



## DIRECTOR'S REPORT

The Members  
MMTC Limited,  
New Delhi.

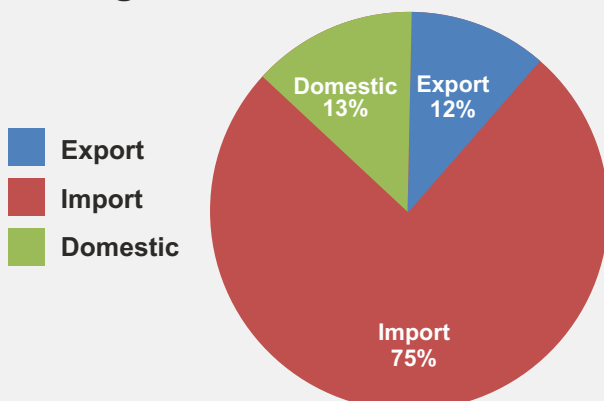
Ladies & Gentlemen,

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

### OPERATIONAL RESULTS

Your company, one of the leading trading companies in India, recorded a turnover of ₹ 15,757 crore during 2017-18 as against the turnover of ₹ 11,593 crore registered during last fiscal. This business turnover includes Exports of ₹ 1795 crore, Imports of ₹ 11,878 crore and domestic trade of ₹ 2084 crore. The Company has reported a net profit of ₹ 48.84 crore in the current fiscal compared to ₹ 57.06 crore earned last year.

### Segmentwise Performance



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

(Rs. in crore)

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Less: Debts/Claims Written off/withdrawn	0.05	0.66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

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

## AWARDS AND RANKINGS

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

## EQUITY SHARE CAPITAL & DIVIDEND

The Board of Directors recommends declaration of dividend @ 30% on the paid up equity capital of ₹100 crore of the Company as on 31.3.2018 for the year 2017-18 out of profits of the Company which is equivalent to 20% on the post-bonus issue paid up capital of ₹150 crores. During the year, in accordance with the directives of Department of Public Assets & Management (DIPAM),

Govt. of India applicable for all CPSEs, on 19<sup>th</sup> March, 2018 Board of your company has recommended issue of bonus shares to the existing shareholders of the company in the ratio of 1:2 i.e. one bonus share of Re.1/- each for every two equity shares held by the shareholders as on the record date. During the current Financial Year upon receipt of approval of shareholders through postal ballot, the Authorized Share Capital was increased from Rs.100 crores to Rs. 200 cr. Post bonus issue, the paid up capital of the company has increased from Rs.100 crores to Rs.150 crores comprising of 150 crores of equity shares of Re.1/- per share(face value). The entire process of bonus issue has since been completed with the transfer of appropriate proceeds being effected to the shareholders on fractional bonus shares upon disposal of such fractional bonus shares through the Independent Trustee appointed by the Board of Directors.

## RESERVES

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

## AWARDS AND RANKINGS



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

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

#### SUBSIDIARY COMPANY

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

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

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

Your company has set up Neelachal Ispat Nigam Limited (NINL) - an iron & steel plant of 1.1 million tonnes capacity, 0.8 million tonne coke oven and by product unit with captive power plant, jointly with Govt. of Odisha and others. The phase-II of the Project for production of steel, with Basic Oxygen Furnace, Oxygen Plant and SMS has been commissioned and Steel Billets Production was done on trial basis. During the year 2017-18, NINL achieved a turnover of ₹ 882.58 crore and incurred net loss of ₹ 377.67 crore. This was primarily due to recession in the economy and steel sector in particular and increase in cost of raw materials imported for the Plant. After lot of persuasion and efforts, finally NINL could sign Iron Ore

Mining Lease on captive basis with Govt. of Odisha for 874.24 hectare having 92 million tonne of mineable iron ore reserves in the State of Odisha. Mines are planned to commission iron ore production by March, 2019. NINL has also signed MOU with NALCO for setting up of Coal Tar Pitch Plant. With the stabilization of steel making facility and starting of iron ore mining by end of current financial year, NINL's performance is expected to improve considerably as also increase in production capacity.

#### PROJECTS / JOINT VENTURES

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

- (i) Your Company holds 9.55% equity capital in Indian Commodity Exchange Limited (ICEX) as on 31.3.2018 out of total paid up capital of ₹167.5 crores. During the year under review ICEX has reported a net loss of ₹ 13.36 crore as against net loss of ₹ 14.85 crore during 2016-17. ICEX has got necessary approval from SEBI for launching diamond contracts apart from obtaining 'in principle' approval for trading in contracts for Brent Crude and WTI Crude. It has since got clearance from SEBI for restarting its trading operations. It has also been decided by ICEX and NMEX to merge NMEX with ICEX.
- (ii) Your company had participated in the equity of Currency Futures Exchange under the name and style of "United Stock Exchange of India Ltd which had been merged with "BSE Limited" (BSE) wherein your Company holds 38,961 equity shares of ₹ 2/- each in BSE. During the year BSE earned a net profit of ₹ 563.95 crore against ₹198.64 crore in 2016-17 and recommended a dividend of ₹ 31/- on equity share of ₹ 2/- each. The shares of BSE has since been listed on National Stock Exchange(NSE).
- (iii) The joint venture for medallion manufacturing unit participated as 26% equity partner in collaboration with PAMP Switzerland in the name of MMTC-PAMP India Pvt. Ltd. achieved a turnover of ₹ 34022.43





crore and profit after tax of ₹ 43.69 crore during 2017-18. MMTC has received an interim dividend of 30% for its investment in MMTC-PAMP India Pvt. Ltd. for FY 2017-18. MMTC-PAMP India Pvt. Ltd became India's first LBMA accredited refiner for Gold and silver. During 2017-18 MMTC has sold Gold Bars produced by MPIPL in the domestic market achieving a turnover of ₹ 481 crore and sale of silver bar of Rs.170 crore.

- (iv) For effective marketing of the finished products of both medallions and jewellery, your company had set up a JV Company, in partnership with a leading Indian company under the name and style of MMTC Gitanjali Limited for setting up retail stores at various cities in India. MMTC Gitanjali Limited has not reported turnover for the year 2017-18 as against turnover of ₹ 26.62 crore during 2016-17. The business got interrupted midway during the year 2017-18 and MMTC has exercised the "Exit" option from the said joint venture in terms of SHA signed with the Promoters of the Company.
- (v) The JV Company - M/s. SICAL Iron Ore Terminals Limited (SIOTL) could not commence commercial operations due to non-availability of iron ore for exports from Bellary-Hospet Sector in Karnataka State. In view of uncertain future of iron ore exports and to utilize the infrastructure created, Kamarajar Port Trust (erstwhile Ennore Port Trust) decided to award the facility through bidding process for modification of the facility to also handle common user coal. As coal does not have synergy with MMTC's existing line of business, MMTC Board has decided to exit from the JV. MMTC invited bids through open tender for sale of its entire 26% equity in the SIOTL JV, however, no response was received. Meanwhile, as per "Right of First Refusal" in Shareholders Agreement of SIOTL, Sical Logistics Ltd(lead promoter of SIOTL) offered to purchase MMTC's equity at reserve price fixed by MMTC which MMTC Board has decided to accept. Currently, process is on for sale of MMTC's 26% equity in SIOTL to Sical Logistics Ltd.
- (vi) TM Mining Company Ltd. - your company's JV with M/s TATA Steel Ltd. for mining, exploration and

allied activities. However, as the JV company was not able to generate any business since inception, MMTC Board has accorded approval for filing of necessary documents with Registrar of Companies (RoC) by the JV Company to 'strike off' the name of the JV company from the records of RoC. Lead promoter (Tata Steel) has been apprised accordingly.

- (vii) To facilitate promotion of two-way trade, the SPV promoted by your Company in association with IL&FS IIDC has been allotted land to set up International Cargo hub at Haldia and Free Trade and Warehousing Zone at Kandla on lines similar to Special Economic Zone. Two plots of 2.75 acres of land in the Kandla FTWZ has been leased in March, 2016 and the annual revenue is ₹ 24.73 lakhs. Discussions are on with the other units for leasing out the plots. The Development Commissioner had granted approval for setting up a unit within Kandla FTWZ.
- (viii) A15 MW capacity Wind Mill project with 25 Wind Energy Generators commissioned by MMTC way back in March, 2007 at Gajendragad in Karnataka, is running successfully and has contributed to the development of the area by meeting some portion of energy needs of Karnataka state. The power generated from the project is sold to HESCOM. The turnover of the project during 2017-18 was ₹ 6.90 crore with a profit of ₹ 5.18 crore.

## INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

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

The aggregate manpower of the company as on 31<sup>st</sup> March, 2018 stood at 1127, comprising of 5 Board level





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

**RESERVATION POLICY**

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

**TRAINING AND DEVELOPMENT**

For further enhancing / upgrading the skills of employees in the constantly changing business scenario, 436 employees were imparted training during the year in different spheres of company's activities. This was done through programs organized in association with in-house faculty as well as external resource persons from renowned institutions/ organizations. The employees



deputed for training had adequate representation of SC, ST and women employees (SC- 78, ST- 46 and women - 180). In terms of man days, such training works out to 688 training man days during the year 2017-18.

**IMPLEMENTATION OF OFFICIAL LANGUAGE**

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

During the year under review, the Hon'ble Drafting and



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

**VIGILANCE**

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

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

Steps have been taken to streamline vigilance inspections conducted by VOs/NVOs. A system of quarterly/yearly review of such inspections by Vigilance Division/CO is already in place. During the period under



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

#### **VIGIL MECHANISM**

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

#### **INTEGRITY PACT**

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

#### **CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT**

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

In compliance to CSR Rules, your Company in its endeavor to continue its commitment towards CSR & Sustainability initiatives during the year 2017-18 a sum of ₹1.26 crore was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceding three years.

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

#### **CORPORATE GOVERNANCE**

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

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

#### **CODE OF CONDUCT**

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

**Declaration as required under SEBI (Listing**



**Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance**

"All the members of the Board and Senior Management Personnel except one CGM (under suspension), have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management

Personnel' of the company for the financial year ended on March 31, 2018."

Sd/-

**VED PRAKASH**

Chairman & Managing Director

**DIN.: 02988628**



## **BUSINESS RESPONSIBILITY REPORT**

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

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

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

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

## **PUBLIC DEPOSIT SCHEME**

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

## **ANNUAL RETURN**

The extracts of Annual Return pursuant to provisions of Section 92 read with Rule 12 of the Companies

(Management and Administration) Rules, 2014 is furnished in prescribed form-MGT-9 and the same is annexed herewith.

## **STATUTORY AUDITOR'S REPORT**

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

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

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

## **SECRETARIAL AUDIT**

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

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

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

## **RELATED PARTY TRANSACTIONS**

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and not at Arm's Length basis. The Audit Committee granted omnibus approval for the transactions undertaken during 2017-18. The approval of the Board and Shareholders at the AGM for such Related Party Transactions were taken. Suitable disclosures as required under Ind AS-24 have



been made in Note 42 of Notes to the financial statements. Details of the transaction are provided in Form AOC-2 which is annexed herewith.

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

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

#### **RISK MANAGEMENT POLICY**

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

#### **CONSERVATION OF ENERGY**

During the year 2017-18, there was no activity in Mica group of your company. Hence the provision of rule 8(3) of Companies (Accounts) Rules, 2014 are not applicable.

#### **PARTICULARS OF EMPLOYEES**

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

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

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

Company at the end of the financial year and of the profit and loss of the Company for the year ended 31.3.2018;

- 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;
- the Directors had prepared the annual accounts on a going concern basis.
- 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
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

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

#### **INFORMATION UNDER RTI ACT, 2015**

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



# CORPORATE ACTIVITIES



Hon'ble Commerce Minister Shri Suresh Prabhu addressing the audience



CMDs visit to Japan



Director (P) facilitating on superannuation



CMD at MMTC colony during Swachhta Abhiyan



MoU signed with HIL



MoU signed with BEML



CMD at MMTC colony



CMD at a meeting with Ex. MD Vijaya Bank

## BOARD OF DIRECTORS

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

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

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

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

## ACKNOWLEDGEMENTS

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

By the Order of the Board

( sd/-)

**(Ved Prakash)**

Chairman & Managing Director

**DIN No: 02988628**

Dated: 14.08.2018