

MMTC LIMITED
CIN : L51909DL1963GOI004033
(A Govt of India Enterprise)
Core - 1, Scope Complex
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PART I

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended on 31/12/2014 (₹ in Crores, except per share data)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	5541.75	2511.79	4775.97	13233.39	20925.58	25074.49
	(b) Other operating income	6.11	8.03	8.49	20.03	156.48	195.02
	Total income from operations (net)	5547.86	2519.82	4784.46	13253.42	21082.06	25269.51
2	Expenses						
	(a) Cost of materials consumed	21.70	61.76	10.58	98.59	96.79	161.31
	(b) Purchases of stock in-trade	5483.86	2167.72	4419.99	12659.42	19029.85	22171.38
	(c) Changes in inventories of finished goods, work in progress and stock in trade	(256.04)	28.92	(68.43)	(364.78)	2.95	572.77
	(d) Employee benefits expense	44.54	48.88	52.32	141.27	147.69	189.50
	(e) Depreciation and amortisation expense	1.13	13.15	2.81	16.70	8.54	12.42
	(f) Other expenses	263.04	238.29	333.58	719.62	1746.15	2069.52
	Total expenses	5568.23	2558.71	4750.86	13270.82	21031.98	25176.90
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(10.37)	(38.89)	33.60	(17.40)	50.08	92.61
4	Other income	25.46	27.94	43.00	85.37	121.40	222.34
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	15.09	(10.95)	76.60	67.97	171.48	314.95
6	Finance costs	6.84	2.34	15.14	12.48	55.95	66.99
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	8.25	(13.29)	61.46	55.49	115.53	247.96
8	Exceptional items	36.13	5.56	4.79	40.45	2.91	23.06
9	Profit / (Loss) from ordinary activities before tax (7-8)	(27.88)	(18.85)	56.67	15.04	112.62	224.90
10	Tax expense	(7.12)	(8.77)	19.17	5.11	38.18	67.35
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(20.76)	(10.08)	37.50	9.93	74.44	157.55
12	Extraordinary items (net of tax expense)	0.00	0.00	46.21	0.00	88.53	138.91
13	Net Profit / (Loss) for the period (11-12)	(20.76)	(10.08)	(8.71)	9.93	(14.09)	18.64
14	Paid up equity share capital (Face Value of the Share Re.1/-)	100.00	100.00	100.00	100.00	100.00	100.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						1241.87
16. i	Earnings per share (before extraordinary items) (of ₹1/- each) (not annualised):						
	(a) Basic	(0.21)	(0.10)	0.38	0.10	0.74	1.58
	(b) Diluted	(0.21)	(0.10)	0.38	0.10	0.74	1.58
16. ii	Earnings per share (after extraordinary items) (of ₹ 1/- each) (not annualised):						
	(a) Basic	(0.21)	(0.10)	(0.09)	0.10	(0.14)	0.19
	(b) Diluted	(0.21)	(0.10)	(0.09)	0.10	(0.14)	0.19
	see accompanying note to the financial results						

PART II

Information for the Quarter and 9 Months ended on 31/12/2014

	Particulars	3 Months Ended			9 Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	Number of shares	100/31238	100/31238	100000000	100/31238	100000000	100000000
	Percentage of shareholding	10.07	10.07	10	10.07	10	10.00
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	Number of shares						
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
	Percentage of shares (as a % of the total share capital of the company)						
	b) Non-encumbered						
	Number of shares	899268762	899268762	900000000	899268762	900000000	900000000
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	Percentage of shares (as a % of the total share capital of the company)	89.93	89.93	90	89.93	90	90.00

Particulars		3 months ended 31-Dec-14
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	0
	Received during the quarter	5
	Disposed of during the quarter	5
	Remaining unresolved at the end of the quarter	0

PART III

Segmentwise Revenue, Results and Capital Employed

(₹ in Crores)

Particulars	3 Months Ended			9 Months Ended		Year Ended
	31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue						
a) Precious Metals	1056.13	1024.13	1409.53	3675.36	7915.27	9173.00
b) Metals	151.33	247.80	307.91	651.36	1090.68	1519.11
c) Minerals & Ores	214.30	477.45	475.38	1248.14	1632.75	2320.45
d) Hydrocarbon	541.94	457.44	969.46	1426.59	4780.26	5596.35
e) Agro Products	6.70	12.10	411.71	289.81	1857.81	2469.68
f) Fertilizers	3569.92	289.75	1200.47	5935.59	3641.82	3987.19
g) Others	1.43	3.12	1.51	6.54	6.99	8.71
TOTAL	5541.75	2511.79	4775.97	13233.39	20925.58	25074.49
Less: Inter Segment revenue	NIL	NIL	NIL	NIL	NIL	NIL
Net Sales	5541.75	2511.79	4775.97	13233.39	20925.58	25074.49
Segment Results						
Profit/(Loss) before tax and interest from each segment						
a) Precious Metals	11.54	10.44	66.01	74.13	81.67	129.73
b) Metals	2.55	8.53	8.75	21.82	30.02	43.78
c) Minerals & Ores	5.31	9.51	13.99	29.02	47.00	65.77
d) Hydrocarbon	7.13	4.00	9.36	18.00	42.58	51.02
e) Agro Products	0.13	0.08	4.68	4.43	26.18	36.67
f) Fertilizers	(26.29)	3.36	2.95	(20.06)	7.34	10.95
g) Others	1.19	2.89	1.48	5.82	6.38	7.66
TOTAL	1.56	38.81	107.22	133.16	241.17	345.58
Less: i) Interest(Net)	(19.61)	(20.88)	(23.54)	(60.21)	(52.78)	(111.26)
ii) Other un-allocable expenditure net off unallocable income	49.05	78.54	74.09	178.33	181.33	231.94
Profit from ordinary activities before tax	(27.88)	(18.85)	56.67	15.04	112.62	224.90
Capital Employed	798.19	818.95	587.15	798.19	587.15	784.22
a) Precious Metals	239.46	245.68	176.15	239.46	176.15	235.26
b) Metals	119.73	122.84	88.07	119.73	88.07	117.63
c) Minerals & Ores	7.98	8.19	5.87	7.98	5.87	7.84
d) Hydrocarbon	159.64	163.79	117.43	159.64	117.43	156.84
e) Agro Products	239.45	245.67	176.15	239.45	176.15	235.27
f) Fertilizers	-	-	-	-	-	-
g) Others	31.93	32.76	23.48	31.93	23.48	31.38

Note:

- (1) Consequent to Supreme court judgement, Government of India has cancelled the coal block allotted to the company. Accordingly, an amount of ₹ 6.57 crore incurred and shown under 'capital work-in-progress' has been charged to P&L account under 'other expenses' during the quarter ended 30th Sept 2014. Any further expenses in future shall be charged to P&L account directly.
- (2) The Company has revised depreciation rates in respect of certain fixed assets w.e.f. 1st April 2014 in line with schedule II of the Companies Act, 2013 linking it with useful life specified therein. Accordingly the company has charged less depreciation amounting to ₹ 0.55 crore for the nine months in the financial results and charged ₹ 0.50 crore to reserves in terms of the transitional provisions of said Schedule II.
- (3) Under the head 'Depreciation and Amortisation Expense', an amount of ₹ 10.69 crore has been provided upto 30th Sept 2014 towards impairment of railway wagons procured under WIS scheme of Railways during 2006-07 for a period of 10 years and which could not be utilised during last few years due to restriction on export of Iron ore from the country.
- (4) Exceptional Items & Segment results for the period ended 31.12.2014 includes ₹ 8.95 crore being loss on valuation of inventory (Precious Metals ₹ 2.72 crore and Minerals ₹ 6.23 crore) due to net realisable value being lower than cost as on 31.12.2014. Further, it also includes ₹ 31.47 crores being provision made during the quarter ended 31st Dec 2014 towards litigation settlement and ₹ 0.35 crore being provision made towards loss due to difference in physical stock of silverware as compared to stock records maintained in Retail Management System(RMS).
- (5) The Statutory Auditors have given certain qualifications/observations in the Audit Report on the accounts for the year ended 31st March 2014, which have no impact on the profit or loss of the company for the quarter ended 31st Dec. 2014. Accordingly, no adjustment has been considered necessary. Efforts are regularly made by the company to write off old dues. The Company has further strengthened internal control system by bringing out various manuals, operational drills, Risk Management Policy etc.
- (6) The financial results are based on the accounts drawn in accordance with generally accepted accounting principles consistently followed in compliance with the mandatory Accounting Standards and are reported in the format prescribed by SEBI.
- (7) Wherever necessary, previous quarters/year's figures have been re-grouped/re-arranged accordingly to make them comparable.
- (8) The financial results have been reviewed by Audit Committee & approved by the Board of Directors at the meeting held on 11th Feb, 2015 & limited review of the same has been carried-out by Statutory Auditors of the company.

Place: New Delhi
Dated: 11th Feb 2015

BY ORDER OF THE BOARD OF DIRECTORS

(Md Irakash)
Chairman cum Managing Director

JAIN KAPILA ASSOCIATES

CHARTERED ACCOUNTANTS

LIMITED REVIEW REPORT

TO THE BOARD OF DIRECTORS
MMTC Limited

Report on the Financial Statements

We have reviewed the accompanying statement of unaudited financial results of **MMTC Limited**, for the period ended **31 December, 2014** except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to issue a report on these financial statements based on our review. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, "Engagements to Review Financial Statements" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. **We have not performed an audit and accordingly, we do not express an audit opinion.**

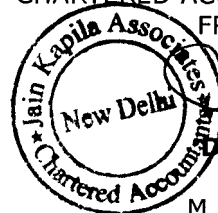
The financial results incorporate the reviewed results of 11 regional offices, 1 MICA division and corporate office, out of which 1 regional office, MICA division along-with corporate office has been reviewed by us and the remaining 10 regional offices have been reviewed by other statutory branch auditors of the company. In the conduct of our review, we have relied upon the reviewed results of the statutory branch auditors.

The Retail Management System (RMS) used by the Company for its retail business is not adequately effective and does not depict the correct inventory position in many cases. This indicates existence of inadequate internal financial controls which may lead to failure at operational level of such controls.

Based on our review conducted as above and subject to above Para, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi
Date: 11 February, 2015

For JAIN KAPILA ASSOCIATES
CHARTERED ACCOUNTANTS
FRN-000287N



J.K. KAPILA
Sr. Partner
M. No. 016905