Relationship with any other Director inter-se and KMPs of the Company</b>	NIL



## DIRECTORS' REPORT

The Members  
MMTC Limited,  
New Delhi.

Ladies & Gentlemen,

On behalf of Board of Directors, I present the 60th Annual Report on your company's performance for the financial year ended 31st March 2023 along with Audited Statements of Accounts and Statutory Auditor's Report.

### OPERATIONAL RESULTS

Your company has recorded a turnover of Rs.271.77 crores during 2022-23 as against the turnover of Rs.7840.78 crore registered during last fiscal. This business turnover which is mainly consists of domestic trade of Rs. 271.77 crores. The Company has reported a net profit of Rs.1076.07 crores during 2022-23 as compared to net loss of Rs. 237.77 crores reported during the previous financial year. The reduction of revenue is mainly due to discontinuance of business operations of the company as per the instructions of Administrative Ministry.

Company's performance during 2022-23 is given below: -

	(Rs. in crores)	(Rs. in crores)
	2022-23	2021-22
Sales of products	267.09	7,836.28
Sales of services	4.68	4.50
Other Trade Earnings	0.78	552.51
<b>Total Revenue from Operations</b>	<b>272.55</b>	<b>8,393.29</b>
Cost of Sales	258.30	7,799.79
<b>Gross Profit from Operations</b>	<b>14.25</b>	<b>593.50</b>
Add: Dividend and other Income	15.75	50.14
Less: Establishment & Administrative Overheads, etc.	135.15	160.56
Less: Debts/Claims Written off	0.03	0.02
Less: Provisions for Doubtful Debts/Claims/Advances/ Investments	1.72	1.05
<b>Profit Before Interest, Depreciation and Amortization Expenses and Taxes</b>	<b>(106.90)</b>	<b>482.01</b>
Less: Interest Paid(Net) (Interest Paid minus Interest earned)	26.76	201.64
<b>Profit Before Depreciation and Amortization Expenses and Taxes</b>	<b>(133.66)</b>	<b>280.37</b>
Less: Depreciation and Amortization Expenses	4.44	4.57
Less: Exceptional Items	(1417.26)	155.20
<b>Profit Before Taxes</b>	<b>1279.16</b>	<b>120.60</b>
Less: Provision for Current Taxes	143.11	17.34
Less: Provision for Deferred Taxes	59.98	341.03
<b>Profit After Taxes</b>	<b>1076.07</b>	<b>(237.77)</b>
Add: Balance brought forward from the previous year	(546.63)	(308.86)
<b>Balance</b>		
Items of other comprehensive income recognized directly in retain earnings		
Items recognized directly in retain earnings	-	-
Dividend & Dividend Tax	-	-
<u>Appropriations:</u>		
General Reserve	-	-
Leaving a Balance to be carried forward	<b>529.44</b>	<b>(546.63)</b>

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. Auditor / CAG report along with management replies and Notes to accounts contain important information affecting company financials such as Loan Re-structuring, Anglo Coal dispute, disinvestment of NINL, etc.

#### **EQUITY SHARE CAPITAL & DIVIDEND**

There is no change in equity capital of the company during the year. The paid up equity of the company stood at Rs.150 crores comprising of 150 crores number of equity shares of the face value of Re.1/- each, as on 31.3.2023. The Board of Directors has not recommended any dividend for the year 2022-23 in view of current liquidity crunch, exhaustion of bank limits and difficulties in meeting its day-to-day working capital requirement and net loss incurred by the Company during 2020-21 & 2021-22.

#### **RESERVES**

A sum of Rs.50.34 crores was available in the reserves and surplus of your Company as on 1st April, 2022. An amount of Rs. 1126.41 crores is available in "Reserves and Surplus" of your Company as on 31st March, 2023.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earnings and outgo of your Company during 2022-23 has been as under:-

	<b>EARNINGS (Rs./Cr)</b>		<b>OUTGO (Rs./Cr)</b>
Exports	3.76	Imports	61.15
Others	0.21	Others	-
<b>Total</b>	<b>3.97</b>	<b>Total</b>	<b>61.15</b>

#### **Awards**

MMTC has been awarded by CAPEXIL Awards for Excellence in Exports for the year 2017-18 to 2021-22(five years) in the following categories:

<b>Year</b>	<b>Panel/Sector</b>	<b>Award</b>
2017-18	Bulk Minerals and Ores/Canalised Agency	Highest
2018-19	Bulk Minerals and Ores/Canalised Agency	Highest
2019-20	Bulk Minerals and Ores/Canalised Agency	Highest
2020-21	Bulk Minerals and Ores/Canalised Agency	Highest
2021-22	Bulk Minerals and Ores/Canalised Agency	Certificate of Merit

#### **SUBSIDIARY COMPANY**

During the financial year 2022-23 MTPL achieved sales turnover of USD 405.15 million as against USD 456.58 million recorded during last fiscal. The Net Profit of MTPL during the financial year 2022-23 amounted to USD 0.51 million as against USD 0.69 million earned during 2021-22. The net worth of MTPL stood at USD 5.68 million as on 31st March 2023. Overall dividend declared by MTPL since inception is USD 27.945 million which includes a dividend of USD 1 million received from MTPL during FY 2022-23.

Recently there are reports of lapses/cases of default by MTPL Singapore to the tune of around Singapore Dollar 23 million in July, 2023. The auditors/CAG/MoC/BSE/NSE have been informed.

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

#### **MMTC's Joint Venture - Neelachal Ispat Nigam Ltd. (NINL)**

The divestment process of NINL, the joint venture company got completed on 04.07.2022 under the aegis of DIPAM. In this process, MMTC recovered an amount of Rs.1872.35 Crore (net of withholding tax) through distribution of sale consideration to promoters in the form of equity on 4th July 2022. MMTC's share in total divestment proceeds is Rs.5335 crores. Tata Steel Long Products Limited now owns NINL.



### Other Projects/ Joint Ventures

A brief on the current status of such JVs set up in past years is given hereunder:

- (i) Your company presently holds 6% equity capital in Indian Commodity Exchange Limited (ICEX) as on 31.3.2023. As per regulation, 17 of SECC Regulations, 2018 in terms of SEBI Circular Reference no. CIR/CDMRD/DEA/03/2015 dated 26 November 2015 holding has to be reduced to 5% or less. MMTC in 2018 and 2019 appointed consultants for valuation and disinvestment of equity in ICEX. However, MMTC did not receive any bids against the RFPs for sale of stake in ICEX. As of March 31, 2023, the shares of ICEX are not available for purchase on any stock exchange. MMTC tried to sell its equity in ICEX in FY 2017-18 and again from FY 2019-20 to 2021-22, but MMTC was unable to find any buyers. SEBI passed order dated 10.05.2022 for withdrawal of recognition to ICEX vide official gazette of India on 18.05.2022. However, Securities Appellate Tribunal (SAT), by its order dated 13 June 2022 has Quashed SEBI order derecognizing ICEX and has given ICEX one-year time from 13.6.2022 to complete all compliances to SEBI's satisfaction during this period all trading activities would remain suspended. ICEX Board in February 2023, approved the voluntary surrender of the License/Recognition of the Exchange to Regulator (SEBI) and to discontinue the Commodity derivatives business. Further, ICEX Board decided to consider new line of business(es) at appropriate time.
- (ii) Your company had participated in the equity of Currency Futures Exchange under the name and style of "United Stock Exchange of India Ltd which had been merged with "BSE Limited" (BSE) wherein your Company presently holds 116883 (post bonus issue) equity shares of Rs. 2/- each in BSE. During the year BSE earned a PAT of Rs.166.91 crores as against Rs195.12 crores earned during 2022-23 and paid dividend of Rs.12/- on equity share of Rs. 2/- each for the Financial Year 2022-23.
- (iii) MMTC-PAMP India Pvt. Ltd., a joint venture Company between MMTC Limited and PAMP SA, Switzerland, operates a precious metals processing facility. MPIPL is India's first and only LBMA Good Delivery Refinery accredited for Gold and Silver. The Joint Venture achieved a turnover of Rs.31,503.75 crore and a profit (after tax) of Rs.118.61 crore during the period FY 2022-23. The JV company has declared a dividend of Re.2/- per share for 2022-23.
- (iv) The JV company – SICAL Logistics Limited (SLL), MMTC Ltd and L&T Infrastructure Development Projects Limited (L&T IDPL) entered into a Share Purchase Agreement on 25.02.2009 and held 63%, 26% and 11% equity respectively to form a Special Purpose Vehicle Company i.e. SICAL Iron Ore Terminal Limited (SIOTL), for development of an Iron Ore berth at Kamarajar Port (earlier known as Ennore Port) near Chennai to handle Iron Ore capacity of 12 MMTPA.

M/s SICAL Iron Ore Terminals Limited (SIOTL) could not commence commercial operations due to non availability of iron ore from Bellary-Hospet Sector in Karnataka State and banning of mining / movement of iron ore for exports by state govt. In view of uncertain future of iron ore exports and to utilize the infrastructure created, Kamarajar Port Trust (erstwhile Ennore Port Trust) decided to award the facility through bidding process for modification of the facility to handle common user coal. As coal does not have synergy with MMTC's existing line of business, In Sept'2016, MMTC Board decided to exit from the JV. MMTC invited bids through online tender for sale of its entire 26% equity in the SIOTL, however no response was received. Meanwhile, as per "Right of First Refusal" in Shareholders Agreement of SIOTL, SICAL Logistics Ltd; (lead promoter of SIOTL) offered to purchase MMTC's equity at reserve price fixed by MMTC which MMTC Board decided to accept. Share Purchase Agreement was signed with Sical Logistics Ltd on 31.05.2018 for sale of MMTC's equity in SIOTL and in terms of the agreement M/s Sical Logistics Ltd had deposited Rs.0.50 Cr (PY Rs.0.50 Cr) with MMTC towards performance of agreement. Time to time, the validity of the SPA was extended. Last extension was valid till 31.03.2020. On account of financial crisis, M/s Sical Logistics could not pay the sale value against SPA and therefore provision for Rs.33.80 crore was created by MMTC on 31.03.2020 towards diminution in value of investment.

In the March 2021, NCLT pronounced an order as against M/s Sical Logistics Limited initiating corporate insolvency resolution process pursuant to the application preferred by MOL Toyofuji Automotive Logistics [India] Private Limited and an Insolvency Resolution Professional (IRP) was appointed. MMTC lodged its claim for Rs.34.26 crores with CIRP (Corporate Insolvency Resolution Professional) towards unpaid share sale consideration based on the SPA.

Meanwhile, on 21.12.2020, KPL issued a Notice of Intent to Terminate to SIOTL alleging a financial default under the License Agreement dated 11.07.2016. On 22.03.2021, KPL issued a 90 days' Termination Notice to SIOTL with effect from 22.03.2021. On the same date, KPL has also issued a Transfer Information Notice calling for information from JV Co within 30 days, i.e. by 20.04.2021. As suggested by advocates, MMTC filed a writ petition on 24/06.2021 in Madras High Court for settlement of dispute through Administrative Mechanism of Resolution of Dispute (AMRD).

However, Hon'ble MHC while referring to (Administrative Mechanism for Resolution of Commercial Disputes) AMRCD has opined that "such being position of law, this court of the view that remedy available to petitioner is elsewhere and not this court". The Hon'ble Court vide its order dated 30.11.2021 held that the "writ petition filed by MMTC itself is not maintainable". MMTC has challenged the order vide WA 498 of 2022 & was listed on 28.3.2022/7.4.2022 and is still pending for admission.

The Resolution Professional (RP) in CIRP of SICAL also challenged the impugned termination notice dated 22.03.2021 passed by KPL before NCLT. MMTC moved an application to be impleaded in the said application of the RP. The application of RP was dismissed by NCLT for want of jurisdiction vide Order dated 11.03.2022. As a result, MMTC application was also dismissed.

M/s SIOTL's have initiated corporate insolvency resolution process against SIOTL in NCLT under Insolvency and Bankruptcy Code 2016. Vide order dated 01.03.2022, NCLT Chennai has admitted their applications and have appointed an IRP.

MMTC has also taken legal opinion of ASG whether MMTC can proceed under AMRCD against KPL and options available to recover its investment.

NCLT vide its order dated 08.12.2022 has approved the resolution plan of SLL and the successful resolution applicant has been appointed.

Subsequently MMTC had also written to RP of Sical Iron Ore Terminal Limited (SIOTL) submitting MMTC's claim for recovery of its investment of Rs 34.26 crore and enforcing of the Share Purchase Agreement (SPA) entered between MMTC and Sical Logistics Limited (SLL), alongwith RP of SLL for enforcing the SPA against SLL or against the revived entity after resolution. MMTC also wrote a letter to M/s Pristine Malwa Logistics Park private limited (As the successor of SLL after the resolution) requesting to enforce the SPA against SLL or against the revived entity.

Further RP of SIOTL vide letter dated 02.03.2023 had rejected MMTC's claim and subsequently NCLT vide its Order dated 23rd June'23 has decided to initiate the liquidation process in respect of Sical Iron Ore Terminal Limited (SIOTL) and has accordingly appointed the Liquidator for the same.

In the meantime MMTC is exploring possibilities to make an appeal in NCLAT against NCLT's order dated 08.12.22 to recover its investment in SIOTL.

- (v) To promote the concept of Free Trade Warehousing Zones in India as declared in the EXIM Policy, MMTC and IL&FS established SPV IN 2004-05 in the name of Free Trade Warehousing Pvt Ltd. The equity is held on 50:50 basis between MMTC and IL&FS. Two 100% owned subsidiaries of FTWPL were established to administer the land banks at Kandla and Haldia. In view of financial situation of the promoters and the need for infusion of the substantial funds for development of the Project, it was decided by the promoters to exit from the project. Accordingly, the land at Kandla has been surrendered to the Project Authority. With regard to Haldia Land, local farmers had filed petition against Haldia Development Authority challenging the land acquisition in 2015 and stay was granted by Hon'ble High Court of Calcutta. Due to prolonged litigation and stay not being lifted, promoters decided to surrender the land to Haldia Development Authority(HDA). Accordingly in March, 2020, land was surrendered to HAD and refund of amount of Rs.36 crores is being followed up.
- (vi) A 15 MW capacity Wind Mill project with 25 Wind Energy Generators was commissioned by MMTC in March, 2007 at Gajendragad in Karnataka. The power generated by the project is sold to HESCOM. The project is running successfully and has contributed to the development of area by meeting some of the power needs of Karnataka State. The turnover of the Wind Mill project during 2022-23 was Rs. 5.13 crores by sale of wind power generated by the wind farm at Gajendragad in Karnataka.

## **INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT**

Cordial and harmonious industrial relations were maintained in your company during the year. No man days were lost due to any industrial unrest during the year. Further, meetings with representatives of Federation of Officers Associations/ Staff Unions/ SC&ST Associations, were held to share information / ideas with a view to achieve Company's goals and objectives.

The aggregate manpower of your company as on 31st March, 2023 stood at 522, comprising of 3 Board level Executives, 1 CVO, 236 officers and 282 staff/ worker. The manpower also includes 1 officer and 40 staff/ worker of erstwhile Mica Trading Company Ltd., which had been merged with your company pursuant to the orders of BIFR.

The composite representation of the total manpower is - women employees representing 20.50% (107 employees) of the total manpower; SC, ST, OBC & Persons with Benchmark Disabilities (PwBD) to the extent of 21.65% (113 employees), 12.07% (63 employees), 12.07% (63 employees) and 2.30% (12 employees) respectively.

No recruitment was made during the year.

## **IMPLEMENTATION OF RESERVATION POLICY**

Your company has been complying with the Presidential Directives and other instructions/guidelines issued from time to time by the Government of India regarding the reservation in services for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Economically Weaker Sections (EWS), Persons with Benchmark Disabilities (PwBDs) and Ex-servicemen. During the year, MMTC has successfully responded to the study visit of Hon'ble Parliamentary Committee on the Welfare of SCs & STs at Panaji (Goa) and also review meeting by Hon'ble Member of National Commission for Scheduled Castes (NCSC) at Bengaluru. A statement showing representation of employees belonging to SC/ST/OBC is as below:



Representation of SCs/STs/OBCs/Divyang as on 31.03.2023									
Group	Total No.	SCs of Employees	%age SCs	STs	%age STs	OBCs	%age OBCs	Divyang	%age Divyang
A	240	51	21.25	19	7.92	30	12.50	10	4.17
B	162	34	20.99	32	19.75	3	1.85	2	1.23
C	48	6	12.50	3	6.25	12	25.00	0	-
D	72	22	30.55	9	12.50	18	25.00	0	-
<b>Total</b>	<b>522</b>	<b>113</b>	<b>21.65</b>	<b>63</b>	<b>12.07</b>	<b>63</b>	<b>12.07</b>	<b>12</b>	<b>2.30</b>

Recruitment of SCs/STs/OBCs/Divyang during the year 2022-23									
Group	Total Recruitment	SCs	%age SCs	STs	%age STs	OBCs	%age OBCs	Divyang	%age Divyang
A	No recruitment made.								
B	No recruitment made.								
C	No recruitment made.								
D	No recruitment made.								
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Promotion of SCs/STs during the year 2022-23						
Group	Total Promotions	SCs	%age SCs	STs	%age STs	
<b>A</b>	42	8	19.05	7	16.67	
<b>B</b>	1	1	100	-	-	
<b>C</b>	-	-	-	-	-	
<b>D</b>	-	-	-	-	-	
<b>Total</b>	<b>43</b>	<b>9</b>	<b>20.93</b>	<b>7</b>	<b>16.28</b>	

#### TRAINING AND DEVELOPMENT

For further enhancing / upgrading the skills of employees in the constantly changing business scenario, 189 employees were imparted training during the year in different spheres of company's activities. The training interventions held covered both functional & behavioural trainings. The employees deputed for training programmes included 30 employees belonging to SC, 18 to ST and 112 women employees.

#### IMPLEMENTATION OF OFFICIAL LANGUAGE

Your company is committed to complying with the Official Language Policy of the Government of India. During the year 2022-23 the company made continuous efforts with the aim of promoting the use of Hindi and achieving the targets set in the annual program issued by the Department of Official Language (Ministry of Home Affairs, Government of India). To meet the targets given in the Official Language Annual Programme, discussions were held in the regular meetings of the Official Language Implementation Committee held at Corporate Office and Regional Offices and the decisions taken in the meetings were implemented effectively. To promote the use of official language by the employees of the company, Hindi workshops, Hindi day/week/fortnight etc. were organized in the Corporate Office and all regional offices during the year under review. At the same time, the employees/officers were personally apprised of the tools related to the official language so that they can do their work in Hindi in a better way. Consequent upon this, there was a considerable increase in the use of Hindi in day-to-day official work.

During the year, along with other items of official language implementation, Hindi website of MMTTC was regularly updated in line with English. During the year, two of its Regional Offices were inspected by the Corporate Office to review the progress of implementation of official language and suggestions were given for improvement in the use of Hindi in the office accordingly. As a result of which there has been a considerable improvement in the implementation of official language. No inspection was done by the Parliamentary Committee on Official Language and the Department of Official Language during the year.

#### CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT

Your company's CSR Policy is in line with Section 135 of the Companies Act '2013 and the CSR Rules as notified by the Ministry of Corporate Affairs and the CSR projects have been undertaken in terms of Section 135 of the Companies Act. The CSR Policy is hosted on the Company's website in bilingual form.

Your company incurred losses during FY 2019-20, FY 2020-21 and FY 2021-22. Accordingly, the CSR budget calculated in accordance with the Section 198 of the Companies Act, 2013 i.e. 2% of average net profit of preceding 3

years was negative. Therefore, there was no annual CSR budget approved by Board of Directors for the year 2022-23. As such, no fresh CSR project was undertaken during FY 2022-23. However, your company only executed ongoing CSR projects of FY 2019-20 which were carried forward to FY 2022-23.

In terms of Section-21(b) of the Companies (Amendment) Act 2019, a Special CSR Bank Account was opened for the unspent CSR funds during FY 2020-21. As on 01.04.2022, an unspent amount of Rs. 5.27 lakhs was available in the account. The utilization of funds from this account during FY 2022-23 is as below:

Opening Balance (as on 01.04.2022)	Rs. 5.27 lakhs
Expenditure during FY 2022-23: Payment of final installment towards Construction of New Waiting Hall for Maternity & Child Health (MCH) Ward in District Hospital, Baran (Rajasthan) (CSR Project of FY 2019-20).	Rs. 5.27 lakhs
Closing Balance (as on 31.03.2023)	Nil

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

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

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

#### **INFORMATION UNDER RIGHT TO INFORMATION (RTI) ACT**

Your company as a Public Authority has responded to various compliances under RTI Act '2005. Details of designated First Appellate Authority (FAA), Chief Public Information Officer (CPIO)/ Nodal CPIO, Public Information Officers (PIOs) etc. have been displayed on public domain. During the year, a total of 57 RTI applications were received directly / under Sec.6(3) of the RTI Act and all the RTIs have been disposed off. Further, a total of 13 First Appeals were received by FAA, which were also disposed off. Your company has also undertaken 'Self-Assessment Audit' of the Voluntary Disclosures to be made on public domain ([www.mmtclimited.com](http://www.mmtclimited.com)) in terms of provisions laid down in Section-4 of the RTI Act 2005 and same is submitted for third party audit and final evaluation by CIC.

#### **CONSERVATION OF ENERGY**

During the year 2022-23, there was no activity in MICA group of your company. Therefore, pursuant to rule 8(3) of the Companies (Accounts) Rules, 2014, the company does not have anything to report under this head.

#### **VIGILANCE**

In the light of Department of Commerce, Ministry of Commerce & Industry's directions for winding down MMTC and pending final decision on closure of MMTC, Vigilance Division of MMTC is laying its emphasis on Preventive Vigilance Measures and systemic improvement. During the year, 44 inspections were conducted by Vigilance Officers (VOs) and 21 by Non-Vigilance Officers (NVOs) of Regional Offices and the inspection reports submitted were processed at Vigilance Division at Corporate Office and appropriate actions were taken, wherever required. In addition 6 CTE type inspections were also carried out of the tenders floated by Regional Offices. 10 Audit Reports of Internal Auditors have been examined and shortcoming observed were communicated for corrective action. Apart from inspections, division has also scrutinized 114 Annual Property Returns of the employees.

During the year Vigilance Division processed 17 complaints (CVC-3, Others-14), out of which 16 complaints have been disposed of and action on remaining 1 complaint was in progress as on 31.03.2023. Further during the year Vigilance Division dealt with two case of Departmental Proceeding involving six officials. In one case involving three officials proceeding have been finalized by the Disciplinary Authority by issuing penalty orders and in another case involving three officials, oral departmental proceedings have been completed and case is with Disciplinary Authority for final orders.

Compliance with respect to ODI, Agreed List(s), MIS updation of DoPT Solve, QPR, CTE-type QPR, Structured Meetings have been responded to in line with extant guidelines and reports submitted to CVC.

As per instructions of CVC, MMTC has conducted three months campaign (16th August, 2022 to 15th November, 2022) on Preventive Vigilance measures cum housekeeping activities as a precursor to VAW 2022, started from 31st October, 2022 to 6th November, 2022 on the theme "Corruption Free India for a Developed Nation". During this period preventive vigilance cum internal housekeeping activities viz. property management, management of assets, recording management, updation of guidelines/circulars/manuals, and disposal of complaints were taken up. In addition, lectures from spiritual personalities were also organized on the theme corruption in life and affects thereon and presentation on rules/guidelines was also conducted by Director/CVC. On successful completion of the campaign, compliance report was furnished to CVC.



## VIGIL MECHANISM

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

## INTEGRITY PACT

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

## CORPORATE GOVERNANCE

Corporate Governance has emerged as an important tool to the business community to become efficient, competitive and successful enterprise. Your Company reposes its firm faith in continuous development, adoption and dedication towards the best corporate governance practices. Towards this end, the norms prescribed under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Guidelines as applicable for CPSEs issued by the Department of Public Enterprises in this regard are being implemented regularly. Recently, three Independent Directors have been appointed and inducted on the Board of Directors, including one Independent Woman Director. With these inductions, the company has fulfilled the requirement of minimum number of Independent Directors on the Board i.e. one third in case of non-executive chairperson.

A separate Report on Corporate Governance along with certificate from M/s VAP & Associates (CP No.13901) regarding compliance of the stipulations relating to corporate governance specified in Listing Regulations is annexed hereto and forms part of this report. It may be mentioned that the company has complied with the CG norms prescribed by the Department of Public Enterprises applicable for CPSEs and the quarterly reports on compliance of Guidelines of Corporate Governance for CPSEs are sent regularly.

## CODE OF CONDUCT

Pursuant to Regulation 15(5) of Listing Regulations, the Code of Conduct applicable to the Board members & senior management personnel has been posted on the website of your company. All Board Members and Senior Management Personnel as on 31st March, 2023 to whom the said Code is applicable have affirmed compliance of the same for the period ended 31st March, 2023. Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is given below:

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

"All the members of the Board and Senior Management Personnel have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management Personnel' of the company for the financial year ended on March 31, 2023."

sd/-  
**HARDEEP SINGH**  
CMD  
DIN: 09778990



## **BUSINESS RESPONSIBILITY REPORT**

In accordance with the provisions of regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has prepared the Business Responsibility & Sustainability Report for inclusion in the Annual Report for the year 2022-23. The framework and principles suggested by SEBI is to assess compliance with environment, social and governance norms pertaining to Sustainable Development Goals. The said Business Responsibility Report is annexed herewith and forms part of the Annual Report.

## **PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES**

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

Pursuant to Public Procurement Policy, during the year 2022-23, total annual procurement by MMTC in respect of administrative requirements was Rs.7.80 Cr., out of which goods and services worth Rs.6.86 Cr. (i.e. 87.9%) were procured from MSEs including MSEs owned by SC/ST Entrepreneurs, Rs.0.49 Cr. (i.e. 7.26%) from MSEs owned by SC/ST entrepreneurs and 1.54 Cr. (22.48%) from MSEs owned by Women Entrepreneurs. On successful execution of the work orders placed on them, payments were released to MSEs..

## **PUBLIC DEPOSIT SCHEME**

As on 1st April 2022, there were no outstanding public deposits and the company did not invite/ accept any public deposit during the year ended 31st March, 2023.

## **ANNUAL RETURN**

Pursuant to Section 92(3) of Companies Act, 2013 a copy of the Annual Return filed during 2022-23 is available on the website of the company: [www.mmtclimited.com](http://www.mmtclimited.com).

## **STATUTORY AUDITORS' REPORT**

The report of Statutory Auditors for the year 2022-23 along with Management's reply to the observations of the Statutory Auditors is annexed herewith.

## **COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA**

The Comptroller & Auditor General of India (C&AG) has given 'NIL' comments under section 143 (6) (b) of the Companies Act, 2013 on the Standalone and Consolidated Accounts of the Company for the year ended 31.03.2023 vide Communications dated 28-07-2023 and 03-08-2023 respectively.

## **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. VAP & Associates, Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report (in Form MR-3) along with Management's Reply on the observations of the Secretarial Auditor is annexed herewith.

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

Details of investments, loans and guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in 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. The Audit Committee granted omnibus approval for the transactions undertaken during 2022-23. Suitable disclosures as required under Ind AS-24 have been made in Note 42 of Notes to the financial statements. Details of the transaction are provided in Form AOC-2 which is annexed herewith.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website at the following link: <http://mmtclimited.com/files/related%20party%20transaction%20policy%20eng.pdf>

## **RISK MANAGEMENT POLICY**

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



herewith. Further, the company has implemented Fraud Prevention Policy in order to enforce controls and to aid in prevention and detection of frauds in the Company. The Policy intends to promote consistent legal and ethical organizational behaviour by assigning responsibility for the development of controls, and providing guidelines for reporting and conduct of investigations of suspected fraudulent behaviour.

The Company does not take exposure in volatile commodities/ market condition. Generally, it makes purchases only against confirmed orders backed by appropriate margin money. Guidelines are in place requiring forward foreign exchange cover to be taken in respect of transactions involving MMTC funds.

#### **CONSERVATION OF ENERGY**

During the year 2022-23, there was no activity in MICA group of your company. Therefore, pursuant to rule 8(3) of the Companies (Accounts) Rules, 2014, the company does not have anything to report under this head.

#### **PARTICULARS OF EMPLOYEES**

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

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended 31.3.2023;
- 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.
- g) At present, MMTC is not carrying out any business activity
- h) Auditors/CAG comments on annual accounts of MMTC for the year 2022-23 form part of the annual accounts and are available in this report.

#### **DISPUTE BETWEEN MMTC & ANGLO AMERICAN COAL**

The Execution Petition No.19/2018 filed by Anglo Coal against MMTC post Hon'ble Supreme Court award in favour of Anglo Coal in respect of non performance of coking coal contract is pending in Delhi High Court. MMTC deposited Rs.1087 crores approx. on 20.7.2022 to secure the interest of the decree holder. Next date posted to 30.10.2023 for hearing on the application filed by MMTC to stay the proceedings in view of pending CBI complaints.

## BOARD OF DIRECTORS

Following are the changes in the Board of Directors of your company since 1st April 2022: -

Name of the Director	Category	Date of Appointment/ Cessation	Cessation Appointment/
Shri Vibhu Nayar	CMD (Addl. Charge)	31-08-2022	Cessation
Shri Hardeep Singh	CMD (Addl. Charge)	27-10-2022	Appointment
Shri Shashank Priya	Govt. Nominee Director	10-01-2023	Cessation
Dr.(Mrs.) Swadhinta Krishna	Independent Director	21-01-2023	Cessation
Ms Arti Bhatnagar	Govt. Nominee Director	13-03-2023	Appointment
Ms S. Meenakshi	Independent Director	9-06-2023	Appointment
Shri Srinivas Rao Maddi	Independent Director	10-06-2023	Appointment
Shri Nabarun Nayak	Independent Director	3-8-2023	Appointment
Shri J Ravi Shanker	Executive Director	4-07-2023	Cessation

The Board places on record its deep appreciation for the commendable services and the contributions made by Shri Vibhu Nayar, Shri Shashank Priya and Dr.(Mrs.) Swadhinta Krishna & Shri J Ravi Shanker Directors who ceased to be on the Board. The Board welcomes new Directors on the Board 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 Kapil Kumar Gupta, Director(Finance) shall retire at the AGM and, being eligible, has offered himself for re-appointment.

### ACKNOWLEDGEMENT

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

**By the Order of the Board**

Sd/-

(Hardeep Singh )

Chairman and Managing Director

Dated: 22.09.2023



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2022-23

### Overview of Global Trade & Developments

The global economy is facing unprecedented volatility and disruption due to Covid-19 and global uncertainties. A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Several shocks have hit a world economy already weakened by the pandemic higher-than-expected and also further negative spillovers from the war in Ukraine.

With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the first priority for policymakers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stand such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macro prudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices. Finally, mitigating climate change continues to require urgent multilateral action to limit emissions and raise investments to hasten the green transition.

### Overview of Economic Developments in India during 2022-23

India's annual growth rate during 2022-23 was 7.2%, which underscores the resilience of the Indian economy amidst global challenges. This robust performance along with overall optimism and compelling macro-economic indicators exemplify the promising trajectory of our economy.

India's GDP has reached \$3.75 trillion in 2023, from around \$2 trillion in 2014; moving from 10th largest to 5th largest economy in the world.

### Outlook for 2023-24

Indian economy is expected to grow in a range of 6.5-6.7 per cent in the financial year 2023-24.

The growth will be supported by strong domestic drivers and robust momentum in capital expenditure.

The government expects India's 2023-24 GDP at 6.5 per cent.

"The Indian economy remains resilient in the face of a challenging global environment, and we do not anticipate major domestic roadblocks in the year ahead," Dinesh said in his first media interaction after taking over as president CII. Despite strong global headwinds and tighter domestic monetary policy tightening, various international agencies have forecasted India to be one of the fastest-growing economies in 2023-24, supported by robust growth in private consumption and sustained pick-up in private investment.

### MMTC- 2022-23 in retrospect

#### Financial Review

In the backdrop of stoppage of entire business activities on the instructions of the administrative ministry following the new Enterprise Policy for CPSEs in the Non Strategic Sector, your company achieved a trade turnover of Rs.271.77 crore during 2022-23 as against the turnover of Rs. 7840.78 crore registered during last fiscal. Your Company earned a net profit of Rs.1076.07 crore in the current financial year as against Net Loss of Rs. 237.77 crore during last year. As there is stoppage of all the business activities during the financial year, the net profit is mainly due to funds received from the sale of its stake in the JV Neelachal Ispat Nigam.

#### Source and Utilization of Funds

The source of funds of the company as on 31st March, 2023 comprises of shareholders fund amounting to Rs.1264.83 crores including equity share capital of Rs.150 crores and non-current and current liabilities of Rs.48.08 crores and Rs.1960.46 crores respectively. These funds have been deployed, inter alia, towards non-current assets amounting to Rs. 287.45 crores and current assets of Rs.2985.92 crores as on 31st March, 2023.

#### Internal Control Procedures

MMTC has Internal Audit System & Procedures which are in line its business operations. The scope of audit is reviewed by the Audit Committee. The directions, if any, of Audit Committee are duly complied. The company has an Internal Audit Division, to coordinate with external auditing firms in conducting internal audit. The Audit Committee comprises of Dr. Pradip Kumar Varma, Independent Director as Chairman, Ms Arti Bhatnagar, Govt. Nominee Director, Ms S.Meenakshi, Shri Srinivas Rao Maddi and Shri Nabarun Nayak, Independent Directors.

#### Subsidiary Company

MMTC Transnational Pte. Ltd. (MTPL), Singapore, the wholly owned subsidiary of your Company has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2022-23 MTPL achieved sales turnover of USD 405.15 million as against USD 456.58 million recorded during last fiscal. The Net Profit of MTPL during the financial year 2022-23 amounted to USD 0.51 million as against USD 0.69 million earned during 2021-22. The net worth of MTPL stood at USD 5.68 million as on 31st March 2023. Overall dividend declared by MTPL since inception is USD 27.945 million which includes a dividend of USD 1 million received from MTPL during FY2022-23.

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

### **Business Group wise Review for 2022-23**

The During 2022-23, MMTC was not involved in any business activity as per the directives of Department of Commerce, the administrative ministry. No fresh import and domestic sale contracts were signed by it during FY 2022-23. Only the bullion group of MMTC has recorded turnover of Rs. 265.98 crore beside sale of wind power generated from its captive wind power mill amounting to Rs. 5.13 crore.

### **Future prospects of the Company**

In the past, the Company has been engaged in canalized business activities in the segments of Minerals & Metals, Fertilizers, Precious Metals and Agri products. However, due to Government's new Public Sector Policy as per which there will be a bare minimum presence of PSEs limited to strategic sectors only. Since MMTC falls in the non-strategic sector, MMTC has been directed to prepare a road map for scaling down of operations including exit from various JVs in a phased manner and downsizing of business operations, implementation of VRS etc. LTA for export of Iron Ore to Japan and South Korea discontinued and MMTC was delisted as an STE for import of urea on account of Deptt. of Fertilizers. MMTC was directed to exit from bullion operations and other canalized/nominated business. Government is of the view that there is no requirement of MMTC as a central canalizing agency and that relevant Ministry/Departments can do trading through their own PSUs/other agencies. However, formal decision of Government regarding closure of the Company is awaited.

### **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. MMTC is not carrying any business at present.

By Order of Board  
Sd/-  
(Hardeep Singh)  
Chairman and Managing Director

Date : 22.09.2023



## THE ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR 2022-23

### 1. Brief outline on CSR Policy of the Company.

Your Company has consistently played the role of a good corporate citizen and has shown its deep commitment towards Corporate Social Responsibility practices by conducting its business in an ethically, socially and environmentally sustainable manner. Even in the absence of an official mandate regarding CSR activities, your Company 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.

The Company's present CSR policy is in line with Section 135 of the Companies Act and the CSR Rules as notified by the Ministry of Corporate Affairs and the CSR projects have been undertaken in terms of Section 135 of the Companies Act. The Company's CSR Policy is hosted on its website.

Your company incurred losses during FY 2019-20, FY 2020-21 and FY 2021-22. Accordingly, the CSR budget calculated in accordance with the Section 198 of the Companies Act, 2013 i.e. 2% of average net profit of preceding 3 years was negative. Therefore, there was no annual CSR budget approved by Board of Directors for the year 2022-23. As such, no fresh CSR project was undertaken during FY 2022-23. However, your company only executed ongoing CSR projects of FY 2019-20 which were carried forward to FY 2022-23.

In terms of Section-21(b) of the Companies (Amendment) Act 2019, a Special CSR Bank Account was opened for the unspent CSR funds during FY 2020-21. As on 01.04.2022, an unspent amount of Rs. 5.27 lakhs was available in the account. The utilization of funds from this account during FY 2022-23 is as below:

Opening Balance (as on 01.04.2022)	Rs. 5.27 lakhs
<u>Expenditure during FY 2022-23:</u> Payment of final installment towards Construction of New Waiting Hall for Maternity & Child Health (MCH) Ward in District Hospital, Baran (Rajasthan) (CSR Project of FY 2019-20).	Rs. 5.27 lakhs
Closing Balance (as on 31.03.2023)	Nil

### 2. The Composition of the CSR Committee

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Arti Bhatnagar	Government Nominee Director/ Chairperson of the Committee	1	1
2.	Dr. Pradip Kumar Varma	Non-Official Independent Director/ Member of the Committee	1	1
3.	Shri Rajiv Ranjan Sinha	Director (Personnel)/ Member of the Committee	1	1
4.	Shri Kapil Kumar Gupta	Committee Director (Finance)/ Member of the Committee	1	1

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Web-link: <https://www.mmtclimited.com/pages/display/89-corporate-social-responsibility>

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable.

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2022-23	Nil	Nil

Average net profit of the company as per section 135(5). Rs. (426.41) crores

7. (a) Two percent of average net profit of the company as per section 135(5): NA  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Nil.
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
NA	NA	NA	NA	NA	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year:  
Not applicable.
- (c) Details of CSR amount spent against other than ongoing projects for the financial year:  
Not applicable.
- (d) Amount spent in Administrative Overheads: Nil  
 (e) Amount spent on Impact Assessment, if applicable: NA  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil  
 (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
1.	2019-20	5,27,200	5,27,200	-	-	-	Nil



(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs. in Lakh)	Amount spent on the project in the reporting Financial Year (Rs. in Lakh)	Cumulative amount spent at the end of reporting FY (Rs. in Lakh)	Status of the project - Completed /Ongoing
1.		Construction of Waiting Hall for Maternity & Child Health (MCH) in District Hospital, Baran (Rajasthan)	2019-20	3 years	52.72	5.27	52.72	Completed
	<b>Total</b>				<b>52.72</b>	<b>5.27</b>	<b>52.72</b>	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Nil

- (a) Date of creation or acquisition of the capital asset(s). NA
- (b) Amount of CSR spent for creation or acquisition of capital asset. NA
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NA
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not applicable.

Sd/-

(Chief Executive Officer or  
Managing Director or Director)

Sd/-

(Chairman CSR Committee)



## CORPORATE GOVERNANCE IN MMTC

Corporate Governance has become an integral part of the organization to accomplish the strategic goals of the company, strengthen confidence, maximize long term value of shareholders and stakeholders' wealth. MMTC is fully committed to promoting and strengthening the principles of sound Corporate Governance norms through the adherence of highest standards of transparency, trust and integrity, performance orientation, professionalism, ethical business practices, responsibility and accountability, social responsiveness and commitment to the organization as a self-disciplined code for sustainable enrichment of value for stakeholders which include investors, directors, employees, suppliers, customers or the community in general.

A Report in line with the requirements of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) is given below as a part of the Directors' Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

### BOARD OF DIRECTORS

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

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

The Composition of Board during the year 2022-23was as under:-

S. No	Name of Director	Executive/ Non-Executive	Designation held	No. of Directorship in other Board as on 31.3.2023	No. of Board Committees of which Member/ Chairman as on 31.3.2023
1	Shri Vipul Bansal	Non-Executive	Govt. Nominee Director	Director-3	NIL
2.	Dr P K Varma	Non- Executive	Part Time Non-official (Independent)	NIL	Chairman – 2 Member-5
3.	Shri J.Ravi Shanker	Executive	Director(Marketing)	Director-3	Member-2
4.	Shri R.R. Sinha	Executive	Director (Personnel)	Director-2	Member-2
5.	Shri Kapil Kumar Gupta	Executive	Director(Finance)	Director-5	Member – 3 Chairperson-1
6.	Shri Hardeep Singh (w.e.f. 27.10.2022)	Executive	CMD	Director-1	NIL
7.	Smt. Arti Bhatnagar (w.e.f. 13.03.2023)	Non-Executive	Govt. Nominee Director	Director-7	Chairman-1 Member-1
8.	Shri Vibhu Nayar (Upto 31.08.2022)	Executive	CMD	Director-8	NIL
9.	Shri Shashank Priya (Upto 10.01.2023)	Non- Executive	Govt. Nominee Director	Director-6	Chairperson-1 (upto-14-11-2023) Member-1
10.	Dr.(Mrs.) Swadhinta (Krishna (Upto 21.01.2023)	Non -Executive	Part Time Non-official (Independent) Director	NIL	Chairperson-1 Member-2



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

N.A.->Since these directors ceased to be on the Board of the Company hence their disclosures as on 31.03.2023 are not available.

#### Changes in Board of Directors (Since 01.04.2022)

Name of Director	Category	Date of Appointment/ Cessation	Appointment/ Cessation
Shri Vibhu Nayar	Chairman & Managing Director (Addl.Charge)	31.08.2022	Cessation
Shri Shashank Priya	Govt. Nominee Director	10.01.2023	Cessation
Dr.(Mrs.) Swadhinta Krishna	Non-official (Independent) Director	21.01.2023	Cessation
Shri J. Ravi Shanker	Director (Marketing)	03.07.2023	Cessation
Shri Hardeep Singh	Chairman & Managing Director (Addl. Charge)	27.10.2022	Appointment
Ms Arti Bhatnagar	Govt. Nominee Director	13.03.2023	Appointment
Ms S. Meenakshi	Non-official (Independent) Director	09.06.2023	Appointment
Shri Srinivas Rao Maddi	Non-official (Independent) Director	10.06.2023	Appointment
Shri Nabarun Nayak	Non-official (Independent) Director	03.08.2023	Appointment

#### Remuneration of Directors

MMTC is a Govt. of India Enterprise in which all members of the Board are appointed by the President of India through the administrative Ministry- Department of Commerce, Ministry of Commerce & Industry, Govt. of India, which, Inter-alia fixes the remuneration of such Whole Time Directors/CMD through their respective appointment orders/pay fixation orders. CMD and Whole Time Directors of MMTC are appointed by the President of India, generally with a service contract of five years or till the date of superannuation or further orders of the government whichever is earlier. The Functional Directors so appointed by the President of India are entitled for three months' notice period/severance fees. The functional members of the Board of Directors are entitled to performance Related Pay in terms of Guidelines issued by the Department of Public Enterprises, Govt. of India. Non-official Part Time (Independent) Directors are presently entitled to a sitting fee Rs. 15000/- for attending each meeting of the Board/Board appointed Committees. None of the Non- Executive Directors had any pecuniary relationship or transaction with the company.

The details of remuneration paid for 2022-23 to Functional Directors including CMD are given below:

Name of Director	Salary & benefits (Rs.)	Performance related pay during 2022-23*	Bonus, Stock option, pension, severance fee	No. of shares of MMTC held as on 31.3.2023
<b>Executive Directors</b>				
Mr. Kapil Kumar Gupta	5406239	Nil	Nil	Nil
Mr. R.R. Sinha	4830287	Nil	Nil	Nil
Mr. J.Ravi Shanker	4912697	Nil	Nil	Nil

#### Meetings of the Board

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

During the year, the Board of directors met eight times i.e. on 22.04.2022, 05.05.2022, 08.07.2022, 30.08.2022, 09.11.2022, 14.11.2022, 20.12.2022 & 13.02.2023. The attendance of the Directors at these Board Meetings and the last AGM on 8th December, 2022 is 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 23.04.2023
<b>(a)</b>	<b>Functional Directors</b>			
	Shri Vibhu Nayar , CMD ( Addl Charge )	4	4	Yes
	Shri J. Ravi Shanker	8	8	Yes
	Shri R.R. Sinha	8	8	Yes
	Shri K.K. Gupta	8	8	Yes
<b>(b)</b>	<b>Ex-officio Part Time Directors</b>			
	<b>(Govt. Nominee)</b>			
	Shri Shashank Priya	7	7	No
	Shri Vipul Bansal	8	2	NO
<b>(c)</b>	<b>Non- official Part Time(Independent) Directors</b>			
	Dr.(Mrs.) Swadhinta Krishna	7	7	Yes
	Dr . P. K. Varma	8	8	Yes`

#### Separate Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 20th September, 2022 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Role & Responsibilities of Non- Official Directors (Independent Directors) of CPSEs. All the Independent Directors as on that date attended the said Meeting.

#### Declaration by Independent Directors

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

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

#### Performance Evaluation of Board Members

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

It may further be mentioned that MMTC entered into MOU with Govt of India (Ministry of Commerce & Industry) each year, containing key performance parameters for the company till 2022-23. The MOU targets are considered and form an integral part of performance appraisal of the individuals. The MOU covers all operational and performance parameters including financial targets, cost cutting targets, community development and any other relevant factor. The performance of the company is evaluated annually by the DPE vis-à-vis MOU entered into with the Govt. of India.

#### COMMITTEES OF THE BOARD

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

1. Audit Committee of Directors
2. Nomination & Remuneration Committee of Directors



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

#### 1. Audit Committee of Directors

The Audit Committee of the company constituted by the Board Comprised of two Part Time Non-Official (Independent) Directors and one Part Time (Govt. Nominee) Director as on 31.03.2023. All the meetings of the committee held during the year were chaired by non-executive Independent Director. Company Secretary is the Secretary to the Committee. The terms of reference of the Audit Committee include overseeing the audit function, reviewing critical findings, ensuring compliance with accounting standards and concurring financial statements before submission to the Board. The role, scope and authority of Audit Committee also include the requirements under the relevant provisions of the Companies Act, 2013 and the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015("Listing Regulation").

During the year 2022-23, the Committee met seven times as detailed hereunder:-

S. No.	Date of Meeting	Member Present	Chairperson
1	22-04-2022	Shri Shashank Priya Dr.(Mrs.)Swadhinta Krishna Dr Pradip kumar verma	Dr Pradip Kumar Varma
2	05-05-2022	Shri Shashank Priya Dr. (Mrs.) Swadhinta Krishna Dr Pradip kumar verma	Dr Pradip Kumar Varma
3	08.07.2022	Shri Shashank Priya Dr.(Mrs.)Swadhinta Krishna Dr Pradip kumar verma	Dr Pradip Kumar Varma
4	30.08.2022	Shri Shashank Priya Dr.(Mrs.)Swadhinta Krishna Dr Pradip Kumar Varma	Dr Pradip Kumar Varma
5	09.11.2022	Shri Shashank Priya Dr.(Mrs.)Swadhinta Krishna Dr Pradip Kumar Varma	Dr Pradip Kumar Varma
6	14.11.2022	Shri Shashank Priya Dr.(Mrs.)Swadhinta Krishna Dr Pradip Kumar Varma	Dr Pradip Kumar Varma
7	28.03.2023	Dr Pradip Kumar Varma Ms Arti Bhatnagar Shri J Ravi Shankar	Dr Pradip Kumar Varma

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

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

#### 2. Nomination & Remuneration Committee of Directors:

Pursuant to the provision of Companies Act, 2013 and applicable provisions of Listing Regulations, the Nomination & Remuneration Committee of Directors comprises of Dr.(Mrs.) Swadhinta Krishna, Part Time non-official (Independent) Director as Chairperson, Shri P. K. Varma, Part Time Non-official (Independent) Director and Shri Shashank Priya, Govt. Nominee Director as its Members as on 31.03.2023. The Committee performs such functions and duties and exercises such powers as specified in Part D of Schedule II of Listing Regulations, DPE Guidelines dated 26th November 2008. The Company Secretary is the Secretary of the Committee. During the year 2022-23, the Committee met once as detailed hereunder: -

S No	Date of Meeting	Members Present	Chairperson
1	20.9.2022	Shri Shashank Priya Dr Pradip Kumar Varma	Dr.(Mrs.) Swadhinta Krishna

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

### 3. Stakeholders Relationship Committee

The Composition of Stakeholder Relationship Committee constituted by the Board of Directors comprised of Dr.(Mrs) Swadhinta Krishna, Part Time non-official (Independent) Director, as its Chairperson, Shri Vipul Bansal, JS, DOC, and Shri Kapil Kumar Gupta, Director(Finance), MMTC as its members as on 31.3.2023. Company Secretary is the Secretary to the Committee. The Committee expeditiously considers and monitors the resolution of grievances of the shareholders/other investors. During 2022-23 one meeting of this committee was held, details are as under;

S No	Date of Meeting	Member Present	Chairperson
1	28.03.2023	Shri K.K. Gupta Shri J Ravi Shankar Dr Pradip Kumar Varma	Dr Pradip Kumar Varma

Details of Investor Complaints/Grievances during the FY 2022-23:

No. of complaints pending as on 1.4.2022	No. of Complaints received during the year	No. of complaints resolved during the year	No. of Complaints pending as on 31.03.2023
0	0	0	0

### 4. Share Transfer Committee

Share Transfer Committee constituted by the Board of Directors comprised of all Functional Directors, MMTC as its members and Company Secretary as Secretary to the Committee expeditiously considers and approves requests for physical share transfers, re-materialization and de-materialization etc. During 2022-23 no meeting of this committee was held.

### 5. Committee of Directors on Personnel Policies

The Committee of Directors on Personnel Policies constituted by the Board comprised of Dr.(Mrs) Swadhinta Krishna Part Time Non-Official (Independent) Director as its Chairperson, Dr P K Varma, Independent Director and Shri K K Gupta, Director(Finance) MMTC as its Members to consider and recommend approval of modifications/formulation of service rules and other personnel policies to the Board of Directors. The Company Secretary is the Secretary to the Committee. During 2022-23 no meeting of this Committee was held.

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

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

There was no change in constitution of this Committee during the year and during 2022-23 no meeting of this Committee was held.

### 7. Committees of Directors on CSR & Sustainability

The Committees was constituted to regulate and monitor the CSR activities of the Company, in accordance with applicable provisions of Companies Act, 2013 and DPE Guidelines in this regard issued from time to time. As on 31.03.2023, the Composition of the Committee included Ms. Arti Bhatnagar (AS & FA-MOC &I) as Chairman, Shri P. K. Varma , Part Time Non-official(Independent) Director, Director(Personnel) and Director (Finance) as its Members. The Company Secretary is the secretary of the Committee.

During 2022-23 one meeting of this committee was held and details are hereunder: -

S No	Date of Meeting	Member Present	Chairperson
1	28.3.2023	Dr P. K. Varma Shri R.R. Sinha Shri K.K. Gupta Ms. Arti Bhatnagar	Ms. Arti Bhatnagar

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

### 8. Committee of Functional Directors and Senior Officers

The Committee of Functional Directors and Senior Officers constituted by the Board of Directors on 23.03.2022 consist of CMD, MMTC as the Chairman of the Committee, all Functional Directors and Incharge of Finance and Law Divisions as members and Company Secretary as Secretary to the Committee. The said Committee has been delegated the powers to take decision(s) in all matters over and above the powers delegated to CMD by the Board of Directors from time to time, except the matters specified under the Companies Act, 2013/other Statutes, to be considered and decided at the meeting of Board of Directors and/or shareholders as also the matters specified and reserved by Board for its decisions or for consideration and decisions of any other committee constituted by Board of Directors under Article 99 of Articles of Association of MMTC. During 2022-23 seventeen meetings of this Committee were held. The minutes of these meetings were submitted to Board of Directors for information.



## 9. Risk Management Committee of Directors

Risk Management Committee of Directors comprising of Director(Finance) as Chairman all functional Directors of the Company as members and CMD as Chairman of the Committee was constituted in August 2016. As on 31.3.2023, the Committee comprised of Director(Finance) as Chairman, Dr P K Varma, Independent Director, Shri J Ravi Shanker, Director(Marketing) and Shri R R Sinha, Director(Personnel) as members of the Committee. The said Committee shall function as per the roles specified under the Listing Regulations and other provisions of any other Statutes as amended from time to time. Company Secretary shall continue to be the Secretary to the Committee. During 2022-23 two meetings of this committee were held and details are hereunder: -

S No	Date of Meeting	Members Present	Chairperson
1	20.09.2022	Dr P. K. Varma Shri J. Ravi Shanker Shri R.R. Sinha	Shri K.K. Gupta
2	28.03.2023	Dr P. K. Varma Shri J.Ravi Shanker Shri R.R. Sinha	Shri K.K. Gupta

### GENERAL BODY MEETINGS

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

Nature of meeting	Date & time	Special Resolution passed
56th Annual General Meeting	30.09.2019 at 1130hrs	Nil
57th Annual General Meeting	24.12.2020 at 1130hrs	Nil
58th Annual General Meeting	23.04.2022 at 1130hrs	Nil
59th Annual General Meeting	08.12.2022 at 1100hrs	Nil

### Disclosures

- None of the members of the Board of Directors had any pecuniary relationship or transaction with the company.
- 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.
- The Company has not opted for Employees Stock Option Scheme.
- The company has framed the "Whistle Blower Policy" which has been hoisted on MMTCL's website.
- The company has established a vigil mechanism and same has been uploaded on the website of the company.
- Company has broadly complied with all the requirements of SEBI(LODR) Regulations, 2015, the Companies Act, 2013 and Guidelines on Corporate Governance for CPSEs issued by DPE, Govt. of India except as mentioned in the Report.
- 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.
- Pursuant to clause 9(n) of Part C of Schedule V of SEBI(LODR)Regulations, 2015, the disclosure regarding commodity risks by listed entities is placed at Annexure-C to this Report.

### CEO/CFO Certification

As required under Regulation 17(8) of SEBI(LODR) Regulations, 2015, the Certificate duly signed by Chairman & Managing Director and CFO of the company was placed before the Board of Directors at the meeting held on 8th July 2023 and the same is annexed (Annexure-A) to Corporate Governance Report.

### Means of Communications

The quarterly, half-yearly unaudited results of the Company are normally announced within 45 days of the end of respective period, and annual audited results of the Company are announced within 60 days, which are published in leading national dailies, besides hoisting them on the website of the company i.e. www.mmtclimited.com. However, during the year 2022-23, due to various compelling reasons, these could not be approved by the Board in time.

### Shareholders information

- Annual General Meeting

**The 60th Annual General Meeting of the Company is scheduled to be held on 22nd November, 2023 through Video Conferencing ("VC")/Other Audio Visual Means("OAVM").**

**(b) Financial Calendar for 2023-24**

Adoption of quarterly results for the quarter ending	Last date for adoption of Financial Results
June 30, 2023	14th August, 2023 (approved by the Board on 22.09.2023)
September 30, 2023	14th November, 2023
December 31, 2023	14th February, 2024
March 31, 2024	30th May, 2024

**(c) Dates of Book Closure**

The Share Transfer Books and Register of Members shall remain closed from 16th November, 2023 to 22nd November, 2023 (both days inclusive) for the purpose of AGM.

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

Year	2019-20	2020-21	2021-22	2022-23
Rate	NIL	NIL	NIL	NIL
Date	NIL	NIL	NIL	NIL

- (e) **Listing on stock exchanges:** The Shares of the company continue to be listed at BSE and NSE. Listing fees for F.Y. 2022-23 has already been paid to both stock exchanges.
- (f) **Market Price Data:** The month-wise market price data of MMTC's scrip quoted/traded at Bombay Stock Exchange/NSE during the financial year 2022-23 is given below:

Month	High (Rs)	Low (Rs)	Month	High (Rs)	Low (Rs)
<b>Bombay Stock Exchange</b>			<b>National Stock Exchange</b>		
April 2022	55.30	44.10	April 2022	46.95	44.80
May 2022	45.40	37.00	May 2022	41.90	40.05
June 2022	42.40	31.15	June 2022	40.8	38.8
July 2022	43.00	37.55	July 2022	41.9	39.6
August 2022	45.80	39.10	August 2022	45.9	44.3
September 2022	42.60	33.35	September 2022	34.85	33.1
October 2022	36.90	33.50	October 2022	34.7	34.15
November 2022	43.45	34.10	November 2022	43.45	41.05
December 2022	42.80	33.10	December 2022	38.45	37.45
January 2023	39.15	32.75	January 2023	34.4	33.15
February 2023	34.95	30.05	February 2023	31.1	30.01
March 2023	32.65	26.40	March 2023	28.7	27.8

- (g) **Registrar & Transfer Agents (RTA):** M/s. MCS Share Transfer Agent Limited, F-65 Okhla Industrial Area, Phase I, New Delhi -110020, is the Registrar & share Transfer Agent of the Company effective from 1st April 2015, for shares held both in physical as well as in dematerialized mode.
- (h) **Dematerialization of Shares:** The shares of MMTC Ltd continue to be an eligible security for trading in dematerialized form by CDSL and NSDL with ISIN No: **INE123F01029**. As on 31st March 2023, out of 150 crores equity shares of MMTC Ltd of face value of Re. 1/- each, 1348903143 shares are held by the President of India and 151096857 shares by others in dematerialized form leaving only **3,666** shares in physical form..
- (i) **Share Transfer System:** 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 31.03.2023. Share transfers in physical form has been discontinued by SEBI w.e.f. 1.4.2019. Share transfers/transmission and all other investor related activities are attended to and processed at the office of RTA i.e. MCS Share Transfer Agent Ltd.
- (j) **Distribution of shareholding as on 31.3.2023:** The Distribution of shareholding as on 31.3.2023 is tabulated here-in-below:



Category Code	Category of Shareholder	No of Share holders	Total Number of Shares	Total share holding as % age of total number of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>			
(i)	Central Govt.	1	1348903143	89.9269
<b>(B)</b>	<b>Public shareholding</b>			
(a)	Central Govt./State Govt.	1		
(b)	Mutual Funds/AIF	4	145809	0.0097
(c)	Financial Inst./Banks	2	650	0.0000
(d)	Insurance Companies	5	38286728	2.5524
(e)	Foreign Portfolio Investors	3	981972	0.0655
	<b>Non-Institutions</b>			
(a)	Bodies Corporate	588	4302779	0.2869
(b)	Individual holders having share capital up to Rs 2 lakh	196399	104330060	6.9553
(c)	Individual holders having share capital in excess of Rs 2 lakh	5	1248163	0.0832
(d)	Trust and Foundations	9	10250	0.0007
(e)	Non Resident Individuals	1248	1720783	0.1147
(f)	NBFCs registered with RBI	2	42500	0.0028
(g)	Cooperative Societies	1	5000	0.0003
(h)	IEPF	1	22163	0.0015
	<b>TOTAL</b>	<b>198268</b>	<b>1500000000</b>	<b>100</b>

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

**(k)** Top 10 Public Shareholders as on 31st March, 2023

S.No	Name	No. of Shares held	% of total shares
1	THE PRESIDENT OF INDIA	1348903143	89.926
2	LIFE INSURANCE CORPORATION OF INDIA	34613606	2.30
3	THE NEW INDIA ASSURANCE COMPANY LIMITED	1712446	0.11
4	GENERAL INSURANCE CORPORATION OF INDIA	1000000	0.067
5	NATIONAL INSURANCE COMPANY LTD	675268	0.0450
6	QUADRATURE CAPITAL VECTOR SP LIMITED	490302	0.032
7	NEERAJ SACHDEVA	460000	0.031
8	MUKUND LAL BAHETI	450000	0.03
9	THE ORIENTAL INSURANCE COMPANY LIMITED	285408	0.019
10	GHANSHYAM GARG	229977	0.015



**(l) Distribution of Shareholding as on 31st March 2023**

Category(Shares)	No. of Shares	% of Shareholders	Total No. of Shareholding	% of Shareholders
1-500	19818936	1.3213	153644	80.4819
501-1000	14841279	0.9894	18423	9.6503
1001-2000	14901703	0.9934	9751	5.1078
2001-3000	8887597	0.5925	3426	1.7946
3001-4000	5128958	0.3419	1423	0.7454
4001-5000	5792019	0.3861	1225	0.6417
5001-10000	13492198	0.8995	1828	0.9575
10001-50000	20840308	1.3894	1078	0.5647
50001-100000	5611703	0.3741	78	0.0409
And Above	1390685299	92.7124	29	0.0152
<b>Total</b>	<b>1500000000</b>	<b>100</b>	<b>190905</b>	<b>100</b>

**(m) Geographical Distribution of Shareholders as on 31st March 2023**

CITY	No. of Shareholders	% of total shareholders	No. of Shares	% of Total Shares
AHMEDABAD	6875	3.60	5274295	0.35
BANGLORE	4796	2.51	3159754	0.21
BHUBANESWAR	579	0.30	359128	0.02
CHANDIGARH	691	0.36	586252	0.04
CHENNAI	3837	2.01	3598674	0.24
DELHI	16613	8.70	1358918823	90.59
GUWAHATI	402	0.21	297443	0.02
HYDERABAD	3581	1.88	2437610	0.16
JAIPUR	3556	1.86	2248405	0.15
KANPUR	1214	0.64	731248	0.05
KOLKATA	5159	2.70	5458268	0.36
MUMBAI, THANE, NAVI MUMBAI	21395	11.21	56741788	3.78
NAGPUR	1219	0.64	453746	0.03
NCR	5702	2.99	4442884	0.30
PATNA	963	0.50	554493	0.04
TRIVANDRUM	310	0.16	102978	0.01
OTHERS	114013	59.72	54634211	3.64

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

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

**(o) Address for Correspondence:**

Board Secretariat, MMTC Limited, Core-I, Scope Complex,  
7, Institutional Area, Lodi Road, New Delhi – 110 003  
Phone No: 011 - 24361889  
E-mail: [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com)



## Annexure-A to Corporate Governance Report

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

- a) The financial statements and the cash flow statement for the year ended 31.3.2023 have been reviewed and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Sd/-**  
**(Kapil Kumar Gupta)**  
**Director(Finance)**

**Sd/-**  
**(R.R Sinha)**  
**Director (P)**

**Sd/-**  
**(Hardeep Singh)**  
**Chairman and Managing Director**

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

### I Background

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

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

### II Policy Framework

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

### III Factors in consideration

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

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

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

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

#### B. Financial Parameters that shall be considered while declaring dividend

Being a Central Public Sector Enterprise, the Company endeavors to declare the dividend as per the guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by DIPAM

Govt. of India on 27.05.2016, mandating every CPSE to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions.

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

- (i) Net-worth and Capacity to borrow;
- (ii) Long-term borrowings;
- (iii) CAPEX/Business Expansion needs;
- (iv) Retention of profit for further leveraging in line with the CAPEX needs; and
- (v) Cash and bank balance.

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

##### C.1 Internal Factors

###### Net Worth of the Company

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



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

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

## **C.2 External Factors**

### **C.2.1 Economic Environment**

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

### **C.2.3 Statutory Provisions and Guidelines**

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

## **D. Utilization of Retained Earnings**

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

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

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

### **Other provisions**

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

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

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 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 (CIN L51909DL1963GOI004033) (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..

- A. 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 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, 2023 (Audit Period) 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:
- B. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:
- The Companies Act, 2013 (the Act) and the rules made thereunder;
  - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - 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, to the extent applicable;
  - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:
    - Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ['LODR'];
    - Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018; (No such event during Audit Period);
    - Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (No such event during Audit Period);
    - Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (No such event during Audit Period);
    - Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (No such event during Audit Period);
    - Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (No such event during Audit Period);
    - Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (No such event during Audit Period)
    - The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act, 2013 and dealing with the client to the extent of securities issued;
  - Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by Department of Public Enterprises ('DPE Guidelines').
  - We further report that, having regards to the compliance system prevailing in the Company, on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has generally complied with the specifically applicable laws to the Company as identified by the Management, including Income Tax Act, 1961, the Custom Act, 1962, etc., to the extent of their applicability to the Company.



- C. We have also examined compliance with the applicable clauses of the following:
- (I) Secretarial Standards with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and the BSE.
- D. During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
- (i) The composition of the Board was not in compliance with the provisions of Section 149(1) of the Act, Regulations 17(1)(a) and 17(1)(b) of the LODR and Clause 3.1.4 of DPE Guidelines as Fifty percent of the Board did not comprise of Non-Executive Directors from 10.01.2023 to 31.03.2023, there was no Independent Woman Director on the Board from 21.01.2023 till 31.03.2023, Half of the Board did not comprise of Independent Directors from 01.04.2022 till 31.03.2023 and Two-thirds of the members of the Board did not comprise of independent directors from 21.01.2023 till 31.03.2023.
- (ii) The composition of the Audit Committee (AC) was not in compliance with the provisions of Section 177(2) of the Act, Regulation 18(1)(a) and 18(1)(b) of the SEBI (LODR) Regulations, 2015 and Clause 4.1.1 and 4.1.2 of DPE Guidelines, as the AC did not comprise of three Members from 10.01.2023 to 21.03.2023 and Two-thirds of the members of AC did not comprise of independent directors from 21.01.2023 till 31.03.2023.
- (iii) Time gap and quorum of AC meetings was not in compliance with 18(2)(a) and 18(2)(b) of the SEBI (LODR) Regulations, 2015 and Clause 4.4 of DPE Guidelines, as time gap between AC Meetings dated 14.11.2022 and 28.03.2023 is exceeding one hundred and twenty days and due to absence of Independent Directors on the Board, quorum was not proper in 131st AC Meeting.
- (iv) The composition of the Nomination and Remuneration Committee (NRC) was not in compliance with the provisions under Regulation 19(1)(a), 19(1)(b) and 19(1)(c) of the SEBI (LODR) Regulations, 2015 and Clause 5.1 of DPE Guidelines, NRC did not comprise of Three Members from 10.01.2023 to 21.03.2023. The Committee did not comprise of all Non-Executive Directors from 22.03.2023 to 31.03.2023. Two-thirds of the members of NRC did not comprise of independent directors from 21.01.2023 till 31.03.2023.
- (v) The composition of the Risk Management Committee (RMC) was not in compliance with the provisions under Regulation 21(2) as Two third Members of the Risk Management Committee (RMC) did not comprise independent directors and time gap between RMC Meetings RMC was not in compliance with the provisions under Regulation 21(3C) of the SEBI (LODR) Regulations, 2015 as time gap between RMC Meetings dated 20.09.2022 and 28.03.2023 was exceeding one hundred and eighty days.
- As informed by the management, the Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors.
- (vi) There was delay in submission of financial Results as per Regulation 33(3)(a) and Regulation 33(3)(d) of the Regulations. Financial Results for the quarter ended 31.03.2022 and 30.06.2022 were submitted on 08.07.2022 and 30.08.2022 respectively. Financial Results for the financial year 2021-22 were submitted on 08.07.2022.
- As informed by the management, financial results could not be submitted timely due to Anglo Coal Case and divestment of Neelachal Ispat Nigam Ltd (Joint venture company of MMTC).
- (vii) Performance evaluation of the directors, as per Regulation 17(10) and 25(4) of SEBI (LODR) Regulations, 2015 was not carried out by the Company.
- As informed by the management, the Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and evaluation is done by the Administrative Ministry.

**We further report that**

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors except as enumerated in para D above regarding the appointment for independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- II. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III. All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- We further report that based on the information received and records maintained 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.
- This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

For **VAP & Associates**  
**Company Secretaries**  
**FRN: S2014 UP280200**  
**Peer Review No: 1083/2021**  
Parul Jain  
Proprietor  
M. No. F8323  
CP No. 13901  
UDIN: F008323E000901811

Place: Ghaziabad  
Date: 31.08.2023

To

**The Members,  
MMTC Limited**

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 secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. 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 check basis.
4. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. The compliance by the Company of applicable financial laws such as direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by statutory auditors and other designated professionals and the contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
7. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
8. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VAP & Associates  
Company Secretaries  
FRN: S2014UP280200**

**Parul Jain  
Proprietor  
M. No. F8323  
CP No. 13901  
UDIN: F008323E000901811**

**Place: Ghaziabad  
Date:31.08.2023**



## MANAGEMENT'S REPLY TO OBSERVATIONS OF SECRETARIAL AUDITOR IN THEIR REPORT FOR THE FINANCIAL YEAR 2022-23

AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
(i) The composition of the Board was not in compliance with the provisions of Regulations 17(1)(a) and 17(1)(b) of the LODR and Clause 3.1.4 of DPE Guidelines as Fifty percent of the Board did not comprise of Non-Executive Directors from 10.01.2023 to 31.03.2023, there was no Independent Woman Director on the Board from 21.01.2023 till 31.03.2023 and Half of the Board did not comprise of Independent Directors from 01.04.2022 till 31.03.2023.	In accordance with the provisions of Articles of Association of MMTTC Ltd. and the Company being a Central PSU, all the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors has been taken up with Department of Commerce, MOC&I.
(ii) The composition of the Audit Committee (AC) was not in compliance with the provisions of Regulation 18(1)(a) and 18(1)(b) of the SEBI (LODR) Regulations, 2015 and Clause 4.1.1 and 4.1.2 of DPE Guidelines, as the AC did not comprise of three Members from 10.01.2023 to 21.03.2023 and Two-thirds of the members of AC did not comprise of independent directors from 21.01.2023 till 31.03.2023.	In accordance with the provisions of Articles of Association of MMTTC Ltd. and the Company being a Central PSU, all the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors has been taken up with Department of Commerce, MOC&I.
(iii) Time gap and quorum of AC meetings was not in compliance with 18(2)(a) and 18(2)(b) of the SEBI (LODR) Regulations, 2015 and Clause 4.4 of DPE Guidelines, as time gap between AC Meetings dated 14.11.2022 and 28.03.2023 is exceeding one hundred and twenty days and due to absence of Independent Directors on the Board, quorum was not proper in 131st AC Meeting.	As there was no proper Quorum due to Completion of Tenure of one Independent Director and one Government Nominee Director on the Board of MMTTC Limited. Appointment of Independent Director and Nomination of Government Director is under the preview of Government.
(iv) The composition of the Nomination and Remuneration Committee (NRC) was not in compliance with the provisions under Regulation 19(1)(a), 19(1)(b) and 19(1)(c) of the SEBI (LODR) Regulations, 2015 and Clause 5.1 of DPE Guidelines, NRC did not comprise of Three Members from 10.01.2023 to 21.03.2023. The Committee did not comprise of all Non-Executive Directors from 22.03.2023 to 31.03.2023. Two-thirds of the members of NRC did not comprise of independent directors from 21.01.2023 till 31.03.2023	In accordance with the provisions of Articles of Association of MMTTC Ltd. and the Company being a Central PSU, all the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors has been taken up with Department of Commerce, MOC&I.
(v) The composition of the Risk Management Committee (RMC) was not in compliance with the provisions under Regulation 21(2) as Two third Members of the Risk Management Committee (RMC) did not comprise independent directors and time gap between RMC Meetings RMC was not in compliance with the provisions under Regulation 21(3C) of the SEBI (LODR) Regulations, 2015 as time gap between RMC Meetings dated 20.09.2022 and 28.03.2023 was exceeding one hundred and eighty days.	In accordance with the provisions of Articles of Association of MMTTC Ltd. and the Company being a Central PSU, all the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors has been taken up with Department of Commerce, MOC&I.



<p>(vi) There was delay in submission of financial Results as per Regulation 33(3)(a) and Regulation 33(3)(d) of the Regulations. Financial Results for the quarter ended 31.03.2022 and 30.06.2022 were submitted on 08.07.2022 and 30.08.2022 respectively. Financial Results for the financial year 2021-22 were submitted on 08.07.2022.</p>	<p>As informed by the management, financial results could not be submitted timely due to Anglo Coal Case and divestment of Neelachal Ispat Nigam Ltd (Joint venture company of MMTC) which had major impact on the financials of the company. The company had made waiver requests to Stock Exchanges in this regard.</p>
<p>(vii) Performance evaluation of the directors, as per Regulation 17(10) and 25(4) of SEBI (LODR) Regulations, 2015 was not carried out by the Company.</p>	<p>As informed by the management, the Company is under administrative control of Ministry of Commerce &amp; Industry, Government of India ('Administrative Ministry') and evaluation is done by the Administrative Ministry.</p>



## COMPLIANCE CERTIFICATE ON THE CORPORATE GOVERNANCE

To

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

We have examined the compliance of conditions of Corporate Governance by **MMTC LIMITED** (“the Company”) for the financial year ended March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by the Department of Public Enterprises (“DPE Guidelines”).

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and DPE Guidelines during the financial year ended March 31, 2023, except:

- (i) *The composition of the Board was not in compliance with the provisions of Regulations 17(1)(a) and 17(1)(b) of the LODR and Clause 3.1.4 of DPE Guidelines as Fifty percent of the Board did not comprise of Non Executive Directors from 10.01.2023 to 31.03.2023, there was no Independent Woman Director on the Board from 21.01.2023 till 31.03.2023 and Half of the Board did not comprise of Independent Directors from 01.04.2022 till 31.03.2023.*
- (ii) *The composition of the Audit Committee (AC) was not in compliance with the provisions of Regulation 18(1)(a) and 18(1)(b) of the SEBI (LODR) Regulations, 2015 and Clause 4.1.1 and 4.1.2 of DPE Guidelines, as the AC did not comprise of three Members from 10.01.2023 to 21.03.2023 and Two-thirds of the members of AC did not comprise of independent directors from 21.01.2023 till 31.03.2023.*
- (iii) *Time gap and quorum of AC meetings was not in compliance with 18(2)(a) and 18(2)(b) of the SEBI (LODR) Regulations, 2015 and Clause 4.4 of DPE Guidelines, as time gap between AC Meetings dated 14.11.2022 and 28.03.2023 is exceeding one hundred and twenty days and due to absence of Independent Directors on the Board, quorum was not proper in 131st AC Meeting.*
- (iv) *The composition of the Nomination and Remuneration Committee (NRC) was not in compliance with the provisions under Regulation 19(1)(a), 19(1)(b) and 19(1)(c) of the SEBI (LODR) Regulations, 2015 and Clause 5.1 of DPE Guidelines, NRC did not comprise of Three Members from 10.01.2023 to 21.03.2023. The Committee did not comprise of all Non Executive Directors from 22.03.2023 to 31.03.2023. Two-thirds of the members of NRC did not comprise of independent directors from 21.01.2023 till 31.03.2023*
- (v) *The composition of the Risk Management Committee (RMC) was not in compliance with the provisions under Regulation 21(2) as Two third Members of the Risk Management Committee (RMC) did not comprise independent directors and time gap between RMC Meetings RMC was not in compliance with the provisions under Regulation 21(3C) of the SEBI (LODR) Regulations, 2015 as time gap between RMC Meetings dated 20.09.2022 and 28.03.2023 was exceeding one hundred and eighty days.*

As informed by the management, the Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors and other such directors required as per SEBI (LODR) Regulation 2015.

- (vi) *There was delay in submission of financial Results as per Regulation 33(3)(a) and Regulation 33(3)(d) of the Regulations. Financial Results for the quarter ended 31.03.2022 and 30.06.2022 were submitted on 08.07.2022 and 30.08.2022 respectively. Financial Results for the financial year 2021-22 were submitted on 08.07.2022.*

As informed by the management, financial results could not be submitted timely due to Anglo Coal Case and divestment of Neelachal Ispat Nigam Ltd (Joint venture company of MMTC).

- (vii) *Performance evaluation of the directors, as per Regulation 17(10) and 25(4) of SEBI (LODR) Regulations, 2015 was not carried out by the Company.*

As informed by the management, the Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and evaluation is done by the Administrative Ministry.

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

**For VAP & Associates**  
**Company Secretaries**  
**FRN: S2014UP280200**  
**Peer Review No: 1083/2021**

**Parul Jain**  
**Proprietor**  
**M. No. F8323**  
**CP No. 13901**

**Date: 31.08.2023**  
**Place: Ghaziabad**



**Business Responsibility &  
 Sustainability Reporting Format**  
**Section A: General Disclosures**

**I. Details of the listed entity**

1. Corporate Identity Number (CIN) of the Listed Entity:	L51909DL1963GOI004033
2. Name of the Listed Entity:	MMTC LIMITED
3. Year of incorporation:	26-09-1963
4. Registered office address:	CORE-1 SCOPE COMPLEX7 INSTITUTIONAL AREA LODHI ROAD NEW DELHI DL 110003 IN
5. Corporate address:	CORE-1 SCOPE COMPLEX7 INSTITUTIONAL AREA LODHI ROAD NEW DELHI DL 110003 IN
6. E-mail:	mmtc@mmtclimited.com
7. Telephone:	011-24362200
8. Website:	www.mmtclimited.com
9. Financial year for which reporting is being done:	2022-23
10. Name of the Stock Exchange(s) where shares are listed:	NSE and BSE
11. Paid-up Capital:	1500000000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Ajay Kumar Misra (Company Secretary & compliance officer). Phone: 9958404478 Email: akmisra@mmtclimited.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Consolidated

**II. Products/services**

**14. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	SALE OF PRECIOUS METAL COMMODITIES.	KG BARS, MEDALLIONS, JEWELLERY	95.65%

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	GOLD (DTA)	0	22.81%
2	SILVER ALLOYED IN KG	0	0.42%
3	GOLD (BAR/MEDALLION)	0	9.34%
4	SANCHI, SILVER MEDALLIONS & SILVER JEWELLERY	0	6.01%
5	GOLD JEWELLERY	0	0.33%
6	GOLD GMS SCHEME	0	57.15%



### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	11	11
International	0	1	1

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	10 States
International (No. of Countries)	1 Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity? 0%

c. A brief on types of customers:

GOVT DEPARTMENTS = 3%, PSU = 11%, PVT PARTIES = 86%

### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)	
<b>Employees</b>						
1	Permanent (D)	522	415	79.50%	107	20.50%
2	Other than Permanent Employees (E)	0	0	0	0	0
3	Total employees (D + E)	522	415	79.50%	107	20.50%
<b>Workers</b>						
4	Permanent (F)	23	23	100%	0	0
5	Other than Permanent Workers (E)	0	0	0	0	0

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)	
<b>Differently Abled Employees</b>						
1	Permanent (D)	12	12	100.00%	00.00%	
2	Other than Permanent (E)	0	0		00.00%	
3	Total differently abled employees (D + E)	12	12	100.00%	00.00%	
<b>Differently Abled Workers</b>						
4	Permanent (F)	0	0	0.00%	00.00%	
5	Other than permanent (G)	0	0	0.00%	00.00%	
6	Total differently abled workers (F + G)	0	0	0.00%	00.00%	

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14.29%
Key Management Personnel	5	0	0

## 20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13%	10.83%	12.56%	15.58%	12.41%	14.96%	9.31%	15.95%	10.69%
Permanent Workers	0%	0%	0%	0%	4%	9%	0%	0%	0%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/associate companies / joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	MMTC Transnational pte. Ltd	Subsidiary	100%	YES
2	MMTC PAMP India Pvt. Ltd	Joint Venture	26%	YES
4	MMTC Gitanjali Ltd.	Joint Venture	26%	YES
5	Free Trade Warehousing Pvt. Ltd	Joint Venture	50%	YES
6	Sical Iron Ore Terminal Ltd.	Joint Venture	26%	YES

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: YES

(ii) Turnover (₹) 35284800000 (MMTC Consolidated)

(iii) Net worth (₹) 14117600000 (MMTC Consolidated)

VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stake holder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year	
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Communities	No	0	0		0	0
Investors (other than shareholders)	Yes	0	0		0	0
Shareholders	Yes	0	0		0	0



Stake holder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year				FY2021-22 Previous Financial Year	
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes	22	0	-	16	0	-
Customers	No	0	0	NA	7	0	NA
Value Chain							
Partners	No	0	0	NA	0	0	NA
Other (please specify)					18	0	Complaints received from NINL employees and canteen workers

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S.No.	Material issue identified	Indicate whether risk or opportunity(R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
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## Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGR- BCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Web Link of the Policies, if available									

All policies relevant to external stakeholders are available on MMTC's website Policies specific to principals are.

Our policies are available at:

- <https://www.mmtclimited.com/pages/display/135-code-of-business-conduct>
- [https://www.mmtclimited.com/files/MMTC% 20LIMITED% 20CSR% 20POLICY% 20ENG.pdf](https://www.mmtclimited.com/files/MMTC%20LIMITED%20CSR%20POLICY%20ENG.pdf)
- <https://www.mmtclimited.com/pages/display/361-vigil-mechanism-policy>

2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Governance, leadership and oversight



7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

8. Details of the highest authority responsible for implementation and oversight of the DIN Number

Business Responsibility policy (ies).

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If

Name

Designation

Telephone No

Email ID

Yes, We have CSR and Sustainability Development committee along with risk management committee. Also, Sustainability Vertical directly reports to Director (operations).

The detailed structure can be found at

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee							Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8

Performance against Above policies and follow up action					No														
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Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances					No														
--	--	--	--	--	----	--	--	--	--	--	--	--	--	--	--	--	--	--	--

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

<the question is not applicable to the MMTC as all the NGRBC principles are covered under our policies>

### Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

#### Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

### Essential Indicators

1. **Percentage coverage by training and awareness programs on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	Orientation Programme for Independent Director	25%
Key Managerial Personnel	0	-	0%
Employees other than BoD and KMPs	16	Functional & Behavioural Training	36.21%
Workers	0	-	0%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
<b>Monetary</b>					
Penalty/Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL
<b>Non-Monetary</b>					
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

No instances were reported in question 2 above, hence not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, MMTC has a Anti Bribery and Anti-Corruption (ABAC) policy in place to ensure its business is conducted in accordance with the highest ethical standards. The same can be accessed through

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**



	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMP's	0	NA	0	NA

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

No corrective action taken as no such issues were identified.

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

NA

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, MMTC has a robust system in place to avoid/ manage conflict of interests involving members of the Board

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of Improvements in environmental and social impacts
R&D	0%	0%	
Capex	0%	0%	

**2. a. Does the entity have procedures in place for sustainable sourcing? Yes**

**b. If yes, what percentage of inputs were sourced sustainably? 100%**

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

No

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water	0%	0%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0	0
E-Waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other Waste	0	0	0	0	0	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

There is no scope for reclaiming packaging materials in Energy generation and transmission business.



**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

	% of employees covered by										
	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care facilities		
	Total (A)										
	Number (B)	% (C/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
<b>Permanent Employees</b>											
Male	415	0	0	415	100%	0	0	415	100%	0	0
Female	107	0	0	107	100%	107	100%	0	0	0	0
Total	522	0	0	522	100%	107	20.50%	415	79.50%	0	0
<b>Other than Permanent Employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

**b. Details of measures for the well-being of workers:**

	% of workers covered by										
	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care facilities		
	Total (A)										
	Number (B)	% (C/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
<b>Permanent Employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent Workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

## 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employ-ees covered as a % of total employees	No. of workers covered as a% of total workers	Deducted and de-positd with the authority (Y/N/N.A.)	No. of employ-ees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	0%	0%	Y	0%	0%	Y
Others-please specify	0	0	NA	0	0	NA

## 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

YES, all our offices are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

YES, our equal opportunity policy can be found at

<https://mmtclimited.com/files/MMTC%20Guidelines-Facilities%20for%20PwD%20Employees.pdf>

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	0%	0%
Female	100%	100%	0%	0%
Total	100%	100%	0%	0%

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, MMTC Employees' Grievance Redressal Procedure 2008 (Sahayata) is in place in the Company which outlines the procedure for handling grievances relating to service matters such as increments, recovery of dues, working condition, allotment of quarters, seniority, leave transfer, pay fixation, medical facility and interpretation of rules. Under this mechanism, in Stage I an employee may take up his grievance(s) orally with his immediate superior or in writing to the designated Employee grievance Officer who examines and takes up the matter with concerned Sectional/Divisional Head, collects the information and furnishes reply to the concerned employee. In Stage II, if the employee is not satisfied with the reply received from the Employee Grievance Officer or fails to receive a reply within the stipulated period, he/she may present the case to the Grievance Committee at Corporate Office / Regional Office. The Grievance Committee examines the matter and decision is conveyed to the employee. In case the employee is not satisfied, he/she may appeal to the APEX Committee at Corporate Office. The APEX Committee consists of Director (P), Director (F) and Director (Marketing). Decision of the APEX Committee is final and binding.
Other than Permanent Workers Permanent Employees	
Other than Permanent Employees	



**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/workers in respective category, who are part of associations(s) or Union(B)	% (B/A)	Total employees/ workers in respective category ©	No. of employees/ workers in respective category, who are part of associations(s) or Union (D)	% (D/C)
Total	522	481	92.15%	597	546	0
Permanent Employees						
Male	415	375	90.36%	477	427	0
Female	107	106	99.07%	120	119	0
Total Perma- nent Workers	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0

**8. Details of training given to employees and workers:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year					
	Total (A)		On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)		No. (F)	% (F/D)		
<b>Employees</b>											
Male	77	0	100%	77	100%	116	0	0	116	100%	
Female	112	0	100%	112	100%	89	0	0	89	100%	
Total	189	0	100%	189	100%	205	0	0	205	100%	
<b>Workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	
Female	0	0	0	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	0	0	0	

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	415	415	100%	477	477	0%
Female	107	107	100%	120	120	0%
Total	522	522	100%	597	597	0%
<b>Workers</b>						
Male	0	0	100%	0	0	0%
Female	0	0	100%	0	0	0%
Total	0	0	100%	0	0	0%



**10. Health and safety management system:**

- a) Whether an occupational health and safety management system has been implemented by the entity?  
(Yes/ No). If yes, the coverage such system?  
NO
- b) What are the processes used to identify work-related hazards and assess risks on a routine and non- routine basis by the entity?  
NO
- c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.  
NO
- d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?  
NO

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
		(Current Financial Year)	(Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
	Employees	0	0
No. of fatalities	Workers	0	0
High consequence work- related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

NA



**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**14. Assessments for the year:**

% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	0%
Working Conditions	0%

\*All our offices are OSHA/ ISO certified

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

NA

**Leadership Indicators**

- Does the entity extend any life insurance or any compensatory package in the event of death of
  - Employees: Yes
  - Workers: Yes
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
 

NA
- Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

5. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

- \* We have sustainability sourcing policies as well as sections in our GCC to ensure all our suppliers have relevant ISO and OHSAS certification

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No action has been taken since no significant risk/ concern was identified.



**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.  
NA
2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/no)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, website, others)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ other-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
NA	NA	NA	NA	NA

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.  
NA
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.  
NA
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.  
NA

**Principle 5: Businesses should respect and promote human rights**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

FY 2022-23 (Current Financial Year)				FY 2021-22 (Previous Financial Year)		
Category	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	522	0	0%	597	0	0%
Other than Per-manent	0	0	0%	0	0	0%
Total Employees	522	0	0%	597	0	0%
<b>Workers</b>						
Permanent	0	0	0	0	0	0
Other than Per-manent	0	0	0	0	0	0
Total Workers	0	0	0	0	0	0

2. Details of minimum wages paid to employees and workers, in the following format

FY 2022-23 (Current Financial Year)						FY 2021-22 (Previous Financial Year)				
Category	Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage		
	Total (A)	(D) No. (B)	%(B/A)	No. (C)	% (C/A)	Total	No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	522	522	100%	522	100%	597	597	100%	597	100%
Male	415	415	100%	415	100%	477	477	100%	477	100%
Female	107	107	100%	107	100%	120	120	100%	120	100%
Other than	0	0	0	0	0	0	0	0	0	0%
Male	0	0	0	0	0	0	0	0	0	0%
Female	0	0	0	0	0	0	0	0	0	0%
<b>Workers</b>										
Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other than	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0



**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median Remuneration/ salary/wages of respective category	Number	Median Remuneration/ salary/wages of respective category
Board of Directors (BoD)	5*	15149223	-	-
Key Managerial Personnel	1	2156159	-	-
Employees other than BoD and KMP	415	639350128	107	164844490
Workers	0	0	0	-

\* only functional Directors

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

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

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labor	0	0	-	0	0	-
Forced Labor/Involuntary Labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

MMTC has put in place a policy in line with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up at Corporate Office & Regional Offices to redress complaints received regarding sexual harassment at workplace. All employee (permanent, contractual, temporary, trainees) are covered under this policy.

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes, human rights requirements form part of all our business agreements and contracts

**9. Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labor	0%
Forced/Involuntary Labor	0%
Sexual Harassment	0%
Discrimination at workplace	0%
Wages	0%
Other-Please specify	0%

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No corrective action taken since no significant risk was identified.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Business model has not been modified

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

100%

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessments
Child Labor	0%
Forced/Involuntary Labor	0%
Sexual Harassment	0%
Discrimination at workplace	0%
Wages	0%
Other-Please specify	0%

\* All the MMTC's vendor adheres to the Human rights policy which is covered under its GCC

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No action was taken since no significant risk/ concern was identified.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 FY (Current Financial Year)	2021-22 (Previous Financial Year)
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources ©	0	0
<b>Total energy consumption (A+B+C)</b>	<b>0</b>	<b>0</b>
Energy intensity per rupee of turnover		
(Total energy consumption/turnover in rupees)	0	0
Energy intensity (optional) – the relevant metric may be selected by the entity	0	0

**Note :** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

NA

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>0</b>	<b>0</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>0</b>	<b>0</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>0</b>	<b>0</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>0</b>	<b>0</b>

**Note :** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

NA



5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
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Note : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NA	NA	NA	NA

Note : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

NA

8. Provide details related to waste management by the entity, in the following format :

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
-----------	--	---

**Total Waste generated (in metric tonnes)**

Plastic waste (A)	0	0
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (spent resin, used lube oil, containers of hazardous waste, insulation waste, FO sludge). (G)	0	0



Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
-----------	--	---

NA

Total (A+B + C + D + E + F + G + H)	0	0
-------------------------------------	---	---

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

**Note :** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

NA

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NA	NA	NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No EIA assessment was conducted during Financial Year 2022-23 as no new plant construction was undertaken.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, MMTC is compliant with the applicable environmental law/ regulations/ guidelines in India

S. No.	Specify the law / regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil

### Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	-	-



Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total energy consumed from renewable sources (A+B+C)	0	0
<b>From non-renewable sources</b>		
Total electricity consumption (D) (TJ)	0	0
Total fuel consumption (E)	0	0
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>0</b>	<b>0</b>

**Note :** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assurance has been conducted by KPMG.

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kiloliters)</b>	<b>0</b>	<b>0</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

### 3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area:
- Nature of operations:
- Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	-	-
Total volume of water consumption (in kiloliters)	-	-
Water intensity per rupee of turnover (Water consumed /turnover)	-	-
Water intensity (optional) –the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into Surface water		
- No treatment	0	-
- With treatment – Primary & secondary treatment	0	-
(ii) Into Groundwater		
- No treatment	0	-
- With treatment – please specify level of treatment	0	-
(iii) Into Seawater		
- No treatment	0	-
- With treatment – please specify level of treatment	0	-
(iv) Sent to third parties		
- No treatment	0	-
- With treatment – please specify level of treatment	0	-
(v) Others		
- No treatment	0	-
- With treatment – please specify level of treatment	0	-
<b>Total water discharged (in kiloliters)</b>	<b>0</b>	<b>-</b>



For each facility / plant located in areas of water stress, provide the following information:

- (iv) Name of the area:
- (v) Nature of operations:
- (vi) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	-	-
Total volume of water consumption (in kiloliters)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into Surface water		
- No treatment	-	-
- With treatment – Primary & secondary treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kiloliters)</b>	-	-

For each facility / plant located in areas of water stress, provide the following information:

(vii) Name of the area: -

(viii) Nature of operations: -

(ix) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	-	-
Total volume of water consumption (in kiloliters)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into Surface water		
- No treatment	-	-
- With treatment – Primary & secondary treatment	-	-
(ii) Into Groundwater	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kiloliters)</b>	-	-



For each facility / plant located in areas of water stress, provide the following information:

- (x) Name of the area: NA  
 (xi) Nature of operations: NA  
 (xii) Water withdrawal, consumption, and discharge in the following format: NA

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	-	-
<b>Total volume of water consumption (in kiloliters)</b>	-	-
<b>Water intensity per rupee of turnover (Water consumed /turnover)</b>	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into Surface water		
- No treatment	-	-
- With treatment – Primary & secondary treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kiloliters)</b>	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Not Applicable



4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
-----------	------	--	---

- - - -

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

NA

Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

NA

7. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not applicable.

8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NA.



## Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

#### 1.a. Number of affiliations with trade and industry chambers/ associations.

NA

#### b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to .

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	-	National
2	-	National
3	-	National
4	-	National
5	-	National
6	-	National
7	-	National
8	-	National
9	-	National
10	-	National

#### 2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

NA

### Leadership Indicators

#### 1. Details of public policy positions advocated by the entity:

Not applicable.

## Principle 8: Businesses should promote inclusive growth and equitable development.

### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

NA

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts No. paid to PAFs in the FY (In INR)
-	-	-	-	-	-	-

**3. Describe the mechanisms to receive and redress grievances of the community.**

NA

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
-	-	-

### Leadership Indicators

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

No SIA done during 2022-2023 Final Year, as there are land acquisition done by District administration for MMTC project.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S.No.	State	Aspirational District	Amount spent (In INR)
1	-	-	-



**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Yes, MMTC is governed by The Government of India's Public Procurement

Policy for Micro and Small Enterprises (MSEs) Order, 2012. Which mandates 40% minimum procurement from MSE vendors, with sub targets for marginalized communities of 4% from MSEs owned by Scheduled Castes or the Scheduled Tribes and 3% owned by Women entrepreneurs for the Goods and Services procured.

**(b) From which marginalized /vulnerable groups do you procure?**

MMTC has procurement targets for marginalized communities of 87.9% from MSEs owned by Scheduled Castes or the Scheduled Tribes and 7.26% owned by Women entrepreneurs for the Goods and Services procured.

**(c) What percentage of total procurement (by value) does it constitute?**

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

NA

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

No action was taken since there was no adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

**6. Details of beneficiaries of CSR Projects:**

S.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Health	-	-
2	Education	-	-
3	Sanitation	-	-
4	Water	-	-
5	Rural Development	-	-
6	Vocational Training & Women Empowerment	-	-
7	PCP, Art & Culture, Sports & Others	-	-

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

### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product Safe and responsible usage	0
Recycling and/or safe disposal	0

3. Number of consumer complaints in respect of the following:

FY 2022-23 (Current Financial Year)

FY 2021-22 (Previous Financial Year)

	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

NA



6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No action was taken since no significant issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services was identified

#### Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Not Applicable

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not Applicable

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not Applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not Applicable

5. **Provide the following information relating to data breaches:**

(a) Number of instances of data breaches along-with impact: Zero

(b) Percentage of data breaches involving personally identifiable information of customers: Zero

For and on behalf of the Board of Directors  
Sd/-

Place: New Delhi  
Date: 04/09/2023

HARDEEP SINGH  
Chairman & Managing Director

कार्यालय प्रधान निदेशक लेखापरीक्षा,  
उद्योग एवं कॉर्पोरेट कार्य  
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,  
नई दिल्ली-110 002



OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,  
INDUSTRY AND CORPORATE AFFAIRS  
A.G.C.R. BUILDING, I.P. ESTATE,  
NEW DELHI-110 002

संख्या: एएमजी-1/15(9)/वार्षिक लेखापरीक्षा/  
एमएमटीसी(2022-23)/2023-24/175  
दिनांक: 28 JUL 2023

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक,  
एमएमटीसी लिमिटेड,  
कोर 1, स्कोप कॉम्प्लेक्स, 7 इंस्टीट्यूशनल एरिया  
लोधी रोड, नई दिल्ली-110003.

विषय : कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2023 को समाप्त वर्ष के लिए एमएमटीसी लिमिटेड के वार्षिक वित्तीय लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2023 को समाप्त हुए वर्ष के लिए एमएमटीसी लिमिटेड के वार्षिक वित्तीय लेखों पर उपरोक्त विषय संबंधित संलग्न पत्र अग्रेषित है।

भवदीया,

**रसःए.पंडा**

(एस. आह्लादिनी पंडा)  
प्रधान निदेशक लेखा परीक्षा  
(उद्योग एवं कारपोरेट कार्य)  
नई दिल्ली

संलग्नक:- यथोपरि



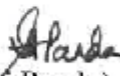
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of Financial Statements of the MMTC Limited for the year ended 31 March 2023 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) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of the MMTC Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

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

  
**(S. Ahladiji Panda)  
Principal Director of Audit  
(Industry and Corporate Affairs)  
New Delhi.**

Place: New Delhi \_\_\_\_\_  
Date: 28 JUL 2023



## DECADE AT A GLANCE

(₹ in crore)

Year Ended 31st March	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>What we owe</b>											
Equity Share capital	150	150	150	150	150	100	100	100	100	100	100
Other Equity	1115	43	272	1034	1339	1349	1334	1278	1259	1242	1241
	<b>1265</b>	193	422	1184	1489	1449	1434	1378	1359	1342	1341
Borrowings	43	2551	2364	3732	922	519	440	272	287	413	1478
Other Long Term Liabilities	5	4	4	6	-	-	-	19	20	10	19
Long Term Provisions	43	38	44	45	189	184	188	179	177	183	170
	<b>1356</b>	<b>2786</b>	<b>2834</b>	<b>4967</b>	<b>2600</b>	<b>2152</b>	<b>2062</b>	<b>1847</b>	<b>1843</b>	<b>1947</b>	<b>3008</b>
<b>What we own</b>											
Fixed assets	70	71	71	72	67	65	65	209	206	212	211
Less: depreciation	40	37	33	29	22	17	12	152	148	130	119
Net fixed assets	30	34	38	43	45	48	52	58	58	82	92
Investment Property	4	4	4	4	4	4	4	-	-	-	-
Investments	26	32	23	22	452	453	485	460	446	446	470
Assets held for sale	-	459	467	467	-	-	-	-	-	-	-
Other Non Current Assets including Financial Assets	74	72	75	78	74	94	219	146	134	78	115
Working capital (a-b)	1068	1971	1672	4122	1794	1317	1070	955	977	1115	2187
Deferred Tax Assets	154	214	555	231	231	236	233	229	228	226	145
	<b>1356</b>	<b>2786</b>	<b>2834</b>	<b>4967</b>	<b>2600</b>	<b>2152</b>	<b>2062</b>	<b>1847</b>	<b>1843</b>	<b>1947</b>	<b>3008</b>
<b>What we earned</b>											
Sales	272	7841	26365	24056	28293	15757	11593	12460	18242	25075	28416
Exports	4	34	1805	1802	1104	1795	1580	673	2301	4127	2980
Imports	59	7071	20697	19074	21625	11878	8480	10296	14530	18714	20954
Domestic	209	736	3863	3180	5564	2084	1533	1492	1411	2234	4482
Interest earned	84	4	5	11	4	17	28	125	100	138	280
Other income	17	603	54	100	701	740	130	71	68	280	221
	<b>373</b>	<b>8448</b>	<b>26424</b>	<b>24167</b>	<b>28998</b>	<b>16514</b>	<b>11751</b>	<b>12656</b>	<b>18409</b>	<b>25492</b>	<b>28916</b>
<b>What we spent</b>											
Cost of sales	258	7800	26269	23961	28506	16118	11489	12374	18076	24924	28299
Establishment Expenses	104	114	135	194	221	259	196	202	192	190	203
Administration Expenses	31	46	28	56	55	48	52	53	51	47	48
Finance Cost (incl. Interest paid)	111	206	198	139	65	17	21	30	17	67	220
Depreciation & Amortization	4	5	5	6	6	5	7	5	18	12	12
Debts/claims/assets written off/withdrawn	0	-	6	-	1	0	1	0	30	1	0
Allowance for Bad and Doubtful Debts / claims/ advances	3	1	1	1	16	-	1	0	1	1	6
Extra-ordinary items										210	244
Exceptional items *	(1417)	155	876	37	9	8	(96)	(66)	(37)	23	13
	<b>(906)</b>	<b>8327</b>	<b>27518</b>	<b>24394</b>	<b>28879</b>	<b>16455</b>	<b>11669</b>	<b>12597</b>	<b>18348</b>	<b>25476</b>	<b>29045</b>



Year Ended 31st March	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>What we saved</b>											
Profit for the year	<b>1279</b>	121	(1094)	(227)	119	59	81	59	62	16	(128)
Provision for taxation	<b>203</b>	363	(324)	-	37	10	24	3	12	(4)	(57)
Profit after tax (before Prior Period Adj.)	<b>1076</b>	(242)	(770)	(227)	82	49	57	56	50	20	(71)
Prior period adjustment	-	-	-	-	-	-	-	1	2	2	(1)
Profit available for appropriation	<b>1076</b>	(242)	(770)	(227)	82	49	57	55	48	19	(71)
Dividend	-	-	-	45	30	30	30	30	25	15	10
Tax on dividend	-	-	-	9	6	6	6	6	5	3	0
Retained earnings	<b>1076</b>	(242)	(770)	(281)	46	13	21	19	18	1	(81)
<b>Gross Profit</b>	<b>15</b>	593	113	174	474	333	220	130	208	346	300
<b>Profit before Tax</b>	<b>1279</b>	121	(1094)	(227)	119	59	81	58	60	14	(128)
<b>Profit after tax</b>	<b>1076</b>	(242)	(770)	(227)	82	49	57	55	48	19	(71)
<b>Net worth</b>	<b>1265</b>	193	422	1184	1489	1449	1434	1378	1359	1342	1341
<b>Capital employed</b>	<b>1055</b>	546	654	433	917	846	682	740	748	784	800
<b>Working capital</b>	<b>1068</b>	1971	1672	4122	1794	1317	1070	955	977	1115	2187
<b>Ratios</b>											
Overheads to sales %	<b>49.63</b>	2.04	0.62	1.04	0.98	1.95	2.14	2.04	1.33	0.94	0.88
Stocks to sales %	<b>0.37</b>	0.38	0.17	0.91	0.99	10.86	20.42	3.22	1.75	1.23	3.13
Trading profit to sales%	<b>5.51</b>	7.56	0.43	0.72	1.68	2.11	1.90	1.04	1.14	1.38	1.05
Profit before tax to sales %	<b>470.22</b>	1.54	(4.15)	(0.94)	0.42	0.37	0.70	0.46	0.33	0.06	(0.45)
Profit after tax to sales %	<b>395.59</b>	(3.09)	(2.92)	(0.94)	0.29	0.31	0.49	0.44	0.26	0.07	(0.25)
Debtors to sales %	<b>49.26</b>	1.72	2.11	8.00	0.98	2.24	4.36	6.64	16.64	6.92	7.83
Working capital to sales %	<b>392.65</b>	25.14	6.34	17.14	6.34	8.36	9.23	7.66	5.36	4.45	7.69
Sales to working capital (times)	<b>0.25</b>	3.98	15.77	5.84	15.77	11.96	10.84	13.05	18.67	22.48	13.00
Profit for the year to capital employed %	<b>121.23</b>	(22.16)	167.28	(52.42)	12.98	6.97	11.90	7.90	8.23	2.04	(16.04)
Profit after tax to capital employed %	<b>101.99</b>	44.32	117.74	(52.42)	8.94	5.79	8.36	7.42	6.41	2.37	(8.82)
Profit for the year to net worth %	<b>101.11</b>	62.69	(259.24)	(19.17)	7.99	4.07	5.66	4.25	4.53	1.19	(9.58)
Profit after tax to net worth %	<b>85.06</b>	(125.39)	(182.46)	(19.17)	5.51	3.38	3.97	3.98	3.53	1.39	(5.27)
Number of employees	<b>522</b>	597	702	786	943	1117	1226	1334	1439	1530	1605
Sales per employee	<b>0.52</b>	13.13	37.56	30.61	30.00	14.11	9.46	9.34	12.68	16.39	17.70

\* Exceptional Items for Year 2023,2022, 2021, 2020, 2019, 2018, 2017, 2016 & 2015 excludes Write-down of inventories to net realisable value.

## SOURCES AND UTILISATION OF FUNDS

(₹ in crore)

	2022-23	2021-22	2020-21
<b>SOURCES</b>			
<b>Internal generation</b>			
Profit after tax	1076	(238)	(770)
Deferred Tax Adjustments	60	341	(325)
Depreciation	41	38	34
Provisions	712	707	707
Equity	150	150	150
Reserves	39	281	1042
<b>External generation</b>			
Banks	43	2551	2364
Current liabilities	689	874	1746
Other liabilities	1276	1144	974
<b>TOTAL SOURCES</b>	<b>4086</b>	<b>5848</b>	<b>5922</b>
<b>UTILISATION</b>			
Fixed assets	75	75	75
Investments	81	540	540
Trade debts	524	525	946
Inventories	1	30	46
Loan & advances	1877	4062	3919
Cash & bank balance	1314	61	166
Deferred Tax	214	555	230
<b>TOTAL UTILISATION</b>	<b>4086</b>	<b>5848</b>	<b>5922</b>

**STATEMENT OF CHANGES IN FINANCIAL POSITION**

(₹ in crore)

SOURCES OF FUNDS	2022-23		2021-22		2020-21	
<b>Internal generation</b>						
Profit after tax	1076		(242)		(770)	
Depreciation	4	1080	5	(237)	5	(765)
Deferred Tax Adjustment		214		555		231
<b>Borrowings</b>						
Loan funds		(2508)		187		(1,368)
<b>TOTAL SOURCES</b>	<b>(1,214)</b>		<b>505</b>		<b>(1,902)</b>	
<b>APPLICATION OF FUNDS</b>						
Fixed assets		-		-		-
Investments		(465)		1		1
Deferred Tax Asset		154		214		555
Final Dividend		-		-		-
Dividend Tax		-		-		-
Inventory		(29)		(16)		(172)
Trade Receivables		(1)		(421)		(1,370)
Loan & Other Assets		(2184)		142		103
Cash & Bank balance		1254		(105)		46
Liabilities		58		851		(183)
Provisions		(1)		(161)		(882)
<b>TOTAL APPLICATION OF FUNDS</b>	<b>(1,214)</b>		<b>505</b>		<b>(1,902)</b>	

## VALUE ADDED STATEMENT

(₹ in crore)

	2022-23		2021-22		2020-21	
<b>VALUE ADDED</b>						
Sales & other trade earning	273		8,393		26,382	
Add:Other income	19		73		37	
	292		8467		26419	
Less:Cost of material and services used	253		7,404		25,186	
<b>TOTAL VALUE ADDITION</b>	<b>39</b>		<b>1063</b>		<b>1233</b>	
<b>VALUE DISTRIBUTION</b>						
Operating expenses	5	14.05	396	37.26	1,081	87.70
Employment costs	104	269.01	114	10.77	135	10.95
Administrative costs	33	84.51	225	21.13	912	73.94
Provisions	2	4.45	1	0.10	1	0.09
Depreciation	5	11.67	5	0.43	5	0.40
Interest(net)	27	69.24	202	18.97	193	15.68
Profit on Sale of Investment	(1,416)	(3,661.67)	-	-	-	-
Income tax	203	525.32	363	34.11	(325)	(26.32)
Retained earning	1,076	2,783.42	(242)	(22.76)	(770)	(62.43)
<b>TOTAL VALUE DISTRIBUTION</b>	<b>39</b>	<b>100</b>	<b>1,063</b>	<b>100</b>	<b>1,233</b>	<b>100</b>
<b>ANALYSIS</b>						
Number of employee	522		597		702	
Value added per employee	0.07		1.78		1.76	
Net worth	1,264		193		422	
Value added per rupee of net worth	0.03		5.51		2.92	



## COMMODITY - WISE PERFORMANCE

(₹ in crore)

Year Ended 31st March	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>EXPORTS</b>											
Iron Ore	-	-	1792	1602	564	1091	923	361	1,401	1,670	989
Manganese ore/oxide	-	25	5	9	10	-	-	-	7	14	23
Chrome ore/concentrate	-	-	-	74	126	191	350	82	34	353	378
Pig iron	-	-	-	110	375	401	242	230	629	1,099	289
Slag	-	-	-	-	8	1	-	-	-	2	-
Fertilizer	-	-	-	-	-	-	-	-	-	235	153
Agro Products	-	-	-	-	-	-	-	-	229	754	1,148
Diamonds/gems/ jewellery/Gold	4	-	-	-	-	0	0	-	-	-	-
Merchanting Trade	-	-	-	-	-	61	21	-	-	-	-
General Trade	-	9	8	7	21	50	45	-	-	-	-
<b>Total Exports</b>	<b>4</b>	<b>34</b>	<b>1805</b>	<b>1802</b>	<b>1104</b>	<b>1795</b>	<b>1580</b>	<b>673</b>	<b>2301</b>	<b>4127</b>	<b>2980</b>
<b>IMPORTS</b>											
<b>Metals/ IRM</b>											
Copper/Copper Cathodes	-	-	-	-	-	1	166	-	-	-	10
Zinc	-	12	-	95	136	147	-	101	56	62	84
Lead	-	-	73	1	0	0	-	0	3	2	5
Tin	-	-	-	8	8	45	39	18	20	39	42
Nickel	-	-	-	32	23	26	58	18	72	75	57
Antimony Metal	-	-	-	-	-	1	4	4	5	7	6
Others	-	-	-	21	25	26	10	-	-	-	11
<b>SUB TOTAL</b>	<b>-</b>	<b>12</b>	<b>73</b>	<b>157</b>	<b>192</b>	<b>246</b>	<b>278</b>	<b>141</b>	<b>156</b>	<b>185</b>	<b>214</b>
<b>Fertilizers:</b>											
Sulphur	-	-	6	6	17	14	6	16	23	23	23
Urea	-	1454	9180	11091	10111	1823	2,418	2,611	7,797	3,597	1,170
MOP	-	-	-	-	-	-	158	-	176	128	560
Phosphoric Acid	-	-	-	-	-	-	46	-	-	-	-
Others	-	-	-	-	-	1	24	97	-	-	-
<b>SUB TOTAL</b>	<b>-</b>	<b>1454</b>	<b>9186</b>	<b>11097</b>	<b>10128</b>	<b>1838</b>	<b>2652</b>	<b>2725</b>	<b>7996</b>	<b>3747</b>	<b>1754</b>
Diamonds/Gold/Emeralds	59	5580	11364	7072	9581	8939	4,874	6,342	4,334	8,412	13,137
Agro Products	-	-	-	96	610	529	106	58	70	1,214	1,378
Hydrocarbons	-	2	74	646	1097	323	570	1,013	1,948	5,151	4,469
Others	-	23	-	5	17	3	-	17	26	5	3
<b>TOTAL IMPORTS</b>	<b>59</b>	<b>7071</b>	<b>20697</b>	<b>19073</b>	<b>21625</b>	<b>11878</b>	<b>8480</b>	<b>10296</b>	<b>14530</b>	<b>18713</b>	<b>20955</b>
<b>DOMESTIC</b>											
Copper/Zinc/Brass/Alum.	1	1	1	5	1	-	-	0	-	-	-
Pig Iron/Slag/Steel	-	18	1	558	1488	417	174	187	176	234	980
Fertilizers	-	-	-	3	5	2	0	160	86	5	8
Agro Products	-	73	644	660	370	20	103	298	-	502	1,604
Gems & Jewellery/Silver	198	433	2701	1232	3206	1168	1,165	708	812	761	538
Hydrocarbon	-	201	510	692	356	439	69	114	176	446	1,166
Others	10	10	6	31	138	38	22	24	161	287	186
<b>TOTAL DOMESTIC</b>	<b>209</b>	<b>736</b>	<b>3863</b>	<b>3181</b>	<b>5564</b>	<b>2084</b>	<b>1533</b>	<b>1492</b>	<b>1411</b>	<b>2234</b>	<b>4482</b>
<b>TOTAL TURNOVER</b>	<b>272</b>	<b>7841</b>	<b>26365</b>	<b>24056</b>	<b>28293</b>	<b>15757</b>	<b>11593</b>	<b>12460</b>	<b>18242</b>	<b>25075</b>	<b>28416</b>

## COUNTRY-WISE EXPORTS

(₹ in crore)

Year ended 31st March	2023	2022	2021
<b>ASIA</b>			
CHINA	-	9	8
HONGKONG	-	20	5
JAPAN	-	-	1393
KOREA	-	-	399
INDONESIA	-	5	-
SEZ (JAIPUR)	4	-	-
<b>TOTAL EXPORTS</b>	<b>4</b>	<b>34</b>	<b>1805</b>



## COUNTRY-WISE IMPORTS

(₹ in crore)

Year ended 31st March	2023	2022	2021
<b>AFRICA</b>			
EGYPT	-	253	1113
SOUTH AFRICA	-	43	83
	-	<b>296</b>	<b>1,196</b>
<b>ASIA</b>			
CHINA	-	155	3207
VIETNAM	-	-	98
INDONESIA	-	6	424
KOREA	-	-	2
MALAYSIA	-	-	94
SOUTH KOREA	-	3	-
RUSSIA	-	33	249
	-	<b>197</b>	<b>4074</b>
<b>EAST EUROPE</b>			
KAZAKHISTAN	-	4	-
UKRAINE	-	289	1110
	-	<b>293</b>	<b>1110</b>
<b>MIDDLE EAST</b>			
BAHRAIN	-	126	336
OMAN	-	505	1278
QATAR	-	-	83
TURKEY	-	-	4642
UAE	60	2346	-
	<b>60</b>	<b>2977</b>	<b>6339</b>
<b>NORTH AMERICA</b>			
USA	-	-	5
	-	-	5
<b>SOUTH AMERICA</b>			
BRAZIL	-	-	1
	-	-	1
<b>OCEANIA</b>			
AUSTRALIA	-	5	94
	-	<b>5</b>	<b>94</b>
<b>WEST EUROPE</b>			
FINLAND	-	-	204
NETHERLANDS	-	-	6
SWITZERLAND	-	2344	4844
UK	-	556	1667
ITALY	1	18	11
	<b>1</b>	<b>2918</b>	<b>6732</b>
<b>TOTAL IMPORTS</b>	<b>61</b>	<b>6686</b>	<b>19551</b>



## CONTRIBUTION TO EXCHEQUER

(₹ in crore)

	2022-23	2021-22	2020-21
Export Duty	-	-	182
Import Duty	-	388	1,073
GST	3	64	163
Income Tax (Incl. Tax on Dividend)/TDS	152	7	21
Dividend		2	-
<b>Total</b>	<b>155</b>	<b>461</b>	<b>1,439</b>
Plot rent to Railways/Ports	-	-	3
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3</b>
GST	1	53	143
<b>Total</b>	<b>1</b>	<b>53</b>	<b>143</b>
<b>Grand Total</b>	<b>156</b>	<b>514</b>	<b>1,585</b>



## PERFORMANCE AT A GLANCE

(₹ in crore)

For the financial year ending 31st March	2023	2022	2021
Total Sales	272	7841	26365
which includes-			
Exports	4	34	1805
Imports	59	7071	20697
Domestic	209	736	3863
Trading Profit	15	593	113
Income from Other Sources	1,519	78	43
<b>Profit After Tax</b>	<b>1,076</b>	<b>(242)</b>	<b>(770)</b>
At Year End			
Total Assets	3273	4763	5507
Share Capital	150	150	150
Net Worth	1265	193	422
<b>Per Share (Rupees)</b>			
Earnings	7.17	(1.61)	(5.13)
Dividend	-	-	-
Net Worth to Share Capital (times)	8.43	1.29	2.81
Profit after Tax to Capital Employed (%)	101.99	44.32	117.74
Profit after Tax to Net Worth (%)	85.06	(125.39)	(182.46)
Sales per Employee (Rs.)	0.52	13.13	37.56

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of MMTC Limited**

**Report on the Audit of the Standalone Financial Statements**

### **Qualified Opinion**

We have audited the accompanying financial statements of MMTC Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”), in which are incorporated the financial statements for the year ended on that date audited by the Branch Auditors of the Company’s Regional and sub-regional Offices at Mumbai, Vizag, Chennai, Hyderabad and Bhubaneswar(SRO).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021, as amended, thereof (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income (Comprising of net profit and total comprehensive income), changes in equity and its cash flows for the year ended on that date.

### **Basis of Qualified Opinion**

1. We draw attention to note no 40(f)(a) of the accompanying financial statement, which states that the liability @1.5% of profit before tax (“PBT”) for the year in respect of scheme for retirees prior to 01.01.2007 (closed group) has not been recognised even though the Company has reported PBT of INR. 1279.16 crore (P.Y. 120.60 crore), on the basis of affordability. Also, the Company has not provided form PRMBS (open group) @ 4.5% of Basic and DA for serving employees. During the previous year provision in respect of retirees after 01.01.2007 pertaining to FY 2019-20 and 2020-21 had been withdrawn due to loss during these previous years. The management will review the above in the next financial year. The non-recognition of provision according to the schemes above constitutes a departure from the accounting standards as prescribed under section 133 of the Act. An amount of INR. 19.18 crore (P.Y. 1.81 crore) (1.5% of PBT) and INR. 1.63 crore (P.Y. 3.29 crore) (4.5% of Basic and DA) estimated by the management, should have been provided as per the accounting standards. Accordingly, the provision for PRMBS would have been increased by INR. 20.81 crore (P.Y. 5.10 crore) and net income and shareholders’ fund would have been reduced by the given amount.

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

### **Key Audit Matters**

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



Sl. No	Key Audit Matter	Auditor's Response
1.	<p>Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There are large numbers of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case.</p> <p>The company has 5 regional offices, 1 sub-regional office and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction.</p>	<p>We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2023 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company.</p> <p>It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.</p>
2.	<p>Assessment of impairment of investment in subsidiary and joint ventures (Refer note no. 6)</p> <p>The company as at 31st March, 2023 has non-current and current investments.</p>	<p>Our audit procedures include but we are not limited to the following:</p> <p>Obtained and understanding of the management process.</p> <p>Discussed extensively with management regarding impairment indicators and evaluated the design and testing operating effectiveness of controls.</p> <p>Assessed the methodology used by the management to estimate the recoverability of investment and ensured that it is consistent with applicable accounting standards.</p>

#### **Emphasis of Matters**

##### **Restructuring and default in loan repayment**

We draw attention to Note No. 29 of the accompanying financial Statements, which states that Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of INR. 2551.44 crore as on 31.3.2022 have been paid towards principal and normal agreed interest upto 31.3.2022. An amount of Rs. 106.41 crore out of which Rs. 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 & remaining amount of Rs. 42.73 crore relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India and Punjab & Sind Bank. Other lender banks are also taking up their matter with appropriate authorities. The management is of the view that the remaining banks shall take into consideration the concession if any and no addition provision is required to be made.

Our opinion is not modified in respect of the above matter.

##### **Non-compliance of regulation 33 of SEBI and section 49 of the Act**

We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that the Company has created a contingent liability of INR 0.07 crore (P.Y. 0.07 crore) on account of demand raised by Stock Exchange Board of India (SEBI) in relation to non-compliance of regulation 33 of SEBI. The management is in the process of having these demands waived and thus no provision has been made in the financial statements.

Our opinion is not modified in respect of the above matter.

##### **Non-compliance of Section 149 of the Act**

We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that an amount of INR. 0.01 crore is included for non-compliance of appointment of Independent Director within the stipulated time. The management is in the process of receiving an approval from the concerned ministry, thus no provision has been made in the financial statements

Our opinion is not modified in respect of the above matter.

##### **Write-off of Foreign Debtors**

We draw attention to Note No. 36 (n) to the accompanying financial statements, which states that an amount of INR. 0.10 crore on account of foreign debtors outstanding for more than twenty years was written off with the approval of the Board of directors of the Company during the year and the provisions created earlier for bad and Doubtful Debts/Claims/Loans were withdrawn. The management of the Company is under the process of taking an opinion on the FEMA guidelines through an expert and action (if any) will be taken accordingly.

Our opinion is not modified in respect of the above matter.

### **Other Matters**

1. We did not audit the financial statements/ financial information of 5 Regional Offices included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of INR. 375.47 crores as at March 31, 2023 and total revenue of INR. 230.62 crores for the year ended on that date, as considered in the standalone financial statements. The financial statements/financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.
2. The sub - regional office of Bhubaneswar has provided a qualified opinion and has reported that the SRO has recognised income INR. 0.25 crore which arose due to forfeiture of EMD as the party failed to comply with terms and conditions of the tender. All the activities starting from floating of the tender, execution of the contract and the decision to cancel the lots allotted to the parties for failure to deposit the payment and forfeit the EMD pertain to FY 2021-22.

As the forfeiture pertains to FY 2021-22, such income is a prior period item in the Financial statement for FY 2022-23 which should have been disclosed as per the requirements of IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. Such omission has decreased the loss of FY 2022-23 by INR. 0.25 crore and reduced the EMD amount under Other Financial liabilities in FY 2022-23. As per the requirements of INDAS 8 the said Miscellaneous Income of INR. 0.25 Crore., should have been corrected in the Financial statements retrospectively and accordingly Financial statements for FY 2022-23 and the comparative amount of the prior period should have been restated.

The accounting standard requires retrospective adjustment only if the amount is material. An amount of INR. 0.25 crore is material at the SRO level but in the standalone financial statements the given amount is not material and thus has been adjusted through Prior period errors provided in Note No. 48 of the accompanying financial statements.

Our opinion is not modified in respect of this matter.

3. The regional of Mumbai under Emphasis of matter para has reported that there is a dispute pertaining to Sada Lease Land, Goa due to which there is a retrospective change in the lease rentals from year 2005 to 2022. The change in the lease rentals has been debited to Profit & Loss Account in the following manner:

Lease Rent of earlier years – 274.83 lakhs

Interest on lease – 46.91 lakhs

Depreciation on ROU Assets – 0.85 lakhs

Further the lease rentals for the block of 2021-25 has not been revised. Last revision was made in the block of 2015-20. Subsequent to this period, revision has been pending as on date and the RO has recognized expenses based on the 2015-20 revision.

Our opinion is not modified in respect of this matter.

### **Management's Responsibilities for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the companies (Indian accounting Standards) Rules, 2015 as amended;
  - e) Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

- g) As per Notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is a Government Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. There are pending litigation including matters relating to sales tax, custom duty and excise duty which are disclosed as contingent liability – refer to Note 34 and 36 to the standalone financial statements, the impact of the same is unascertainable as the matters are sub-judice.
  - ii. The Company is not having any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 50 (e)).  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 50(f))  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
3. As required by CAG of India through directions, issued under Section 143(5) of the Act, 2013 we give our report in the attached “**Annexure C**”.

Place: New Delhi  
Date: 30.05.2023  
UDIN: 23095584BGWCXK3321

For M.L. Puri & Co.  
Chartered Accountants  
FRN: 002312N

CA R.C. Gupta  
Partner  
M.No.095584



### Annexure-A To the Independent Auditor's Report on the Financial Statements of The MMTC LIMITED.

Refer to in Paragraph 4 under "Other Legal and Regulatory Requirement" we further report that:

- I.
  - a.
    - i. The Company has not maintained proper records in respect of its property plant and equipment showing full particulars including quantitative details and situation of Property plant and equipment.
    - ii. The Company has maintained proper records showing full particulars of intangible assets.
  - b. As per the explanations and information given to us the Property plant and equipment have been physically verified by the management at reasonable intervals except fixed assets provided to officials of Ministry of Corporate Affairs.
  - c. Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that. The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

Title deeds of immovable property are held in the name of the company except in the case mentioned below:

Region/Office	Description of property	Gross carrying Value (INR)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Remarks
Corporate Office	Leasehold Land (Scope) Office Building (Scope)	1.04 Crore 5.74 Crore	Scope Complex	No	99 years	Lease Deed is in the name of scope which is yet to be executed in favour of the company

Further, 36 title deeds has been deposited with Hon'ble High Court in respect of dispute with Anglo American Metallurgical Coal Pte Limited.

- d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
    - a. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In our opinion and according to the information and explanation given to us, the procedure, the procedure of physical verification of inventories followed by the management needs to be strengthen in relation to the size of the MMTC Limited and the nature of its business.
    - b. The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
  - iii. The Company has not made any investments in, has provided any loans or advances in the nature of loans or stood guarantee, or provided security, secured or unsecured, to companies, firms, Limited liability partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.



- iv. In our opinion and according to the information and explanations given to us the Company has complied with the provisions of Section 186 of the Act with respect to investments. Further, in our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act in respect of loans, guarantees and security.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central government for the Company under section 148(1) of the act. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii. a. According to the information and explanations given to us and as per the records verified by us, the Company has not been regular in depositing undisputed statutory dues including Income Tax, Provident Fund dues, Professional Tax, Value Added Tax, Service Tax and Goods & Service tax with the appropriate authorities. There were no undisputed amount payable in respect of Income Tax, Provident Fund dues, Professional Tax, GST, Value Added Tax and Service Tax and other statutory dues in arrear as at 31st March 2023 for more than six months from the date they became payable.
- b. In case of dues of Income Tax or sales tax or service tax or duty of custom or duty of excise or value added tax or cess which have not been deposited on account of any dispute are attached as “Annexure I”.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. According to the information and explanations given to us and as per the records verified by us, the Company has defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders as per details attached in “Annexure II”.
- b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loan during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- d. In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. The outstanding short-term funds have not been utilised for the long term purposed.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f. According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- x. a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a. No fraud by the Company or on the Company has been noticed or reported during the year. According to the information and explanations given to us and based on the audit procedures performed in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company or its officers, noticed or reported during the year, nor have we been informed of such case by the management.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties made by the Company are in compliance with section 177 and 188 of the Act, where applicable and the relevant details in respect of such transactions have been appropriately disclosed in the standalone Financial Statements under Ind As-24 – “Related Party Disclosures” specified under Section 133 of the Act read with relevant rules.
- xiv.
- a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. In our opinion, the Company is no core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred no cash losses during the financial year covered by our audit and cash losses of INR. 89.35 crores was incurred in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of standalone financial assets and payment of standalone financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**Place: New Delhi**  
**Date: 30.05.2023**  
**UDIN: 23095584BGWCXK3321**

**For M.L. Puri & Co.**  
**Chartered Accountants**  
**FRN: 002312N**

**CA R.C. Gupta**  
**Partner**  
**M.No.095584**

**Annexure “I” to Clause 7 (iii) of Annexure A to Independent Auditors’ Report on the Standalone Financial Statements of MMTC Limited**

**Mumbai Region**

Nature of Statute	Nature of Dues	Year	Amount Involved	Authority	Nature of Statute
Bombay Sales Tax Act	Sales Tax	1989-90	15,01,06,778	Jt. Comm. Of Sale tax (Appeal IV)	Bombay Sales Tax Act
Bombay Sales Tax Act	Sales Tax	2001-02	45,03,961	Jt. Comm. Of Sale tax (Appeal I)	Bombay Sales Tax Act
Bombay Sales Tax Act and Central Sales Tax Sales Tax Act and Central Sales Tax	Sales Tax	2004-05	42,00,789	Jt. Comm. Of Sale tax (BST Appeals)	Bombay Sales Tax Act
Maharashtra VAT, 2002	Sales Tax	2008-09#	13,04,722	Maharashtra Sales Tax Tribunal	Maharashtra VAT, 2002
Maharashtra VAT, 2002	Sales Tax	2010-11#	45,01,471	Maharashtra Sales Tax Tribunal	Maharashtra VAT, 2002
Maharashtra VAT, 2002	Sales Tax	2009-10#	17,22,430	Maharashtra Sales Tax Tribunal	Maharashtra VAT, 2002
Maharashtra VAT, 2002	Sales Tax	2013-14	13,29,839	Jt. Comm. Of Sale tax (Appeal VI)	Maharashtra VAT, 2002
Central Sale Tax, 1956	Sales Tax	2011-12	48,25,144*	Jt. Comm. Of Sale tax (Appeal VI)	Central Sale Tax, 1956
Central Sale Tax, 1956	Sales Tax	2008-09#	51,81,979	Maharashtra Sales Tax Tribunal	Central Sale Tax, 1956
Central Sale Tax, 1956	Sales Tax	2007-08#	71,97,308	Maharashtra Sales Tax Tribunal	Central Sale Tax, 1956
Custom Act, 1962	Differential Custom Duty	2012-13	23,98,53,708	Commissioner of Customs	Custom Act, 1962

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

#Order from the respective Tribunals have been received in May 2022 and revised amount is not yet determined.

Nature of Statute	Nature of Dues	Year	Amount	Authority
TNGST Act	Sales Tax Penalty & Interest	2001-02	1,78,566 (SPANDEX YARN)	Assistant Commissioner of Commercial Taxes
TNVAT Act	Sales tax exhibition returns and penalty and interest	1999-20	78,25,755*	High court
TNVAT Act	Sales tax exhibition returns and penalty and interest	2007-08,, 2009-10, 2011	61,42,058	Jt. Commissioner of Sales Taxes



### Vizag Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
APGST*	APGST	1968-69	9,28,162	STAT HYD
APGST*	APGST	1986-87	2,70,83,841	STAT VIZAG
CST**	CST	2007-08	91,537	ADC
VAT	APVAT	2013-14	17,31,799	ADC
VAT	APVAT	2014-15	4,17,000	ADC
Customs Duty	Customs Duty	2009-10	92,92,463	CESTAT, Hyderabad
Customs Duty	Customs Duty	2007-08	3,48,58,882	CESTAT, Hyderabad
Customs Duty	Customs Duty	2014-15	1,91,21,170	CESTAT, Hyderabad
Customs Duty	Customs Duty	2008-09	76,07,136	CESTAT, Hyderabad
Customs Duty	Customs Duty	2013-14	76,07,136	CESTAT, Hyderabad
Customs Duty	Customs Duty	2021-22	1,50,15,449	CESTAT, Hyderabad

Interest and penalty on ST and Customs upto 31-03-2023 – Rs. 8,37,92,745

\*Out of the disputed amounts relating to APGST/VAT/CST the RO has deposited a sum of Rs. 98,70,324/- with the respective authorities.

\*\*Out of the disputed amounts relating to Custom duty the RO had deposited a sum of Rs. 76,07,136/- with the respective authorities.

### Kolkata Sub-Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Sales Tax, 1956	Sales Tax	2013-14	46,07,728	Calcutta High Court
WB Value Added Tax Act, 2003	West Bengal VAT	2013-14	51,46,313	Calcutta High Court

### Hyderabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
CST	Central Sales Tax	1989-90	1,49,770	STAT
APGST	Sales Tax	1991-92	24,02,576	STAT
APGST	Sales Tax	1992-93	13,96,269	STAT-VIZAG
APGST	Sales Tax	1993-94	17,62,687	STAT-VIZAG
APGST	Sales Tax	1993-94	6,30,615	STAT-VIZAG
CST	Central Sales Tax	1993-94	4,41,446	STAT-VIZAG
CST	Central Sales Tax	1994-95	2,04,081	AC LTU- VIZAG
APGST	Sales Tax	1997-98	58,43,100	STAT-VIZAG
APGST	Sales Tax	1999-00	39,04,454	STAT-VIZAG
APGST	Sales Tax	2000-01	2,52,926	STAT-VIZAG
VAT	VAT	2006-07	6,76,058	AC LTU, STAT
VAT	VAT	2007-08	71,000	ACAUDIT
VAT	VAT	2008-09	7,84,474	STAT
VAT	VAT	2012-13	99,49,808	ADC (CTO)
CST	Central Sales Tax	2013-14	4,40,000	STAT
AP VAT-JC	VAT	2013-14	22,00,000	AP VAT-JC
Customs	CUSTOM DUTY	2021-22	46,47,711	High court of telangana
Customs	CUSTOM DUTY	2016-17	5,36,12,040	Commissioner of Customs, Chennai

### Corporate Office

Nature of Statute	Nature of Dues	Year (AY)	Amount	Forum
Income Tax Act	Income Tax	2018-19	2,09,96,930	CIT(A)
Income Tax Act	Income Tax	2017-18	1,59,36,207	CIT(A)
Income Tax Act	Income Tax	2016-17	3,24,12,680	CIT(A)
Income Tax Act	Income Tax	2015-16	6,71,494	CIT(A)
Income Tax Act	Income Tax	2013-14	3,11,55,608	High court
Income Tax Act	Income Tax	2009-10	2,10,12,618	ITAT
Income Tax Act	Income Tax	2009-10	3,39,770	ITAT
Income Tax Act	Income Tax	2008-09	52,75,829	CIT(A)/ Sup. Court
Income Tax Act	Income Tax	2005-06	4,51,65,330	Sup. Court
Income Tax Act	Income Tax	2004-05	3,58,34,174	ITAT
Income Tax Act	Income Tax	2003-04	1,08,96,834	ITAT
Income Tax Act	Income Tax	2001-02	1,17,77,218	High Court
Income Tax Act	Income Tax	1999-00	2,85,69,897	ITAT
Income Tax Act	Income Tax	1998-99	58,90,533	ITAT
	<b>Total</b>		<b>26,59,35,121</b>	

Out of the above demand, an amount of Rs. 20,09,99,603 has been deposited by the company.

### Delhi Region

Name of Statute	Nature of Dues	Year	Amount	Authority
UP-VAT	LST/CST	1990-91	6,17,588	Moradabad, Allahabad High Court
UP-VAT	LST	1991-92	4,70,578	Moradabad, Allahabad High Court
UP-VAT	LST	1992-93	2,64,037	Moradabad, Allahabad High Court
UP-VAT	LST	1993-94	1,85,100	Moradabad, Allahabad High Court
UP-VAT	LST	1987-88	16,35,160	Joint Commissioner (Appeals), Kanpur
UP-VAT	VAT	1996-97	6,11,808	Commissioner (Appeals), UP-VAT
UP-VAT	VAT+ Interest for non-submission of Form-3B (Gold)& Non-submission of Form 3C1 (Mentha Oil)	2007-08	62,457	Commissioner (Appeals), UP-VAT
Haryana VAT	LST	1992-93	4,24,587	Faridabad, Punjab & Haryana High Court, Chandigarh
MP-VAT	LST	1999-00	1,50,004	Sales Tax Authority, Indore
MP-VAT	LST	1998-99	47,30,692	Assessing Authority, Indore
Custom & Central Excise	Customs Duty & Interest on non-export of Gold Jewellery against Gold Loan by Associates	1999-00	2,72,67,919	Pending before Hon'ble Delhi High Court as per directions of Hon'ble Supreme Court of India.
Income Tax	Income Tax	2008-09	100	TDS Demand
Income Tax	Income Tax	2010-11 to 2011-12	42,340	TDS Demand

\*Amount paid under protest out of above is INR. 59,53,490

**Jaipur Sub - Region**

Nature of Statute	Nature of Dues	Year	Amount	Authority
Rajasthan Sales Tax Act	Sales Tax	2003-04	1,49,46,540	Rajasthan Kar Board, Ajmer. (Rs. 35.49 lacs have been deposited under protest). Sales Tax Dept. has appealed against the order of DC (Appeals) in Kar Board.
Rajasthan Sales Tax Act	Sales Tax	1999-00	26,07,605	Rajasthan Kar Board, Ajmer. Pending with Kar Board against demand on account of 4767 MT DAP u/s 84 of RST Act.
Income Tax	Income Tax	2009-10 to 2017-18	23,030	TDS Demand from 2009-10 to 2017-18
Income Tax	Income Tax	2018-19	1,330	TDS Demand
Income Tax	Income Tax	2020-21	590	TDS Demand

\* Total amount deposit under protest Rs. 35,49,446.

**Bhubaneswar Region**

Nature of Statute	Nature of Dues	Year	Amount	Authority
Orrisa Sales Tax	Interest Penalty	1978-79	26,50,388	High Court of Orissa
Orrisa Sales Tax	Odisha Sales Tax	1978-79	2,48,26,709	High Court of Orissa
Orrisa Sales Tax	Odisha Sales Tax	1978-79	12,41,336	High Court of Orissa
Orrisa Sales Tax	Interest	1978-79	3,57,42,030	Revision petition Filed Before CCT & GST, dispose and stayed till disposal of SLP
Orrisa Sales Tax	DEPB	2006-09	23,62,76,042	Odisha Sales Tax Tribunal
Orrisa Sales Tax	DEPB	2010-12	8,21,76,347	High Court of Orissa
OVAT	Value Added Tax	2013-14	21,64,39,902	Odisha Sales Tax Tribunal
CST (Odisha)	Central Sale Tax, 1956	2013-14	91,08,96,791	Odisha Sales Tax Tribunal
ET (Odisha)	Entry Tax	2013-14	82,55,71,451	Odisha Sales Tax Tribunal
CST (Odisha)	Declaration Form Issue	2011-14	91,47,940	Odisha Sales Tax Tribunal
Service Tax Act	Service Tax	2003-05	48,785,949	Customs excise & Service Tax Appellate Tribunal
GST Act	ITC Disallowed	2017-18	3,07,238	Joint Commissioner Appeal
Central Excise Act	Service Tax	2010-11	6,21,25,560	Writ Petition filed before honourable high court on 8-10-2020
Central Excise Act	Service Tax	2011-12	6,53,85,916	Writ Petition filed before honourable high court on 8-10-2020
Central Excise Act	Service Tax	2009-12	5,65,784,201	Writ Petition filed before honourable high court on 8-10-2020
Central Excise Act	Service Tax	2009-11	1,28,80,485	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	64,14,797	Writ Petition filed before honourable high court on 8-10-2020
Central Excise Act	Service Tax	2012-13	7,63,68,637	Writ Petition filed before honourable high court on 8-10-2020
Central Excise Act	Service Tax	2013-14	9,94,263	Customs Excise & Service Tax Appellate Tribunal
Central Excise Act	Customs	2012-13	1,49,02,87,738	Customs Excise & Service Tax Appellate Tribunal
Central Excise & Custom Act	Service tax	2014-15	17,71,628	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise & Custom Act	Custom Interest and penalty	2017-18	1,32,576	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2017-18	22,081	Dept Filed Appeal

**Annexure "II" to Clause 8 of Annexure A to Independent Auditors' Report on the Standalone Financial Statements of MMTC Limited**

Particulars	Amount of Default as on Balance Sheet Date			Maximum Period of Default (in days)		
	Principal (Rs.)	Interest (Rs.)		Principal	Interest (Rs.)	
		Up to 3rd July' 2023	4th July to 31st March' 2023		Up to 3rd July' 2023	4th July to 31st March' 2023
Bank of Maharashtra	1,60,00,00,000	4,09,55,960	3,72,84,304	95	95	270
Punjab & Sind Bank	3,00,00,00,000	7,65,84,735	35,97,707	95	95	199
Punjab National Bank	5,00,00,00,000	12,82,99,946	11,26,72,931	95	95	270
Indian Bank (erst. Allahabad Bank)	2,00,00,00,000	5,12,06,978	6,64,57,890	95	95	270
Union Bank of India (erst. Corporation Bank)	5,00,00,00,000	12,65,01,739	11,37,46,250	95	95	270
State Bank of India	3,09,25,00,000	12,73,44,795	-	95	95	-
Karnataka Bank	3,00,00,00,000	8,22,60,741	9,71,76,153	95	95	270
<b>Grand Total</b>	<b>22,69,25,00,000</b>	<b>63,31,54,894</b>	<b>43,09,35,235</b>			



## **Annexure B To the Independent Auditor's Report of even date on the Standalone Financial Statements MMTC Limited**

### **Report on the Internal financial Controls under section 143(3)(I) of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of MMTC Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial of the company reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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



### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”

**Place: New Delhi**  
**Date: 30.05.2023**  
**UDIN: 23095584BGWCXK3321**

**For M.L. Puri & Co.**  
**Chartered Accountants**  
**FRN: 002312N**

**CA R.C. Gupta**  
**Partner**  
**M.No.095584**



**Annexure C To the Independent Auditor's Report of even date in the Financial Statements of MMTC LIMITED**  
**Report on the Directions issued by C&AG under section 143(5) of the Companies Act, 2013 for the Financial Year 2022-2023**

Sr. No.	Key Audit Matter	Auditor's Response
I	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has system in place to process all the accounting transactions through standalone IT System from which data is transferred to its ERP system. However, in the absence of a modern integrated ERP, certain transactions are manually punched/ recorded in the IT System. Those transactions do not have any implication on integrity of the accounts and any financial implication. List of such transactions which are passed manually in the IT system are as below: Based on our audit procedures, on test basis, wherever the accounting transactions are based on workings outside IT system, no instances of lack of integrity of accounts and no financial implications have been noted / reported.
II	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	The Company had approached all lenders for loan restructuring during the FY 2020-21 and final loan restructuring agreement was finalized/signed during 2021-22 and signed on 10th June 2022, the Company has benefited by INR. 3.94 crore due to this restructuring and the same has been properly accounted for in the books.
III	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	There is no such case.

**List of transaction passed manually in ERP system.**

S. No.	Accounting Area	Accounting Activity	Impact on integrity and financial implication
1	Sale of retail commodity including IGC	Sale of goods in retail business is done through independent software, the data of which is not automatically integrated into ERP without manual intervention.	None
2	Closing inventory	Valuation of closing inventory at lower of cost or market value is done manually and incorporated in ERP through Journal Vouchers.	None
3	Depreciation	Depreciation as prescribed in schedule III of Companies Act 2013 is to be computed manually and entered into system through Journal Voucher.	None
4	Hedging Entries	Accounting entries for hedging are passed manually and entered in ERP system through Journal Vouchers at each period end.	None
5	Month End expenses provisions	The exercise is done manually and entered into system through Journal Voucher.	None

Place: New Delhi  
Date: 30.05.2023  
UDIN: 23095584BGWCXK3321

For M.L. Puri & Co.  
Chartered Accountants  
FRN: 002312N

CA R.C. Gupta  
Partner  
M.No.095584

## MANAGEMENT'S REPLY TO AUDITORS' OBSERVATIONS IN THE AUDIT REPORT ON STANDALONE FINANCIAL STATEMENTS FOR 2022-23

Sl. No.	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
	<b>Qualified Opinion</b>	
1.	<p>We draw attention to note no 40(f)(a) of the accompanying financial statement, which states that the liability @1.5% of profit before tax ("PBT") for the year in respect of scheme for retirees prior to 01.01.2007 (closed group) has not been recognised even though the Company has reported PBT of INR. 1279.16 crore (P.Y. 120.60 crore), on the basis of affordability. Also, the Company has not provided form PRMBS (open group) @ 4.5% of Basic and DA for serving employees. During the previous year provision in respect of retirees after 01.01.2007 pertaining to FY 2019-20 and 2020-21 had been withdrawn due to loss during these previous years. The management will review the above in the next financial year. The non-recognition of provision according to the schemes above constitutes a departure from the accounting standards as prescribed under section 133 of the Act. An amount of INR. 19.18 crore (P.Y. 1.81 crore) (1.5% of PBT) and INR. 1.63 crore (P.Y. 3.29 crore) (4.5% of Basic and DA) estimated by the management, should have been provided as per the accounting standards. Accordingly, the provision for PRMBS would have been increased by INR. 20.81 crore (P.Y. 5.10 crore) and net income and shareholders' fund would have been reduced by the given amount.</p>	<p>MMTC Employees Post Retirement Medical Benefit Trust (PRMBT) has been formed as per approval of 447th BOD meeting held on 15.05.2019 and the same has been operationalised and started functioning as per order dated 23.01.2023.</p> <p>It is pertinent to mention here that MMTC was showing profits till closure of the quarterly accounts up to December, 2019. However, MMTC finally declared losses for the year 2019-20 when it adopted its accounts in August, 2020 keeping in view the fact that NINL operations were stopped in end of March, 2020 and business interest income on accrual basis due for transactions with NINL was not allowed to be included. The financial health of the company deteriorated due to negative cash flows, reduction of business coupled with COVID affecting all aspects of business across the globe. The financial health of company led to the decision of the Board in view of negative PBT / affordability, sustainability.</p> <p>Accordingly, MMTC Board of Directors in their 471st meeting held on 08.07.2022 approved reversal of provisions for PRMBS trust for loss making years 19-20 &amp; 20-21 and nil PRMBS provision in FY 21-22. No further contributions to PRMBS Trust beyond Rs. 150 crores made in 2019 be provided for until review and affordability. Therefore, it will not be prudent to make any provisions on these accounts and the past provisions in our books of accounts if any, need to be reversed.</p> <p>Further, as per the CI 2.9 on ("Company's right to discontinuance of Contribution) of MMTC PRMBT Trust deed signed on 20.09.2019", The company may at anytime, considering the affordability, discontinue its contribution to the trust."</p> <p>Detailed report on the issue of PRMBT has already been furnished to GAP in past and guidance is solicited for moving further.</p>
	<b>Key Audit Matters</b>	
1.	<p>Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There are large numbers of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case.</p> <p>The company has 5 regional offices, 1 sub-regional office and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction.</p>	<p>Institution of legal cases depends upon the jurisdiction of the court as per the Civil procedure code 1908(CPC). The jurisdiction is determine mainly on the ground of:</p> <p>a ) Pecuniary Value b ) Territorial jurisdiction of a court c ) Subject matter</p> <p>Likewise in case of immovable property the suit is instituted where the immovable property is situated. The regional offices which has executed a particular agreement and which is the keeper of the records is more suitable and appropriate to pursue the case before court.</p> <p>However when matters reaches the Supreme Court, then matter is dealt with at corporate office.</p>



Sl. No.	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
	<p><b>Auditor's Response:</b></p> <p>We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2023 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company.</p> <p>It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.</p>	
	<p><b>Emphasis of Matters</b></p>	
1.	<p><b>Restructuring and default in loan repayment</b></p> <p>We draw attention to Note No. 29 of the accompanying financial Statements, which states that Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of INR. 2551.44 crore as on 31.3.2022 have been paid towards principal and normal agreed interest upto 31.3.2022. An amount of Rs. 106.41 crore out of which Rs. 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 &amp; remaining amount of Rs. 42.73 crore relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India and Punjab &amp; Sind Bank. Other lender banks are also taking up their matter with appropriate authorities. The management is of the view that the remaining banks shall take into consideration the concession if any and no addition provision is required to be made.</p> <p>Our opinion is not modified in respect of the above matter.</p>	<p>Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of INR. 2551.44 crore as on 31.3.2022 have been paid towards principal and normal agreed interest up to 31.3.2022. An amount of Rs. 106.41 crore out of which Rs. 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 &amp; remaining amount of Rs. 42.73 crore relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India, Punjab &amp; Sind Bank, Bank of Maharashtra, Punjab National Bank and Indian Bank. Union Bank of India has also approved concession in principle. Remaining lender bank i.e. Karnataka Bank is also taking up the matter with their appropriate authorities. Provision relating to penal and additional interest made in FY 2022-23 has been reversed accordingly. The management is of the view that the remaining one bank ie. Karnataka Bank shall take into consideration the concession if any and no additional provision is required to be made.</p>
2.	<p><b>Non-compliance of regulation 33 of SEBI and section 49 of the Act</b></p> <p>We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that the Company has created a contingent liability of INR 0.07 crore (P.Y. 0.07 crore) on account of demand raised by Stock Exchange Board of India (SEBI) in relation to non-compliance of regulation 33 of SEBI. The management is in the process of having these demands waived and thus no provision has been made in the financial statements</p> <p>Our opinion is not modified in respect of the above matter.</p>	<p>These demands were for not having sufficient number of Independent Directors on the MMTC Board which was beyond the MMTC's control. Division has written to Stock Exchanges for waiver of these penalties levied. MoC &amp; I have appointed three independent directors including one woman Independent Director.</p>
3.	<p><b>Non-compliance of Section 149 of the Act</b></p> <p>We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that an amount of INR. 0.01 crore is included for non-compliance of appointment of Independent Director within the stipulated time. The management is in the process of receiving an approval from the concerned ministry, thus no provision has been made in the financial statements</p> <p>Our opinion is not modified in respect of the above matter.</p>	<p>MoC &amp; I have appointed three independent directors including one woman Director.</p> <p>MMTC has requested for waiver of penalties levied for non-compliances in appointment of Independent Directors which was beyond MMTC's control.</p>
4.	<p><b>Write-off of Foreign Debtors</b></p> <p>We draw attention to Note No. 36 (n) to the accompanying financial statements, which states that an amount of INR. 0.10 crore on account of foreign debtors outstanding for more than twenty years was written off with the approval of the Board of directors of the Company during the year and the provisions created earlier for bad and Doubtful Debts/Claims/Loans were withdrawn. The management of the Company is under the process of taking an opinion on the FEMA guidelines through an expert and action (if any) will be taken accordingly.</p> <p>Our opinion is not modified in respect of the above matter.</p>	<p>As per the opinion of consultant, since the export written off during FY 2022-23 does not exceed the limit of 5% of total export proceeds realized in the calendar year 2021 and on satisfaction of other conditions, the self write off of foreign receivables amounting to INR 9,66,172.86 should be in compliance and allowed under FEMA Law.</p>



# FINANCIAL STATEMENTS

for the financial year ended 31<sup>st</sup> March, 2023





<b>MMTC Limited</b>			
<b>Balance Sheet as at March 31, 2023</b>			
(₹ in Crore)			
Particulars	Note No	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	26.96	30.57
Right to Use Assets	3	2.84	2.97
Capital work-in-progress	3	-	-
Investment Property	4	3.55	3.71
Other intangible assets	5	0.12	0.24
<b>Financial Assets</b>			
Investments	6A	25.62	31.62
Trade Receivables	7A	-	-
Loans	8	1.49	2.28
Others	9	44.45	45.36
Deferred tax Assets (net)	10	154.43	214.41
Other non-current Assets	11A	27.99	24.04
<b>Current Assets</b>			
Inventories	12	1.16	29.79
<b>Financial Assets</b>			
Investments	6B	-	-
Trade Receivables	7B	134.04	135.10
Cash & Cash Equivalents	13	317.72	43.36
Bank Balances other than above	14	996.68	17.46
Loans	8	0.53	1.00
Others	9	47.71	8.82
Current Tax Assets (net)	15	164.41	3.61
Other Current Assets	11B	1,323.67	3,709.51
Assets held for Sale	6C	-	459.11
<b>Total Assets</b>		<b>3,273.37</b>	<b>4,762.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16A	150.00	150.00
Other Equity	16B	1,114.83	43.40
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities	19A	5.05	3.46
Provisions	20A	43.03	37.40
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	17B	42.73	2,551.44
Trade payables	18	-	-
Total outstanding dues of micro and small enterprises		0.17	0.18
Total outstanding dues of creditors other than micro and small enterprises		247.89	269.71
Lease Liabilities	19B	0.13	0.13
Other Financial Liabilities	19C	163.48	218.45
Other current liabilities	21	277.76	385.54
Provisions	20B	1,082.30	1,081.75
Current Tax Liabilities (net)	22	146.00	21.50
<b>Total Equity and Liabilities</b>		<b>3,273.37</b>	<b>4,762.96</b>

See accompanying notes to Financial Statements  
As per our report of even date attached

1 to 56

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 002312N  
**(CA. R. C. Gupta)**  
Partner  
M. No. 095584

Date: 30.05.2023  
Place: New Delhi

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990

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

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

<b>MMTC Limited</b>			
<b>Statement of Profit and Loss for the year ended March 31, 2023</b>			
(₹ in Crore)			
Particulars	Note No	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>INCOME</b>			
Revenue From Operations	23	272.55	8,393.29
Other Income	24	100.19	54.44
<b>Total Income (I)</b>		<b>372.74</b>	<b>8,447.73</b>
<b>Expenses</b>			
Cost of Material Consumed	25	13.78	107.40
Purchase of Stock in Trade	26	215.68	7,284.64
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	27	23.40	11.76
Employees' Benefits Expenses	28	104.04	114.42
Finance Costs	29	111.21	205.94
Depreciation & Amortization Expenses	30	4.44	4.57
Other Expenses	31	38.29	443.20
<b>Total expenses (II)</b>		<b>510.84</b>	<b>8,171.93</b>
<b>Profit/(Loss) Before Exceptional Items and Tax (I-II)</b>		<b>(138.10)</b>	275.80
Exceptional Items - Expense/(Income)	32	(1,417.26)	155.20
<b>Profit / (Loss) Before Tax</b>		<b>1,279.16</b>	<b>120.60</b>
<b>Tax Expenses</b>			
Current tax	33	145.58	17.34
Adjustments relating to prior periods		(2.47)	-
Deferred tax		59.98	341.03
<b>Total Tax Expense</b>		<b>203.09</b>	<b>358.37</b>
<b>Profit / (Loss) for the year (A)</b>		<b>1,076.07</b>	<b>(237.77)</b>
<b>Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
-Remeasurements of the Defined Benefit Plans		1.79	11.90
-Equity Instruments through Other Comprehensive Income		(6.01)	0.97
-Income Tax effect		(0.42)	(4.16)
<b>Total Other Comprehensive Income / (Loss) net of tax (B)</b>		<b>(4.64)</b>	<b>8.71</b>
<b>Total Comprehensive Income / (Loss) for the year (A)+(B)</b>		<b>1,071.43</b>	<b>(229.06)</b>
<b>Earnings per equity share :</b>			
Basic & Diluted (in ₹)	43	7.17	(1.59)

See accompanying notes to Financial Statements  
As per our report of even date attached

1 to 56

For and on behalf of Board of Directors

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 002312N

**(CA. R.C. Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990



MMTC Limited				
Cash Flow Statement For The Year Ended March 31, 2023				
(₹ in Crore)				
Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/Loss before tax		1,279.16		120.60
<b>Adjustment for:-</b>				
Loss on valuation of inventories	-		0.01	
Depreciation & amortisation expense	4.44		4.57	
Net Foreign Exchange (gain)/loss	0.48		4.36	
(Profit) / Loss on sale of PPE & Right to Use Assets	(0.38)		(0.04)	
(Profit) / Loss on Sale of Investment	(1,415.60)		-	
Provision for dimunition in value of non current investment	-		0.01	
Interest income	(84.44)		(4.30)	
Dividend income	(7.88)		(37.26)	
Finance Costs	110.42		205.83	
Interest Expense on Lease	0.79		0.11	
Debts/claims written off	0.03		0.02	
CSR expenditure	0.05		0.05	
Allowance for Bad and Doubtful Debts / claims/ advances	1.72		1.05	
Provision no longer Required	(3.19)		(23.22)	
Liabilities Written Back	(2.98)		(9.15)	
Provision for DWA risk	-		-	
		(1,396.54)		142.04
<b>Operating Profit before Working Capital Changes</b>		(117.38)		262.64
<b>Adjustment for:-</b>				
Inventories	28.64		15.84	
Trade Receivables	2.03		438.48	
Loans & Other Financial Assets	(36.72)		21.50	
Other current & non current assets	1,402.66		(147.12)	
Trade payables	(18.88)		(486.06)	
Other Financial Liabilities	(53.38)		9.61	
Other current & non current liabilities	(107.77)		(386.70)	
Provisions	7.49	1,224.07	160.39	(374.06)
		1,106.69		(111.42)
Taxes Paid		(179.41)		(0.97)
<b>Net cash flows from operating activities</b>		927.28		(112.39)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(1.26)		(0.05)	
Sale of fixed Assets	1.23		0.04	
Sale/(Purchase) of Investment	1,874.71		0.00	
Interest received	84.44		4.30	
Dividend Received	7.88	1,967.00	37.26	41.55
<b>Net cash flows from investing activities</b>		1,967.00		41.55
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Borrowings	(2,508.71)		187.43	
Finance Costs	(110.42)		(205.83)	
Lease (Interest)	(0.79)		(0.11)	
Dividend (inclusive of tax) paid	-	(2,619.92)	-	(18.51)
<b>Net Cash From Financing Activities</b>		(2,619.92)		(18.51)
<b>D. Net changes in Cash &amp; Cash equivalents</b>		274.36		(89.35)
<b>E. Opening Cash &amp; Cash Equivalents (Note No 13)</b>		43.36		132.71
<b>F. Closing Cash &amp; Cash Equivalents (Note No 13)</b>		317.72		43.36



**Note :**

1. The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 on Statement of Cash Flows.
2. Adjustments for certain accruals/deferrals made at Corporate Office on the basis of information received from branch offices.
3. Cash and Cash Equivalents consist of :-

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
(a) in Current Account	0.63	6.76
(b) In term deposit with original maturity upto 3 months	311.91	15.57
(c) Debit balance in Cash Credit Account	5.18	20.96
Cheques/Drafts/Stamps on hand	0.00	0.00
Cash on hand	0.00	0.07
	<b>317.72</b>	<b>43.36</b>

As per our report of even date attached

**For M. L. Puri & Co.**  
 Chartered Accountants  
 F.R. No.: 002312N

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

**(CA. R.C. Gupta)**  
 Partner  
 M. No. 095584

**(Ajay Kumar Misra)**  
 Company Secretary  
 ACS-11499

**(Jyoti Parkash)**  
 Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
 Director (F) & CFO  
 DIN: 08751137

Date: 30.05.2023  
 Place: New Delhi

**(J Ravi Shanker)**  
 Director (Marketing)  
 DIN: 06961483

**(Hardeep Singh)**  
 Chairman and Managing Director  
 DIN: 09778990



MMTC Ltd.

Statement of Changes in Equity for the period ended 31.03.2023

1. Equity Share Capital

Particulars	No of Shares		Particulars	Amount	
	1.4.2021	31.3.2022		1.4.2021	31.3.2022
Balance as at 1.4.2021	150,00,00,000	-	Balance as at 1.4.2021	150,00,00,000	150.00
Changes in Equity Share Capital during the year	-	-	Changes in Equity Share Capital during the year	-	-
<b>Balance as at 31.3.2022</b>	<b>150,00,00,000</b>	<b>150,00,00,000</b>	<b>Balance as at 31.3.2022</b>	<b>150,00,00,000</b>	<b>150.00</b>

Particulars	No of Shares		Particulars	Amount	
	1.4.2021	31.3.2022		1.4.2021	31.3.2022
Balance as at 1.4.2021	150,00,00,000	-	Balance as at 1.4.2021	150,00,00,000	150.00
Changes in Equity Share Capital during the year	-	-	Changes in Equity Share Capital during the year	-	-
<b>Balance as at 31.3.2022</b>	<b>150,00,00,000</b>	<b>150,00,00,000</b>	<b>Balance as at 31.3.2022</b>	<b>150,00,00,000</b>	<b>150.00</b>

B. Other Equity as at March 31, 2023

	Share application money pending allotment	Reserves and Surplus			Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange difference on translation	Other items of OCI	Total
		Research & Development Reserve	General Reserve	Retained Earnings					
Balance as at 1.4.2022	-	-	596.97	(546.63)	(7.96)	-	1.02	43.40	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	1,076.07	(6.01)	-	1.37	1,071.43	
Dividend and DDT	-	-	-	-	-	-	-	-	
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	
Items recognized directly in retain earnings	-	-	-	-	-	-	-	-	
Re-measurements of defined benefit plans	-	-	-	-	-	-	-	-	
Any other changes	-	-	-	-	-	-	-	-	
<b>Balance as at 31.3.2023</b>	<b>-</b>	<b>-</b>	<b>596.97</b>	<b>529.44</b>	<b>(13.97)</b>	<b>-</b>	<b>2.39</b>	<b>1,114.83</b>	

Other Equity as at March 31, 2022

	Share application money pending allotment	Reserves and Surplus			Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange difference on translation	Other items of OCI	Total
		Research & Development Reserve	General Reserve	Retained Earnings					
Balance as at 1.4.2021	-	-	596.97	(308.86)	(8.93)	-	(6.72)	272.46	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	(237.77)	0.97	-	7.74	(229.06)	
Dividend and DDT	-	-	-	-	-	-	-	-	
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	
Items recognized directly in retain earnings	-	-	-	-	-	-	-	-	
Re-measurements of defined benefit plans	-	-	-	-	-	-	-	-	
Any other changes	-	-	-	-	-	-	-	-	
<b>Balance as at 31.3.2022</b>	<b>-</b>	<b>-</b>	<b>596.97</b>	<b>(546.63)</b>	<b>(7.96)</b>	<b>-</b>	<b>1.02</b>	<b>43.40</b>	

**Dividend not recognised at the end of reporting period**

(₹ in crore)

	As at March 31, 2023	As at March 31, 2022
Dividend proposed	-	-
The dividend distribution tax on proposed dividend	-	-

As per our report of even date attached

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 002312N

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

**(CA. R.C. Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990



## MMTC LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

#### 1. General Information

Established in 1963 and domiciled in India, the Company is a Mini-Ratna public sector undertaking under the administrative control of Ministry of Commerce & Industry, Government of India. The registered office of the Company is situated at Core-1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003, India. The company has 5 Regional Offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd, at Singapore.

The principal activities of the Company are export of Minerals and import of Precious Metals, Non-ferrous metals, Fertilizers, Agro Products, coal and hydrocarbon etc. The company's trade activities span across various countries in Asia, Europe, Africa, Middle East, Latin America and North America.

#### 2. Significant Accounting Policies

##### 2.1 Statement of Compliance and basis of preparation of Financial Statements

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

##### 2.2 Functional & presentation currency

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

##### 2.3 Use of estimates and judgment

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

##### 2.4 Revenue Recognition

###### i) Trading Income

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.

###### Purchases and Sales

- a. In case of certain commodities import of which is canalized through the company, imported on 'Government Account' against authorization letter issued by the Government of India, Purchase/ Sale is booked in the name of the Company
- b. Products are also traded through the commodity exchanges. Purchase/ Sale is booked in respect of trade done through different commodity exchanges and is backed by physical delivery of goods.
- c. Gold/Silver kept under deposit: As per the arrangements with the Suppliers of Gold/Silver, the metal is kept by the supplier with the company on unfixed price basis for subsequent withdrawal on loan or outright purchase basis.
  - (i) Purchases include gold/silver withdrawn from consignment deposit of the supplier on outright purchase basis for sale to exporters, as per the scheme of Foreign Trade Policy being operated by the Company as a nominated agency.
  - (ii) Purchase of Gold/Silver during the year for domestic sale is accounted for on withdrawal from the Gold/Silver consignment deposit of the supplier and fixation of price with the suppliers. The stock held by the company at year end as Gold/ Silver under Deposit is accounted for under current assets as 'stock towards unbilled purchases' and under current liability as 'amount payable towards unbilled purchases' at the bullion price prevailing as at the close of the year. However, customs duty paid in respect of balance in deposits is accounted for as prepaid expenses.
  - (iii) Gold/silver withdrawn on loan basis from the Gold/Silver under deposit, are booked as loan given to customers and grouped under financial assets. The corresponding liability towards the stocks received from foreign suppliers is grouped under Trade Payable. Loan/Trade Payable are adjusted when purchases and sales are booked.

- d. In respect of Gold/Silver sourced domestically where price fixation is deferred, purchase is initially accounted for on the basis of invoice received from the supplier. The difference, if any, arising on price fixation is accounted for through debit / credit note.
- e. In the case of gold/ silver supplied to exporters on replenishment basis, the purchase in respect of gold/silver booked by exporter by paying margin money, is booked after “fixing” the price with the foreign suppliers. However, sale is booked when quantity is actually delivered to exporters after completion of export.
- f. High Sea Sales  
Sale during the course of import by transfer of documents of title i.e. high seas sale is booked upon transfer of documents of title to the goods, upon which buyer obtains control over the goods and the company becomes entitle to receive sales consideration, in favour of buyer before the goods cross the custom frontiers of India.

**ii) Other Operating Revenue**

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

**iii) Claims**

Claims are recognized in the Statement of Profit & Loss (Net of any payable) on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc, when its ultimate realisation is probable. Claims recognized but subsequently becoming doubtful are provided for through Statement of Profit and Loss. Insurance claims are accounted upon being accepted by the insurance company. Claims towards shortages/ damages including liquidated damages/ deficiencies in quality/quantity etc are accounted for in accordance with the provisions of relevant contracts. In case there is no such provisions in the existing contract, the claim is accounted for on receipt of acceptance by the party besides collectability of the claim amount being probable. On recognition of such claims the same will be realised/set off against advance received/claims payable etc. to the same party.

**iv) Service Income**

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

**v) Dividend and interest income**

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

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

**vi) Revenue Recognition on Actual Realization**

Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since realisability of such items is uncertain, in accordance with the provisions of Ind AS- 115:-

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

**2.5 Property, Plant and Equipments**

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

- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.



- iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

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

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited and the cost of such item is upto Rs.2000/- in each case, are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged to revenue irrespective of cost.

## 2.6 Intangible Assets

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable. Intangible assets upto Rs.2,000/- in each case are directly charged to revenue.

No intangible assets arising from research is recognised and expense on research directly charged to profit and loss account when it is incurred. An intangible assets arising from development is recognised, if the asset fulfils the criteria for recognition as per Ind AS. Expenditure on an intangible item that was initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

## 2.7 Non-Current Assets Held for Sale

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

## 2.8 Depreciation

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

The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:-

Name of Assets	Useful life as adopted by the company as per Schedule II
<b>A. General Assets</b>	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30

Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
<b>B. Manufacturing Unit's Assets</b>	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
<b>C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company</b>	5
<b>D. Amortization of Intangible Assets</b>	
Softwares	5 years or License period as applicable

## 2.9 Impairment

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

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

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

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

### Impairment of financial assets

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

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

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;



- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

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

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

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

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

#### De-recognition of financial assets

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

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

#### 2.10 Borrowing Costs

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

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

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

#### 2.11 Foreign currency translation

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

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

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

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

#### 2.12 Inventory

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



**a) Exports:**

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

**b) Imports:**

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

**c) Domestic:**

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

**d) Packing material**

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

**e) Stocks with fabricators**

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

**2.13 Provisions**

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

**2.14 Contingent Liabilities / Assets**

**Contingent Liabilities**

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

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

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

**Contingent Assets**

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

**2.15 Leases**

An asset held under lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

An asset held under lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.



The company normally enters into operating leases which are accounted for as under:-

- (i) Rental income from operating leases is recognized either on a straight-line basis or another systematic basis over the term of the relevant lease.
- (ii) Where the company is lessee, at commencement date right to use of assets are recognized at cost and the present value of lease payments that are not paid recognized as lease liability. Subsequently, right of use assets measured by using cost model with any adjustment required for re-measurement of lease liability and lease liability is measured by increasing the carrying amount to reflect the interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any re-assessment or lease modifications.
- (iii) As a practical expedient, short term leases and leases for which the underlying assets is of low value upto Rs. 1,00,000/- per month or Rs. 12,00,000/-per year are not recognized as per the provisions given under Ind AS-116 (Leases) and are recognized as an expense on a straight line basis over the lease term.

## 2.16 Employee benefits

- i. Provision for gratuity, leave compensation and long service benefits i.e. service award, compassionate gratuity, employees' family benefit scheme and special benefit to MICA division employees is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss and any change due to plan amendment, curtailment and settlement is considered for determining the current service cost, net interest, past service cost or gain/loss for settlement etc.
- ii. Provision for post-retirement medical benefit is made on defined contribution basis.
- iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.
- iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.
- v. Superannuation Pension Benefit, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

### Short-term employee benefit obligations

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

## 2.17 Taxation

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

### Current tax

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

### Deferred tax

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

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such

investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

#### **Current and deferred tax for the year**

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

#### **Dividend Distribution Tax**

Company is recognising the dividend distribution tax payable on payment of dividend under other equity since the dividend payable consequent upon approval of shareholders in Annual General Meeting is also presented under other equity.

#### **Uncertainty over income tax treatments**

Company while determining taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12 company is considering the probability of accepting the same treatment by income tax authorities and any change due to this adjusted retrospectively with cumulative effect by adjusting equity on initial application without adjusting comparatives.

### **2.18 Investment Property**

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

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties are depreciated in accordance to the class of asset that it belongs and the life of the asset is as conceived for the same class of asset at the Company.

### **2.19 Earnings per share**

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

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

### **2.20 Discontinued operations**

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

### **2.21 Financial instruments**

- i) Non-derivative financial instruments  
Non-derivative financial instruments consist of:



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

Financial assets and financial liabilities are offsetted and the net amount is presented in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Non derivative financial instruments are recognized initially at fair value plus in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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

a) **Cash and cash equivalents**

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

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

c) **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset, however trade receivable that do not contain a significant financing component are measured at transaction price and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

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

d) **Trade and other payables**

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

e) **Investments in Subsidiary, Associates and Joint Venture**

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

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

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

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

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

ii) **Derivative financial instruments**

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

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

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

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

a) Cash flow hedges

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

b) Others

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

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

## 2.22 Segment Information

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

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

The Assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as unallocable assets/liabilities. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since the assets are used interchangeably and hence a meaningful segregation of the available data is onerous.

## 2.23 Prior Period Errors

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts. Taking into account the nature of activities of the company, prior period errors are considered material if the items of income / expenditure collectively (net) exceed 0.5% of sales turnover of the company.



Notes to accounts for the year ended March 31, 2023  
3 Property, Plant and Equipment

Particulars	Gross carrying value as at April 1, 2022	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2023	Accumulated depreciation as at April 1, 2022	Additions/ Impairment	Disposal/ adjustments	Accumulated depreciation as at March 31, 2023	Net Carrying Value as at March 31, 2023	Net Carrying Value as at March 31, 2022
Land freehold										
- Office building	0.37	-	-	0.37	-	-	-	-	0.37	0.37
- Staff Quarters	0.13	-	-	0.13	-	-	-	-	0.13	0.13
Land leasehold										
- Office building	1.07	-	-	1.07	0.13	0.02	-	0.15	0.92	0.94
- Staff Quarters	1.85	-	-	1.85	1.00	0.22	-	1.21	0.64	0.85
Building										
- Office Building	6.45	-	-	6.45	1.10	0.16	-	1.27	5.18	5.34
- Staff Quarters/Residential Flats	1.24	-	-	1.24	0.26	0.04	-	0.29	0.95	0.99
- Water supply, Sewerage & Drainage	0.06	-	-	0.06	0.05	0.00	-	0.06	0.00	0.01
- Electrical Installations	3.07	-	(0.01)	3.06	2.01	0.06	(0.01)	2.06	1.00	1.06
- Roads & Culverts	0.02	-	-	0.02	0.02	0.00	-	0.02	0.01	0.01
- Audio/Fire/Airconditioning	0.06	-	-	0.06	0.06	0.00	-	0.06	0.00	0.00
Plant & Equipment	40.59	-	-	40.59	20.73	2.87	-	23.60	16.99	19.86
Furniture & Fixtures										
- Partitions	0.38	0.00	(0.04)	0.35	0.36	0.01	(0.03)	0.34	0.01	0.02
- Others	1.47	-	(0.04)	1.42	0.82	0.14	(0.02)	0.93	0.49	0.65
Vehicles	0.48	0.09	(0.10)	0.48	0.34	0.06	(0.00)	0.39	0.08	0.14
Office Equipments	1.71	0.07	(0.01)	1.78	1.59	0.07	(0.01)	1.65	0.12	0.12
Others:-										
- Railway Wagon Rakes	0.00	-	-	0.00	0.00	-	-	0.00	0.00	0.00
- Railway Loop Line at BNHT	0.00	-	-	0.00	-	-	-	-	0.00	0.00
- Computer/ Data Processors	2.28	0.04	(0.02)	2.30	2.20	0.05	(0.02)	2.23	0.08	0.08
<b>Total</b>	<b>61.23</b>	<b>0.21</b>	<b>(0.21)</b>	<b>61.23</b>	<b>30.66</b>	<b>3.69</b>	<b>(0.08)</b>	<b>34.27</b>	<b>26.96</b>	<b>30.57</b>
<b>Last Year</b>	61.34	0.05	(0.16)	61.23	26.95	3.87	(0.16)	30.66	30.57	
<b>Right to Use Assets</b>	<b>5.07</b>	<b>0.90</b>	<b>(0.96)</b>	<b>5.01</b>	<b>2.10</b>	<b>0.41</b>	<b>(0.34)</b>	<b>2.17</b>	<b>2.84</b>	<b>2.97</b>
<b>Last Year</b>	5.06	0.01	-	5.07	1.71	0.39	-	2.10	2.97	
<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>Last Year</b>	-	-	-	-	-	-	-	-	-	-

- (a) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with STC Limited earlier on 50:50 basis. However, during 2018-19, the company has obtained execution of separate lease deed for 16.16 acre land from DDA towards its share.
- (b) During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹ Nil crore (P.Y. ₹ Nil crore) has been made during the year.
- (c) The original title papers of 36 properties of MMTC are deposited with registrar General, Hon'ble Delhi High Court based on the directions passed by it vide order dated 22.04.2019 and 22.05.2019.
- (d) Refer note no. 47.

#### 4. Investment Property

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value as at beginning of the year	4.88	4.88
Additions	-	-
Disposal/adjustments	-	-
Gross carrying value as at end of the year	4.88	4.88
Accumulated depreciation as at beginning of the year	1.17	1.00
Additions	0.16	0.16
<b>Accumulated depreciation as at end of the year</b>	<b>1.33</b>	<b>1.17</b>
<b>Net Carrying Value as at end of the year</b>	<b>3.55</b>	<b>3.71</b>

#### Amounts recognised in profit or loss for investment properties

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Rental income	1.50	1.50
Profit from investment properties before depreciation	1.50	1.50
Depreciation	0.08	0.08
Profit from investment properties	1.42	1.42

#### Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows :

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Within one year	0.55	1.81
Later than one year but not later than five year	1.65	2.50
Later than five year	-	2.15
Total	2.20	6.46

#### Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹ 111.37 crore (P.Y. ₹ 110.15 crore).

#### 5. Intangible Assets

(₹ in crore)

Particulars	Gross carrying value as at April 1, 2022	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2023	Accumulated depreciation as at April 1, 2022	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2023	Net Carrying Value as at March 31, 2023	Net Carrying Value as at March 31, 2023
Computer Softwares	4.23	0.16	(0.28)	4.11	4.00	0.17	(0.18)	3.99	0.12	0.24
Last Year	4.23	-	-	4.23	3.85	0.15	-	4.00	0.24	

Refer note no. 48



## 6. Investments

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>A. NON-CURRENT INVESTMENTS</b>				
a) Investments in Equity Instruments at amortized cost				
<b>i) Subsidiaries</b>				
Unquoted				
MMTC Transnational Pte. Ltd. 1461502 (P.Y. 1461502) fully paid up equity shares of S\$ 1 each.		3.14		3.14
<b>ii) Joint Ventures</b>				
Unquoted				
MMTC Gitanjali Limited. 2987400(P.Y. 2987400) fully paid up equity shares of Rs.10 each.	2.99		2.99	
Add/(Less): impairment in value of investment	(2.99)	0.00	(2.99)	0.00
Free Trade Warehousing Pvt. Ltd.5000(P.Y. 5000) fully paid up equity shares of Rs.10 each.	0.01			
Add/(Less): impairment in value of investment	(0.01)	0.00	(0.01)	0.00
MMTC Pamp India Pvt. Limited.17446000(P.Y. 17446000) fully paid up equity shares of Rs. 10 each.		17.45		17.45
<b>iii) Others</b>				
<b>Fair value through other comprehensive income</b>				
Quoted				
Bombay Stock Exchange Limited. 116883 (P.Y. 116883) fully paid up equity shares of Rs.2 each.	3.00		3.00	
Add/(Less): Fair Value Adjustment through Other Comprehensive Income	2.03	5.03	8.03	11.03
<b>Amortized cost</b>				
<b>Unquoted</b>				
Indo French Biotech Limited. 4750000(P.Y. 4750000) fully paid up equity shares of Rs. 10 each.	4.75		4.75	
Add/(Less): impairment in value of investment	(4.75)	0.00	(4.75)	0.00
<b>Total Investments in Equity Instruments</b>		<b>25.62</b>		<b>31.62</b>

(₹ in crore)

Total Non-Current Investments (Gross)	Aggregate Amount	Market Value	Aggregate Amount	Market Value
		-		-
Aggregate amount of quoted investments and market value there of	3.00	5.03	3.00	11.03
Aggregate amount of unquoted investments	28.33	-	28.33	-
Aggregate amount of impairment in the value of investments	7.74	-	7.74	-

Particulars	As at March 31, 2023		As at March 31, 2022	
B. CURRENT INVESTMENTS	-	-	-	-



Particulars	As at March 31, 2023		As at March 31, 2022	
<b>6 C. NON-CURRENT INVESTMENTS HELD FOR SALE</b>				
<b>a) Investments in Equity Instruments at amortized cost</b>				
<b>Joint Ventures</b>				
<b>Unquoted</b>				
Neelachal Ispat Nigam Limited. 368762744 (P.Y. 368762744) fully paid up equity shares of 10 each.		-		459.11
Sical Iron Ore Terminal Limited. 33800000 (P.Y. 33800000) fully paid up equity shares of Rs. 10 each.	<b>33.80</b>		33.80	
Add/(Less): Fair Value Adjustment through Profit & Loss	<b>(33.80)</b>	-	(33.80)	-
<b>Others</b>				
<b>Fair value through other comprehensive income</b>				
<b>Unquoted</b>				
Indian Commodity Exchange Limited.32000000 (P.Y. 32000000) fully paid up equity shares of Rs. 5 each.	<b>16.00</b>		16.00	
Add/(Less): Fair Value Adjustment through Other Comprehensive Income	<b>(16.00)</b>	-	(16.00)	-
<b>Total Investments held for sale</b>			<b>-</b>	<b>459.11</b>

- All Non-Current Investments in Equity Instruments of Subsidiaries and Joint Ventures are carried at cost less impairment in value of investment, if any. The Investment in Equity Instruments of others are carried at Fair Value.
- The Company had invested ₹ 33.80 crore (P.Y ₹ 33.80 crore) towards 26% equity in SICAL Iron Ore Terminal Limited (SIOTL), a Joint Venture for the construction and operation of iron ore terminal at Kamrajap Port. The construction of terminal was completed by November 2010, the same could not be commissioned due to restrictions on mining, transportation and export of iron ore. After due tender process, Kamrajap Port Ltd (KPL) has allowed to SIOTL for necessary modifications to also handle common user coal. MMTC's Board of Directors during its 428th meeting held on 14.09.2016 approved MMTC's exit through open tender mechanism from the JV. Accordingly, bids were invited from interested bidders for sale of MMTC's equity. No bids were received in the tender process. However, the lead promoter (i.e., M/s Sical Logistics Ltd) has agreed to buy MMTC's equity at the reserve price of ₹ 34.26 crore. Accordingly, the Share Purchase Agreement (SPA) has been signed and in terms of the agreement M/s SICAL Logistics Ltd have deposited ₹ 0.50 crore with MMTC towards performance of the Agreement. As per terms of SPA, M/s SIOTL applied to M/s Kamrajap Port Ltd for NOC/Permission of MMTC's exit from the JV. The NOC was received in Oct 2019. However, balance payment has not been received so far. Keeping in view the delay in receipt of share purchase value from M/s SICAL Logistics Ltd and financial distress of M/s Sical Logistics Ltd, a provision has been created for ₹ 33.80 crore towards impairment in value of investment on SIOTL. Accordingly, the investment has been shown as 'held for sale'. KPL issued notice of intent to terminate to SIOTL on 21.12.2020. The company filed a writ petition on 24.06.2021 in Madras High Court against the termination notice issued by KPL. Vide order dated 30.11.2021, this petition has been dismissed by the Hon'ble Madras High Court on the ground that writ is not maintainable before the court. MMTC has filed an appeal before Hon'ble Madras High Court challenging the impugned judgement order dated 30.11.2021. In the meantime, M/s Sical Logistics Limited holding company of SIOTL was undergoing Corporate Insolvency Resolution Process (CIRP). The Company (MMTC) lodged its claim of ₹ 34.26 Cr with CIRP of Sical Logistics. To safeguard the investment in SIOTL, M/s SICAL Logistics had moved a similar application being IA/574/Che/2021 in main CIRP proceedings being IBA/73/2020. To ensure that no adverse order is passed in these proceedings, MMTC filed an application being IA/686/Che/2021 for being impleaded as a party and to be heard before any order is passed. Vide order dated 11.03.2022, NCLT Chennai dismissed SICAL's IA/574/Che/2021 for want of Jurisdiction. Accordingly, MMTC's application being IA/686/Che/2021 in IA/574/Che/2021 stands closed. IRP of SLL had also informed about the successful resolution of SLL duly approved by NCLT vide its order dated 8.12.2022. M/s SIOTL's two creditors (1. M/s Portman India Private Limited, Chennai 2. M/s ITD Cementation India Limited, Mumbai) initiated corporate insolvency resolution process against SIOTL in NCLT under Insolvency and Bankruptcy Code 2016. Vide order dated 01.03.2022, Vide order dated 01.03.2022, NCLT Chennai has admitted their applications and have appointed same IRP for both cases. RP of SIOTL vide letter dated 02.03.2023 has informed that the members of the Committee of



Creditors(CoC) have resolved to liquidate the Corporate Debtor and application for the same has been filed before Hon'ble NCLT for initiation of liquidation process. Therefore as per Regulation 12 (2) of the CIRP Regulation and initiation of liquidation the undersigned cannot consider MMTC claim at this stage. Other options available for realisation of investment amount, is being explored in consultation with Law Division.

- iii. The process of divestment of NINL has been completed on 4.7.2022 through DIPAM. Further refer note no. 36 (C).
- iv. MMTC had invested ₹ 26 crore (5.20 crore equity share of ₹ 5 Face value) during 2009-10 in ICEX. ICEX Initial equity capital was ₹ 100 crore that was later on increased to ₹ 266.75 crore. However later on MMTC divested 2 crore share @ ₹ 10 per share in 2015-16. After this divestment MMTC's shareholding reduced to ₹ 16 crore (3.20 crore share @ ₹ 5 Face value) which is 6% of the total share capital of ₹ 266.75 crore.

Later on due to erosion of Net worth of ICEX MMTC provided Fair value Adjustment of ₹ 8.16 crore and ₹ 7.84 crore in 2019-20 and 2021-22 respectively. After such adjustment share value in the books of accounts stands to ₹ Nil crore as on 31.03.2023 (P.Y. ₹ Nil crore).

As of March 31, 2023, the shares of ICEX are not available for purchase on any stock exchange. MMTC tried to sell its equity in ICEX in FY 2017-18 and again from FY 2019-20 to 2021-22, but MMTC was unable to find any buyers.

SEBI passed order dated 10.05.2022 for withdrawal of recognition to ICEX vide official gazette of India on 18.05.2022. However, Securities Appellate Tribunal (SAT), by its order dated 13 June 2022 has Quashed SEBI order derecognizing ICEX and has given ICEX one-year time from 13.6.2022 to complete all compliances to SEBI's satisfaction during this period all trading activities would remain suspended.

ICEX Board in February 2023, approved the voluntary surrender of the License/Recognition of the Exchange to Regulator (SEBI) and to discontinue the Commodity derivatives business. Further, ICEX Board decided to consider new line of businesses at appropriate time.

## 7. Trade Receivable

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(I) Other Trade Receivables</b>		
a) Considered Good - Secured	115.61	102.47
b) Considered good - Unsecured	18.43	32.63
c) Which have significant increase in Credit Risk	-	-
d) Credit impaired	390.22	390.12
Less : Allowances for bad and doubtful debts	390.22	390.12
Sub-Total	134.04	135.10
<b>Total</b>	<b>134.04</b>	<b>135.10</b>
NON-CURRENT (A)	-	-
CURRENT (B)	134.04	135.10
<b>TOTAL</b>	<b>134.04</b>	<b>135.10</b>

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ Nil crore (P.Y. ₹ Nil crore).

Refer note no. 37.3 (b) for ageing and note no.36 (h) (ii)

## Movement in allowances for bad & doubtful debt:

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	390.12	390.02
Additions during the year	0.36	0.10
Reversals during the year	(0.26)	-
Utilisations during the year	-	-
<b>Balance at the end of the year</b>	<b>390.22</b>	<b>390.12</b>

## 8. Loans

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
<i>Considered good - Secured</i>				
Loans to Related Parties	-	-	-	-
Loans to Employees*	0.34	0.94	0.51	1.90
Others	-	-	-	-
<b>Sub- Total</b>	<b>0.34</b>	<b>0.94</b>	<b>0.51</b>	<b>1.90</b>
<i>Considered good - Unsecured</i>				
Loans to Related Parties	-	-	-	-
Loans to Employees	0.19	0.55	0.49	0.38
Others	-	-	-	-
<b>Sub- Total</b>	<b>0.19</b>	<b>0.55</b>	<b>0.49</b>	<b>0.38</b>
<i>Credit impaired</i>				
Loans to Related Parties	-	-	-	-
Loans to Employees	-	-	-	-
Others	0.03	0.14	0.03	0.14
Less: Allowance for bad and doubtful loans	0.03	0.14	0.03	0.14
<b>Sub- Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>0.53</b>	<b>1.49</b>	<b>1.00</b>	<b>2.28</b>

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ Nil crore (P.Y. ₹ Nil crore).

\*Secured by hypothecation/undertaking of property and other assets of employees.

## 9. Other Financial Assets

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	-	11.39	-	11.39
Balance with bank for Unpaid Dividend	-	0.16	-	0.19
Receivable From NSEL (i)	-	208.25	-	208.25
Demurrage and Dispatch receivable	2.62	6.81	4.40	6.42
Forward Contract Receivable	-	-	-	-
Advances to other Companies (ii)	-	33.53	-	33.53
Others	0.26	9.00	1.85	8.98
Security Deposits	0.55	1.83	4.00	2.13
<b>Interest accrued due/not due on:</b>				
-Term Deposits	44.77	-	0.38	-
-Loans to Employees	0.65	4.67	0.58	6.20
-Loans to Related Parties	0.04	0.49	-	-
-Loans to Others	-	3.16	-	2.25
<b>Others</b>	<b>-</b>	<b>9.91</b>	<b>-</b>	<b>9.90</b>
Less: Impairment / Allowances for bad and Doubtful Receivables	1.18	244.75	2.39	243.88
<b>Total</b>	<b>47.71</b>	<b>44.45</b>	<b>8.82</b>	<b>45.36</b>

i. Represents ₹ 208.25 crore (P.Y. ₹ 208.25 crore) recoverable from various borrowers and National Spot Exchange (NSE) arising on account of default of payment obligation of NSEL against which full provision has already been made. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. CBI also investigated the case. The Hon'ble Supreme Court of India has set aside the order of amalgamation of NSEL with FTIL. Further, Hon'ble Supreme Court has allowed the appeal filed by State of Maharashtra and held that the notifications issued under Section 4 of the MPID Act attaching the properties of the 63 Moons Technologies Ltd are valid.

The suit filed by Company has been tagged with the suit no 121 of 2014 filed by L.J. Tanna Shares and Securities which has not come up for hearings as per the CMIS systems of the Hon'ble Bombay High Court in regular course. The next date of hearing is awaited. The Company has also filed its claim before the MPID Court in Mumbai to recover the principal sum with interest at 18% per annum. The matters are pending at various stages in court.

ii. During the year a provision of ₹ Nil crore (P.Y. ₹ Nil crore) has been made against advance for project development to HFTWPL & KFTWPL. Total Provision as on 31.03.2023 is ₹ 16.30 crore (P.Y. ₹ 16.30 crore).



## 10. Deferred Tax Assets

(₹ in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Liability</b>		
Property, plant and equipment	(5.04)	(6.99)
<b>Sub Total</b>	<b>(5.04)</b>	<b>(6.99)</b>
<b>Deferred tax Assets</b>		
Prov. For Doubtful Debts	(168.04)	233.30
Provision for Employee Benefit Expense	(8.57)	(11.90)
<b>Sub Total</b>	<b>(159.47)</b>	<b>221.40</b>
<b>Deferred tax Assets (net)*</b>	<b>154.43</b>	<b>214.41</b>

Deferred Tax assets have been recognised to the extent of expected utilisation against probable future taxable income of the company.

\* The Company has opted for the new Income Tax rates as per the option under section 115BAA introduced vide Taxation Laws (Amendment) Act, 2019 with effect from FY 2022-23 (AY 2023-24). Hence, carry forward balance of Deferred Tax Assets amounting to ₹ 214.41 crore has been adjusted to the extent of difference in effective income tax rates between regular Income Tax rates (34.944%) and rates as per the option under section 115BAA (25.167%).

Further, the Company has not recognised Deferred Tax Assets on carry forward losses arising during the Current as well as previous financial years on conservative basis keeping in view of the uncertainties involved.

### Movement in deferred tax balances during the year

(₹ in crore)

Particulars	Balance As at March 31 2022	Recognised in Profit and Loss	Adjustments	Balance As at March 31 2023
<b>Deferred Tax Liability</b>				
Property plant and equipment	(6.99)	-	1.95	(5.04)
<b>Sub Total</b>	<b>(6.99)</b>	<b>-</b>	<b>1.95</b>	<b>(5.04)</b>
<b>Deferred Tax Assets</b>				
Provisions for Bad & Doubtful Debts	233.30	-	(65.26)	168.04
Provision for Employee Benefit Expense	(11.90)	-	3.33	(8.57)
<b>Sub Total</b>	<b>221.40</b>	<b>-</b>	<b>(61.93)</b>	<b>159.47</b>
<b>Total</b>	<b>214.41</b>	<b>-</b>	<b>(59.98)</b>	<b>154.43</b>

### Recognised Deferred tax assets

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

(₹ in crore)

Particulars	As at March 31 2023	As at March 31 2022
Deductible temporary differences	154.43	214.41
<b>Total</b>	<b>154.43</b>	<b>214.41</b>

## 11. Other Assets

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A A. Non-Current</b>		
Advances other than Capital Advances		
- Advances to other Suppliers	4.07	4.79
- Other Advances	16.94	17.03
Allowances for bad and Doubtful Advance	(17.30)	(18.27)
Others		
- Income Tax paid recoverable*	24.24	20.45
- Others	0.04	0.04
<b>Total</b>	<b>27.99</b>	<b>24.04</b>

<b>B. Current</b>		
Advances other than Capital Advances		
-Advances to Related Parties	-	1,425.00
-Trade Related Advance to Related Parties	-	2,038.11
- Advances to other Suppliers	<b>0.79</b>	0.79
- Claim Recoverable Others	<b>169.53</b>	167.03
-Gold/Silver stock towards unbilled purchases	-	24.96
- Other Advances**	<b>1,113.94</b>	15.30
Allowances for bad and Doubtful Advance	<b>(3.35)</b>	(3.36)
Others		
- Income Tax refund due	<b>2.53</b>	3.51
- Sales Tax refund due	<b>13.87</b>	14.48
- Excise/Custom duty refund due	<b>4.68</b>	4.68
- Service Tax refund due	<b>3.98</b>	0.53
-Others	<b>17.70</b>	18.48
<b>Total</b>	<b>1,323.67</b>	<b>3,709.51</b>

\*Includes ₹ 20.10 crore (P.Y. ₹ 14.68 crore) is under dispute (refer note no. 34 (i) (b))

- (i) \*\* In terms of the court order dated 06.05.2022 & 07.07.2022 passed by the Hon'ble Delhi High Court in the matter of Anglo Coal case, an amount of ₹ 1088.62 crore has been deposited with Delhi HC and the final amount is subject to judgement/clarification of Hon'ble Court. Provision of ₹ 1054.77 crore (Refer note no. 20) has already been made in the books of accounts with interest up to 19.07.2022 as per company's calculation. Next date of hearing is 13.07.2023.
- (ii) Includes an amount of ₹ 4.36 crore deposited with The Registrar General of Hon'ble Delhi High Court in respect of the case Trammo AG v/s MMTC Limited. The provision of ₹ 4.36 crore (Refer note no. 20) against the same has been made in the books.
- (iii) Includes an amount of ₹ 0.60 crore deposited with CESTAT, which is prerequisite for filing appeal against the service tax demand.
- (iv) Includes an amount of ₹ 2.79 crore deposited with The Registrar General of Hon'ble Delhi High Court in respect of the case OMP (ENG) KISPL v/s MMTC Limited. The company has recognised contingent liability of ₹ 6.14 crore (Refer note no. 34).

## 12. Inventories

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	<b>0.24</b>	5.09
Finished Goods	<b>0.92</b>	20.66
Stock in trade	<b>0.00</b>	3.65
(includes goods in transit valued at ₹ Nil. (P. Y. ₹ Nil crore).		
Others-Inventory Hedge Adjustment	-	0.39
<b>Total</b>	<b>1.16</b>	<b>29.79</b>

- a) As taken, valued and certified by the management.
- b) Inventories including goods in transit are valued at lower of the cost or realizable value as on 31<sup>st</sup> March 2023. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹ Nil crore (P.Y. ₹ 0.01 crore).
- c) Stock-in-trade includes the following:
- (i) 9036 units (P.Y. 9036 units) Certified Emission Reductions (CERs) valued at ₹ 1 (P.Y. ₹ 1) as per Ind AS-2 'Inventories', being lower of cost or net realizable value.
- (ii) Nil units (P.Y. Nil units) number of CERs under certification.
- (iii) An amount of ₹ 5.42 crore (P.Y. ₹ 5.30 crore) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.
- d) Stock in Trade includes an inventory of ₹ Nil crore (P.Y. ₹ Nil crore) valued at cost relating to onion imported under Price Stabilization Scheme of the Government of India to create Buffer Stock of onion. (Refer note 36(e)).



### 13. Cash & Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
(a) in Current Account	0.63	6.76
(b) In term deposit with original maturity upto 3 months	311.91	15.57
(c) Debit balance in Cash Credit Account	5.18	20.96
Cheques/Drafts/Stamps on hand	0.00	0.00
Cash on hand	-	0.07
<b>Total</b>	<b>317.72</b>	<b>43.36</b>

### 14. Bank Balances other than above

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
As Margin money/under lien	28.73	16.67
In term deposit with original maturity more than 3 months but less than 12 months	967.95	0.79
<b>Total (A)</b>	<b>996.68</b>	<b>17.46</b>

### 15 Current tax Assets

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax paid/TDS Recoverable for the FY 2022-23	164.41	
Advance tax paid/TDS Recoverable for the FY 2021-22	-	3.61
<b>Total</b>	<b>164.41</b>	<b>3.61</b>

### 16A. Equity Shares

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorized</b>		
Ordinary shares of par value of ₹ 1/- each		
Number	2,00,00,00,000	2,00,00,00,000
Amount	200.00	200.00
<b>Issued, subscribed and fully paid</b>		
Ordinary shares of par value of ₹ 1/- each		
Number	1,50,00,00,000	1,50,00,00,000
Amount	150.00	150.00

#### Reconciliation of number of shares:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Equity Shares	1,50,00,00,000	1,50,00,00,000
Add : - No. of Shares issued/subscribed during the year		
Less: Deduction	-	-
<b>Closing balance</b>	<b>1,50,00,00,000</b>	<b>1,50,00,00,000</b>

#### No. of Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2023	As at March 31, 2022
- President of India	1,348,903,143	1,348,903,143

#### Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of Shares	% of total shares	
- President of India	1,348,903,143	89.93%	Nil

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

Movements in equity share capital: During the year, the company has not bought back any shares.

The Company does not have any holding company.

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

## B. Other Equity

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Research & Development Reserve	-	-
General reserve	596.97	596.97
Retained Earnings	529.44	(546.63)
Other Comprehensive Income Reserves	(11.58)	(6.94)
<b>Total Other Equity</b>	<b>1,114.83</b>	<b>43.40</b>

### (i) Research & Development Reserve

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Transfer from surplus	-	-
Transfer to general reserve	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

### (ii) General Reserve

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	596.97	596.97
Transfer from surplus/other reserves	-	-
Transfer to General Reserve	-	-
<b>Closing Balance</b>	<b>596.97</b>	<b>596.97</b>

### (iii) Retained Earnings

(₹ in crore)

	As at March 31, 2023	As at March 31, 2022
Opening Balance	(546.63)	(308.86)
Net Profit for the year	1076.07	(237.77)
Appropriations:		
General Reserve	-	-
<b>Closing Balance</b>	<b>529.44</b>	<b>(546.63)</b>

### (iv) Other Reserve

(₹ in crore)

Particulars	Equity instruments through OCI	Remeasurements - Post Employee Benefit Plans	Total other reserves
<b>As at April 1 2021</b>	(8.93)	(6.72)	<b>(15.65)</b>
Remeasurements of the defined benefit plans	-	7.74	<b>7.74</b>
Equity Instruments through other comprehensive income	0.97	-	<b>0.97</b>
<b>As at March 21 2022</b>	<b>(7.96)</b>	<b>1.02</b>	<b>(6.94)</b>
Remeasurements of the defined benefit plans	-	1.37	<b>1.37</b>
Equity Instruments through other comprehensive income	(6.01)	-	<b>(6.01)</b>
<b>As at March 31, 2023</b>	<b>(13.97)</b>	<b>2.39</b>	<b>(11.58)</b>



### 17. Borrowings

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. NON-CURRENT</b>		
(i) Term Loans		
(a) From Banks		
- Secured	-	-
- Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>B. CURRENT</b>		
(i) Loans repayable on Demand		
(a) From Banks		
- Secured ( against hypothecation of inventories, trade receivables and other current assets present and future)	1.00	192.48
- Unsecured	41.73	2358.96
<b>Total</b>	<b>42.73</b>	<b>2,551.44</b>

- The loans have not been guaranteed by any of the director or others.
- Refer note no. 29

### 18. Trade Payable

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>B. CURRENT</b>		
Trade Payables		
Total outstanding dues of micro and small enterprise (refer note 45)	0.17	0.18
Total outstanding dues of creditors other than micro and small enterprise	247.87	269.70
Trade Payables to Related Parties		
Total outstanding dues of micro and small enterprise (refer note 45)	-	-
Total outstanding dues of creditors other than micro and small enterprise	0.02	0.02
<b>Total</b>	<b>248.06</b>	<b>269.90</b>

Refer note 37.3 (c) for ageing.

### 19. Lease Liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. NON-CURRENT</b>		
Lease	5.05	3.46
<b>Total</b>	<b>5.05</b>	<b>3.46</b>
<b>B. CURRENT</b>		
Lease	0.13	0.13
<b>Total</b>	<b>0.13</b>	<b>0.13</b>

### 19 C. Other Financial Liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>CURRENT</b>		
Payables-Other than trade		
Total outstanding dues of micro and small enterprise (refer note 45)	1.08	0.10
Total outstanding dues of creditors other than micro and small enterprise	5.90	15.70
Despatch/ Demurrage payable	1.44	2.43
Amount recovered -pending remittance	6.07	11.79
Interest accrued on borrowings	2.01	1.99
Security Deposit &EMD*	9.89	12.83
Unpaid Dividend	0.16	0.19
Claims payable	38.77	41.40
Others	98.16	132.02
<b>Total</b>	<b>163.48</b>	<b>218.45</b>

\* Refer note no. 48



## 20. Provisions

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. NON-CURRENT</b>		
<b>EMPLOYEE BENEFIT OBLIGATIONS</b>		
a) Earned Leave	16.68	15.39
b) Compassionate Gratuity	0.05	0.07
c) Post Retirement Medical Benefit		
Retired/retiring on or after 01.01.2007	(1.18)	(1.02)
Retired before 01.01.2007	3.83	0.05
d) Half Pay Leave	18.54	16.60
e) Service Award	2.51	2.87
f) Employee's Family Benefit Scheme	1.78	2.37
g) Special benefit to MICA employees	0.82	1.07
<b>Total</b>	<b>43.03</b>	<b>37.40</b>
<b>B. CURRENT</b>		
<b>EMPLOYEE BENEFIT OBLIGATIONS</b>		
a) Earned Leave	3.93	3.17
b) Compassionate Gratuity	0.03	0.03
c) Post Retirement Medical Benefit		
Retired/retiring on or after 01.01.2007	(1.06)	(1.18)
Retired before 01.01.2007	0.08	3.83
d) Half Pay Leave	0.15	3.55
e) Gratuity	-	0.15
f) Service Award	0.81	0.71
g) Bonus/performance related pay	3.16	3.25
h) Employee's Family Benefit Scheme	0.35	0.43
i) Special benefit to MICA employees	0.33	0.42
<b>Sub Total</b>	<b>7.78</b>	<b>14.36</b>
<b>OTHERS</b>		
Destinational weight and analysis risk	-	-
Provision for Litigation Settlements*	1,074.52	1,067.39
<b>Sub Total</b>	<b>1,074.52</b>	<b>1,067.39</b>
<b>Total</b>	<b>1,082.30</b>	<b>1,081.75</b>

\* Refer note no. 11

## 21. Other Liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Advance Received from Customers	273.40	352.14
Statutory dues Payable	2.32	6.24
Amount payable towards unbilled purchases	-	24.96
Others	2.04	2.20
<b>Total</b>	<b>277.76</b>	<b>385.54</b>

## 22. Current tax liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax payable for the FY 2022-23	146.00	-
Income tax payable for the FY 2021-22	-	21.50
<b>Total</b>	<b>146.00</b>	<b>21.50</b>

**23. Revenue From Operations**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products	267.09	7,836.28
Sale of Services	4.68	4.50
Other Operating Revenue		
- Claims	0.00	0.15
- Other Trade Income	0.78	552.36
<b>Total</b>	<b>272.55</b>	<b>8,393.29</b>

**24. Other Income**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income		
- From Fixed Deposits	82.48	2.93
- From Customers on amount overdue	-	0.00
- Others	1.96	1.37
Dividend Income		
-From Subsidiary/Joint Ventures	7.72	37.18
- From Others	0.16	0.08
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
-Staff Quarters Rent	0.71	0.71
-Liabilities Written Back	2.98	9.15
-Foreign Exchange Gain	0.01	0.00
-Misc. Receipt*	4.17	3.02
<b>Total</b>	<b>100.19</b>	<b>54.44</b>

\*Refer note no.48

**25. Cost of Materials Consumed**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock of Raw Material	5.09	5.83
Add: Transfer from purchases	8.92	106.66
Less: Closing Stock of Raw Material	0.23	5.09
<b>Cost of Material Consumed</b>	<b>13.78</b>	<b>107.40</b>
<b>Consumables</b>	-	-

**26. Purchase of Stock-in-Trade**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Purchases</b>		
Precious Metal	213.91	5,480.78
Metals	0.78	27.45
Fertilizers	-	1,449.73
Minerals	-	24.66
Agro Products	-	72.76
Coal and Hydrocarbons	-	200.92
Others	1.01	28.38
<b>B. Stock Received/(Issued) in kind</b>		
Precious Metals	(0.02)	(0.04)
<b>TOTAL</b>	<b>215.68</b>	<b>7,284.64</b>

## 27. Changes in Inventory

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Finished Goods</b>		
Opening Balance	20.66	22.25
Closing Balance	0.91	20.67
Changes in Inventory of Finished Goods	19.75	1.58
<b>B. Stock-In-Trade</b>		
Opening Balance	3.65	13.83
Closing Balance	0.00	3.65
Changes in Inventory of Stock in Trade	3.65	10.17
Net (Increase) /Decrease	23.40	11.76

## 28. Employees' Benefit Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Salaries and Wages		
Salaries and Allowances	82.15	87.68
Leave Encashment	6.42	8.18
Bonus	0.03	0.04
Medical Expenses	2.21	3.09
Group Insurance	-	-
VR Expenses	-	0.00
b) Contribution to Provident Fund & Other Funds		
Provident Fund	7.57	8.13
Gratuity Fund	0.91	2.01
Family Pension Scheme	0.63	0.73
Superannuation Benefit	3.48	4.06
c) Staff Welfare Expenses	0.64	0.50
<b>TOTAL</b>	<b>104.04</b>	<b>114.42</b>

- (i) Profit of the company for PRP purpose has been calculated taking into account interest income on trade related advance (other than overdue) as per Accounting Policy no. 2.4 (ii). Pending approval of the Remuneration Committee as mandated in the DPE Guidelines, the PRP advance was made to employees. The order for recovery of above PRP advance from employees is disputed by staff & officers forum and is pending in respective courts.
- (ii) The payment of perks & allowances has been deferred w.e.f. 01.09.2020 in accordance with the decision of FMCOD in its meeting held on 20.10.2020 on the grounds of poor financial health of the company.
- (iii) MMTC Employees Post-Retirement Medical Benefit Trust, is operational during 2022-23. The decision to fund the PRMBS Trust is pending, keeping in view the affordability provision laid down in the DPE order.
- (iv) CPF/Pension dues from December 2021 to March 2022 was pending and same has been paid on 5.7.2022.

## 29. Finance Cost

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Interest Expenses*	110.42	205.83
b) Interest Expenses on Lease	0.79	0.11
<b>TOTAL</b>	<b>111.21</b>	<b>205.94</b>



\*Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of ₹ 2551.44 crore as on 31.3.2022 have been paid towards principal and agreed interest upto 31.3.2022. An amount of ₹ 106.41 crore relating to interest and Right to Recompense (RTR) has been provided for in the current twelve months, out of which ₹ 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 & remaining amount of ₹ 42.73 crore (refer note no. 16) relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India and Punjab & Sind Bank. Other lender banks are also taking up the matter with their appropriate authorities. Surplus funds are being invested as per Board approved policies.

Also includes interest paid on gratuity ₹ 0.08 crore, on late payment of TDS ₹ 0.10 crore and on interest on late payment of income tax ₹ 1.39 crore.

### 30. Depreciation And Amortization Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on PPE	4.11	3.94
Depreciation on Investment Property	0.16	0.48
Amortization of Intangible Assets*	0.17	0.15
<b>TOTAL</b>	<b>4.44</b>	<b>4.57</b>

\*Refer note no. 48

### 31. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>a. Operating Expenses :</b>		
Demurrage	-	(0.05)
Clearing, Handling, Discount & Other charges	3.94	5.63
L/C negotiation and other charges	0.05	0.87
Difference in foreign exchange	0.02	0.10
Customs duty	0.39	388.11
Packing Material	0.00	0.23
Insurance	0.00	0.00
Godown insurance	1.03	1.10
Plot and Godown rent	-	0.01
<b>Sub total (a)</b>	<b>5.43</b>	<b>396.00</b>
<b>b. Administrative Expenses :</b>		
Rent	4.37	0.99
Security Expenses	2.71	2.78
Rates and taxes	1.62	1.89
Insurance	0.31	0.12
Repairs to buildings	3.71	3.37
Repairs to machinery	0.01	0.03
Repairs & Maintenance- Computers	1.15	1.50
Repairs & Maintenance - Others	0.39	0.34
Electricity & Water Charges	2.68	2.49
Advertisement & Publicity	0.08	0.05
Printing & Stationery	0.28	0.20
Postage & Courier	0.01	0.08
Telephone	0.69	0.79
Telecommunication	0.05	0.09
Travelling	0.68	0.33
Vehicle	0.46	0.55
Entertainment	0.18	0.13
Legal	4.36	2.95
Auditors' Remuneration (I)	0.48	0.58

Bank Charges	1.10	15.78
Books & Periodicals	0.00	0.00
Trade / Sales Promotion	0.08	0.15
Subscription	0.05	0.11
Training, Seminar & Conference	0.01	0.00
Professional/Consultancy	1.51	1.35
CSR Expenditure (ii)	0.05	0.05
Difference in foreign exchange	0.47	4.26
Donations	0.01	-
Service Tax/GST	0.80	1.03
Exhibition and Fairs	0.01	0.11
Miscellaneous Expenses*	2.80	4.03
<b>Sub Total (b)</b>	<b>31.11</b>	<b>46.14</b>
<b>c. Others :</b>		
Bad Debts/Claims/Assets written off/withdrawn	0.03	0.02
Allowance for Bad and Doubtful Debts / claims/ advances	1.72	1.05
<b>Sub Total (c)</b>	<b>1.75</b>	<b>1.07</b>
<b>TOTAL (a+b+c)</b>	<b>38.29</b>	<b>443.20</b>

i) Amount paid to auditors (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditor	0.25	0.31
For Taxation Matters/Tax Audit	0.12	0.13
For Other Services	0.11	0.12
For Reimbursement of Expenses	(0.00)	0.02
<b>TOTAL</b>	<b>0.48</b>	<b>0.58</b>

ii) Details of CSR expenditure (₹ in crore)

	March 31, 2023	March 31, 2022	
a) Gross amount required to be spent by the company (Equivalent to 2% of Average Net Profit during preceding three Years)	-	-	
b) Amount approved by the Board to be spent during the year	-		
c) Amount spent during the year ending on 31st March 2023:	<b>In Cash</b>	<b>Yet to be paid In cash</b>	<b>Total</b>
(i) Construction/acquisition of any asset	0.05	-	0.05
(ii) On purposes other than (i) above	-	-	-
d) Amount spent during the year ending on 31st March 2022:	<b>In Cash</b>	<b>Yet to be paid In cash</b>	<b>Total</b>
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	0.05	-	0.05
e) Details related to spent / unspent obligations:	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
(i) Contribution to Public Trust	-	-	
(ii) Contribution to Charitable Trust	-	-	
(iii) Unspent amount in relation to:			
- Ongoing project	-	0.05	
- Other than ongoing project	-	-	

(₹ in crore)

Details of ongoing project and other than ongoing project						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	0.05	0.05	-	0.05	-	-



Other than ongoing project				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Excess amount spent			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-

### 32. Exceptional Items

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Write-down of inventories to net realisable value and its reversal	-	0.01
Disposals of items of assets	(0.38)	(0.04)
Provision for diminution in value of non current investment (i)	-	0.01
Profit on sale of Investment (ii)	(1,415.60)	-
Interest on delayed payment	0.04	-
Litigation settlements	1.87	178.44
Provisions no longer required	(3.19)	(23.22)
<b>TOTAL</b>	<b>(1,417.26)</b>	<b>155.20</b>

(i) Represents provision towards equity investment in Free Trade Warehousing Pvt. Ltd.

(ii) Includes ₹ 1415.60 crore as profit on sale of investment in NINL, consequent upon divestment of NINL through DIPAM.

### 33. Tax Expense

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current year	145.58	17.34
Adjustments relating to prior periods	(2.47)	-
Sub Total (A)	143.11	17.34
Deferred tax expense		
Origination and reversal of temporary differences	59.98	341.03
Sub Total (B)	59.98	341.03
<b>Total (A+B)</b>	<b>203.09</b>	<b>358.37</b>

### Tax recognised in other comprehensive income

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit plan actuarial gains (losses)	0.42	4.16
<b>Total</b>	<b>0.42</b>	<b>4.16</b>

### Reconciliation of effective tax

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	1,279.16	120.60
Enacted tax Rate*	25.17	34.94
Computed Expected Tax Expenses	321.96	42.14
Non-deductible expenses	2.43	8.05
Tax exempt income/ any other deduction or allowable exp.	(163.53)	(4.47)
Change in estimates related to prior years	(2.47)	-
Other Adjustments	(15.29)	(28.38)
Deferred Tax	59.98	341.03
<b>Tax Expenses for the year</b>	<b>203.09</b>	<b>358.37</b>
Adjustment : Tax effect on OCI	0.42	4.16
<b>Net Tax Expenses for the year</b>	<b>203.51</b>	<b>362.53</b>

\*Refer note no. 10

### 34. Contingent Liabilities & Disclosures:

i)

(₹ in crore)

Particulars		As at 31.03.2023	As at 31.03.2022
(I)			
a)	Claims against the company not acknowledged as debts including foreign currency claim.	344.76	287.17
b)	Disputed Income Tax Demand against which ₹ 20.10 crore (P.Y. ₹ 14.68 crore) deposited.	26.59	33.38
c)	Disputed TDS demands	0.00	0.00
d)	Disputed Sales Tax/VAT Demand against which ₹ 17.88 crore (P.Y. ₹ 17.84 crore) deposited and ₹ 0.43 crore (P.Y. ₹ 0.43 crore) covered by Bank Guarantees.	284.88	217.30
e)	Disputed Service Tax Demand	79.47	119.23
f)	Disputed Central Excise demand against which ₹ 0.76 crore (P.Y. ₹ 0.76 crore) Deposited.	20.29	20.29
g)	Disputed PF/Gratuity demand against which ₹ 0.68 crore (P.Y. ₹ 0.42 crore) Deposited.	0.68	2.66
h)	Custom Bonds	182.05	317.98
l)	Outstanding GR-1 against which Bank Guarantee furnished of ₹ 0.73 crore (P.Y. ₹ 0.73 crore).	1.60	1.60
<b>Total (I)</b>		<b>940.32</b>	<b>999.60</b>
(II)	<b>Others on back to back basis where liability if any is to account of associate</b>		
a)	Differential Custom Duty/Interest/Penalty etc.	184.49	184.49
<b>Total (II)</b>		<b>184.49</b>	<b>184.49</b>

### Movement in respect of items mentioned at S.No. I) a) to j)

(₹ in crore)

Particulars	Balance as at 31st March, 2022	Reduction during the year in respect of opening balance	Addition during the year 2022-23	Balance as at 31st March, 2023	
a)	Claims against the company not acknowledged as debts including foreign currency claim.	287.17	0.21	57.80	344.76
b)	Disputed Income Tax Demand	33.38	6.78	-	26.59
c)	Disputed TDS demands	0.00	-	-	0.00
d)	Disputed Sales Tax Demand	217.30	23.85	91.43	284.88
e)	Disputed Service Tax Demand	119.23	44.29	4.54	79.47
f)	Disputed Central Excise demand	20.29	-	-	20.29
g)	Disputed PF demand	2.66	2.24	0.26	0.68
h)	Custom Bonds	317.98	138.54	2.60	182.05
i)	Outstanding GR-1	1.60	-	-	1.60
<b>Total</b>		<b>999.60</b>	<b>215.90</b>	<b>156.62</b>	<b>940.32</b>

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

S. No.	Particulars	Balance as at 31st March, 2022	Reduction during the year in respect of opening balance	Addition during the year 2022-23	Balance as at 31st March, 2023
a)	Differential Custom Duty/Interest/Penalty etc.	184.49	-	-	184.49
	<b>Total</b>	<b>184.49</b>	<b>-</b>	<b>-</b>	<b>184.49</b>

- ia) Guarantees issued by Banks on behalf of the Company ₹ 13.69 crore (P.Y. ₹ 13.95 crore) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹ Nil crore (P.Y. ₹ Nil crore) have been obtained from associate suppliers.
- ii) Letters of Credit opened by the Company remaining outstanding ₹ Nil crore (P.Y. ₹ 9.33 crore).
- iii) Corporate Guarantees of ₹ Nil crore (P.Y. ₹ 1345.82 crore) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL).
- iv) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.
- v) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/Contractors, disputed rent and interest/penalty/legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.
- vi) Claims against the company not acknowledged as debt includes demand raised by RPFC of ₹ 2.18 crore (P.Y. ₹ 0.69 crore) on account of MMTC Employees Cooperative Canteen Society.
- vii) a) Above includes amount of ₹ 0.07 crore (P.Y. ₹ 0.07 crore) on account of demand raised by Stock Exchange Board of India (SEBI) in relation to non-compliance of regulation 33 of SEBI. Further an amount of ₹ 0.01 crore is also included for non-compliance of appointment of Independent Director by administrative ministry.

**35. Commitments**

Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is ₹ Nil crore (P.Y. ₹ Nil crore).

Capital commitment in respect of investment in joint venture ₹ Nil crore (P.Y. ₹ Nil crore).

**36. General Disclosures :-**

- a) Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets (note no. 11 (B)) as well as other current liabilities (note no. 21).

Items	31/03/2023		31/03/2022	
	Qty	Value	Qty	Value
Gold (in Kgs)	-	-	53.00	24.96
Gold Jewellery (in Grams)	-	-	-	-
Silver (in Kgs)	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>53.00</b>	<b>24.96</b>

- b) Nil kgs (P.Y. Nil kgs) of un-refined Silver is lying in DRO as on 31.3.2023 on behalf of Shri Mata Veshno Devi Shrine Board.
- c) Neelachal Ispat Nigam Ltd (NINL)-Joint Venture company divestment has been completed on 4.7.2022.
- i) The detailed note on NINL divestment was given in 2021-22 and further to that, MMTC's share of ₹ 484.14 crore out of ₹ 911.16 crore towards contingent liabilities on account of Govt. dues (₹ 36.77 crore – Non Tax liabilities & ₹ 874.39 crore – Tax liabilities) have been kept in an interest bearing Escrow Account, which shall be passed on to Sellers in the ratio of their stake holding, if the claim against these dues have not been paid till the end of retention period (2 years for non – tax liabilities and 3 years for tax liabilities), Further as the above event is based on probable future outcome, the revenue for the same has not been recognised and this deferred amount has been treated as contingent asset, which is accordance of the opinion of Tax experts for capital gain tax liability on contingent consideration of ₹ 484.13 crore.
- Out of the ₹ 911.16 crore mentioned above, amount of ₹ 82.96 crore, are settled in the month of April, 2023 against payment of ₹ 1.24 crore (as agreed mutually by Sellers and Buyer) and balance ₹ 81.72 crore is distributed to sellers in their shareholding ratio, out of which MMTC had received ₹ 43.42 crore on 25.04.2023. Balance amount of ₹ 828.20 crore (MMTC share ₹ 440.72 crore) is in an interest bearing Escrow Account.
- ii. All Corporate Guarantees (CG) furnished by MMTC on account of NINL have been released.
- iii. As per the clause of Share Purchase Agreement (SPA) for divestment of NINL, any unforeseen liability on NINL post divestment shall be borne by Sellers/ Promoters as per the warranty clause of SPA and the aggregate liability of the Sellers and Promoters cannot exceed 20% of the amount received by the sellers from Bid amount, by way of sale consideration and discharge of their respective Seller Debt. MMTC's maximum liability in this regard, if any, works out to ₹ 1060 crore.



- d) The Company has filed a recovery suit of ₹ 31.40 crore against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 31.40 crore) which included overdue interest of ₹ 2.95 crore (P.Y. ₹ 2.95 crore) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 167.20 crore (P.Y. ₹ 167.20 crore) which is not tenable as per legal opinion and is being contested.
- e) Under Price Stabilization Scheme of the Government of India to create Buffer Stock of onion, MMTC imported onion from July 2019 onwards until 31.03.2020. As per the scheme MMTC's trading margin has been fixed at 1.5% on C&F cost at the time of sale and all expenses related to the import shall be to the account of Govt. The difference between the sale realisation and cost incurred including MMTC's margin has been shown as claim receivables from Govt. which will be adjusted with the advance received from Govt.
- f) A claim for ₹ 1.53 crore (P.Y. ₹ 1.53 crore) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 1.53 crore (P.Y. ₹ 1.53 crore) exists in the accounts after taking into account the EMD and other payables. The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.
- g) At RO Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 4.13 crore (P.Y. ₹ 4.13 crore) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit which was vacated and Indian bank had to make payment to the foreign bank. The matter is still pending in the court. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 8.60 crore (P.Y. ₹ 8.60 crore), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.
- h) At RO Hyderabad:
- (i) Fake bills of lading covering two shipments of copper valued at ₹ 3.75 crore (P.Y. ₹ 3.75 crore) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier. The amount of ₹ 4.44 crore for this transaction received in full and final settlement from the local buyer which includes in Advance received from customer under other non-current liabilities.
- (ii) Trade receivable from MBS Group of ₹ 226.82 crore against which 100% provision has already been made. In this matter Studded Jewellery deposited by MBS Group during 2012-13 with RO Hyderabad and is lying in office vault. This is the prime legal matter pending before the various courts/forums due to abnormal difference in valuation claimed by MBS Group and re-valuation of same done by the company. Also said matter in under investigation with CBI/ED as on date.
- i) Hon'ble Delhi High Court has directed the Company to deposit ₹ 39.62 Crore (PY ₹ 39.62 Cr.) stated to be receivable by one of the Company's coal suppliers as per their books of accounts from MMTC in a case relating to execution of decree filed by a foreign party against the coal supplier. MMTC has filed application and counter affidavit stating that the supplier's contractual obligations are yet to be discharged and MMTC is unable to deposit any amount at this stage. Any amount found payable to the supplier after resolution of all issues, the same will be deposited with the court instead of releasing to the supplier without any liability on MMTC. The hearings are in progress and next date of hearing is 22.08.2023.
- j) FCI in March 2019 approached MOC&A, F&PD for initiation of Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) proceedings against MMTC for an amount of ₹ 92.18 crores, including interest as MMTC had deducted an amount of ₹ 60.99 crores from FCI's payment in May 2014. Out of this provision of an amount of ₹ 1.13 crore has been made on 31.03.2022. For the balance amount of ₹ 91.05 crore contingent liability provided. MMTC explained its position that an amount of ₹ 60.99 crore was deducted from wheat exports in 2014 to recover MMTC's dues from FCI arising from multiple transactions since 1991 onwards. The matter was admitted for resolution under AMRCD. The AMRCD committee in its meeting held on 22.05.2020 directed both MMTC and FCI to reconcile the accounts. MMTC and FCI have since begun working towards reconciliation of the claims and counter claims. Numerous rounds of discussions have taken place between MMTC and FCI, wherein the supporting documents have been exchanged between both the parties to establish their claims and counter claims, respectively. In July 2022, MMTC submitted to FCI write-ups on claims and counter claims with copies to DoC and DoCA, F&PD. In Nov 2022, DoF&PD sought information on claims and counter claims from MMTC & FCI. MMTC provided the information to DoF&PD in Nov 2022.
- k) The company has taken decision to replace the existing ERP Package with TALLY prime package w.e.f. 01.04.2023.
- l) As per the direction of administrative ministry for downsizing of offices/business company has introduced VRS on 16.03.2023 with the eligibility criteria covering all employees in staff cadre and management cadre irrespective of length of services. VRS of 95 number of employees has been accepted.
- m) MMTC has been directed by administrative ministry to prepare a road map for scaling down of manpower including exit from various JVs. Also direction have been given for exit from business operation. Government is yet to decide the exit route for MMTC. As there is no communication from Ministry for closure etc., status quo of going concern is being maintained. Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of ₹ 2551.44 crore



have been paid towards principal and agreed interest up to 31.3.2022 against bank borrowings. Surplus funds are being invested as per Board approved policies, as a result of which the company is in a position to mitigate the immediate expenses and also discharging all its financial commitments. At this stage, the company's projections, estimates and expectations may be forward looking. Important factors that could make a difference to the Company's operations includes economic conditions affecting demand / supply and the price conditions in the domestic and oversea markets in which the company operates, change in Government policies, other statues and other incidental factors.

- n) An amount of ₹ 0.10 crore on account of foreign Debtors outstanding more than twenty years was written off with the approval of the Board of Directors of MMTCL Limited during the F.Y 2022-23 and the provisions created earlier for Bad and Doubtful Debts/Claims/Loans were withdrawn.

The Management is under the process of taking an opinion on FEMA guidelines through an expert and action (if any) will be taken accordingly.

### 37. Financial Instruments- Fair Values and Risk Management

#### 37.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore as at March 31, 2023)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments (Ref Note No.6)			5.03	5.03	5.03
Cash & Cash Equivalents (Ref Note No. 13)	317.72			317.72	
Trade Receivable (Ref Note No. 7)	134.04			134.04	
Employee Loans (Ref Note No. 8)	2.02			2.02	
Loans to related party (Ref Note No. 8)	-			0.00	
Other Financial Assets (Ref Note No. 9)	92.16			92.16	
<b>Liabilities:</b>					
Trade Payable (Ref Note No. 18)	248.06			248.06	
Borrowings (Ref Note No.17)	42.73			42.73	
Other Financial Liabilities (Ref Note No. 19)	168.66			168.66	

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2022:

(₹ in crore as at March 31, 2022)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments (Ref Note No.6)			11.03	11.03	11.03
Cash & Cash Equivalents (Ref Note No. 13)	43.36			43.36	
Trade Receivable (Ref Note No. 7)	135.10			135.10	
Employee Loans (Ref Note No. 8)	3.28			3.28	
Loans to related party (Ref Note No. 8)	-			-	
Other Financial Assets (Ref Note No. 9)	54.18			54.18	
<b>Liabilities:</b>					
Trade Payable (Ref Note No. 18)	<b>269.90</b>			<b>269.90</b>	
Borrowings (Ref Note No.17)	2551.44			2551.44	
Other Financial Liabilities (Ref Note No. 19)	222.04			222.04	

#### 37.2 Fair Value Hierarchy

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹ in crore as at March 31, 2023)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	5.03			5.03		Quoted Price
Investment in Equity Instruments (ICEX)			-	-	Book Value adopted as best estimate of Fair Value	
<b>Total</b>	<b>5.03</b>	<b>-</b>	<b>-</b>	<b>5.03</b>		

(₹ in crore as at March 31, 2022)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	11.03			11.03		Quoted Price
Investment in Equity Instruments (ICEX)			-	-	Cost adopted as best estimate of Fair Value	
<b>Total</b>	<b>11.03</b>	<b>-</b>	<b>-</b>	<b>11.03</b>		

### 37.3 Financial risk management, objectives and policies

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk.

#### a) Market risk

##### (i) Foreign Exchange Risk

The company has import and export transactions and hence has foreign exchange risk primarily with respect to the US\$. The company has not arranged funds through long term borrowings. The short-term foreign currency loans (buyer's credit) availed from banks are fixed interest rate borrowings. As a result, the company does not have any interest rate risk. The company's risk management policy is to use hedging instruments to hedge the risk of foreign exchange.

The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company designates the spot element of forward contracts with reference to relevant spot market exchange rate. The difference between the contracted forward and the spot market exchange rate is treated as the forward element. The changes in the spot exchange rate of hedging instrument that relate to the hedged item is deferred in the cash flow hedge reserve and recognized against the related hedged transaction when it occurs. The forward element of forward exchange contract is deferred in cost of hedging reserve and is recognized to the extent of change in forward element when the transaction occurs.

The following tables show the summary of quantitative data about the company's exposure to foreign currency risk from financial instruments expressed in ₹:

(₹ in crore as at March 31, 2023)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	0.01	-	0.01
Trade Receivable	-	-	-
Demurrage / Despatch Receivable	5.41	-	5.41
Other Receivable	-	-	-
<b>Total Receivable in foreign currency</b>	<b>5.42</b>	<b>-</b>	<b>5.42</b>
Foreign Currency Loan payable	-	-	-
Interest on foreign currency loan payable	-	-	-
Trade Payables	-	-	-
Freight Demurrage / Despatch Payable	1.33	-	1.33
Provision towards Litigation Settlement	-	-	-
Others	1,058.15	-	1,058.15
<b>Total Payable in Foreign Currency</b>	<b>1,059.48</b>	<b>-</b>	<b>1,059.48</b>



The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in crore as at March 31, 2022)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	4.50	-	4.50
Trade Receivable	-	-	-
Demurrage / Despatch Receivable	4.98	-	4.98
Other Receivable	-	-	-
<b>Total Receivable in foreign currency</b>	<b>9.48</b>	<b>-</b>	<b>9.48</b>
Foreign Currency Loan payable	-	-	-
Interest on foreign currency loan payable	-	-	-
Trade Payables	7.43	-	7.43
Freight Demurrage / Despatch Payable	1.19	-	1.19
Provision towards Litigation Settlement	-	-	-
Others	1,054.87	-	1,054.87
<b>Total Payable in Foreign Currency</b>	<b>1,063.50</b>	<b>-</b>	<b>1,063.50</b>

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

**Sensitivity:**

As of March 31, 2023 and March 31, 2022, every 1% increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately ₹ NIL and ₹ NIL, respectively.

**(i) Price Risk**

The company's exposure to equity securities price risk arises from investments held by the company and classified in balance sheet as at fair value through other comprehensive income. Out of the two securities held by the company, one is listed in NSE and the other (ICEX) is not listed.

As of March 31, 2023 and March 31, 2022, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹ 0.05 crore and ₹ 0.11 crore, respectively. It has no impact on profit or loss.

**b) Credit Risk**

Credit risk refers to the risk of default on its obligation by a counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

*Trade Receivables*

The company's outstanding trade receivables are mostly secured through letter of credit/BG except in respect of JV's and Govt of India.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of Ind AS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

*Credit risk exposure*

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in crore as at March 31, 2023)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trace receivables - Considered goods	4.67	0.06	7.59	3.43	118.11	133.86
(ii) Undisputed Trace receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	8.20	8.20
(iv) Disputed Trade receivables - considered good	-	-	-	-	0.18	0.18
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	382.02	382.02
<b>Sub-Total</b>	<b>4.67</b>	<b>0.06</b>	<b>7.59</b>	<b>3.43</b>	<b>508.52</b>	<b>524.26</b>
Less: Allowance for Credit Impairment						390.12
<b>Total</b>						<b>134.04</b>

(₹ in crore as at March 31, 2022)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - Considered goods	7.33	2.88	5.15	3.17	116.39	134.92
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	8.30	8.30
(iv) Disputed Trade receivables - considered good	-	-	-	-	0.18	0.18
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	381.82	381.82
<b>Sub-Total</b>	<b>7.33</b>	<b>2.88</b>	<b>5.15</b>	<b>3.17</b>	<b>506.69</b>	<b>525.22</b>
Less: Allowance for Credit Impairment						390.12
<b>Total</b>						<b>135.10</b>

Trade receivables are generally considered credit impaired when overdue for more than three years (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired though overdue are of good credit quality.

With regard to certain trade receivables, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

#### Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with scheduled banks which are subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. Credit risk related to employee loans are considered negligible since major loans like house building loans, vehicle loans etc. are secured against the property for which loan is granted to the employees. The other employee loans are covered under personal guarantee of concerned employees along with surety bonds of other serving employees. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

#### a) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company arranges credit from bank and maintains balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(₹ in crore as at March 31, 2023)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.17	-	-	-	-	0.17
(ii) Others	40.82	1.43	0.00	0.93	204.23	247.41
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	0.48	0.48
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>248.06</b>

(₹ in crore as at March 31, 2022)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	0.18	-	-	-	-	0.18
(ii) Others	49.51	0.90	0.81	5.97	212.12	269.31
<b>(iii) Disputed Dues - MSME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(iv) Disputed dues-Others	-	-	-	-	0.40	0.40
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>269.90</b>



### 38. Impact of Hedging Activities

#### 38.1 Cash Flow Hedge

As at 31st March 2023 there was no outstanding Hedging Instrument on account of the company.

#### 38.2 Fair Value Hedge

As per the Risk Management Policy, the company enters into forward contracts with commodity exchanges to hedge against price fluctuations in gold and silver inventories. The gain or loss on the hedging instrument is recognized in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

a. Disclosure of effects of hedge accounting on financial position for hedging instruments:

(₹ in crore as at March 31, 2023)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Liabilities (kgs)	Value
<b>Fair Value hedge</b>					
<b>Price Risk</b>					
Forward contract to sell gold					

(₹ in crore as at March 31, 2022)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Liabilities (kgs)	Value
<b>Fair Value hedge</b>					
<b>Price Risk</b>					
Forward contract to sell gold	10.99			30	0.21
Forward contract to sell silver	12.81			240	018

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

(₹ in crore as at March 31, 2023)

Type of Hedge and risk	Carrying amount of hedged item		Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
<b>Fair Value hedge</b>						
<b>Price Risk</b>						
Inventory of gold	-	-	-	Inventories	-	-

(₹ in crore as at March 31, 2022)

Type of Hedge and risk	Carrying amount of hedged item		Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
<b>Fair Value hedge</b>						
<b>Price Risk</b>						
Inventory of gold	-	-	-	Inventories	-	-

**39. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 “Impairment of assets”**

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

**40. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”**

**40.1 General description of various employee’s benefits schemes are as under:**

**a) Gratuity:**

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The scheme is funded by the Company and is managed by a separate Trust through LIC. In case of MICA division employees the scheme is managed directly by the company through LIC. The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

As per Actuarial Valuation company’s expected contribution for FY 2023-24 towards the Gratuity Fund Contribution is ₹ 1.97 crore (P.Y. ₹ 2.42 crore). However, the company is making contribution to the fund as per the demand made by Life Insurance Corporation of India.

**b) Leave Compensation:**

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

The liability on this account is recognized on the basis of actuarial valuation.

**c) Long Service Benefits:** Long Service Benefits payable to the employees are as under :-

**(i) Service Award:**

Service Award amounting to ₹ 3,500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

**(ii) Compassionate Gratuity**

Compassionate Gratuity amounting to ₹ 50,000/- is payable in lump-sum to the dependants of the employee on death while in service.

**(iii) Employees' Family Benefit Scheme**

Payments under Employees' Family Benefit Scheme is payable to the dependants of the employee who dies in service till the notional date of superannuation. A monthly benefit @ 40% of Basic Pay & DA last drawn subject to a maximum of ₹ 12,000/- on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum ₹ 12,000/- on rendering service of 20 years or more at the time of death.

**(iv) Special Benefit to MICA Division employees** amounting to ₹ 5,00,000/- (Officer), ₹ 4,00,000/- (Staff) and ₹ 3,00,000/- (Worker) upon retirement

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

**Net defined benefit obligation**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Defined Benefit Obligation	C.Y.	62.29	20.61	18.69	3.31	1.14	0.09	2.13
	P.Y.	69.26	18.57	20.15	3.58	1.49	0.10	2.80
Fair Value of Plan Assets	C.Y.	64.50	-	-	-	-	-	-
	P.Y.	70.35	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)]	C.Y.		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	C.Y.		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Net Defined Benefit Assets/(Liabilities)	C.Y.	2.22	(20.61)	(18.69)	(3.31)	(1.14)	(0.09)	(2.13)
	P.Y.	1.09	(18.57)	(20.15)	(3.58)	(1.49)	(0.10)	(2.80)



**Movement in defined benefit obligation**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Defined benefit obligation- Beginning of the year	C.Y.	69.26	18.57	20.15	3.58	1.49	0.10	2.80
	P.Y.	90.85	16.01	20.59	4.35	1.85	0.12	3.63
Current service cost	C.Y.	1.10	1.06	1.01	0.11	0.03	-	-
	P.Y.	1.40	0.83	0.78	0.12	0.04	-	-
Past Service Cost	C.Y.	0.00	-	-	-	-	-	-
	P.Y.	0.00	-	-	-	-	-	-
Interest Cost	C.Y.	4.63	1.24	1.35	0.28	0.10	-	-
	P.Y.	5.83	1.03	1.32	0.28	0.12	-	-
Benefits Paid	C.Y.	(11.04)	(3.57)	(2.13)	(0.74)	(0.42)	-	-
	P.Y.	(17.59)	(3.04)	(2.94)	(0.36)	(0.41)	-	-
Re-measurements - actuarial loss/(gain)	C.Y.	(1.66)	3.31	(1.68)	0.08	(0.06)	(0.01)	(0.67)
	P.Y.	(11.23)	3.74	0.40	(0.80)	(0.11)	(0.02)	(0.84)
Defined benefit obligation- End of the year	C.Y.	62.29	20.61	18.69	3.31	1.14	0.09	2.13
	P.Y.	69.26	18.57	20.15	3.58	1.49	0.10	2.80

**Movement in plan asset**

(₹ in crore)

Particulars	Gratuity (Funded)	
	31.03.2023	31.03.2022
Fair value of plan assets at beginning of year	70.35	82.45
Interest income	4.91	5.50
Employer contributions	0.22	0.00
Benefits paid	(11.04)	(17.59)
Re-measurements - Actuarial (loss) / gain	0.07	(0.00)
Fair value of plan assets at end of year	64.50	70.35

**Amount Recognized in Statement of Profit and Loss**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Current service cost	C.Y.	1.10	1.06	1.01	0.11	0.03	-	-
	P.Y.	1.40	0.83	0.78	0.12	0.04	-	-
Past Service Cost – Plan Amendment	C.Y.	0.00	-	-	-	-	-	-
	P.Y.	-	-	-	-	-	-	-
Service Cost (A)	C.Y.	1.10	1.06	1.01	0.11	0.03	-	-
	P.Y.	1.40	0.83	0.78	0.12	0.04	-	-
Net Interest on Net Defined Benefit Liability/(assets) (B)	C.Y.	(0.14)	1.24	1.35	0.28	0.10	-	-
	P.Y.	0.54	1.03	1.32	0.28	0.12	-	-
Net actuarial (gain) / loss recognized in the period	C.Y.	-	3.31	(1.68)	0.08	(0.06)	(0.01)	(0.67)
	P.Y.	-	3.74	0.40	-	-	(0.02)	(0.84)
<b>Cost Recognized in P&amp;L (A+B)</b>	C.Y.	0.95	5.61	0.67	0.46	0.07	(0.01)	(0.67)
	P.Y.	1.94	5.60	2.50	0.04	0.05	(0.02)	(0.84)

**Amount recognized in Other Comprehensive Income (OCI)**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Actuarial gain/(loss) due to DBO Experience	C.Y.	(1.66)	-	-	0.03	(0.03)	-	-
	P.Y.	(11.23)	-	-	(0.19)	0.07	-	-
Actuarial gain/(loss) due to assumption changes	C.Y.	-	-	-	0.05	(0.03)	-	-
	P.Y.	-	-	-	(0.17)	(0.18)	-	-
<b>Actuarial gain/(loss) arising during the period (A)</b>	C.Y.	(1.66)	-	-	0.08	(0.06)	-	-
	P.Y.	(11.23)	-	-	(3.36)	(0.11)	-	-
Return on Plan assets (greater)/less than discount rate (B)	C.Y.	(0.15)	-	-	-	-	-	-
	P.Y.	(0.20)	-	-	-	-	-	-
<b>Actuarial gain/(loss) recognized in OCI (A+B)</b>	C.Y.	(0.81)	-	-	0.08	(0.06)	-	-
	P.Y.	(11.44)	-	-	(0.36)	(0.11)	-	-



### Sensitivity Analysis

(₹ in crore as at March 31, 2023)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(1.24)	(0.47)	(0.37)	(0.06)	(0.03)	-	-
	-0.50%	1.37	0.50	0.38	0.06	0.03	-	-
Salary growth rate	0.50%	0.24	0.50	0.39	0.06	-	-	-
	-0.50%	(0.28)	(0.48)	(0.37)	(0.06)	-	-	-

(₹ in crore as at March 31, 2022)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(1.49)	(0.42)	(0.46)	(0.08)	(0.04)	-	-
	-0.50%	1.57	0.49	0.46	0.07	0.04	-	-
Salary growth rate	0.50%	0.36	0.49	0.46	-	-	-	-
	-0.50%	(0.41)	(0.47)	0.44	-	-	-	-

### Actuarial Assumption

Assumption		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Method used	C.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
	P.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Discount rate	C.Y.	7.22%	7.22%	7.22%	7.22%	7.22%	7.22%	7.22%
	P.Y.	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%
Rate of salary increase	C.Y.	6.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	C.Y.	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
	P.Y.	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

### Expected Benefit Payments

(₹ in crore)

Sr. No.	Year of payment	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
1	0 to 1 Year	13.47	3.93	0.15	0.81	0.33	-	-
2	1 to 2 Year	9.23	2.98	6.27	0.54	0.27	-	-
3	2 to 3 Year	6.60	2.03	2.24	0.34	0.30	-	-
4	3 to 4 Year	7.55	2.68	2.36	0.40	0.13	-	-
5	4 to 5 Year	6.16	2.30	2.22	0.35	0.00	-	-
6	5 to 6 Year	5.08	1.65	1.42	0.26	0.06	-	-
7	6 Year onwards	14.20	5.04	4.03	0.62	0.06	-	-

### Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Insured benefits	100%



- d) **Provident Fund:** The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.
- e) **Superannuation Pension Benefit** – During the year, the Company has recognized ₹ 3.48 crore (P.Y. ₹ 4.06 crore) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.
- f) **Post-Retirement Medical Benefit:** Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme' as under:
- a. The liability @ 1.50% of PBT for the year in respect of scheme for retirees prior to 1.1.2007 (closed group) has been not been recognised for FY 2021-22 and 2022-23 on the basis of affordability even though company has reported profit before tax ₹ 1279.16 crore (P.Y. ₹ 120.60 crore). Also, the company has not provided for PRMBS for open group @ 4.50% Basic+DA for serving employees.
- b. The company has created PRMBS Trust for management of fund and paid ₹ 150.00 crore in 2019-20 to trust against company's liability towards the scheme. The trust is operational during 2022-23.

**41. Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"**

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:-Precious Metals, Metals, Minerals, Coal & Hydrocarbon, Agro Products, Fertilizer and Others

**Segment Revenue and Expense**

**Details regarding revenue and expenses attributable to each segment must be disclosed**

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

**Segment revenues and results**

(₹ in crore as at March 31, 2023)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>Segment Revenue from External Customers</b>								
Within India	265.98	0.91	-	-	-	-	5.66	272.55
Outside India	-	-	-	-	-	-	-	-
<b>Inter-Segment Revenue</b>								
<b>Total Segment Revenue</b>	265.98	0.91	-	-	-	-	5.66	272.55
<b>Segment Results</b>								
Within India	11.14	0.11	-	-	-	-	3.01	14.26
Outside India	-	-	-	-	-	-	-	-
<b>Total segmental results</b>								
<b>Unallocated Corporate expenses:</b>	11.14	0.11	-	-	-	-	3.01	14.26
Interest expenses (net)								26.77
Other unallocated expenses net of other income								(1,291.67)
Profit before tax from ordinary activities								1,279.16

(₹ in crore as at March 31, 2022)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>Segment Revenue from External Customers</b>								
Within India	6,013.01	30.33	0.01	751.09	75.60	1,459.83	28.53	8,358.41
Outside India	-	-	25.98	-	-	-	8.89	34.88
<b>Inter-Segment Revenue</b>								
<b>Total Segment Revenue</b>	6,013.01	30.33	26.00	751.09	75.60	1,459.83	37.42	8,393.29
<b>Segment Results</b>								
Within India	27.73	0.18	0.01	547.84	2.74	10.11	3.27	591.88
Outside India	-	-	1.26	-	-	-	0.37	1.63
<b>Total segmental results</b>	27.73	0.18	1.27	547.84	2.74	10.11	3.64	593.51
<b>Unallocated Corporate expenses:</b>								
Interest expenses (net)								201.65
Other unallocated expenses net of other income								271.26
Profit before tax from ordinary activities								120.60

**Segment assets and liabilities**

(₹ in crore as at March 31, 2023)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>A.01 Segment Assets :</b>								
Assets	26.20	10.13	23.25	1,145.67	204.41	31.39	415.98	1,857.03
Unallocated assets								1,416.34
<b>Total Assets</b>								3,273.37
<b>A.02 Segment Liabilities :</b>								
Liabilities	55.88	11.66	23.33	1,344.48	250.22	22.65	11.32	1,719.54
Unallocated liabilities								289.00
<b>Total Liabilities</b>								2,008.54

(₹ in crore as at March 31, 2022)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>A.01 Segment Assets :</b>								
Assets	87.55	7.73	23.58	3,695.73	200.32	18.26	416.46	4,449.63
Unallocated assets								313.33
<b>Total Assets</b>								4,762.96
<b>A.02 Segment Liabilities :</b>								
Liabilities	109.54	24.20	26.66	1,353.66	268.16	31.33	17.35	1,830.90
Unallocated liabilities								2,738.66
<b>Total Liabilities</b>								4,569.56

**Information about major customers**

The revenues from transactions with a single external customer amounting to 10 per cent or more of the entity's revenues are given below:

Major Customer (customer having more than 10% revenue)	2022-23	2021-22
Total Revenue	147.56	1458.90
No. of customers	1	1
% of Total Revenue	54.14%	17.38%
Product Segment	Precious Metals	Fertilizers

**42. Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”****42.1 Disclosures for Other than Govt. Related Entities****a. List of key management personnel**

Name	Designation
i. Shri Vibhu Nayar	Chairman and Managing Director - (Managing Director) (w.e.f 01.03.2022 upto 31.08.2022)
ii. Shri Hardeep Singh	Chairman and Managing Director - (Managing Director) (w.e.f 27.10.2022)
iii. Shri Kapil Kumar Gupta	Director(F) & (Chief Financial Officer)
iv. Shri J Ravi Shanker	Director (Marketing)
v. Shri R R Sinha	Director (Personnel)

**b. Subsidiary**

MMTC Transnational Pte. Ltd., Singapore

**c. Joint Venture:-**

- i. Free Trade Warehousing Pvt. Ltd.
- ii. MMTC Pamp India Pvt. Ltd.
- iii. MMTC Gitanjali Ltd.
- iv. Sical Iron Ore Terminal Ltd.

**d. Government and its related entities**

- i. Government of India - holds 89.93% equity shares of the Company and has control over the company.
- ii. Central Public Sector Enterprises in which Government of India has control.

**e. Post-Employment Benefit Plan**

- i. MMTC Limited CPF Trust
- ii. MMTC Limited Gratuity Trust
- iii. MMTC Limited Employees' Defined Contribution Superannuation Trust
- iv. MMTC Employees Post-Retirement Medical Benefit Trust

**f. Compensation of key management personnel**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term benefits	1.21	1.08
Post-employment benefits	0.31	0.28
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
<b>Total</b>	<b>1.51</b>	<b>1.36</b>
Recovery of Loans & Advances during the year	-	0.00
Advances released during the year	-	-
Closing Balance of Loans & Advances as on 31.03.2023	-	0.00

**g. Transactions with Related Parties** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.		Others		
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	
Sale of goods and services	-	-	-	2.41	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of raw material/goods and services	-	-	8.92	78.54	-	-	-	-	-	0.91	-	232.36	-	-	-	-	-
Payments on behalf of company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60.30	88.05
Other transactions	-	-	-	-	-	-	-	-	7.72	37.18	-	1.49	-	-	-	31.38	19.47

**h. Outstanding balances arising from sale/purchase of goods/services** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Trade Payables	0.02	0.02	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	-	0.06	-	-	-	-

**i. Loans to Joint Ventures** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Loans at beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan advanced	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment received/adjusted	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest charged	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at end of the year including interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**j. Advance to Joint Ventures** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		MTPPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.		Kandla Free Trade Warehousing Pvt. Ltd.	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Advances Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-



**k. Disclosure as per Ind AS 27 'Separate financial statements :**

a) Investment in Subsidiary:

Name of the Company	Country of Incorporation	% of Company's ownership Interest	
		March 31, 2023	March 31, 2022
MMTC Transnational Pte. Ltd.	Singapore	100%	100%

b) Investment in Joint Venture

Name of the Company	Country of Incorporation	% of Company's ownership Interest	
		March 31, 2023	March 31, 2022
1. Free Trade Warehousing Pvt. Ltd.	India	50	50
2. MMTC Pamp India Pvt. Ltd.	India	26	26
3. Sical Iron Ore Terminal Ltd.	India	26	26
4. MMTC Gitanjali Ltd.	India	26	26

**l. Loans to KMP**

Particulars	March 31, 2023	March 31, 2022
Loans at beginning of the year	-	-
Loans advanced	-	-
Repayment received	-	-
Interest charged	-	-
Interest received	-	-
Balance at end of the year including interest	-	-

m. Loans to related parties are for short term & to KMP are in the nature of welfare advances. Interest is charged basis market rates from time to time.

n. Disclosure for transactions entered with Govt. and Govt. Entities

S. No.	NAME OF GOVT/ GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE (RS)	OUTSTANDING BALANCE AS ON 31.03.2023	
					RECEIVABLE	PAYABLES
1	Deptt. of Fertilizer GOI	Majority Owner	Sale of Goods	-	11.89	-
2	Deptt. of Consumer Affairs GOI	Majority Owner	Import of Pulses	-	-	36.03
3	Other Departments of Govt. of India	Majority Owner	Purchase/Sale of Goods	154.89	13.70	0.32
4.	CPSEs	Related through GOI	Purchase/Sale of Goods	18.18	1.65	5.57

**42.2 Disclosure in respect of Indian Accounting standard (Ind AS) 116 "Leases"**

**42.3 As lessee**

a) Finance leases: The Company does not have any finance lease arrangement during the period.

b) Operating lease

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Depreciation charge for right of use assets	0.41	0.43
2 Interest expense on lease liabilities	1.01	0.33
3 Expense on short term leases	-	-
4 Expense on low value assets	-	-
5 Expense relating to variable lease payments not included in measurement of lease liability	-	-
6 Income from subleasing right of use assets	-	-
7 Total cash outflow for leases	0.91	0.72
8 Addition to right of use assets	0.90	0.01
9 Carrying amount of right of use assets at the end of the reporting period	2.84	3.14

#### Maturity analysis of lease liabilities

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Not later than 1 year	0.13	0.11
Later than 1 year and not later than 5 years	0.59	0.42
Later than 5 years	4.46	3.12

c) The company is using the right of use assets for operating its business activities.

d) As a practical expedient, short term leases (having a term of 12 months or less) and leases for which the underlying assets is of low value upto ₹1,00,000/- per month and ₹12,00,000/- per year are not recognized as per the provisions given under IndAS-116 (Leases).

#### 42.4 As a lessor

a) Finance leases: The Company does not have any finance lease arrangement during the period.

b) Operating leases

#### • Future minimum lease receivables under non-cancellable operating lease

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Not later than 1 year	2.90	1.73
Later than 1 year and not later than 5 years	1.82	2.16
Later than 5 years	-	-

#### 43. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share(EPS)”

##### a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and Basic EPS is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit (loss) for the year, attributable to the owners of the company (₹ in crore)	1,076.07	(237.77)
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,500,000,000	1,500,000,000
<b>Basic &amp; Diluted EPS (In ₹)</b>	<b>7.17</b>	<b>(1.59)</b>

#### 44. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”

(₹ in crore)

Particulars of Provision	Opening Balance as on 01.04.22	Adjustment during year	Addition during year	Closing Balance as on 31.03.23
Bonus/PRP	3.25	0.12	0.03	3.16
Provision for Litigation Settlements	1067.39	(5.26)	1.87	1,074.52

#### 45. The details of micro, small or medium enterprises to whom the Company owes dues as at 31st March, 2023 is as under:

(₹ in crore)

	2022-23	2021-22
a) (i) The Principal amount remaining unpaid to any supplier at the end of accounting year	1.25	0.28
(ii) The interest due on above	-	-
TOTAL (i) & (ii) (included under note 18 & 19)	1.25	0.28
b) Amount of interest paid by the buyer in terms of Section 16 of the Act	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

**46. Disclosure in respect of Indian Accounting Standard (Ind AS)-115: “Revenue from Contract with Customers”  
Disclosure****A. (i) Contracts with customers**

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

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	267.09	7836.28
Sale of services	4.68	4.50
Other operating revenue		
- Claims	0.00	0.15
- Subsidy	-	-
- Despatch Earned	-	-
- Other Trade Income	0.78	552.36
<b>Total</b>	<b>272.55</b>	<b>8393.29</b>

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

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment Loss	-	-

**(ii) Disaggregation of Revenue**

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

(₹ in crore)

Particulars	For the year ended March 31, 2023	As % to Total Revenue	For the year ended March 31, 2022	As % to Total Revenue
Precious Metals	265.98	97.57%	6013.01	71.64%
Metals	0.91	0.33%	30.33	0.36%
Minerals	-	0.00%	26.00	0.31%
Coal & Hydrocarbon	-	0.00%	751.09	8.95%
Agro Products	-	0.00%	75.60	0.90%
Fertilizers	-	0.00%	1459.83	17.39%
Others	5.66	2.08%	37.42	0.45%
<b>Total</b>	<b>272.55</b>	<b>100%</b>	<b>8393.29</b>	<b>100%</b>

**(iii) Contract Balances**

(a) Receivables

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	525.22	945.71
Addition/(deduction) during the year	(0.96)	(420.49)
Closing Balance	524.26	525.22

**(b) Contract Assets**

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

**(c) Contract Liabilities**

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



(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	364.98	462.26
Add: Addition during the year	28.26	26.41
Less: Deduction (Refunds/adjustments)	109.95	108.40
Less: Recognised as revenue during the year forming part of opening balance	-	15.28
Closing Balance	283.29	364.98

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

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

(d) Practical expedients

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

**B. Significant judgements in the application of this standard**

- Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset/goods/services are considered to be transferred when the customer obtains control of those asset/goods/services.
- The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).
- The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit/credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.
- Certain adjustments have been made during the year in contract value which is not significant keeping in view the amount involved.

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

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

**47. Title deeds of Immovable Property not held in the name of the Company:**

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or Employee of promoter/director	Property Held since Which date/ Allotment Date	Reason for not being held in the name of the company
PPE	Land	1.04	Scope, New Delhi	-	13.12.2000	Scope is yet to sign lease agreement with L&DO
PPE	Building	5.74	Scope, New Delhi	-	13.12.2000	Scope is yet to sign lease agreement with L&DO



#### 48. Prior Period Error:

Particulars			
Equity & Liabilities:	Amount prior to adjustment	Adjustment	Adjusted Value
As at 31.0.2023 (Security Deposit & EMD)	10.14	(0.25)	9.89
<b>Assets</b>			
Year ended 31.03.2023 (Gross Block)	3.95	0.16	4.11
Year ended 31.03.2023 (Acc Depreciation)	3.96	0.03	3.99
<b>Items of Financial Results</b>			
<b>Items of Profit and Loss</b>			
Year ended 31.03.2023 (Misc. Receipt)	3.92	0.25	4.17
Year ended 31.03.2023 (Misc Expenditure)	2.96	(0.16)	2.80
Year ended 31.03.2023 (Amortization)	0.14	0.03	0.17

#### 49. Financial Ratios

Particulars	Numerator	Denominator	Ratio as at March 31, 2023	Ratio as at March 31, 2022
Current Ratio (in times) <sup>1</sup>	Current Assets	Current Liabilities	1.52	0.87
Debt equity ratio (in times) <sup>1</sup>	Total Debt	Shareholders Equity	0.03	13.19
Debt service Coverage Ratio (in times) <sup>1</sup>	Earnings available for debt service	Debt Service	10.71	(0.13)
Return on Equity Ratio (in %) <sup>2</sup>	Net Profits after taxes	Average Shareholder's equity	1.48	(0.77)
Trade payables turnover ratio (in times) <sup>3</sup>	Net Credit purchase	Average Trade Payables	0.98	14.31
Net profit ratio (in %) <sup>2</sup>	Net Profit	Net Sales	3.96	(0.03)
Return on Capital employed (in %) <sup>2</sup>	Earning before interest and taxes	Capital Employed	1.06	0.12
Net capital turnover ratio (in times) <sup>4</sup>	Net Sales	Working Capital	0.27	(13.52)
Trade Receivables turnover ratio (in times) <sup>4</sup>	Net Credit Sales	Avg. Accounts Receivable	2.02	22.70
Return on investment (in %) <sup>5</sup>	Income from Investments	Time weighted average investment	3.23	1.53
Inventory turnover ratio (in times) <sup>4</sup>	Cost of goods sold or Sales	Average Inventory	17.56	207.88

1. Due repayment of borrowings.
2. Due to profit on sale of investment
3. Due to decrease in purchase during the year.
4. Due to decrease in sale during the year.
5. Due to increase in interest income from fixed deposit

#### 50. Other Statutory Information

- a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company do not have any transactions with companies struck off
- c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- -Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - -Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- g) The Company do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- h) The company is not in contravention with the number of layers prescribed under section 2(87) of the Act
- i) The Company has not entered into any Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Act
- j) The company has not been declared wilful defaulter by any bank or financial institution or other lender
- 51.** The accounts of certain trade receivables, trade payables, short and long term loans and advances, other non-current and current Assets are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.
- In the opinion of the management, the assets other than property plant and equipment, intangible assets and non-current investments are expected to realize at the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.
- 52.** The company has made certain changes in the Accounting Policies during the year as under:
- (i) Accounting policy no. 2.4 i) "Revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognized when the company satisfies a performance obligation by transferring the promised goods or services to a customer and the customer obtains control of the same and it is probable that the company will collect the consideration to which it is entitled in exchange for the goods or services that is transferred to the customer." has been changed to:  
*"Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract."*
- (ii) Accounting policy no.2.21 i) "including any directly attributable transaction costs" " has been changed to add the wording *"plus in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset."*
- (iii) Accounting policy no.2.21 i) c) "directly attributable transaction costs" has been changed to add the wording *"in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset, however trade receivable that do not contain a significant financing component are measured at transaction price"*
- The above changes have no financial impact on the financials of the company excepts as stated above.
- 53.** 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).
- 54.** Accounting policies and notes attached form an integral part of the financial statements.
- 55.** Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as otherwise stated. Certain small amounts may not appear in financial statements due to rounding off in ₹ in crore. Previous year's figures have been regrouped/rearranged wherever considered necessary.

**56. Approval of financial statements**

The financial statements were approved by the board of directors and authorised for issue on 30.05.2023.

As per our report of even date attached

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

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 00002312N

**(CA. R C Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager(F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN:08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990

# **Directors' Statement and Audited Financial Statements**

**MMTC TRANSNATIONAL PTE. LTD.  
Company Registration No.: 199407265M**

**31 MARCH 2023**



**TKNP**  
INTERNATIONAL

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)**

**DIRECTORS' STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

The directors are pleased to present their statement to the members, which consists of a sole corporate shareholder, together with the audited financial statements of MMTC Transnational Pte. Ltd. (the "Company") for the financial year ended 31 March 2023.

**1. OPINION OF THE DIRECTORS**

In the opinion of the directors,

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (ii) 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.

**2. DIRECTORS**

The directors of the Company in office at the date of this statement are:

Devasish Nayak

Rajiv Ranjan Sinha

Ravi Shanker Janardhanan

Thimmasarthy Srinivasa Rao

**3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

**4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES**

According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations either at the beginning or end of financial year.

**5. SHARE OPTIONS**

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

**6. AUDITORS**

The auditors, **TKNP International**, Public Accountants and Chartered Accountants of Singapore, have expressed its willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

.....  
**Thimmasarthy Srinivasa Rao**  
Director

.....  
**Devasish Nayak**  
Director

**Date: 22.05.2023**



**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)**

**INDEPENDENT AUDITORS' REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MMTC TRANSNATIONAL PTE. LTD.**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of MMTC Transnational Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ong Lien Wan.

**TKNP International**  
Public Accountants and  
Chartered Accountants  
Singapore

Date: 22.05.2023

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)****STATEMENT OF FINANCIAL POSITION**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	Note	2023 US\$	2022 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	895	1,868
Right-of-use assets	5	184,837	87,821
Other assets	6	28,006	27,265
		<u>213,738</u>	<u>116,954</u>
<b>Current assets</b>			
Cash and cash equivalents	7	3,844,372	18,624,350
Trade and other receivables	8	32,978,958	35,203,691
		<u>36,823,330</u>	<u>53,828,041</u>
<b>Total assets</b>		<u><b>37,037,068</b></u>	<u><b>53,944,995</b></u>
<b>LIABILITIES AND EQUITY</b>			
Non-Current liabilities			
Lease liabilities	12	95,909	-
Current liabilities			
Trade and other payables	9	12,151,512	35,070,243
Other liabilities	10	289,508	3,247,358
Borrowings	11	18,638,880	9,269,000
Lease liabilities	12	88,928	90,629
Income tax expense		94,695	102,513
		<u>31,263,523</u>	<u>47,779,743</u>
Total liabilities		<u>31,359,432</u>	<u>47,779,743</u>
<b>Equity</b>			
Share capital	13	1,000,000	1,000,000
Retained earnings		4,677,636	5,165,252
		<u>5,677,636</u>	<u>6,165,252</u>
<b>Total liabilities and equity</b>		<u><b>37,037,068</b></u>	<u><b>53,944,995</b></u>

See accompanying notes to the financial statements



**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)**

**STATEMENT OF P&L & OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	Note	2023 US\$	2022 US\$
Revenue income	14	405,149,441	456,575,465
Other income	15	79,891	254,520
Foreign exchange difference		(7,555)	(8,286)
Expenses and costs			
- Purchase of commodities		395,596,006	446,209,592
- Freight cost		6,785,850	8,259,362
- Employee compensation	16	642,281	658,866
- Depreciation of property, plant and equipment	4	1,302	2,782
- Depreciation of right-of-use assets	5	87,821	87,821
- Bank charges		240,382	316,954
- Finance costs	17	1,196,065	400,818
- Other expenses	18	65,529	70,300
		<b>(404,615,236)</b>	<b>(456,006,495)</b>
<b>Profit before tax</b>		<b>606,541</b>	<b>815,204</b>
<b>Income tax expense</b>	<b>19</b>	<b>(94,157)</b>	<b>(124,720)</b>
Profit for the year, representing total comprehensive income for the year		<b>512,384</b>	<b>690,484</b>

See accompanying notes to the financial statements

**STATEMENT OF CHANGE IN EQUITY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

	Note	Share capital US\$	Retained earnings US\$	Total US\$
<b>At 1 April 2021</b>		1,000,000	9,474,768	10,474,768
Dividends paid	21	-	(5,000,000)	(5,000,000)
Profit for the year, representing total comprehensive income for the year		-	690,484	690,484
<b>At 31 March 2022</b>		<b>1,000,000</b>	<b>5,165,252</b>	<b>6,165,252</b>
<b>1 April 2022</b>		1,000,000	5,165,252	6,165,252
Dividends paid	21	-	(1,000,000)	(1,000,000)
Profit for the year, representing total comprehensive income for the year		-	512,384	512,384
<b>At 31 March 2023</b>		<b>1,000,000</b>	<b>4,677,636</b>	<b>5,677,636</b>

See accompanying notes to the financial statements

**MMTC TRANSNATIONAL PTE. LTD.  
(Company Registration No.: 199407265M)**
**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	<u>Note</u>	<b>2023</b> US\$	<b>2022</b> US\$
<b>Cash flows from operating activities</b>			
Profit before tax		606,541	815,204
Adjustments for:			
Depreciation of property, plant and equipment	4	1,302	2,782
Depreciation of right-of-use assets	5	87,821	87,821
Foreign exchange		(1,511)	2,941
Interest expense	17	1,196,065	400,818
Interest income	15	(67,102)	(53,308)
<b>Operating cash flows before changes in working capital</b>		<b>1,823,116</b>	<b>1,256,258</b>
Changes in working capital:			
Decrease in trade and other receivables		2,224,733	2,831,635
(Increase) in other assets		(189)	-
(Decrease)/increase in trade and other payables		(22,918,731)	3,069,007
(Decrease)/increase in other liabilities		(2,957,850)	3,247,358
Proceeds from borrowings		9,369,880	1,942,516
Cash (used in)/generated from operations		(12,459,041)	12,346,774
Income tax paid		(124,181)	(223,952)
Income tax refund		22,207	-
Interest paid		(1,194,836)	(396,958)
<b>Net cash (used in)/generated from operating activities</b>		<b>(13,755,851)</b>	<b>11,725,864</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	4	(329)	(1,341)
Interest received		67,102	53,308
<b>Net cash generated from investing activities</b>		<b>66,773</b>	<b>51,967</b>
<b>Cash flows from financing activities</b>			
Dividends paid	21	(1,000,000)	(5,000,000)
Fixed deposits pledged	A	500,372	4,682,157
Margin on letter of credit		14,189,475	(12,189,475)
Repayment of lease liability	A	(89,671)	(87,940)
Interest paid		(1,229)	(3,860)
<b>Net cash generated from/(used in) financing activities</b>		<b>13,598,947</b>	<b>(12,599,118)</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(90,131)</b>	<b>(821,287)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>212,102</b>	<b>1,033,389</b>
<b>Cash and cash equivalents at end of year</b>	7	<b>121,971</b>	<b>212,102</b>

**Note A:**

A reconciliation of liabilities arising from financing activities is as follows:

	Non-cash changes						31 March 2023 US\$
	1 April 2022	Cash flows	Interest expenses	Acquisition	Accretion of interests	Forex exchange	
	US\$	US\$	US\$	US\$	US\$	US\$	
Borrowings	9,269,000	9,369,880	(1,194,836)	-	1,194,836	-	18,638,880
Lease liabilities	90,629	(89,671)	(1,229)	184,837	1,229	(958)	184,837
Pledged fixed deposits	4,222,773	(500,372)	-	-	-	-	3,722,401

	Non-cash changes						31 March 2022 US\$
	1 April 2021	Cash flows	Interest expenses	Acquisition	Accretion of interests	Forex exchange	
	US\$	US\$	US\$	US\$	US\$	US\$	
Borrowings	7,326,484	1,942,516	(396,958)	-	396,958	-	9,269,000
Lease liabilities	-	(87,940)	(3,860)	175,642	3,860	2,927	90,629
Pledged fixed deposits	(8,904,930)	4,682,157	-	-	-	-	4,222,773

See accompanying notes to the financial statements

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

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)**

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

**1. CORPORATE INFORMATION**

MMTC Transnational Pte. Ltd. (the "Company") is a private company limited by shares which is incorporated and domiciled in Singapore.

The registered office and the principal place of business of the Company are located at 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. There have been no significant changes in the nature of these activities during the financial year.

The immediate and ultimate holding company is MMTC Limited, which is incorporated in the Republic of India.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1) BASIS OF PREPARATION**

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollar ("US\$"), which is also the functional currency of the Company.

The preparation of financial statements in conformity with FRSs 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. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas where estimates and assumptions are significant or critical to the financial statements are disclosed in Note 3 to the financial statements.

**2.2) ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised FRSs that are mandatory from the effective date stated in the relevant FRSs.

**2.3) STANDARDS ISSUED BUT NOT YET EFFECTIVE**

	<i>Effective for annual periods beginning on or after</i>
• Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
• Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
• Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
• Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
• FRS 117 Insurance Contracts	1 January 2023
• Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback	1 January 2023
• Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2023
• Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2023

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.



## 2.4) PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Leasehold improvement	3 years
Furniture and fittings	3 years
Computer equipment	3 years
Office equipment	3 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

## 2.5) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

## 2.6) FINANCIAL INSTRUMENTS

### Financial assets

#### *Initial recognition and measurement*

Financial assets are recognised when, and only when the Company becomes a party to the contractual provisions of the instruments.

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

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party.

#### *Subsequent measurement*

##### *Investments in debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

#### *Derecognition*

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

#### **Financial liabilities**

##### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

##### *Subsequent measurement*

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

## **2.7) IMPAIRMENT OF FINANCIAL ASSETS**

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **2.8) CONTRACT BALANCE**

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from customer. If customer pays consideration before the Company transfers good or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

## **2.9) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise fixed deposit, cash at banks and on hand and are subject to an insignificant risk of changes in value.



## 2.10) GOVERNMENT GRANTS

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

## 2.11) SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

## 2.12) LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **As lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

### *Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.5.

The Company's right-of-use assets are disclosed in Note 5 to financial statements.

### *Lease liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are disclosed in Note 12 to financial statements.

## 2.13) REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

### *Sale of commodities*

Sales are recognised when control of the commodities have transferred to its customers (i.e. Point in time). The risk of obsolescence and loss have been transferred to the customers, and either the customers have accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has

objective evidence that all criteria for acceptance have been satisfied. No element of financing is deemed present as the sales are made with a credit term of 30 to 180 days, which is consistent with market practice.

*Interest income*

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

*Demurrage and despatch income*

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

**2.14) RELATED PARTY**

A related party is a person or entity that is related to the Company and includes:

- (a) A person or a close member of that person's family is related to reporting entity if that person:
  - (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following condition applies:
  - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The following are not necessarily related parties:

- (a) Two entities simply because they have a director or other member of key management personnel in common;
- (b) Two venturers simply because they share joint control over a joint venture.

Key management personnel are those persons having the authority and responsibility of planning, directing and controlling the activities of the Company.

**2.15) INCOME TAX**

Current income tax

Current income tax assets and liabilities for the current year and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity



and the same tax jurisdiction.

Goods and Services Tax (GST)

- Revenues, expenses and assets are recognised net of the amount of GST except:
- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**2.16) BORROWING COSTS**

Borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

**2.17) FOREIGN CURRENCY TRANSACTIONS AND BALANCES**

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

**2.18) EMPLOYEE BENEFITS**

*Defined contribution plans*

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed. The Company has no further obligations once the contributions have been paid.

*Short-term employee benefits*

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

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

**3.1) Judgements made in applying accounting policies**

The management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3.2) Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

*Provision for expected credit losses of trade receivables*

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may



also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 22 to the financial statements.

The carrying amount of the Company's trade receivables as at 31 March 2023 is disclosed in Note 8 to the financial statements.

*Useful lives of property, plant and equipment*

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly.

The carrying amount of the Company's property, plant and equipment as at 31 March 2023 is disclosed in Note 4 to the financial statements.

*Impairment of property, plant and equipment*

The Company assess annually whether property, plant and equipment exhibit any indication of impairment. In instances where there are indications of impairment, the recoverable amounts of property, plant and equipment will be determined based on value-in-use calculations. These calculations require the use of judgement and estimates.

The carrying amount of the Company's property, plant and equipment as at 31 March 2023 is disclosed in Note 4 to the financial statements.

*COVID-19*

The outbreak of COVID-19 pandemic globally and in Singapore is causing significant disturbance and slowdown of economic activity. The Company has considered internal and external information while finalising various estimates in relation to its financial statement up-to the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company is monitoring the situation closely and shall take actions as appropriate based on any material changes to future economic conditions.

**4. PROPERTY, PLANT AND EQUIPMENT**

	Leasehold improvement	Furniture and fittings	Computer equipment	Office equipment	Total
	US\$	US\$	US\$	US\$	US\$
<b>Cost</b>					
At 1 April 2021	121,394	41,200	51,565	26,239	240,398
Additions	-	-	1,341	-	1,341
At 31 March 2022	121,394	41,200	52,906	26,239	241,739
Additions	-	-	329	-	329
At 31 March 2023	121,394	41,200	53,235	26,239	242,068
<b>Accumulated depreciation</b>					
At 1 April 2021	121,394	41,108	48,627	25,960	237,089
Depreciation charge	-	92	2,411	279	2,782
At 31 March 2022	121,394	41,200	51,038	26,239	239,871
Depreciation charge	-	-	1,302	-	1,302
At 31 March 2023	121,394	41,200	52,340	26,239	241,173
<b>Carrying amount</b>					
At 31 March 2023	-	-	895	-	895
At 31 March 2022	-	-	1,868	-	1,868

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)****NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023****5. RIGHT-OF-USE-ASSETS**

The Company has lease contracts for office premises. The Company is restricted from assigning and subleasing the leased assets.

Carrying amounts of right-of-use assets classified as below:

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Office premises		
At 1 April	87,821	-
Additions	184,837	175,642
Depreciation for the year	(87,821)	(87,821)
At 31 March	<u>184,837</u>	<u>87,821</u>

**6. OTHER ASSETS**

Non-current

Refundable deposits

Other assets are denominated in Singapore Dollar.

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>

	28,006	27,265
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**7. CASH AND CASH EQUIVALENTS**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Cash at banks	121,938	14,401,073
Cash on hand	33	504
Fixed deposits	3,722,401	4,222,773
	<u>3,844,372</u>	<u>18,624,350</u>

Cash and cash equivalents are denominated in the following currencies:

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
United States Dollar	3,834,520	18,605,420
Singapore Dollar	9,852	18,930
	<u>3,844,372</u>	<u>18,624,350</u>

At the reporting date, fixed deposits bear interest rates ranging from 0.40% to 0.55% (2021: 0.50% to 1.10%) per annum with the maturity period of 12 months (2021: 12 months). Weighted average effective interest rate is 0.46% (2021: 0.80%) per annum.

At reporting date, fixed deposits of US\$4,222,773 (2021:US\$8,904,930) are pledged as security granted for the borrowings (Note 11). For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

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

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Cash and cash equivalents (as above)	3,844,372	18,624,350
Fixed deposits	(3,722,401)	(4,222,773)
Margin on letter of credit	-	(14,189,475)
	<u>121,971</u>	<u>212,102</u>

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)**

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

**8. TRADE AND OTHER RECEIVABLES**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Trade receivables		
Third parties	32,931,459	35,190,427
Other receivables		
Interest receivable from fixed deposit	44,634	10,672
GST receivables	2,856	2,592
Others	9	-
	<u>47,499</u>	<u>13,264</u>
Total trade and other receivables	<u>32,978,958</u>	<u>35,203,691</u>

Trade receivables are non-interest bearing and repayable within the normal trade credit terms granted to the customers ranging from 30 to 180 days (2022: 30 to 180 days).

Trade and other receivables are denominated in the following currencies:

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
United States Dollar	32,976,102	35,201,099
Singapore Dollar	2,856	2,592
	<u>32,978,958</u>	<u>35,203,691</u>

**9. TRADE AND OTHER PAYABLES**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Trade payables		
Third parties	11,892,390	34,954,502
Other payables		
Accruals	259,122	115,741
Total trade and other payables	<u>12,151,512</u>	<u>35,070,243</u>

Trade payables are non-interest bearing and repayable within the trade credit terms granted by the suppliers of 30 days (2022: 30 days).

Trade and other payables are denominated in the following currencies:

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
United States Dollar	11,929,306	34,954,502
Singapore Dollar	222,206	115,741
	<u>12,151,512</u>	<u>35,070,243</u>

**10. OTHER LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Contract liabilities	<u>289,508</u>	<u>3,247,358</u>

Contract liabilities is recognised for the advances received from the customers and is derecognised as and when the performance obligation is satisfied.

**MMTC TRANSNATIONAL PTE. LTD.  
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**NOTES TO THE FINANCIAL STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**
**11. BORROWINGS**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Trust receipts	14,223,354	6,270,000
Short-term loan	484,933	2,999,000
Bills discounting	3,930,593	-
	<u>18,638,880</u>	<u>9,269,000</u>

Trust receipts amounting to US\$8,551,354 (2022: US\$4,970,000) at the reporting date bear interest rate at interest rate of 7.33%-7.58% (2022: 3.06%) per annum with maturity of 26 to 60 days (2022: 64 days) from the reporting date, other trust receipts amounting to US\$3,912,000 (2022: NIL) at the reporting date bear interest rate at interest rate of 7.21% (2022: NIL) per annum with maturity of 20 days (2022: NIL) from the reporting date and the remaining trust receipts amount to US\$1,760,000 (2022: US\$1,300,000) at the reporting date bear interest rate at 6.79% (2022: 2.77%) per annum with maturity of 41 days (2022: 70 days) from the reporting date.

The short-term loan at the reporting date bears an effective interest rate of 7.38% (2022: 3.06% to 3.33%) per annum. The short-term loan has a maturity period of 90 days (2022: 90 days) from the reporting date.

Bills discounting amounting to US\$3,930,593 bears an effective interest rate of 6.68%-6.77% (2022: NIL) per annum. The bills discounting have a maturity period of 4 to 11 days (2022: NIL) for the reporting date.

Borrowings of US\$18,638,880 (2022: US\$9,296,000) are secured over goods and receivables financed by the bank and Deed of Charge over fixed deposits (Note 7) of the Company of US\$3,722,401 (2022: US\$4,222,773).

Borrowings are denominated in United States Dollar.

**12. LEASE LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Non-current		
Lease liabilities	95,909	-
Current		
Lease liabilities	88,928	90,629
	<u>184,837</u>	<u>90,629</u>

(a) Amount recognised in profit or loss

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Depreciation of right-of-use assets	87,821	87,821
Interest expense on lease liabilities	1,229	3,860
Total amount recognised in profit and loss	<u>89,050</u>	<u>91,681</u>

(b) Total Cash outflow

The company had a total cash outflow for lease liabilities of US\$89,671 (2022: US\$87,940)

Lease liabilities is denominated in Singapore Dollar.

**13. SHARE CAPITAL**

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Number of ordinary shares</b>		<b>US\$</b>	<b>US\$</b>
Issued and fully paid ordinary shares				
At 1 April and 31 March	<u>1,461,502</u>	<u>1,461,502</u>	<u>1,000,000</u>	<u>1,000,000</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

**MMTC TRANSNATIONAL PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

**14. REVENUE INCOME**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Sale of commodities		
- third parties	405,149,441	456,453,965
- holding company	-	121,500
	<u>405,149,441</u>	<u>456,575,465</u>

All the sales are recognised at a point in time.

**15. OTHER INCOME**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Demurrage and despatch	-	191,655
Interest income on bank deposits	53,602	34,651
Interest income from third parties	13,500	18,657
	67,102	53,308
Sundry income	12,789	9,557
	<u>79,891</u>	<u>254,520</u>

**16. EMPLOYEE COMPENSATION**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Directors' remuneration (Note 20b)	232,421	241,049
Directors' benefits (Note 20b)	121,678	120,075
Directors' contribution to defined contribution plan including Central Provident Fund and SDL (Note 20b)	17,670	18,364
Staff salaries and wages	220,908	223,975
Staff bonus	8,401	16,401
Staff welfare	10,002	7,401
Employer's contribution to defined contribution plan including Central Provident Fund and SDL	31,201	31,601
	<u>642,281</u>	<u>658,866</u>

**17. FINANCE COSTS**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Interest expense on:		
- lease liabilities	1,229	3,860
- bill discounting	454,581	17,893
- short term loan	42,146	84,918
- trust receipts interest	698,109	294,147
	<u>1,196,065</u>	<u>400,818</u>

**18. OTHER EXPENSES**

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Local conveyance - others	7,788	7,973
Office expenses	13,130	15,153
Professional fees	14,716	12,463
Other expenses	29,895	34,711
	<u>65,529</u>	<u>70,300</u>

**MMTC TRANSNATIONAL PTE. LTD.  
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**NOTES TO THE FINANCIAL STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**
**19. INCOME TAX EXPENSE**

Major components of income tax expense for the financial years ended 31 March 2023 and 2022 were as follows:

	<u>2023</u> US\$	<u>2022</u> US\$
Current income tax		
- Current year	90,533	124,720
- Under provision in respect of prior years	3,624	-
	<u>94,157</u>	<u>124,720</u>

**Relationship between tax expense and accounting profit**

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2023 and 2022 were as follows:

	<u>2023</u> US\$	<u>2022</u> US\$
Profit before tax	606,541	815,204
Income tax using tax statutory rate of 17% (2022: 17%)	103,112	138,585
Adjustments:		
- Non-deductible expenses	117	453
- Income not subject to tax	-	(1,398)
- Income tax rebates	(12,696)	(12,920)
- Under provision in respect of prior years	3,624	-
	<u>94,157</u>	<u>124,720</u>

**20. SIGNIFICANT RELATED PARTY TRANSACTIONS**

(a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions between the Company and its related parties took place at terms agreed between the parties during the financial year:

	<u>2023</u> US\$	<u>2022</u> US\$
Sales to holding company	-	121,500

(b) Compensation paid to key management personnel

	<u>2023</u> US\$	<u>2022</u> US\$
Wages, salaries and bonus	232,421	241,049
Post-employment benefits – contribution to defined contribution plans	17,670	18,364
Benefits-in-kind	121,678	120,075
	<u>371,769</u>	<u>379,488</u>

**21. DIVIDENDS**

	<u>2023</u> US\$	<u>2022</u> US\$
Dividends paid		
First interim dividend paid in respect of current financial year of 100 cents (2022: 200 cents) per share	1,000,000	2,000,000
Second interim dividend paid in respect of current financial year of NIL (2022: 200 cents) per share	-	2,000,000
Third interim dividend paid in respect of current financial year of NIL (2022: 100 cents) per share	-	1,000,000
	<u>1,000,000</u>	<u>5,000,000</u>

**MMTC TRANSNATIONAL PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

**22. FINANCIAL RISK MANAGEMENT**

**Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, market risk (including interest rate risk and foreign currency risk) and liquidity risk.

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

**Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 180 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 360 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)****NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counter party has a low risk of default and does not have any past due amounts.	12-month ECL
II	Amount is > 90 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
III	Amount is > 180 days past due or there is evidence indicating the asset is credit-impaired (in default)	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery	Amount is written off

	Note	Category	12-month or lifetime ECL	Gross carrying amount US\$	Loss allowance US\$	Net carrying amount US\$
<b>31 March 2023</b>						
Trade receivables	8	Note 1	Lifetime ECL (simplified)	32,931,459	-	32,931,459
Other receivables (i)	8	I	12-month ECL	44,643	-	44,643
					-	
<b>31 March 2022</b>						
Trade receivables (i)	8	Note 1	Lifetime ECL (simplified)	35,190,427	-	35,190,427
Other receivables	8	I	12-month ECL	10,672	-	10,672
					-	

(i) These amounts excluded GST receivables

**Trade receivables (Note 1)**

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is prescribed based on their past due status in terms of the provision matrix.

The Company believes that all receivables are collectible based on historical payment behaviours and creditworthiness of customers.

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

**Exposure to credit risk**

The Company has no significant concentration of credit risk other than those balances with third party customers. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.



**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)**

**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

**Other receivables**

The Company assessed the latest performance and financial position of the counterparties, adjusted for future outlook of the industry in which the counterparties operate in and concluded that there have been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss using 12-month ECL and determined that ECL is insignificant.

**Market risk**

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from fixed deposits and borrowings.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	<u>2023</u> US\$	<u>2022</u> US\$
<b>Variable rate instruments</b>		
Financial assets	3,722,401	4,222,773
Financial liabilities	<u>(18,638,880)</u>	<u>(9,296,000)</u>
	<u>(14,916,479)</u>	<u>(5,073,227)</u>

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates had been 0.5% (2022: 0.5%) higher or lower with all other variables held constant, the Company's profit or loss before tax would have been US\$74,582 lower (2022: US\$25,366 lower), arising mainly as a result of higher or lower interest income or expenses on floating rate cash at bank and floating rate bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

**Foreign currency risk**

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily Singapore dollar (SGD).

The Company's currency exposures to the SGD, at the reporting date was as follows:

	<u>SGD</u> US\$
<b>2023</b>	
<b>Financial assets</b>	
Cash and cash equivalents	9,852
Other assets	28,006
	<u>37,858</u>
<b>Financial liabilities</b>	
Trade and other payables	222,206
Lease liabilities	184,837
	<u>(407,043)</u>
<b>Net financial liabilities currency exposures</b>	<u>(369,185)</u>

**MMTC TRANSNATIONAL PTE. LTD.**  
**(Company Registration No.: 199407265M)****NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023****2022**

Financial assets	
Cash and cash equivalents	18,930
Other assets	27,265
	<u>46,195</u>
Financial liabilities	
Trade and other payables	115,741
Lease liabilities	90,629
	<u>(206,370)</u>
Net financial liabilities currency exposures	<u>(160,175)</u>

## Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's profit after tax to a reasonably possible change in SGD against the US\$ by 5% (2022: 5%) with all other variables being held constant, including tax rate, and the effects arising from the net financial liability position will be as follows:

	Profit or loss (after tax)	
	<u>2023</u>	<u>2022</u>
	US\$	US\$
<b><u>SGD against US\$</u></b>		
- strengthened	(15,321)	(6,647)
- weakened	15,321	6,647

## Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain continuity of funding. The Company finances its working capital requirements through funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Company.

**Analysis of financial instruments by remaining contractual maturities**

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	<u>Carrying amount</u> US\$	<u>Contractual cash flows</u> US\$	<u>One year or less</u> US\$	<u>One to five years</u> US\$
<b><u>2023</u></b>				
<b><u>Financial assets</u></b>				
Other assets	28,006	28,006	-	28,006
Cash and cash equivalents	3,844,372	3,844,372	3,844,372	-
Trade and other receivables	32,976,102	32,976,102	32,976,102	-
Total undiscounted financial assets	<u>36,848,480</u>	<u>36,848,480</u>	<u>36,820,474</u>	<u>28,006</u>
<b><u>Financial liabilities</u></b>				
Trade and other payables	12,151,512	12,151,512	12,151,512	-
Borrowings	18,638,880	18,772,711	18,772,711	-
Lease liabilities	184,837	198,530	99,265	99,265
Total undiscounted financial liabilities	<u>(30,975,229)</u>	<u>(31,122,753)</u>	<u>(31,023,488)</u>	<u>(99,265)</u>
Total net undiscounted financial assets	<u>5,873,251</u>	<u>5,725,727</u>	<u>5,796,986</u>	<u>(71,259)</u>

**MMTC TRANSNATIONAL PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	Carrying amount US\$	Contractual cash flows US\$	One year or less US\$	One to five years US\$
<b>2022</b>				
<b>Financial assets</b>				
Other assets	27,265	27,265	-	27,265
Cash and cash equivalents	18,624,350	18,624,350	18,624,350	-
Trade and other receivables (i)	35,201,099	35,201,099	35,201,099	-
Total undiscounted financial assets	53,852,714	53,852,714	53,825,449	27,265
<b>Financial liabilities</b>				
Trade and other payables	35,070,243	35,070,243	35,070,243	-
Borrowings	9,269,000	9,286,996	9,286,996	-
Lease liabilities	90,629	91,879	91,879	-
Total undiscounted financia liabilities	(44,429,872)	(44,449,118)	(44,449,118)	-
Total net undiscounted financial assets	9,422,842	9,403,596	9,376,331	27,265

(i) These amounts excluded GST receivables

**23. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Assets and liabilities measured at fair value

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

*Cash and cash equivalents, other receivables, other payables*

The carrying amounts of these balances approximate their fair values due to short-term nature of these balances.

*Trade receivables and trade payables*

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

*Borrowings*

The carrying amounts of borrowings approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

**24. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2023 and 31 March 2022.

**25. FINANCIAL INSTRUMENTS BY CATEGORY**

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were as follows:



**MMTC TRANSNATIONAL PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	<u>2023</u>	<u>2022</u>
	US\$	US\$
Financial assets measured at amortised cost		
Other assets	28,006	27,265
Cash and cash equivalents	3,844,372	18,624,350
Trade and other receivables (i)	32,976,102	35,201,099
	<u>36,848,480</u>	<u>53,852,714</u>
Financial liabilities measured at amortised cost		
Trade and other payables	12,151,512	35,070,243
Borrowings	18,638,880	9,269,000
	<u>30,790,392</u>	<u>44,339,243</u>

(i) These amounts excluded GST receivables

**26. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE**

The financial statements of the Company for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of directors of the Company as at the date of the Directors' Statement.

**MMTC LIMITED**  
**CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
for the financial year ended 31<sup>st</sup> March, 2023





th ANNUAL REPORT  
2022-23

कार्यालय प्रधान निदेशक लेखापरीक्षा,  
उद्योग एवं कॉर्पोरेट कार्य  
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,  
नई दिल्ली-110 002



सत्यमेव जयते

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,  
INDUSTRY AND CORPORATE AFFAIRS  
A.G.C.R. BUILDING, I.P. ESTATE,  
NEW DELHI-110 002

संख्या: एएमजी-1/15(8)/ एमएमटीसी (सीएफएस)/  
वार्षिक लेखा/ (2022-23)/2023-24/79  
दिनांक: 03 AUG 2023

सेवा में

अध्यक्ष एवं प्रबंध निदेशक  
एम् एम् टी सी लिमिटेड,  
कोर - 1, स्कोप कॉम्प्लेक्स,  
7, इंस्टीट्यूशनल एरिया, लोधी रोड,  
नई दिल्ली - 110 003

विषय: कंपनी अधिनियम 2013 की धारा 143(6) (b) के साथ धारा 129(4) के अंतर्गत 31 मार्च 2023 को समाप्त वर्ष के लिए एम् एम् टी सी लिमिटेड के समेकित वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के साथ धारा 129(4) के अंतर्गत 31 मार्च 2023 को समाप्त वर्ष के लिए एम् एम् टी सी लिमिटेड के समेकित वार्षिक लेखों पर उपरोक्त विषय संबंधित संलग्न पत्र अग्रेषित है।

भवदीया ,

एस. आह्लादिनी पंडा

(एस. आह्लादिनी पंडा)  
प्रधान निदेशक लेखा परीक्षा  
(उद्योग एवं कॉर्पोरेट कार्य)  
नई दिल्ली

संलग्नक:- यथोपरि

**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 2023**

The preparation of consolidated Financial Statements of MMTC Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of MMTC Limited for the year ended 31 March 2023 under section 143(6)(a) read with section 129 (4) of the Act. We conducted a supplementary audit of the financial statements of MMTC Limited (the Company) for the year ended on that date. Further, section 139 (5) and 143 (6)(a) of the Act are not applicable to five Joint Ventures/Subsidiary (Annexure), being private entities/entity incorporated in foreign country under the respective laws, for appointment of their statutory auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the statutory auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6) (b) read with section 129(4) of the Act.

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

  
(S. Ahladiji Panda)  
Principal Director of Audit  
(Industry & Corporate Affairs)  
New Delhi

Place: New Delhi

Date: 03 AUG 2023



**Annexure**

**Details of Joint Ventures/subsidiary of MMTC Limited**

<b>Sl. No.</b>	<b>Name of the Company</b>	<b>JV/Subsidiary</b>	<b>Status</b>
1.	MMTC Gitanjali Limited	Joint Venture	Private entities
2.	MMTC PAMP India Pvt. Ltd.	Joint Venture	Private entities
3.	SICAL Iron Ore Terminal Limited	Joint Venture	Private entities
4.	Free Trade Ware-housing Pvt. Limited	Joint Venture	Private entities
5.	MMTC Transnational Pte. Ltd.	Subsidiary	Incorporated in foreign country



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MMTC LTD. Report on the Consolidated Financial Statements Qualified Opinion

We have audited the accompanying Consolidated financial statements of **MMTC Limited** (hereinafter referred as "the Holding Company"), and its subsidiary Company (Holding Company & its subsidiary together referred to as "the Group"), and its joint venture entities which comprises the consolidated Balance Sheet as at 31st March, 2023, and the consolidated statement of Profit and Loss (including other comprehensive income), and the consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture entities as at March 31, 2023, of consolidated profit and its total comprehensive income (Comprising of net profit and total comprehensive income) consolidated change in equity and its consolidated cash flows for the year then ended.

#### Basis of Qualified Opinion

- We draw attention to note no 40(f)(a) of the accompanying consolidated financial statement, which states that the liability @1.5% of profit before tax ("PBT") for the year in respect of scheme for retirees prior to 01.01.2007 (closed group) has not been recognized even though the Company has reported PBT of INR. 1279.16 crore (P.Y. 120.60 crore), on the basis of affordability. Also, the Company has not provided for PRMBS (open group) @ 4.5% of Basic and DA for serving employees. During the previous year provision in respect of retirees after 01.01.2007 pertaining to FY 2019-20 and 2020-21 had been withdrawn due to loss during these previous years. The management will review the above in the next financial year. The non-recognition of provision according to the schemes above constitutes a departure from the accounting standards as prescribed under section 133 of the Act. An amount of INR. 19.18 crore (P.Y. 1.81 crore) (1.5% of PBT) and INR. 1.63 crore (P.Y. 3.29 crore) (4.5% of Basic and DA) estimated by the management, should have been provided as per the accounting standards. Accordingly, the provision for PRMBS would have been increased by INR. 20.81 crore (P.Y. 5.10 crore) and net income and shareholders' fund would have been reduced by the given amount.

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

#### Key Audit Matters

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

Sl. No	Key Audit Matter	Auditor's Response
1.	Refer note 36(k) regarding need for replacing the existing old ERP with integrated and latest ERP system. In the absence of the one, the recent changes in laws such as Depreciation Schedule in Companies Act, introduction of GST etc. are not seamlessly captured in the system.	We performed following test in detail to ensure that all the entries passed in different accounting packages / software have been duly mapped in the preparation of financial statements as on Balance Sheet date: <ul style="list-style-type: none"> <li>Performed cut off procedure</li> <li>Performed reconciliation of entries passed in different platforms</li> </ul>
2.	Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There is large number of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case.	We obtained list of all the pending legal cases handled at Corporate office legal division on 31st March 2023 with a note from management on the changes in the status of the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company.



Sl. No	Key Audit Matter	Auditor's Response
	The holding company has 5 regional offices, 1 sub-regional and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction.	It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.
3.	Assessment of impairment of investment in subsidiary and joint ventures (Refer note no. 6) The company as at 31st march, 2023 has non-current and current investments.	Our audit procedures include but we are not limited to the following: Obtained and understanding of the management process. Discussed extensively with management regarding impairment indicators and evaluated the design and testing operating effectiveness of controls. Assessed the methodology used by the management to estimate the recoverability of investment and ensured that it is consistent with applicable accounting standards.
4.	Refer Note No 11 on provision on Anglo Coal	In view of the significance of the matter, we applied following audit procedures: Obtained and understanding of relevant documents in relation to the matters of anglo coal. Discussed with management regarding the possible impact and shown in the financial statement.

### **Emphasis of Matters**

#### **Restructuring and default in loan repayment**

We draw attention to Note No. 29 of the accompanying financial Statements, which states that Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of INR. 2551.44 crore as on 31.3.2022 have been paid towards principal and normal agreed interest upto 31.3.2022. An amount of Rs. 106.41 crore out of which Rs. 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 & remaining amount of Rs. 42.73 crore relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India and Punjab & Sind Bank. Other lender banks are also taking up their matter with appropriate authorities. The management is of the view that the remaining banks shall take into consideration the concession if any and no addition provision is required to be made.

Our opinion is not modified in respect of the above matter.

#### **Non-compliance of regulation 33 of SEBI and section 49 of the Act**

We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that the Company has created a contingent liability of INR 0.07 crore (P.Y. 0.07 crore) on account of demand raised by Stock Exchange Board of India (SEBI) in relation to non-compliance of regulation 33 of SEBI. The management is in the process of having these demands waived and thus no provision has been made in the financial statements.

**Our opinion is not modified in respect of the above matter.**

#### **Non-compliance of Section 149 of the Act**

We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that an amount of INR. 0.01 crore is included for non-compliance of appointment of Independent Director within the stipulated time. The management is in the process of receiving an approval from the concerned ministry, thus no provision has been made in the financial statements.

Our opinion is not modified in respect of the above matter.

#### **Write-off of Foreign Debtors**

We draw attention to Note No. 36 (n) to the accompanying financial statements, which states that an amount of INR. 0.10 crore on account of foreign debtors outstanding for more than twenty years was written off with the approval of the Board of directors of the Company during the year and the provisions created earlier for bad and Doubtful Debts/Claims/Loans were withdrawn. The management of the Company is under the process of taking an opinion on the FEMA guidelines through an expert and action (if any) will be taken accordingly.

Our opinion is not modified in respect of the above matter.

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

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

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

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

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by



other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the Consolidated Financial Statements of which we are not the statutory auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matters

1. We did not audit the financial statements / financial information of one wholly owned subsidiary incorporated in Singapore – MMTC Transnational Pte Ltd whose financial statement reflect total assets of INR. 302.81 Cr., net assets of INR. 45.20 Cr. as at 31st March, 2023, total revenues of INR. 3248.55 Cr and net cash outflow of INR.0.74 Cr and total net profit of INR. 3.98 Cr for the year ended on that date, as considered in the consolidated financial statements.
2. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of INR 30.91 Cr. for the year ended 31 March, 2023 as considered in the consolidated financial statements in respect of joint venture M/s MMTC Pamp India Pvt. Ltd. respectively whose financial statements/financial information have not been audited by us. Further financial statements also include the Group's share of net profit (including other comprehensive income) of and M/s Neelachal Ispat Nigam Limited ("NINL") of INR. 459.11 Cr. incurred due to divestment on NINL on 04.07.2022 through DIPAM.
3. The consolidated financial statements do not include Group's share of profit/loss in joint ventures company, M/s Free Trade Warehousing Pvt. Limited and Sical Iron Ore Terminal Limited, TM Mining Company Limited, MMTC Geetanjali Limited as the Group's share of its accumulated losses has exceeded the carrying value of the investment in respective aforesaid joint ventures of the Holding Company. The financial statements / financial information of these joint venture companies have neither been audited by us nor any financial statements (audited/unaudited) have been furnished to us by the Holding Company's Management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint ventures, and our report in terms of the sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint ventures is based solely on the report of the other auditors. The financial statements of subsidiary in Singapore have been adjusted by the Holding Company's Management in accordance with the accounting principles generally accepted in India including Indian Accounting Standards.
4. There have been no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statement.

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

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) Except for the effects of the matter described in Basis for qualified opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and report of other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) Except for the effects of the matter described in Basis for qualified opinion paragraph, 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 relevant rules issued thereunder.

- e) The matters described in the 'Basis of Qualified Opinion' and 'Emphasis of Matter' paragraphs above, in our opinion may have an adverse effect on the functioning of the Company;
- f) Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Holding Company.
- g) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-1"
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. There are pending litigations including matters relating to sales tax, custom duty and excise duty which are disclosed as contingent liability - refer to Note No. 34 to the consolidated financial statements, the impact of the same is unascertainable as the matters are sub-judice.
  - ii. Provision, has been made in the consolidated financial statement as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has been no requirement to transfer any amount to the Investor Education and Protection Fund, as the Company has no due outstanding during the year ended 31st March 2023.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 52 (e)).  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 52(f))  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**Place: New Delhi**  
**Date: 30.05.2023**  
**UDIN: 23095584BGWCXL2685**

**For M.L. Puri & Co.**  
**Chartered Accountants**  
**FRN: 002312N**

**CA R.C. Gupta**  
**Partner**  
**M No.: 095584**



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

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

We have audited the internal financial controls over financial reporting of MMTC Ltd. ("the Company") as of March 31, 2023, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date

**Management's Responsibility for Internal Financial Controls:**

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

**Auditor's Responsibility:**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting:**

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting:**

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

### **Other Matters**

1. Our aforesaid reports under Section 143(3)(l) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to four joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.
2. We are not able to comment upon on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one joint ventures, which are companies incorporated in India and corresponding reports of the auditors of such companies incorporated in India has not been received.

Our report is not modified on the above matters.

### **Opinion:**

In our opinion, the Holding Company and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

**Place: New Delhi**  
**Date: 30.05.2023**  
**UDIN: 23095584BGWCXL2685**

**For M.L. Puri & Co.**  
**Chartered Accountants**  
**FRN: 002312N**

**CA R.C. Gupta**  
**Partner**  
**M No.: 095584**



**MANAGEMENT'S REPLY TO AUDITOR'S OBSERVATIONS IN THE AUDIT REPORT ON  
CONSOLIDATED FINANCIAL STATEMENTS FOR 2022-23**

Para No.	Qualified Opinion	MANAGEMENT'S REPLY
	<b>Qualified Opinion</b>	
1.	<p>We draw attention to note no 40(f)(a) of the accompanying financial statement, which states that the liability @1.5% of profit before tax ("PBT") for the year in respect of scheme for retirees prior to 01.01.2007 (closed group) has not been recognised even though the Company has reported PBT of INR. 1279.16 crore (P.Y. 120.60 crore), on the basis of affordability. Also, the Company has not provided form PRMBS (open group) @ 4.5% of Basic and DA for serving employees. During the previous year provision in respect of retirees after 01.01.2007 pertaining to FY 2019 20 and 2020-21 had been withdrawn due to loss during these previous years. The management will review the above in the next financial year. The non-recognition of provision according to the schemes above constitutes a departure from the accounting standards as prescribed under section 133 of the Act. An amount of INR. 19.18 crore (P.Y. 1.81 crore) (1.5% of PBT) and INR. 1.63 crore (P.Y. 3.29 crore) (4.5% of Basic and DA) estimated by the management, should have been provided as per the accounting standards. Accordingly, the provision for PRMBS would have been increased by INR. 20.81 crore (P.Y. 5.10 crore) and net income and shareholders' fund would have been reduced by the given amount.</p>	<p>MMTC Employees Post Retirement Medical Benefit Trust (PRMBT) has been formed as per approval of 447th BOD meeting held on US. 05.2019 and the same has been operationalised and started functioning as per order dated 23.01.2023.</p> <p>It is pertinent to mention here that MMTC was showing profits till closure of the quarterly accounts upto December, 2019. However, MMTC finally declared losses for the year 2019-20 when it adopted its accounts in August, 2020 keeping in view the fact that NINL operations were stopped in end of March, 2020</p> <p>and business interest income on accrual basis due for transactions with NINL was not allowed to be included. The financial health of the company deteriorated due to negative cash flows, reduction of business coupled with COVID affecting all aspects of business across the globe. The financial health of company led to the decision of the Board in view of negative PBT/ affordability, sustainability.</p> <p>Accordingly, MMTC Board of Directors in their 471st meeting held on 08.07.2022 approved reversal of provisions for PRMBS trust for loss making years 19-20 &amp; 20-21 and nil PRMBS provision in FY 21-22. No further contributions to PRMBS Trust beyond Rs. 150 crores made in 2019 be provided for until review and affordability. Therefore, it will not be prudent to make any provisions on these accounts and the past provisions in our books of accounts if any, need to be reversed.</p> <p>Further, as per the Cl 2.9 on ("Company's right to discontinuance of Contribution) of MMTC PRN\BT Trust deed signed on 20.09.2019", The company may at anytime, considering the affordability, discontinue its contribution to the trust."</p> <p>Detailed report on the issue of PRMBT has already been furnished to GAP in past and guidance is solicited for moving further.</p>



	<b>Key Audit Matters</b>	
	<p>Refer note no. 34 on the claims not acknowledged as debt incorporating therein claims on account of pending legal cases. There are large numbers of cases pending before various adjudicating authorities. These legal cases involve significant judgement to determine the possible outcome of those disputes and independent legal assessment to pursue the case.</p> <p>The company has 5 regional offices, 1 sub-regional office and different divisions to handle the trade activities including accounting of that particular activity. However, in lot of cases the legal cases are pursued at corporate office level while related financial information / transactions are dealt at RO level, thereby difficulties are faced in giving a comprehensive and holistic treatment to the transaction.</p> <p><b>Auditor's Response:</b> We obtained list of all the pending legal cases handled at Corporate office legal division on 31<sup>st</sup> March 2023 with a note from management on the changes in the status to the cases from that of last year. We considered the effect of information provided by the management and analysed the impact of financial obligation of the Company.</p> <p>It was suggested to management to have legal cases and financial obligation if any at the same location in order to have clarity in reporting in financial statement.</p>	<p>Institution of legal cases depends upon the jurisdiction of the court as per the Civil procedure code 1908(CPC). The jurisdiction is determine mainly on the ground of:</p> <p>a) Pecuniary Value b) Territorial jurisdiction of a court c) Subject matter</p> <p>Likewise in case of immovable property the suit is instituted where the immovable property is situated.</p> <p>The regional offices which has executed a particular agreement and which is the keeper of the records is more suitable and appropriate to pursue the case before court.</p> <p>However when matters reaches the Supreme Court, then matter is dealt with at corporate office.</p>
	<b>Emphasis of Matters</b>	
1.	<p><b>Restructuring and default in loan repayment</b></p> <p>We draw attention to Note No. 29 of the accompanying financial Statements, which states that Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of INR. 2551.44 crore as on 31.3.2022 have been paid towards principal and normal agreed interest upto 31.3.2022. An amount of Rs. 106.41 crore out of which Rs. 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 &amp; remaining amount of Rs. 42.73 crore relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India and Punjab &amp; Sind Bank. Other lender banks are also taking up their matter with appropriate authorities. The management is of the view that the remaining banks shall take into consideration the concession if any and no addition provision is required to be made. Our opinion is not modified in respect of the above matter.</p>	<p>Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of INR. 2551.44 crore as on 31.3.2022 have been paid towards principal and normal agreed interest upto 31.3.2022. An amount of Rs. 106.41 crore out of which Rs. 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 &amp; remaining amount of Rs. 42.73 crore relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India, Punjab &amp; Sind Bank, Bank of Maharashtra, Punjab National Bank and Indian Bank. Union Bank of India has also approved concession in principle. Remaining lender bank i.e. Karnataka Bank is also taking up the matter with their appropriate authorities. Provision relating to penal and additional interest made in FY 2022-23 has been reversed accordingly. The management is of the view that the remaining one bank i.e. Karnataka Bank shall take into consideration the concession if any and no additional provision is required to be made.</p>



2.	<p><b><u>Non-compliance of regulation 33 of SEBI and section 49 of the Act</u></b></p> <p>We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that the Company has created a contingent liability of INR 0.07 crore (P.Y. 0.07 crore) on account of demand raised by Stock Exchange Board of India (SEBI) in relation to non-compliance of regulation 33 of SEBI. The management is in the process of having these demands waived and thus no provision has been made in the financial statements</p> <p>Our opinion is not modified in respect of the above matter.</p>	<p>These demands were for not having sufficient number of Independent Directors on the MMTC Board which was beyond the MMTC's control. Division has written to Stock Exchanges for waiver of these penalties levied. MoC &amp; I have appointed three independent directors including one woman Independent Director.</p>
3.	<p><b><u>Non-compliance of Section 149 of the Act</u></b></p> <p>We draw attention to Note No. 34 (vii) to the accompanying financial statements, which states that an amount of INR. 0.01 crore is included for non-compliance of appointment of Independent Director within the stipulated time. The management is in the process of receiving an approval from the concerned ministry, thus no provision has been made in the financial statements Our opinion is not modified in respect of the above matter.</p>	<p>MoC &amp; I have appointed three independent directors including one woman Director. MMTC has requested for waiver of penalties levied for non-compliances in appointment of Independent Directors which was beyond MMTC's control.</p>
4.	<p><b><u>Write-off of Foreign Debtors</u></b></p> <p>We draw attention to Note No. 36 (n) to the accompanying financial statements, which states that an amount of INR. 0.10 crore on account of foreign debtors outstanding for more than twenty years was written off with the approval of the Board of directors of the Company during the year and the provisions created earlier for bad and Doubtful Debts/Claims/Loans were withdrawn. The management of the Company is under the process of taking an opinion on the FEMA guidelines through an expert and action (if any) will be taken accordingly. Our opinion is not modified in respect of the above matter.</p>	<p>As per the opinion of consultant, since the export written off during FY 2022-23 does not exceed the limit of 5% of total export proceeds realized in the calendar year 2021 and on satisfaction of other conditions, the self write off of foreign receivables amounting to INR 9,66.172.86 should be in compliance and allowed under FEMA Law.</p>

<b>MMTC Limited</b>			
<b>Consolidated Balance Sheet as at March 31, 2023</b>			
(₹ in Crore)			
Particulars	Note No	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	27.05	30.69
Right of use assets	3	2.85	3.65
Capital work-in-progress	3	-	-
Investment Property	4	3.55	3.70
Other intangible assets	5	0.12	0.23
Investments accounted for using the equity method	6A	122.33	91.42
<b>Financial Assets</b>			
Investments	6B	5.03	11.03
Trade Receivables	7A	-	-
Loans	8	1.49	2.27
Others	9	44.68	45.58
Deferred tax Assets (net)	10	154.43	214.41
Other non-current Assets	11A	27.99	24.04
<b>Current Assets</b>			
Inventories	12	1.15	29.80
<b>Financial Assets</b>			
Investments	6C	-	-
Trade Receivables	7B	404.56	401.65
Cash & Cash Equivalents	13	318.71	152.44
Bank Balances other than above	14	1,027.26	49.45
Loans	8	0.52	0.99
Others	9	48.08	8.90
Current Tax Assets (net)	15	164.41	3.61
Other Current Assets	11B	1,323.70	3,709.53
Assets held for Sale	6D	-	-
<b>Total Assets</b>		<b>3,677.91</b>	<b>4,783.39</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16A	150.00	150.00
Other Equity	16B	1,261.76	(298.09)
Non Controlling Interest		-	-
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	17A	-	-
Lease Liabilities	19A	5.84	4.14
Provisions	20A	43.03	37.40
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	17B	195.84	2,621.65
Trade payables	18	-	-
Total outstanding dues of micro and small enterprise		0.17	0.18
"Total outstanding dues of creditors other than micro and small enterprise"		345.58	534.20
Lease Liabilities	19B	0.86	0.13
Other Financial Liabilities	19C	165.40	219.37
Other current liabilities	21	280.21	410.13
Provisions	20B	1,082.44	1,082.00
Current Tax Liabilities (net)	22	146.78	22.28
<b>Total Equity and Liabilities</b>		<b>3,677.91</b>	<b>4,783.39</b>

See accompanying notes to Financial Statements  
As per our report of even date attached  
**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 002312N

1 to 59

For and on behalf of Board of Directors

**(CA. R.C. Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990



<b>MMTC Limited</b>			
<b>Consolidated Statement of Profit and Loss for the year ended March 31, 2023</b>			
(₹ in Crore)			
Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Income</b>			
Revenue From Operations	23	3,528.18	11,796.24
Other Income	24	93.11	17.73
<b>Total Income (I)</b>		<b>3,621.29</b>	<b>11,813.97</b>
<b>Expenses</b>			
Cost of Material Consumed	25	13.77	107.40
Purchase of Stock in Trade	26	3,366.14	10,544.17
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	27	23.38	11.75
Employees' Benefits Expenses	28	109.20	119.32
Finance Costs	29	120.82	208.93
Depreciation, Impairment & Amortization Expenses	30	5.29	5.31
Other Expenses	31	123.80	572.46
<b>Total expenses (II)</b>		<b>3,762.40</b>	<b>11,569.34</b>
<b>Profit/(Loss) before Exceptional Items and Tax (I-II)</b>		<b>(141.11)</b>	<b>244.63</b>
Exceptional Items - Expense/(Income)	32	(1,417.27)	155.20
<b>Profit Before Tax and Share of Equity Accounted Investees</b>		<b>1,276.16</b>	<b>89.43</b>
Share of Profit/(Loss) of Joint Ventures Accounted for Using the Equity Method (Net of Income Tax)		489.95	11.65
<b>Profit / (Loss) before tax</b>		<b>1,766.11</b>	<b>101.08</b>
Tax Expenses	33		
i) Current Tax		146.33	18.27
ii) Adjustment relating to prior periods		(2.47)	-
iii) Deferred tax		59.98	341.03
<b>Total Tax Expense</b>		<b>203.84</b>	<b>359.30</b>
<b>Profit / (Loss) for the year (A)</b>		<b>1,562.27</b>	<b>(258.22)</b>
Profit / (Loss) for the Year Attributable to :			
Owners of the parent		1,562.27	(258.22)
Non-controlling interest		-	-
<b>Profit / (Loss) for the year</b>		<b>1,562.27</b>	<b>(258.22)</b>
<b>Other Comprehensive Income / (Loss)</b>			
Items that will not be reclassified to Profit or Loss:			
-Remeasurements of the Defined Benefit Plans		1.79	11.90
-Equity Instruments through Other Comprehensive Income		(6.01)	0.97
-Income Tax effect		(0.42)	(4.16)
-Share of Other Comprehensive Income in Joint Ventures ( net of tax )		0.07	(0.10)
Items that will be reclassified to Profit or Loss:			
Exchange Differences in Translating the Financial Statements of Foreign Operation		2.15	1.78
Other Comprehensive Income / (Loss) net of tax (B)		(2.42)	10.39
<b>Total Comprehensive Income / (Loss) for the year (A+B)</b>		<b>1,559.85</b>	<b>(247.83)</b>
<b>Total Comprehensive Income / (Loss) Attributable to :</b>			
Owners of the parent		1,559.85	(247.83)
Non-controlling interest		-	-
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>1,559.85</b>	<b>(247.83)</b>
<b>Earnings per equity share :</b>			
Basic & Diluted	46	10.42	(1.72)

See accompanying notes to Financial Statements  
As per our report of even date attached

1 to 59

For and on behalf of Board of Directors

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 002312N

**(CA. R.C. Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990

MMTC Limited				
Cash Flow Statement For The Year Ended March 31, 2023				
(₹ in Crore)				
Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax		1,766.11		101.08
Adjustment for:-				
Loss on valuation of inventories	-		0.01	
Depreciation & amortisation expense	5.29		5.31	
Net Foreign Exchange (gain)/loss	0.54		4.42	
(Profit) /Loss on sale of PPE & Right to Use Assets	(0.38)		(0.04)	
(Profit)/Loss from sale of investment	(1,415.60)			
Provision for diminution in value of non current investment	-		0.01	
Interest income	(84.44)		(4.16)	
Dividend income	(0.16)		(0.08)	
Finance Costs	120.03		208.82	
Interest Expense on Lease	0.79		0.11	
Debts/claims written off	0.03		0.02	
CSR expenditure	0.05		0.05	
Allowance for Bad & Doubtful Debts / claims/ advances	1.72		1.05	
Provision no longer Required	(3.19)		(23.22)	
Liabilities Written Back	(2.98)		(9.15)	
Provision for DWA risk	-		-	
Share of (profit)/ loss of joint ventures accounted for using the equity method (net of income tax)	(489.95)		(11.65)	
		(1,868.25)		171.50
<b>Operating Profit before Working Capital Changes</b>		(102.14)		272.58
Adjustment for:-				
Inventories	28.65		15.84	
Trade Receivables	(1.99)		450.29	
Loans & Other Financial Assets	(37.03)		21.62	
Other current & non current assets	1,406.22		(111.72)	
Trade payables	(185.67)		(454.88)	
Other Financial Liabilities	(52.27)		10.60	
Other current & non current liabilities	(129.19)		(362.31)	
Provisions	7.81	1,036.53	160.25	(270.31)
		934.39		2.27
Taxes Paid		(180.58)		(2.60)
<b>Net cash flows from operating activities</b>		753.81		(0.33)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(0.25)		(1.39)	
Sale of fixed Assets	0.04		0.04	
Sale/(Purchase) of Investments	1874.70		0.01	
Interest received	84.44		4.16	
Dividend Received	0.16	1,959.09	0.08	2.90
<b>Net cash flows from investing activities</b>		1,959.09		2.90
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Borrowings	(2,425.81)		203.80	
Finance Costs	(120.03)		(208.82)	
Lease (Interest)	(0.79)		(0.11)	
Dividend (inclusive of dividend distribution tax) paid	-	(2,546.63)	-	(5.13)
<b>Net Cash From Financing Activities</b>		(2,546.63)		(5.13)
D. Net changes in Cash & Cash equivalents		166.27		(2.56)
<b>E. Opening Cash &amp; Cash Equivalents (Note No 13)</b>		152.44		155.00
<b>F. Closing Cash &amp; Cash Equivalents (Note No 13)</b>		318.71		152.44



Note:

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

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
(a) in Current Account	1.63	115.84
(b) In term deposit with original maturity upto 3 months	311.91	15.57
(c) Debit balance in Cash Credit Account	5.17	20.96
Cheques/Drafts/Stamps on hand	-	-
Cash on hand	-	0.07
<b>Total</b>	<b>318.71</b>	<b>152.44</b>

As per our report of even date attached

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 002312N

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

**(CA. R.C. Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990

**MMTC LIMITED**

**Statement of Changes in Equity for the period ended 31.03.2023**

**1. Equity Share Capital**

(₹ in crore)		(₹ in crore)			
Particulars	No of Shares	Amount	Particulars	No of Shares	Amount
Balance as at 1.4.2022	1,500,000,000	150.00	Balance as at 1.4.2021	1,500,000,000	150.00
Changes in Equity Share Capital during the year	-	-	Changes in Equity Share Capital during the year	-	-
<b>Balance as at 31.3.2023</b>	<b>1,500,000,000</b>	<b>150.00</b>	<b>Balance as at 31.3.2022</b>	<b>1,500,000,000</b>	<b>150.00</b>

**B. Other Equity as at March 31, 2023**

	Equity Components of compound financial instruments	Reserves and Surplus			Items of Other Comprehensive Income				Attributable to the owners of the parent	Total
		Bond Redemption Reserve	Research & Development Reserve	General Reserve	Retained Earnings	Equity instruments through OCI	"Exchange differences on translating the financial statements of a foreign operation"	Other items of OCI		
Balance as at 1.4.2022	1.13	8.30	-	598.89	(915.42)	(7.96)	15.92	1.05	(298.09)	(298.09)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	1,562.27	(6.01)	2.15	1.44	1,559.85	1,559.85
Dividend and DDT	-	-	-	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-
Items recognized directly in retain earnings	-	-	-	-	-	-	-	-	-	-
Re-measurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.3.2023</b>	<b>1.13</b>	<b>8.30</b>	<b>-</b>	<b>598.89</b>	<b>646.85</b>	<b>(13.97)</b>	<b>18.07</b>	<b>2.49</b>	<b>1,261.76</b>	<b>1,261.76</b>

**Other Equity as at March 31, 2022**

	Equity Components of compound financial instruments	Reserves and Surplus			Items of Other Comprehensive Income				Attributable to the owners of the parent	Total
		Bond Redemption Reserve	Research & Development Reserve	General Reserve	Retained Earnings	Equity instruments through OCI	"Exchange differences on translating the financial statements of a foreign operation"	Other items of OCI		
Balance as at 1.4.2021	1.13	8.30	-	598.89	(657.20)	(8.93)	14.14	(6.59)	(50.26)	(50.26)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(258.22)	0.97	1.78	7.64	(247.83)	(247.83)
Dividend and DDT	-	-	-	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-
Items recognized directly in retain earnings	-	-	-	-	-	-	-	-	-	-
Re-measurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.3.2022</b>	<b>1.13</b>	<b>8.30</b>	<b>-</b>	<b>598.89</b>	<b>(915.42)</b>	<b>(7.96)</b>	<b>15.92</b>	<b>1.05</b>	<b>(298.09)</b>	<b>(298.09)</b>



**Dividend not recognised at the end of reporting period**

(₹ in crore)

	As at March 31, 2023	As at March 31, 2022
Dividend proposed	-	-

As per our report of even date attached

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 00002312N

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

**(CA. R.C. Gupta)**  
Partner  
M. No. 095584

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN: 08751137

Date: 30.05.2023  
Place: New Delhi

**(J Ravi Shanker)**  
Director (Marketing)  
DIN: 06961483

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990



## MMTC LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

#### 1. General Information

Established in 1963 and domiciled in India, the Company is a Mini-Ratna public sector undertaking under the administrative control of Ministry of Commerce & Industry, Government of India. The registered office of the Company is situated at Core-1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003, India. The company has 6 Regional Offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd, at Singapore.

The principal activities of the Company are export of Minerals and import of Precious Metals, Non-ferrous metals, Fertilizers, Agro Products, coal and hydrocarbon etc. The company's trade activities span across various countries in Asia, Europe, Africa, Middle East, Latin America and North America.

#### 2. Significant Accounting Policies

##### 2.1 a) Statement of Compliance and basis of preparation of Financial Statements

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

##### b) Basis of Consolidation

MMTC Limited together with its subsidiaries, associates & joint ventures is hereinafter referred to as 'the Group'. The Company consolidates entities which it owns or controls as per the provisions of Ind AS-110. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, associates & joint ventures. The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the group, are excluded.

Associates are entities over which the Group has significant influence but not control. Joint Ventures are entities in which the group has joint control and has rights to the net assets of the entity. Investments in associates and joint ventures are accounted for using the equity method of accounting as per the provisions of Ind AS-28. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

##### 2.2 Functional & presentation currency

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

##### 2.3 Use of estimates and judgment

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

##### 2.4 Revenue Recognition

###### i) Trading Income

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract.



## Purchases and Sales

- a. In case of certain commodities import of which is canalized through the company, imported on 'Government Account' against authorization letter issued by the Government of India, Purchase/ Sale is booked in the name of the Company.
- b. Products are also traded through the commodity exchanges. Purchase/ Sale is booked in respect of trade done through different commodity exchanges and is backed by physical delivery of goods.
- c. Gold/Silver kept under deposit: As per the arrangements with the Suppliers of Gold/Silver, the metal is kept by the supplier with the company on unfixed price basis for subsequent withdrawal on loan or outright purchase basis.
  - (i) Purchases include gold/silver withdrawn from consignment deposit of the supplier on outright purchase basis for sale to exporters, as per the scheme of Foreign Trade Policy being operated by the Company as a nominated agency.
  - (ii) Purchase of Gold/Silver during the year for domestic sale is accounted for on withdrawal from the Gold/Silver consignment deposit of the supplier and fixation of price with the suppliers. The stock held by the company at year end as Gold/ Silver under Deposit is accounted for under current assets as 'stock towards unbilled purchases' and under current liability as 'amount payable towards unbilled purchases' at the bullion price prevailing as at the close of the year. However, customs duty paid in respect of balance in deposits is accounted for as prepaid expenses.
  - (iii) Gold/silver withdrawn on loan basis from the Gold/Silver under deposit, are booked as loan given to customers and grouped under financial assets. The corresponding liability towards the stocks received from foreign suppliers is grouped under Trade Payable. Loan/Trade Payable are adjusted when purchases and sales are booked.
- d. In respect of Gold/Silver sourced domestically where price fixation is deferred, purchase is initially accounted for on the basis of invoice received from the supplier. The difference, if any, arising on price fixation is accounted for through debit / credit note.
- e. In the case of gold/ silver supplied to exporters on replenishment basis, the purchase in respect of gold/silver booked by exporter by paying margin money, is booked after "fixing" the price with the foreign suppliers. However, sale is booked when quantity is actually delivered to exporters after completion of export.
- f. High Sea Sales

Sale during the course of import by transfer of documents of title i.e. high seas sale is booked upon transfer of documents of title to the goods, upon which buyer obtains control over the goods and the company becomes entitle to receive sales consideration, in favour of buyer before the goods cross the custom frontiers of India.
- ii) Other Operating Revenue

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

Claims are recognized in the Statement of Profit & Loss (Net of any payable) on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc, when its ultimate realisation is probable. Claims recognized but subsequently becoming doubtful are provided for through Statement of Profit and Loss. Insurance claims are accounted upon being accepted by the insurance company. Claims towards shortages/ damages including liquidated damages/ deficiencies in quality/quantity etc are accounted for in accordance with the provisions of relevant contracts. In case there is no such provisions in the existing contract, the claim is accounted for on receipt of acceptance by the party besides collectability of the claim amount being probable. On recognition of such claims the same will be realised/set off against advance received/claims payable etc. to the same party.
- iv) Service Income

Revenue from services is booked, when performance obligation is satisfied by transferring the promised services to the customers, for the consideration to which the company is entitled.
- v) Dividend and interest income

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

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

**vi) Revenue Recognition on Actual Realization**

Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since realisability of such items is uncertain, in accordance with the provisions of Ind AS- 115:-

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

**2.5 Property, Plant and Equipments**

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

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

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

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited and the cost of such item is upto `2000/- in each case, are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged to revenue irrespective of cost.

**2.6 Intangible Assets**

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable. Intangible assets upto `2,000/- in each case are directly charged to revenue.

No intangible assets arising from research is recognised and expense on research directly charged to profit and loss account when it is incurred. An intangible assets arising from development is recognised, if the asset fulfils the criteria for recognition as per Ind AS. Expenditure on an intangible item that was initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

**2.7 Non-Current Assets Held for Sale**

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

**2.8 Depreciation**

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

The residual value of all the assets is taken as ₹ 1/-. The useful lives of the assets are taken as under:-



Name of Assets	Useful life as adopted by the company as per Schedule II
<b>A. General Assets</b>	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
<b>B. Manufacturing Unit's Assets</b>	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
<b>C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company</b>	5
<b>D. Amortization of Intangible Assets</b>	
Softwares	5 years or License period as applicable

## 2.9 Impairment

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the

asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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

#### Impairment of financial assets

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

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

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

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

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

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

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

#### De-recognition of financial assets

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

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

## 2.10 Borrowing Costs

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

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

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



## 2.11 Foreign currency translation

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

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

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

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

## 2.12 Inventory

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

### a) Exports:

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

### b) Imports:

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

### c) Domestic:

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

### d) Packing material

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

### e) Stocks with fabricators

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

## 2.13 Provisions

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

## 2.14 Contingent Liabilities / Assets

### Contingent Liabilities

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

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

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

#### Contingent Assets

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

### **2.15 Leases**

An asset held under lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

An asset held under lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

#### **The company normally enters into operating leases which are accounted for as under:-**

- (i) Rental income from operating leases is recognized either on a straight-line basis or another systematic basis over the term of the relevant lease.
- (ii) Where the company is lessee, at commencement date right to use of assets are recognized at cost and the present value of lease payments that are not paid recognized as lease liability. Subsequently, right of use assets measured by using cost model with any adjustment required for re-measurement of lease liability and lease liability is measured by increasing the carrying amount to reflect the interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any re-assessment or lease modifications.
- (iii) As a practical expedient, short term leases and leases for which the underlying assets is of low value upto ` 1,00,000/- per month or ₹ 12,00,000/-per year are not recognized as per the provisions given under IndAS-116 (Leases) and are recognized as an expense on a straight line basis over the lease term.

### **2.16 Employee benefits**

- i. Provision for gratuity, leave compensation and long service benefits i.e. service award, compassionate gratuity, employees' family benefit scheme and special benefit to MICA division employees is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss and any change due to plan amendment, curtailment and settlement is considered for determining the current service cost, net interest, past service cost or gain/loss for settlement etc.
- ii. Provision for post-retirement medical benefit is made on defined contribution basis.
- iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.
- iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.
- v. Superannuation Pension Benefit, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

#### **Short-term employee benefit obligations**

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

### **2.17 Taxation**

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

#### **Current tax**

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



#### Deferred tax

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

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

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

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

#### Current and deferred tax for the year

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

#### Dividend Distribution Tax

Company is recognising the dividend distribution tax payable on payment of dividend under other equity since the dividend payable consequent upon approval of shareholders in Annual General Meeting is also presented under other equity.

#### Uncertainty over income tax treatments

Company while determining taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12 company is considering the probability of accepting the same treatment by income tax authorities and any change due to this adjusted retrospectively with cumulative effect by adjusting equity on initial application without adjusting comparatives.

### 2.18 Investment Property

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

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties are depreciated in accordance to the class of asset that it belongs and the life of the asset is as conceived for the same class of asset at the Company.

### 2.19 Earnings per share

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



date. Dilutive potential equity shares are determined independently for each period presented.

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

## 2.20 Discontinued operations

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

## 2.21 Financial instruments

### i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

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

Financial assets and financial liabilities are offsetted and the net amount is presented in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Non derivative financial instruments are recognized initially at fair value plus in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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

### a) Cash and cash equivalents

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

### b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than

impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

### c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset, however trade receivable that do not contain a significant financing component are measured at transaction price and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

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

### d) Trade and other payables

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

### e) Investments in Subsidiary, Associates and Joint Venture

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



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

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

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

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

ii) Derivative financial instruments

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

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

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

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

a) **Cash flow hedges**

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

b) **Others**

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

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

## 2.22 Segment Information

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

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

The Assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as unallocable assets/liabilities. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since the assets are used interchangeably and hence a meaningful segregation of the available data is onerous.

## 2.23 Prior Period Errors

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts. Taking into account the nature of activities of the company, prior period errors are considered material if the items of income / expenditure collectively (net) exceed 0.5% of sales turnover of the company.

Notes to Consolidated Financial Statements for the year ended March 31, 2023  
3. Property, Plant and Equipment

Particulars	(₹ in crore)									
	Gross carrying value as at April 1, 2022	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2023	Accumulated depreciation as at April 1, 2022	Additions/ Impairment	Disposal/ adjustments	Accumulated depreciation as at March 31, 2023	Net Carrying Value as at March 31, 2023	Net Carrying Value as at March 31, 2022
Land freehold										
- Office building	0.37	-	-	0.37	-	-	-	-	0.37	0.37
- Staff Quarters	0.13	-	-	0.13	-	-	-	-	0.13	0.13
Land leasehold	-	-	-	-	-	-	-	-	-	-
- Office building	1.07	-	-	1.07	0.13	0.02	-	0.15	0.92	0.94
- Staff Quarters	1.85	-	-	1.85	1.00	0.21	-	1.21	0.64	0.85
Building	-	-	-	-	-	-	-	-	-	-
- Office Building	6.45	-	-	6.45	1.11	0.16	-	1.27	5.18	5.34
- Staff Quarters/Residential Flats	1.24	-	-	1.24	0.26	0.03	-	0.29	0.95	0.98
- Water supply, Sewerage & Drainage	0.06	-	-	0.06	0.05	-	-	0.05	0.01	0.01
- Electrical Installations	3.07	-	(0.01)	3.06	2.02	0.05	(0.01)	2.06	1.00	1.05
- Roads & Culverts	0.02	-	-	0.02	0.02	-	-	0.02	-	-
- Audio/Fire/Airconditioning	0.06	-	-	0.06	0.05	-	-	0.05	0.01	0.01
Plant & Equipment	40.59	-	-	40.59	20.73	2.87	-	23.60	16.99	19.86
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
- Partitions	1.27	-	0.05	1.32	1.14	0.06	0.03	1.23	0.09	0.13
- Others	1.57	-	(0.04)	1.53	0.91	0.14	(0.01)	1.04	0.49	0.66
Vehicles	0.48	0.09	(0.09)	0.48	0.34	0.06	-	0.40	0.08	0.14
Office Equipments	1.79	0.06	0.01	1.86	1.65	0.08	0.01	1.74	0.12	0.14
Others:-	-	-	-	-	-	-	-	-	-	-
- Computer/ Data Processors	2.39	0.05	0.01	2.45	2.31	0.06	0.01	2.38	0.07	0.08
- Others (specify nature)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>62.41</b>	<b>0.20</b>	<b>(0.07)</b>	<b>62.54</b>	<b>31.72</b>	<b>3.74</b>	<b>0.03</b>	<b>35.49</b>	<b>27.05</b>	<b>30.69</b>
<b>Last Year</b>	<b>63.36</b>	<b>0.24</b>	<b>(1.15)</b>	<b>62.45</b>	<b>24.41</b>	<b>4.20</b>	<b>(0.73)</b>	<b>27.88</b>	<b>34.57</b>	
<b>Right to Use Assets</b>	<b>7.70</b>	<b>0.90</b>	<b>(0.84)</b>	<b>7.76</b>	<b>4.05</b>	<b>1.20</b>	<b>(0.34)</b>	<b>4.91</b>	<b>2.85</b>	<b>3.65</b>
<b>Last Year</b>	<b>7.4</b>	<b>0.14</b>	<b>(1.18)</b>	<b>6.36</b>	<b>2.26</b>	<b>1.04</b>	<b>-0.3</b>	<b>3.00</b>	<b>3.36</b>	
<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>Last Year</b>	-	-	-	-	-	-	-	-	-	-



- (a) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with STC Limited earlier on 50:50 basis. However, during 2018-19, the company has obtained execution of separate lease deed for 16.16 acre land from DDA towards its share.
- (b) During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹Nil crore (P.Y. ₹Nil crore) has been made during the year.
- (c) The original title papers of 36 properties of MMTTC are deposited with registrar General, Hon'ble Delhi High Court based on the directions passed by it vide order dated 22.04.2019 and 22.05.2019.
- (d) Refer note no. 49.

#### 4. Investment Property

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value as at beginning of the year	4.88	4.88
Additions	-	-
Disposal/adjustments	-	-
<b>Gross carrying value as at end of the year</b>	<b>4.88</b>	<b>4.88</b>
Accumulated depreciation as at beginning of the year	1.18	1.01
Additions	0.16	0.16
Accumulated depreciation as at end of the year	1.33	1.18
<b>Net Carrying Value as at end of the year</b>	<b>3.55</b>	<b>3.70</b>

Amounts recognised in profit or loss for investment properties	(₹ in crore)	
Particulars	March 31, 2023	March 31, 2022
Rental income	2.29	1.50
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	2.29	1.50
Depreciation	0.08	0.08
Profit from investment properties	2.21	1.42

#### Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows :

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Within one year	0.55	1.81
Later than one year but not later than five year	1.65	2.50
Later than five year	-	2.15
<b>Total</b>	<b>2.20</b>	<b>6.46</b>

#### 5. Intangible Assets

(₹ in crore)

Particulars	Gross carrying value as at April 1, 2022	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2023	Accumulated depreciation as at April 1, 2022	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2023	Net Carrying Value as at March 31, 2023	Net Carrying Value as at March 31, 2023
Computer Softwares	4.23	0.16	(0.28)	4.11	3.99	0.17	(0.17)	3.99	0.12	0.23
Last Year	4.23	-	-	4.23	3.84	0.16	-	4.00	0.23	

Refer note no. 50

## 6. Investments

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>NON CURRENT INVESTMENTS</b>				
<b>A) Investments in Equity Instruments - (Investments accounted for using the equity method - Joint Ventures)</b>				
<b>Unquoted</b>				
Free Trade Warehousing Pvt. Ltd. 5000 (P.Y. 5000) fully paid up equity shares of Rs.10 each.	0.00		0.00	
Add/(Less) : Income/(Loss) from Joint Venture till date	0.00	-	0.00	-
MMTC Pamp India Pvt. Limited. 17446000 (P.Y. 17446000) fully paid up equity shares of Rs. 10 each.	17.45		17.45	
Add : Income from Joint Venture till date	104.88	122.33	73.97	91.42
<b>Total (A)</b>		<b>122.33</b>	<b>91.42</b>	
<b>B) Investments in Equity Instruments - (Others )</b>				
<b>a) At Fair Value through other comprehensive income</b>				
<b>Quoted</b>				
Bombay Stock Exchange Limited. 116883 (P.Y. 116883) fully paid up equity shares of Rs.2 each.	3.00		3.00	
Add /(Less): Fair Value Adjustment through Other Comprehensive Income	2.03	5.03	8.03	11.03
<b>b) At amortized cost</b>				
<b>Unquoted</b>				
Indo French Biotech Limited. 4750000 (P.Y. 4750000) fully paid up equity shares of Rs. 10 each.	4.75		4.75	
Less : Impairment in value of investment	(4.75)	0.00	(4.75)	0.00
<b>Total (B)</b>		<b>5.03</b>		<b>11.03</b>

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>Total Non-Current Investments (Gross)</b>		<b>25.20</b>		<b>25.20</b>
	<b>Aggregate Amount</b>	<b>Market Value</b>	<b>Aggregate Amount</b>	<b>Market Value</b>
Aggregate amount of quoted investments and market value there of	3.00	5.03	3.00	11.03
Aggregate amount of unquoted investments	22.20	-	22.20	-
Aggregate amount of impairment in the value of investments	4.75	-	4.75	-

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>C) CURRENT INVESTMENTS</b>	-	-	-	-



(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
<b>6 D. NON-CURRENT INVESTMENTS HELD FOR SALE</b>				
<b>a) Investments in Equity Instruments at amortized cost</b>				
<b>Joint Ventures</b>				
<b>Unquoted</b>				
Neelachal Ispat Nigam Limited. 368762744 (PY 368762744) fully paid up equity shares of ₹10 each.	0.00		459.11	
Add/(Less): Fair Value Adjustment through Profit & Loss	0.00	-	(459.11)	
Sical Iron Ore Terminal Limited. 33800000 (PY 33800000) fully paid up equity shares of ₹10 each.	-	-	-	-
<b>Others</b>				
<b>Fair value through other comprehensive income</b>				
<b>Unquoted</b>				
Indian Commodity Exchange Limited. 32000000 (PY 32000000) fully paid up equity shares of ₹5 each	16.00		16.00	
Add/(Less): Fair Value Adjustment through Other Comprehensive Income	(16.00)	-	(16.00)	-
<b>Total Investments held for sale</b>		<b>0.00</b>		<b>0.00</b>
<b>b) PPE HELD FOR SALE</b>		-		-
<b>TOTAL (a)+(b)</b>		<b>0.00</b>		<b>0.00</b>

- i. All Non-Current Investments in Equity Instruments of Subsidiaries and Joint Ventures are carried at cost less impairment in value of investment, if any. The Investment in Equity Instruments of others are carried at Fair Value.
- ii. The Company had invested ₹ 33.80 crore (P.Y ₹ 33.80 crore) towards 26% equity in SICAL Iron Ore Terminal Limited (SIOTL), a Joint Venture for the construction and operation of iron ore terminal at Kamrajhar Port. The construction of terminal was completed by November 2010, the same could not be commissioned due to restrictions on mining, transportation and export of iron ore. After due tender process, Kamrajhar Port Ltd (KPL) has allowed to SIOTL for necessary modifications to also handle common user coal. MMTC's Board of Directors during its 428th meeting held on 14.09.2016 approved MMTC's exit through open tender mechanism from the JV. Accordingly, bids were invited from interested bidders for sale of MMTC's equity. No bids were received in the tender process. However, the lead promoter (i.e., M/s Sical Logistics Ltd) has agreed to buy MMTC's equity at the reserve price of ₹ 34.26 crore. Accordingly, the Share Purchase Agreement (SPA) has been signed and in terms of the agreement M/s SICAL Logistics Ltd have deposited ₹ 0.50 crore with MMTC towards performance of the Agreement. As per terms of SPA, M/s SIOTL applied to M/s Kamrajhar Port Ltd for NOC/Permission of MMTC's exit from the JV. The NOC was received in Oct 2019. However, balance payment has not been received so far. Keeping in view the delay in receipt of share purchase value from M/s SICAL Logistics Ltd and financial distress of M/s Sical Logistics Ltd, a provision has been created for ₹ 33.80 crore towards impairment in value of investment on SIOTL. Accordingly, the investment has been shown as 'held for sale'. KPL issued notice of intent to terminate to SIOTL on 21.12.2020. The company filed a writ petition on 24.06.2021 in Madras High Court against the termination notice issued by KPL. Vide order dated 30.11.2021, this petition has been dismissed by the Hon'ble Madras High Court on the ground that writ is not maintainable before the court. MMTC has filed an appeal before Hon'ble Madras High Court challenging the impugned judgement order dated 30.11.2021. In the meantime, M/s Sical Logistics Limited holding company of SIOTL was undergoing Corporate Insolvency Resolution Process (CIRP). The Company (MMTC) lodged its claim of ₹ 34.26 Cr with CIRP of Sical Logistics. To safeguard the investment in SIOTL, M/s SICAL Logistics had moved a similar application being IA/574/Che/2021 in main CIRP proceedings being IBA/73/2020. To ensure that no adverse order is passed in these proceedings, MMTC filed an application being IA/686/Che/2021 for being impleaded as a party and to be heard before any order is passed. Vide order dated 11.03.2022, NCLT Chennai dismissed SICAL's IA/574/Che/2021 for want of Jurisdiction. Accordingly, MMTC's application being IA/686/Che/2021 in IA/574/Che/2021 stands closed. IRP of SLL had also informed about the successful resolution of SLL duly approved by NCLT vide its order dated 8.12.2022. M/s SIOTL's two creditors (1. M/s Portman India Private Limited, Chennai 2. M/s ITD Cementation India Limited, Mumbai) initiated corporate insolvency resolution process against SIOTL in NCLT under Insolvency and Bankruptcy Code 2016. Vide order dated 01.03.2022, Vide order dated 01.03.2022, NCLT Chennai has admitted their applications and have appointed same IRP for both cases. RP of SIOTL vide letter dated 02.03.2023 has informed that the members of the Committee of Creditors(CoC) have resolved to liquidate the Corporate Debtor and application for the same has been filed before Hon'ble NCLT for initiation of liquidation process. Therefore as per Regulation 12 (2) of the CIRP

- Regulation and initiation of liquidation the undersigned cannot consider MMTC claim at this stage. Other options available for realisation of investment amount, is being explored in consultation with Law Division.
- iii. The process of divestment of NINL has been completed on 4.7.2022 through DIPAM. Further refer note no. 36 (c).
- iv. MMTC had invested ₹ 26 crore (5.20 crore equity share of ₹ 5 Face value) during 2009-10 in ICEX. ICEX Initial equity capital was ₹ 100 crore that was later on increased to ₹ 266.75 crore. However later on MMTC divested 2 crore share @ ₹ 10 per share in 2015-16. After this divestment MMTC's shareholding reduced to ₹ 16 crore (3.20 crore share @ ₹ 5 Face value) which is 6% of the total share capital of ₹ 266.75 crore. Later on due to erosion of Net worth of ICEX MMTC provided Fair value Adjustment of ₹ 8.16 crore and ₹ 7.84 crore in 2019-20 and 2021-22 respectively. After such adjustment share value in the books of accounts stands to ₹ Nil crore as on 31.03.2023 (P.Y. ₹ Nil crore). As of March 31, 2023, the shares of ICEX are not available for purchase on any stock exchange. MMTC tried to sell its equity in ICEX in FY 2017-18 and again from FY 2019-20 to 2021-22, but MMTC was unable to find any buyers. SEBI passed order dated 10.05.2022 for withdrawal of recognition to ICEX vide official gazette of India on 18.05.2022. However, Securities Appellate Tribunal (SAT), by its order dated 13 June 2022 has Quashed SEBI order derecognizing ICEX and has given ICEX one-year time from 13.6.2022 to complete all compliances to SEBI's satisfaction during this period all trading activities would remain suspended. ICEX Board in February 2023, approved the voluntary surrender of the License/Recognition of the Exchange to Regulator (SEBI) and to discontinue the Commodity derivatives business. Further, ICEX Board decided to consider new line of businesses at appropriate time.

#### 7. Trade Receivable

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Trade Receivables from related parties		
a) Considered Good - Secured	-	-
b) Considered good - Unsecured	-	-
c) Which have significant increase in Credit Risk	-	-
d) Credit impaired	-	-
Less : Allowances for bad and doubtful debts	-	-
<b>Sub-Total</b>	-	-
(ii) Other Trade Receivables		
a) Considered Good - Secured	115.61	102.47
b) Considered good - Unsecured	288.94	299.17
c) Which have significant increase in Credit Risk	-	-
d) Credit impaired	390.22	390.12
Less : Allowances for bad and doubtful debts	390.22	390.12
<b>Sub-Total</b>	<b>404.55</b>	<b>401.64</b>
<b>Total</b>	<b>404.55</b>	<b>401.64</b>
<b>NON-CURRENT (A)</b>	-	-
<b>CURRENT (B)</b>	<b>404.56</b>	<b>401.65</b>
<b>TOTAL</b>	<b>404.56</b>	<b>401.65</b>

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ Nil crore (P.Y. ₹ Nil crore).

Refer note no. 37.3 (b) for ageing and note no.36 (h) (ii)

#### Movement in allowances for bad & doubtful debt:

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	390.12	390.02
Additions during the year	0.36	0.10
Reversals during the year	-	-
Utilisations during the year	-	-
<b>Balance at the end of the year</b>	<b>390.22</b>	<b>390.12</b>

**8. Loans**

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
<b>Considered good - Secured</b>				
Loans to Employees*	0.33	0.95	0.51	1.90
Others	-	-	-	-
<b>Sub- Total</b>	<b>0.33</b>	<b>0.95</b>	<b>0.51</b>	<b>1.90</b>
<b>Considered good - Unsecured</b>				
Loans to Related Parties	0.19	0.54	0.48	0.37
Loans to Employees	-	-	-	-
Others	-	-	-	0.00
<b>Sub- Total</b>	<b>0.19</b>	<b>0.54</b>	<b>0.48</b>	<b>0.37</b>
<b>Credit impaired</b>				
Loans to Related Parties	-	-	-	-
Loans to Employees	-	-	-	-
Others	0.03	0.14	0.03	0.14
Less: Allowance for bad and doubtful loans	0.03	0.14	0.03	0.14
<b>Sub- Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>0.52</b>	<b>1.49</b>	<b>0.99</b>	<b>2.27</b>

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹Nil crore (P.Y. ₹Nil crore).

\*Secured by hypothecation/undertaking of property and other assets of employees.

**9. Other Financial Assets**

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	-	11.39	-	11.39
Balance with bank for Unpaid Dividend	-	0.16	-	0.19
Receivable From NSEL (i)	-	208.25	-	208.25
Demurrage and Despatch receivable	2.62	6.81	4.40	6.42
Forward contract receivable	-	-	-	-
Advances to other Companies (ii)	-	33.53	-	33.53
Other Advances	0.26	8.99	1.85	8.97
Security Deposit	0.55	2.06	4.00	2.34
Interest accrued due/not due on:	-	-	-	-
-Term Deposits	45.14	-	0.46	-
-Loans to Employees	0.65	4.67	0.58	6.20
-Loans to Related Parties	0.04	0.49	-	-
-Loans to Others	-	3.16	-	2.25
Others	-	9.92	-	9.92
Less: Impairment / Allowances for bad and Doubtful Receivables etc.	1.18	244.75	2.39	243.88
<b>Total</b>	<b>48.08</b>	<b>44.68</b>	<b>8.90</b>	<b>45.58</b>

- i. Represents ₹ 208.25 crore (P.Y. ₹ 208.25 crore) recoverable from various borrowers and National Spot Exchange (NSEL) arising on account of default of payment obligation of NSEL against which full provision has already been made. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. CBI also investigated the case. The Hon'ble Supreme Court of India has set aside the order of amalgamation of NSEL with FTIL. Further, Hon'ble Supreme Court has allowed the appeal filed by State of Maharashtra and held that the notifications issued under Section 4 of the MPID Act attaching the properties of the 63 Moons Technologies Ltd are valid.  
The suit filed by Company has been tagged with the suit no 121 of 2014 filed by L.J. Tanna Shares and Securities which has not come up for hearings as per the CMIS systems of the Hon'ble Bombay High Court in regular course. The next date of hearing is awaited. The Company has also filed its claim before the MPID Court in Mumbai to recover the principal sum with interest at 18% per annum. The matters are pending at various stages in court.
- ii. During the year a provision of ₹Nil crore (P.Y. ₹Nil crore) has been made against advance for project development to HFTWPL & KFTWPL. Total Provision as on 31.03.2023 is ₹16.30 crore (P.Y. ₹ 16.30 crore).



## 10. Deferred Tax Assets

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Liability</b>		
Property, plant and equipment	(5.04)	(6.99)
<b>Sub Total</b>	<b>(5.04)</b>	<b>(6.99)</b>
<b>Deferred tax Assets</b>		
Prov. For Doubtful Debts	168.04	233.30
Prov. for Employee Benefit Expense	(8.57)	(11.90)
<b>Sub Total</b>	<b>159.47</b>	<b>221.40</b>
<b>Deferred tax Assets (net)</b>	<b>154.43</b>	<b>214.41</b>

Deferred Tax assets have been recognised to the extent of expected utilisation against probable future taxable income of the company.

\*The Company has opted for the new Income Tax rates as per the option under section 115BAA introduced vide Taxation Laws (Amendment) Act, 2019 with effect from FY 2022-23 (AY 2023-24). Hence, carry forward balance of Deferred Tax Assets amounting to ₹ 214.41 crore has been adjusted to the extent of difference in effective income tax rates between regular Income Tax rates (34.944%) and rates as per the option under section 115BAA (25.167%).

Further, the Company has not recognised Deferred Tax Assets on carry forward losses arising during the Current as well as previous financial years on conservative basis keeping in view of the uncertainties involved.

### Movement in deferred tax balances during the year

(₹ in crore)

Particulars	Balance As at March 31 2022	Recognised in Profit and Loss	Adjustments	Balance As at March 31 2023
<b>Deferred Tax Liability</b>				
Property plant and equipment	(6.99)	-	1.95	(5.04)
<b>Sub Total</b>	<b>(6.99)</b>	<b>-</b>	<b>1.95</b>	<b>(5.04)</b>
<b>Deferred Tax Assets</b>				
Provisions for Bad & Doubtful Debts	233.30	-	(65.26)	168.04
Provision for Employee Benefit Expense	(11.90)	-	3.33	(8.57)
<b>Sub Total</b>	<b>221.40</b>	<b>-</b>	<b>(61.93)</b>	<b>159.47</b>
<b>Total</b>	<b>214.41</b>	<b>-</b>	<b>(59.98)</b>	<b>154.43</b>

Recognised Deferred tax assets

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deductible temporary differences	154.43	214.41
<b>Total</b>	<b>154.43</b>	<b>214.41</b>

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

(₹ in crore)

## 11. Other Assets

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. Non-Current</b>		
Advances other than Capital Advances		
- Advances to other Suppliers	4.07	4.79
- Other Advances	16.94	17.03
Allowances for bad and Doubtful Advance	(17.30)	(18.27)
Others		
- Income Tax paid recoverable*	24.24	20.45
- Others	0.04	0.04
<b>Total</b>	<b>27.99</b>	<b>24.04</b>
<b>B. Current</b>		
Advances other than Capital Advances		
-Security Deposits	-	-
-Advances to Related Parties	-	1,425.00
-Trade Related Advance to Related Parties	-	2,038.11
- Interest accrued realisability uncertain	-	-
- Advances to other Suppliers	0.79	0.79
- Claim Recoverable Others	169.53	167.03
-Gold/Silver stock towards unbilled purchases	-	24.96
- Other Advances**	1,113.95	15.30
Allowances for bad and Doubtful Advance	(3.35)	(3.36)



Others		
- Income Tax refund due	2.53	3.51
- Sales Tax refund due	13.90	14.50
- Excise/Custom duty refund due	4.68	4.68
- Service Tax refund due	3.98	0.53
-Others	17.69	18.48
<b>Total</b>	<b>1,323.70</b>	<b>3,709.53</b>

\*Includes ₹20.10 crore (P.Y. ₹14.68 crore) is under dispute (refer note no. 34 (i) (b))

- (i) \*\* In terms of the court order dated 06.05.2022 & 07.07.2022 passed by the Hon'ble Delhi High Court in the matter of Anglo Coal case, an amount of ₹ 1088.62 crore has been deposited with Delhi HC and the final amount is subject to judgement/clarification of Hon'ble Court. Provision of ₹ 1054.77 crore (Refer note no. 20) has already been made in the books of accounts with interest up to 19.07.2022 as per company's calculation. Next date of hearing is 13.07.2023.
- (ii) Includes an amount of ₹ 4.36 crore deposited with The Registrar General of Hon'ble Delhi High Court in respect of the case Trammo AG v/s MMTC Limited. The provision of ₹ 4.36 crore (Refer note no. 20) against the same has been made in the books.
- (iii) Includes an amount of ₹ 0.60 crore deposited with CESTAT, which is prerequisite for filing appeal against the service tax demand.
- (iv) Includes an amount of ₹ 2.79 crore deposited with The Registrar General of Hon'ble Delhi High Court in respect of the case OMP (ENG) KISPL v/s MMTC Limited. The company has recognised contingent liability of ₹6.14 crore (Refer note no. 34)

## 12. Inventories

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	0.24	5.09
Finished Goods	0.91	20.66
Stock in trade (includes goods in transit valued at ₹ 2.68 crore (P.Y. ₹ 7.69 crore))	-	3.65
Others	-	0.40
<b>Total</b>	<b>1.15</b>	<b>29.80</b>

- a) As taken, valued and certified by the management.
- b) Inventories including goods in transit are valued at lower of the cost or realizable value as on 31<sup>st</sup> March 2023. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹Nil crore (P.Y. ₹0.01 crore).
- c) Stock-in-trade includes the following:
- 9036 units (P.Y. 9036 units) Certified Emission Reductions (CERs) valued at ₹1 (P.Y. ₹1) as per IndAS-2 'Inventories', being lower of cost or net realizable value.
  - Nil units (P.Y. Nil units) number of CERs under certification.
  - An amount of ₹5.42 crore (P.Y. ₹5.30 crore) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.
- d) Stock in Trade includes an inventory of ₹Nil crore (P.Y. ₹Nil crore) valued at cost relating to onion imported under Price Stabilization Scheme of the Government of India to create Buffer Stock of onion. (Refer note 36(e)).

## 13. Cash & Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
(a) in Current Account	1.63	115.84
(b) In term deposit with original maturity upto 3 months	311.91	15.57
(c) Debit balance in Cash Credit Account	5.17	20.96
Cheques/Drafts/Stamps on hand	-	-
Cash on hand	-	0.07
<b>Total</b>	<b>318.71</b>	<b>152.44</b>

## 14. Bank Balances other than above

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
As Margin money/under lien	59.31	48.66
In term deposit with original maturity more than 3 months but less than 12 months	967.95	0.79
<b>Total</b>	<b>1,027.26</b>	<b>49.45</b>

## 15. Current Tax Assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax Paid/TDS Recoverable for the FY 2022-23	164.41	
Advance Tax Paid/TDS Recoverable for the FY 2021-22	-	3.61
<b>Total</b>	<b>164.41</b>	<b>3.61</b>

## 16.A. Equity Shares Capital

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
<b>Authorized</b>				
Ordinary shares of par value of ₹ 1/- each				
Number	2,000,000,000		2,000,000,000	
Amount		200.00		200.00
<b>Issued, subscribed and fully paid</b>				
Ordinary shares of par value of ₹ 1/- each				
Number	1,500,000,000		1,500,000,000	
Amount		150.00		150.00

### Reconciliation of number of shares:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Equity Shares	1,500,000,000	1,500,000,000
Add : - No. of Shares issued/subscribed during the year		
Less: Deduction	-	-
<b>Closing balance</b>	<b>1,500,000,000</b>	<b>1,500,000,000</b>

### No. of Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2023	As at March 31, 2022
- President of India	1,348,903,143	1,348,903,143

### Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
	No. of Shares	% of total shares	
- President of India	1,348,903,143	89.93%	Nil

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

Movements in equity share capital: During the year, the company has not bought back any shares.

The Company does not have any holding company.

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

## B. Other Equity

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve	598.89	598.89
Research & Development Reserve	-	-
General reserve	646.85	(915.42)
Retained Earnings	8.30	8.30
Other Comprehensive Income Reserves	7.72	10.14
<b>Total</b>	<b>1,261.76</b>	<b>(298.09)</b>



(I) General Reserve

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	598.89	598.89
Transfer from surplus	-	-
Transfer to general reserve	-	-
<b>Closing Balance</b>	<b>598.89</b>	<b>598.89</b>

(ii) Research & Development Reserve

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Transfer from surplus/other reserves	-	-
Transfer to General Reserve	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

(iii) Bond Redemption Reserve

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	8.30	8.30
Transfer from surplus	-	-
Deduction	-	-
<b>Closing Balance</b>	<b>8.30</b>	<b>8.30</b>

(iv) Retained Earnings

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	(915.42)	(657.20)
Net Profit for the year	1,562.27	(258.22)
Dividend and Dividend Distribution Tax	-	-
Other Adjustments	-	-
General Reserve	-	-
<b>Closing Balance</b>	<b>646.85</b>	<b>(915.42)</b>

(v) Other Reserves

(₹ in crore)

	Equity Components of Compound financial instruments	Equity Instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation	Remeasurements - Post Employee Benefit Plans	Total other reserves
As at April 1 2021	113	(8.09)	-	14.14	(6.59)	(0.25)
Remeasurements of the defined benefits plans	-	-	-	-	7.64	7.64
Other adjustments	-	-	-	-	-	-
Equity Instruments through other Comprehensive income	-	0.97	-	-	-	0.97
Addition/(Deduction)	-	-	-	1.78	-	1.78
<b>As at April 1 2022</b>	<b>1.13</b>	<b>(7.96)</b>	<b>-</b>	<b>15.92</b>	<b>1.05</b>	<b>10.14</b>
Remeasurements of the defined benefits plans	-	-	-	-	1.44	1.44
Other adjustments	-	-	-	-	-	-
Equity Instruments through other Comprehensive income	-	(6.01)	-	-	-	(6.01)
Addition/(Deduction)	-	-	-	2.15	-	2.15
<b>As at April 1 2022</b>	<b>1.13</b>	<b>(13.97)</b>	<b>-</b>	<b>18.07</b>	<b>2.49</b>	<b>7.72</b>

### 17. Borrowings

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. NON-CURRENT</b>		
(i) Term Loans		
(a) From Banks		
- Secured	-	-
- Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>B. CURRENT</b>		
(i) Loans repayable on Demand		
(a) From Banks		
- Secured ( against hypothecation of inventories, trade receivables and other current assets present and future)	154.11	262.69
- Unsecured	41.73	2,358.96
<b>Total</b>	<b>195.84</b>	<b>2,621.65</b>

- The loans have not been guaranteed by any of the director or others.
- Refer note no. 29

### 18. Trade Payable

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>B. CURRENT</b>		
<b>Trade Payables</b>		
Total outstanding dues of micro and small enterprise	0.17	0.18
Total outstanding dues of creditors other than micro and small enterprise	345.56	534.18
<b>Trade Payables to Related Parties</b>		
Total outstanding dues of micro and small enterprise	-	-
Total outstanding dues of creditors other than micro and small enterprise	0.02	0.02
<b>Total</b>	<b>345.75</b>	<b>534.38</b>

Refer note 37.3 (c) for ageing.

### 19. Lease Liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. NON-CURRENT</b>		
Lease	5.84	4.14
Other	-	-
<b>Total</b>	<b>5.84</b>	<b>4.14</b>
<b>B. CURRENT</b>		
Lease	0.86	0.13
<b>Total</b>	<b>0.86</b>	<b>0.13</b>

### 19 C. Other Financial Liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>CURRENT</b>		
Payables		
Total outstanding dues of micro and small enterprise	1.08	0.10
Total outstanding dues of creditors other than micro and small enterprise	6.00	15.79
Despatch/ Demurrage payable	1.75	2.71
Amount recovered -pending remittance	6.45	12.12
Interest accrued on borrowings	3.11	2.16
Security Deposit & EMD	9.89	12.83
Unpaid Dividend	0.16	0.19
Claims payable	38.77	41.40
Others	98.19	132.07
<b>Total</b>	<b>165.40</b>	<b>219.37</b>



## 20. Provisions

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. NON-CURRENT EMPLOYEE BENEFITS</b>		
a) Earned Leave	16.68	15.39
b) Compassionate Gratuity	0.05	0.07
c) Post Retirement Medical Benefit	-	-
Retired/retiring on or after 01.01.2007	(1.18)	(1.02)
Retired before 01.01.2007	3.83	0.05
d) Half Pay Leave	18.54	16.60
e) Service Award	2.51	2.87
f) Employee's Family Benefit Scheme	1.78	2.37
g) Special benefit to MICA employees	0.82	1.07
<b>Total</b>	<b>43.03</b>	<b>37.40</b>
<b>B. CURRENT EMPLOYEE BENEFITS</b>		
a) Earned Leave	3.93	3.17
b) Compassionate Gratuity	0.03	0.03
c) Post Retirement Medical Benefit	-	-
Retired/retiring on or after 01.01.2007	(1.06)	(1.18)
Retired before 01.01.2007	0.08	3.83
d) Half Pay Leave	0.15	3.55
e) Gratuity	-	0.15
f) Service Award	0.81	0.71
g) Bonus/performance related pay	3.30	3.50
h) Employee's Family Benefit Scheme	0.35	0.43
i) Special benefit to MICA employees	0.33	0.42
<b>Sub Total</b>	<b>7.92</b>	<b>14.61</b>
OTHERS		
Destinational weight and analysis risk	-	-
Provision for Litigation Settlements*	1,074.52	1,067.39
<b>Sub Total</b>	<b>1,074.52</b>	<b>1,067.39</b>
<b>Total</b>	<b>1,082.44</b>	<b>1,082.00</b>

\* Refer Note No. 11

## 21. Other Liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Advance Received from Customers	275.78	376.74
Statutory dues Payable	2.39	6.24
Amount payable towards unbilled purchases	-	24.96
Others	2.04	2.19
<b>Total</b>	<b>280.21</b>	<b>410.13</b>

## 22. Current tax liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax payable for the FY 2022-23	146.78	-
Income tax payable for the FY 2021-22	-	22.28
<b>Total</b>	<b>146.78</b>	<b>22.28</b>

## 23. Revenue From Operations

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products	3,522.72	11,237.80
Sale of Services	4.68	4.50
Other Operating Revenue		
- Claims	-	0.15
- Subsidy	-	-
- Despatch Earned	-	1.43
- Other Trade Income	0.78	552.36
<b>Total</b>	<b>3,528.18</b>	<b>11,796.24</b>

#### 24. Other Income

(₹ in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income		
- From Fixed Deposits	82.91	3.19
- From Customers on amount overdue	-	-
- Others	2.07	1.51
Dividend Income		
-From Joint Ventures	-	-
- From Others	0.16	0.08
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
-Staff Quarters Rent	0.71	0.71
-Liabilities Written Back	2.98	9.15
-Foreign Exchange Gain	0.01	-
-Misc. Receipt*	4.27	3.09
<b>Total</b>	<b>93.11</b>	<b>17.73</b>

\*Refer note no.50

#### 25. Cost of Materials Consumed

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock of Raw Material	5.09	5.83
Add : Transfer from purchases	8.92	106.66
Less : Closing Stock of Raw Material	0.24	5.09
<b>Cost of Materials Consumed</b>	<b>13.77</b>	<b>107.40</b>
<b>Consumables</b>	<b>-</b>	<b>-</b>

#### 26. Purchase of Stock-in-Trade

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Purchases</b>		
Precious Metal	213.91	5,480.78
Metals	74.63	105.25
Fertilizers	2.07	1,449.64
Minerals	98.06	115.39
Agro Products	2,863.13	3,156.95
Coal and Hydrocarbons	113.34	207.81
General Trade	1.01	28.38
Others	-	-
<b>B. Stock Received/(Issued) in kind</b>		
Precious Metals	(0.01)	(0.03)
<b>Total</b>	<b>3,366.14</b>	<b>10,544.17</b>

#### 27. Changes in Inventory

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Finished Goods</b>		
Opening Balance	20.66	22.25
Closing Balance	0.92	20.67
Changes in Inventory of Finished Goods	19.74	1.58
<b>B. Stock-In-Trade</b>		
Opening Balance	3.65	13.83
Closing Balance	0.01	3.66
Changes in Inventory of Stock in Trade	3.64	10.17
<b>Net (Increase) /Decrease</b>	<b>23.38</b>	<b>11.75</b>

**28. Employees' Benefit Expenses**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Salaries and Wages		
Salaries and Allowances	86.65	91.88
Leave encashment	6.47	8.22
Bonus	0.17	0.29
Performance Related Pay	-	-
Medical Expenses	2.21	3.09
Group Insurance	0.09	0.07
VR Expenses	-	-
b) Contribution to Provident Fund & Other Funds		
Provident Fund	7.87	8.41
Gratuity Fund	0.93	2.03
Family Pension Scheme	0.63	0.73
Superannuation Benefit	3.50	4.08
c) Staff Welfare Expenses	0.68	0.52
<b>Total</b>	<b>109.20</b>	<b>119.32</b>

- (i) Profit of the company for PRP purpose has been calculated taking into account interest income on trade related advance (other than overdue) as per Accounting Policy no. 2.4 (ii). Pending approval of the Remuneration Committee as mandated in the DPE Guidelines, the PRP advance was made to employees. The order for recovery of above PRP advance from employees is disputed by staff & officers forum and is pending in respective courts.
- (ii) The payment of perks & allowances has been deferred w.e.f. 01.09.2020 in accordance with the decision of FMCOD in its meeting held on 20.10.2020 on the grounds of poor financial health of the company.
- (iii) MMTC Employees Post-Retirement Medical Benefit Trust, is now operational. The decision to fund the PRMBS Trust is pending, keeping in view the affordability provision laid down in the DPE order.
- (iv) CPF/Pension dues from December 2021 to March 2022 was pending and same has been paid on 5.7.2022.

**29. Finance Cost**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expenses*	120.03	208.82
Interest Expenses on Lease	0.79	0.11
Premium on forward contract	-	-
<b>Total</b>	<b>120.82</b>	<b>208.93</b>

\* Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of ₹ 2551.44 crore as on 31.3.2022 have been paid towards principal and agreed interest upto 31.3.2022. An amount of ₹ 106.41 crore relating to interest and Right to Recompense (RTR) has been provided for in the current twelve months, out of which ₹ 63.68 crore pertains to interest from 01.04.2022 to 31.03.2023 & remaining amount of ₹ 42.73 crore (refer note no. 16) relates to additional interest and other charges under RTR subject to final settlement with banks. The matter is now closed with State Bank of India and Punjab & Sind Bank. Other lender banks are also taking up the matter with their appropriate authorities. Surplus funds are being invested as per Board approved policies. Also includes interest paid on gratuity ₹ 0.08 crore, on late payment of TDS ₹ 0.10 crore and on interest on late payment of income tax ₹ 1.39 crore.

**30. Depreciation And Amortization Expenses**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on PPE	4.96	4.68
Depreciation on Investment Property	0.16	0.48
Amortization of Intangible Assets	0.17	0.15
<b>TOTAL</b>	<b>5.29</b>	<b>5.31</b>

Refer note no. 50



### 31. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>a) Operating Expenses :</b>		
Freight	54.53	61.55
Demurrage	-	(0.05)
Clearing, Handling, Discount & Other charges	32.34	70.35
L/C negotiation and other charges	1.98	3.23
Difference in foreign exchange	0.02	0.10
Customs duty	0.39	388.11
Packing Material	-	0.23
Insurance	-	-
Godown insurance	1.03	1.10
Plot and Godown rent	-	0.01
Provision for destinational weight and analysis risk	-	-
<b>Sub Total (a)</b>	<b>90.29</b>	<b>524.63</b>
<b>b) Administrative Expenses :</b>		
Rent	4.37	0.99
Security Expenses	2.71	2.78
Rates and taxes	1.63	1.90
Insurance	0.31	0.13
Repairs to buildings	3.71	3.37
Repairs to machinery	0.01	0.03
Repairs & Maintenance- Computers	1.15	1.50
Repairs & Maintenance - Others	0.39	0.34
Electricity & Water Charges	2.69	2.50
Advertisement & Publicity	0.08	0.05
Printing & Stationery	0.30	0.22
Postage & Courier	0.02	0.09
Telephone	0.69	0.79
Telecommunication	0.10	0.14
Travelling	0.76	0.39
Vehicle	0.47	0.56
Entertainment	0.18	0.13
Legal	4.36	2.95
Auditors' Remuneration	0.59	0.68
Bank Charges	1.10	15.79
Books & Periodicals	-	-
Trade / Sales Promotion	0.08	0.15
Subscription	0.06	0.12
Training, Seminar & Conference	0.01	-
Professional/Consultancy	1.65	1.48
CSR Expenditure	0.05	0.05
Difference in foreign exchange	0.53	4.32
Service Tax / GST	0.80	1.03
Exhibition and Fairs	0.01	0.11
Miscellaneous Expenses*	2.94	4.17
<b>Sub Total (b)</b>	<b>31.76</b>	<b>46.76</b>
<b>c) Others</b>		
Allowance for Bad and Doubtful Debts / claims/ advances	1.72	1.05
Bad Debts/Claims/Assets written off/withdrawn	0.03	0.02
<b>Sub Total (c)</b>	<b>1.75</b>	<b>1.07</b>
<b>Total (a+b+c)</b>	<b>123.80</b>	<b>572.46</b>

Refer note no. 50



### 32. Exceptional Items

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Write-down of inventories to net realisable value and its reversal	-	0.01
Disposals of items of fixed assets	(0.38)	(0.04)
Provision for diminution in value of non current investment (i)	-	0.01
Profit on sale of Investment	(1,415.60)	-
Interest on delayed payments	0.04	-
Litigation settlements (ii)	1.86	178.44
Provisions no longer required (iii)	(3.19)	(23.22)
<b>Total</b>	<b>(1,417.27)</b>	<b>155.20</b>

(i) Represents provision towards equity investment in Free Trade Warehousing Pvt. Ltd.

(ii) Includes ₹ 1415.60 crore as profit on sale of investment in NINL, consequent upon divestment of NINL through DIPAM.

### 33. Tax Expense

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current year</b>	<b>146.33</b>	18.27
Adjustments relating to prior periods	(2.47)	
<b>Sub Total (A)</b>	<b>143.86</b>	18.27
Deferred tax expense		
Origination and reversal of temporary differences	59.98	341.03
Changes in tax rate -		
Change in accounting policy		
<b>Sub Total (B)</b>	<b>59.98</b>	341.03
<b>Total (A+B)</b>	<b>203.84</b>	<b>359.30</b>

### Tax recognised in other comprehensive income

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit plan actuarial gains (losses)	0.42	4.16
<b>Total</b>	<b>0.42</b>	<b>4.16</b>

### Reconciliation of effective tax

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit before tax</b>	<b>1,766.10</b>	101.08
Enacted tax Rate (applicable to holding company)	25.17	34.94
Computed Expected Tax Expense*	321.96	42.14
<b>Adjustments relating to holding company :</b>		
Non-deductible expenses	2.43	8.05
Tax exempt income/ any other deduction or allowable exp.	(163.53)	(4.47)
Change in estimates related to prior years	(2.47)	-
Other Adjustment	(15.29)	(28.38)
Deferred Tax	59.98	341.03
Adjustments relating to Subsidiary & Joint Ventures	0.76	0.93
<b>Tax Expenses for the year</b>	<b>203.84</b>	<b>359.30</b>
Adjustment : Tax effect on OCI	0.42	4.16
<b>Net Tax Expenses for the year</b>	<b>204.26</b>	<b>363.46</b>

Refer Note No. 10

### 34. Contingent Liabilities & Disclosures:

i)

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
(I)		
a) Claims against the company not acknowledged as debts including foreign currency claim	344.76	287.17
b) Disputed Income Tax Demand against which ₹ 20.10 crore (P.Y. ₹ 14.68 crore) deposited	26.59	33.38
c) Disputed TDS demands	0.00	0.00
d) Disputed Sales Tax Demand against which ₹ 17.88 crore (P.Y. ₹ 17.84 crore) deposited and ₹ 0.43 crore (P.Y. ₹ 0.43 crore) covered by Bank Guarantees	284.88	217.30
e) Disputed Service Tax Demand	79.47	119.23
f) Disputed Central Excise demand against which ₹ 0.76 crore (P.Y. ₹ 0.76 crore) Deposited.	20.29	20.29
g) Disputed PF demand	0.68	2.66
h) Custom Bonds	182.05	317.98
i) Outstanding GR-1 against which Bank Guarantee furnished of ₹ 0.73 crore (P.Y. ₹ 0.73 crore)	1.60	1.60
<b>Total (I)</b>	<b>940.33</b>	<b>999.60</b>
(II) <b>Others on back to back basis where liability if any is to account of associate</b>		
a) Differential Custom Duty/Interest/Penalty etc.	184.49	184.49
<b>Total (II)</b>	<b>184.49</b>	<b>184.49</b>

### Movement in respect of items mentioned at S.No. (I)

(₹ in crore)

Particulars	Balance as at 31st March, 2022	Reduction during the year in respect of opening balance	Addition during the year 2022-23	Balance as at 31st March, 2023
a) Claims against the company not acknowledged as debts including foreign currency claim.	287.17	0.21	57.80	344.76
b) Disputed Income Tax Demand	33.38	6.78	-	26.60
c) Disputed TDS demands	0.00	-	-	0.00
d) Disputed Sales Tax Demand	217.30	23.85	91.43	284.88
e) Disputed Service Tax Demand	119.23	44.29	4.54	79.48
f) Disputed Central Excise demand	20.29	-	-	20.29
g) Disputed PF demand	2.66	2.24	0.26	0.68
h) Custom Bonds	317.98	138.54	2.60	182.05
i) Outstanding GR-1	1.60	-	-	1.60
j) Claims against the company not acknowledged as debts including foreign supplier.	-	-	-	-
<b>Total</b>	<b>999.60</b>	<b>215.91</b>	<b>156.62</b>	<b>940.33</b>

### Share in Contingent Liabilities of Joint Ventures

(₹ in crore)

Sl.No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	MMTC PAMP India Pvt. Limited	54.10	7.71
2	SICAL Iron Ore Terminal Limited	NA	NA
3	Neelachal Ispat Nigam Limited	NA	NA
4	Free Trade Ware- housing Pvt. Ltd.	-	-



NA— Audited Financial Statements not received

- ia) Guarantees issued by Banks on behalf of the Company ₹ 13.69 crore (P.Y. ₹ 13.95 crore) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹ Nil (P.Y. Nil) have been obtained from associate suppliers.
- ii) Letters of Credit opened by the Company remaining outstanding ₹ NIL (P.Y. ₹ 183.24 crores).
- iii) Corporate Guarantees of ₹ NIL crores (P.Y. ₹ 1345.82 crores) given by the company in favour of financial institutions / banks on behalf of Neelachal Ispat Nigam Limited (NINL),
- iv) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.
- v) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/Contractors, disputed rent and interest/penalty/legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.
- vi) Claims against the company not acknowledged as debt includes demand raised by RPFC of ₹ 2.18 crores (PY ₹ 0.69 crores) on account of MMTC Employees Cooperative Canteen Society.
- vii) a) Above includes amount of 0.07 crore (P.Y. ₹ 0.07 crore) on account of demand raised by Stock Exchange Board of India (SEBI) in relation to non-compliance of regulation 33 of SEBI. Further an amount of ₹ 0.01 crore is also included for non-compliance of appointment of Independent Director by administrative ministry.

### 35. Commitments

**Capital Commitments:** Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is ₹ Nil (P.Y. ₹ Nil crore).

Capital commitment in respect of investment in joint venture ₹ Nil (P.Y. ₹ Nil).

#### Share in Capital Commitments of Joint Ventures:-

Sl.No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	MMTC PAMP India Pvt. Limited	2.50	1.36
2	SICAL Iron Ore Terminal Limited	NA	NA
3	Neelachal Ispat Nigam Limited	NA	NA
4	Free Trade Ware- housing Pvt. Ltd.	--	--

NA— Audited Financial Statements not received

### 36. General Disclosures :-

- a) Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets (note no. 11 (B)) as well as other current liabilities (note no.21).

Items	31.03.2023		31.03.2022	
	Qty	Value	Qty	Value
Gold (in Kgs)	-	-	53.00	24.96
Gold Jewellery (in Grams)	-	-	-	-
Silver (in Kgs)	-	-	-	-
<b>TOTAL</b>	-	-	<b>53.00</b>	<b>24.96</b>

- b) NIL kgs (P.Y. NIL kgs) of un-refined Silver is lying is DRO as on 31.3.2023 on behalf of Shri Mata Vaishno Devi Shrine Board.
- c) Neelachal Ispat Nigam Ltd (NINL)-Joint Venture company divestment has been completed on 4.7.2022.
  - (i) The detailed note on NINL divestment was given in 2021-22 and further to that, MMTC's share of ₹ 484.14 crore out of ₹ 911.16 crore towards contingent liabilities on account of Govt. dues (₹ 36.77 crore – Non Tax liabilities & ₹ 874.39 crore – Tax liabilities) have been kept in an interest bearing Escrow Account, which shall be passed on to Sellers in the ratio of their stake holding, if the claim against these dues have not been paid till the end of retention period (2 years for non – tax liabilities and 3 years for tax liabilities), Further as the above event is based on probable future outcome, the revenue for the same has not been recognised and this deferred amount has been treated as contingent asset, which is accordance of the opinion of Tax experts for capital gain tax liability on contingent consideration of ₹ 484.13 crore.  
Out of the ₹ 911.16 crore mentioned above, 3 cases for ₹ 82.96 crore, details mentioned below, are settled in the month of April, 2023 against payment of ₹ 1.24 crore (as agreed mutually by Sellers and Buyer) and balance ₹ 81.72 crore is distributed to sellers in their shareholding ratio, out of which MMTC had received ₹ 43.42 crore on 25.04.2023. Balance amount of ₹ 828.20 crore (MMTC share ₹ 440.72 crore) is in an interest bearing Escrow Account.
  - (ii) All Corporate Guarantees (CG) furnished by MMTC on account of NINL have been released.
  - (iii) As per the clause of Share Purchase Agreement (SPA) for divestment of NINL, any unforeseen liability on NINL

post divestment shall be borne by Sellers/ Promoters as per the warranty clause of SPA and the aggregate liability of the Sellers and Promoters cannot exceed 20% of the amount received by the sellers from Bid amount, by way of sale consideration and discharge of their respective Seller Debt. MMTC's maximum liability in this regard, if any, works out to ₹ 1060 crore.

- d) The Company has filed a recovery suit of ₹ 31.40 crore against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 31.40 crore) which included overdue interest of ₹ 2.95 crore (P.Y. ₹ 2.95 crore) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 167.20 crore (P.Y. ₹ 167.20 crore) which is not tenable as per legal opinion and is being contested.
- e) Under Price Stabilization Scheme of the Government of India to create Buffer Stock of onion, MMTC imported onion from July 2019 onwards until 31.03.2020. As per the scheme MMTC's trading margin has been fixed at 1.5% on C&F cost at the time of sale and all expenses related to the import shall be to the account of Govt. The difference between the sale realisation and cost incurred including MMTC's margin has been shown as claim receivables from Govt. which will be adjusted with the advance received from Govt.
- f) A claim for ₹ 1.53 crore (P.Y. ₹ 1.53 crore) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 1.53 crore (P.Y. ₹ 1.53 crore) exists in the accounts after taking into account the EMD and other payables. The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.
- g) At RO Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 4.13 crore (P.Y. ₹ 4.13 crore) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit which was vacated and Indian bank had to make payment to the foreign bank. The matter is still pending in the court. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 8.60 crore (P.Y. ₹ 8.60 crore), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.
- h) At RO Hyderabad:
  - (i) Fake bills of lading covering two shipments of copper valued at ₹ 3.75 crore (P.Y. ₹ 3.75 crore) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier. The amount of ₹ 4.44 crore for this transaction received in full and final settlement from the local buyer which includes in Advance received from customer under other non-current liabilities.
  - (ii) Trade receivable from MBS Group of ₹ 226.82 crore against which 100% provision has already been made. In this matter Studded Jewellery deposited by MBS Group during 2012-13 with RO Hyderabad and is lying in office vault. This is the prime legal matter pending before the various courts/forums due to abnormal difference in valuation claimed by MBS Group and re-valuation of same done by the company. Also said matter is under investigation with CBI/ED as on date.
- i) Hon'ble Delhi High Court has directed the Company to deposit ₹ 39.62 Crore (PY ₹ 39.62 Cr.) stated to be receivable by one of the Company's coal suppliers as per their books of accounts from MMTC in a case relating to execution of decree filed by a foreign party against the coal supplier. MMTC has filed application and counter affidavit stating that the supplier's contractual obligations are yet to be discharged and MMTC is unable to deposit any amount at this stage. Any amount found payable to the supplier after resolution of all issues, the same will be deposited with the court instead of releasing to the supplier without any liability on MMTC. The hearings are in progress and next date of hearing is 22.08.2023.
- j) FCI in March 2019 approached MOC&A, F&PD for initiation of Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) proceedings against MMTC for an amount of ₹ 92.18 crores, including interest as MMTC had deducted an amount of ₹ 60.99 crores from FCI's payment in May 2014. Out of this provision of an amount of ₹ 1.13 crore has been made on 31.03.2022. For the balance amount of ₹ 91.05 crore contingent liability provided. MMTC explained its position that an amount of ₹ 60.99 crore was deducted from wheat exports in 2014 to recover MMTC's dues from FCI arising from multiple transactions since 1991 onwards. The matter was admitted for resolution under AMRCD. The AMRCD committee in its meeting held on 22.05.2020 directed both MMTC and FCI to reconcile the accounts. MMTC and FCI have since begun working towards reconciliation of the claims and counter claims. Numerous rounds of discussions have taken place between MMTC and FCI, wherein the supporting documents have been exchanged between both the parties to establish their claims and counter claims, respectively. In July 2022, MMTC submitted to FCI write-ups on claims and counter claims with copies to DoC and DoCA, F&PD. In Nov 2022, DoF&PD sought information on claims and counter claims from MMTC & FCI. MMTC provided the information to DoF&PD in Nov 2022.
- k) The company has taken decision to replace the existing ERP Package with TALLY prime package w.e.f 01.04.2023.
- l) As per the direction of administrative ministry for downsizing of offices/business company introduced VRS on 16.03.2023 with the eligibility criteria covering all employees in staff cadre and management cadre irrespective of length of services. VRS of 95 number of employees has been accepted.
- m) MMTC has been directed by administrative ministry to prepare a road map for scaling down of manpower including exit from various JVs. Also direction have been given for exit from business operation. Government is yet to decide the exit route for MMTC. As there is no communication from Ministry for closure etc., status quo of going concern is being maintained. Consequent upon receipts of divestment proceeds from NINL on 4.7.2022 an amount of ₹ 2551.44 crore have been paid towards principal and agreed interest up to 31.3.2022 against bank borrowings. Surplus funds are being invested as per Board approved policies, as a result of which the company is in a position to mitigate the immediate expenses and also discharging all its financial commitments. At this stage, the company's projections, estimates and expectations may be forward looking. Important factors that could make a difference to the Company's operations includes economic conditions affecting demand / supply and the price conditions in the domestic and overseas markets



in which the company operates, change in Government policies, other statutes and other incidental factors.

- n) An amount of ₹ 0.10 crore on account of foreign Debtors outstanding more than twenty years was written off with the approval of the Board of Directors of MMTC Limited during the F.Y 2022-23 and the provisions created earlier for Bad and Doubtful Debts/Claims/Loans were withdrawn.

The Management is under the process of taking an opinion on FEMA guidelines through an expert and action (if any) will be taken accordingly.

### 37. Financial Instruments - Fair Values and Risk Management

#### 37.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore as at March 31, 2023)

Particulars	Amortized cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>	-	-	-	-	-
Investments in Equity Instruments (Ref Note No.6)	-	-	5.03	5.03	5.03
Cash & Cash Equivalents (Ref Note No. 13)	318.71	-	-	318.71	-
Trade Receivable (Ref Note No. 7)	404.56	-	-	404.56	-
Employee Loans (Ref Note No. 8)	2.01	-	-	2.01	-
Loans to related party (Ref Note No. 8)	0.00	-	-	0.00	-
Security Deposits & Other Loans (Ref Note No. 8)	0.00	-	-	0.00	-
Security Deposits (Ref Note No. 11)	0.00	-	-	0.00	-
Other Financial Assets (Ref Note No. 9)	48.08	-	-	48.08	-
<b>Liabilities:</b>	-	-	-	-	-
Trade Payable (Ref Note No. 18)	345.75	-	-	345.75	-
Borrowings (Ref Note No.17)	195.84	-	-	195.84	-
Other Financial Liabilities (Ref Note No. 19)	0.86	-	-	0.86	-

(₹ in crore as at March 31, 2022)

Particulars	Amortized cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>	-	-	-	-	-
Investments in Equity Instruments (Ref Note No.6)	-	-	11.03	11.03	11.03
Cash & Cash Equivalents (Ref Note No. 13)	152.44	-	-	152.44	-
Trade Receivable (Ref Note No. 7)	401.65	-	-	401.65	-
Employee Loans (Ref Note No. 8)	3.26	-	-	3.26	-
Loans to related party (Ref Note No. 8)	0.00	-	-	0.00	-
Security Deposits & Other Loans (Ref Note No. 8)	0.00	-	-	0.00	-
Security Deposits (Ref Note No. 11)	0.00	-	-	0.00	-
Other Financial Assets (Ref Note No. 9)	8.90	-	-	8.90	-
<b>Liabilities:</b>	-	-	-	-	-
Trade Payable (Ref Note No. 18)	534.38	-	-	534.38	-
Borrowings (Ref Note No.17)	2621.65	-	-	2621.65	-
Other Financial Liabilities (Ref Note No. 19)	0.13	-	-	0.13	-

### 37.2 Fair Value Hierarchy

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹ in crore as at March 31, 2023)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets	-	-	-	-	-	-
<i>Financial Investments at FVTOCI</i>	-	-	-	-	-	-
Investment in Equity Instruments (BSE)	5.03	-	-	5.03	-	Quoted Price
Investment in Equity Instruments (ICEX)	-	-	-	-	Book Value adopted as best estimate of Fair Value	-
<b>Total</b>	<b>5.03</b>	<b>-</b>	<b>0.00</b>	<b>5.03</b>	<b>-</b>	<b>-</b>

(₹ in crore as at March 31, 2022)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets	-	-	-	-	-	-
<i>Financial Investments at FVTOCI</i>	-	-	-	-	-	-
Investment in Equity Instruments (BSE)	11.03	-	-	11.03	-	Quoted Price
Investment in Equity Instruments (ICEX)	-	-	-	-	Cost adopted as best estimate of Fair Value	-
<b>Total</b>	<b>11.03</b>	<b>-</b>	<b>0.00</b>	<b>11.03</b>	<b>-</b>	<b>-</b>



### 37.3 Financial risk management, objectives and policies

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk

#### a) Market risk

##### (i) Foreign Exchange Risk

The company has import and export transactions and hence has foreign exchange risk primarily with respect to the US\$. The company has not arranged funds through long term borrowings. The short term foreign currency loans (buyer's credit) availed from banks are fixed interest rate borrowings. As a result, the company does not have any interest rate risk. The company's risk management policy is to use hedging instruments to hedge the risk of foreign exchange.

The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company designates the spot element of forward contracts with reference to relevant spot market exchange rate. The difference between the contracted forward and the spot market exchange rate is treated as the forward element. The changes in the spot exchange rate of hedging instrument that relate to the hedged item is deferred in the cash flow hedge reserve and recognized against the related hedged transaction when it occurs. The forward element of forward exchange contract is deferred in cost of hedging reserve and is recognized to the extent of change in forward element when the transaction occurs.

The following tables show the summary of quantitative data about the company's exposure to foreign currency risk from financial instruments expressed in ₹:

(₹ in crore as at March 31, 2023)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	31.59	-	31.59
Trade Receivable	270.52	-	270.52
Demurrage / Despatch Receivable	5.41	-	5.41
Other Receivable	0.37	-	0.37
<b>Total Receivable in foreign currency</b>	<b>307.88</b>	<b>-</b>	<b>307.88</b>
Foreign Currency Loan payable	153.11	-	153.11
Interest on foreign currency loan payable	-	-	-
Trade Payables	97.69	-	97.69
Freight Demurrage / Despatch Payable	1.33	-	1.33
Provision towards Litigation Settlement	-	-	-
Others	1,058.15	-	1,058.15
<b>Total Payable in Foreign Currency</b>	<b>1,310.28</b>	<b>-</b>	<b>1,310.28</b>

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.



(₹ in crore as at March 31, 2022)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	145.18	-	145.18
Trade Receivable	547.41	-	547.41
Demurrage / Despatch Receivable	4.61	1.65	6.26
Other Receivable	1.06	-	1.06
<b>Total Receivable in foreign currency</b>	<b>698.26</b>	<b>1.65</b>	<b>699.91</b>
Foreign Currency Loan payable	70.21	-	70.21
Interest on foreign currency loan payable	-	-	-
Trade Payables	280.30	0.55	280.85
Freight Demurrage / Despatch Payable	1.15	-	1.15
Provision towards Litigation Settlement	98.05	-	98.05
Others	904.19	-	904.19
<b>Total Payable in Foreign Currency</b>	<b>1,353.90</b>	<b>0.55</b>	<b>1,354.45</b>

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

**Sensitivity:**

As of March 31, 2023 and March 31, 2022, every 1% increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately ₹ NIL and ₹ NIL, respectively.

**(i) Price Risk**

The company's exposure to equity securities price risk arises from investments held by the company and classified in balance sheet as at fair value through other comprehensive income. Out of the two securities held by the company, one is listed in NSE and the other (ICEX) is not listed.

As of March 31, 2023 and March 31, 2022, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹ 0.05 crores and ₹ 0.11 crores, respectively. It has no impact on profit or loss.

**b) Credit Risk**

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

**Trade Receivables**

The company's outstanding trade receivables are mostly secured through letter of credit/BG except in respect of JV's and Govt of India.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of Ind AS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

**Credit risk exposure**

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in crore as at March 31, 2023)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	277.84	2.88	5.15	3.17	116.39	405.43
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.00	8.30	8.30
(iv) Disputed Trade Receivables – considered good	-	-	-	-	0.18	0.18
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	381.82	381.82
<b>Sub Total</b>	<b>277.84</b>	<b>2.88</b>	<b>5.15</b>	<b>3.17</b>	<b>506.69</b>	<b>795.73</b>
Less: Allowance for Credit Impairment					-	390.12
<b>TOTAL</b>						<b>405.62</b>



(₹ in crore as at March 31, 2022)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	273.88	2.88	5.15	3.17	116.39	401.47
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	7.74	7.74
(iv) Disputed Trade Receivables–considered good	-	-	-	-	0.18	0.18
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	382.28	382.28
<b>Sub Total</b>	<b>412.82</b>	<b>2.21</b>	<b>0.02</b>	<b>3.11</b>	<b>794.11</b>	<b>791.67</b>
Less: Allowance for Credit Impairment					0	390.02
<b>TOTAL</b>						<b>401.65</b>

Trade receivables are generally considered credit impaired when overdue for more than three years (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired though overdue are of good credit quality.

With regard to certain trade receivables, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

#### Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with scheduled banks which are subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. Credit risk related to employee loans are considered negligible since major loans like house building loans, vehicle loans etc are secured against the property for which loan is granted to the employees. The other employee loans are covered under personal guarantee of concerned employees along with surety bonds of other serving employees. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

#### c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undiscovered cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(₹ in crore as at March 31, 2023)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.17	-	-	-	-	0.17
(ii) Others	138.51	1.43	0.00	0.93	204.23	345.10
(iii) Disputed dues – MSME	-	-	-	-	-	0.00
(iv) Disputed dues - Others	-	-	-	-	0.48	0.48
<b>Total</b>	<b>138.68</b>	<b>1.43</b>	<b>0.00</b>	<b>0.93</b>	<b>204.71</b>	<b>345.75</b>

(₹ in crore as at March 31, 2022)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.18					0.18
(ii) Others	313.99	0.90	0.81	5.97	212.12	533.80
(iii) Disputed dues – MSME						0.00
(iv) Disputed dues - Others		-	-		0.40	0.40
<b>Total</b>	<b>314.17</b>	<b>0.90</b>	<b>0.81</b>	<b>5.97</b>	<b>212.53</b>	<b>534.38</b>

### 38. Impact of Hedging Activities

#### 38.1 Cash Flow Hedge

As at 31st March 2023 there was no outstanding Hedging Instrument on account of the company.

#### 38.2 Fair Value Hedge

As per the Risk Management Policy, the company enters into forward contracts with commodity exchanges to hedge against price fluctuations in gold and silver inventories. The gain or loss on the hedging instrument is recognized in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

a. Disclosure of effects of hedge accounting on financial position for hedging instruments:

(₹ in crore as at March 31, 2023)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Quantity (kgs)	Value
<b>Fair Value hedge</b>					
<b>Price Risk</b>					
Forward contract to sell gold	-	-	-	-	-
Forward contract to sell Silver	-	-	-	-	-

(₹ in crore as at March 31, 2022)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Quantity (kgs)	Value
<b>Fair Value hedge</b>					
<b>Price Risk</b>					
Forward contract to sell gold	10.99	-	-	30	0.21
Forward contract to sell Silver	12.81	-	-	240	0.81

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

(₹ in crore as at March 31, 2023)

Type of Hedge and risk	Carrying amount of hedged item		Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
<b>Fair Value hedge</b>						
<b>Price Risk</b>						
Inventory of gold	-	-	-	Inventories	-	-



(₹ in crore as at March 31, 2022)

Type of Hedge and risk	Carrying amount of hedged item		Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
Fair Value hedge						
Price Risk						
Inventory of gold	-	-	-	Inventories	-	-

### 39. Disclosure in respect of Indian Accounting Standard (Ind AS) - 36 “Impairment of assets”

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

### 40. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

40.1 General description of various employee’s benefits schemes are as under:

#### a) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The scheme is funded by the Company and is managed by a separate Trust through LIC. In case of MICA division employees the scheme is managed directly by the company through LIC. The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

As per Actuarial Valuation company’s expected contribution for FY 2023-24 towards the Gratuity Fund Contribution is ₹ 1.97crore (P.Y. ₹ 2.42 crore). However, the company is making contribution to the fund as per the demand made by Life Insurance Corporation of India.

#### b) Leave Compensation:

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

The liability on this account is recognized on the basis of actuarial valuation.

#### c) Long Service Benefits: Long Service Benefits payable to the employees are as under :-

##### (i) Service Award:

Service Award amounting to ₹ 3,500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

##### (ii) Compassionate Gratuity

Compassionate Gratuity amounting to ₹ 50,000/- is payable in lump-sum to the dependants of the employee on death while in service.

##### (iii) Employees' Family Benefit Scheme

Payments under Employees' Family Benefit Scheme is payable to the dependants of the employee who dies in service till the notional date of superannuation. A monthly benefit @ 40% of Basic Pay & DA last drawn subject to a maximum of ₹ 12,000/- on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum ₹ 12,000/- on rendering service of 20 years or more at the time of death.

##### (iv) Special Benefit to MICA Division employees amounting to ₹ 5,00,000/- (Officer), ₹ 4,00,000/- (Staff) and ₹ 3,00,000/- (Worker) upon retirement

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:-

**Net defined benefit obligation**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Defined Benefit Obligation	C.Y.	62.29	20.61	19.69	3.31	1.14	0.09	2.13
	P.Y.	69.26	18.57	20.15	3.58	1.49	0.10	2.80
Fair Value of Plan Assets	C.Y.	64.50	-	-	-	-	-	-
	P.Y.	70.35	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)]	C.Y.		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	C.Y.		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
<b>Net Defined Benefit Assets/(Liabilities)</b>	C.Y.	2.22	(20.61)	(18.69)	(3.31)	(1.14)	(0.09)	(2.13)
	P.Y.	1.09	(18.57)	(20.15)	(3.58)	(1.49)	(0.10)	(2.80)

**Movement in defined benefit obligation**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Defined benefit obligation- Beginning of the year	C.Y.	69.26	18.57	20.15	3.58	1.49	0.10	2.80
	P.Y.	90.85	16.01	20.59	4.35	1.85	0.12	3.63
Current service cost	C.Y.	1.10	1.06	1.01	0.11	0.03	-	-
	P.Y.	1.40	0.83	0.78	0.12	0.04	-	-
Past Service Cost	C.Y.	0.00	-	-	-	-	-	-
	P.Y.	0.00	-	-	-	-	-	-
Interest Cost	C.Y.	4.63	1.24	1.35	0.28	0.10	-	-
	P.Y.	5.83	1.03	1.32	0.28	0.12	-	-
Benefits Paid	C.Y.	(11.04)	(3.57)	(2.13)	(0.74)	(0.42)	-	-
	P.Y.	(17.59)	(3.04)	(2.94)	(0.36)	(0.41)	-	-
Re-measurements - actuarial loss/(gain)	C.Y.	(1.66)	3.31	(1.68)	0.08	(0.06)	(0.01)	(0.67)
	P.Y.	(11.23)	3.74	0.40	(0.80)	(0.11)	(0.02)	(0.84)
Defined benefit obligation - End of the year	C.Y.	62.29	20.61	18.69	3.31	1.14	0.09	2.13
	P.Y.	69.26	18.57	20.15	3.58	1.49	0.10	2.80

**Movement in plan asset**

(₹ in crore)

Particulars	Gratuity (Funded)	
	31.03.2023	31.03.2022
Fair value of plan assets at beginning of year	70.35	82.45
Interest income	4.91	5.50
Employer contributions	0.22	0.00
Benefits paid	(11.04)	(17.59)
Re-measurements - Actuarial (loss)/ gain	0.07	(0.00)
Fair value of plan assets at end of year	64.50	70.35

**Amount Recognized in Statement of Profit and Loss**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Current service cost	C.Y.	1.10	1.06	1.01	0.11	0.03	-	-
	P.Y.	1.40	0.83	0.78	0.12	0.04	-	-
Past Service Cost – Plan Amendment	C.Y.	0.00	-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Service Cost (A)	C.Y.	1.10	1.06	1.01	0.11	0.03	-	-
	P.Y.	1.40	0.83	0.78	0.12	0.04	-	-
Net Interest on Net Defined Benefit Liability/(assets) (B)	C.Y.	(0.14)	1.24	1.35	0.28	0.10	-	-
	P.Y.	0.54	1.03	1.32	0.28	0.12	-	-
Net actuarial (gain) / loss recognized in the period	C.Y.	-	3.31	(1.68)	0.08	(0.06)	(0.01)	(0.67)
	P.Y.	-	3.74	0.40	(0.36)	(0.11)	(0.02)	(0.84)
<b>Cost Recognized in P&amp;L (A+B)</b>	C.Y.	0.95	5.61	0.67	0.46	0.07	(0.01)	(0.67)
	P.Y.	1.94	5.60	2.50	0.04	0.05	(0.02)	(0.84)



**Amount recognized in Other Comprehensive Income (OCI)**

(₹ in crore)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Actuarial gain/(loss) due to DBO Experience	C.Y.	(1.66)	-	-	0.03	(0.03)	-	-
	P.Y.	(11.23)	-	-	(0.19)	0.07	-	-
Actuarial gain/(loss) due to assumption changes	C.Y.	-	-	-	0.05	(0.03)	-	-
	P.Y.	-	-	-	(0.17)	(0.18)	-	-
<b>Actuarial gain/(loss) arising during the period (A)</b>	C.Y.	(1.66)	-	-	0.08	(0.06)	-	-
	P.Y.	(11.23)	-	-	(0.36)	(0.11)	-	-
Return on Plan assets (greater)/less than discount rate (B)	C.Y.	(0.15)	-	-	-	-	-	-
	P.Y.	(0.20)	-	-	-	-	-	-
<b>Actuarial gain/(loss) recognized in OCI (A+B)</b>	C.Y.	(1.81)	-	-	0.08	(0.06)	-	-
	P.Y.	(11.44)	-	-	(0.36)	(0.11)	-	-

**Sensitivity Analysis**

(₹ in crore as at March 31, 2023)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Discount rate	0.50%	(1.24)	(0.47)	(0.37)	(0.06)	(0.03)	-	-
	-0.50%	1.30	0.50	0.38	0.06	0.03	-	-
Salary growth rate	0.50%	0.24	0.50	0.39	0.06	-	-	-
	-0.50%	(0.28)	(0.48)	(0.37)	(0.06)	-	-	-

(₹ in crore as at March 31, 2022)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Discount rate	0.50%	(1.49)	(0.46)	(0.44)	(0.06)	(0.04)	-	-
	-0.50%	1.57	0.49	0.46	0.07	0.04	-	-
Salary growth rate	0.50%	0.36	0.49	0.46	-	-	-	-
	-0.50%	(0.41)	(0.47)	(0.44)	-	-	-	-

**Actuarial Assumption**

Assumption		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)	(Non-Funded)
Method used	C.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
	P.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Discount rate	C.Y.	7.22%	7.22%	7.22%	7.22%	7.22%	7.22%	7.22%
	P.Y.	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%
Rate of salary increase	C.Y.	6.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	C.Y.	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
	P.Y.	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

### Expected Benefit Payments

(₹ in crore)

Sr. No.	Year of payment	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit
		(Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
1	0 to 1 Year	13.47	3.93	0.15	0.81	0.33
2	1 to 2 Year	9.23	2.98	6.27	0.54	0.27
3	2 to 3 Year	6.60	2.03	2.24	0.34	0.30
4	3 to 4 Year	7.55	2.68	2.36	0.40	0.13
5	4 to 5 Year	6.16	2.30	2.22	0.35	0.00
6	5 to 6 Year	5.08	1.65	1.42	0.26	0.06
7	6 Year onwards	14.20	5.04	4.03	0.62	0.06

### Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Insured benefits	100%

- d) Provident Fund:** The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.
- e) Superannuation Pension Benefit –** During the year, the Company has recognized ₹ 3.50 crore (P.Y. ₹ 4.08 crore) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.
- f) Post-Retirement Medical Benefit:** Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme' as under:
- The liability @ 1.50% of PBT for the year in respect of scheme for retirees prior to 1.1.2007 (closed group) has been not been recognised for FY 2021-22 & 2022-23 on the basis of affordability even though company has reported profit before tax ₹ 1279.16 crore ( P.Y ₹ 120.60 crore). Also, the company has not provided for PRMBS for open group @ 4.50% Basic + DA for serving employees.
  - The company has created PRMBS trust for management of fund and paid ₹ 150.00 crore in 2019-20 to trust against company's liability towards the scheme. The trust is operational during 2022-23.

## 41. Group Information

### 1. Subsidiaries

The group's subsidiaries are set out below. They have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

S.No.	Name of Subsidiary	Principal Activity	Place of Incorporation	Ownership Interest held by the group	
				31.3.2023	31.3.2022
1	MMTC Transnational Pte Ltd.	Trading in Minerals, Metals, Fertilizers, Agro products, Coal & Hydrocarbons, Bullion, Jewellery and other commodities	Singapore	100% (Non-Controlling Interest NIL)	100% (Non-Controlling Interest NIL)



## 2. Joint Ventures

The details of Joint Ventures in which the Group is a Joint Ventures are set out below. They have share capital consisting of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Sr.No	Name of Joint Venture	Principal Activity	Place of Incorporation	Ownership Interest held by the group		Accounting Method
				31.03.2023	31.03.2022	
1	MMTC Gitanjali Limited (i)	Trading in gold and silver coins, gold jewellery, diamond studded jewellery, lifestyle jewellery	India	26%	26%	Equity Method
2	MMTC PAMP India Pvt. Ltd.	Trading in Gold and silver bars, coins and related items and refining of gold and silver does.	India	26%	26%	Equity Method
3	SICAL Iron Ore Terminal Limited (iii)	The company has set up its Iron Ore Terminal Facility	India	26%	26%	Equity Method
4	Free Trade Ware- housing Pvt. Ltd.	Development of free trade warehousing zones in India	India	50%	50%	Equity Method

- (i) The company has fully impaired its equity investment of ₹ 2.99 crore in its joint venture- M/s MMTC Gitanjali Limited during the year 2017-18 in view of the report of defaults made by the main promoter, as per the media reports the investigations launched by the investigating agencies against them and considering the fact that JV Company has suspended its business activities. The company has also given notice for exiting from the JV Company. The financial statements have not been received from the JV Company for 2022-23, hence the same is also not considered for the purpose of consolidation.
- (ii) The company made 100% provision towards impairment in equity investment of ₹ 33.80 crore in its JV M/s SICAL Iron Ore Terminal Ltd.
- (iii) Quoted fair value: All the above joint ventures are unlisted entities and hence no quoted price is available. The details of carrying amount is given in Note no. 6

## 3. Entities Consolidated

The following entities are considered for consolidation purpose:-

Sl.No.	Name of Entity	Status	Financial Statements Adopted
1.	MMTC Transnational Pte Ltd.	Subsidiary	Audited
2.	MMTC PAMP India Pvt. Ltd.	Joint Venture	Audited
3.	Free Trade Ware- housing Pvt. Ltd.	Joint Venture	*

\* Audited financial statements for 2022-23 not received.

The following entities are not considered for consolidation purpose due to investment is fully impairment.

Sl.No.	Name of Entity	Status	Reason for not consolidating
1.	MMTC Gitanjali Limited	Joint Venture	Refer note no.41.2(I) above
2.	SICAL Iron Ore Terminal Limited	Joint Venture	Refer note no.41.2(ii) above



#### 4. Unrecognized Losses of Joint Ventures

The unrecognized share of losses of the Joint Venture, as the group has stopped recognizing its share of losses of the joint venture being exceeded the carrying value of investment, while applying the equity method, is given below :-

(₹ in crore)

Sl.No	Name of Joint Venture	Cumulative Balance as at 31.3.2023	For the year ended 31.3.2022 & 31.3.2023	For the year ended 31.3.2021	For the year ended 31.3.2020	For the year ended 31.3.2019	For the year ended 31.3.2018
2	Free Trade Warehousing Pvt. Ltd.	19.68	Not Recd	6.79	9.06	1.45	1.38

Audited Financial Statements for 2022-23 not received.

#### 42. Information regarding Joint Ventures

(₹ in crore)

Summarized Balance Sheet	MMTC-PAMP India Private Limited		Free Trade Warehousing Pvt. Ltd.	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Current Assets</b>				
Cash and Cash equivalents	6.09	32.95		
Other Assets	3,428.58	2,979.19	-	-
<b>Total Current Assets</b>	3,434.67	3,012.14	-	-
<b>Total Non current Assets</b>	407.87	327.78		
<b>Current Liabilities</b>				
Financial Liabilities (excluding trade payables and provisions )	1,525.39	1,398.85		
Other Liabilities	1,768.98	1,528.98		
<b>Total Current Liabilities</b>	3,294.37	2,927.83	-	-
<b>Non current Liabilities</b>				
Financial Liabilities (excluding trade payables and provisions)	44.28	40.92	-	-
Other Liabilities	33.41	32.55		
<b>Total Non Current Liabilities</b>	77.69	73.47	-	-
<b>Net Assets</b>	470.48	338.62	-	-

(₹ in crore)

Particulars	MMTC-PAMP India Private Limited		Free Trade Warehousing Pvt. Ltd.	
	2022-23	2021-22	2022-23	2021-22
Revenue	31,503.75	29,269.77		-
Interest income	6.97	2.45		-
Depreciation and amortization	24.54	24.60		-
Interest expense	67.39	46.05		-
Income tax expense	40.50	15.36		-
Profit from continuing operations	118.62	44.79		-
Profit from discontinued operations (Post tax)	-	-	-	-
Profit for the year	118.62	44.79	-	-
Other comprehensive income	0.27	(0.37)	-	-
Total Comprehensive income	118.89	44.42	-	-



(₹ in crore)

Particulars	MMTC-PAMP India Private Limited		Free Trade Warehousing Pvt. Ltd.	
	31-Mar-23	31-Mar-22	31-Mar-23*	31-Mar-22
Opening net assets	351.59	307.17	(39.36)	(39.36)
Profit for the year	118.62	44.79	-	-
Other comprehensive income	0.27	(0.37)	-	-
Other Adjustments	-	-	-	-
Advance against equity	-	-	-	-
Closing net assets	470.48	351.59	(39.36)	(39.36)
Group's share in %	26%	26%	50%	50%
Group's share in INR	122.32	91.42	(19.68)	(19.68)
Goodwill/(Capital Reserve)	-	-	-	-
Carrying amount **	122.32	91.42	-	-

\* Financial Statements as on 31.03.2022 & 31.3.2023 not received.

The carrying amount of investment in case of JV Company, FTWPL is NIL as group's share in loss of Joint Venture Company exceeds the carrying amount of investment in respective Joint venture company. The carrying amount of investment in respect of JV Company MMTC Gitanjali Ltd. and SICAL Iron Ore Terminal Ltd is NIL as the group's equity investment in the JV has been fully impaired.

#### 43. Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:-Precious Metals, Metals, Minerals, Coal & Hydrocarbon, Agro Products, Fertilizer and Others

#### Segment Revenue and Expense

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

#### Segment revenues and results

(₹ in crore as at March 31, 2023)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>Segment Revenue from External Customers</b>								
Within India	265.98	0.91	-	-	-	-	5.66	272.55
Outside India	0.00	74.43	106.54	114.48	2,958.10	2.09	-	3,255.63
Inter-Segment Revenue								
<b>Total Segment Revenue</b>	<b>265.98</b>	<b>75.34</b>	<b>106.54</b>	<b>114.48</b>	<b>2958.10</b>	<b>2.09</b>	<b>5.66</b>	<b>3528.18</b>
<b>Segment Results</b>								
Within India	11.14	0.11	-	-	-	-	3.01	14.26
Outside India	-	0.47	0.78	0.41	9.14	0.02	-	10.81
<b>Total segmental results</b>	<b>11.14</b>	<b>0.58</b>	<b>0.78</b>	<b>0.41</b>	<b>9.14</b>	<b>0.02</b>	<b>3.01</b>	<b>25.08</b>
Unallocated Corporate expenses:								
Interest expenses (net)								35.84
Other unallocated expenses net of other income								(1,286.92)
<b>Profit before tax from ordinary activities</b>								1,276.16

(₹ in crore as at March 31, 2022)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>Segment Revenue from External Customers</b>								
Within India	6,013.01	30.33	0.01	751.09	75.60	1,459.83	28.53	8,358.41
Outside India	0.00	78.46	125.14	7.90	3,217.59	(0.00)	8.89	3,437.98
Inter-Segment Revenue								-
<b>Total Segment Revenue</b>	<b>6,013.01</b>	<b>108.79</b>	<b>125.15</b>	<b>758.99</b>	<b>3,293.19</b>	<b>1,459.83</b>	<b>37.42</b>	<b>11,796.39</b>
<b>Segment Results</b>								
Within India	27.73	0.18	0.01	547.84	2.74	10.11	3.27	591.88
Outside India	-	0.38	2.13	0.08	10.58	0.04	0.37	13.58
<b>Total segmental results</b>	<b>27.73</b>	<b>0.56</b>	<b>2.14</b>	<b>547.92</b>	<b>13.32</b>	<b>10.15</b>	<b>3.64</b>	<b>605.45</b>
Unallocated Corporate expenses:								
Interest expenses (net)								204.23
Other unallocated expenses net of other income								311.79
<b>Profit before tax from ordinary activities</b>								<b>89.43</b>

**Segment assets and liabilities**

(₹ in crore as at March 31, 2023)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>A.01 Segment Assets :</b>								
Assets	26.20	15.89	23.25	1145.67	463.28	31.39	415.98	2121.66
Unallocated assets								1556.25
<b>Total Assets</b>								<b>3677.91</b>
<b>A.02 Segment Liabilities :</b>								
Liabilities	55.88	16.28	26.88	1344.48	489.72	22.65	11.32	1967.20
Unallocated liabilities								298.95
<b>Total Liabilities</b>								<b>2266.15</b>

(₹ in crore as at March 31, 2022)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
<b>A.01 Segment Assets :</b>								
Assets	87.55	7.73	23.58	3695.73	483.09	17.42	416.46	4731.54
Unallocated assets								51.83
<b>Total Assets</b>								<b>4783.39</b>
<b>A.02 Segment Liabilities :</b>								
Liabilities	109.54	27.58	28.54	1353.66	643.98	31.41	17.35	2212.05
Unallocated liabilities								2719.42
<b>Total Liabilities</b>								<b>4931.45</b>

**Information about major customers**

The revenues from transactions with a single external customer amounting to 10% or more of the entity's revenues are given below:

(₹ in crore)

Major Customer (customer having more than 10% revenue)	2022-23	2021-22
Total Revenue	147.56	1458.90
No. of customers	1	1
% of Total Revenue	4.18%	12.37%
Product Segment	Precious Metals	Fertilizers

**44. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"****44.1 Disclosures for Other than Govt. Related Entities****a. List of key management personnel**

(₹ in crore)

Name	Designation
i. Shri Vibhu Nayar	Chairman and Managing Director- (Managing Director) (w.e.f. 01.03.2022 upto 31.08.2022)
ii. Shri Hardeep Singh	Chairman and Managing Director- (Managing Director) (w.e.f. 27.10.2022)
iii. Shri Kapil Kumar Gupta	Director(F) & (Chief Financial Officer)
iv. Shri J Ravi Shanker	Director(Marketing)
v. Shri R R Sinha	Director (Personnel)
vi. Shri T S Rao	Managing Director, MTPL
vii. Shri Debashish Nayak	Director(F), MTPL

**b. Subsidiary**

MMTC Transnational Pte. Ltd. (MTPL), Singapore

**c. Joint Venture:-**

- i. Free Trade Warehousing Pvt. Ltd.
- ii. MMTC Pamp India Pvt. Ltd.
- iii. MMTC Gitanjali Ltd.
- iv. Sical Iron Ore Terminal Ltd.

**d. Government and its related entities**

- i. Government of India - holds 89.93% equity shares of the Company and has control over the company.
- ii. Central Public Sector Enterprises in which Government of India has control.

**e. Post-Employment Benefit Plan**

- i. MMTC Limited CPF Trust
- ii. MMTC Limited Gratuity Trust
- iii. MMTC Limited Employees' Defined Contribution Superannuation Trust
- iv. MMTC Employees Post-Retirement Medical Benefit Trust

**f. Compensation of key management personnel**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term benefits	3.92	3.77
Post-employment benefits	0.42	0.42
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
<b>Total</b>	<b>4.34</b>	<b>4.19</b>
Recovery of Loans & Advances during the year	-	-
Advances released during the year	-	-
Closing Balance of Loans & Advances as at the end of the year	-	-

**g. Transactions with Related Parties** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.		Others	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Sale of goods and services	-	-	-	2.41	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of raw material/goods and services	-	-	8.92	78.94	-	-	-	-	-	0.91	-	232.36	-	-	-	-
Payments on behalf of company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60.30	88.05
Other transactions	-	-	-	-	-	-	-	7.72	37.18	-	1.49	-	-	-	33.06	19.47

**h. Outstanding balances arising from sale/purchase of goods/services** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Trade Payables	0.02	0.02	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	0.06	-	-	-	-	-

**i. Loans to Joint Ventures** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Loans at beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan advanced	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment received/adjusted	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest charged	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at end of the year including interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**j. Advance to Joint Ventures** (₹ in crore)

Particulars	MMTC Gitanjali Private Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Warehousing Pvt. Ltd.		Kandla Free Trade Warehousing Pvt. Ltd.	
	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22	Mar/23	Mar/22
Advance Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



**k. Loans to KMP**

(₹ in crore)

Particulars	March / 23	March /22
Loans at beginning of the year	-	-
Loans advanced	-	-
Repayment received	-	-
Interest charged	-	-
Interest received	-	-
Balance at end of the year including interest	-	-

l. Loans to related parties are for short term & to KMP are in the nature of welfare advances. Interest is charged basis market rates from time to time.

**m. Disclosure for transactions entered with Govt. and Govt. Entities**

(₹ in crore)

S. No.	NAME OF GOVT/ GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE	OUTSTANDING BALANCE AS ON 31.03.2023	
					RECEIVABLE	PAYABLES
1	Deptt. of Fertilizer GOI	Majority Owner	Sale of Goods	-	11.89	-
2	Deptt. of Consumer Affairs GOI	Majority Owner	Sale of Pulses and onion.	-	-	36.403
3	Other Departments of GOI	Majority Owner	Purchase/Sale of Goods	154.89	13.70	0.32
4.	CPSEs/SPSEs	Related through GOI	Purchase/Sale of Goods	18.18	1.65	5.57
		<b>Total</b>		<b>173.07</b>	<b>27.25</b>	<b>41.91</b>

**45 Disclosure in respect of Indian Accounting standard (Ind AS) 116 “Leases”**

**45.1 As lessee**

a) **Finance leases: The Company does not have any finance lease arrangement during the period.**

b) **Operating lease**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Depreciation charge for right of use assets	1.12	1.08
2 Interest expense on lease liabilities	1.02	0.36
3 Expense on short term leases	-	-
4 Expense on low value assets	-	-
5 Expense relating to variable lease payments not included in measurement of lease liability	-	-
6 Income from subleasing right of use assets	-	-
7 Total cash outflow for leases	1.41	1.41
8 Addition to right of use assets	0.90	0.01
9 Carrying amount of right of use assets at the end of the reporting period	2.84	2.14

**Maturity analysis of lease liabilities**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	TOTAL
Not later than 1 year	0.13	0.11	0.13
Later than 1 year and not later than 5 years	0.59	0.42	0.59
Later than 5 years	4.46	3.12	4.46

c) The company is using the right of use assets for operating its business activities.

d) As a practical expedient, short term leases (having a term of 12 months or less) and leases for which the underlying assets is of low value upto ₹ 1,00,000/- per month and ₹ 12,00,000/- per year are not recognized as per the provisions given under Ind AS-116 (Leases).

**45.2 As a lessor**

a) **Finance leases: The Company does not have any finance lease arrangement during the period.**

b) **Operating leases**

- Future minimum lease receivables under non-cancellable operating lease

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	TOTAL
Not later than 1 year	2.90	1.73	2.90
Later than 1 year and not later than 5 years	1.82	2.16	1.82
Later than 5 years	-	-	-

**46. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share(EPS)”**

**Basic & Diluted EPS**

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and Basic EPS is as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit (loss) for the year, attributable to the owners of the company (₹ in crore)	1,562.27	(262.38)
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,500,000,000	1,500,000,000
Basic & Diluted EPS (In)	10.42	(1.75)

**47. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”**

(₹ in crore)

Particulars of Provision	Opening Balance as on 01.04.22	Adjustment during year	Addition during year	Closing Balance as on 31.03.2023
Bonus/PRP	3.50	0.37	0.17	3.30
Provision for Litigation Settlements	1,067.39	(5.27)	1.86	1074.52

**48. Disclosure in respect of Indian Accounting Standard (Ind AS)-115: “Revenue from Contract with Customers”**

**Disclosure**

**A. (i) Contracts with customers**

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

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	3,522.72	11,237.80
Sale of services	4.68	4.50
Other operating revenue		
-Claims	-	0.15
-Subsidy	-	-
-Despatch Earned	-	1.43
-Other Trade Income	0.78	552.36
<b>Total</b>	<b>3,528.18</b>	<b>11,796.24</b>

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

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment Loss	-	-

**(ii) Disaggregation of Revenue**

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



Particulars	For the year ended March 31, 2023	As % to Total Revenue	For the year ended March 31, 2022	As % to Total Revenue
Precious Metals	265.98	7.54	6,013.01	50.97
Metals	75.34	2.14	108.79	0.92
Minerals	106.54	3.02	125.15	1.06
Coal & Hydrocarbon	114.48	3.24	758.99	6.43
Agro Products	2,958.10	83.84	3,293.19	27.92
Fertilizers	2.09	0.06	1,459.83	12.38
Others	5.66	0.16	37.42	0.32
<b>Total</b>	<b>3,528.18</b>	<b>100.00</b>	<b>11,796.39</b>	<b>100.00</b>

(iii) **Contract Balances**

(a) **Receivables**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	791.77	791.77
Addition/(deduction) during the year	3.01	-
<b>Closing Balance</b>	<b>794.78</b>	<b>791.77</b>

(b) **Contract Assets**

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

(c) **Contract Liabilities**

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

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	389.57	462.26
Add: Addition during the year	38.15	51.00
Less: Deduction (Refunds/adjustments)	142.05	108.40
Less: Recognised as revenue during the year forming part of opening balance	-	15.28
<b>Closing Balance</b>	<b>285.67</b>	<b>389.57</b>

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

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

(d) **Practical expedients**

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

**B. Significant judgements in the application of this standard**

- Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset/goods/services are considered to be transferred when the customer obtains control of those asset/goods/services.
- The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).
- The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit/credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.



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

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

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

**49. Title deeds of Immovable Property not held in the name of the Company:**

(₹ in crore)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or Employee of promoter/director	Property Held since Which date/Allotment Date	Reason for not being held in the name of the company
PPE	Land	1.04	Scope, New Delhi	-	13.12.2000	Scope is yet to sign lease agreement with L&DO
PPE	Building	5.74	Scope, New Delhi	-	13.12.2000	Scope is yet to sign lease agreement with L&DO

**50. Prior Period**

Error:

Particulars

(₹ in crore)

Items of Balance Sheet Equity & Liabilities:	Amount prior to adjustment	Adjustment	Adjusted Value
As at 31.03.2023 (Security Deposit & EMD)	10.14	(0.25)	9.89
<b>Assets</b>			
Year ended 31.03.2023 (Gross Block)	3.95	0.16	4.11
Year ended 31.03.2023 (Acc Depreciation)	3.96	0.03	3.99
<b>Items of Financial Results</b>			
<b>Items of Profit and Loss</b>			
Year ended 31.03.2023 (Misc. Receipt)	3.92	0.25	4.17
Year ended 31.03.2023 (Misc Expenditure)	2.96	(0.16)	2.80
Year ended 31.03.2023 (Amortization)	0.14	0.03	0.17

**51. Financial Ratios:**

Particulars	Numerator	Denominator	Ratio As at March 31, 2023	Ratio As at March 31, 2022
Current Ratio (in times) <sup>1</sup>	Current Assets	Current Liabilities	1.48	0.88
Debt-Equity Ratio (in times) <sup>1</sup>	Total Debt	Shareholders Equity	0.14	(17.70)
Debt Service Coverage Ratio (in times) <sup>1</sup>	Earnings available for debt service	Debt Service	13.97	(0.21)
Return on Equity Ratio (in %) <sup>2</sup>	Net Profits after taxes	Average Shareholder's Equity	2.47	10.68
Trade payables turnover ratio (in times) <sup>3</sup>	Net Credit Purchases	Average Trade Payables	7.73	13.91
Net profit ratio (in %) <sup>2</sup>	Net Profit	Net Sales	0.44	(0.02)
Return on Capital employed (in %) <sup>2</sup>	Earning before interest and taxes	Capital Employed	1.17	0.13
Net capital turnover ratio (in times) <sup>4</sup>	Net Sales	Working Capital	3.30	(19.96)
Trade Receivables turnover ratio (in times) <sup>4</sup>	Net Credit Sales	Avg. Accounts Receivable	8.75	18.19
Return on investment (in %) <sup>5</sup>	Income from Investments	Time weighted average investment	10.60	0.72
Inventory turnover ratio (in times) <sup>4</sup>	Cost of goods sold OR sales	Average Inventory	227.94	298.01

1 Due repayment of borrowings.

2 Due to profit on sale of investment

3 Due to decrease in purchase during the year.

4 Due to decrease in sale during the year.

5 Due to increase in interest income from fixed deposit



## 52. Other Statutory Information-

- a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - b) The Company do not have any transactions with companies struck off
  - c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
  - d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
  - e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - -Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - -Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - g) The Company do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
  - h) The company is not in contravention with the number of layers prescribed under section 2(87) of the Act
  - i) The Company has not entered into any Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Act
  - j) The company has not been declared wilful defaulter by any bank or financial institution or other lender
53. The accounts of certain trade receivables, trade payables, short and long term loans and advances, other non-current and current Assets are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the assets other than property plant and equipment, intangible assets and non-current investments are expected to realize at the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

## 54. The company has made certain changes in the Accounting Policies during the year as under:

- (i) Accounting policy no. 2.4 i) "Revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognized when the company satisfies a performance obligation by transferring the promised goods or services to a customer and the customer obtains control of the same and it is probable that the company will collect the consideration to which it is entitled in exchange for the goods or services that is transferred to the customer." has been changed to:  
"Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract."
- (ii) Accounting policy no.2.21 i) "including any directly attributable transaction costs" has been changed to add the wording "plus in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset."
- (iii) Accounting policy no.2.21 i) c) "directly attributable transaction costs" has been changed to add the wording "in case of financial assets not recorded at FVTPL, transaction cost attributable to the acquisition of financial asset, however trade receivable that do not contain a significant financing component are measured at transaction price"

The above changes have no financial impact on the financials of the company excepts as stated above.

55. 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).
56. Accounting policies and notes attached form an integral part of the financial statements.
57. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as otherwise stated. Certain small amounts may not appear in financial statements due to rounding off in ₹ in crore. Previous year's figures have been regrouped/rearranged wherever considered necessary.
58. Statement containing salient features of the financial statements of Subsidiaries/Associates companies/ Joint Ventures pursuant to Section 129 (3) of the Companies Act, 2013 in prescribed form AOC-I is attached at Annexure-A.

## 59. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30.05.2023.

As per our report of even date attached

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

**For M. L. Puri & Co.**  
Chartered Accountants  
F.R. No.: 00002312N

**(CA. R C Gupta)**  
Partner  
M. No. 095584

Date: 30.05.2023  
Place: New Delhi

**(Ajay Kumar Misra)**  
Company Secretary  
ACS-11499

**(J Ravi Shanker)**  
Director Marketing  
DIN: 06961483

**(Jyoti Parkash)**  
Add. General Manager (F&A)

**(Hardeep Singh)**  
Chairman and Managing Director  
DIN: 09778990

**(Kapil Kumar Gupta)**  
Director (F) & CFO  
DIN:08751137

**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**

		<b>(₹ In Crore)</b>
1	<b>Sl. No.</b>	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 ₹ 80.3563 (Average Rate)
5	Share capital	3.14
6	Reserves & surplus	42.06
7	Total assets	302.81
8	Total Liabilities	257.60
9	Investments	-
10	Turnover	3,255.63
11	Profit before taxation	4.74
12	Provision for taxation	0.76
13	Profit after taxation	3.98
14	Proposed Dividend	NIL
15	% of shareholding	100
a)	Names of subsidiaries which are yet to commence operations	NIL
b)	Names of subsidiaries which have been liquidated or sold during the year	NIL



AOC-I Part "B": Associates and Joint Ventures				
Name of Associates/Joint Ventures	(₹ In Crore)			
	Free Trade Warehousing Pvt. Ltd.	MMTC Pamp India Pvt. Ltd.	Sical Iron Ore Terminal Ltd.	MMTC Gitanjali Ltd.
1. Latest audited Balance Sheet Date	31.03.2021	31.3.2023	31.03.2021	31.03.2017**
2. Shares of Associate/Joint Ventures held by the company at the year end				
Number	5000	17446000	33800000	2987400
Amount of Investment in Associates/Joint Venture	0.01	17.45	33.80	2.99
Extend of Holding %	50%	26%	26%	26%
3. Description of how there is significant influence	Equity	Equity	Equity	Equity
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	Note (1)
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(19.68)	122.32	33.78	1.82
6. Profit / (Loss) for the year				
i. Considered in Consolidation	-	30.91	-	-
ii. Not Considered in Consolidation	-	-	-	-
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

\* The financial statements are not received from Joint venture company for the year ended 31.03.2023. Latest audited Balance sheet for the JV company is for the year ended 31.03.2021. Details are given at Note no. 41.

\*\* The financial statements are not received from Joint venture company for the year ended 31.03.2023. Latest audited Balance sheet for the JV company is for the year ended 31.03.2017. Details are given at Note no. 41.

Additional information as per Part -III - General Instructions for preparation of Consolidated Financial Statements									
Sl. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (In ₹ Crores)	As % of consolidated profit or loss	Amount (In ₹ Crores)	As % of consolidated other comprehensive income	Amount (In ₹ Crores)	As % of Total comprehensive income	Amount (In ₹ Crores)
<b>Parent</b>									
	MMTC Limited	89.59	1264.81	68.38	1,068.34	191.30	(4.64)	68.19	1,063.71
<b>Subsidiaries-Foreign</b>									
1	MMTC Transnational Pte Ltd., Singapore	2.98	42.06	0.25	3.98	(88.58)	2.15	0.39	6.13
2	Non-controlling Interest	-	-	-	-	-	-	-	-
<b>Joint Ventures-Indian (investment as per equity method)</b>									
1	Free Trade Warehousing Pvt. Ltd.	-	-	-	-	-	-	-	-
2	MMTC Pamp India Pvt. Ltd.	7.43	104.88	1.97	30.84	(2.92)	0.07	1.98	30.91
3	Sical Iron Ore Terminal Ltd.	-	-	-	-	-	-	-	-
4	Neelachal Ispat Nigam Limited	-	-	29.39	459.11	-	-	29.43	459.11
5	MMTC Gitanjali Ltd.	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>100.00</b>	<b>1,411.75</b>	<b>100.00</b>	<b>1,562.27</b>	<b>99.79</b>	<b>(2.42)</b>	<b>100.00</b>	<b>1,559.85</b>

\*Divested on 04.07.2022. unabsorbed losses to the extent of equity investment has been recognized during the year after receipt of divestment proceeds.



## AUDITORS

Office of the Comptroller & Auditor General of India vide their letter No. CA V/COY/ CENTRAL GOVERNMENT, MMTG (10) 182 dated 26<sup>th</sup> August 2022 have communicated the appointment of Auditors of the company under section 139 of the Companies Act, 2013 for the financial year 2022-23. The details are given below:-

<b>Statutory Auditor</b>	<b>Region</b>
M. L. Puri & Co.	- RO Delhi including SROs
New Delhi	- Co, New Delhi (including foreign offices) Office of Mica Division Consolidation and merger of all branches

### Branch Auditors

NRSM & Associates.	- Bhubanewhwar Regional Office including Sub-Offices/ distribution centers
Cuttack	
Bathiya & Associates LLP.	- Mumbai Regional Office including Sub-Offices/ distribution centers
Mumbai	
C, Ramchandran & Co:	- Hyderabad Regional Office including Sub-Offices/ distribution centers
Hyderabad	
B Thiagarajan & Co.	- Chennai Regional Office including Sub-Offices/ distribution centers
Chennai	
Rao & Shyam	- Visakhapatnam Regional Office including Sub-Offices/ distribution centers
Visakhapatnam	

# MMTC OFFICES

## CORPORATE OFFICE

MMTC Limited, Core 1, SCOPE Complex, 7 Institutional Area, Lodi Road,  
New Delhi - 110 003

**Tel:** 91-11-24362200; **Email:** [mmtc@mmtclimited.com](mailto:mmtc@mmtclimited.com)

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

## Regional Offices

<b>NORTH ZONE</b>	<b>DELHI REGIONAL OFFICE</b> F 8-11, Jhandewalan Flatted Factory Complex, Rani Jhansi Road, New Delhi-110055 Tel : 011-23623950,23623952, 23670408; Fax : 011-23633175 Email: <a href="mailto:head_jjc@mmtclimited.com">head_jjc@mmtclimited.com</a> <b>SROs/FOs: Jaipur</b>
<b>SOUTH ZONE</b>	<b>CHENNAI</b> Essar House, 6, Espalande, Chennai -600108 (Tamilnadu) Tel : 044-25341942, 25341938; Fax : 044-25340544, 25340317 Email : <a href="mailto:head_chennai@mmtclimited.com">head_chennai@mmtclimited.com</a> <b>SROs/FOs: Bengaluru, Banihatti</b>
	<b>VIZAG</b> MMTC Bhawan, Port Area, P. B. No. 132, Vishakhapatnam-530035 (Andhra Pradesh) Tel : PBX : 0891-2562356, 2562771; Fax: 0891-2562611 Email : <a href="mailto:mmtcvizag@mmtclimited.com">mmtcvizag@mmtclimited.com</a>
	<b>HYDERABAD</b> 9-1-76 to 77/1/B, 3rd Floor, S.D. Road, Secunderabad-500003 Tel : 040-27804033; Fax : 040-27804038, 27725401 Email: <a href="mailto:mmtchyd@mmtclimited.com">mmtchyd@mmtclimited.com</a>
<b>EAST ZONE</b>	<b>BHUBANESWAR (Sub-Regional Office)</b> Alok Bharati Complex, 7th floor, Sahid Nagar, Bhubaneswar-751007 (Odisha) Tel : 0674-2546848, 2518517, 2503336, 2544783; Fax :0674-2546847, 2512832 Email: <a href="mailto:head_bhubaneswar@mmtclimited.com">head_bhubaneswar@mmtclimited.com</a> , <a href="mailto:mmtcbbbsr@mmtclimited.com">mmtcbbbsr@mmtclimited.com</a> <b>SROs/FOs: Paradeep, Duburi</b>
<b>WEST ZONE</b>	<b>MUMBAI</b> 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 : <a href="mailto:head_mumbai@mmtclimited.com">head_mumbai@mmtclimited.com</a> , <a href="mailto:mmtcmumbai@mmtclimited.com">mmtcmumbai@mmtclimited.com</a> <b>SROs/FOs: Ahmedabad</b>
<b>PROMOTED</b>	Neelchal Ispat Nigam Ltd, 1st Floor of Annexe, IPICOL House Project Janpath, Bhubaneswar-751022 Tel : 0674-2543231; Fax : 0674-2541763
<b>FOREIGN</b>	<b>SINGAPORE</b> Offices MMTC Transnational Pte Ltd. 3 Raffles Place, #08-01, Bharat Building Singapore - 048617 Tel: (65) 65385313; Fax: (65) 65385316; Email : <a href="mailto:info@mtpl.com.sg">info@mtpl.com.sg</a>







कारपोरेट कार्यालय	<b>CORPORATE OFFICE</b>
नई दिल्ली	New Delhi
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