

52nd

Annual Report

2014 – 2015



**GUJARAT MINERAL DEVELOPMENT
CORPORATION LIMITED**

BOARD OF DIRECTORS

CHAIRMAN

Shri Arvind Agarwal, IAS

MANAGING DIRECTOR

Shri P K Gera, IAS

COMPANY SECRETARY

Shri Joel Evans

STATUTORY AUDITORS

M/s H K Shah & Co.,
Chartered Accountants

REGISTERED OFFICE

Khanij Bhavan
132 Feet Ring Road
Near University Ground, Vastrapur,
Ahmedabad – 380 052
Phone: 2791 3200 / 3501 / 1662 / 1680 / 0665 /
0096 / 0465 / 2416 / 2457 / 2443 / 1340
FAX : (079) 2791 3038 / 1151 / 1454
/ 1822 / 0969
E-Mail : Contact@gmdcltd.com

Website : www.gmdcltd.com

DIRECTORS

Shri T. Natarajan, IAS ,Director
Smt. Sonal Mishra, IAS Director
Shri Bhadrash Mehta, Independent Director
Shri S B Dangayach, Addl. Independent Director
Shri Nitin Shukla, Addl.Independent Director

BANKERS

Bank of Baroda
Dena Bank
Vijaya Bank
Axis Bank Ltd.,
HDFC Bank Ltd.,
State Bank of India
Union Bank of India
IDBI Bank Limited

PROJECTS :**Lignite Projects**

Panandhro (Dist. Kutch)
Mata-No-Madh (Dist. Kutch)
Umarsar (Dist.Kutch)
Rajpardi (Dist. Broach)
Tadkeshwar (Dist. Surat)
Bhavnagar (Dist. Bhavnagar)

Fluorspar Project

Kadipani (Dist. Baroda)

Bauxite Projects

Gadhsisa (Dist. Kutch)
Bhatia (Dist. Jamnagar)

Multi-Metal Project

Ambaji (Dist. Banaskantha)

Power Project

Nani Chher (Dist. Kutch)

Wind Farm Project

Maliya (Dist. Rajkot)
Jodia (Dist. Jamnagar)
Gorsar (Dist. Porbandar)
Bada (Dist. Kutch)
Varvala (Dist. Jamnagar)
Bhanvad (Dist. Jamnagar)

Solar Project

Panandhro (Dist. Kutch)

Manganese Project

Shivrajpur (Dist. Panchmahal)

Registrar & Share Transfer Agent for physical & D-mat Shares

M/s. MCS STA Limited
201, Shatdal Complex, 2nd floor
Opp: Bata Show Room , Ashram Road
Ahmedabad – 380 009
Tel. 079 26580461-63
Fax : (079) 26581296

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AGM DATE, DAY, TIME & VENUE

Date of AGM : 29th September, 2015
Day : Tuesday
Time : 11:00 AM
Venue : Registered Office of the Company
Khanij Bhavan, 132 Ft. Ring Road,
Near University Ground
Vastrapur, Ahmedabad-380 052

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Sr. Particulars	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
(A) Statement of Profit & Loss										
1. Total Turnover	147,314.44	134,407.28	174,762.51	169,599.76	142,122.34	106,608.05	98,121.21	98,105.54	58,895.65	43,374.08
2. Profit before tax	63,586.75	62,959.01	90,368.72	71,769.78	58,461.06	40,608.25	36,990.48	40,839.48	16,775.22	6,669.12
3. Interest	-	-	-	784.89	1,528.32	2,611.22	5,390.84	7,024.77	7,370.52	5,054.94
4. Depreciation	13,726.91	12,456.50	11,738.40	10,833.29	9,295.55	8,615.31	7,777.77	9,553.69	12,932.05	13,034.02
5. Provision for tax	13,553.89	19,045.59	30,284.51	23,086.50	20,984.72	12,621.37	13,359.87	14,446.38	5,907.38	2,494.48
6. Profit after tax	50,032.86	43,913.42	60,084.21	48,683.28	37,476.34	27,986.88	23,630.61	26,393.10	10,867.85	4,174.64
7. Short/Excess provision of tax of earlier years	-	-	-	-	30.70	1.17	488.85	-	1,420.48	649.31
8. Net Profit after short/excess tax prov of earlier years	50,032.86	43,913.42	60,084.21	48,683.28	37,507.04	27,988.05	23,141.76	26,393.10	9,447.37	3,525.33
9. Balance of profit of last year	32,317.00	24,564.90	15,642.01	13,046.36	11,626.94	12,939.98	4,739.10	2,066.44	1,339.52	2,989.78
10. Profit available for appropriation	82,349.86	68,478.31	75,726.22	61,729.64	49,133.98	40,928.03	27,880.86	28,459.54	10,786.89	6,515.11
11. Dividend in %	150.00	150.00	150.00	150.00	150.00	125.00	100.00	100.00	100.00	60.00
12. Dividend in Rupees	9,540.00	9,540.00	9,540.00	9,540.00	9,540.00	7,950.00	6,360.00	3,180.00	3,180.00	1,908.00
(B) Balance Sheet										
1. Share Capital	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	3,180.00	3,180.00	3,180.00
2. Reserves & Surplus	317,796.69	279,887.62	247,135.53	198,212.64	160,616.98	134,197.57	115,510.61	102,989.73	80,693.28	74,966.36
3. Gross Fixed Assets	281,843.87	280,574.16	265,632.13	255,743.34	223,619.18	197,608.33	188,640.64	184,653.41	179,178.43	171,358.45
4. Net Fixed Assets	175,622.14	186,237.72	178,023.78	175,778.06	151,739.13	134,143.07	130,820.45	134,283.09	137,135.55	136,496.96
5. Net worth	324,156.69	286,247.62	253,495.53	204,572.64	165,852.01	138,755.83	120,769.80	105,847.65	80,319.15	74,446.76
(C) Financial Ratios										
1. % of Net Profit										
On Sales	33.96	32.67	34.38	28.70	26.37	26.25	24.08	26.90	18.45	9.57
On Gross Fixed Assets	17.75	15.65	22.62	19.04	16.76	14.16	12.53	14.29	6.07	2.44
On net worth	15.43	15.34	23.70	23.80	22.60	20.17	19.57	24.93	13.53	5.61
On Share Capital	786.68	690.46	944.72	765.46	589.25	440.05	371.55	829.97	341.76	131.28
2. Debt/Equity Ratio	Nil	Nil	Nil	Nil	0.08	0.15	0.39	0.63	1.14	1.39

NOTICE

Notice is hereby given that the 52nd Annual General Meeting of the Shareholders of 'Gujarat Mineral Development Corporation Limited' will be held on Tuesday, the 29th September, 2015 at 11.00 AM at the Registered Office of the Company, at Khanij Bhavan, Off : 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052 to transact the following businesses :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Corporation (standalone and Consolidated) for the year ended on March 31, 2015, including the Balance Sheet, Profit and Loss Statement and Cash Flow Statement as at that date together with the Report of the Board of Directors, and Auditors and C & AG thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2015.
3. To fix up the remuneration of Statutory Auditors for the year 2015-16 to be appointed by the Comptroller & Auditor General of India.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution for appointment of Shri S. B. Dangayach (DIN 01572754) as an Independent Director;
"RESOLVED THAT pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri S. B. Dangayach (DIN:01572754), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 13th October, 2019, not liable to retire by rotation."
5. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution for an appointment of Shri Nitin Shukla (DIN: 00041433) as an Independent Director;
"RESOLVED THAT pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Nitin Shukla (DIN 00041433), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 13th October, 2019, not liable to retire by rotation."
6. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution for appointment of Smt. Sonal Mishra, IAS (DIN: 03461909) as a Woman Director;
"RESOLVED THAT pursuant to the Notification No. GU/2015/25/GMC/102015/685/CHH-I dated 18.06.2015

issued by the Industries and Mines Department, Government of Gujarat, Smt. Sonal Mishra, IAS (DIN: 03461909), Managing Director, Gujarat Industries Power Company Limited be and is hereby appointed as Director on the Board of Gujarat Mineral Development Corporation Ltd. , w.e.f. the date of the said notification, in the category of woman director."

7. To ratify the remuneration of Cost Auditors for financial year 2015-16 and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions, if any, of the Companies Act 2013 and the Rules made there under, the remuneration of ₹ 1,50,000 (including Service Tax), reimbursement of out of pocket expenses incurred in connection with the Cost Audit for financial year 2015-16 payable to M/s Manish B. Analkat, Cost Auditors, as approved by the Board of Directors of the Company at its Meeting held on 10th August, 2015 be and is hereby ratified."

By Order of the Board-of-Directors

Joel Evans

Company Secretary

Date : 10th August, 2015

Place : Ahmedabad.

Registered Office :

Gujarat Mineral Development Corporation Limited

CIN NO:- L14100GJ1963SGC001206

'Khanij Bhavan', 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad-380 052.

EXPLANATORY STATEMENT**PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.****Item No. 4**

Shri S. B. Dangayach (DIN 01572754) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14th October, 2014. Shri Danagaych is a member of the Audit Committee and Risk Management Committee, of the Board of Directors of the Company.

Shri S. B. Dangayach (DIN 01572754) is aged 63 years and is a professional. Shri Dangayach possesses a Post Graduate Diploma on Management from Indian Institute of Management, Ahmedabad. He has a very wide experience in textile, infrastructure and finance sector. He is a Director in many other Companies as under:

- | | |
|---|------------|
| 1. Sintex Industries Limited – Managing Director / Member | |
| 2. Sintex Infra Projects Limited | – Director |
| 3. Sintex International Limited | – Director |
| 4. GVFL Limited | – Director |



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- | | | |
|----|-----------------------------------|------------|
| 5. | Nief Plastic SA | – Director |
| 6. | Narita Trade Links Pvt. Limited | – Director |
| 7. | Zillion Infra Projects Pvt. Ltd. | – Director |
| 8. | GVFL Advisory Services Pvt. Ltd. | – Director |
| 9. | Gujarat Industries Power Co. Ltd. | – Director |

In the opinion of the Board, Shri S. B. Dangayach fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management and has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. Copy of the draft letter for appointment of Shri S. B. Dangayach as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri S. B. Dangayach as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri S. B. Dangayach as an Independent Director, for the approval by the shareholders of the Company, for a period of 5 years (Upto 13th October, 2019)

Except Shri S. B. Dangayach, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no.4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 5

Shri Nitin Shukla (DIN : 00041433) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14.10.2014. Shri Nitin Shukla is a member of the Nomination and Remuneration Committee and Risk Management Committee, of the Board of Directors of the Company.

Shri Nitin Shukla (DIN: 00041433) is aged 63 years and is a professional. Shri Nitin Shukla has a very wide experience in natural resources sector. He is an industrialist by profession. He is a Director in many other Companies as under:

- | | | |
|----|--|------------|
| 1. | Hazira LNG Pvt. Ltd. | – Director |
| 2. | Hazira Port Pvt. Ltd. | – Director |
| 3. | Shell India Markets Pvt. Ltd. | – Director |
| 4. | Anuvad Academy and Research Foundation | – Director |

In the opinion of the Board, Shri Nitin Shukla fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management and has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. Copy of the draft letter for appointment of Shri Nitin Shukla as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Nitin Shukla as an

Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Nitin Shukla as an Independent Director, for the approval by the shareholders of the Company for a period of 5 years (Upto 13.10.2019)

Except Shri Nitin Shukla, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no.5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

Smt. Sonal Mishra, IAS (DIN: 03461909) is a Senior Officer of Indian Administrative Service. Smt. Sonal Mishra, IAS possesses a very wide experience of working in various levels and departments of Government of Gujarat. She is currently the Managing Director of Gujarat Industries Power Company Limited (GIPCL), Vadodara.

The Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail services of Smt. Sonal Mishra, IAS as a Woman Director. Accordingly, the Board recommends the resolution in relation to appointment of Smt. Sonal Mishra, IAS as a Woman Director, for the approval by the shareholders of the Company.

Except Smt. Sonal Mishra, IAS, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors, M/s. Manish B. Analkat, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 with a remuneration of ₹ 1,50,000/-.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

By Order of the Board-of-Directors
Joel Evans
Company Secretary

Date : 10th August, 2015
Place : Ahmedabad.

Registered Office:

Gujarat Mineral Development Corporation Limited
CIN NO:- L14100GJ1963SGC001206
'Khanij Bhavan', 132 Ft. Ring Road,
Nr. University Ground, Vastrapur,
Ahmedabad-380 052

NOTES

1. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/re-appointment for item no. 4 to 6, under Code of Corporate Governance and the relevant explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business for item no. 4 to 6 to be transacted at the meeting, are annexed to the Notice.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective shall be deposited at the Registered Office of the Corporation, not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The 'Members Register' and the 'Share Transfer Book' of the Company shall remain closed from Saturday, 26th September, 2015 to Tuesday, 29th September, 2015 (both days inclusive).
3. The dividend declared at the Annual General Meeting will be paid on equity shares of the Company on or after 12th October, 2015 to those Members holding shares in physical form and whose names appear on the Register of Members of the Company on 29th September, 2015. In respect of shares held in electronic form, the dividend will be payable to those who are the beneficial owners of shares after close of business hours on 25th September, 2015, as per details to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL). The dividend warrants will be dispatched from 12th October, 2015 onwards.
4. Relevancy of questions and the order of speaker at the meeting will be decided by the Chairman.
5. Members are requested to give full particulars of their Bank Account details for safe payment of dividend.
6. Facility of payment of dividend through ECS / NECS is available. Those shareholders who are holding shares in electronic mode should register their ECS mandate with their respective depository participants directly. For those shareholders who are holding equity shares in physical mode, they are requested to deposit ECS mandate form with the office of the Companies Share Transfer and Registrar Agent M/s MCS STA Limited, 201, Shatdal Complex, Opp. Bata Show Room, Ahmedabad-9. ECS mandate form for physical holding is attached to this notice which may be filled up by the shareholders and sent to the Registrar and Share Transfer Agent.
7. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to M/s. MCS STA Limited, 201, Shatdal Complex, Opp. Bata Show Room, Ahmedabad in respect of their physical share folios, if any.
8. Members desiring any information about accounts at the

meeting are requested to write to the Company at least seven days in advance of the Annual General Meeting.

9. The Annual Report 2014-15 is being sent through electronic mode to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email address, physical copies of the Annual Report 2014-15 are being sent by the permitted mode. The notice of the 52nd AGM and instructions for e-voting, along with the Attendance Slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the documents are being sent by the permitted mode.
10. With a view to using natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the Company to send communication.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the company.
12. Members / Proxies are requested to bring a copy of their Annual Report and are also requested to produce the Attendance Slip at the entrance of the Meeting Hall.
13. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 dividends for the financial year ended 31st March, 2008 which had remained unclaimed for a period of seven years from the date of transfer of the same will have to be transferred to the 'Investor Education and Protection Fund' established by the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 2008 or any subsequent financial years are requested to make their claim to M/s. MCS STA Limited, Ahmedabad,. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

The due dates of transfer of unpaid/unclaimed dividend for various years are as under:-

Sr. No.	Year	Date of Declaration	Due Date of Transfer
1	2007-2008	11.09.2008	11.09.2015
2	2008-2009	29.09.2009	29.09.2016
3	2009-2010	28.09.2010	28.09.2017
4	2010-2011	30.09.2011	30.09.2018
5	2011-2012	28.09.2012	28.09.2019
6	2012-2013	27.09.2013	27.09.2020
7	2013-2014	25.09.2014	25.09.2021

14. Voting through electronic means



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

The instructions for members for voting electronically are as under :-

As per Sections 107 and 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, facility is provided to the Shareholders for e-Voting through CDSL to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 52nd AGM dated 10th August, 2015.

The detailed process, instructions and manner for availing e-Voting facility is shown hereunder:

The Company has fixed 22th September, 2015 as a cut-off date to record the entitlement of the Shareholders to cast their votes electronically at the 52nd AGM.

(A) SECTION A : E-VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN DEMAT FORM

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) 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) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	- Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The Sequence Number is printed on Address Sticker. - In case the Sequence Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB/ Dividend Bank Details#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	# Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date (22nd September, 2015) in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the 150901121 (EVSN) for the relevant GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **For Institutional shareholders :**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

SECTION – B :

E-VOTING PROCESS-SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

Please follow all steps from sl. no. (i) To sl. no. (xvi) Above to cast vote.

SECTION – C : COMMENCEMENT OF E-VOTING PERIOD AND OTHER E – VOTING INSTRUCTIONS

1. The voting period begins on Friday, 25th September, 2015 9:00 A.M. and ends on Monday, 28th September, 2015 6:00 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 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd September, 2015. (Cut off date)
3. Any person who becomes a member of the company after dispatch on the notice of the meeting and holding shares as on the cut-off date. i.e. 22nd September, 2015, may cast their votes by following the instructions and process of remote e-voting as provided in the notice of the AGM uploaded at our website : www.gmdcltd.com and cdsi website : www.cdslindia.com
4. Mr. Sandip Sheth, Practicing Company Secretary (Membership No. FCS 5467), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

5. The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote-e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote-e-voting may only cast their vote at the AGM through ballot paper.
6. The result of voting will be announced by the Chairman of the Meeting on or after the 52nd Annual General Meeting to be held on Tuesday, the 29th September, 2015. The result of the voting will be communicated to the Stock Exchanges and will be placed on the website of the Company www.gmdcltd.com.
7. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
8. Institutional shareholders (i.e. members other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter, etc., together with the attested specimen signature(s) of the duly authorized signatory(ies) who is / are authorized to vote, to the scrutinizer via email at: sheth.sandip@gmail.com with a copy marked to evoting@nsdl.co.in.

Contact Details

Company Gujarat Mineral Development Corporation Limited
(A Government of Gujarat Enterprise)
CIN : L14100GJ1963SGC001206
Khanij Bhavan", 132 Ft. Ring Road, Near
University Ground, Vastrapur, Ahmedabad-52
Phone : 2791 0665 / 2791 1662 / 2791 3200 /
2791 3201
TeleFax : 079 – 2791 1151
e-mail : cosec@gmdcltd.com,
website : www.gmdcltd.com

Registrar & Share Transfer Agent M/s MCS Share Transfer Agent Limited
201, Shatdal Complex, 2nd Floor,
Opp. Bata Show Room
Ashram Road, Navrangpura
Ahmedabad-380 009
E-mail : mcsahmd@gmail.com

E-Voting Agency : Central Depository
Services (India) Limited
E-mail : helpdesk.evoting@cdslindia.com

Scrutinizer M/s Sandip Sheth & Associates
Practicing Company Secretary
E-mail : sheth.sandip@gmail.com



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

BOARDS' REPORT 2014 – 2015

To
The Shareholders,
Gujarat Mineral Development Corporation Limited
Your Directors have pleasure in presenting 52nd Board's Report along with the audited accounts of your Corporation for the financial year 2014 – 15.

1. FINANCIAL RESULTS

Our profit after tax for the year is ₹ 50,032.00 lakh as against ₹ 43,913.42 lakh last year.

Financial Results	2014 – 15 (₹ In lakh)	2013-14 (₹ In lakh)
Operating profit	77,313	75,415
Less: Interest	–	–
Profit after interest, but Before depreciation	77,313	75,415
Less: Depreciation	13,727	12,456
Profit before tax & exceptional items	63,586	62,959
Less: Exceptional items	–	–
Profit before tax	63,586	62,959
Less: Provision for tax for the year including deferred tax	13,554	19,046
Net profit after tax	50,032	43,913
Add: Balance of Profit brought forward	32,317	24,565
Less: Excess/Short provision of Deferred tax liability (net)	–	–
Profit available for appropriation	82,349	68,478
Less : Appropriations		
(i) Proposed Dividend	9,540	9,540
(ii) Corporate tax on dividend	1,942	1,621
(iii) General Reserve	25,000	25,000
Balance carried to Balance Sheet	45,867	32,317

2. REVIEW OF THE BUSINESS OPERATIONS

2.1 LIGNITE PROJECTS :

During the year, the Company operated six lignite mines, namely, Panandhro, Mata-No-Madh, Rajpardi, Tadkeshwar, Bhavnagar and Umarsar (commenced production w.e.f. 13/3/15) Lignite Mines. During the year under review, 87.13 lakh tones of lignite were produced from these mines. The mine-wise production figures are as follows:

Sr. No.	Name of mine	Lignite production in lakh MT
1	Panandhro	27.89
2	Mata-No-Madh	32.11
3	Tadkeshwar	8.82

4	Rajpardi	6.15
5	Bhavnagar	12.03
6	Umarsar (w.e.f. 13/3/15)	0.13
Total		87.13

2.2 POWER PROJECT – NANI CHHER

During the year under review, 2 x 125 MW Akrimota Thermal Power Station is running successfully. This year the Power Plant has turned around and performed very well by producing 1358 MUs having 62% PLF booking a net profit of ₹ 17 crore.

2.3 WIND AND SOLAR POWER

Wind Farm Projects of 150.9 MW are situated at different locations in Gujarat and 5 MW Solar Power Project is situated at Panandhro Lignite Project, which are running satisfactorily. The Wind Projects have achieved 23% PLF (Plant Load Factor), whereas Solar Project is running at 18.40% CUF (Capacity Utilization Factor).

2.4 BAUXITE

During the year under review, the Gadhsisa Group of bauxite mine has produced 4,131 M.T. of (+) 52% Al_2O_3 bauxite and 2,37,480 MT of (-) 52% Al_2O_3 bauxite.

During the year under review, the Gadhsisa group of mines sold 0.07 Lakh MT of (+) 52% Al_2O_3 bauxite and 3.08 Lakh MT of (-) 52% Al_2O_3 bauxite alongwith 30,645 MT of mine dust.

2.5 MEWASA BAUXITE PROJECT, MEWASA

Your corporation has started bauxite mining operations at its Mewasa Bauxite Mines in Devbhoomi Dwarka district of Gujarat from 28/4/2015. The annual production capacity of this mine is 1.25 lakh MT.

2.6 FLUORSPAR PROJECT, KADIPANI (DIST. VADODARA)

GMDC along with M/s. Gujarat Fluoro Chemicals Limited and M/s Navin Fluorine Chemicals Limited is setting up the fluorspar beneficiation project, a single largest project of 40000 MTPA capacity at Kadipani. For selection of suitable technology, core samples have been analyzed at China. Further course of action for selection of technology is under process.

2.7 MANGANESE

During the period 2014 – 15, Corporation has disposed of 15,563 MT of manganese Ore Waste dump lying at Pani Area of Panchmahal district.

3. DIVIDEND

Your Directors have pleasure to recommend a dividend of 150% i.e. ₹ 3 per share on equity shares. An amount of ₹9,540 lakh on paid up equity share capital of ₹ 6,360 lakh shall be paid as dividend.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205 C of The Companies Act, 1956, any unclaimed dividend or unpaid Dividend relating to the financial year 2007-08 will be transferred to the Investor Education and Protection Fund established by the Central Government on due date.

5. CONTRIBUTION TO STATE & CENTRAL EXCHEQUER

The Company has contributed to the State Exchequer an amount of ₹ 30,975.27 lakh including Royalty of ₹6,556.02 lakh and Sales Tax of ₹ 24,419.25 lakh. The Company has contributed to the Central Exchequer an amount of ₹ 21,800 lakh as Income Tax, ₹ 5,425.97 lakh as Central Excise & ₹ 8,092.30 lakh as Clean Energy Cess.

6. SHARE CAPITAL

During the year under review the issued, subscribed and paid-up share capital remained constant at ₹ 63.60 Crore divided into 31,80,00,000 equity shares of ₹ 2 each.

7. FINANCE AND TAXATION

Income Tax assessment of the Corporation has been completed up to the Financial Year 2011-12 and the Sales Tax assessment has been completed up to the Financial Year 2010-11.

8. INTERNAL AUDIT

M/s. T.R.Chadha & Co. and M/s Dhirubhai Shah & Co. Chartered Accountants were appointed as Internal Auditors of the Corporation for the Financial Year 2014 – 15.

9. STATUTORY AUDIT

M/s. H. K. Shah & Co., Chartered Accountants were appointed Statutory Auditors of the Company by the Comptroller & Auditor General of India for the Financial Year 2014 – 15.

10. AUDIT BY COMPTROLLER AND AUDITOR GENERAL OF INDIA (C & AG)

Being a Government Company, the C & AG has carried out supplementary audit of your Company pursuant to Provisions of Section 143 (6) of the Companies Act, 2013. The comments of C & AG, if any, and the Review of Company's accounts forms part of this report and are annexed at Annexure I.

11. COST AUDIT

Shri Manish B. Analkat was appointed as Cost Auditors of the Corporation for the year 2014 – 15. The Cost Audit Report has been filed on 2/10/2014 for the Financial Year 2013-14.

12. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Arvind Gaudana & Company, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as Annexure II.

13. STATUS OF VARIOUS JOINT VENTURES

13.1 Gujarat Jaypee Cement & Infrastructure Limited

To set up the project for 2.4 million TPA of Cement in joint venture between GMDC and M/s. Jaypee Associates Limited, JVC under the name of M/s. Gujarat Jaypee Cement & Infrastructure Limited was incorporated to implement the project, based on limestone to be supplied by GMDC. In view of escalation in project cost, the project is no more viable. As such, the JV Partner has approached GMDC with a request to wind up the project.

13.2 Gujarat Gokul Power Limited

To implement the project for setting up 125 MW Power plant in Joint Venture between GMDC and M/s. Gokul Refoils & Solvents Limited, a JVC under the name of M/s. Gujarat Gokul Power Limited was incorporated. The required land for the project was purchased and related project activities will be started.

13.3 Gujarat State Mining & Resources Company Limited

A Joint Venture Company under the name of M/s. Gujarat State Mining & Resources Company Limited was incorporated, to implement the Joint Venture project between GMDC and M/s. Sunflag Iron & Steel Company Limited for setting up Coke Oven Plant based on coal to be supplied from Coking Coal Block to be allocated by Govt. of India under Govt. Dispensation Route. However, due to recent changes in the regulatory framework introduced by Govt. of India for allocation of coal blocks requiring competitive bidding, GSMRCL does not become eligible for bidding for coal block as the new regulations do not specify Coke Oven as a specified end-use. Hence the JVC partner has requested for closing the Company. Accordingly, it has been decided to close this Joint Venture Company.

13.4 Naini Coal Company Limited

Naini coal Block was allocated jointly to the Company and Pondicherry Industrial Promotion Development



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

& Investment Corporation Limited (PIPDICL) and to develop the Coal Block, Naini Coal Company Limited was incorporated as the JVC. Due to slow progress on the project because of non-receipt of PL approval from Govt. of Odisha, Ministry of Coal, Govt. of India, de-allocated the block, invoking 50% of the Bank Guarantee. The company had filed petition in the High Court of Gujarat and stay has been granted by Hon'ble Court not to allocate this block to any other company till final hearing of the case. The Hon'ble Supreme Court of India has cancelled all the allocated coal blocks which include Naini Coal Block also. Hence appropriate decision for closing this joint venture will be taken in due course.

13.5 RBG Mineral Industries Limited

For transfer of Ambaji assets to the JV, valuation of Ambaji assets was necessary, which was assigned to Industrial Bureau of Mines (IBM), Nagpur. The report received from IBM was forwarded to JV Partner. Further course of action on the project shall be taken based on their confirmation.

13.6 Gujarat Credo Mineral Industries Limited

The first phase of the project i.e. Dry beneficiation of low grade bauxite has been commissioned. The second phase of the project i.e. Zeolite manufacturing, is under implementation and likely to be completed by September 2015.

13.7 Alumina and Aluminium Smelter Plant

Land required for the project has been allocated by Government and part possession has been taken. Process for obtaining possession of remaining portion of land also is under progress. The Detailed Project Report is received & it is under scrutiny.

13.8 Speciality Alumina Chemicals

Project Construction activities shall start as soon as land is allocated by the Government to the JV Partner.

13.9 Fluorspar Beneficiation plant

Pilot study of ore was conducted through BGRIMM China and the ore has been found suitable for producing Acid Fluorspar. EPC contract will be finalized soon.

13.10 Aikya Chemicals Private Limited

It is expected that the Project will commence production from September, 2015.

13.11 Bhavnagar Energy Company Limited

The Company is one of the promoters of Bhavnagar Energy Company Limited. The share of equity of GMDC in BECL is 26%. The company has invested ₹ 172 crore as equity upto financial year 2014 – 15. BECL is setting up a 500 MW power plant at village Padva, Ta. Ghogha, Dist. Bhavnagar.

14. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report

15. ENVIRONMENT PROGRAMME

Environmental Management is a very important part of mining industry and GMDC is following best practices towards reclamation and restoration of mined out areas. GMDC is committed to contribute, in accordance with its capacity, to the global endeavor to deal with climate change. GMDC has adopted all environmental measures to control Air, Water, Noise & Land pollution etc.

This year GMDC has planted total 2.10 Lakhs plant saplings covering 77.31 hectares of area. Grassland has been developed in 33 hectares of area. Micro drip irrigation system has been installed in 122.5 hectares of area for water conservation. Further, GMDC has made expansion of plant nursery at its Mata No Madh Lignite Project, Kutch, for their in-house consumption as well as for distribution to nearby GMDC's projects. Stabilization of non active permanent overburden dumps (80000 Square Meters Area) has been done through geo coir mat & thereafter grass development at various lignite mines of GMDC.

Wildlife Clearance for the removal of old manganese dumps at village Shivrajpur, Dist. Panchmahal has been received from the Standing Committee of National Board for Wildlife, Ministry of Environment, Government of India – New Delhi. Ministry of Environment, Forests & Climate Change. Government of India - New Delhi has issued "Terms of Reference" to Mata no Madh Lignite Project towards production capacity expansion from 2.4 to 4.8 MTPA. Consolidated Consent and Authorization (CCA) of new lignite mine at Umarsar, Kutch along with renewal of CCA of other mining projects of GMDC has been achieved well within time from Gujarat Pollution Control Board as per statutory requirements.

GMDC has taken a great initiative at Surkha (N) lignite project, Bhavnagar, towards the reduction of Sulphur Content from lignite at user end. For Sulphur reduction, installation of Pyrite Separation Plant has been started after environment clearance from Ministry of Environment, Forests & Climate Change, Government of India - New Delhi as well as from Gujarat Pollution Control Board. Under statutory requirement, monthly

environmental monitoring is being done in-house as well as through MoEF/GPCB approved laboratory. Annual Environmental Audit of all GMDC projects is being done by GPCB approved Schedule I Auditor and reports are submitted to GPCB within stipulated time.

To create environmental awareness among employees and surrounding communities including schools, various environmental awareness programs have been conducted through celebration of World Environment Day and Van Mahotsav.

16. INDUSTRIAL RELATIONS, HEALTH AND SAFETY

The relations between the company and its employees continued to be cordial throughout the year. The company is also committed to the health and safety of not only its staff but also of the people engaged through its contractors and community living in and around its project areas. Dispensaries with qualified doctors and para-medical staff are in operation at Panandhro, Akrimota Thermal Power Plant, Rajpardi and Kadipani Projects. Mobile medical vans facilities are also operational at various projects.

Safety of its people is the motto of your company. For this purpose, at every project, GMDC provides ISI & DGMS safety shoes and other safety devices and adopts best safety practices. In order to create awareness about safety, among workers and other stakeholders, GMDC regularly organizes Safety Weeks. It is evident to see that safety practices of the Company have been recognized nationally in the form of national safety awards conferred upon your company, details of which have been given elsewhere in this Report.

The Company is an **OHSAS 18000** certified company. Regular health checkup of employees engaged in Mining and Power segment including employees engaged through contractors, transporters etc. are conducted.

17. PARTICULARS OF EMPLOYEES

The Company did not have any employee who was employed throughout the financial year and in receipt of remuneration of ₹ 60 lakh or more, or employed for part of the year and in receipt of ₹ 5 lakh or more a month, under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The table containing other particulars of employees in accordance with the provisions of Section 197 (1) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended at Annexure III to the Board's Report.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required by the Section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure IV and forms part of this report.

19. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Looking to the profile of GMDC, i.e., Mining and Power Operations, GMDC has inbuilt risk management practices to address various operational risks. The Company has standard operating processes for various mining operations in order to mitigate procedures and prevent risk arising out of various operations. GMDC has no external borrowings. Hence, there is no financial risk that can impact GMDC's Financial Position. GMDC primarily deals with natural resources. Hence, Policy of Government may impact GMDC's operational strategy.

GMDC's risk management process revolves around following parameters:

1. Risk Identification and Impact Assessment
2. Risk Evaluation
3. Risk Reporting and Disclosure
4. Risk Mitigation

Company has also set up a Risk Management Committee.

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

There were no loans and guarantees given by the company under Section 186 of the Companies Act, 2013. During the year under review, the Company made an investment of ₹ 3.865 crore in the equity of Bhavnagar Energy Company Limited.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of contracts or arrangements with the Related Parties during the year under review are provided at Annexure V in Form AOC-2.

22. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks or disclaimers made by the statutory auditors in their report on the standalone and consolidated accounts for the year 2014 – 15. The Comments, if any, and the Review of Accounts given by the C & A G forms part of this report. There were no qualifications, reservations or adverse remarks made by the practicing Company Secretary in his report.

23. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company being a Government Company, the Government of Gujarat appoints its Directors, except the Independent Directors. The company does not pay any remuneration to its Directors except, the sitting fees and out of pocket expenses. The Independent Directors are appointed by the Shareholders in their General Meeting. Except the Managing Director, all the Directors of the Company are non-executive directors.

24. EXTRACTS OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended in Annexure VI to this report.

25. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had conducted six Board Meetings under the financial year under review.

26. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its Responsibility Statement:-

- 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 has 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 financial year and of the profit and loss of the company for that period;
- c. The Directors had taken 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; and
- e. The Directors, in case of a listed 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.
- 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.

27. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

28. DECLARATION OF INDEPENDENT DIRECTORS

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

29. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

During the year under review, the Audit Committee consisted of the following members :

- i. Shri Bhadresh Mehta
- ii. Ms. S. Aparna, IAS
- iii. Shri S.B. Dangayach

The above composition of the Audit Committee consisted of two independent Directors viz., Shri Bhadresh Mehta and Shri S.B. Dangayach who form the majority. The Chairman of the Audit Committee is an Independent Director.

The Company has established a Whistle Blower / Vigil Mechanism Policy. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

30. SHARES

30.1 BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

30.2 SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

30.3 BONUS SHARES

No Bonus Shares were issued during the year under review.

30.4 EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

31. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) Act, 2013

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

The following is a summary of sexual harassment complaints and received and disposed off during the year 2014 – 15:

No. of complaints received: NIL

No. of complaints disposed of: NIL

32. AWARDS AND ACCOLADES

GMDC has won prestigious National Mines Safety Award for its Panandhro and Mata no Madh Lignite Mine for the year 2012 and for its Gadhsisa Bauxite Mine for the year 2013.

GMDC also won India GeoSpatial Award for application of GeoSpatial Technology Application in Mineral Exploration

During the year under review, the General Manager (Finance) and CFO, Shri L. Kulshreshtha was awarded the National Best CFO Award by Business Today-YES Bank in the "PSU-Medium" category and he was also honored with a special recognition and appreciation of valued contribution at the highest financial management level in the industry, by the Institute of Chartered Accountants of India.

During the year under review, the General Manager (Accounts), Shri Pawan Bhootra was awarded a Young Achiever Award by Institute of Cost Accountants of India.

33. CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company have been prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report. Further, a statement containing salient features of the Financial

Statement of Subsidiaries / Associate Companies / Joint Ventures in the prescribed format AOC – 1 is given at Annexure VII.

34. BOARD-OF-DIRECTORS

During the Year, Shri Atanu Chakraborty, IAS was appointed as Chairman vice Shri D.J. Pandian, IAS. Subsequently Shri Arvind Agarwal, IAS was appointed as Chairman vice Shri Atanu Chakraborty.

During the year, your company appointed Shri Nitin Shukla and Shri S.B. Dangayach as Additional Independent Directors.

Shri B.B. Swain, IAS was appointed as Managing Director vice Shri D.J. Pandian, IAS. Shri Manoj Aggarwal, IAS was appointed as Managing Director vice Shri B.B. Swain, IAS, after the end of financial year.

Shri P.K. Gera, IAS has been appointed as Managing Director vice Shri Manoj Aggarwal, IAS, after the end of financial year.

Smt. Sonal Mishra, IAS has been appointed as Director in view of the resignation of Ms S Aparna, IAS due to her transfer.

35. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the various Stock Exchanges, the detailed report on the Corporate Governance is given in Annexure VIII.

36. MANAGEMENT DISCUSSION AND ANALYSIS

As per Clause 49 of the Listing Agreement with the various Stock Exchanges, Management Discussion and Analysis is given at Annexure IX and form part of this report.

37. CORPORATE SOCIAL RESPONSIBILITY AND CSR POLICY

The Company, since its inception, has cultivated a culture of inclusive development. Being a public sector undertaking of the state, GMDC has been mandated for Socio Economic development of the state through development of mineral resources. Keeping in line with this mandate of the government, GMDC has provided a holistic framework for reaching out to grass root level in some of the remotest regions of the state. GMDC has continued its initiatives, for including the community surrounding its various project areas in the main stream development. The focus areas of the company for a holistic development of rural and remote areas of the state have been water conservation, water infrastructure, rural infrastructure, micro irrigation, health, sanitation, education, women empowerment, livelihood enhancement interventions and community development initiatives. Education has



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

been a focus area for GMDC. With continuous efforts by GMDC over a period of more than five decades, fruits of development have reached to the interior rural areas of Kutch region and Southern tribal belt of the state. Community of this region has been immensely benefited by the constant developmental initiatives by GMDC. Keeping in view the legal mandate of CSR, GMDC has also charted out a holistic CSR Policy for providing further Strategic CSR inputs in and around its project areas. The CSR Policy is also uploaded on the website of GMDC. The CSR Policy framework of the company is available elsewhere in this annual report. A CSR Report for Fiscal 2014 – 15 as prescribed under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, forms part of this Report, and is annexed at Annexure X.

38. BEYOND MINING : INITIATIVES OF GMDC THROUGH VARIOUS CENTRES OF EXCELLENCE

38.1 International Centre of Excellence in Mining Safety & Automation (iCEM) :

The company has taken an initiative to establish International Centre of Excellence in Mining Safety & Automation (iCEM) at Dev Dholera village in the district of Ahmedabad, Gujarat (India) with an objective to be recognized as the distinguished global collaborator to the Mining industry in the fields of Skill Development and Corporate Training, Demonstration of Technology and Best Practices, Education and Training, Research and Development, Incubation, and Entrepreneurship through continued innovation and excellence in mining, mineral development and facilitating industrial development in joint ventures with Industry and Academic Partners. The Campus of this centre is under construction stage at village Dev Dholera, Ta. Bavla, Dist. Ahmedabad.

38.2 International Stone Research Centre (ISRC):

Government of Gujarat has set up International Stone Research Centre (ISRC) with an objective to nurture and support the Stone Industry by bringing National and International Best Practices through Skill Formation, Development, Upgradation, Research & Development, and Incubation and Entrepreneurship Development. ISRC has been set up through Gujarat Mineral Research and Development Society (GMRDS), Gujarat Mineral Development Corporation (GMDC) Ltd., Gujarat Industries Power Company Ltd. (GIPCL), and Stone Technology Centre (STC) as Industries Partners and *Internationale Marmi E Macchine* (IMM) Carrara S.P.A, Italy as International Knowledge Partner under the Centre of Excellence Scheme of Industries & Mines Department, Government of Gujarat. A section

8 company, namely, Stone Research Foundation, is formed with the following equity proportion:

Gujarat Mineral Development Corporation Ltd. :	37.5%
Gujarat Industries Power Company Limited :	37.5%
Stone Technology Center :	25.0%

38.3 International Centre for Entrepreneurship & Technology (iCreate) :

Gujarat Mineral Development Corporation Limited (GMDC) and Gujarat Entrepreneurship and Venture Promotion Foundation (GEVPF) have entered into an agreement and formed a Section-25 Company named as Gujarat Foundation for Entrepreneurial Excellence (GFEE) on a PPP model which in turn has set up an International Centre for Entrepreneurship and Technology (ICREATE). The Centre is guided by an advisory board led by Shri N.R. Narayana Murthy. Construction of campus has been started at Dev Dholera village in the district of Ahmedabad, Gujarat (India)

39. ACKNOWLEDGEMENT

Your Directors are pleased to place on record their deep appreciation for the sincere services and co-operation extended by the officers, employees and workmen of the Company at all levels. They also wish to place on record their gratitude for the confidence placed in them by financial institutions and investors. Further, your Directors wish to thank various departments of the Central Government viz. the Ministry of Environment and Forest, Ministry of Coal, Ministry of Mines and various bodies of State Government of Gujarat viz. Industries & Mines Department, the Finance Department, Commissionerate of Geology and Mining and Gujarat State Pollution Control Board. The Directors also extend their heartiest thanks to the esteemed customers and shareholders of the Corporation for their valued co-operation.

For and on behalf of the Board-of-Directors

P K Gera
Managing Director

Bhadresh Mehta
Independent Director &
Chairman of Audit
Committee

Date : 10th August, 2015
Place : Ahmedabad.

ANNEXURE – I**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015**

The preparation of financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with 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 28 May 2015 and supplemented on 24 July 2015 for reporting the compliance to directions issued under Section 143(5) of the Act.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report.

Place : Ahmedabad
Date : 06.08.2015

For and on behalf of the
Comptroller and Auditor General of India
Y. N. Thakare
Pr. Accountant General (E&RSA), Gujarat

ANNEXURE – II

FORM No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31/03/2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2015

To,
The Members,
Gujarat Minerals Development Corporation Limited,
KhanijBhavan, 132 ft. Ring Road,
Gujarat University Ground, Vastrapur
Ahmedabad- 380052

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, we hereby

Report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 ('Audit Period') complied with the statutory provision listed hereunder and also the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent to foreign direct investment, overseas direct investment and external commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records provided or shown to us in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company :

- (i) The Mines Act, 1952;
- (ii) The Mines and Minerals (Development and Regulation) Act, 1957;
- (iii) The Air (Prevention and Control of Pollution) Act, 1981;
- (iv) The Environmental (Protection) Act, 1986;
- (v) The Environmental (Protection) Rules, 1986, amended up to 2008;
- (vi) The Hazardous Waste (Management & handling) Rules, 1989;
- (vii) The Noise pollution (Regulation & Control) rules, 2000;
- (viii) The Electricity Act, 2003.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, **except that the Company have only one Independent Director till 13th November, 2014.** The Change in the composition of the Board of Directors took place during the period under review and were carried out in compliance with provisions of the Act.

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

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

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We further report that there are adequate systems and processes in the company commensurate with the size and operation of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Arvind Gaudana & Company

(Company Secretaries)

CS Arvind Gaudana

Place : Ahmedabad

Date : 21/08/2015

FCS No: 2838

C.P No: 2183

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and Forms an integral part of this report.

ANNEXURE – A

To,
The Members,
Gujarat Mineral Development Corporation Limited
Khanij Bhavan, 132-Ring Road,
Gujarat University Ground, Vastrapur,
Ahmedabad-380 052.

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 Gujarat Mineral Development Corporation Limited (hereinafter referred as GMDC). Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our Opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the GMDC.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of records and procedure on test basis.
6. The Secretarial audit report is neither an assurance to the future viability of the GMDC nor of the efficacy or effectiveness with which the management has conducted the affairs of the GMDC.

For Arvind Gaudana & Company

(Company Secretaries)

CS Arvind Gaudana

Place : Ahmedabad

Date : 21/08/2015

FCS No: 2838

C.P No: 2183



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

ANNEXURE – III

PARTICULARS OF EMPLOYEES

Information as per Rule 5 (1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

GMDC is a Government Public Sector Undertaking and a Government Company within the meaning assigned to it under the Companies Act, 2013. Being a Government Company, the Company is bound to follow various orders, instructions and guidelines of Government of Gujarat. Thus, the pay structure of GMDC is adopted from the pay structure of the Government of Gujarat. The Company does not offer any ESOP or any other special recognition payment to its Directors and Key Managerial Personnel. The directors are paid only sitting fees as decided by the Government and out of pocket expenses.

Remuneration paid to Whole Time Director

Name of the Whole Time Director	Shri B.B. Swain, IAS (up to 24.04.2015)
Designation	Managing Director
Remuneration in FY 2014 – 15	₹ 0.00
% increase in remuneration in 2015 as compared to 2014	NIL
Ratio of Remuneration to Median Remuneration of Employees	NIL
Ratio of Remuneration to Revenues (FY 2013-14)	0.00
Ratio of Remuneration to Revenues (FY 2014 – 15)	0.00

Remuneration paid to Independent Directors

Company's Independent Directors do not receive any remuneration other than the sitting fees and out of pocket expenses, which are ₹ 5,000.00 and ₹ 1,000.00 respectively, per meeting of the Board and its Committees. The sittings fees and out of pocket expenses paid to the independent director during the year are as under:

Sr No	Particulars	Shri Bhadresh Mehta	Shri Nitin Shukla	Shri S. B. Dangayach
1	Sitting Fees in FY 2014 – 15	₹ 45000/-	₹ 15000/-	₹ 15000/-
2	% increase in remuneration in 2015 as compared to 2014	NA	NA	NA
3	Ratio of Remuneration to Median Remuneration of Employees	NA	NA	NA
4	Ratio of Remuneration to Revenues (FY 2013 – 14)	NA	NA	NA
5	Ratio of Remuneration to Revenues (FY 2014 – 15)	NA	NA	NA

Remuneration of the Key Managerial Personnel (KMP)

Name of the Key Managerial Personnel	Shri L Kulshrestha	Shri Joel Evans
Designation	General Manager (Fin) & Chief Financial Officer	Company Secretary
Remuneration in FY 2013-14	₹ 17,49,274	₹ 9,21,119
Remuneration in FY 2014 – 15	₹ 19,55,970	₹ 10,50,379
% increase in remuneration in 2015 as compared to 2014	11.83%	14.33%
Ratio of Remuneration to Median Remuneration of Employees	4.18	2.24
Ratio of Remuneration to Revenues (FY 2013-14)	0.0126	0.0066
Ratio of Remuneration to Revenues (FY 2014 – 15)	0.0128	0.0068

The Median Remuneration of Employees (MRE) excluding Whole-Time Director (WTD) was ₹ 4,68,384 for financial year 2014 – 15.

The number of employees on the rolls of the Company as on March 31, 2015 was 1694. (Figure is inclusive of MRW, DRW employees on contracts and Trainees).

The revenue growth during FY 2014–15 was 10% and net profit growth was 14%. The aggregate remuneration to employees excluding WTD decreased by 3.88% over the previous financial year. The Managing Director did not receive any salary during the FY 2015. (During the FY 2013-14 Shri B.B. Swain, IAS was not the Managing Director of GMDC) The aggregate increase in salary of other KMPs was 11.17% in FY 2014–15 over FY 2013-14. The increase occurred due to the in-built salary component of Dearness Allowance and Annual Increment as per the Government of Gujarat norms.

GMDC's market capitalization decreased by 14.97% to ₹ 3,566.97 crore as of March 31, 2015 from ₹ 4,197.42 crore as of March 31, 2014. The Price Earnings Ratio was 5.61 as of March 31, 2015 which is a decrease of 41.26% as compared to March 31, 2014. The closing price of GMDC's equity shares on the NSE and BSE as of March 31, 2015 was ₹ 112.15 and ₹ 112.15 respectively, representing a 88.4 % (NSE) increase over IPO Price, adjusted for stock split and bonus to date.

GMDC, being a Government Company, does not have any variable compensation policy. Moreover, it does not have any compensation through ESOP either to the Directors or to its employees.

GMDC's directors (except the Managing Director) are not paid any other remuneration such as bonus, commission etc during any financial year, except the sitting fees and out of pocket expenses. Hence, the remuneration of all the employees of GMDC will be higher than the remuneration received by the Directors. The Managing Directors receives salary as per the Government of Gujarat norms. During the year 2014–15, the Managing Director, did not draw any salary from GMDC.

ANNEXURE – IV

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo [Section 134 (3) (m) of The Companies Act, 2013 read with Rule, 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy

1. The Steps taken or impact on conservation of energy:
GMDC has taken a policy decision to buy BEE rated equipment for conservation of energy.
2. The steps taken by the company for utilizing the alternate source of the energy.
 - i. GMDC has successfully installed Wind Power Farm with the capacity of 150.9 MW and Solar Power Project of 5 MWp capacity.
 - ii. For further installation of 50 MW Wind Farm, Vendor finalization is under process.
 - iii. By taking green initiative of wind and solar power generation, GMDC reduced 9.4 lakhs tons of CO₂ due to generation of green energy
3. The capital investment of energy conservation equipments: NIL

B. Technology Absorption

- i. The efforts made towards technology absorption - NIL
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution - NIL
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL
- iv. The expenditure incurred on Research and Development - NIL

C. Foreign Exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the foreign outgo during the year in terms of actual outflow:

Fees for Technical Service –	₹ 1.98 Lakh
Other Matters –	₹ 2.35 Laks
Total –	₹ 4.33 Lakh



ANNEXURE – V

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2015, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

Name of the related party	Nature of relationship	Nature of related party transaction	Duration of Contract	Salient terms	Amount (₹ in Lakhs)
Shri B B Swain, IAS.	Key Managerial Personnel	Remuneration Paid	Not Applicable	Not Applicable	0.10
Bhavnagar Energy Co. Ltd.	Joint Venture	Investment	Not Applicable	Not Applicable	3865.00
GMDC Gramya Vikas Trust	Related Party	Donation Granted	Not Applicable	Not Applicable	176.71
GMDC Science & Research Center	Related Party	Expenses Recoverable	Not Applicable	Not Applicable	12.41
Bhavnagar Energy Co. Ltd.	Joint Venture	Expenses	Not Applicable	Not Applicable	7.50
Gujarat Credo Mineral Industries Ltd.	Joint Venture	Sale Of Material	Not Applicable	Not Applicable	1683.83
GFEE	Joint Venture	Rent Receivable	Not Applicable	Not Applicable	4.43

For and on behalf of the Board-of-Directors
P K Gera
 Managing Director

Bhadesh Mehta
 Independent Director &
 Chairman of Audit
 Committee

ANNEXURE – VI

EXTRACT OF ANNUAL RETURN

(As on financial year ended on 31.03.2015)

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014 - MGT-9]

I. REGISTRATION & OTHER DETAILS :

	CIN	L14100GJ1963SGC001206
	Registration Date	15.05.1963
	Name of the Company	Gujarat Mineral Development Corporation Limited
	Category/Sub-category of the Company	Government Company
	Address of the Registered office & contact details	Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052 Telephone : (079) 2791 1662 / 1680 / 0665 / 2443 / 1340 /3501 / 0096 / 0465 / 3200 Fax : (079) 2791 0969 / 1454 / 3038/1151 E-mail : cosec@gmdcltd.com Website : www.gmdcltd.com
	Whether listed company	Yes

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Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. MCS Share Transfer Agent Limited 201, Shatdal Complex, 2 nd floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009 Tel : (079) 26582878 Fax : (079) 26581296 Email : mcsahmd@gmail.com
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II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Lignite	270220-00	73 %
2	Electricity	–	25 %

III. PARTICULARS OF HOLDING, SUBSIDIARY – I AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Gujarat State Mining & Resources Corporation Limited (GSMRCL) Khanij Bhavan, 132 Ft. Ring Road, Near University Ground Vastrapur, Ahmedabad-380 052	U10200GJ2010SGC060302	Subsidiary	51	2(87)
2	Gujarat Foundation for Entrepreneurial Excellence (GFEE) 1 st Floor, Khanij Bhavan, 132 Ft. Ring Road, Near University Ground Vastrapur, Ahmedabad-380 052	U80903GJ2011NPL066999	Associate	50	2(6)
3	Gujarat Jaypee Cement & Infrastructure Limited C/O Jayprakash Associates Ltd. J.A. House, 63 Basant Lok, Vasant Vihar New Delhi-110 057	U26943GJ2007PLC051360	Associate	26	2(6)
4	Bhavanagar Energy Company Limited Block NO.8, 3rd Floor, Udyog Bhavan Gandhinagar	U40102GJ2007SGC051396	Associate	26	2(6)
5	Gujarat Credo Mineral Industries Limited TF-1, 3rd Floor “DEV” Opp. Parimal Garden, C G Road Ahmedabad-380 006	U26900GJ2012PLC069426	Associate	26	2(6)
6	Swarnim Gujarat Fluorspar Private Limited Khanij Bhavan, 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad-380 052	U24119GJ2012PTC070801	Associate	50	2(6)
7	Naini Coal Company Limited Khanij Bhavan, 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad-380 052	U10200GJ2009SGC058295	Associate	50	2(6)
8	Aikya Chemicals Private Limited 1, Chandramaninagar, Vidya Vihar School Lane Off. High Tension Road, Subhanpura Vadodara-390 023	U24100GJ2011PTC068018	Associate	26	2(6)



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	235320000	–	235320000	74	235320000	–	235320000	74	NIL
d) Bodies Corp.	–	–	–	–	–	–	–	–	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any other	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A)	235320000	-	235320000	74	235320000	-	235320000	74	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	25118433	–	25118433	7.8989	20058291	–	20058291	6.3076	-1.5913
b) Banks / FI	388949	–	388949	0.1223	383936	–	383936	0.1207	-0.0016
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	16323829	–	16323829	5.1333	16067991	–	16067991	5.0528	-0.0805
g) FIIs	17736565	1000	17737565	5.5779	19398294	1000	193399294	6.1004	0.5225
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1) :	59567776	1000	59568776	18.7324	55908512	1000	55909512	17.5815	-1.1509
2. Non-Institutions									
a) Bodies Corp.	5302152	47850	5350002	1.6824	4167652	43600	4211252	1.3243	0.3581
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	12714379	643009	13357388	4.2004	16964409	581954	17546363	5.5177	1.3173

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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1773320	–	1773320	0.5576	1956000	–	1956000	0.6151	0.0575
c) Others (specify)									
Non Resident Indians	1852559	107250	1959809	0.6163	2128201	106500	2234701	0.7027	0.0864
Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–
Hindu Undivided Families	660075	–	660075	0.2076	818492	–	818492	0.2574	0.0498
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	–	–	–	–	–	–	–	–	–
Trusts	10630	–	10630	0.0033	3680	–	3680	0.0012	-0.0012
Foreign Bodies - D R	–	–	–	–	–	–	–	–	–
Sub-total (B)(2):-	22313115	798109	23111224	7.2676	26038434	732054	26770488	8.4184	1.1508
Total Public Shareholding (B)=(B)(1)+(B)(2)	818800891	799109	82680000	26	81946946	733054	82680000	26	-1.1509
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	317200891	799109	318000000	100	317266946	733054	318000000	100	–

ii. Shareholding of Promoters-

Sr. No.	Share holders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	H.E. The Government of Gujarat	235320000	74	NIL	235320000	74	NIL	NIL

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no Change.			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Franklin Templeton Investments Funds				
	Opening Balance (as on 1.4.2014)	8629645	2.71		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	800000	0.25		
	Closing Balance (as on 1.4.2015)	9429645	2.97	9429645	2.97
2	HDFC Standard Life Insurance Co. Ltd.				
	Opening Balance (as on 1.4.2014)	8401588	2.64		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	1579013	0.50		
	Closing Balance (as on 1.4.2015)	6822575	2.15	6822575	2.15
3	ICICI Prudential Life Insurance Co. Ltd.				
	Opening Balance (as on 1.4.2014)	2211985	0.70		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	849386	0.27		
	Closing Balance(as on 1.4.2015)	3061371	0.96	3061371	0.96
4	ICIC Prudential Dynamic Plan				
	Opening Balance (as on 1.4.2014)	0	0.00		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	2442035	0.77		
	Closing Balance (as on 1.4.2015)	2442035	0.77	2442035	0.77
5	Franklin Templeton Mutual Fund A/C Franklin India Prime Plus*				
	Opening Balance (as on 1.4.2014)	2240000	0.70		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	52962	0.02		
	Closing Balance(as on 1.4.2015)	2187038	0.69	2187038	0.69
6	Franklin Templeton Mutual Fund A/C Franklin India Prime Plus*				
	Opening Balance (as on 1.4.2014)	1877513	0.59		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	159940	0.05		
	Closing Balance(as on 1.4.2015)	2037453	0.64	2037453	0.64

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Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	Birla Sunlife Insurance Co. Ltd.				
	Opening Balance (as on 1.4.2014)	3618390	1.14		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	1582998	0.50		
	Closing Balance(as on 1.4.2015)	2035392	0.64	2035392	0.64
8	Reliance Capital Trustee Co. Ltd. A/C Reliance Diversified Power Sector Fund				
	Opening Balance (as on 1.4.2014)	5144462	1.62		
	Transactions (Purchase / Sale) from April 1 2014 upto March 31, 2015)	3208492	1.01		
	Closing Balance(as on 1.4.2015)	1935970	0.61	1935970	0.61
9	UTI Equity Fund				
	Opening Balance (as on 1.4.2014)	0	0.00		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	1795332	0.56		
	Closing Balance(as on 1.4.2015)	1795332	0.56	1795332	0.56
10	National Insurance Co. Ltd.				
	Opening Balance (as on 1.4.2014)	0	0.00		
	Transactions (Purchase / sale) from April 1 2014 upto March 31, 2015)	1740000	0.55		
	Closing Balance(as on 1.4.2015)	1740000	0.55	1740000	0.55

*Note: DPIDs of Shareholders at Sr. No. 5 & 6 are separate.

v. Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year				



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V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Shri B B Swain, IAS	Total Amount
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission – as % of profit – others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL
	Ceiling as per the Act	-	-

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B. Remuneration to other directors :

(Amount in ₹)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Shri Bhadresh Mehta	Shri S.B. Dangayach	Shri Nitin Shukla	
	Fee for attending board committee meetings	45000/-	15000/-	15000/-	75000/-
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	45000/-	15000/-	15000/-	75000/-
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	45000/-	15000/-	15000/-	75000/-
	Total Managerial Remuneration	45000/-	15000/-	15000/-	75000/-
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD

(Amount in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	10,50,379	19,55,970	30,06,349
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	NA	NA	NA
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2	Stock Option	NA	NIL	NIL	NIL
3	Sweat Equity	NA	NIL	NIL	NIL
4	Commission				
	- as % of profit	NA	NIL	NIL	NIL
	others, specify...	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
	Total	NA	10,50,379	19,55,970	30,06,349



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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

ANNEXURE – VII

Form AOC – 1

(Pursuant to First Proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Part “A” : Subsidiaries

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

(Information in respect of each subsidiary to be presented with amounts in)

1	Sr. No.	1
2	Name of the Subsidiary	Gujarat State Mining & Resources Corporation Limited
3	Reporting period for which the subsidiary concerned, if different from the holding company's reporting period	01 April 2014 to 31 March 2015
4	Reporting currency and Exchange Rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	INR
5	Share Capital	5,00,000
6	Reserve & Surplus	(8,66,904)
7	Total Assets	38,727
8	Total Liabilities (Excluding Shareholders Fund)	4,05,631
9	Investments	NIL
10	Turnover	NIL
11	Profit before taxation	(31,845)
12	Provision for taxation	NIL
13	Profit after taxation	(31,845)
14	Proposed Dividend	NIL
15	% of Shareholding	51%

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Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Swarnim Gujarat Fluorspar Pvt. Ltd.	Gujarat Foundation for Entrepreneurial Excellence	Gujarat Jaypee Cement Infrastructure Ltd.	Gujarat Credo Mineral Industries Ltd.	Bhavnagar Energy Co. Ltd.	Aikya Chemicals Pvt. Ltd.	Naini Coal Company Ltd.
1. Latest Audited Balance Sheet Date	31.05.2015	31.05.2014	31.3.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2011
2. Shares of Associate / Joint Ventures held by the Company on the year end							
No	25,000	50,000	1,90,840	4,94,000	13,40,00,000	12,98,700	2,500
Amount of Investment in Associate / Joint Ventures (In ₹)	2,50,000	5,00,000	19,08,400	4,94,00,000	1,34,00,00,000	1,29,87,000	2,49,700
Extend of Holding %	1.14%	50%	26%	26%	23.99%	13%	50%
3. Description of how there is significant Influence	The Corporation has control of the Board of Directors in Swarnim Gujarat Fluorspar Pvt. Ltd.						
4. Reason why the Associates / Joint Venture is not consolidated	N.A.	Accounts of Associates & Joint Ventures are under preparation / approval.					
5. Networth attributed to shareholding as per latest audited Balance Sheet (In ₹)	1,76,97,522	(33,15,151)	54,55,066	19,25,24,216	5,53,31,50,000	9,88,48,091	5,00,000
6. Profit / Loss for the Year (In ₹)	(9,44,800)	8,73,481	(17,566)	50,83,611	(50,18,000)	(11,06,154)	(1,85,499)
I. Considered in Consolidation	Yes	–	–	–	–	–	–
II. Not Considered in Consolidation	–	Yes	Yes	Yes	Yes	Yes	Yes



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ANNEXURE – VIII

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement)

Company's philosophy on Code of Governance

GMDC is committed to good governance practices across all the fields where it operates. Being a Government Public Sector Undertaking, GMDC envisages the attainment of the high standards of corporate governance by timely disclosures, transparent accounting policies, responsibility and fairness. The Company is consciously adopting the practices that are transparent and effective. It is its corporate philosophy that good corporate governance practices ultimately results in the enhancement of value for all the stakeholders, be they shareholders, Government, society or business community at large. Its endeavour is to maximize the long term value of the shareholders of the Company.

BOARD-OF-DIRECTORS

Composition

The strength of the Board was six Directors as on 31.03.2015, The Board of Directors of the Company comprises of mix of both Executive and Non-executive Directors with independent Directors. The Board members consist of persons with professional expertise and experience in various fields of Finance, Accounts, Management, Law, Labour Welfare etc. Further, being a State Government Public Sector Undertaking, majority Directors are IAS Officers who have possessed professional expertise and are appointed by the Government of Gujarat.

Category and Designation of Directors :

Sr. No.	Name of Director	Category	Designation	No. of Directorship in other Companies (Excluding Pvt. Limited Companies)	No. of specified Committees (Other than (GMDC) in which chairman / Member	
					Chairman	Member
1	D J Pandian, IAS (up to 30.12..2014)	NED/PD	Chairman/ Director	Nil	–	–
2	Atanu Chakraborty, IAS (From 30.12.2014)	NED/PD	Chairman/ Director	Nil	–	–
3	*Pankaj Kumar, IAS (up to 25.8.14)	ED/PD	Managing Director	Nil	–	–
4	*D J Pandian, IAS (up to 30.10.14)	ED/PD	Managing Director	Nil	–	–
5	*Bidyut Behari Swain (From 1.11.14)	ED/PD	Managing Director	13	–	–
6	Bhadresh Vinaychandra Mehta	NED/ID	Director	Nil	–	–
7	Ms. S Aparna, IAS	NED/PD	Director	7	–	–
8	T Natarajan, IAS	NED/PD	Director	Nil	–	–
9	S B Dangayach	NED/ID	Director	Nil	–	–
10	Nitin Shukla	NED/ID	Director	Nil	–	–

Notes:

- None of the Directors is related to any other Director.
- None of the Directors has any business relationship with the Company.
- None of the Directors received any loans and advances from the Company during the year.
- Outside directorship do not include alternate directorship, directorship of Private Ltd. Companies, Section 25 Company and of Companies incorporated outside India. The Number of outside Committee position held includes Audit Committee and Investor Grievance Committee only.
- * Shri Pankaj Kumar was appointed as Managing Director up to 25th August 2014 and Shri D J Pandian was appointed as Managing Director up to 30th October 2014. From 1st November 2014 Shri B B Swain was appointed as Managing Director.
- * PD-Promoter Director, NED-Non Executive Director, ED-Executive Director.

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All the Directors play an active and important role by participating in deliberations at the Board/Committee Meetings. Six meetings of the Board-of-Directors were held during the year i.e. on 29.5.2014, 13.8.2014, 16.9.2014, 13.11.2014, 19.12.2014 and 12.2.2015.

The attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting held on 25th September, 2014 is as under:

Sr. No.	Name of the Directors	Meeting held during the tenure of Directors	No. of meetings attended	Attendance at the last AGM
1	Shri D J Pandian, IAS Chairman	5	5	NO
2.	Shri B B Swain, IAS From:1.11.14	3	3	NA
3.	Shri Pankaj Kumar, IAS * upto:25.8.2014	2	2	NA
4.	Ms. S Aparna,, IAS	6	3	NO
5.	Shri Bhadresh Mehta	6	6	YES
6.	Shri T Natarajan	6	5	YES
7.	Shri S B Dangayach	3	3	NA
8.	Shri Nitin Shukla	3	3	NA

Board's Procedure

Apart from the matters which are to be decided by the Board as per relevant statutes and rules, all major decisions involving large capital expenditure, award of major contracts, mobilization of resources, pricing policies, loans and investments, policy relating to all borrowings and personnel matters including Employees' compensation etc., are decided by the Board.

COMMITTEES OF THE BOARD

The Board has constituted the Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, CSR Committee and Risk Management Committee as required to be constituted under the Listing Agreement. Moreover, the Board has also constituted a Tender Committee.

Audit Committee

The Audit Committee of the Company comprises of following three non-executive directors out of which two are Independent Directors as on 31.03.2015.

1. Bhadresh Mehta Non-Executive Director/Independent Director
2. Ms. S. Aparna, IAS Non-Executive Director/Promoter Director
3. S B Dandayach Non-Executive Director / Add. Independent Director

The Audit Committee is chaired by an independent director. The Audit Committee met four times during the Financial Year 2014 – 15 to discuss *inter alia* the Auditor's Report, adequacy of internal control / internal audit system and functions, to review the unaudited quarterly financial results etc on **29.5.2014, 13.8.2014, 13.11.2014 and 12.2.2015**. The number of meetings of Audit Committee and attendance of members at these meetings during the year are stated as under:

Sr. No.	Name of the Directors	Meeting held during tenure	Attended
1.	Shri Bhadresh Mehta	4	4
2.	Ms. S Aparna, IAS	4	3
3.	Shri T Natarajan, IAS (upto 14.10.2014)	2	1
4.	Shri S B Dangayach (w.e.f. 14.10.2014)	2	2

The Company Secretary acts as Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at 51st Annual General Meeting of the Company held on 25th September 2014.



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Terms of Reference of the Audit Committee

The terms of reference of Audit Committee is governed by the provisions of Clause 49 of the listing agreement. The terms of reference, *inter alia*, include oversight of the Company's financial reporting process, review of annual financial statements, quarterly financial statements, internal control systems, internal audit reports etc.

Nomination and Remuneration Committee

As per the provision of Section 178 (1) of The Companies Act, 2013 read with Provisions of Clause 49 (IV) of the Listing Agreement, the company has constituted Nomination and Remuneration Committee comprising of following three Non-Executive Directors, out of which one is Independent Director and Chairman of the Committee. The committee has the role of prescribed to them as provided under The Companies Act, 2013 and Clause 49 (IV). The company is a government company. Its directors do not draw any remuneration from the company except payment of sitting fees and out of pocket expenses. Moreover, as per the policy of the company, the salary and wages of Senior Management and Key Managerial Personnel as well as that of Executive Supervisors and Workmen are fixed in line with the pay structure of Government of Gujarat, duly approved by the Government of Gujarat.

The Nomination and Remuneration Committee of the Company comprises of following three non-executive directors out of which one is Independent Director as on 31.03.2015

1. Bhadresh Mehta Non-Executive Director/Independent Director
2. Ms. S. Aparna, IAS Non-Executive Director/Promoter Director
3. T Natarajan, IAS Non-Executive Director Promoter/ Director

The Details of Sitting Fees paid to the Directors for the year 2014 – 15 are mentioned hereunder along with their shareholding in the Company.

Sr. No.	Name of the Directors	Remuneration paid (₹)	Sitting fees (₹)	No. of Shares held
1.	Shri D J pandian, IAS Chairman (Upto:30.12.14)	–	25000/-*	Nil
2.	Shri Atanu Chakraborty, IAS Chairman(From30.12.14)	–	5000/- *	Nil
3.	Shri B B Swain, IAS Managing Director * From:1.11.2014	–	–	Nil
4.	Shri Pankaj Kumar, IAS Managing Director * upto 25.8.2014	–	–	Nil
5.	Ms. S Aparna, IAS	–	35000/-*	Nil
6.	Shri T Natarajan, IAS	–	40000/-*	Nil
7.	Shri Bhadresh Mehta	–	45000/-	Nil
8.	Shri S B Dangayach	–	15000/-	Nil
9.	Shri Nitin Shukla	–	15000/-	Nil

* Paid into Government Treasury

Risk Management Committee

As provided under clause 49 (VI), the company has constituted Risk Management Committee consisting of the following Directors as the members:

Sr. No.	Name of the Director	Category
1	Shri B.B. Swain, IAS	Chairman
2	Shri Nitin Shukla	Member
3	Shri S.B. Dangayach	Member

The role of Risk Management Committee is as provided under the said clause of the Listing Agreement.

Stakeholders Relationship Committee

The Company has constituted a "Stakeholders Relationship Committee". This Committee looks into the redressal of shareholders'/investors' grievances, if any, regarding transfer / transmission / demat of shares, loss of Share Certificates, Non-receipt of Annual Report, Dividend Warrants, Re-payment of principal and/or interest on fixed deposits etc., During the year, complaints received from the shareholders have been resolved to date. The Company has no transfer pending at the close of the Financial Year.

The composition of the Committee during the year under review was as under:

- | | | |
|----|------------------------|------------------------|
| 1. | Shri Bhadresh Mehta | Chairman |
| 2. | Shri Pankaj Kumar, IAS | Member upto 25.08.2014 |
| 3. | Shri D J Pandian, IAS | Member upto 30.10.2014 |
| 4. | Shri B B Swain, IAS | Member From 01.11.2014 |
| 5. | Shri T Natrajan, IAS | Member |

The details of the complaints received, solved, pending etc., are as under:

Period	Complaints Received	Complaints Redressed
01-04-2014 to 30-06-2014	00	00
01-07-2014 to 30-09-2014	00	00
01-10-2014 to 31-12-2014	00	00
01-01-2015 to 31-03-2015	00	00
Total	00	00

The Company Secretary acts as Secretary of the "Stakeholders Relationship Committee"

The Company has entered into a comprehensive agreement with M/s. MCS STA Limited, Ahmedabad to act as the Share Transfer Agent and the Depository Registrar (STA & DR) to attend to transfers/ transmission requests and co-ordinate with the Depositories and Depository Participants.

As per the Listing Agreement, the Company Secretary is appointed as the Compliance Officer and the activities of the Share Transfer Agent are under the supervision of the Compliance Officer.

CSR Committee

The Corporate Social Responsibility Committee (CSR Committee) of the Company comprises of following three executive/ non-executive directors out of which one is Independent Director, as on 31.03.2015

- | | | |
|----|------------------|---|
| 1. | B B Swain, IAS | Executive Director/Managing Director |
| 2. | T Natarajan, IAS | Non-Executive Director Promoter/ Director |
| 3. | Bhadresh Mehta | Non-Executive Director/Independent Director |

General Body Meetings

(a) The last three Annual General Meetings of the Company were held at Ahmedabad at the time, dates and venue mentioned below :

Year	Date	Time	Venue
2011 – 12	28.09.2012	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
2012 – 13	27.09.2013	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
2013 – 14	25.09.2014	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052

No Extra Ordinary General Meeting was held during any of the last three financial years.

(b) Whether any special resolutions passed in the previous 3 AGMs ? No

Sr. No.	Year	Subject
1	2013-14	NIL
2	2012-13	NIL
3	2011-12	NIL



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- (c) Whether special resolutions were put through postal ballot last year ? No
(d) Are special resolutions proposed to be put through postal ballot this year ? No

Disclosures :

- (a) The Company has no materially significant related party transaction i.e. transactions that may have potential conflicts with the interest of the Company at large with its promoters, the Directors or the management, their subsidiaries or relatives etc.

For details, about other related parties transactions see Note No.2.31 of Note-on-Accounts.

- (b) There were no instances of non-compliance by the Company or penalties imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, of any nature related to Capital Markets during the last three years.
(c) In the preparation of financial statements, there is no treatment different from that prescribed in accounting standards.
(d) The company has integrated approach to manage the risk inherent in the various aspects of business.

Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct for the Directors as well as Senior Management of the company. It has also been placed on company's website at www.gmdcltd.com.

All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during 2014 – 15. A declaration by the Managing Director to this effect is provided at Annexure A which forms part of the company's Annual Report 2014 – 15.

Means of Communication :

The Company communicates with the shareholders at large through its Annual Report, publication of quarterly financial results in newspapers and through its website. Further, the financial results of the Company as published in the Financial Daily newspapers are also displayed in the Company's website www.gmdcltd.com for the information of shareholders and investors.

General Shareholder

Information	: AGM Date, day, time and venue
Date of AGM	: 29-09-2015
Day	: Tuesday
Time	: 11.00 AM
venue	: Registered Office of the Company Khanij Bhavan Off: 132 Ft. Ring Road Near University Ground Vastrapur, Ahmedabad – 380 052

Financial Calendar (tentative)

Period	Tentative Schedule
1 st quarter results ending 30 th June	Within 45 days of end of the quarter
2 nd quarter results ending 30 th September	Within 45 days of end of the quarter
3 rd quarter results ending 31 st December	Within 45 days of end of the quarter
4 th quarter results ending 31 st March	Within 60 days of the end of the year in case of Audited Results.

Date of 'Book Closure'

The Register-of-Members and the Share Transfer Register of the Company would remain closed from 26–09-2015 to 29-09-2015 (both days inclusive) for the purpose of ascertaining the list of shareholders entitled for the dividend, if any, declared at the ensuing Annual General Meeting and approved by the shareholders.

Dividend payment Date

The dividend if declared at the Annual General Meeting and approved by the shareholders would be paid to the Shareholders within 30 days from the date of declaration.

Listing of shares

The equity shares of the company are listed on the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd. and Vadodara Stock Exchange Limited. The Listing Fee has been paid to NSE , BSE and VSE up to the year 2014-2015.

NAME OF THE STOCK EXCHANGE	STOCK CODE
National Stock Exchange of India Ltd.,	GMDCLTD
The Stock Exchange, Mumbai	532181
Vadodara Stock Exchange	532181

Stock Market Data

The high, low market price during each month in last financial year as quoted in the National Stock Exchange was as under:

Month	National Stock Exchange			CNX NIFTY
	High (in ₹)	Low (in ₹)	Closing* (in ₹)	Closing *
April, 2014	146.55	128.00	132.00	6696.40
May, 2014	162.80	126.75	150.75	7229.95
June, 2014	180.70	150.25	168.75	7611.35
July, 2014	179.85	148.40	154.25	7721.30
August, 2014	154.45	134.80	145.45	7954.35
September, 2014	156.40	135.10	144.80	7964.80
October, 2014	162.40	137.75	152.45	8322.20
November, 2014	159.90	131.55	133.30	8588.25
December, 2014	138.80	121.05	129.20	8282.70
January, 2015	136.45	120.40	123.20	8808.90
February, 2015	124.85	144.95	116.85	8901.85
March, 2015	131.85	110.00	112.15	8491.00

*at the end of the month

Registrar and Share Transfer Agent (For physical & Demat)

During the year, the Registrar and Share Transfer Agent has been changed and the contact details of the Registrar and Share Transfer are as under :

M/s. MCS STA Limited
 201, Shatdal Complex, 2nd floor,
 Opp: Bata Show Room,
 Ashram Road,
 Ahmedabad – 380 009
 Tel. 26582878 – Fax – 079 26581296
 Email: mcsahd@gmail.com



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Share Transfer System

In compliance with Clause 49 of the Listing Agreement, the Company has also delegated the powers of share transfer to the company's Registrar and Share Transfer Agent. All the transfers received are processed by the Company's Share Transfer Agent and a fortnightly report is submitted to the company which is periodically placed before the Board of Directors of the Company.

A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL). Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

Shareholding Pattern

The pattern of equity share holding of the Company as on 31st March, 2015 was as under:

Category	No. of Shares	% to total
Govt. of Gujarat	235320000	74.00
Mutual Funds	20058291	6.30
Financial Institutions/Banks	383936	0.13
Insurance Companies, Foreign Institutional Investors, Bodies Corporate	35467285	11.16
Individuals, HUFs, NRIs	26770488	8.41
Total.....	318000000	100.00

Distribution of Shareholding as on 31.3.2015

Shareholding of nominal value of			Shareholders		No. of Shares
₹	₹		Number of Share-holders	Number of shares held	% to total
	(1)	(2)	(4)	(3)	
Upto –	500	45280	5615514	1.7659	
501 –	1000	3284	2761717	0.8685	
1001 –	2000	1997	3014181	0.9479	
2001 –	3000	622	1592206	0.5007	
3001 –	4000	303	1088683	0.3424	
4001 –	5000	230	1084259	0.3410	
5001 –	10000	358	2620158	0.8239	
10001 –	50000	213	4078381	1.2828	
50001 –	100000	43	2974336	0.9353	
100001 and above		64	293170565	92.1920	
Total...			318000000	100.00	

Dematerialization of Shares

Consequent upon the compulsory demat of the equity shares of the Company as notified by SEBI, as on 31.3.2015 about 99.77 % of the equity capital offered to the public is in Demat Form. The equity shares of the promoters are also in Demat Form.

Particulars	No. of Equity Shares	% to Share Capital
NSDL	76750916	24.14%
CDSL	240516030	75.63%
Physical (Public)	733054	0.23%
TOTAL	31,80,00,000	100.00%

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity :

- The Company has not issued any of these instruments.

PLANT LOCATIONS

Lignite Projects	Panandhro	(Dist. Kutch)
	Umarsar	(Dist. Kutch)
	Rajpardi	(Dist. Bharuch)
	Mata-no-Madh	(Dist. Kutch)
	Tadkeshwar	(Dist. Surat)
	Surkha	(Dist. Bhavnagar)
Fluorspar Project	Kadipani	(Dist. Vadodara)
Multi Metal Project	Ambaji	(Dist. Banaskantha)
Bauxite Projects	Bhatia	(Dist. Jamnagar)
	Gadhsisa	(Dist. Kutch)
Manganese Project	Shivraipur	(Dist. Panchmahal)
Power Project	Nani Chher	(Dist. Kutch)
Wind Power	Maliya	(Dist. Rajkot)
	Godsar	(Dist. Porbandar)
	Jodiya	(Dist. Jamnagar)
	Bada	(Dist. Kutch)
	Varvala	(Dist. Jamnagar)
	Bhanvad	(Dist. Jamnagar)
Solar Project	Panandhro	(Dist. Kutch)

Address for Correspondence:

Shareholders correspondence may be addressed to the Company Secretary and sent to the Registered Office of the Company at the following address:

Gujarat Mineral Development Corporation Limited

'Khanij Bhavan' 132 Ft. Ring Road

Near University Ground, Vastrapur

Ahmedabad – 380 052

Telephone : (079) 2791 1662 / 1680 / 0665 / 2443 / 1340
/ 3501 / 0096 / 0465 / 3200

Fax : (079) 2791 0969 / 1454 / 3038/1151

E-mail : cosec@gmdcltd.com

Website : www.gmdcltd.com

CEO / CFO Certificate

Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Clause 49 of the Listing Agreement and the same is annexed at Annexure B and forms part of this Annual Report.

Compliance Certificate

A certificate from the Practicing Company Secretary is annexed at Annexure C to the Corporate Governance Report and forms part of the Annual Report.

Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement if any. The Company being the Government Company is already covered under the government vigil mechanism. The company ensures that strict confidentiality is maintained while dealing with the concerned. It also ensures that no discrimination is meted out to any person for genially raised concern. The Vigil Mechanism is administered through the HR Department of the company. The policy also has a provision of protection against victimization against Whistle Blower and the policy also provide for direct access to the Chairman of the Audit Committee. The policy is available on the website of the Company, www.gmdcltd.com.

Adoption of Non-Mandatory Requirements

The Company has separate Chairman and Managing Director.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

The Internal Auditors of the Company submit their quarterly audit report to the Audit Committee.

For the 5 years, the Company has received unqualified Audit Reports from Statutory Auditors. Moreover, the Company has received NIL comments from Comptroller and Auditor General of India for past 5 years.

Subsidiary Companies

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth. in Holding Company immediately preceding accounting year or has generated 20% of the consolidated income of the company during the previous financial year. Accordingly a policy on material subsidiary has not been formulated. The audited Annual Consolidated Financial Statements which include subsidiary company are tabled at the Audit Committee and Board Meeting.

ANNEXURE – A

Declaration regarding compliance of code of conduct by Directors and Senior Management Personnel of the Company.

The company has adopted Code of Conduct for Directors and Senior Management Personnel as per the provisions of Clause 49 of the Listing Agreement relating to Corporate Governance.

The Directors and Senior Management have affirmed compliance with the said Code during the financial year 2014 – 15.

For Gujarat Mineral Development Corporation Ltd.

P K Gera, IAS

Managing Director

Date : 10-08-2015

Place : Ahmedabad

ANNEXURE – B

CERTIFICATE BY CEO AND CFO FOR ANNUAL ACCOUNTS 2014 – 15

- a) We have reviewed the Balance Sheet and the Profit and Loss Account and Significant Accounting Policies and notes forming part of Accounts as well as the Cash Flow Statement for the year and certify that to the best of our knowledge and belief :
- i) These statements do not contain any materially untrue statement or omit any material fact nor 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 the 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 to 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 internal control systems of the Company pertaining to financial reporting and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of which such internal controls, if any, of which we are aware, and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee :
- i) significant changes in internal controls over financial reporting during the year;
 - ii) significant changes in the 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.

P.K.BHOOTRA

GENERAL MANAGER (ACCOUNTS)

L. KULSHRESTHA

GENERAL MANAGER (FINANCE) & CFO

MANOJ AGARAWAL, IAS

MANAGING DIRECTOR

ANNEXURE – C

CIN No : L14100GJ1963SGC001206

Nominal Capital : 1,500,000,000/-

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Gujarat Mineral Development Corporation Ltd.
Khanij Bhavan, 132' Ring Road,
Near University Ground, Vastrapur,
Ahmedabad – 380 052

We have examined all relevant records of **Gujarat Mineral Development Corporation Ltd.**, for the purpose of certifying compliance of conditions of Corporate Governance under clause 49 of the listing agreement with Stock Exchanges for the year ended on 31st March 2015. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanation and information furnished and based on the representations made by the Directors and the Management, we certify that the Company has complied with all the mandatory conditions of the said clause 49 of the listing agreement except;

- i) clause 49II(A) regarding number of independent directors in the composition of Board for the part of the period under review.
- ii) clause 49III(A)(1) regarding number of independent directors in the composition of Audit Committee and clause 49II(B) as regards quorum of the meeting of Audit committee with minimum of two independent members present in such committee meeting for the part of the period under review.

For, Sandip Sheth & Associates
Company Secretaries
Sandip Sheth
(PARTNER)

Place : Ahmedabad
Date : July 25, 2015

FCS No : 5467
COP No. : 4354

ANNEXURE – IX

MANAGEMENT DISCUSSION AND ANALYSIS

Global Mining Industry

Currently the global mining industry is passing through a challenging phase where global commodity markets have fallen by more than 50% for most of the mineral commodities in past three years. Parallel to this, Indian mining industry is undergoing various reforms in its Coal as well as Mining sector.

The average stock price of global Metals and Mining companies and Base Metal companies decreased by 13% and 3% respectively since April 2014. This was mainly due to weak demand for commodities from China, fall of more than 50% in Iron Ore and Gold prices, over supply of metallurgical coal, weak M&A activities and large mining companies selling its non-core assets.

Overview of Indian economy

Economic growth picked up in India from FY2013-14 with inflation markedly declined. The external economic position of the country was comfortable, helped by positive policies and lower global oil prices. The outlook for India is for economic strengthening through higher infrastructure spending, increased fiscal devolution to states, and continued reform to financial and monetary policy. The government is intended to move steadily to tackle difficult structural issues that have stalled investment and limited economic performance in recent past.

The government's initial estimates for Fiscal Year 2014 – 15 (ending 31 March 2015) showed that economic growth accelerated to 7.4%. After growing by 4.5% in FY13-14, industry accelerated to 5.9% in FY14-15, helped by a 6.8% expansion in manufacturing sector. Manufacturing sector is expected to grow in excess of 10% in the final quarter of FY14-15. Improved coal production helped double the growth of electricity generation over the previous year's rate.

For mining sector, at macro level, according to new series of the Gross Domestic Product, the Gross Value Added (GVA) by the mining and quarrying sector at constant prices is rising over a period of time. GVA for mining sector has increased by 7.5% over past two years. The details are provided in the table presented below :-

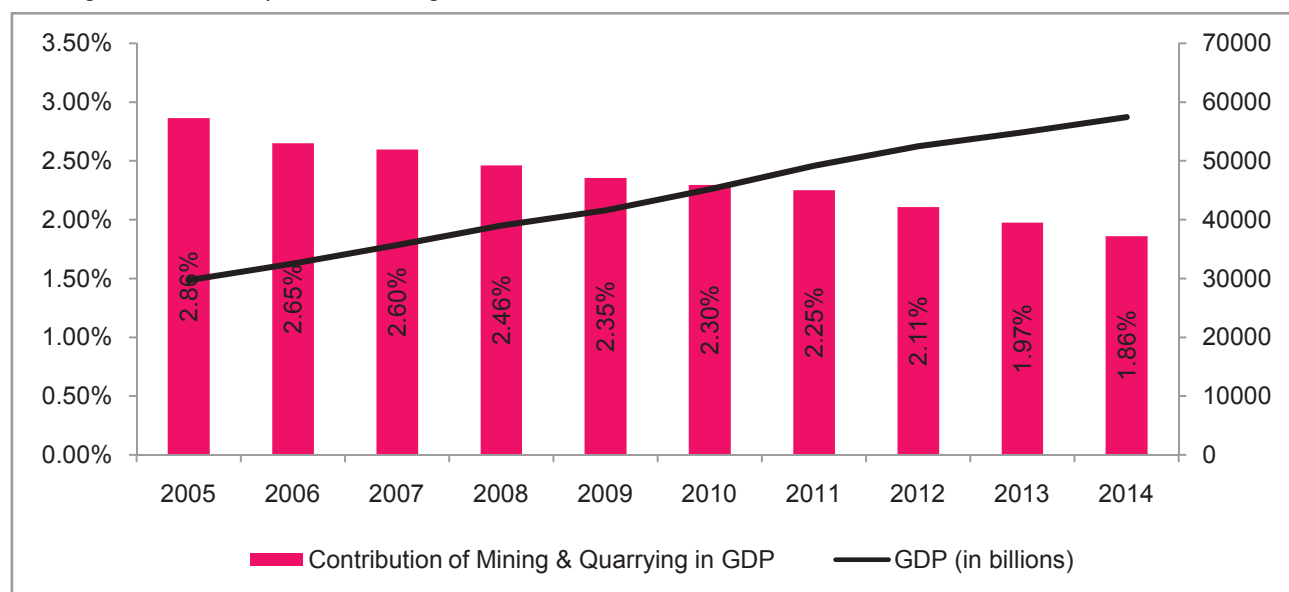
Mineral	2012 – 13 (NS)	2013 – 14 (NS)	2014 – 15 (AE)
GVA of Mining & Quarrying Sector (at constant Prices) (Rs Crores)	262,253	276,380	282,605

Table 2 : Gross Value Added (GVA) at constant prices (at 2011-12 prices)

NS : New Series Estimates; AE: Advance Estimates; Source; Indian Bureau of Mines

Indian Mining Industry

Mining sector plays an important role in growth of Indian economy. It ensures the availability of fuel for power generation and raw material for steel production. Further, mining ensures raw materials for other industries. Apart from making available raw materials for industrial sector, mining sector in India contributes significant amount of taxes and royalties to state & central governments. GMDC's focus has been on fulfilling the mineral needs of Gujarat and providing a boost to small and medium sized industries of Gujarat. However, in recent past the contribution of mining sector to GDP is decreasing. The same is presented in figure below :



Source: Reserve Bank of India

The rapid pace of growth that the mining industry had been enjoying for over a decade was arrested in 2008–09, with the advent of global recession. World economic growth decelerated quickly, adversely affecting both developed and emerging economies. Indian mining industry was also affected by this global phenomenon. Economic Survey of India (2014) highlights that the growth of mining sector declined from an average of 7.1% in during four financial years 2007-10 to an average of 1.6% during next four years 2010-14. This decline is mainly attributed to the legal, regulatory and environment issues, among others.

Recently the mining industry of India is undergoing a series of reforms for various segments such as coal mining, land acquisition and non-coal minerals. To attract foreign investment, 100% Foreign Direct Investment is permitted in the mining sector. The National Mineral Policy, 2008 inter alia provides guidance for promoting research and development in the mineral sector directed towards the development of new technologies for conversion of existing mineral resources into viable economic resources and improvement of regulatory environment. This year sweeping changes have been seen in the laws governing the mining sector. Some of these reforms have been passed by the Government while some are in draft stage.

Recent Reforms

India is witnessing unprecedented changes in the mining sector since 2014 with reforms and growth on agenda. With the new mining ordinance for auction of minerals and the new Govt.'s latest budget (heavy focus on infrastructure investment), mining sector's contribution to GDP is expected to increase considerably. The Central Government has indicated to introduce policy reforms (such as pre-existing legislation instead of permissions) that would ease the project implementation.

In mining sector, the Government has come out with Mines and Minerals (Development and Regulation) Amendment Act, 2015 which provides the framework for promoting transparency in the mining sector to boost the investments. This change will kick start investments in the mining sector. Clarity on licensing terms, auctions, transfer of concessions will enable the sector to attract investment on its own terms, without having to depend on end-use plants. The act has allowed auction of minerals by respective state Governments and four minerals viz. Bauxite, Iron Ore, Limestone, Manganese, have been categorized as notified minerals. The financial gains and additional levies through this act and auction process will be used for local development and exploration. Also, the Government has subsequently released rules for auction of all the minerals by state Government.

In coal sector, the Honourable Supreme Court in September 2014 cancelled the allotment of 204 coal mines after holding their allocation as "arbitrary" and "illegal". Subsequently, Government issued The Coal Mines (Special Provisions) Ordinance, 2014 to provide for allocation of coal mines and vesting of the right, title and interest in and over the land and mine infrastructure together with mining leases to successful bidders and allottees. The revenue generated through auctioning of coal blocks will benefit the state Governments and will in-turn be utilised for betterment of Project affected people and developing infrastructure and undertaking exploration in mining areas.

Industry Structure and Developments

The country is endowed with huge resources of many metallic and non-metallic minerals. Mining sector is an important segment of the Indian economy. Since independence, there has been a pronounced growth in the mineral production both in terms of quantity and value. India produces as many as 87 minerals, which includes 4 fuel, 10 metallic, 48 non-metallic, 3 atomic and 24 minor minerals (including building and other materials).

The total value of mineral production (excluding atomic minerals) during 2013-14 has been estimated at Rs 2,27,176 crore, which shows a decrease of about 9.32% over that of the previous year. During 2013-14, estimated value for fuel minerals account for Rs 1,55,646 crore or 68.51%, metallic minerals, Rs 37,213 crore or 16.39% of the total value and non-metallic minerals including minor minerals Rs 34,317 crore or 15.10% of the total value.

Growth Drivers for Mining Sector

- With the Indian economy expected to grow by approximately 7% in the years to come, sectors such as infrastructure and automobiles will receive a renewed thrust, which would further generate demand for power and steel in the country. This is expected to provide a major thrust to the demand of minerals like coal and iron ore.
- Minerals like manganese, lead, copper, alumina are expected to witness double digit growth in the years ahead. There is significant scope for new mining capacities in iron ore, bauxite, and coal.
- India has an advantage in the cost of production and in conversion costs of steel and alumina.
- Sustained growth in India's automotive sector has been driving demand for steel and aluminium.
- The power sector accounts for a large share of the consumption of aluminium and coal in the country.
- Infrastructure projects continue to provide lucrative business opportunities for steel, zinc and aluminium producers.
- India has the 301.56 Billion Tonnes coal reserves as of April 2014. Production of coal stood at 540 Million Tonnes and 557.7 Million Tonnes in 2012 and 2013, respectively.

Performance

1. Product-wise performance

Mining, the core competency of GMDC, continues to lead the business operations. GMDC has started operations in Umarsar Lignite Mine and Mevasa Bauxite Mine in the FY 2014–15 that added further value to company's mining business. GMDC's six active lignite mines together produced 87.09 lakh metric tonnes of lignite during the FY 2014–15, while eight active Bauxite mines produced 2.6 lakh metric tonnes of Bauxite.



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GMDC's power division consist of ATPS Thermal Power Plant, Wind Power Plants and Solar Power Plants. Total 1669.5 Mega Units of power was produced in the FY 2014 – 15. PLF of Akrimota Thermal Power Plant and Wind Power have increased to 62.04% and 23.04% respectively in FY 2014 – 15.

Name of Product	2012 – 13		2013 – 14		2014 – 15	
	Production	Sales	Production	Sales	Production	Sales
Lignite (MT in lakh)	109.05	109.05	84.13	84.13	87.09	87.09
Bauxite (MT in lakh)	8.34	7.94	2.13	1.23	2.6	3.46
Thermal Power (M. Units)	921.59	754.17	985.00	824.00	1358.76	1195.76
Wind Power (M. Units)	232.56	232.56	269.00	269.00	302.67	302.67
Solar Power (M. Units)	7.93	7.93	8.32	8.32	8.07	8.07

2. Financial Performance (₹ in Lakhs)

Particulars	2012 – 13	2013 – 14	2014 – 15
Turnover	1,67,468	1,28,966	1,41,888
PBT	90,369	62,959	63,586
PAT	60,084	43,913	50,032
Dividend (%)	150	150	150

Opportunities and Threats

Opportunities

- Indian mining sector is undergoing major reforms. This provides opportunity to GMDC to expand its mineral portfolio
- Advanced research in producing bio-fertilisers by use of Lignite is a new avenue that the company can explore. Use of bio-fertilizer will reduce country's dependency on chemical based fertilizers and may also provide better yield to farmers.
- GMDC has ventured into value added services through joint ventures and projects with plans to produce cement, zeolite, chemicals and beneficiation of minerals like Fluorspar etc. These projects will be completed in future and commence production, which will add to the Corporation's output and profitability.
- Strengthening of segments apart from Lignite and Bauxite will reduce company's risk during events of changes in economic, industrial or policy scenarios of the country.
- The company may explore opportunities for mining and sale of secondary minerals available within its Lignite mines.
- GMDC is one of the leading mining PSU in the country and possess rich experience and expertise within the mining sector.

Threats

- The Government has introduced auctioning process for allotment of coal blocks as well as other mineral leases. Thus, the company may have to participate in competitive auction for allotment of new mining leases. Though, there are various provisions available within these rules which may help GMDC in allotment of mining leases
- Slow progress in finalization of Land Acquisition, Rehabilitation and Resettlement 2013 Act, and other problems related to land acquisition may lead to significant transaction costs and time delays.
- GMDC has entered into Joint ventures and turn-key contracts for value added services. Correctly estimating the man-power requirements and adjusting the current man-power strength is a challenge for the Corporation.

Outlook

GMDC's strategic thrust is outlined by expansion of activities on three fronts, namely, venturing into value added services; increasing the geographical reach, and diversifying operations in other sectors such as power generation. The future goals of GMDC are as below,

- To develop value addition plants for minor minerals available with GMDC to cater to the needs of downstream industry in Gujarat.

- To set up a Wind Power Plant of 50 MW
- Investment in advance mining technology to increase productivity, enhance safety and reduce environmental pollution for sustainable growth
- Setting Up world class International Centre for Mining Safety and Automation- ICEM and Entrepreneurship- iCREATE with various national and international, industry and academic partner
- Exploration of Business Opportunity in Beach Sand Mining
- Collaborate with State PSUs outside Gujarat

Risks and Concerns

GMDC has to sustain its leadership position in the State by growing at an appropriate rate and at the same time improve its operational efficiency. Though GMDC's growth strategies are built upon the inherent strengths of the Corporation, various activities undertaken to achieve the goals make the Corporation susceptible to various risks. It has to be recognized and realized that risks are not merely the hazards to be avoided but in many cases offer opportunities which create value ultimately leading to enhancement of shareholders' wealth, and ensuring sustainability of operations.

Operations of mining companies have a high impact on the environment. Mining companies are therefore required to ensure the rectification and restoration of mined areas, and that some of the revenue/costs of the mining go towards strengthening of environmental resources and ecosystem resilience in adjoining areas. GMDC is actively undertaking activities to ensure sustainable development. However, increasing environmental concerns may lead to higher costs.

Internal Control and its adequacy

GMDC has put in place all the necessary internal controls adequately. The company has an in-house Internal Audit Department and internal check procedures on the purchase of items such as stores, chemicals, machinery. Similar checks and procedures are also devised for sale of goods. The company has appointed Internal Auditors for various Projects and Head Office, who are required to submit periodical reports to the top management. The company also avails services of professional Chartered Accountants for physical verification of assets. Moreover, GMDC being a Government Company also undergoes a supplementary audit by C & AG.

Cautionary Statement

Statements in the Management Discussion and Analysis Report, describing the Corporation's objectives, projections and estimates, contain words or phrases such as will, aim, believe, expect, intend, estimate, plan, objective, contemplate, project and similar expressions or variations of such expressions, are forward-looking and progressive within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon economic conditions, Government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward looking statements.

ANNEXURE – X

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief Outline :

The company's policy for Corporate Social Responsibility is to "Continually endeavor to improve quality of life significantly in project affected areas and surrounding area by focusing on areas like livelihood promotions, basic infrastructure development, education, sports, health & sanitation, safe drinking water, employment by skill development and training, women empowerment, girl child education, incubation of future entrepreneurs, rural development projects and also caring for socially and economically backward groups.

Also for environment, ensuring environment sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water."

2. The Composition of the Corporate Social Responsibility Committee:

- Shri B.B. Swain, IAS, MD – Chairman (up to 24.04.2015)
- Shri T. Natarajan, IAS, Director – Member
- Shri Bhadresh Mehta, Independent Director – Member

3. Average Net Profit of the Company for last three Financial Year: ₹ 743.39 crore

4. CSR Expenditure : ₹ 14.86 crore

5. Details of CSR Spent during the Financial Year:

- Total amount to be spent for the Financial Year : ₹ 14.86 crore
- Amount unspent, if any : NIL
- Manner in which the amount spent during the financial year is detailed below :

(₹ in Lakhs)

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(1) Sr No	(2) CSR Project or activity identified	(3) Sector in which the project cost is covered	(4) Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	(5) Amount outlay (Budget) project or programs wise	(6) Amount spent on the projects or programs subheads: (1) Direct Expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent Direct or through implementing agency*
1	Mata no Madh Irrigation, Water Supply, Water Storage Facility, water Conservation Structures	Water	Kutch, Bhavnagar, Bharuch	76.32	76.32	76.32	Through implementing agency, namely, GMDC Gramya Vikas Trust
2	Financial Assistant to Gujarat Institute of Desert Ecology for National Symposium on Dry Land Bird & Financial Assistance for creation for Sanskriti Van Restoration of Medicinal Plant	Environment	Kutch, Rajkot Chhotaudepur	30.31	30.31	30.31	Through implementing agency, namely, GMDC Gramya Vikas Trust
3	Maintenance of Shree Shyamji Krishna Varma Memorial	Art Culture & History	Village Maska, Ta. Mandvi, Dist. Bhuj, Gujarat	70.61	70.61	70.61	Through implementing agency, namely, GMDC Gramya Vikas Trust
4	Semi Annual Financial Assistance to Girl Students in core zone villages of various projects, providing school bus facility, sponsorship to girl students of Lakhpat Taluka, Construction of class rooms, providing notebooks, benches, sports equipments, computer	Promoting Education	Kutch Surat Bharuch Bhavnagar Devbhoomi - Dwarka	125.35	125.35	125.35	Through implementing agency, namely, GMDC Gramya Vikas Trust
5	Financial Contribution for construction of Road from village Gundecha – Rajpardi – Netrang, construction of Panchayat Ghar	Rural Infrastructure	Local Gundecha Rajpardi Netrang Dist. Bharuch	552.76	552.76	552.76	Through implementing agency, namely, GMDC Gramya Vikas Trust

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6	Providing bio gas, hydraulic lifting system, providing other amenities in villages	Rural Development	Banaskantha Surat Bhavnagar	8.87	8.87	8.87	Through implementing agency, namely, GMDC Gramya Vikas Trust
7	Construction of integrated campus for Centers of Excellence	Promoting Education Skill Development Vocational Training	Local Village Dev Dholera, Dist. Ahmedabad, Gujarat	5980.65	3426.27	3426.27	Directly through GMDC
8	Providing Doctor on mobile medical van, Social Mobilisers, Support Staff for memorial	Health Rural Development	Villages near Panandhro Dist. Kutch, Villages near Maska, Dist. Kutch, Villages near Rajpardi, Dist. Bharuch	24.81	24.81	24.81	Through implementing agency, namely, GMDC Gramya Vikas Trust
9	Providing Ambulance Facility and Maintaining Sanitation Block	Health and Sanitation	Villages near Panandhro, Mata no Madh, ATPS	11.91	11.91	11.91	Through implementing agency, namely, GMDC Gramya Vikas Trust
10	Providing Hospital Facilities	Health	Villages near Panandhro, Akrimota, Kadipani	140.34	140.34	140.34	Directly through GMDC
11	Providing School Facilities	Promoting Education	Villages near Panandhro, Akrimota, Kadipani	268.71	268.71	268.71	Directly through GMDC
12	Financial Assistance to IIT, Gandhinagar for setting up of GMDC Chair in the areas of Materials, Minerals, Metallurgical Engineering & Earth Sciences	Promoting Education	Gandhinagar Gujarat	25.00	25.00	25.00	Directly through GMDC
				7315.64	4761.87	4761.87	

* Details of implementing agency

6. In case of the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not sending the amount : NIL
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.
 "Implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company."

P K Gera, IAS (Chief Executive Officer or Managing Director or Director)	P K Gera, IAS (Chairman CSR Committee)
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GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

CSR POLICY

The present CSR policy of GMDC is aligned to the Corporate Vision and Mission.

Objectives :

The basic objective of GMDC's CSR policy is:

- To improve overall quality of life significantly.
- To create opportunities for livelihood.
- To provide all necessary assistance for:
 - o Training, Skill Development and Employment.
 - o Sports
 - o Girl Child Education
 - o Women Empowerment and gender equality
- To assist for Rural Infrastructure development as may be permitted under law
- To create and maintain health & sanitation related facilities.
- To promote and provide access to safe drinking water for population in surrounding areas to GMDC facilities
- Uplifting standard of living for socially and economically backward groups.
- To ensure in every business activity about environmental sustainability, ecological balance, protection of flora and fauna and animal welfare.
- To encourage and assist in development of agro-forestry.
- To actively encourage and exercise conservation of natural resources.

Areas of Focus

- Water conservation and environment
- Micro Irrigation and Agriculture
- Health and Sanitation
- Education
- Employment Enhancement
- Rural Infrastructure
- Any Other Rural Development Programmes

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (g) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.23 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, H. K. Shah & Co.,
Chartered Accountants
FRN: 109583/w
H. K. Shah
Partner
M. No. 042758

Place : Ahmedabad
Date : 28/05/2015

ANNEXURE TO THE AUDITORS' REPORT

(Referred to Para (1) our Report of even date)

The Annexure referred to in our report to the members of Gujarat Mineral Development Corporation Limited ("the Company") for the year ended 31 March 2015. We report that:

- (i) In respect of Fixed Assets
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Company has a programme of physical verification of its fixed assets by which fixed assets are verified at reasonable intervals. In accordance with this programme, fixed assets were verified during the year and discrepancies which were noticed on such verification were properly dealt with in the books of accounts .
- (ii) In Respect of Inventory
 - (a) The physical verification of inventory has been conducted at reasonable intervals by the Management;
 - (b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company has maintained proper records of inventory. The discrepancies noticed on such verification between the physical stock and book stock was not material and the same have been properly dealt with in the books of accounts.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore requirement of clauses (iii) of the paragraph 3 of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate Internal Control System commensurate with the size of the Company and the nature of its business, with regard to purchases of inventory and fixed assets and for sale of goods and services. During the course of audit, we have not observed any continuing failure to correct any major weaknesses in the internal controls system.

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- (v) The company has not accepted any deposits during the year as per the directives issued by the Reserve Bank of India and within the meaning of the provisions of section 73 to 76 and other relevant provisions of the Companies Act and the rules framed there under, where applicable. Thus the clause (v) of paragraph 3 of the order is not applicable to the company.
- (vi) In pursuant to the order made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, the company has made and maintained the prescribed accounts and records.
- (vii) In respect of statutory dues
- (a) According to the information and explanations given to us, and on the basis of our examination, the company is generally regular in depositing undisputed statutory due including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities.
- (b) The details of excise duty, income tax and sales tax not deposited on account of dispute are as under:

Name of Statute	Nature of the Dues	Period to which the amount relates	Amount (₹ In Lakhs)	Forum where dispute is pending
Commercial Tax	Sales Tax/ VAT	1993-94	21.78	Hon. High Court
		1995-96	98.92	Appellate Tribunal
		1997-98	2.45	Appellate Tribunal
Commercial Tax	CST	1997-98	4.26	Appellate Tribunal
Central Excise Act, 1944	Excise Duty	2006-07	450.58	Commissioner of Central Excise

- (c) The company has transferred the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under that has to be transferred to such fund within time.
- (viii) The Company has been registered for a period more than five years and it has no accumulated losses. The company has not incurred cash losses during the year under audit and in the immediately preceding financial year. Therefore, the requirement of clause (viii) of paragraph 3 of the order is not applicable to the Company.
- (ix) As there are no borrowings, the requirement of clause (ix) of paragraph 3 of the order regarding default of repayments is not applicable to the company.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Thus the requirements of clause (x) of paragraph 3 of the order are not applicable to the company.
- (xi) The Company has not obtained any term loan during the year under audit. Hence the requirement of clause (xi) of paragraph 3 of the order is not applicable to the Company.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the period under audit.

Place : Ahmedabad
Date : 28/05/2015

For, H. K. Shah & Co.,
Chartered Accountants
FRN: 109583/w
H. K. Shah
Partner
M. No. 042758



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

ANNEXURES TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

Annexures to Standalone financial statements

In continuation of our Independent audit report on Standalone financial statements of **Gujarat Mineral Development corporation limited** ("The Company") ,dated 28th May 2015 we have reported on Directions (Annexure-B) and sub directions (Annexure-C) under section 143(5) of Companies Act, 2013 applicable for the year 2014 – 15, as under.

Annexure-B

Directions under section 143(5) of companies Act, 2013 for Standalone financial statements

Sr. no.	Directions/Questions u/s 143(5)	Action Taken	Impact on Accounts and Financials
1	If the company is selected for disinvestment, a complete status report in terms of valuation of asset (including intangible assets and land) and liabilities (including committed & general reserves) may be examined including the mode and present stage of disinvestment process.	As informed to us, the company has not been selected for disinvestment during the FY 2014 – 15 and thus the point is not applicable.	No impact
2	Please report whether there are any cases of waiver/write off of debts/loan/interest etc. if yes, the reason there for and the amount involved.	Yes, there are cases of write off and write back. A list of write off (in Annexure 1) and write back (in Annexure 2) is attached herewith along with reasons and amount. This is disclosed at note no:-2.22.03 of our audit report. The Board approval for the same is expected to be acceded as informed to us.	Net increase in profit by 279.86 lakhs. (Reflection in Notes to Accounts done)
3	Whether proper records are maintained for inventories lying with third parties and asset received as gift from government or other authorities.	Yes, proper records are maintained by the company for inventory lying with third parties. And no asset is received as gift from government or other authority, as informed to us.	No impact
4	A report on age wise analysis of pending legal/arbitration cases including the reasons of pendency and existence /effectiveness of a monitoring mechanism for the expenditure on all legal cases (foreign and local) may be given.	A report on age wise analysis of pending legal/arbitration cases including the reason of pendency and existence is attached in Annexure 3 along with this report. Existence/Effectiveness of Monitoring mechanism : For expenditure on all legal cases the corporation has formed a separate Legal Department which takes care about the same.	No impact on current year accounts and financials but may have future impact. (Reflection in Notes to Accounts done)

ANNEXURE – 1

Write off from Books of Account

Sr. No.	Project	Reason for Write Off	Amt. in. ₹
1	Panandhro	GMDC had bought materials from GMMCO which were returned due to some reasons. We got refund of material amount. However party did not refund the CST paid amount till date.	56,588
2	Panandhro	Till date, Mata No Madh & ATPS projects did not have separate customer id given by IOCL. Therefore, they used to purchase diesel from the customer id of Panandhro project. Due to this, an amount of ₹ 18.24 Lakhs is lying debit since long due to inter project accounting errors and also due to non-reconciliation of the same.	18,24,376
3	ATPS	Sundry Recoverable	87,705
4	ATPS	Festival Advance	2,000
5	ATPS	Advance for Edible Oil	2,500
6	ATPS	Excess payment made to Genaral Mechanical Works in the FY 2006-07 (Security Deposit Rec.)	1,749
7	ATPS	Security Deposit paid twice to Simplex Concrete & Pipes in FY 2008-09 (Security Deposit Rec.)	4,97,178
8	ATPS	Prepaid Expense	8,38,673
9	Mata no Madh	Advance given to forest Dept for plantation	7,76,078
10	Gadhsisa	Advance given to forest Dept for plantation	25,292
11	Head Office	Genaral Mechanical Works – Fabrication & Civil Structure at ATPS	13,05,053
		Total Write off	54,17,192

ANNEXURE – 2

Write Back to the books of Account

Sr. No.	Project	Reason for Write Back	Amt. in ₹
1A	Head Office	Security Deposit – Balance lying idle since more than 8-10 yrs	65,39,401
1B	Head Office	Earnest Money Deposit – Balance lying idle since more than 8-10 yrs	1,40,29,388
1C	Head Office	Retention money deposit	1,02,920
2A	Panandhro	Security Deposit	1,19,493
2B	Panandhro	Retention money deposit	1,12,435
3	Panandhro	Earnest money deposit	2,89,299
4	Head Office	Excess Recovery from Lignite Debtors	1,08,81,055
5	ATPS	Security Deposit	4,51,277
6	ATPS	Retention money deposit	1,63,368



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Sr. No.	Project	Reason for Write Back	Amt. in ₹
7	ATPS	Sundry Payable	8,789
8	ATPS	Unpaid Salary, Misc; Unpaid Stipend, etc.	1,48,053
9	ATPS	Stale Cheques	24,227
10	ATPS	Sundry Creditors	3,966
11A	Panandhro	Security Deposit – PF Contractor	2,059
11B	Rajpardi	Security Deposit – PF Contractor	34,468
11C	Tadkeshwar	Security Deposit – PF Contractor	61,270
11D	Mata No Madh	Security Deposit – PF Contractor	11,753
11E	Kadipani	Security Deposit – PF Contractor	1,59,187
11F	Shivrajpur	Security Deposit – PF Contractor	23,613
11G	ATPS	Security Deposit – PF Contractor	2,37,114
		Total Write Back	3,34,03,135

ANNEXURE – 3

Aging wise analysis of pending legal/arbitration cases including reason of pendency and existence/effectiveness of monitoring

Sr. no.	Pending legal cases	Reason for Pendency	Year in which case file as per the records of corporation	Pending For 1 year	Pending For 2 years	Pending For 3-5 years	Pending For More than 5 years
1.	Bhavnagar land (Ref: Notes no.2.23.02 of our audit report)	As against claims for additional compensation of ₹ 1000 per sq. mtr. by ex-owners of land acquired for Bhavnagar Project, District Court has partly allowed the claims of ex-land owners by ₹ 4 per sq. mtr. The Corporation has deposited ₹ 912.32 lakhs with District Court, Bhavnagar in April'14 towards this order. The Corporation has also decided to file an application before High Court against the order of District Court. Necessary adjustment shall be made in accounts after final decision/outcome of the case.	2013	-	912.32	-	-
Related to contractor and others (Refer note no:-2.23.07 of our audit report)							
2.1	Ashapura Minechem limited	The matter was decided vide an order dated 16.4.2015 the appointment of sole arbitrator has been granted by the aforesaid order.	2014	3000.00	-	-	-

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Sr. no.	Pending legal cases	Reason for Pendency	Year in which case file as per the records of corporation	Pending For 1 year	Pending For 2 years	Pending For 3-5 years	Pending For More than 5 years
2.2	Meena agency Ltd	Service of notice	2013	-	0.00	-	-
2.3	Dalapat Bodiya Vasva	stay against operation of Civil court order	2005	-	-	-	10.00
2.4	Varsani Construc-tion Pvt Ltd	Admitted	2013	-	0.00	-	-
2.5	Suo Motu	The affidavit in Reply has been filed in the matter. Further the matter is fixed for hearing on 08.10.2014	2014	0.00	-	-	-
2.6	Babu Jadhv & Co	The matter is fixed for hearing on 14.11.2014	2014	45.00	-	-	-
2.7	Swami Narayan Vijay Carry trade Pvt Ltd	stay against operation of Civil court order	2015	100.77	-	-	-
2.8	Naini Coal Company	Vakalatnama filed by Advocate	2013	-	1600.00	-	-
2.9	M/s Ashok Boot Factory	PENDING at argument	2015	8.00	-	-	-
2.10	Pravinsinh C Thakor	PENDING at argument &Next Date for hearing is 27.04.2015	2014	0.00	-	-	-
2.11	CR Parmar & other	Petition is admitted for final hearing. Part wise remarks submitted. Affidavit Executed.	2008	-	-	-	39.52
2.12	Neeta ben Chawad	No interim relief granted against GMDC. Para wise remarks submitted. Pending at admission stage.	2010	-	-	-	15.00
2.13	Parmar sanjay Ratilal	Notice has been issued by the Hon'ble High Court. The Reply has been filed in the present matter. The matter is still pending for the adjudication of dispute. The matter is kept for further hearing on 20.08.2014. No interim relief granted in the present matter.	2013	-	8.06	-	-
2.14	Ishak dariya	Notice has been issued by the Hon'ble High Court. The Reply has been filed in the present matter. The matter is still pending for the adjudication of dispute. The matter is kept for further hearing on 06.05.2015.	2014	0.00	-	-	-
2.15	Samuben Rathawa	Notice has been issued by the Hon'ble High Court. The Reply has been filed in the present matter. The matter is still pending for the adjudication of dispute. The matter is kept for further hearing on 22.04.2015.	2014	0.00	-	-	-

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Sr. no.	Pending legal cases	Reason for Pendency	Year in which case file as per the records of corporation	Pending For 1 year	Pending For 2 years	Pending For 3-5 years	Pending For More than 5 years
2.16	Mr CB Parmar	Petition is admitted and awaiting final hearing. The Court has given stay order against the operation of the order of the Labour Court.	2005	-	-	-	0.00
2.17	Mubarat Tarmamad	First Appeal Admitted and operation of order stayed in favour of GMDC. Stay obtained.	2009	-	-	-	2.87
2.18	Simplex	PENDING at Evidence	2012	-	-	500.00	-
2.19	Manaksia Ltd	Delay Condoned. The matter is now pending at the stage of identification of documents and raising of issues	2012			200.21	
2.20	M/s Mehta integrated Finance ltd	PENDING at argument	2000	-	-	-	165.00
2.21	MP Bhatt and Co	PENDING at argument	1993	-	-	-	11.83
2.22	Narmada Housing Company Pvt Ltd	PENDING at argument	1997	-	-	-	301.69
2.23	Munjulaben Bal Krishna bhatt	PENDING at pleadings	2003	-	-	-	5.00
2.24	Meena agency	PENDING at pleadings	2013	-	265.35	-	-
2.25	Swaminarayan Vijay Carry Coal Pvt Ltd	PENDING at pleadings	2012	-	-	165.00	-
2.26	M/s Pith coal Carries	PENDING at pleadings	2014	200.00	-	-	-
2.27	M/s PSK mineral	PENDING at pleadings	2015	467.51	-	-	-
2.28	ASDPL	PENDING at final arguments	2010	-	-	-	327.11
2.29	M/s Interface Capital market Pvt Ltd	Pending at arguments	2000	-	-	-	10.00
2.30	Swaminarayan Vijay Carry Trade Pvt Ltd	Pending at pronouncement of judgment	2014	100.77	-	-	-
2.31	Dinesh Kaldas bhoot	Documentary Evidence	1994	-	-	-	35.00
2.32	Bhartiya mazdoor sangh	Pending at arguments	2003	-	-	-	15.00
2.33	Shri Kansingh kutaria	Evidence	2004	-	-	-	2.20
2.34	Shri tersing valji bhill	Evidence	2004	-	-	-	2.20

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Sr. no.	Pending legal cases	Reason for Pendency	Year in which case file as per the records of corporation	Pending For 1 year	Pending For 2 years	Pending For 3-5 years	Pending For More than 5 years
2.35	Shri raysing fatiyabhai bhill	Evidence	2004	-	-	-	2.20
2.36	Shri mangalia Munga Bhill	Evidence	2004	-	-	-	2.20
2.37	Shri manu Kalji bhill	Evidence	2004	-	-	-	2.20
2.38	Shri Chhatrasinh harji vasava	Evidence	2006	-	-	-	6.75
2.39	Shri shantilal somabhai vasava	Evidence	2006	-	-	-	6.75
2.40	Rashtriya Mazdoor sangh	Pending at Pleadings	2011	-	-	-	1.20
2.41	Rammurti ramnihor	Evidence	2008	-	-	-	17.50
2.42	VK shah	Arguments	2013	-	-	-	25.87
2.43	MJ Trivedi	Evidence	2008	-	-	-	0.00
2.44	Fatubhai V	Written Evidence	2010	-	-	-	2.50
2.45	HA Rathod	Written Counter Claim	2007				0.00
2.46	Workers	Written Evidence/Documentary Evidence	2008	-	-	-	145.55
2.47	Workers	Written Evidence/Documentary Evidence	2010	-	-	-	Included in 2.46
2.48	Gamar Palu Jorabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.49	Javabhai Chenabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.50	Rupabhai Motibhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.51	Kamliben Misrabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.52	Alkhbhai somabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.53	Raising Dhanai Bhil	Cross Examination	2012	-	-	Included in 2.46	-
2.54	Meena agency	Framing of issues to be decided by the Sole Arbitrator	2012	-	-	54.70	-
2.55	Meena agency	Cross Examination	2012	-	-	571.20	
2.56	GMW	Final Arguments	2012	-	-	242.38	-
2.57	SVCT	Final Arguments	2013	-	212.47	-	-

ANNEXURE – C

Sector Specific Sub–directions under section 143(5) of Companies Act, 2013

Sr. No.	Sub Directions issued/Questions u/s 143(5)	Action Taken	Impact on Financials
	Mining	Manufacturing Sector	
1	Whether the company has taken adequate measures to reduce the adverse affect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.	According to the information and explanation given to us, the Company is obtaining monthly environmental pollution monitoring report from outside agency for each project to reduce/monitor the adverse effect on environment. No Displacement/Rehabilitation has been taken at any project of the corporation for the year 2014 – 15. (Please note that we are not technical expert)	No impact
2	Whether the Company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?	As per information and explanation given to us, the Company has obtained necessary consents from GPCB for mining projects.	No impact.
3	Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?	As informed to us, in respect of lignite projects overburden removal from mines and backfilling of mines are commensurate with the mining activity as per approved/submitted/prepared mine closure plan. (Please note that we are not technical expert)	No Impact
4	Whether the Company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.	As informed to us, the Company has not disbanded nor discontinued any of its mines.	Not Applicable
5	Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?	The expenditure on Rehabilitation Activity and for Mine Closure is properly accounted in the books of account of the Company, as per the policy adopted on this behalf.	No impact
	Generation	Power Sector	
1	In the cases of Thermal Power Projects, compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company in this regard, may be checked and commented upon.	As per information and explanation provided to us, the Company has made compliance of various pollution control Act. In respect of utilization and disposal of ash, generally the Company is using it in backfilling of mine in Panandhro project.	No impact
2	Has the company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the company?	As informed to us, the Company has not entered into revenue sharing agreements with private parties for extraction of coal at pitheads.	Not Applicable

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Sr. No.	Sub Directions issued/Questions u/s 143(5)	Action Taken	Impact on Financials
3	Does the company have a proper system for reconciliation of quantity /quality of coal ordered and received and whether grade of coal/ moisture and demurrage etc., are properly recorded in the books of accounts?	Company does not purchase coal from the outside parties. However, as informed to us, the Company is having a system in ERP for reconciliation of quantity ordered and received and Grade of coal/ moisture and demurrage etc., are recorded in the books of accounts on the basis of Test Certificate received from the laboratory. (Please note that we are not technical experts).	No impact
4	How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?	The power is sold to Government controlled entity and the same is calculated as per terms agreed in PPA (Power Purchase Agreement).	No impact
5	In the case of Hydroelectric Projects the water discharge is as per policy / guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/ payable may be reported.	As informed to us, No hydroelectric Project is Carried out by Company.	Not Applicable

Place : Ahmedabad
Date : 24/07/2015

For, H. K. Shah & Co.,
Chartered Accountants
FRN: 109583/w
H. K. Shah
Partner
M. No. 042758



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Balance Sheet as at 31st March, 2015

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2015		As at 31st March, 2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.01	6,360.00		6,360.00	
Reserves and Surplus	2.02	317,796.69	324,156.69	279,887.63	286,247.63
NON-CURRENT LIABILITIES					
Deferred tax liabilities (Net)	2.03	20,787.59		28,714.17	
Other long-term liabilities	2.04	18,079.09		16,915.56	
Long-term provisions	2.05	23,986.67	62,853.35	27,433.08	73,062.81
CURRENT LIABILITIES					
Trade payables	2.06	5,148.58		6,477.04	
Other current liabilities	2.07	14,006.57		16,707.86	
Short-term provisions	2.08	12,032.34	31,187.49	12,002.63	35,187.53
Total			418,197.53		394,497.97
ASSETS					
NON-CURRENT ASSETS					
Fixed assets	2.09				
Tangible assets		175,472.30		186,069.37	
Intangible assets		149.84		168.35	
Capital work-in-progress (Net of Provision)		4,591.17		1,118.11	
		180,213.31		187,355.83	
Non-current investments	2.10	29,899.75		26,034.75	
Long-term loans and advances	2.11	77,328.77		51,330.38	
			287,441.83		264,720.96
CURRENT ASSETS					
Inventories	2.12	5,207.56		4,715.77	
Trade receivables	2.13	8,115.15		5,181.30	
Cash and cash equivalents	2.14	1,868.76		4,183.88	
Short-term loans and advances	2.15	115,564.23		114,872.06	
Other current assets	2.16	-	130,755.70	824.00	129,777.01
Total			418,197.53		394,497.97

Significant Accounting Policies and
Notes on Financial Statements

1 & 2.

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

Arvind Agarwal, IAS
Chairman
DIN - 00122921

Joel Evans
Company Secretary

Bhadresh Mehta
Director
DIN - 02625115

S. B. Dangayach
Director
DIN - 01572754

Place : Ahmedabad
Date : 28th May, 2015
As per our report of even date
attached

For H.K.Shah & Co.
Chartered Accountants
FRN – 109583/W

CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015

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Statement of Profit and Loss for the year ended 31st March, 2015

(₹ in Lakhs)

Particulars	Note	2014 - 2015	2013 - 2014
Gross Revenue from Operations	2.17.01	147,314.44	134,407.28
Less : Excise Duty		5,425.97	5,440.77
Net Revenue from Operations		141,888.47	128,966.51
Other Income	2.18	14,399.87	13,738.07
Total Revenue		156,288.34	142,704.58
Expenses:			
Changes in inventories of Finished goods, Work-in-progress	2.19	(254.61)	(1,147.62)
Employee benefits Expense	2.20	9,637.51	8,905.06
Finance Cost	2.21	168.30	13.23
Depreciation / Depletion / Amortization	2.09	13,726.91	12,456.50
Other Expenses	2.22	80,339.72	59,518.39
Total Expenses		103,617.82	79,745.55
Profit Before Extraordinary Items and Tax		52,670.52	62,959.01
Add : Extraordinary Items	2.18.01	10,916.23	-
Profit Before Tax		63,586.75	62,959.01
Tax Expense			
Current Tax		21,150.00	21,520.00
Deferred Tax		(7,596.11)	(2,474.41)
Profit/(Loss) For the period		50,032.86	43,913.42
Earning per equity Share			
Basic		15.73	13.81
Diluted		15.73	13.81

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

Arvind Agarwal, IAS
Chairman
DIN - 00122921

Joel Evans
Company Secretary

Bhadresh Mehta
Director
DIN - 02625115

S. B. Dangayach
Director
DIN - 01572754

Place : Ahmedabad
Date : 28th May, 2015
As per our report of even date
attached

For H.K.Shah & Co.
Chartered Accountants
FRN – 109583/W

CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Cash Flow Statement for the year 2014 – 15

(₹ in Lakhs)

Sr.	Particulars	2014-15	2013-14
A	Cash-Flow from Operating Activities:		
	Net Profit before tax & extra ordinary items	52,670.52	62,959.02
	Adjustments for:		
	Depreciation and Depletion	13,545.95	12,371.14
	Provision for Doubtful Debts, Investments and Loans & Advances	97.36	14.59
	Provision for Obsolete Spares / Stock	-	193.34
	Assets written off	10.15	14.29
	Excess/Short provision adjusted	(241.81)	(641.38)
	Surplus / Deficit on sale of assets	56.16	(388.83)
	Dividend Income	(570.60)	(551.68)
	Wealth Tax	2.25	2.28
	Interest from Banks & Corporates	(11,063.68)	(8,771.90)
	Operating profit before working capital changes:	54,506.30	65,200.87
	Adjustments for:		
	Trade & Other Receivable	(26,668.92)	(5,250.53)
	Inventories	(491.79)	(981.66)
	Trade & Other Payable	(6,384.35)	(5,595.87)
		(33,545.06)	(11,828.06)
	Cash Flow from extra-ordinary items	10,916.23	-
	Cash generated from operations	31,877.47	53,372.81
	Direct Taxes Paid (Net)	(21,765.35)	(24,732.05)
	Cash-flow before extra ordinary items:	10,112.12	28,640.76
	Net Cash-Flow from Operating Activities	10,112.12	28,640.76
B	Cash-Flow from Investing Activities:		
	Purchase of fixed assets	(7,620.24)	(19,406.87)
	Sale of fixed assets	178.34	488.31
	Redemption / Purchase of Investments	(3,865.00)	(7,756.74)
	Interest from Bank and Companies	9,447.93	7,131.75
	Dividend & Income from units	570.60	551.68
	Net cash used in Investing Activities	(1,288.37)	(18,991.87)
C	Cash-Flow from Financing Activities:		
	Dividend paid	(11,138.85)	(11,149.50)
	Net cash used in Financing Activities	(11,138.85)	(11,149.50)
	Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(2,315.10)	(1,500.61)
	Cash & Cash Equivalent at the beginning of year	4,183.88	5,684.47
	Cash & Cash Equivalent at the end of year	1,868.76	4,183.88
Notes: 1 Cash and Cash Equivalents include Cash and Bank Balances. 2 Previous year's figures have been rearranged/ restated/ regrouped, wherever necessary. 3 The Cash Flow Statement has been prepared under the 'Indirect Method' as per AS - 3 issued by ICAI.			

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

Arvind Agarwal, IAS
Chairman
DIN - 00122921

Joel Evans
Company Secretary

Bhadresh Mehta
Director
DIN - 02625115

S. B. Dangayach
Director
DIN - 01572754

As per our report of even date attached
For H.K.Shah & Co.
 Chartered Accountants
 FRN – 109583/W

Place : Ahmedabad
 Date : 28th May, 2015

CA. H. K. Shah
 Partner
 Membership No. 042758
 Place : Ahmedabad
 Date : 28th May, 2015

Note 1 : SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Policies unless specifically stated to be otherwise are in accordance with generally accepted Accounting Principles.

2. **BASIS OF ACCOUNTING :**

The Accounts of the Corporation are prepared under the historical cost convention method using the accrual method. The Corporation follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except that -

- a) Generally prior period expenses/Income and prepaid expenses for an amount up to ₹ 50,000 in each bill are debited/credited as current year's expenses/income.
- b) Dividend income is recognized on receipt basis.

3. **USE OF ESTIMATES :**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

4. **FIXED ASSETS :**

- a) The fixed assets are stated at historical cost less depreciation. Cost includes expenditure incurred in their acquisition as well as construction/installation and other related expenditure but excludes cost of fencing in lignite mines projects.
- b) Capital Work in progress includes machineries not installed and assets in transit.
- c) Cost of civil works required for plant and machinery's support is considered as part of the Plant and Machinery.
- d) Un-serviceable/worn out plant and machineries, vehicles and other assets of the Corporation are written off from the books of account to the extent of 95% of their cost after getting approval of appropriate authorities. The same are stated at the lower of their net book value or net realizable value.
- e) Fixed assets received by the Corporation free of cost are stated at nominal cost.
- f) Full provision has been made on plant and machinery which has not been put to use and lying in capital work in progress for more than ten years.

5. **INTANGIBLE ASSETS :**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization, if any.

6. **MACHINERY SPARES :**

Machinery spares for Generating Units, Power Station and Switchyard, etc. either procured along with the equipment or subsequently and whose use is expected to be irregular are capitalized and depreciated over the residual useful life of the related plant and machinery. Other spares are treated as "stores and spares" forming part of the inventory and expensed when issued.

7. **BORROWING COSTS :**

Borrowing costs attributable during the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

8. DEPRECIATION :

- a) Depreciation has been provided for the fixed assets as under :
 - i) During the year, the company has changed the method of depreciation from WDV method to SLM so as to comply with the changes made by the Companies Act, 2013. Depreciation is charged on straight line method based on the useful life prescribed in Schedule-II to the Companies Act, 2013 except Plant & Machinery of Thermal Power Plant, Wind Energy Farm and Solar Project from time to time.
 - ii) Depreciation is charged on straight line method as per the rates and in the manner as prescribed by CERC (Terms and Conditions of Tariff) Regulations, 2009 in respect of Plant and Machinery including mandatory/insurance spares of Wind Energy Farm, Solar Project and Thermal Power Plant.
- b) On the assets disposed off/discarded during the year, depreciation is charged on pro rata basis upto the date of their disposal/discarding.
- c) Depreciation on assets acquired is charged proportionately from the date of putting them to use on pro rata basis.
- d) Low value items which are in the nature of assets (excluding immovable assets) and valuing upto ₹ 5,000/- are not capitalized and charged off to revenue in the year of acquisition.
- e) Depreciation on assets given on lease by the Corporation has been provided on Straight Line Method so as to write off the cost over the primary period of lease as per lease agreement.
- f) Leasehold land is written off over the period of lease.

9. DEPLETION :

On the basis of the principle of wasting assets, depletion has been provided in the accounts, which is based on the data available with the Corporation as regards extraction of the minerals as compared to the technical estimation of gross geological mineral reserves as mentioned in the mine closure plan submitted / approved.

10. INVESTMENTS :

All the Investments are long term and carried at cost. However, provision is made for diminution in the value of investment other than of temporary nature.

11. INVENTORIES :

- a) Stores, chemicals, spares, fuel and loose tools are valued at cost. Cost is ascertained on weighted average method.
- b) Raw materials, mined ore, goods-in-process and finished products are valued at lower of total cost incurred at respective project or net realizable value item-wise.

Cost is ascertained on First In First Out basis. While valuing inventories, the inter-unit profit has been eliminated at corporate level. Further, the corporation has the policy of not valuing the stock of by-products lying at various project sites.

12. FOREIGN CURRENCY TRANSACTIONS :

- a) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- b) Monetary items in foreign currencies are translated at the year end rate. The difference between the rates prevailing on the date of transaction and on the date of settlement as also on the translation of monetary items at the end of the year is recognized as income or expenses as the case may be for the year.
- c) In respect of financing through Suppliers' credit, borrowings cum loan for purchase of fixed assets is repayable in foreign currency, the exchange difference arising on repayment/realignment of liabilities is recognized in Statement of Profit and Loss.

13. EMPLOYEE BENEFITS :

- a) Post employment benefits i.e. gratuity and leave encashment are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The liabilities for employee benefits are recognized at the present value of the amount payable for the same. The present value is determined using the market yields of government bonds at the balance sheet date at the discounting rate.
- b) Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.
- c) Reimbursement of losses and other related expenses to Provident Fund Trust are charged to the Statement of Profit and Loss as and when crystallized.
- d) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.
- e) Compensation paid to the legal heirs of deceased employee while in service is charged to Statement of Profit and Loss as and when the liability arises.
- f) The principal amount and interest thereon in respect of House Building Advance in case of deceased employee while in service is written off as and when intimation is received.
- g) Compensation to employees who have opted for retirement under the voluntary retirement scheme of the corporation is charged to Statement of Profit and Loss in the year of separation.

14. LIABILITIES FOR PURCHASES :

Provisions are made in respect of materials received up to the end of the accounting year for which bills are not received, except liabilities in respect of goods in transit.

15. REVENUE RECOGNITION :

- a) Sales are recognized at the time of dispatch of finished goods. Sales include amounts in respect of excise duty, royalty, transportation, packing charges, clean energy cess and mine closure charges wherever applicable but excluding VAT.
- b) The liquidated damage/penalty, if any, on capital contracts are generally determined on completion of contract and liquidated damages/penalty on revenue contracts are determined at the end of one year from the date of award of contract.
- c) Income of lease management fees is spread over the primary period of lease.
- d) In case of renewable energy, Unscheduled Interchange (UI) Charges and Generation Based Incentives (GBI) are recognized as and when the same are received / incurred by the corporation.
- e) Dividend income is recognized on receipt basis.

16. EXCISE DUTY :

Excise duty is accounted on the basis of payments made in respect of goods cleared.

17. TAXATION :

- a) Provision of income-tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is calculated at current statutory income-tax rate and is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c) Deferred tax assets subject to consideration of prudence are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- d) MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

18. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

19. PRE-OPERATIVE EXPENSES ON MINING PROJECTS :

Pre-operative Expenses of Mines/Mining Projects under implementation incurred up to the date of commencement of the production on commercial basis are written off in the year in which they are incurred.

20. IMPAIRMENT OF ASSETS :

An asset is treated as impaired when carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in estimate of recoverable amount. In case of intangible assets, the same will be tested on periodical basis for impairment.

21. REHABILITATION AND RESETTLEMENT EXPENSES :

Rehabilitation and Resettlement Expenses are charged as revenue in the year in which they are incurred.

22. AFFORESTATION EXPENSES :

Afforestation Expenses are charged as revenue to the extent they are incurred by the respective departments.

23. MINE CLOSURE EXPENSES FOR LIGNITE MINES :

- a) Progressive mine closure expenses are accounted for as and when incurred.
- b) As per the mine closure guidelines issued by the Ministry of Coal, in August 2009 and further updated in January 2013, the annual mine closure cost need to be provided @ ₹ 6 Lakhs per hectare. Such annual cost is required to be modified with reference to WPI as mentioned and considered in the mine closure plan submitted / approved for the respective mines. The mine closure provisions are required to be provided in line with the approved / submitted / prepared mine closure plans. In case the mine closure plan has not been submitted / approved / prepared, the annual cost should be estimated based on the above referred guidelines.

24. EVENTS OCCURING AFTER THE BALANCE SHEET DATE :

Material adjusting events (that provide evidence of conditions that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed in the reports of the Board of Directors.

25. PROPOSED DIVIDEND :

Provision is made in accounts for proposed dividend, subject to approval of shareholders in annual general meeting.

ANNUAL REPORT 2014-2015

2. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2015

2.01 SHARE CAPITAL

₹ In Lakhs		
Particulars	As at 31.03.2015	As at 31.03.2014
Authorised Share Capital		
74,50,00,000 Equity Shares (Previous year 74,50,00,000) of ₹ 2/- each.	14,900.00	14,900.00
1,00,000 Preference Shares (Previous year 1,00,000) of ₹ 100/- each	100.00	100.00
	<u>15,000.00</u>	<u>15,000.00</u>
Issued, Subscribed & Paid-up Capital		
31,80,00,000 Equity Shares (Previous year 31,80,00,000) of ₹ 2/- each fully paid up	6,360.00	6,360.00
Total	<u>6,360.00</u>	<u>6,360.00</u>

2.01.01 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31.03.2015	As at 31.03.2014
Number of shares outstanding at the beginning of year	318,000,000.00	318,000,000.00
Add: Shares issued during the year	-	-
Less: Share bought back	-	-
Number of shares outstanding at the end of year	<u>318,000,000.00</u>	<u>318,000,000.00</u>

2.01.02 The details of shareholder holding more than 5% shares is set out below :

Name of the shareholder	No. of shares as at 31.03.2015	% held as at 31.03.2015	No. of shares as at 31.03.2014	% held as at 31.03.2014
Governor of Gujarat	235,320,000	74%	235,320,000.00	74%

2.02 RESERVES AND SURPLUS

₹ In Lakhs		
Particulars	As at 31.03.2015	As at 31.03.2014
- General Reserve		
Opening Balance	247,570.63	222,570.63
Less : Depreciation on Assets Written Off	(972.15)	-
Add : Deffered Tax Effect on Depreciation	330.48	-
Add : Transfer from Profit & Loss Account	25,000.00	25,000.00
Closing Balance (A)	<u>271,928.96</u>	<u>247,570.63</u>
- Profit and Loss Account		
Opening Balance	32,317.00	24,564.90
Add : Net profit/(Net Loss) for the current year	50,032.86	43,913.42
Amount available for appropriation	82,349.86	68,478.32
Less : Appropriation		
Final Dividend	9,540.00	9,540.00
Dividend Distribution Tax	1,942.12	1,621.32
Amount Transferred to General Reserve	25,000.00	25,000.00
Closing Balance (B)	<u>45,867.74</u>	<u>32,317.00</u>
Total (A + B)	<u>317,796.69</u>	<u>279,887.63</u>

2.02.01 In line with the amended Companies Act, 2013, the corporation has changed the method of depreciation from Written Down Value Method to Straight Line Method based on useful life of asset as specified in Schedule II to the Companies Act, 2013 for all the assets of projects and corporate office except plant and machineries pertaining to power generation plant of ATPS project, solar plant and windmills during the year. As a result of this, depreciation charge of ₹ 972.15 Lakhs has been made to General Reserve to bring it in line with the amended Companies Act, 2013. This charge of ₹ 972.15 Lakhs reflect the WDV of all those assets for whose useful life of asset as on 31st March, 2014 is Nil.

2.03 DEFERRED TAX LIABILITY (NET)

₹ In Lakhs		
Particulars	As at 31.03.2015	As at 31.03.2014
Deferred Tax Liability		
Due to Depreciation	29,949.90	39,184.79
Deferred Tax Assets		
Due to Disallowance u/s 43B of Income Tax	(8,724.36)	(10,027.42)
Due to Others Timing Differences	(437.95)	(443.20)
Total	<u>20,787.59</u>	<u>28,714.17</u>

2.04 OTHER LONG-TERM LIABILITIES

₹ In Lakhs		
Particulars	As at 31.03.2015	As at 31.03.2014
Security & Other Deposit liability	18,001.67	16,709.76
Environment Expense Reserve Fund	-	205.80
Others Liabilities	77.42	-
Total	<u>18,079.09</u>	<u>16,915.56</u>



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.05 LONG-TERM PROVISIONS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Provision for Employee Benefits		
- Leave Encashment	2,968.21	2,546.74
Provision for Mine Closure	21,018.46	24,886.34
Total	23,986.67	27,433.08

2.05.01 As per the guidelines for preparation of Mines Closure Plan issued by the Ministry of Coal, Government of India the Corporation has made a provision for mines closure expenses to the tune of ₹ 23535.97 Lakhs (P.Y. ₹ 26442.15 Lakhs) and has incurred progressive mine closure expenses of ₹ 2517.52 Lakhs (P.Y. ₹ 1555.81 Lakhs) so far. As per the guidelines the amount so provided is required to be deposited in ESCROW Account with a scheduled bank. While corporation has opened the Escrow accounts for two mines and for other four mines, the Corporation is having sufficient funds in the form of inter-corporate deposits (ICDs) to meet such obligation. The matter is under correspondence with the Ministry of Coal and the amount will be so deposited as directed by the Ministry of Coal out of available ICDs, on approval of mine closure plan.

2.06 TRADE PAYABLES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Creditors for Supplies & services	5,148.58	6,477.04
Total	5,148.58	6,477.04

2.06.01 Based on the information available with the corporation, there are no amounts due to suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

2.07 OTHER CURRENT LIABILITIES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Creditors for Capital Assets	1,493.25	552.95
Advance received from Customers	1,175.56	5,012.88
Rates, Taxes & Duties payable	4,259.58	3,413.82
Security & Other Deposit liability	1,310.41	2,382.43
Unpaid Dividend	117.30	94.83
Other Liabilities	5,650.47	5,250.95
Total	14,006.57	16,707.86

2.07.01 The Government of Gujarat (GOG) has provided funds for amounting to ₹ 7629.01 Lakhs (P.Y. ₹ 6610.86 lakhs) which are in the nature of deposits for construction and other expenses for Stone Parks, Laboratory, Trade Fair and ISRC activities on behalf of Commissioner of Geology & Mining (CGM), GOG. Out of the said deposits, Corporation has incurred ₹ 4134.77 Lakhs (P.Y. ₹ 3531.86 lakhs) till 31st March, 2015. Further, the corporation has also received funds of ₹ 900 Lakhs (P.Y. ₹ 1000 Lakhs) from Government of Gujarat (GOG) for setting up two centres viz., ICEM and iCREATE. These funds have been shown as Other Liabilities. Net balance of unutilised funds amounting to ₹ 3494.24 Lakhs (P.Y. ₹ 3079.00 lakhs) is shown under the head "Other Liabilities". Details of funds received and utilized for various activities are as under:

Nature of Activities	₹ In Lakhs		
	Funds Received upto 31/3/2015	Funds Utilized upto 31/3/2015	Unutilized funds as on 31/3/2015
Construction and other expenses of Stone Park	3,572.47	2,905.30	667.17
Construction and other expenses of Laboratory	1,945.40	1,105.38	840.02
Construction and other expenses of ICEM	100.00	32.29	67.71
Construction and other expenses of iCREATE	800.00	-	800.00
Activities related to Trade Fair	1,061.14	46.14	1,015.00
Activities related to ISRC	150.00	45.66	104.34
Total	7,629.01	4,134.77	3,494.24
Previous Year	6,610.86	3,531.86	3,079.00

2.07.02 Vide Government Resolution dated 19/11/2009, GMDC has been given permission to lift Manganese Ore from dumps of Shivrajpur areas and dispose the same for which GMDC will be entitled to retain 20% of the sale price. GMDC has to keep remaining 80% of the sale price of Manganese Ore dump in a separate account of Gujarat Mineral Research & Development Society (GMRDS) for mineral survey and exploration. Accordingly, ₹ 79.47 lakhs (P.Y. ₹ 123.43 lakhs) (i.e. 80% of the basic sale price) has been transferred to GMRDS.

2.08 SHORT-TERM PROVISIONS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Provision for Employee Benefits		
- Gratuity	-	336.98
- Leave Encashment	424.08	375.36
- Provident Fund	126.14	128.97
Proposed Dividend	9,540.00	9,540.00
Provision for Tax on Dividend	1,942.12	1,621.32
Total	12,032.34	12,002.63

2.08.01 During the year ended 31st March, 2015, the amount of dividend per share recognised as distribution to equity shareholders was ₹ 3 per share (P.Y. ₹ 3 per share), subject to approval of share holders in ensuing Annual General Meeting.

2.08.02 Employee Benefits

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below :

Defined Contribution Plan

₹ In Lakhs

Particulars	2014-15	2013-14
Contribution to PF & other funds	788.30	775.84

Defined Benefit Plan

a) The following table sets out the status of the gratuity plan as required under AS 15 (Revised 2005) and the reconciliation of opening balances of the present value of the defined benefit obligation.

(i) Changes in Present Value of Obligations.

₹ In Lakhs

Particulars	31.03.2015	31.03.2014
Present Value of Obligation as at the beginning of the year	9,087.31	8,668.41
Current Service Cost	420.98	389.48
Interest Cost	820.59	693.47
Actuarial (gain) / Loss on obligations	(398.03)	(201.03)
Benefits paid	(833.19)	(463.02)
Present Value of Obligation as at the end of the year	9,097.66	9,087.31

(ii) Changes in the Fair Value of Plan Assets

₹ In Lakhs

Particulars	31.03.2015	31.03.2014
Fair Value of Plan Assets at the beginning of the year	8,750.35	8,471.78
Expected Return on Plan Assets	761.28	737.04
Actuarial Gain / (loss) on Plan Assets	26.08	4.55
Contributions	500.00	-
Benefits Paid	(833.19)	(463.02)
Fair Value of Plan Assets at the end of the year	9,204.52	8,750.35

(iii) The amount recognized in Balance Sheet

₹ In Lakhs

Particulars	31.03.2015	31.03.2014
Fair Value of Plan Assets as at the end of the year	9,204.52	8,750.35
Present Value of Obligations as at the end of the year	(9,097.66)	(9,087.31)
Net Asset / (Liability) recognized in Balance Sheet	106.86	(336.96)

(iv) Amount recognized in the Statement of Profit & Loss

₹ In Lakhs

Particulars	31.03.2015	31.03.2014
Current Service Cost	420.98	389.48
Interest Cost	59.31	693.47
Expected Return on Plan Assets	-	(737.04)
Net actuarial (gain) / loss recognized in the year	(424.11)	(205.57)
Expenses/(Income) Recognized in the Statement of Profit &	56.18	140.34

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

(v) Investment Details

Particulars	% Invested as at	
	31.03.2015	31.03.2014
Funds with L.I.C. (% Invested)	100.00	100.00

(vi) Assumptions

Particulars	31.03.2015	31.03.2014
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (Current)	7.95%	9.03%
Rate of increase in Compensation Levels	6.00%	6.00%
Rate of Return on Plan Assets	7.95%	8.70%

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including attrition rate. The above information is certified by the actuary.

b) Consequent to the Guidance on implementing Accounting Standard 15 “Employees Benefits” (AS-15) which clarifies the applicability of the Accounting Standard, the Corporation has considered certain entitlements to earned leave which can be carried forward to future periods as a long term employee benefit.

2.09 FIXED ASSETS

(₹ in Lakhs)

Description	GROSS BLOCK				DEPRECIATION / DEPLETION / AMORTIZATION				NET BLOCK		
	As on 01/04/2014	Additions during the year	Sales/ Adjustments during the year	As on 31/03/2015	As on 01/04/2014	Depreciation / Depletion for the year	Sales/ Adjustment during the year	Adjustment as per Companies Act, 2013	As on 31/03/2015	As at 31/03/2015	As at 31/03/2014
Tangible Assets :											
Land											
- Free hold Land	10,731.94	3,147.04	75.03	13,803.95	1,950.06	241.87	-	-	2,191.93	11,612.02	8,781.88
- Lease hold Land	1,679.73	15.77	-	1,695.50	188.30	83.99	-	-	272.29	1,423.21	1,491.43
Building	25,945.01	263.50	39.58	26,168.92	11,803.14	592.44	30.89	546.91	12,911.60	13,257.32	14,141.87
Plant & Equipment	237,879.73	371.16	2,130.32	236,120.57	77,063.55	12,638.92	2,015.29	131.58	87,818.76	148,301.81	160,816.18
Furniture & Fixtures	1,350.59	10.43	141.93	1,219.09	1,128.76	41.02	130.92	26.49	1,065.35	153.74	221.83
Vehicles	1,340.76	132.00	192.79	1,279.97	939.32	66.70	186.29	22.08	841.81	438.16	401.44
Office Equipments	881.01	27.10	287.69	620.43	666.26	35.51	269.45	62.30	494.62	125.81	214.75
Computers	-	7.44	-	7.44	-	1.58	-	-	1.58	5.86	-
Electrical Equipments	-	96.04	-	96.04	-	4.05	-	-	4.05	91.99	-
Laboratory Equipment	-	66.55	-	66.55	-	4.15	-	-	4.15	62.40	-
Total (A)	279,808.77	4,137.03	2,867.34	281,078.46	93,739.39	13,710.23	2,632.84	789.36	105,606.14	175,472.30	186,069.37
Intangible Assets :											
Enterprise Resource Plan	765.41	-	-	765.41	597.06	18.51	-	-	615.57	149.84	168.35
Total (B)	765.41	-	-	765.41	597.06	18.51	-	-	615.57	149.84	168.35
Total (A) + (B)	280,574.16	4,137.03	2,867.34	281,843.87	94,336.44	13,728.74	2,632.84	789.36	106,221.71	175,622.14	186,237.72
Previous Year	265,632.13	20,689.16	5,747.13	280,574.16	87,608.35	12,371.14	5,643.05	-	94,336.44	186,237.72	178,023.78

- 2.09.01** Depreciation on free hold land represents depletion on wasting assets.
- 2.09.02** During the year, depreciation charge of ₹ **972.15 Lakhs** has been made to General Reserve to bring it in line with the amended Companies Act, 2013. This charge of ₹ **972.15 Lakhs** reflect the WDV of all those assets for whose useful life of asset as on 31st March, 2014 is Nil. Further, corporation has also provided prior period depreciation amounting to ₹ **181.07 Lakhs** (Net off Prior Period Depreciation expense of ₹ 1.85 Lakhs) due to change in depreciation rate as per Companies Act, 1956 and the amended useful life specified in the Companies Act, 2013. The same has been adjusted and shown separately in above table.
- 2.09.03** GSECL and the Corporation had agreed to create common amenities (school, hospital, drinking water supply, communication, transport facilities, etc.) for the employees of both entities and also for general public in Panandhro in terms of minutes dated 8.10.1991, 3.8.1992, 1.10.1993. These were to be managed by a Trust to be registered in this regard. Pending formation of the Trust, the capital and revenue expenditure incurred by the Corporation as well as GSECL are shared on 50:50 basis and accounted in the books of the respective entity. Share of 50% given by each against the expenditure incurred by respective entity is subject to confirmation and adjustments, if any. Pending transfer of such assets to the Trust, capital expenditure incurred in the creation of assets towards 50% share of GMDC to the tune of ₹ **59.40 lakhs** (P.Y. ₹ 59.40 lakhs) are accounted in the books of the Corporation and included in the respective heads of the assets.
- 2.09.04** Statement showing written off assets awaiting disposal included in fixed assets stated above.

			(₹ In Lakhs)
Description	Gross Block	Depreciation	Net Block
Plant & Equipment	393.22	389.17	4.05
Furniture & Fixtures	1.85	1.70	0.15
Office Appliances	0.84	0.73	0.11
Vehicles	36.40	33.60	2.80
Total	432.31	425.20	7.11
Previous Year	1,013.70	996.87	16.83

- 2.09.05** During the year the corporation has changed the policy from Written Down Value method to Straight Line Method based on useful life of the asset in compliance with amended Companies Act, 2013. Had the corporation not changed the method of depreciation, the depreciation for the current year would have been higher by ₹ **317.42 Lakhs** and profit would have been lower to that extent.
- 2.09.06** During the year, the corporation has undertaken physical verification exercise for all of its fixed assets located at all the projects and at corporate office. As an outcome of this exercise, **1326** number of assets having WDV of ₹ **191.57 Lakhs**, were written off from the books of accounts. Further, the corporation has also recognized **151** number of surplus assets with nominal amount of ₹ **1** in the books of accounts.
- 2.09.07** During the Financial Year 2014-15, the corporation has changed the depreciation rates on Solar and Wind Farm projects to 5.83% from 5.28% to bring it in line with CERC Guidelines. Had it not changed the rates, the corporation's depreciation would have been lower by ₹ **1675.04 Lakhs** and the Profit for the year would have been higher to that extent.
- 2.09.08** The corporation is in the process of undertaking impairment study of all of fixed assets. This exercise will be undertaken in the next financial year.
- 2.09.09** Break-up of Capital Work-in-progress (excluding provisions) for the year ended 31st March, 2015 is given here under:

	(₹ In Lakhs)		
Segment	Civil Work	Non-Civil Work	Total
Mining	79.34	382.26	461.60
Power	60.00	716.50	776.50
Corporate Office	3,342.78	129.69	3,472.47
Total	3,482.12	1,228.45	4,710.57



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.10 NON-CURRENT INVESTMENTS

₹ In Lakhs

Particulars	As at 31.03.2015	As at 31.03.2014
Quoted Investments		
- Investments in Equity Instruments		
41,45,433 (P.Y. 41,45,433) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Alkalies & Chemicals Ltd.	4,953.11	4,953.11
50,00,000 (P.Y. 50,00,000) Equity shares of ₹ 2/- each, fully paid, of Gujarat State Fertilisers & Chemicals Ltd.	1,001.25	1,001.25
9,35,600 (P.Y. 9,35,600) Equity shares of ₹ 10/- each, fully paid, of Gujarat State Financial Corporation Ltd.	187.12	187.12
7,77,900 (P.Y. 7,77,900) Equity shares of ₹ 10/- each, fully paid, of Vijaya Bank	77.79	77.79
	6,219.27	6,219.27
Less : provision for diminution in value of investments	187.12	187.12
	6,032.15	6,032.15
Unquoted Investments		
- Investments in Equity Instruments		
10,00,000 (P.Y. 10,00,000) Equity share of ₹ 10/- each, fully paid, of Gujarat Informatics Ltd.	100.00	100.00
3900 (P.Y. 3900) Equity shares of ₹ 100/- each, fully paid, of Gujarat Industrial Technical Consultancy Organization Ltd.	7.12	7.12
74,25,000 (P.Y. 74,25,000) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Guardian Ltd.	742.50	742.50
2,61,72,800 (P.Y. 2,61,72,800) Equity Shares of ₹ 1/- each, fully paid, of Gujarat State Petroleum Corporation Ltd.	5,099.97	5,099.97
17,26,50,000 (P.Y. 13,40,00,000) Equity Shares of ₹ 10/- each, fully paid, of Bhavnagar Energy Company Ltd.	17,265.00	13,400.00
1,90,840 (P.Y. 1,90,840) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Jaypee Cement and Infra Ltd.	19.08	19.08
2497 (P.Y. 2497) Equity Shares of ₹ 100/- each, fully paid, of Naini Coal Co. Ltd.	2.50	2.50
25,497 (P.Y. 25,497) Equity Shares of ₹ 10/- each, fully paid, of Gujarat State Mining & Resources Corp. Ltd.	2.55	2.55
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Foundation for Entrepreneurial Excellence	5.00	5.00
49,40,000 (P.Y. 49,40,000) Equity Shares of ₹ 10/- Each, fully paid, of Gujarat Credo Mineral Industries Ltd.	494.00	494.00
25,000 (P.Y. 25,000) Equity Shares of ₹ 10/- Each, fully paid, of Swarnim Gujarat Fluorspar Pvt. Ltd.	2.50	2.50
12,98,700 (P.Y. 12,98,700) Equity Shares of ₹ 10/- Each, fully paid, of Aikya Chemicals Pvt. Ltd.	129.87	129.87
	23,870.09	20,005.09
Less : provision for diminution in value of investments	2.50	2.50
	23,867.59	20,002.59
Total Non-current Investment	29,899.75	26,034.75
Aggregate amount of quoted investments	6,219.27	6,219.27
Aggregate market value of quoted investments	11,156.64	10,705.27
Aggregate amount of unquoted investments	23,870.09	20,005.09
Aggregate provision for diminution in value of investments	189.62	189.62

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2.10.01 Details of Investment in Subsidiary

Particulars	Country of Incorporation	Investment as at 31.03.2015	Proportion of Shareholding as at 31.03.2015	₹ In Lakhs	
				Investment as at 31.03.2014	Proportion of Shareholding as at 31.03.2014
Gujarat State Mining & Resources Corp. Ltd.	India	2.55	51%	2.55	51%

2.10.02 Details of Investment in Associates

Particulars	₹ In Lakhs	
	Investment as at 31.03.2015	Investment as at 31.03.2014
Gujarat Foundation for Entrepreneurial Excellence	5.00	5.00

2.10.03 Details of Investment in Joint Ventures

In compliance with the clauses of Accounting Standard - 27 issued by the Institute of Chartered Accountants of India (ICAI), relevant disclosures relating to Joint Ventures are as follows :

Particulars	Country of Incorporation	Investment as at 31.03.2015	Proportion of Shareholding as at 31.03.2015 (as per agreement)	₹ In Lakhs	
				Investment as at 31.03.2014	Proportion of Shareholding as at 31.03.2014 (as per agreement)
Bhavnagar Energy Co.Limited.	India	17,265.00	26%	13,400.00	26%
Gujarat Jaypee Cement & Infrastructure Ltd.	India	19.08	26%	19.08	26%
Naini Coal Co. Limited.	India	2.50	50%	2.50	50%
Gujarat Credo Mineral Industries Limited.	India	494.00	26%	494.00	26%
Swarnim Gujarat Fluorspar Pvt. Ltd.	India	2.50	1.14%	2.50	50%
Aikya Chemicals Pvt Ltd	India	129.87	26%	129.87	26%

2.10.04 As per the Memorandum of Understanding (MOU) dated 30th March, 1995 entered into with the Gujarat Industrial Investment Corporation Ltd (GIIC), the said company had to repurchase the 16 Lakhs number of shares of Gujarat Alkalies & Chemicals Limited (GACL) purchased by GMDC from GIIC by 30th March, 1998 at an agreed price consisting of cost plus interest @ 14% per annum and service charge @ 0.25% per annum less dividend, bonus and rights, etc. received thereon. GIIC has proposed to enter into a Supplementary MOU by virtue of which GIIC will not be required to buy back the above shares and GMDC shall hold these shares as investment. The Board of Directors of GMDC and GIIC have agreed to enter into Supplementary MOU for which proposal has been sent to the Govt. of Gujarat for its approval. The balance 25.45 lakhs number of shares as shown in above schedule of GACL have been purchased by the corporation from the open market.

2.10.05 The corporation has not provided any diminution in respect of the investment made in subsidiary company Gujarat State Mining & Resources Corporation Ltd because the said company is in the process of reviewing its business and also to introduce fresh capital.

2.11 LONG-TERM LOANS AND ADVANCES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Unsecured, considered good		
Capital Advances	2,860.89	2,024.88
Deposits with Various Courts	582.31	1,275.35
Deposits with Corporate Bodies	33,686.11	8,600.00
Interest accrued but not due on above deposits	354.37	77.40
Security Deposits	318.16	270.76
Advances to Suppliers/ Contractors	2,896.23	2,890.57
Advance Tax & Tax Deducted at Source (Net of Provision)	33,675.73	33,062.62
Balance with Govt.Parties		
- with Sales Tax / VAT Department	894.50	925.45
Loans & Advances to Employees	1,056.70	1,200.34
Other Loans & Advances	1,003.78	1,003.00
	77,328.77	51,330.37
Doubtful		
Loans & Advances to Related Parties	2,035.62	2,035.62
Deposits with Corporate Bodies	2,629.27	2,629.27
Interest Accrued and Due on Deposits	1,583.13	1,583.13
	6,248.03	6,248.03
Less : Allowance for Bad & Doubtful	6,248.03	6,248.03
	-	-
Total	77,328.77	51,330.37

2.11.01 Naini Coal Company Ltd. is a 50:50 joint venture of GMDC and Pondicherry Industrial Promotion Development Investment Corp Ltd. (PIPDIC). Naini Coal Company Ltd had given bank guarantee of ₹ 65 Crores to Coal Ministry, Govt of India for allocation of Naini Coal block in the State of Orissa. The said bank guarantee was secured by Corporate Guarantee of GMDC for an amount of ₹ 3250 lakhs and another ₹ . 3250 lakhs was secured by bank guarantee of UCO Bank, arranged by PIPDIC. Ministry of Coal, Govt of India has invoked 50% of Bank Guarantee i.e. ₹ 3250 lakhs given by the Naini Coal Company Ltd. vide their letter dated 27/12/2012 due to non-compliance of some terms and conditions of Naini Coal block allocation. GMDC had discharged its liability towards invoked bank guarantee and has accounted for the same as advance to Naini Coal Company Ltd. The corporation has also made provision of the same amount in its books of accounts.

Recently, the Supreme Court has delivered a landmark judgement of cancelling all the coal blocks allocation including Naini Coal Block and has also held that such allocation was void ab initio. The corporation is of the view that since the allocation of coal block has been held void ab initio, all the consequent transactions including the encashment of the bank guarantee shall also be termed as void ab initio. Hence, the corporation is in the process of filing an application to appropriate judiciary for obtaining an order to that effect.



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2.12 INVENTORIES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Mined Ore	3,496.18	3,241.58
Finished Goods	0.45	0.45
Stores, Spares & Fuel	2,341.50	2,175.79
	<u>2,341.50</u>	<u>2,175.79</u>
Less : Provision for Obsolete Stock	640.78	712.77
	<u>1,700.72</u>	<u>1,463.02</u>
Loose Tools	10.21	10.72
Total	5,207.56	4,715.77

2.13 TRADE RECEIVABLES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Debts outstanding for a period exceeding six months		
Unsecured, considered good	401.31	182.07
Doubtful	104.14	11.59
	<u>505.45</u>	<u>193.66</u>
Less : Allowance for Bad & Doubtful	104.14	11.59
	<u>401.31</u>	<u>182.07</u>
Other debts		
Unsecured, considered good	7,713.84	4,999.23
Total	8,115.15	5,181.30

2.14 CASH AND CASH EQUIVALENTS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Cash & Stamp on Hand	1.18	0.20
Balance with Banks		
- Current Account	647.66	3,467.41
- Fixed Deposits	91.10	539.60
Other Bank Balance		
- Balance with Banks in Escrow account	945.78	-
- Balance with Banks in Unpaid Dividend accounts	101.64	107.20
- Balance with Banks to the extent held as Margin Money	56.33	44.40
- Fixed Deposit with more than 3 months maturity but less than 12 months maturity	24.92	24.92
- Fixed Deposit with more than 12 months maturity	0.15	0.15
- Doubtful Fixed Deposits	374.00	374.00
	<u>1,502.82</u>	<u>550.67</u>
Less : Allowance made for Doubtful FDR	374.00	374.00
	<u>1,128.82</u>	<u>176.67</u>
Total	1,868.76	4,183.88

2.14.01 Cash and Cash Equivalents as of 31st March, 2015 and 31st March, 2014 include restricted cash and bank balances of ₹ 1128.82 Lakhs and ₹ 176.67 Lakhs respectively. The restrictions are primarily on account of cash and bank balances held as escrow account margin money, fixed deposits and unclaimed dividends.

2.14.02 Pending clearance of the title of the land, sale deed in respect of the land of the cement plant at Hadad sold earlier, is not executed and an amount of ₹ 24.92 Lakhs (P.Y. ₹ 24.92 Lakhs) is recoverable from the buyer on execution of sale deed. The said amount has been deposited by the party before the Danta Court and in turn the Court has directed to the Company to deposit the said amount with a nationalized bank in the form of FDR with a lien marked in favour of Danta Court. Accordingly the Corporation has placed the same with Union Bank of India, Vastrapur Branch, Ahmedabad.

2.14.03 As per the guidelines of Coal Controller, Ministry of Coal, the corporation has deposited in escrow account a sum of ₹ 945.78 Lakhs for its Umarsar Lignite Mines during the Financial Year in line with the Mine Closure Plan approved by the Coal Controller. Further, the Corporation has also opened another escrow account for its Rajpardi G-19 Amod Mines on 18th April 2015 and deposited a sum of ₹ 801.02 Lakhs in the month of April 2015, in line with the Mine Closure Plan approved by the Coal Controller.

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2.15 SHORT-TERM LOANS AND ADVANCES

		₹ In Lakhs
Particulars	As at 31.03.2015	As at 31.03.2014
Unsecured, considered good		
Deposits with Corporate Bodies	102,157.10	101,812.83
Interest accrued but not due on Deposits	4,353.78	3,015.00
Advances to Suppliers	2,359.84	4,336.45
Balance with Govt. Parties		
- with Central Excise & CGM	3,719.14	3,458.90
Prepaid expenses	203.38	197.40
Loans & Advances to Related Parties	386.22	395.39
Loans & Advance to Employees	981.77	873.29
Other Loans & Advances	1,403.00	782.80
	<u>115,564.23</u>	<u>114,872.06</u>
Doubtful		
Advances to Suppliers	3.00	3.00
	3.00	3.00
Less : Allowance for Bad & Doubtful	3.00	3.00
	-	-
Total	<u>115,564.23</u>	<u>114,872.06</u>

2.16 OTHER CURRENT ASSETS

		₹ In Lakhs
Particulars	As at 31.03.2015	As at 31.03.2014
Secured, considered good		
Receivable towards sale of fixed assets	-	824.00
		-
Total	<u>-</u>	<u>824.00</u>

2.16.01 The corporation had sold the land at gotri in vadodara during the year 2012-13 for the payment of ₹ 1831.11 lakhs. At the time of execution of documents ₹ 183.11 lakhs was received . Balance amount of ₹ 1648 lakhs is recoverable in four equal half yearly installments. The said amount is secured by bank guarantee of Dena Bank. During the year 2014-15, the balance amount has been recovered and no dues is pending now.

2.17.01 In respect of sale of electricity, GUVNL has considered the Return on Equity, Normative Plant Load Factor and auxiliary consumption @ 13% per annum, 75% and 11% respectively as per letter dated 6.10.2006 issued by Energy and Petrochemicals Department, Government of Gujarat. However, as per Power Purchase Agreement, the rate of Return of Equity is 16%, Normative Plant Load Factor is 68.5% and auxiliary consumption @ 10%. GMDC and GUVNL has executed Supplementary Power Purchase Agreement.

2.18 OTHER INCOME

		₹ In Lakhs
Particulars	2014-2015	2013-2014
Interest Income		
- Income Tax/ Sales Tax Refund	7.33	5.20
- FDRs with Banks & ICDs	11,063.68	8,771.90
- Others	532.77	253.05
	<u>11,603.78</u>	<u>9,030.15</u>
Income from Investments		
- Dividend Income	570.60	551.68
Net gain on Sale of Fixed Assets	-	388.83
Sale of Scrap material	495.25	143.36
Excess Provision of Earlier Years Written Back	241.81	641.38
Liquidated Damages/ Penalty	1,102.13	2,548.38
Other Misc. Income	386.30	434.29
Total	<u>14,399.87</u>	<u>13,738.07</u>

2.18.01 As per the guidelines issued by the Ministry of Coal, the corporation has amended the Mine Closure Provisions with reference to WPI as per the approved / submitted mine closure plan. Due to this, the corporation has written back the excess mine closure provisions of ₹ 10916.23 Lakhs during the year.



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2.19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN TRADE

	₹ In Lakhs	
Particulars	2014-2015	2013-2014
Inventories at the end of the year:		
Finished Goods	0.45	0.45
Mined Ore	3,496.18	3,241.58
	<u>3,496.63</u>	<u>3,242.03</u>
Less :Inventories at the beginning of the year:		
Finished Goods	0.45	0.45
Mined Ore	3,241.57	2,093.96
	<u>3,242.02</u>	<u>2,094.41</u>
Increase / (Decrease) in Inventories	254.61	1,147.62

2.20 EMPLOYEE BENEFITS EXPENSE

	₹ In Lakhs	
Particulars	2014-2015	2013-2014
Salaries, Wages & Bonus	6,518.15	6,781.78
Contribution to Provident fund & other funds	844.47	916.18
Staff Welfare Expenses	553.19	635.25
Terminal Benefits	1,721.70	571.85
Total	9,637.51	8,905.06

2.21 FINANCE COST

	₹ In Lakhs	
Particulars	2014-2015	2013-2014
Interest expense on Borrowings	-	-
Other Borrowing Costs	-	-
- Interest on delayed / deferred payment of income tax	0.17	0.12
- Other & Other Charges	168.13	13.11
Total	168.30	13.23

2.22 OTHER EXPENSES

	₹ In Lakhs	
Particulars	2014-2015	2013-2014
Manufacturing Expenses		
Loading of Lignite & Overburden Removal	35,568.57	25,949.00
Other Loading charges & Mining Expenses	2,188.08	894.38
Consumption of Stores, Spares & Fuel		
- Power & Fuel	815.28	1,079.15
- Electricity Expenses	1,189.56	1,177.86
- Consumption of Stores, Spares & Chemicals	5,865.16	5,755.20
Operation & Maintenance Charges for Power Projects	4,370.75	3,035.33
Repairs & Maintenance		
- Buildings	198.89	497.03
- Machineries (Including spares)	1,143.48	1,392.58
- Other Assets	67.07	51.43
Rates & Taxes		
- Royalty	6,556.02	5,854.53
- Clean Energy Cess	8,092.30	4,206.17
- Other Rates & Taxes	234.69	189.11
Mine Closure Expenses	8,010.06	10,249.81
Other Manufacturing Expense		5,194.26
- Machinery Hire Charges	0.17	0.10
- Rent	12.55	0.06
Administrative & Selling Expenses		
CSR Expenses	1,334.99	-
Insurance Premium	291.41	316.83
Vehicle Hire Charges	586.17	568.71
Advertisement & Publicity	220.69	214.86
Security Expenses	1,557.12	1,396.20
Legal & Professional Fees	501.41	334.72
Payment to Auditors (Current Year excluding service tax)		
- Audit Fees	5.68	6.38
- For Tax Audit	0.75	0.78
- For Certification & Other Matters	0.83	0.79
- Out of Pocket Expenses	0.19	0.17
Remuneration to Managing Director	0.10	-
Directors sitting Fees & Allowances	3.12	2.00
Cash Discount	570.86	431.51
Net loss on Sale of Fixed Assets	56.17	-
Provision for Obsolete Stock	-	193.34
Provision for doubtful debts /loans & advances	97.36	14.59
Net Loss on Foreign Exchange transactions	-	1.99
Mining & Project Development Expenses	53.79	28.80
Other Miscellaneous Charges	823.11	559.53
Prior Period Adjustments (Net)	(76.66)	171.02
Total	80,339.72	59,518.40

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- 2.22.01** Royalty on account of sale of Bauxite has been accounted for ₹ 466.23 Lakhs (P.Y. ₹ 251.17 Lakhs) on ad hoc basis as intimated by the Commissioner of Geology and Mining. Necessary adjustment shall be made in the accounts after final outcome of the matter.
- 2.22.02** In view of the Supreme Court's decision in respect of mining activities, applications made by the Corporation for renewal of leases covering 2040 (P.Y. 2040) hectares of land for extracting lignite are pending since 1993-94. Necessary adjustment in respect of liability for any charges, taxes, duties etc. will be provided in accounts on finalization of renewal applications.
- 2.22.03** During the year, corporation has written off ₹ 54.17 Lakhs and written back ₹ 334.03 Lakhs to the books of accounts. In the opinion of the management, such amounts are no longer payable / receivable. Net effect is write back to the Profit & Loss account an amount of ₹ 279.86 Lakhs.
- 2.22.04** In compliance with Section 135(5) of the amended Companies Act, 2013, the corporation has spent ₹ 4761.26 Lakhs against the statutory requirement of spending ₹ 1486.00 Lakhs (based on average net profits of last 3 years) during the year towards Corporate Social Responsibility (CSR) activities. This amount includes capital expenditure for setting-up two Centres of Excellence viz., iCEM (International Centre for Excellence in Mining Safety & Automation) and iCREATE (International Centre for Entrepreneurship & Technology) and incurred ₹ 3426.27 Lakhs towards creation of these centres. These centres have been set-up for imparting skill development and corporate training in mining industry (iCEM) and mentoring and growing the spirit of entrepreneurship (iCREATE), which qualifies for CSR expenditure as per Section 135 of the Companies Act, 2013.

2.22.05 Details of Prior Period Adjustments (Net)

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Income			
- Sales	(0.59)	0.55	
- Other Income	19.09	89.89	90.44
Expenditure			
- Consumption of Stores, Chemicals etc.	2.34	10.67	
- Repair & Maintenance	27.96	4.85	
- Electricity Expenses	-	53.76	
- Loading of Lignite / Mining Expenses of bauxite	2.27	181.58	
- Rates & Taxes	29.51	32.30	
- O & M / Plant operation charges	1.49	41.49	
- Depreciation	(181.07)	(85.36)	
- Other Miscellaneous Expenses (net)	59.34	22.18	261.47
Net Prior Period Income/(Expenses)	76.66	(171.02)	

2.23 Contingent Liabilities

Contingent liabilities not provided for Claims against the Corporation not acknowledged as debt ₹ 44106.20 lakhs (P.Y. ₹ 42204.61 lakhs).

- 2.23.01** There is a litigation going on amongst the corporation and Ashapura Minechem Ltd (AML) regarding corporation's decision of not executing an MOU with AML due to its failure to find a strong financial partner. Aggrieved by the decision of GMDC, Ashapura Minechem Ltd. has filed an appeal with Supreme Court for appointment of Arbitrator. However, at this point of time, the corporation has not received any statement of claims from Ashapura Minechem and hence the amount of claim cannot be quantified. Further, the corporation has decided to file review petition against the order of Hon Supreme Court for appointment of arbitrator.
- 2.23.02** As against claims for additional compensation of ₹1000 per sq. mtr. by ex-owners of land acquired for Bhavnagar Project, District Court has partly allowed the claims of ex-land owners by ₹ 4 per sq. mtr. The Corporation has deposited ₹912.32 lakhs with District Court, Bhavnagar in April' 14 towards this order. The Corporation has also decided to file an application before High Court against the order of District Court. Necessary adjustment shall be made in accounts after final decision/outcome of the case.



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2.23.03 The Honourable Supreme Court has given judgement to pay additional compensation to land owners of Rajpardi lignite mines. However, the total compensation amount has not been quantified by the Court till date. Necessary adjustment shall be made in the books as and when the amount is quantified by the court. At present, ₹ 552.31 Lakhs deposited earlier are shown as Deposits with Courts.

2.23.04 Income Tax : ₹ 26730.04 lakhs (P.Y. ₹ 27586.75 lakhs)

2.23.05 Sales Tax/ VAT : ₹ 425.45 lakhs (P.Y. ₹ 425.45 lakhs)

2.23.06 Excise ₹ 450.58 lakhs (P.Y. ₹ 450.58 lakhs)

2.23.07 Related to Contractors and Others : ₹ 8896.02 lakhs (P.Y. ₹ 4657.22 lakhs)

2.23.08 Bank Guarantee/letter of credits issued by banks on behalf of the Corporation. : ₹ 37.16 lakhs (P.Y. ₹ 57.42 lakhs)

2.23.09 Royalty, Stamp duty and Conversion tax : ₹ 4943.48 lakhs (P.Y. ₹ 4943.48 lakhs)

2.23.10 Incentive to Employees : ₹ 1158.84 lakhs (P.Y. ₹ 1158.84 lakhs)

In view of the various court cases/litigations and claims disputed by the Corporation, financial impact as to outflow of resources in respect of various expenses is not ascertainable at this stage.

2.24 Capital and other commitments :

2.24.01 Capital Commitments

Estimated amount of Capital Contracts remaining to be executed and not provided for ₹ 6200.45 lakhs (P.Y. ₹ 6205.36 lakhs)

2.24.02 Other Commitments

a) Corporation has entered in to the Sponsor Support Agreement with Bhavnagar Energy Company Ltd (BECL), where by corporation has given commitment to meet the Cost overrun to the extent of its share of 26% in BECL.

b) NALCO has made upfront payment of ₹ 15100 lakhs for setting up Alumina Refinery & Smelter plant in Kutch region and same has been shown under the head "Other long term Liabilities". Further, GMDC has deposited the said amount with GSFS as inter corporate deposit. GMDC will supply Bauxite, Limestone and Lignite to NALCO on a long term basis, as per terms and conditions as may be mutually agreed between the parties and subject to approval of appropriate authorities; In case the said arrangement is not materialized as per proposed agreement, then GMDC shall refund the said amount and other compensation to NALCO as admissible as per law prevailing at that time.

2.25

I Consumption of imported & indigenous Stores & Spares

Particulars	2014-15		2013-14	
	₹ In Lakhs	%	₹ In Lakhs	%
Imported	-	-	-	-
Indigenous	5,865.16	100	5,755.20	100
Total	5,865.16	100	5,755.20	100

II C.I.F. Value of Imports:

Particulars	2014-15		2013-14	
	₹ In Lakhs		₹ In Lakhs	
Components & Spares	-	-	92.38	-
Capital Goods	-	-	-	-
Total	-	-	92.38	-

III Expenditure in foreign currency : ₹ 4.33 Lakhs (P. Y. ₹ NIL)

Particulars	2014-15		2013-14	
	₹ In Lakhs		₹ In Lakhs	
Fees for Technical Services	1.98	-	Nil	-
Other Matters	2.35	-	Nil	-
Total	4.33	-	Nil	-

IV Remuneration to Managing Director :

Particulars	2014-15		2013-14	
	₹ In Lakhs		₹ In Lakhs	
Remuneration	0.10	-	Nil	-
Perquisites	Nil	-	Nil	-
Total	Nil	-	Nil	-

V During the year the Corporation has remitted the amount in foreign currency on account of the Share holders as under:

(a) Year to which dividend relates	2014-15	2013-14
(b) Number of non-resident shareholders	Nil	26
(c) Number of shares held by them	Nil	52293
(d) Amount of dividend remitted in foreign currency ₹ In Lakhs	Nil	1.57

2.26 In the opinion of Management, any of the Assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

2.27 Balances of trade payables, trade receivables, loans & advances, advances from customers, other long term/current liabilities, etc. are subject to confirmation, if any, in the accounts.

2.28 On periodical basis and as and when required, Corporation reviews the carrying amounts of its assets. In the Financial Year 2012-13, Corporation had reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

2.29 Earning Per Share

Particulars	2014-15	2013-14
Profit after tax (₹ In Lakhs)	50,032.86	43,913.42
Weighted average no. of equity shares outstanding	318,000,000	318,000,000
Basic and diluted earnings per share (₹)	15.73	13.81

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2.30 SEGMENT REPORTING

The Corporation has identified two reportable segments viz. Mining and Power. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with Accounting Standard 17 on Segmental Reporting issued by the Institute of Chartered Accountants of India.

a) Revenue and expenses have been identified to a segment on the basis of relationship to operating of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

		₹ In Lakhs	
Sr.	Particulars	2014-15	2013-14
1	Segment Revenue		
a)	Mining Projects	115,267.18	107,734.09
b)	Power Projects	37,015.99	30,304.35
	Segment Revenue	152,283.17	138,038.44
c)	Un-allocable Corporate Revenue	507.38	617.18
	Total Revenue	152,790.55	138,655.62
2	Segment Results :		
	(Profit/Loss before interest and tax)		
a)	Mining Projects	37,618.51	49,526.16
b)	Power Projects	6,758.19	6,338.63
	Segment Results	44,376.70	55,864.79
c)	Un-allocable	(3,880.54)	(2,487.61)
	Total	40,496.15	53,377.18
	Add : Interest Income	11,603.78	9,030.15
	Add : Dividend Income	570.60	551.68
	Net Profit before tax and exceptional Items	52,670.52	62,959.01
	Add : Extraordinary Items	10,916.23	-
		63,586.75	62,959.01
	Less : Provision for Current Tax	21,150.00	21,520.00
	Less : Provision for Deferred Tax	(7,596.11)	(2,474.41)
	Total Tax Provision	13,553.89	19,045.59
	Profit after tax (Enterprise net profit)	50,032.86	43,913.42
3	Segment Assets :		
a)	Mining Projects	48,557.22	45,877.98
b)	Power Projects	252,802.06	252,783.90
	Total Segment Assets	301,359.28	298,661.88
c)	Un-allocable Corporate Assets	203,676.66	169,796.69
		505,035.95	468,458.58
4	Segment Liabilities :		
a)	Mining Projects	50,119.50	54,062.66
b)	Power Projects	92,354.82	79,205.07
	Total Segment Liabilities	142,474.32	133,267.73
c)	Un-allocable Corporate Liabilities	362,561.63	335,190.84
		505,035.95	468,458.58
5	Capital Expenditure :		
(i)	Additions :		
a)	Mining Projects	3,989.11	2,412.62
b)	Power Project	126.80	17,864.18
		4,115.91	20,276.80
c)	Un-allocable Capital Expenditure	21.12	412.38
	Total Additions	4,137.03	20,689.18
(ii)	Depreciation :		
a)	Mining Projects	889.60	994.48
b)	Power Project	12,746.92	11,098.88
		13,636.52	12,093.36
c)	Un-allocable Depreciation	90.39	277.78
	Total Depreciation	13,726.91	12,371.14

Notes :

- Segment assets and liabilities are subject to reconciliation.
- Segment Revenue of Mining includes ₹ 8471.20 Lakhs (P.Y. ₹ 4683.11 Lakhs) being captive consumption of Lignite/Lime for Power Project.
- Inter-segment transfers of Lignite and Lime are accounted for at cost.
- Depreciation is net off ₹ 181.07 Lakhs (P.Y. including ₹ 85.36 Lakhs) relating to previous years.

2.31 Related party disclosures on 31.3.2015 :

(i) List of Related parties & Relationships :

Name of Related Party	Relationship
Shri D.J. Pandian, IAS – Chairman up to December 30, 2014	Key Managerial Personnel
Shri Annu Chakraborty, IAS - Chairman	
Shri B B Swain, IAS, - Managing Director (w.e.f. 01st November 2014)	
Shri Pankaj Kumar, IAS - Managing Director up to August 25, 2014	
Shri D J Pandian, IAS - Managing Director - up to October 31, 2014	
Gujarat Foundation for Entrepreneurial Excellence	Associates
Gujarat Jaypee Cement Infrastructure Ltd.	Joint Ventures
Gujarat Credo Mineral Industries Ltd.	
Bhavnagar Energy Co. Ltd.	
Aikya Chemicals Pvt. Ltd.	
Swarnim Gujarat Flourspar Pvt. Ltd.	
Naini Coal Company Ltd.	Subsidiary company
Gujarat Mining & Resources Corporation Ltd.	
GMDC Gram Vikas Trust	Enterprises over which key management personnel are able to exercise significant influence
Lakshpat Welfare Society	
GMDC Science & Research Centre	

(ii) Transactions during the year with related parties :

Nature of transactions	Subsidiary		Associates		Joint Ventures		Key Management		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Remuneration Paid	Nil	Nil	Nil	Nil	Nil	Nil	0.10	Nil	Nil	Nil	0	Nil
Purchase of Investments*	Nil	Nil	Nil	Nil	3,865.00	7,629.87	Nil	Nil	Nil	Nil	3,865.00	7,629.87
Receivable	Nil	Nil	Nil	0.03	2,051.22	501.20	Nil	Nil	Nil	Nil	2,051.22	501.20
Paid	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	189.12	248.48	189.12	248.48
Received	Nil	Nil	Nil	Nil	1,695.76	857.12	Nil	Nil	Nil	Nil	1,695.76	857.12
Income from Investments	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(Payable)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	18.80	76.61	18.80	76.61
Donations given	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

₹ In Lakhs

(iii) Balances as at 31st March, 2015 :

Nature of transactions	Subsidiary		Associates		Joint Ventures		Key Management		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Investments	2.55	2.55	5.00	5.00	17,912.95	14,047.95	0.10	Nil	Nil	Nil	17,920.50	14,055.50
Receivables	1.00	1.00	84.53	84.50	2,042.94	2,043.66	Nil	Nil	437.16	266.84	2,565.63	2,396.00
Payables	Nil	Nil	Nil	Nil	0.03	355.99	Nil	Nil	Nil	Nil	0.03	355.99

2.32 Corresponding figures of the previous year have been re-grouped / re-arranged and re-classified, wherever necessary, to make them comparable with the figures of the current year.

Pawan Bhootra General Manager (Accounts)	L. Kulshrestha General Manager (Finance) & Chief Financial Officer	Manoj Aggarwal, IAS Managing Director DIN - 07189255	Arvind Agarwal, IAS Chairman DIN - 00122921
Joel Evans Company Secretary	Bhadresh Mehta Director DIN - 02625115	S. B. Dangayach Director DIN - 01572754	

Place : Ahmedabad
Date : 28th May, 2015
As per our report of even date attached

For H.K.Shah & Co.
Chartered Accountants
FRN – 109583W

CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015

INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS OF**

GUJARAT MINERAL DEVELOPMENT CORPORATION

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities (as per Other Matters para), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("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 Associate and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

consideration of the reports of other auditors, on the financial statements / consolidated financial statements of the subsidiaries, associates and Jointly controlled entities noted below the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date. We refer an exception to this as per an expert opinion obtained by the Holding Company in this regards as per Note No 2.35 to 2.38 to the consolidated financial statements.

Other Matters

- (a) We did not audit the financial statements of one subsidiary, and one Jointly controlled entity, whose financial statements reflect total assets of ₹ **185.30 Lakhs** as at 31st March, 2015, total revenues of ₹ **1.28 Lakhs** and net cash flows amounting to ₹ **15.38 Lakhs** for the year ended on that date, as considered in the consolidated financial statements except as stated in (b) below. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint controlled entity, is based solely on the reports of the other auditors. Please refer Note No 2.35 to 2.38 to the consolidated financial statements.
- (b) The company has not consolidated the financial statements of one associate and five jointly controlled entities other than those mentioned in (a) above for which the company has explained the position in Note No 2.35 to 2.38 to the consolidated financial statements as required by Schedule III of Companies Act, 2013. The specific view of the management is based on an expert opinion relating the first year of implementation i.e. F.Y. 2014 – 15.

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 certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the audit report of the holding company, subsidiary companies, associate companies and jointly controlled entities incorporated in India, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note No. 2.25 to the consolidated financial statements.

- ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies, jointly controlled companies incorporated in India.

For, H. K. Shah & Co.,
Chartered Accountants
FRN: 109583/w

H. K. Shah
Partner
M. No. 042758

Place : Ahmedabad
Date : 28/05/2015

ANNEXURE TO THE CONSOLIDATED AUDITORS' REPORT

(Referred to Para (1) our Report of even date)

The Annexure referred to in our report to the members of **Gujarat Mineral Development Corporation Limited ("Holding Company")** for the year ended 31 March 2015. We report as follows subject to the fact that this covers only **Holding company, Subsidiary company ("Gujarat State Mining and Resources Corporation Limited") and one Jointly Controlled Entity (Swarnim Gujarat Fluorspar Private Limited)**. Other, One Associate and Five Jointly Controlled Entity are not consolidated, which is reported as per "OTHER MATTERS". We have reported the below "Order" in respect of Subsidiary ("Gujarat State Mining and Resources Corporation Limited") and one Jointly Controlled Entity ("Swarnim Gujarat Fluorspar Private Limited") based on the "Order" reported by other Auditors.

(i) In respect of Fixed Assets

- (a) The Holding company and Jointly controlled entity have maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Holding Company has a programme of physical verification of its fixed assets by which fixed assets are verified at reasonable intervals. In accordance with this programme, fixed assets were verified during the year by Holding Company and discrepancies which were noticed on such verification by Holding company were properly dealt with in the books of accounts.
 - In respect of Subsidiary company, the company does not have any fixed assets. Accordingly clause (i) (a) and (b) of paragraph 3 of the order are not applicable.
 - In respect of Jointly Controlled entity, the company has a programme of physical verification of its fixed assets by which fixed assets are verified at reasonable intervals. In accordance with this programme, fixed assets were verified during the year by Jointly controlled entity and no discrepancies between the book records and physical inventory have been noticed on such verification.

(ii) In Respect of Inventory

- (a) The physical verification of inventory by Holding company has been conducted at reasonable intervals by the Management;
- (b) The procedure of physical verification of inventory followed by the management of Holding company is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Holding company has maintained proper records of inventory. The discrepancies noticed on such verification between the physical stock and book stock was not material and the same have been properly dealt with in the books of accounts.
 - In respect of Subsidiary and Jointly controlled entity, the both does not have any Inventory. Hence, Clause (ii) of the paragraph 3 of the Order are not applicable.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- (iii) The Holding Company, Subsidiary company and Jointly Controlled Entity has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore requirement of clauses (iii) of the paragraph 3 of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate Internal Control System commensurate with the size of the Holding Company, Subsidiary Company and Jointly controlled entities and the nature of its business, with regard to purchases of inventory and fixed assets and for sale of goods and services. During the course of audit, in respect of Holding Company we have not observed any continuing failure to correct any major weaknesses in the internal controls system.
- (v) The Holding Company, Subsidiary company and Jointly controlled entity has not accepted any deposits during the year as per the directives issued by the Reserve Bank of India and within the meaning of the provisions of section 73 to 76 and other relevant provisions of the Companies Act and the rules framed there under, where applicable. Thus the clause (v) of paragraph 3 of the order is not applicable.
- (vi) In pursuant to the order made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, the Holding company has made and maintained the prescribed accounts and records.
- In respect of Subsidiary and Jointly controlled entities maintenance of cost records has not been prescribed by the central government under sub section (1) of section 148 of the Companies Act, 2013. Hence the clause (vi) of the paragraph 3 of the order are not applicable.
- (vii) In respect of statutory dues
- (a) According to the information and explanations given to us, and on the basis of our examination, the Holding company is generally regular in depositing undisputed statutory due including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities.
 - In respect of subsidiary company, the company does has not done Commercial (Business) during the year dealt with by this report not having statutory dues outstanding except the filling for form-23ACXBRL payable to MCA which has not been filed till the end of F.Y.2014 – 15 which is due by the end of 30 days respectively from the date of AGM held in the year 2014 – 15 which has been provided in accounts for the year, the said forms since have been filed and due fees paid in the month of April,2015 except this the company is not having statutory dues including, income tax, sales tax, wealth tax, cess and any other statutory dues, question of regularity in the payment of the same does not arise in the case of company.
 - In respect of Jointly Controlled Entity, the entity is regular in depositing undisputed statutory due including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities as at 31.03.2015.
- (b) The details of excise duty, income tax and sales tax not deposited on account of dispute are as under for the Holding Company:

Name of Statute	Nature of the Dues	Period to which the amount relates	Amount (₹ In Lakhs)	Forum where dispute is pending
Commercial Tax	Sales Tax/VAT	1993-94	21.78	Hon. High Court
		1995-96	98.92	Appellate Tribunal
		1997-98	2.45	Appellate Tribunal
Commercial Tax	CST	1997-98	4.26	Appellate Tribunal
Central Excise Act, 1944	Excise Duty	2006-07	450.58	Commissioner of Central Excise

- In respect of Subsidiary company and Jointly controlled entity, there are no dues of Income-tax, Sales tax, Wealth tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- (a) The Holding company has transferred the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under that has to be transferred to such fund within time.
- In respect of Subsidiary company and Jointly controlled entity there were no amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under that has to be transferred to such fund within time.
- (viii) The Holding Company has been registered for a period more than five years and it has no accumulated losses. The company has not incurred cash losses during the year under audit and in the immediately preceding financial year. Therefore, the requirement of clause (viii) of paragraph 3 of the order is not applicable to the Holding Company.
- In respect of subsidiary, the company has accumulated loss of ₹ 8,66,904 as at the end of the financial year. The company has incurred loss of ₹ 31,845 for the current financial year as well as ₹ 64,511 during the Preceding financial year. The Holding Company has informed us a probability of infusing capital in the same.
- In respect of Jointly controlled entity, the company is in existence for the period of not more than five years from the date of registration till the last day of financial year covered by the report. Hence, the Clause (viii) of the paragraph 3 of the order are not applicable.
- (ix) As there are no borrowings, the requirement of clause (ix) of paragraph 3 of the order regarding default of repayments is not applicable to the Holding company, Subsidiary company and Jointly controlled entity.
- (x) According to the information and explanations given to us, the Holding company, Subsidiary company and Jointly controlled entity has not given any guarantee for loans taken by others from banks or financial institutions. Thus the requirements of clause (x) of paragraph 3 of the order are not applicable to the Holding and Subsidiary company and Jointly controlled entity.
- (xi) The Holding company, Subsidiary company and Jointly controlled entity has not obtained any term loan during the year under audit. Hence the requirement of clause (xi) of paragraph 3 of the order is not applicable to the Holding and Subsidiary company and Jointly controlled entity.
- (xii) According to the information and explanations given to us, no material fraud on or by the Holding company, Subsidiary company and Jointly controlled entity has been noticed or reported during the period under audit.

For, H. K. Shah & Co.,
Chartered Accountants
FRN : 109583/w
H. K. Shah
Partner
M. No. 042758

Place : Ahmedabad
Date : 28/05/2015



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

ANNEXURES TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

Annexures to the Consolidated Financial Statements

In Continuation of our independent audit report on consolidated financial statements of **Gujarat Mineral Development Corporation Limited** ("The Company"), dated 28th May 2015 we have reported on directions (Annexure-B) under section 143(5) of companies Act, 2013 applicable for the year 2014 – 15, as under. The report of directions under section 143(5) of companies Act, 2013 of Gujarat State Mining and Resources Corporation Limited ("The Subsidiary Company") and Swarnim Gujarat Fluorspar Pvt Ltd. ("The Joint Venture") are solely based on the reply received from respective Companies.

ANNEXURE B

Directions under Section 143(5) of companies Act, 2013 for Consolidated Financial Statements

Sr. no.	Directions/ Questions u/s 143(5)	Action Taken by			Impact on Accounts and Financials of		
		Gujarat Mineral Development Corporation Limited	Gujarat State Mining and Resources Corporation Limited (Subsidiary Company)	Swarnim Gujarat Fluorspar Pvt Ltd. (Joint Venture)	Gujarat Mineral Development Corporation Limited	Gujarat State Mining and Resources Corporation Limited (Subsidiary Company)	Swarnim Gujarat Fluorspar Pvt Ltd. (Joint Venture)
1.	If the company is selected for disinvestment, a complete status report in terms of valuation of asset (including intangible assets and land) and liabilities (including committed & general reserves) may be examined including the mode and present stage of disinvestment process.	As informed to us, as the company has not been selected for disinvestment during the FY 2014 – 15.	No such selection, as informed to us.	No such selection, as informed to us.	No impact	Not Applicable	Not Applicable

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2.	Please report whether there are any cases of waiver/write off of debts/loan/interest etc. if yes, the reason there for and the amount involved.	Yes, there are cases of write off (in Annexure-1) and write back (in Annexure-2) is attached herewith along with reasons and amount. This is disclosed at note no:- 2.22.03 of our audit report. The Board approval for the same is expected to be acceded as informed to us.	No Such case, as informed to us	No Such case, as informed to us	Net increase in profit by 279.86 lakhs. (Reflection in Notes to Accounts done)	Not Applicable	Not Applicable
3.	Whether proper records are maintained for inventories lying with third parties and asset received as gift from government or other authorities.	Yes, proper records are maintained by the company for inventory lying with third parties. And no asset is received as gift from government or other authority, as informed to us.	No Such case, as informed to us	No Such case, as informed to us	No impact	Not Applicable	Not Applicable
4.	A report on age wise analysis of pending legal/arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for the expenditure on all legal cases (foreign and local) may be given.	A report on age wise analysis of pending legal/arbitration cases including the reason of pendency and existence is attached in Annexure 3 along with this report. Existence/ Effectiveness of Monitoring mechanism: For expenditure on all legal cases the corporation has formed a separate Legal Department which takes care about the same.	No Such case, as informed to us	No Such case, as informed to us	No impact on current year accounts and financials but may have future impact. (Reflection in Notes to Accounts done)	Not Applicable	Not Applicable



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

ANNEXURE – 1

Write off from Books of Account

Sr. No.	Project	Reason for Write Off	Amt. in. ₹
1	Panandhro	GMDC had bought materials from GMMCO which were returned due to some reasons. We got refund of material amount. However party did not refund the CST paid amount till date.	56,588
2	Panandhro	Till date, Mata No Madh & ATPS projects did not have separate customer id given by IOCL. Therefore, they used to purchase diesel from the customer id of Panandhro project. Due to this, an amount of ₹ 18.24 Lakhs is lying debit since long due to inter project accounting errors and also due to non-reconciliation of the same.	18,24,376
3	ATPS	Sundry Recoverable	87,705
4	ATPS	Festival Advance	2,000
5	ATPS	Advance for Edible Oil	2,500
6	ATPS	Excess payment made to Genaral Mechanical Works in the FY 2006-07 (Security Deposit Rec.)	1,749
7	ATPS	Security Deposit paid twice to Simplex Concrete & Pipes in FY 2008-09 (Security Deposit Rec.)	4,97,178
8	ATPS	Prepaid Expense	8,38,673
9	Mata no Madh	Advance given to forest Dept for plantation	7,76,078
10	Gadhsisa	Advance given to forest Dept for plantation	25,292
11	Head Office	Genaral Mechanical Works – Fabrication & Civil Structure at ATPS	13,05,053
		Total Write off	54,17,192

ANNEXURE – 2

Write back to Books of Account

Sr. No.	Project	Reason for Write Back	Amt. in. ₹
1A	Head Office	Security Deposit – Balance lying idle since more than 8-10 yrs	65,39,401
1B	Head Office	Earnest Money Deposit – Balance lying idle since more than 8-10 yrs	1,40,29,388
1C	Head Office	Retention money deposit	1,02,920
2A	Panandhro	Security Deposit	1,19,493
2B	Panandhro	Retention money deposit	1,12,435
3	Panandhro	Earnest money deposit	2,89,299
4	Head Office	Excess Recovery from Lignite Debtors	1,08,81,055

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Sr. No.	Project	Reason for Write Back	Amt. in. ₹
5	ATPS	Security Deposit	4,51,277
6	ATPS	Retention money deposit	1,63,368
7	ATPS	Sundry Payable	8,789
8	ATPS	Unpaid Salary, Misc; Unpaid Stipend, etc.	1,48,053
9	ATPS	Stale Cheques	24,227
10	ATPS	Sundry Creditors	3,966
11A	Panandhro	Security Deposit – PF Contractor	2,059
11B	Rajpardi	Security Deposit – PF Contractor	34,468
11C	Tadkeshwar	Security Deposit – PF Contractor	61,270
11D	Mata No Madh	Security Deposit – PF Contractor	11,753
11E	Kadipani	Security Deposit – PF Contractor	1,59,187
11F	Shivrajpur	Security Deposit – PF Contractor	23,613
11G	ATPS	Security Deposit – PF Contractor	2,37,114
		Total Write Back	3,34,03,135

ANNEXURE – 3

Aging wise analysis of pending legal/arbitration cases including reason of pendency and existence/effectiveness of monitoring

Sr. no.	Pending legal cases	Reason for Pendency	Year in which case file as per the records of corporation	Pending For 1 year	Pending For 2 years	Pending For 3-5 years	Pending For More than 5 years
1.	Bhavnagar land (Ref: Notes no.2.23.02 of our audit report)	As against claims for additional compensation of ₹ 1000 per sq. mtr. by ex-owners of land acquired for Bhavnagar Project, District Court has partly allowed the claims of ex-land owners by ₹ 4 per sq. mtr. The Corporation has deposited ₹ 912.32 lakhs with District Court, Bhavnagar in April'14 towards this order. The Corporation has also decided to file an application before High Court against the order of District Court. Necessary adjustment shall be made in accounts after final decision/outcome of the case.	2013	-	912.32	-	-

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Related to contractor and others (Refer note no:-2.23.07 of our audit report)							
2.1	Ashapura Minechem limited	The matter was decided vide an order dated 16.4.2015 the appointment of sole arbitrator has been granted by the aforesaid order.	2014	3000.00	-	-	-
2.2	Meena agency Ltd	Service of notice	2013	-	0.00	-	-
2.3	Dalapat Bodiya Vasva	stay against operation of Civil court order	2005	-	-	-	10.00
2.4	Varsani Construction Pvt Ltd	Admitted	2013	-	0.00	-	-
2.5	Suo Motu	The affidavit in Reply has been filed in the matter. Further the matter is fixed for hearing on 08.10.2014	2014	0.00	-	-	-
2.6	Babu Jadhv & Co	The matter is fixed for hearing on 14.11.2014	2014	45.00	-	-	-
2.7	Swami Narayan Vijay Carry trade Pvt Ltd	stay against operation of Civil court order	2015	100.77	-	-	-
2.8	Naini Coal Company	Vakalatnama filed by Advocate	2013	-	1600.00	-	-
2.9	M/s Ashok Boot Factory	PENDING at argument	2015	8.00	-	-	-
2.10	Pravinsinh C Thakor	PENDING at argument &Next Date for hearing is 27.04.2015	2014	0.00	-	-	-
2.11	CR Parmar & other	Petition is admitted for final hearing. Part wise remarks submitted. Affidavit Executed.	2008	-	-	-	39.52
2.12	Neeta ben Chawad	No interim relief granted against GMDC. Para wise remarks submitted. Pending at admission stage.	2010	-	-	-	15.00
2.13	Parmar sanjay Ratilal	Notice has been issued by the Hon'ble High Court. The Reply has been filed in the present matter. The matter is still pending for the adjudication of dispute. The matter is kept for further hearing on 20.08.2014. No interim relief granted in the present matter.	2013	-	8.06	-	-
2.14	Ishak dariya	Notice has been issued by the Hon'ble High Court. The Reply has been filed in the present matter. The matter is still pending for the adjudication of dispute. The matter is kept for further hearing on 06.05.2015.	2014	0.00	-	-	-

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2.15	Samuben Rathawa	Notice has been issued by the Hon'ble High Court. The Reply has been filed in the present matter. The matter is still pending for the adjudication of dispute. The matter is kept for further hearing on 22.04.2015.	2014	0.00	-	-	-
2.16	Mr CB Parmar	Petition is admitted and awaiting final hearing. The Court has given stay order against the operation of the order of the Labour Court.	2005	-	-	-	0.00
2.17	Mubarat Tarmamad	First Appeal Admitted and operation of order stayed in favour of GMDC. Stay obtained.	2009	-	-	-	2.87
2.18	Simplex	PENDING at Evidence	2012	-	-	500.00	-
2.19	Manaksia Ltd	Delay Condoned. The matter is now pending at the stage of identification of documents and raising of issues	2012			200.21	
2.20	M/s Mehta integrated Finance Ltd	PENDING at argument	2000	-	-	-	165.00
2.21	MP Bhatt and co	PENDING at argument	1993	-	-	-	11.83
2.22	Narmada Housing Company Pvt Ltd	PENDING at argument	1997	-	-	-	301.69
2.23	Munjulaben Bal Krishna bhatt	PENDING at pleadings	2003	-	-	-	5.00
2.24	Meena agency	PENDING at pleadings	2013	-	265.35	-	-
2.25	Swaminarayan Vijay Carry Coal Pvt Ltd	PENDING at pleadings	2012	-	-	165.00	-
2.26	M/s Pith coal Carries	PENDING at pleadings	2014	200.00	-	-	-
2.27	M/s PSk mineral	PENDING at pleadings	2015	467.51	-	-	-
2.28	ASDPL	PENDING at final arguments	2010	-	-	-	327.11
2.29	M/s Interface Capital market Pvt Ltd	Pending at arguments	2000	-	-	-	10.00
2.30	Swaminarayan Vijay Carry Trade Pvt Ltd	Pending at pronouncement of judgment	2014	100.77	-	-	-
2.31	Dinesh Kaldas bhoot	Documentary Evidence	1994	-	-	-	35.00
2.32	Bhartiya mazdoor sangh	Pending at arguments	2003	-	-	-	15.00
2.33	Shri Kansingh kutaria	Evidence	2004	-	-	-	2.20
2.34	Shri tersing valji bhil	Evidence	2004	-	-	-	2.20

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.35	Shri raysing fatiyabhai bhill	Evidence	2004	-	-	-	2.20
2.36	Shri mangalia Munga Bhill	Evidence	2004	-	-	-	2.20
2.37	Shri manu Kalji bhill	Evidence	2004	-	-	-	2.20
2.38	Shri Chhatrasinh harji vasava	Evidence	2006	-	-	-	6.75
2.39	Shri shantilal somabhai vasava	Evidence	2006	-	-	-	6.75
2.40	Rashtriya Mazdoor sangh	Pending at Pleadings	2011	-	-	-	1.20
2.41	Rammurti ramnihor	Evidence	2008	-	-	-	17.50
2.42	VK shah	Arguments	2013	-	-	-	25.87
2.43	MJ Trivedi	Evidence	2008	-	-	-	0.00
2.44	Fatubhai V	Written Evidence	2010	-	-	-	2.50
2.45	HA Rathod	Written Counter Claim	2007				0.00
2.46	Workers	Written Evidence/Documentary Evidence	2008	-	-	-	145.55
2.47	Workers	Written Evidence/Documentary Evidence	2010	-	-	-	Included in 2.46
2.48	Gamar Palu Jorabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.49	Javabhai Chenabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.50	Rupabhai Motibhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.51	Kamliben Misrabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.52	Alkhabhai somabhai	Written Evidence/Documentary Evidence	2014	Included in 2.46	-	-	-
2.53	Raising Dhanai Bhill	Cross Examination	2012	-	-	Included in 2.46	-
2.54	Meena agency	Framing of issues to be decided by the Sole Arbitrator	2012	-	-	54.70	-
2.55	Meena agency	Cross Examination	2012	-	-	571.20	
2.56	GMW	Final Arguments	2012	-	-	242.38	-
2.57	SVCT	Final Arguments	2013	-	212.47	-	-

For, H. K. Shah & Co.,
Chartered Accountants
FRN: 109583/w
H. K. Shah
Partner
M. No. 042758

Date : 24/07/2015
Place : Ahmedabad

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 GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of consolidated financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on the consolidated 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 28 May 2015 and supplemented on 24 July 2015 for reporting the compliance to directions issued under Section 143(5) of the Act.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) read with Section 129(4) of the Act of the consolidated financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of Gujarat Mineral Development Corporation Limited, but did not conduct supplementary audit of the financial statements of Gujarat State Mining and Resources Corporation Limited, Swarnim Gujarat Flourspar Private Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report.

For and on behalf of the
Comptroller and Auditor General of India
Y. N. Thakare
Pr. Accountant General (E&RSA), Gujarat

Place : Ahmedabad

Date : 6.8.2015



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Consolidated Balance Sheet as at 31st March, 2015

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2015		As at 31st March, 2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.02	6,360.00		6,360.00	
Reserves and Surplus	2.03	317,790.01	324,150.01	279,865.43	286,225.43
Minority Interest			-		-
NON-CURRENT LIABILITIES					
Deferred tax liabilities (Net)	2.04	20,787.59		28,714.17	
Other long-term liabilities	2.05	18,079.10		16,915.56	
Long-term provisions	2.06	23,986.67	62,853.36	27,433.08	73,062.81
CURRENT LIABILITIES					
Short-term borrowings	2.07	2.47		2.47	
Trade payables	2.08	5,149.25		6,498.00	
Other current liabilities	2.09	14,006.58		16,783.09	
Short-term provisions	2.10	12,032.34	31,190.64	12,002.63	35,286.19
Total			418,194.01		394,574.43
ASSETS					
NON-CURRENT ASSETS					
Fixed assets					
Tangible assets	2.11	175,472.36		186,069.67	
Intangible assets	2.11	149.84		168.34	
Capital work-in-progress (Net of Provision)		4,592.96		1,195.13	
		180,215.16		187,433.14	
Non-current investments	2.12	29,894.70		26,029.70	
Long-term loans and advances	2.13	77,328.77		51,330.67	
			287,438.63		264,793.51
CURRENT ASSETS					
Inventories	2.14	5,207.56		4,715.77	
Trade receivables	2.15	8,115.16		5,181.30	
Cash and cash equivalents	2.16	1,869.42		4,188.78	
Short-term loans and advances	2.17	115,563.24		114,871.07	
Other current assets	2.18	-	130,755.38	824.00	129,780.92
Total			418,194.01		394,574.43

Significant Accounting Policies and Notes on 1 & 2
Financial Statements.

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

Arvind Agarwal, IAS
Chairman
DIN - 00122921

Joel Evans
Company Secretary

Bhadresh Mehta
Director
DIN - 02625115

S. B. Dangayach
Director
DIN - 01572754

As per our report of even date attached

For H.K.Shah & Co.
Chartered Accountants
FRN – 109583/W

CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015

Place : Ahmedabad
Date : 28th May, 2015

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Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

(₹ in Lakhs)

Particulars	Note	2014 - 2015	2013 - 2014
Gross Revenue from Operations	2.19.01	147,314.44	134,407.28
Less : Excise Duty		5,425.97	5,440.77
Net Revenue from Operations		141,888.47	128,966.51
Other Income	2.20	14,399.89	13,738.42
Total Revenue		156,288.36	142,704.93
Expenses:			
Changes in inventories of Finished goods, Work-in-progress	2.21	(254.61)	(1,147.62)
Employee benefits Expense	2.22	9,637.56	8,907.04
Finance Cost	2.23	168.71	13.23
Depreciation / Depletion / Amortization	2.11	13,726.91	12,456.63
Other Expenses	2.24	80,339.67	59,521.54
Total Expenses		103,618.24	79,750.81
Profit Before Extraordinary Items and Tax		52,670.12	62,954.12
Add : Extraordinary Items	2.18.01	10,916.23	-
Profit Before Tax		63,586.35	62,954.12
Tax Expense			
Current Tax		21,150.00	21,520.00
Deferred Tax		(7,596.11)	(2,474.41)
Profit/(Loss) For the period		50,032.46	43,908.53
Add : Share of Loss in subsidiary company transferred to minority interest		0.16	0.32
Profit/(Loss) For the period (After adjustment of minority interest)		50,032.62	43,908.85
Earning per equity Share			
Basic		15.73	13.81
Diluted		15.73	13.81

Pawan Bhootra
General Manager (Accounts)

Joel Evans
Company Secretary

Place : Ahmedabad
Date : 28th May, 2015

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Bhadresh Mehta
Director
DIN - 02625115

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

S. B. Dangayach
Director
DIN - 01572754

Arvind Agarwal, IAS
Chairman
DIN - 00122921

As per our report of even date attached
For H.K.Shah & Co.
Chartered Accountants
FRN – 109583/W
CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Consolidated Cash Flow Statement for the year 2014 – 15

(₹ in Lakhs)

Sr.	Particulars	2014-15	2013-14
A	Cash-Flow from Operating Activities:		
	Net Profit before tax & extra ordinary items	52,670.10	62,953.96
	Adjustments for:		
	Depreciation and Depletion	13,545.95	12,371.28
	Provision for Doubtful Debts, Investments and Loans & Advances	97.36	14.59
	Provision for Obsolete Spares / Stock	-	193.34
	Assets written off	10.15	14.29
	Excess/Short provision adjusted	(11,158.04)	(641.38)
	Surplus / Deficit on sale of assets	56.17	(388.83)
	Interest & Finance Charges	0.01	0.14
	Dividend Income	(570.60)	(551.68)
	Wealth Tax	2.25	2.28
	Interest from Banks & Corporates	(11,063.69)	(8,772.03)
	Operating profit before working capital changes:	43,589.66	65,195.96
	Adjustments for:		
	Trade & Other Receivable	(26,668.94)	(5,244.01)
	Inventories	(491.79)	(981.66)
	Trade & Other Payable	4,530.44	(5,567.96)
	Misc. Expenditure	-	(6.52)
		(22,630.29)	(11,800.15)
	Cash flow from extraordinary items	-	-
	Cash generated from operations	31,875.60	53,395.81
	Direct Taxes Paid (Net)	(21,765.35)	(24,732.06)
	Cash-flow before extra ordinary items:	10,110.25	28,663.75
		-	-
	Net Cash-Flow from Operating Activities	10,110.25	28,663.75
B	Cash-Flow from Investing Activities:		
	Purchase of fixed assets	(7,620.31)	(19,458.77)
	Goodwill	-	-
	Sale of fixed assets	178.34	488.31
	Redemption / Purchase of Investments	(3,865.00)	(7,756.74)
	Interest from Bank and Companies	9,447.95	7,131.88
	Dividend & Income from units	570.60	551.68
	Net cash used in Investing Activities	(1,288.42)	(19,043.64)
C	Cash-Flow from Financing Activities:		
	Total proceeds from borrowing (net)	2.44	-
	Proceeds / issue of shares from Share Application Money	(0.73)	32.00
	Interest & financial charges	(0.01)	(0.14)
	Dividend paid	(11,138.84)	(11,149.50)
	Net cash used in Financing Activities	(11,137.14)	(11,117.64)
	Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(2,315.31)	(1,497.53)
	Cash & Cash Equivalent at the beginning of year	4,184.73	5,686.31
	Cash & Cash Equivalent at the end of year	1,869.42	4,188.77

Notes:

- 1 Cash and Cash Equivalents include Cash and Bank Balances.
- 2 Previous year's figures have been rearranged/ restated/ regrouped, wherever necessary.
- 3 The Cash Flow Statement has been prepared under the 'Indirect Method' as per AS - 3 issued by ICAI.

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

Arvind Agarwal, IAS
Chairman
DIN - 00122921

Joel Evans
Company Secretary

Bhadresh Mehta
Director
DIN - 02625115

S. B. Dangayach
Director
DIN - 01572754

As per our report of even date attached
For H.K.Shah & Co.
Chartered Accountants
FRN – 109583/W

Place : Ahmedabad
Date : 28th May, 2015

CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015

Note 1 : SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1. Accounting Policies unless specifically stated to be otherwise are in accordance with generally accepted Accounting Principles.

2. **BASIS OF ACCOUNTING :**

The Accounts of the Corporation are prepared under the historical cost convention method using the accrual method. The Corporation follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except that -

- a) Generally prior period expenses/Income and prepaid expenses for an amount up to ₹ 50,000 in each bill are debited/credited as current year's expenses/income.
- b) Dividend income is recognized on receipt basis.

3. **PRINCIPLES OF CONSOLIDATION :**

The Financial Statements of subsidiary company used in the consolidation are drawn up to the same reporting date as of the company.

The consolidated financial statements have been prepared on the following basis:

- a) The Financial statement of the company and its subsidiary company has been combined on line by line basis by adding together book value of like items of assets, liability, income and expenses after eliminating intra group balance, intra-group transactions, and minority interest have been separately disclosed.
- b) The consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Corporation's separate financial statements except as otherwise stated in the accounting policies.
- c) Minority interest in the net assets of the subsidiary consists of amount of equity attributable to the minority share holders by company in the subsidiary company at the date on which investments are made and further movement in their shares in the equity, subsequent to the date of investment.
- d) The losses applicable to the minority in a consolidated subsidiary may exceed the minority interest in the equity of the subsidiary. The excess, and further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to make good the losses. If the subsidiary subsequently reports profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.
- e) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of interest in Joint Ventures."

4. **USE OF ESTIMATES :**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and



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expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

5. FIXED ASSETS:

- a) The fixed assets are stated at historical cost less depreciation. Cost includes expenditure incurred in their acquisition as well as construction/installation and other related expenditure but excludes cost of fencing in lignite mines projects.
- b) Capital Work in progress includes machineries not installed and assets in transit.
- c) Cost of civil works required for plant and machinery's support is considered as part of the Plant and Machinery.
- d) Un-serviceable/worn out plant and machineries, vehicles and other assets of the Corporation are written off from the books of account to the extent of 95% of their cost after getting approval of appropriate authorities. The same are stated at the lower of their net book value or net realizable value.
- e) Fixed assets received by the Corporation free of cost are stated at nominal cost.
- f) Full provision has been made on plant and machinery which has not been put to use and lying in capital work in progress for more than ten years.

6. INTANGIBLE ASSETS :

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization, if any.

7. MACHINERY SPARES:

Machinery spares for Generating Units, Power Station and Switchyard, etc. either procured along with the equipment or subsequently and whose use is expected to be irregular are capitalized and depreciated over the residual useful life of the related plant and machinery. Other spares are treated as "stores and spares" forming part of the inventory and expensed when issued.

8. BORROWING COSTS:

Borrowing costs attributable during the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

9. DEPRECIATION:

- a) Depreciation has been provided for the fixed assets as under:
 - i) During the year, the company has changed the method of depreciation from WDV method to SLM so as to comply with the changes made by the Companies Act, 2013. Depreciation is charged on straight line method based on the useful life prescribed in Schedule-II to the Companies Act, 2013 except Plant & Machinery of Thermal Power Plant, Wind Energy Farm and Solar Project from time to time.
 - ii) Depreciation is charged on straight line method as per the rates and in the manner as prescribed by CERC (Terms and Conditions of Tariff) Regulations, 2009 in respect of Plant and Machinery including mandatory/insurance spares of Wind Energy Farm, Solar Project and Thermal Power Plant.
- b) On the assets disposed off/discarded during the year, depreciation is charged on pro rata basis upto the date of their disposal/discarding.
- c) Depreciation on assets acquired is charged proportionately from the date of putting them to use on pro rata basis.
- d) Low value items which are in the nature of assets (excluding immovable assets) and valuing upto ₹ 5,000/- are not capitalized and charged off to revenue in the year of acquisition.
- e) Depreciation on assets given on lease by the Corporation has been provided on Straight Line Method so as to write off the cost over the primary period of lease as per lease agreement.
- f) Leasehold land is written off over the period of lease.

10. DEPLETION :

On the basis of the principle of wasting assets, depletion has been provided in the accounts, which is based on the data available with the Corporation as regards extraction of the minerals as compared to the technical estimation of gross geological mineral reserves as mentioned in the mine closure plan submitted / approved.

11. INVESTMENTS:

All the Investments are long term and carried at cost. However, provision is made for diminution in the value of investment other than of temporary nature.

12. INVENTORIES:

- a) Stores, chemicals, spares, fuel and loose tools are valued at cost. Cost is ascertained on weighted average method.
- b) Raw materials, mined ore, goods-in-process and finished products are valued at lower of total cost incurred at respective project or net realizable value item-wise.

Cost is ascertained on First In First Out basis. While valuing inventories, the inter-unit profit has been eliminated at corporate level. Further, the corporation has the policy of not valuing the stock of by-products lying at various project sites.

13. FOREIGN CURRENCY TRANSACTIONS:

- a) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- b) Monetary items in foreign currencies are translated at the year end rate. The difference between the rates prevailing on the date of transaction and on the date of settlement as also on the translation of monetary items at the end of the year is recognized as income or expenses as the case may be for the year.
- c) In respect of financing through Suppliers' credit, borrowings cum loan for purchase of fixed assets is repayable in foreign currency, the exchange difference arising on repayment/realignment of liabilities is recognized in Statement of Profit and Loss.

14. EMPLOYEE BENEFITS:

- a) Post employment benefits i.e. gratuity and leave encashment are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The liabilities for employee benefits are recognized at the present value of the amount payable for the same. The present value is determined using the market yields of government bonds at the balance sheet date at the discounting rate.
- b) Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.
- c) Reimbursement of losses and other related expenses to Provident Fund Trust are charged to the Statement of Profit and Loss as and when crystallized.
- d) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.
- e) Compensation paid to the legal heirs of deceased employee while in service is charged to Statement of Profit and Loss as and when the liability arises.
- f) The principal amount and interest thereon in respect of House Building Advance in case of deceased employee while in service is written off as and when intimation is received.
- g) Compensation to employees who have opted for retirement under the voluntary retirement scheme of the corporation is charged to Statement of Profit and Loss in the year of separation.

15. LIABILITIES FOR PURCHASES:

Provisions are made in respect of materials received up to the end of the accounting year for which bills are not received, except liabilities in respect of goods in transit.

16. REVENUE RECOGNITION:

- a) Sales are recognized at the time of dispatch of finished goods. Sales include amounts in respect of excise duty, royalty, transportation, packing charges, clean energy cess and mine closure charges wherever applicable but excluding VAT.
- b) The liquidated damage/penalty, if any, on capital contracts are generally determined on completion of contract and liquidated damages/penalty on revenue contracts are determined at the end of one year from the date of award of contract.
- c) Income of lease management fees is spread over the primary period of lease.



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- d) In case of renewable energy, Unscheduled Interchange (UI) Charges and Generation Based Incentives (GBI) are recognized as and when the same are received / incurred by the corporation.
- e) Dividend income is recognized on receipt basis.

17. EXCISE DUTY:

Excise duty is accounted on the basis of payments made in respect of goods cleared.

18. TAXATION:

- a) Provision of income-tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is calculated at current statutory income-tax rate and is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c) Deferred tax assets subject to consideration of prudence are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- d) MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

19. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

20. PRE-OPERATIVE EXPENSES ON MINING PROJECTS:

Pre-operative Expenses of Mines/Mining Projects under implementation incurred up to the date of commencement of the production on commercial basis are written off in the year in which they are incurred.

21. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in estimate of recoverable amount. In case of intangible assets, the same will be tested on periodical basis for impairment.

22. REHABILITATION AND RESETTLEMENT EXPENSES:

Rehabilitation and Resettlement Expenses are charged as revenue in the year in which they are incurred.

23. AFFORESTATION EXPENSES:

Afforestation Expenses are charged as revenue to the extent they are incurred by the respective departments.

24. MINE CLOSURE EXPENSES FOR LIGNITE MINES:

- a) Progressive mine closure expenses are accounted for as and when incurred.
- b) As per the mine closure guidelines issued by the Ministry of Coal, in August 2009 and further updated in January 2013, the annual mine closure cost need to be provided @ ₹ 6 Lakhs per hectare. Such annual cost is required to be modified with reference to WPI as mentioned and considered in the mine closure plan submitted / approved for the respective mines. The mine closure provisions are required to be provided in line with the approved / submitted / prepared mine closure plans. In case the mine closure plan has not been submitted / approved / prepared, the annual cost should be estimated based on the above referred guidelines.

25. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

Material adjusting events (that provide evidence of conditions that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed in the reports of the Board of Directors.

26. PROPOSED DIVIDEND:

Provision is made in accounts for proposed dividend, subject to approval of shareholders in annual general meeting.

27. PRELIMINARY EXPENSES:

Unamortized preliminary expenses of subsidiary company are not attributable to creation of fixed assets, hence charged to Profit & Loss A/c.

2. NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2015

Name of the Company	Proportion of shareholding as on March 31, 2015	Proportion of shareholding as on March 31, 2014
Gujarat State Mining and Resources Corporation Ltd.	51 %	51 %
Swarnim Gujarat Flourspar Pvt. Ltd.	1.14 %	50 %

2.01.02	Name of the Company	Country of Incorporation
	Gujarat State Mining and Resources Corporation Ltd.	India
	Swarnim Gujarat Flourspar Pvt. Ltd.	India

2.02 SHARE CAPITAL

Particulars	As at 31.03.2015	As at 31.03.2014
Authorised Share Capital		
74,50,00,000 Equity Shares (Previous year 74,50,00,000) of ₹ 2/- each.	14,900.00	14,900.00
1,00,000 Preference Shares (Previous year 1,00,000) of ₹.100/- each	100.00	100.00
	<u>15,000.00</u>	<u>15,000.00</u>
Issued, Subscribed & Paid-up Capital		
31,80,00,000 Equity Shares (Previous year 31,80,00,000) of ₹ 2/- each fully paid up	6,360.00	6,360.00
Total	<u>6,360.00</u>	<u>6,360.00</u>

2.02.01 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31.03.2015	As at 31.03.2014
Number of shares outstanding at the beginning of year	318,000,000	318,000,000
Add: Shares issued during the year	-	-
Less : Share bought back	-	-
Number of shares outstanding at the end of year	<u>318,000,000</u>	<u>318,000,000</u>

2.02.02 The details of shareholder holding more than 5% shares is set out below :

Name of the shareholder	No. of shares as at 31.03.2015	% held as at 31.03.2015	No. of shares as at 31.03.2014	% held as at 31.03.2014
Governor of Gujarat	235,320,000	74%	235,320,000	74%

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2.03 RESERVES AND SURPLUS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
- General Reserve		
Opening Balance	247,570.63	222,570.63
Less : Depreciation on Assets Written Off	(972.15)	-
Add : Deferred Tax Effect on Depreciation	330.48	-
Add : Transfer from Profit & Loss Account	25,000.00	25,000.00
Closing Balance (A)	271,928.96	247,570.63
- Profit and Loss Account		
Opening Balance	32,294.80	24,552.41
Add : Net profit/(Net Loss) for the current year	50,032.62	43,908.68
Add: Transferred to Unamortized expenses	-	(3.33)
Add: Due to reduction in share of Joint Venture	15.92	-
Less: Minority Interest Adjusted	(0.16)	(1.64)
Amount available for appropriation	82,343.18	68,456.12
Less : Appropriation		
Final Dividend	9,540.00	9,540.00
Dividend Distribution Tax	1,942.12	1,621.32
Amount Transferred to General Reserve	25,000.00	25,000.00
Closing Balance (B)	45,861.05	32,294.80
Total (A + B)	317,790.01	279,865.43

2.03.01 In line with the amended Companies Act, 2013, the corporation has changed the method of depreciation from Written Down Value Method to Straight Line Method based on useful life of asset as specified in Schedule II to the Companies Act, 2013 for all the assets of projects and corporate office except plant and machineries pertaining to power generation plant of ATPS project, solar plant and windmills during the year. As a result of this, depreciation charge of ₹ 972.15 lakhs has been made to General Reserve to bring it in line with the amended Companies Act, 2013. This charge of ₹ 972.15 lakhs reflect the WDV of all those assets for whose useful life of asset as on 31st March, 2014 is Nil.

2.03.02 During the Financial Year 2014-15, the Joint Venture company, i.e. Swarnim Gujarat Flourspar Pvt. Ltd has increased its share capital to ₹ 219.00 Lakhs from ₹ 5.00 Lakhs. As a result of this, the share of corporation has been reduced to 1.14% in the current financial year against 50% in the earlier year. Due to this, the corporation has adjusted the share of joint venture in proportion to 1.14%. This effect has been shown separately in the above table.

2.03.03 As per Accounting Standard 21 on Consolidated Financial Statement issued by the Institute of Chartered Accountants of India, losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to make good the losses. Accordingly, the share in loss of minority interest has been adjusted and shown separately in the above table.

2.04 DEFERRED TAX LIABILITY (NET)

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Deferred Tax Liability		
Due to Depreciation	29,949.90	39,184.79
Deferred Tax Assets		
Due to Disallowance u/s 43B of Income Tax	(8,724.36)	(10,027.42)
Due to Others Timing Differences	(437.95)	(443.20)
Total	20,787.59	28,714.17

2.05 OTHER LONG-TERM LIABILITIES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Security & Other Deposit liability	18,001.67	16,709.76
Environment Expense Reserve Fund	-	205.81
Others Liabilities	77.42	-
Total	18,079.10	16,915.56

2.06 LONG-TERM PROVISIONS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Provision for Employee Benefits		
- Leave Encashment	2,968.21	2,546.74
Provision for Mine Closure	21,018.46	24,886.34
Total	23,986.67	27,433.08

2.06.01 As per the guidelines for preparation of Mines Closure Plan issued by the Ministry of Coal, Government of India the Corporation has made a provision for mines closure expenses to the tune of ₹ 23535.97 Lakhs (P.Y. ₹ 26442.15 Lakhs) and has incurred progressive mine closure expenses of ₹ 2517.52 Lakhs (P.Y. ₹ 1555.81 Lakhs) so far. As per the guidelines the amount so provided is required to be deposited in ESCROW Account with a scheduled bank. While corporation has opened the Escrow accounts for two mines and for other four mines, the Corporation is having sufficient funds in the form of inter-corporate deposits (ICDs) to meet such obligation. The matter is under correspondence with the Ministry of Coal and the amount will be so deposited as directed by the Ministry of Coal out of available ICDs, on approval of mine closure plan.

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2.07 SHORT TERM BORROWINGS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Loans and advances received (Unsecured)	2.47	2.47
Total	2.47	2.47

2.08 TRADE PAYABLES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Creditors for Supplies & services	5,149.25	6,498.00
Total	5,149.25	6,498.00

2.08.01 Based on the information available with the corporation, there are no amounts due to suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

2.09 OTHER CURRENT LIABILITIES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Creditors for Capital Assets	1,493.25	552.95
Advance received from Customers	1,175.56	5,012.88
Rates, Taxes & Duties payable	4,259.58	3,413.82
Security & Other Deposit liability	1,310.41	2,382.43
Unpaid Dividend	117.30	94.83
Other Liabilities	5,650.47	5,326.19
Total	14,006.58	16,783.09

2.09.01 The Government of Gujarat (GOG) has provided funds for amounting to ₹ 7629.01 Lakhs (P.Y. ₹ 6610.86 lakhs) which are in the nature of deposits for construction and other expenses for Stone Parks, Laboratory, Trade Fair and ISRC activities on behalf of Commissioner of Geology & Mining (CGM), GOG. Out of the said deposits, Corporation has incurred ₹ 4134.77 Lakhs (P.Y. ₹ 3531.86 lakhs) till 31st March, 2015. Further, the corporation has also received funds of ₹ 900 Lakhs (P.Y. ₹ 1000 Lakhs) from Government of Gujarat (GOG) for setting up two centres viz., ICEM and ICREATE. These funds have been shown as Other Liabilities. Net balance of unutilised funds amounting to ₹ 3494.24 Lakhs (P.Y. ₹ 3079.00 lakhs) is shown under the head "Other Liabilities". Details of funds received and utilized for various activities are as under:

Nature of Activities	₹ In Lakhs		
	Funds Received upto 31/3/2015	Funds Utilized upto 31/3/2015	Unutilized funds as on 31/3/2015
Construction and other expenses of Stone Park	3,572.47	2,905.30	667.17
Construction and other expenses of Laboratory	1,945.40	1,105.38	840.02
Construction and other expenses of ICEM	100.00	32.29	67.71
Construction and other expenses of ICREATE	800.00	-	800.00
Activities related to Trade Fair	1,061.14	46.14	1,015.00
Activities related to ISRC	150.00	45.66	104.34
Total	7,629.01	4,134.77	3,494.24
Previous Year	6,610.86	3,531.86	3,079.00

2.09.02 Vide Government Resolution dated 19/11/2009, GMDC has been given permission to lift Manganese Ore from dumps of Shivrajpur areas and dispose the same for which GMDC will be entitled to retain 20% of the sale price. GMDC has to keep remaining 80% of the sale price of Manganese Ore dump in a separate account of Gujarat Mineral Research & Development Society (GMRDS) for mineral survey and exploration. Accordingly, ₹ 79.47 lakhs (P.Y. ₹ 123.43 lakhs) (i.e. 80% of the basic sale price) has been transferred to GMRDS.

2.10 SHORT-TERM PROVISIONS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Provision for Employee Benefits		
- Gratuity	-	336.98
- Leave Encashment	424.08	375.36
- Provident Fund	126.14	128.97
Proposed Dividend	9,540.00	9,540.00
Provision for Tax on Dividend	1,942.12	1,621.32
Total	12,032.34	12,002.63

2.10.01 During the year ended 31st March, 2015, the amount of dividend per share recognised as distribution to equity shareholders was ₹ 3 per share (P.Y. ₹ 3 per share), subject to approval of share holders in ensuing Annual General Meeting.



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2.10.02 Employee Benefits

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below :

Defined Contribution Plan		
₹ In Lakhs		
Particulars	2014-15	2013-14
Contribution to PF & other funds	788.30	775.84

Defined Benefit Plan

a) The following table sets out the status of the gratuity plan as required under AS 15 (Revised 2005) and the reconciliation of opening balances of the present value of the defined benefit obligation.

(i) Changes in Present Value of Obligations		
₹ In Lakhs		
Particulars	31.03.2015	31.03.2014
Present Value of Obligation as at the beginning of the year	9,087.31	8,668.41
Current Service Cost	420.98	389.48
Interest Cost	820.59	693.47
Actuarial (gain) / Loss on obligations	(398.03)	(201.03)
Benefits paid	(833.19)	(463.02)
Past Service cost	-	-
Present Value of Obligation as at the end of the year	9,097.66	9,087.31

(ii) Changes in the Fair Value of Plan Assets		
₹ In Lakhs		
Particulars	31.03.2015	31.03.2014
Fair Value of Plan Assets at the beginning of the year	8,750.35	8,471.78
Expected Return on Plan Assets	761.28	737.04
Actuarial Gain / (loss) on Plan Assets	26.08	4.55
Contributions	500.00	-
Benefits Paid	(833.19)	(463.02)
Fair Value of Plan Assets at the end of the year	9,204.52	8,750.35

(iii) The amount recognized in Balance Sheet		
₹ In Lakhs		
Particulars	31.03.2015	31.03.2014
Fair Value of Plan Assets as at the end of the year	9,204.52	8,750.35
Present Value of Obligations as at the end of the year	(9,097.66)	(9,087.31)
Net Asset / (Liability) recognized in Balance Sheet	106.86	(336.96)

(iv) Amount recognized in the Statement of Profit & Loss		
₹ In Lakhs		
Particulars	31.03.2015	31.03.2014
Current Service Cost	420.98	389.48
Interest Cost	59.31	693.47
Expected Return on Plan Assets	-	(737.04)
Net actuarial (gain) / loss recognized in the year	(424.11)	(205.57)
Past Service Cost	-	-
Expenses/(Income) Recognized in the Statement of Profit & Loss	56.18	140.34

(v) Investment Details		
Particulars	% Invested as at	
	31.03.2015	31.03.2014
Funds with L.I.C. (% Invested)	100	100

(vi) Assumptions		
Particulars	31.03.2015	31.03.2014
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (Current)	7.95%	9.03%
Rate of increase in Compensation Levels	6.00%	6.00%
Rate of Return on Plan Assets	7.95%	8.70%

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including attrition rate. The above information is certified by the actuary.

b) Consequent to the Guidance on implementing Accounting Standard 15 "Employees Benefits" (AS-15) which clarifies the applicability of the Accounting Standard, the Corporation has considered certain entitlements to earned leave which can be carried forward to future periods as a long term employee benefit.

2.11 FIXED ASSETS

₹ In Lakhs

Description	GROSS BLOCK				DEPRECIATION/DEPLETION				NET BLOCK	
	As on 01/04/2014	Additions during the year	Sales/ Adjustments during the year	As on 31/03/2015	As on 01/04/2014	Depreciation/ Depletion for the year	Sales/ Adjustment during the year	Adjustment as per Companies Act, 2013	As on 31/03/2015	As at 31/03/2014
Tangible Assets :										
Land										
- Free hold Land	10,731.94	3,147.04	75.03	13,803.95	1,950.06	241.87	-	-	2,191.93	8,781.88
- Lease hold Land	1,679.73	15.77	-	1,695.50	188.30	83.99	-	-	272.29	1,491.43
Building	25,945.01	263.50	39.58	26,168.93	11,803.14	592.44	30.89	546.91	12,911.60	14,141.87
Plant & Equipment	237,879.73	371.17	2,130.32	236,120.58	77,063.54	12,638.92	2,015.29	131.58	87,816.75	160,816.19
Furniture & Fixtures	1,350.60	10.43	141.93	1,219.10	1,128.76	41.02	130.92	26.49	1,065.35	221.84
Vehicles	1,340.76	132.00	192.79	1,279.97	939.32	66.70	186.29	22.08	841.81	401.44
Office Equipments	881.01	27.10	287.69	620.42	666.26	35.51	269.45	62.30	494.62	214.75
Computers	0.01	7.44	-	7.45	-	1.58	-	-	1.58	0.01
Electrical Equipments	-	96.04	-	96.04	-	4.05	-	-	4.05	-
Laboratory Equipment	-	66.55	-	66.55	-	4.15	-	-	4.15	-
Total (A)	279,808.77	4,137.04	2,867.35	281,078.46	93,739.39	13,710.23	2,632.84	789.36	105,606.14	186,069.65
Intangible Assets :										
Enterprise Resource Planning	765.41	-	-	765.41	597.06	18.51	-	-	615.57	168.35
Total (B)	765.41	-	-	765.41	597.06	18.51	-	-	615.57	168.35
Total (A) + (B)	280,574.18	4,137.04	2,867.35	281,843.87	94,336.45	13,728.74	2,632.84	789.36	106,221.71	186,238.00
Previous Year	265,632.66	20,689.17	5,747.14	280,574.70	87,608.46	12,371.28	5,643.05	-	94,336.68	178,024.20

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- 2.11.01** Depreciation on free hold land represents depletion on wasting assets.
- 2.11.02** During the year, depreciation charge of ₹ **972.15 Lakhs** has been made to General Reserve to bring it in line with the amended Companies Act, 2013. This charge of ₹ **972.15 Lakhs** reflect the WDV of all those assets for whose useful life of asset as on 31st March, 2014 is Nil. Further, corporation has also provided prior period depreciation amounting to ₹ **181.07 Lakhs** (Net off Prior Period Depreciation expense of ₹ 1.85 Lakhs) due to change in depreciation rate as per Companies Act, 1956 and the amended useful life specified in the Companies Act, 2013. The same has been adjusted and shown separately in above table.
- 2.11.03** GSECL and the Corporation had agreed to create common amenities (school, hospital, drinking water supply, communication, transport facilities, etc.) for the employees of both entities and also for general public in Panandhro in terms of minutes dated 8.10.1991, 3.8.1992, 1.10.1993. These were to be managed by a Trust to be registered in this regard. Pending formation of the Trust, the capital and revenue expenditure incurred by the Corporation as well as GSECL are shared on 50:50 basis and accounted in the books of the respective entity. Share of 50% given by each against the expenditure incurred by respective entity is subject to confirmation and adjustments, if any. Pending transfer of such assets to the Trust, capital expenditure incurred in the creation of assets towards 50% share of GMDC to the tune of ₹ **59.40 lakhs** (P.Y. ₹ 59.40 lakhs) are accounted in the books of the Corporation and included in the respective heads of the assets.
- 2.11.04** Statement showing written off assets awaiting disposal included in fixed assets stated above.

			(₹ In Lakhs)
Description	Gross Block	Depreciation	Net Block
Plant & Equipment	393.22	389.17	4.05
Furniture & Fixtures	1.85	1.70	0.15
Office Appliances	0.84	0.73	0.11
Vehicles	36.40	33.60	2.80
Total	432.31	425.20	7.11
Previous Year	1,013.70	996.87	16.83

- 2.11.05** During the year the corporation has changed the policy from Written Down Value method to Straight Line Method based on useful life of the asset in compliance with amended Companies Act, 2013. Had the corporation not changed the method of depreciation, the depreciation for the current year would have been higher by ₹ **317.42 Lakhs** and profit would have been lower to that extent.
- 2.11.06** During the year, the corporation has undertaken physical verification exercise for all of its fixed assets located at all the projects and at corporate office. As an outcome of this exercise, **1326** number of assets having WDV of ₹ **191.57 Lakhs**, were written off from the books of accounts. Further, the corporation has also recognized **151** number of surplus assets with nominal amount of ₹ **1** in the books of accounts.
- 2.11.07** During the Financial Year 2014-15, the corporation has changed the depreciation rates on Solar and Wind Farm projects to 5.83% from 5.28% to bring it in line with CERC Guidelines. Had it not changed the rates, the corporation's depreciation would have been lower by ₹ **1675.04 Lakhs** and the Profit for the year would have been higher to that extent.
- 2.11.08** The corporation is in the process of undertaking impairment study of all of fixed assets. This exercise will be undertaken in the next financial year.
- 2.11.09** Break-up of Capital Work-in-progress (excluding provisions) for the year ended 31st March, 2015 is given here under:

			(₹ In Lakhs)
Segment	Civil Work	Non-Civil Work	Total
Mining	79.34	382.26	461.60
Power	60.00	716.50	776.50
Corporate Office	3,342.78	129.69	3,472.47
Total	3,482.12	1,228.45	4,710.57

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2.12 NON-CURRENT INVESTMENTS

		₹ In Lakhs
Particulars	As at 31.03.2015	As at 31.03.2014
Quoted Investments		
- Investments in Equity Instruments		
41,45,433 (P.Y. 41,45,433) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Alkalies & Chemicals Ltd.	4,953.11	4,953.11
50,00,000 (P.Y. 50,00,000) Equity shares of ₹ 2/- each, fully paid, of Gujarat State Fertilisers & Chemicals Ltd.	1,001.25	1,001.25
9,35,600 (P.Y. 9,35,600) Equity shares of ₹ 10/- each, fully paid, of Gujarat State Financial Corporation Ltd.	187.12	187.12
7,77,900 (P.Y. 7,77,900) Equity shares of ₹ 10/- each, fully paid, of Vijaya Bank	77.79	77.79
	6,219.27	6,219.27
Less : provision for diminution in value of investments	187.12	187.12
	6,032.15	6,032.15
Unquoted Investments		
- Investments in Equity Instruments		
10,00,000 (P.Y. 10,00,000) Equity share of ₹ 10/- each, fully paid, of Gujarat Informatics Ltd.	100.00	100.00
3900 (P.Y. 3900) Equity shares of ₹ 100/- each, fully paid, of Gujarat Industrial Technical Consultancy Organization Ltd.	7.12	7.12
74,25,000 (P.Y. 74,25,000) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Guardian Ltd.	742.50	742.50
2,61,72,800 (P.Y. 2,61,72,800) Equity Shares of ₹ 1/- each, fully paid, of Gujarat State Petroleum Corporation Ltd.	5,099.97	5,099.97
17,26,50,000 (P.Y. 13,40,00,000) Equity Shares of ₹ 10/- each, fully paid, of Bhavnagar Energy Company Ltd.	17,265.00	13,400.00
1,90,840 (P.Y. 1,90,840) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Jaypee Cement and Infra Ltd.	19.08	19.08
2497 (P.Y. 2497) Equity Shares of ₹ 100/- each, fully paid, of Naini Coal Co. Ltd.	2.50	2.50
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Foundation for Entrepreneurial Excellence	5.00	5.00
49,40,000 (P.Y. 49,40,000) Equity Shares of ₹ 10/- Each, fully paid, of Gujarat Credo Mineral Industries Ltd.	494.00	494.00
25,000 (P.Y. 25,000) Equity Shares of ₹ 10/- Each, fully paid, of Swarnim Gujarat Fluorspar Pvt. Ltd.	-	-
12,98,700 (P.Y. 12,98,700) Equity Shares of ₹ 10/- Each, fully paid, of Aikya Chemicals Pvt. Ltd.	129.87	129.87
	23,865.04	20,000.04
Less : provision for diminution in value of investments	2.50	2.50
	23,862.55	19,997.55
Total Non-current Investment	29,894.70	26,029.70
Aggregate amount of quoted investments	6,219.27	6,219.27
Aggregate market value of quoted investments	11,156.64	10,705.27
Aggregate amount of unquoted investments	23,865.04	20,000.04
Aggregate provision for diminution in value of investments	189.62	189.62

2.12.01 Details of Investment in Associates

		₹ In Lakhs
Particulars	Investment as at 31.03.2015	Investment as at 31.03.2014
Gujarat Foundation for Entrepreneurial Excellence	5.00	5.00

2.12.02 Details of Investment in Joint Ventures

In compliance with the clauses of Accounting Standard - 27 issued by the Institute of Chartered Accountants of India (ICAI), relevant disclosures relating to Joint Ventures are as follows :

		₹ In Lakhs			
Particulars	Country of Incorporation	Investment as at 31.03.2015	Proportion of Shareholding as at 31.03.2015 (as per agreement)	Investment as at 31.03.2014	Proportion of Shareholding as at 31.03.2014 (as per agreement)
Bhavnagar Energy Co.Limited.	India	17,265.00	26%	13,400.00	26%
Gujarat Jaypee Cement & Infrastructure Ltd.	India	19.08	26%	19.08	26%
Naini Coal Co. Limited.	India	2.50	50%	2.50	50%
Gujarat Credo Mineral Industries Limited.	India	494.00	26%	494.00	26%
Swarnim Gujarat Fluorspar Pvt. Ltd.	India	2.50	1.14%	2.50	50%
Aikya Chemicals Pvt Ltd	India	129.87	26%	129.87	26%

2.12.03 As per the Memorandum of Understanding (MOU) dated 30th March, 1995 entered into with the Gujarat Industrial Investment Corporation Ltd (GIIC), the said company had to repurchase the 16 Lakhs number of shares of Gujarat Alkalies & Chemicals Limited (GACL) purchased by GMDC from GIIC by 30th March, 1998 at an agreed price consisting of cost plus interest @ 14% per annum and service charge @ 0.25% per annum less dividend, bonus and rights, etc. received thereon. GIIC has proposed to enter into a Supplementary MOU by virtue of which GIIC will not be required to buy back the above shares and GMDC shall hold these shares as investment. The Board of Directors of GMDC and GIIC have agreed to enter into Supplementary MOU for which proposal has been sent to the Govt. of Gujarat for its approval. The balance 25.45 lakhs number of shares as shown in above schedule of GACL have been purchased by the corporation from the open market.



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2.13 LONG-TERM LOANS AND ADVANCES

	₹ In Lakhs	
Particulars	As at 31.03.2015	As at 31.03.2014
Unsecured, considered good		
Capital Advances	2,860.89	2,024.88
Deposits with Various Courts	582.31	1,275.35
Deposits with Corporate Bodies	33,686.11	8,600.00
Interest accrued but not due on above deposits	354.37	77.40
Security Deposits	318.16	270.76
Advances to Suppliers/ Contractors	2,896.23	2,890.57
Advance Tax & Tax Deducted at Source (Net of Provision)	33,675.73	33,062.62
Balance with Govt. Parties		
- with Sales Tax / VAT Department	894.50	925.45
Loans & Advances to Employees	1,056.70	1,200.34
Other Loans & Advances	1,003.79	1,003.29
	<u>77,328.77</u>	<u>51,330.67</u>
Doubtful		
Loans & Advances to Related Parties	2,035.62	2,035.62
Deposits with Corporate Bodies	2,629.27	2,629.27
Interest Accrued and Due on Deposits	1,583.13	1,583.13
	<u>6,248.02</u>	<u>6,248.02</u>
Less : Allowance for Bad & Doubtful	<u>6,248.02</u>	<u>6,248.02</u>
	-	-
Total	<u>77,328.77</u>	<u>51,330.67</u>

2.13.01 Naini Coal Company Ltd. is a 50:50 joint venture of GMDC and Pondicherry Industrial Promotion Development Investment Corp Ltd. (PIPDIC). Naini Coal Company Ltd had given bank guarantee of ₹ 65 Crores to Coal Ministry, Govt of India for allocation of Naini Coal block in the State of Orissa. The said bank guarantee was secured by Corporate Guarantee of GMDC for an amount of ₹ 3250 lakhs and another ₹ 3250 lakhs was secured by bank guarantee of UCO Bank, arranged by PIPDIC. Ministry of Coal, Govt of India has invoked 50% of Bank Guarantee i.e. ₹ 3250 lakhs given by the Naini Coal Company Ltd. vide their letter dated 27/12/2012 due to non-compliance of some terms and conditions of Naini Coal block allocation. GMDC had discharged its liability towards invoked bank guarantee and has accounted for the same as advance to Naini Coal Company Ltd. The corporation has also made provision of the same amount in its books of accounts.

Recently, the Supreme Court has delivered a landmark judgement of cancelling all the coal blocks allocation including Naini Coal Block and has also held that such allocation was void ab initio. The corporation is of the view that since the allocation of coal block has been held void ab initio, all the consequent transactions including the encashment of the bank guarantee shall also be termed as void ab initio. Hence, the corporation is in the process of filing an application to appropriate judiciary for obtaining an order to that effect.

2.14 INVENTORIES

	₹ In Lakhs	
Particulars	As at 31.03.2015	As at 31.03.2014
Mined Ore	3,496.18	3,241.58
Finished Goods	0.45	0.45
Stores, Spares & Fuel	2,341.50	2,175.79
	<u>2,341.50</u>	<u>2,175.79</u>
Less : Provision for Obsolete Stock	<u>640.78</u>	<u>712.77</u>
	<u>1,700.72</u>	<u>1,463.02</u>
Loose Tools	10.21	10.72
Total	<u>5,207.56</u>	<u>4,715.77</u>

2.15 TRADE RECEIVABLES

	₹ In Lakhs	
Particulars	As at 31.03.2015	As at 31.03.2014
Debts outstanding for a period exceeding six months		
Unsecured, considered good	401.31	182.07
Doubtful	104.14	11.59
	<u>505.45</u>	<u>193.66</u>
Less : Allowance for Bad & Doubtful	<u>104.14</u>	<u>11.59</u>
	<u>401.31</u>	<u>182.07</u>
Other debts		
Unsecured, considered good	7,713.84	4,999.23
Total	<u>8,115.16</u>	<u>5,181.30</u>

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2.16 CASH AND CASH EQUIVALENTS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Cash & Stamp on Hand	1.18	0.20
Balance with Banks		
- Current Account	648.08	3,469.73
- Fixed Deposits	91.10	539.60
Other Bank Balance		
- Balance with Banks in Escrow account	945.78	-
- Balance with Banks in Unpaid Dividend accounts	101.64	107.20
- Balance with Banks to the extent held as Margin Money	56.33	44.40
- Fixed Deposit with less than 3 months maturity	0.24	2.57
- Fixed Deposit with more than 3 months maturity but less than 12 months maturity	24.92	24.92
- Fixed Deposit with more than 12 months maturity	0.15	0.15
- Doubtful Fixed Deposits	374.00	374.00
	1,503.06	553.25
Less : Allowance made for Doubtful FDR	374.00	374.00
	1,129.06	179.25
Total	1,869.42	4,188.78

- 2.16.01** Cash and Cash Equivalents as of 31st March, 2015 and 31st March, 2014 include restricted cash and bank balances of ₹ 1128.82 Lakhs and ₹ 176.67 Lakhs respectively. The restrictions are primarily on account of cash and bank balances held as escrow account margin money, fixed deposits and unclaimed dividends.
- 2.16.02** Pending clearance of the title of the land, sale deed in respect of the land of the cement plant at Hadad sold earlier, is not executed and an amount of ₹ 24.92 Lakhs (P.Y. ₹ 24.92 Lakhs) is recoverable from the buyer on execution of sale deed. The said amount has been deposited by the party before the Danta Court and in turn the Court has directed to the Company to deposit the said amount with a nationalized bank in the form of FDR with a lien marked in favour of Danta Court. Accordingly the Corporation has placed the same with Union Bank of India, Vastrapur Branch, Ahmedabad.
- 2.16.03** As per the guidelines of Coal Controller, Ministry of Coal, the corporation has deposited in escrow account a sum of ₹ 945.78 Lakhs for its Umarsar Lignite Mines during the Financial Year in line with the Mine Closure Plan approved by the Coal Controller. Further, the Corporation has also opened another escrow account for its Rajpardi G-19 Amod Mines on 18th April 2015 and deposited a sum of ₹ 801.02 Lakhs in the month of April 2015, in line with the Mine Closure Plan approved by the Coal Controller.

2.17 SHORT-TERM LOANS AND ADVANCES

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Unsecured, considered good		
Deposits with Corporate Bodies	102,157.10	101,812.83
Interest accrued but not due on Deposits	4,353.78	3,015.00
Advances to Suppliers	2,359.84	4,336.45
Balance with Govt. Parties		
- with Central Excise & CGM	3,719.14	3,458.90
Prepaid expenses	203.38	197.40
Loans & Advances to Related Parties	385.22	394.39
Loans & Advance to Employees	981.77	873.29
Other Loans & Advances	1,403.00	782.81
	115,563.23	114,871.07
Doubtful		
Advances to Suppliers	3.00	3.00
	3.00	3.00
Less : Allowance for Bad & Doubtful	3.00	3.00
	-	-
Total	115,563.24	114,871.07

2.18 OTHER CURRENT ASSETS

Particulars	₹ In Lakhs	
	As at 31.03.2015	As at 31.03.2014
Secured, considered good		
Receivable towards sale of fixed assets	-	824.00
	-	-
Total	-	824.00

- 2.18.01** The corporation had sold the land at gotri in vadodara during the year 2012-13 for the payment of ₹ 1831.11 lakhs. At the time of execution of documents ₹ 183.11 lakhs was received. Balance amount of ₹ 1648.00 lakhs is recoverable in four equal half yearly installments. The said amount is secured by bank guarantee of Dena Bank. During the year 2014-15, the balance amount has been recovered and no dues is pending now.



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2.19.01 In respect of sale of electricity, GUVNL has considered the Return on Equity, Normative Plant Load Factor and auxiliary consumption @ 13% per annum, 75% and 11% respectively as per letter dated 6.10.2006 issued by Energy and Petrochemicals Department, Government of Gujarat. However, as per Power Purchase Agreement, the rate of Return of Equity is 16%, Normative Plant Load Factor is 68.5% and auxiliary consumption @ 10%. GMDC and GUVNL has executed Supplementary Power Purchase Agreement.

2.20 OTHER INCOME

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Interest Income			
- Income Tax/ Sales Tax Refund	7.33	5.20	
- FDRs with Banks & ICDs	11,063.69	8,772.03	
- Others	532.77	253.05	9,030.28
Income from Investments			
- Dividend Income	570.60		551.68
Net gain on Sale of Fixed Assets	-		388.83
Sale of Scrap material	495.25		143.36
Excess Provision of Earlier Years Written Back	241.81		641.38
Liquidated Damages/ Penalty	1,102.13		2,548.38
Other Misc. Income	386.30		434.51
Total	14,399.89		13,738.42

2.20.01 As per the guidelines issued by the Ministry of Coal, the corporation has amended the Mine Closure Provisions with reference to WPI as per the approved / submitted mine closure plan. Due to this, the corporation has written back the excess mine closure provisions of ₹ 10916.23 Lakhs during the year.

2.21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN TRADE

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Inventories at the end of the year:			
Finished Goods	0.45	0.45	
Mined Ore	3,496.18	3,241.58	
	3,496.63	3,242.03	
Less :Inventories at the beginning of the year:			
Finished Goods	0.45	0.45	
Mined Ore	3,241.58	2,093.96	
	3,242.03	2,094.41	
Increase / (Decrease) in Inventories	254.61		1,147.62

2.22 EMPLOYEE BENEFITS EXPENSE

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Salaries, Wages & Bonus	6,518.20	6,783.65	
Contribution to Provident fund & other funds	844.47	916.29	
Staff Welfare Expenses	553.19	635.25	
Terminal Benefits	1,721.70	571.85	
Total	9,637.56		8,907.04

2.23 FINANCE COST

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Interest expense on Borrowings	-	-	
Other Borrowing Costs	-	-	
- Interest on delayed / deferred payment of income tax	0.17	0.12	
- Other & Other Charges	168.55	13.11	
Total	168.71		13.23

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2.24 OTHER EXPENSES

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Manufacturing Expenses			
Loading of Lignite & Overburden Removal	35,568.57		25,949.00
Other Loading charges & Mining Expenses	2,188.08		894.38
Consumption of Stores, Spares & Fuel			
- Power & Fuel	815.28	1,079.15	
- Electricity Expenses	1,189.56	1,177.86	
- Consumption of Stores, Spares & Chemicals	5,865.16	5,755.20	8,012.21
Operation & Maintenance Charges for Power Projects	4,370.75		3,035.33
Repairs & Maintenance			
- Buildings	198.89	497.03	
- Machineries (Including spares)	1,143.48	1,392.58	
- Other Assets	67.07	51.43	1,941.04
Rates & Taxes			
- Royalty	6,556.02	5,854.53	
- Clean Energy Cess	8,092.30	4,206.17	
- Other Rates & Taxes	234.69	189.11	10,249.81
Mine Closure Expenses			5,194.26
Other Manufacturing Expense			
- Machinery Hire Charges	0.17	0.10	
- Rent	12.55	0.07	0.17
Administrative & Selling Expenses			
CSR Expenses	1,334.99		-
Insurance Premium	291.41		316.83
Vehicle Hire Charges	586.17		568.71
Advertisement & Publicity	220.69		214.86
Security Expenses	1,557.12		1,396.20
Legal & Professional Fees	501.59		335.22
Payment to Auditors (Current Year excluding service tax)			
- Audit Fees	5.82	6.52	
- For Tax Audit	0.75	0.78	
- For Certification & Other Matters	0.83	0.79	
- Out of Pocket Expenses	0.19	0.17	8.26
Remuneration to Managing Director	0.10		-
Directors sitting Fees & Allowances	3.12		2.00
Cash Discount	570.86		431.51
Net loss on Sale of Fixed Assets	56.17		-
Provision for Obsolete Stock	-		193.34
Provision for doubtful debts /loans & advances	97.36		14.59
Net Loss on Foreign Exchange transactions	-		1.99
Mining & Project Development Expenses	53.79		28.80
Other Miscellaneous Charges	822.74		562.02
Prior Period Adjustments (Net)	(76.66)		171.02
Total	80,339.67		59,521.55

2.24.01 Royalty on account of sale of Bauxite has been accounted for ₹ 466.23 Lakhs (P.Y. ₹ 251.17 lakhs) on ad hoc basis as intimated by the Commissioner of Geology and Mining. Necessary adjustment shall be made in the accounts after final outcome of the matter.

2.24.02 In view of the Supreme Court's decision in respect of mining activities, applications made by the Corporation for renewal of leases covering 2040 (P.Y. 2040) hectares of land for extracting lignite are pending since 1993-94. Necessary adjustment in respect of liability for any charges, taxes, duties etc. will be provided in accounts on finalization of renewal applications.

2.24.03 During the year, corporation has written off ₹ 54.17 Lakhs and written back ₹ 334.03 Lakhs to the books of accounts. In the opinion of the management, such amounts are no longer payable / receivable. Net effect is write back to the Profit & Loss account an amount of ₹ 279.86 Lakhs.

2.24.04 In compliance with Section 135(5) of the amended Companies Act, 2013, the corporation has spent ₹ 4761.26 Lakhs against the statutory requirement of spending ₹ 1486.00 Lakhs (based on average net profits of last 3 years) during the year towards Corporate Social Responsibility (CSR) activities. This amount includes capital expenditure for setting-up two Centres of Excellence viz., ICEM (International Centre for Excellence in Mining Safety & Automation) and iCREATE (International Centre for Entrepreneurship & Technology) and incurred ₹ 3426.27 Lakhs towards creation of these centres. These centres have been set-up for imparting skill development and corporate training in mining industry (iCEM) and mentoring and growing the spirit of entrepreneurship (iCREATE), which qualifies for CSR expenditure as per Section 135 of the Companies Act, 2013.

2.24.05 Details of Prior Period Adjustments (Net)

		₹ In Lakhs	
Particulars	2014-2015	2013-2014	
Income			
- Sales	(0.59)	0.55	
- Other Income	19.09	89.89	90.44
Expenditure			
- Consumption of Stores, Chemicals etc.	2.34	10.67	
- Repair & Maintenance	27.96	4.85	
- Electricity Expenses	-	53.76	
- Loading of Lignite / Mining Expenses of bauxite	2.27	181.58	
- Rates & Taxes	29.51	32.30	
- O & M / Plant operation charges	1.49	41.49	
- Depreciation	(181.07)	(85.36)	
- Other Miscellaneous Expenses (net)	59.34	22.18	261.47
Net Prior Period Income/(Expenses)	76.66		(171.02)



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.25 Contingent Liabilities

Contingent liabilities not provided for Claims against the Corporation not acknowledged as debt ₹ 44106.20 lakhs (P.Y. ₹ 42204.61 lakhs).

2.25.01 There is a litigation going on amongst the corporation and Ashapura Minechem Ltd (AML) regarding corporation's decision of not executing an MOU with AML due to its failure to find a strong financial partner. Aggrieved by the decision of GMDC, Ashapura Minechem Ltd. has filed an appeal with Supreme Court for appointment of Arbitrator. However, at this point of time, the corporation has not received any statement of claims from Ashapura Minechem and hence the amount of claim cannot be quantified. Further, the corporation has decided to file review petition against the order of Hon Supreme Court for appointment of arbitrator.

2.25.02 As against claims for additional compensation of ₹ 1000 per sq. mtr. by ex-owners of land acquired for Bhavnagar Project, District Court has partly allowed the claims of ex-land owners by ₹ 4 per sq. mtr. The Corporation has deposited ₹ 912.32 lakhs with District Court, Bhavnagar in April'14 towards this order. The Corporation has also decided to file an application before High Court against the order of District Court. Necessary adjustment shall be made in accounts after final decision/outcome of the case.

2.25.03 The Honourable Supreme Court has given judgement to pay additional compensation to land owners of Rajpardi lignite mines. However, the total compensation amount has not been quantified by the Court till date. Necessary adjustment shall be made in the books as and when the amount is quantified by the court. At present, ₹ 552.31 Lakhs deposited earlier are shown as Deposits with Courts.

2.25.04 Income Tax : ₹ 26730.03 lakhs (P.Y. ₹ 27586.75 lakhs)

2.25.05 Sales Tax/ VAT : ₹ 425.45 lakhs (P.Y. ₹ 425.45 lakhs)

2.25.06 Excise : ₹ 450.58 lakhs (P.Y. ₹ 450.58 lakhs)

2.25.07 Related to Contractors and Others : ₹ 8896.02 lakhs (P.Y. ₹ 4657.22 lakhs)

2.25.08 Bank Guarantee/letter of credits issued by banks on behalf of the Corporation. : ₹ 37.16 lakhs (P.Y. ₹ 57.42 lakhs)

2.25.09 Royalty, Stamp duty and Conversion tax : ₹ 4943.48 lakhs (P.Y. ₹ 4943.48 lakhs)

2.25.10 Incentive to Employees : ₹ 1158.84 lakhs (P.Y. ₹ 1158.84 lakhs)

In view of the various court cases/litigations and claims disputed by the Corporation, financial impact as to outflow of resources in respect of various expenses is not ascertainable at this stage.

2.26 Capital and other commitments :

2.26.01 Capital Commitments

Estimated amount of Capital Contracts remaining to be executed and not provided for ₹ 6200.45 lakhs (P.Y. ₹ 6205.36 lakhs)

2.26.02 Other Commitments

a) Corporation has entered in to the Sponsor Support Agreement with Bhavnagar Energy Company Ltd (BECL), where by corporation has given commitment to meet the Cost overrun to the extent of its share of 26% in BECL.

b) NALCO has made upfront payment of ₹ 15100 lakhs for setting up Alumina Refinery & Smelter plant in Kutch region and same has been shown under the head "Other long term Liabilities". Further, GMDC has deposited the said amount with GSFS as inter corporate deposit. GMDC will supply Bauxite, Limestone and Lignite to NALCO on a long term basis, as per terms and conditions as may be mutually agreed between the parties and subject to approval of appropriate authorities; In case the said arrangement is not materialized as per proposed agreement, then GMDC shall refund the said amount and other compensation to NALCO as admissible as per law prevailing at that time.

2.27

I Consumption of imported & indigenous Stores & Spares

Particulars	2014-15		2013-14	
	₹ In Lakhs	%	₹ In Lakhs	%
Imported	-	-	-	-
Indigenous	5,865.16	100.00	5,755.20	100.00
Total	5,865.16	100.00	5,755.20	100.00

II C.I.F. Value of Imports:

Particulars	2014-15		2013-14	
	₹ In Lakhs		₹ In Lakhs	
Components & Spares	-	-	92.38	-
Capital Goods	-	-	-	-
Total	-	-	92.38	-

III Expenditure in foreign currency : ₹ 4.33 Lakhs (P. Y. ₹ NIL)

Particulars	2014-15		2013-14	
	₹ In Lakhs		₹ In Lakhs	
Fees for Technical Services	1.98	-	Nil	-
Other Matters	2.35	-	Nil	-
Total	4.33	-	Nil	-

IV Remuneration to Managing Director :

Particulars	2014-15		2013-14	
	₹ In Lakhs		₹ In Lakhs	
Remuneration	0.10	-	-	-
Perquisites	-	-	-	-
Total	0.10	-	-	-

V During the year the Corporation has remitted the amount in foreign currency on account of the Share holders as under:

(a) Year to which dividend relates	2014-15		2013-14	
	2014-15		2013-14	
(b) Number of non-resident shareholders	Nil	-	26	-
(c) Number of shares held by them	Nil	-	52293	-
(d) Amount of dividend remitted in foreign currency (₹ In Lakhs)	Nil	-	1.57	-

2.28 In the opinion of Management, any of the Assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

2.29 Balances of trade payables, trade receivables, loans & advances, advances from customers, other long term/current liabilities, etc. are subject to confirmation, if any, in the accounts.

2.30 On periodical basis and as and when required, Corporation reviews the carrying amounts of its assets. In the Financial Year 2012-13, Corporation had reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

2.31 Earning Per Share

Particulars	2014-15	2013-14
Profit after tax (₹ In Lakhs)	50,032.46	43,908.53
Weighted average no. of equity shares outstanding	318,000,000	318,000,000
Basic and diluted earnings per share (₹)	15.73	13.81

2.32 SEGMENT REPORTING

The Corporation has identified two reportable segments viz. Mining and Power. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with Accounting Standard 17 on Segmental Reporting issued by the Institute of Chartered Accountants of India.

- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(₹ in Lakhs)

Sr.	Particulars	2014-15	2013-14
1	Segment Revenue		
a)	Mining Projects	115,267.17	107,734.09
b)	Power Projects	37,015.99	30,304.35
	Segment Revenue	152,283.16	138,038.44
c)	Un-allocable Corporate Revenue	507.37	617.18
	Total Revenue	152,790.53	138,655.62
2	Segment Results :		
	(Profit/Loss before interest and tax)		
a)	Mining Projects	37,618.50	49,526.16
b)	Power Projects	6,758.18	6,338.63
	Segment Results	44,376.68	55,864.79
c)	Un-allocable	(3,880.54)	(2,487.61)
	Total	40,496.14	53,377.18
	Add : Interest Income	11,603.78	9,030.15
	Add : Dividend Income	570.60	551.68
	Net Profit before tax and exceptional Items	52,670.52	62,959.01
	Add : Extraordinary Items	10,916.23	-
		63,586.75	62,959.01
	Less : Provision for Current Tax	21,150.00	21,520.00
	Less : Provision for Deferred Tax	(7,596.11)	(2,474.41)
	Total Tax Provision	13,553.89	19,045.59
	Profit after tax (Enterprise net profit)	50,032.86	43,913.42
3	Segment Assets :		
a)	Mining Projects	48,557.23	45,877.98
b)	Power Projects	252,802.06	252,783.90
	Total Segment Assets	301,359.29	298,661.88
c)	Un-allocable Corporate Assets	203,676.67	169,796.69
		505,035.96	468,458.57
4	Segment Liabilities :		
a)	Mining Projects	50,119.50	54,062.66
b)	Power Projects	92,354.82	79,205.07
	Total Segment Liabilities	142,474.32	133,267.73
c)	Un-allocable Corporate Liabilities	362,561.64	335,190.84
		505,035.96	468,458.57
5	Capital Expenditure :		
(i)	Additions :		
a)	Mining Projects	3,989.11	2,412.62
b)	Power Project	126.80	17,864.18
		4,115.91	20,276.80
c)	Un-allocable Capital Expenditure	21.12	412.38
	Total Additions	4,137.03	20,689.18
(ii)	Depreciation :		
a)	Mining Projects	889.60	994.48
b)	Power Project	12,746.92	11,098.88
		13,636.52	12,093.36
c)	Un-allocable Depreciation	90.39	277.78
	Total Depreciation	13,726.91	12,371.14

Notes :

- Segment assets and liabilities are subject to reconciliation.
- Segment Revenue of Mining includes ₹ 8471.20 Lakhs (P.Y. ₹ 4683.11 Lakhs) being captive consumption of Lignite/Lime for Power Project.
- Inter-segment transfers of Lignite and Lime are accounted for at cost.
- Depreciation is net off ₹ 181.07 Lakhs (P.Y. including ₹ 85.36 Lakhs) relating to previous years.
- The balances of assets, liabilities, income and expense of subsidiary company and joint venture company has not been considered for segment reporting as Accounting Standard 17 on "Segmental Reporting" is not applicable to those companies.

2.33 Related party disclosures on 31.3.2015 :

(i) List of Related parties & Relationships :

Name of Related Party	Relationship
Shri D.J. Pandian, IAS – Chairman up to December 30' 2014	Key Managerial Personnel
Shri Atnu Chakraborty, IAS - Chairman	
Shri B B Swain, IAS, - Managing Director (w.e.f. 01st November 2014)	
Shri Pankaj Kumar, IAS - Managing Director up to August 25, 2014	
Shri D J Pandian, IAS - Managing Director - up to October 31, 2014	
Gujarat Foundation for Entrepreneurial Excellence	Associates
Gujarat Jaypee Cement Infrastructure Ltd.	Joint Ventures
Gujarat Credo Mineral Industries Ltd.	
Bhavnagar Energy Co. Ltd.	
Aikya Chemicals Pvt. Ltd.	
Swarnim Gujarat Flourspar Pvt. Ltd.	
Naini Coal Company Ltd.	Subsidiary company
Gujarat Mining & Resources Corporation Ltd.	
GMDC Gram Vikas Trust	Enterprises over which key management personnel are able to exercise significant influence
Lakhpat Welfare Society	
GMDC Science & Research Centre	

(ii) Transactions during the year with related parties :

₹ In Lakhs

Nature of transactions	Associates		Joint Ventures		Key Management Personnel		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Remuneration Paid	Nil	Nil	Nil	Nil	0.10	Nil	Nil	Nil	0.10	-
Purchase of Investments*	Nil	Nil	3,865.00	7,629.87	Nil	Nil	Nil	Nil	3,865.00	7,629.87
Receivable	0.03	Nil	2,051.22	501.20	Nil	Nil	Nil	Nil	2,051.22	501.20
Paid	Nil	Nil	Nil	Nil	Nil	Nil	189.12	248.48	189.12	248.48
Received	Nil	Nil	1,695.76	857.12	Nil	Nil	Nil	Nil	1,695.76	857.12
Income from Investments	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(Payable)	Nil	Nil	Nil	Nil	Nil	Nil	18.80	76.61	18.80	76.61
Donations given	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(iii) Balances as at 31st March, 2015 :

₹ In Lakhs

Nature of transactions	Associates		Joint Ventures		Key Management Personnel		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Investments	5.00	5.00	17,912.95	14,047.95	0.10	Nil	Nil	Nil	17,917.95	14,052.95
Receivables	84.53	84.50	2,042.94	2,043.66	Nil	Nil	437.16	266.84	2,127.47	2,128.16
Payables	Nil	Nil	3,371	35,599,326	Nil	Nil	Nil	Nil	3,371.23	355.99



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- 2.34 Corresponding figures of the previous year have been re-grouped / re-arranged and re-classified, wherever necessary, to make them comparable with the figures of the current year.
- 2.35 As per Section 129(3) of the amended Companies Act, 2013, a company is required to present consolidated financial statements of joint venture and associate companies also. However, as per the Circular No - GSR 723(E), dated 14th October, 2014 issued by Ministry of Corporate Affairs, the corporation is exempted from consolidation of the accounts of Joint Venture & Associate Companies for the Financial Year 2014-15.
- 2.36 As per Schedule III to the Companies Act, 2013, the information required to be disclosed in relation of joint venture and associate companies whose accounts has not been consolidated are given below :

Name of Company	Relationship	Reason
Gujarat Foundation for Entrepreneurial Excel	Associate	Accounts are under preparation / approval.
Gujarat Jaypee Cement Infrastructure Ltd.	Joint Venture	
Gujarat Credo Mineral Industries Ltd.	Joint Venture	
Bhavnagar Energy Co. Ltd.	Joint Venture	
Aikya Chemicals Pvt. Ltd.	Joint Venture	
Naini Coal Company Ltd.	Joint Venture	

2.37 Financial Information of Subsidiary Company :

Name of Subsidiary Company	Year	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
Gujarat State Mining and Resources Corporation Ltd.	2014-15	5.00	(8.67)	0.39	0.39	0.00	0.00	(0.32)	0.00	(0.32)	0.00
	2013-14	5.00	(8.35)	0.77	0.77	0.00	0.00	(0.65)	0.00	(0.65)	0.00

2.39 Financial Information of Joint Venture Company :

Name of Subsidiary Company	Year	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
Swarnim Gujarat Flourspar Pvt. Ltd.	2014-15	219.00	42.02	184.92	184.92	0.00	1.28	(9.45)	0.00	(9.45)	0.00
	2013-14	5.00	32.58	163.53	163.53	0.00	0.69	(8.83)	0.00	(8.83)	0.00

Pawan Bhootra
General Manager (Accounts)

Joel Evans
Company Secretary

Place : Ahmedabad
Date : 28th May, 2015

L. Kulshrestha
General Manager (Finance)
& Chief Financial Officer

Bhadresh Mehta
Director
DIN - 02625115

Manoj Aggarwal, IAS
Managing Director
DIN - 07189255

S. B. Dangayach
Director
DIN - 01572754

Arvind Agarwal, IAS
Chairman
DIN - 00122921

As per our report of even date attached
For H.K.Shah & Co.
Chartered Accountants
FRN – 109583/W
CA. H. K. Shah
Partner
Membership No. 042758
Place : Ahmedabad
Date : 28th May, 2015



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.
CIN :L4100GJ1963SGC001206

ATTENDANCE SLIP

I/We _____

Folio No.	
D.P. ID	
Client ID	

hereby record my/our present at the **52nd ANNUAL GENERAL MEETING** of the company held at the Registered office : "Khanij Bhavan", 132' Ring Road, University Ground, Vastrapur, Ahmedabad - 52 at 11:00 AM on Tuesday the 29th September, 2015

Signature of the Member / Proxy / Representative attending the meeting _____

- Notes :** (i) Please handover the attendance slip at the entrance to the place of the Meeting.
(ii) Only Members and in their absence, duly appointed proxies will be allowed for the Meeting
Please avoid bringing non-members / children to the Meeting.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.
(A Government of Gujarat Enterprise)

CIN :L4100GJ1963SGC001206
"Khanij Bhavan", 132 Ft Ring Road, Near University Ground, Vastrapur, Ahmedabad -52
Phone : 2791 0665 / 2791 1662 / 2791 3200 / 2791 3201 • Tele Fax : 079 2791 1151
E-mail : cossec@gmdcltd.com • Website : www.gmdcltd.com

PROXY FORM

52nd ANNUAL GENERAL MEETING
Tuesday, the 29th September, 2015 at 11:00AM

I/We, being the member(s), holding _____ Shares of the above Company, hereby appoint:

- | | | |
|-----|-------------------|------------------------------------|
| (1) | Name _____ | Address _____ |
| | E-mail ID : _____ | Signature _____ or failing him/her |
| (2) | Name _____ | Address _____ |
| | E-mail ID : _____ | Signature _____ or failing him/her |
| (3) | Name _____ | Address _____ |
| | E-mail ID : _____ | Signature _____ |

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 52nd ANNUAL GENERAL MEETING of the Company to be held on Tuesday, the 29th September 2015 at 11.00 A. M at the Registered office: 'Khanij Bhavan', 132' Ring Road, University Ground, Vastrapur, Ahmedabad-52 and at any adjournment thereof in respect of such Resolutions as are indicated below :

Resolution No	Resolutions	Optional*	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the financial statements (standalone & consolidated) for the year ended on March 31, 2015, including the Balance Sheet, Profit and Loss Statement and Cash Flow Statement as at that date together with the Report of the Board of Directors and Auditors thereon.		
2	Declaration of Dividend on Equity Shares.		
3	To fix up the remuneration of Statutory Auditors for the year 2015-2016.		
Special Business			
4	Appointment of Shri S.B. Dangayach, as an Independent Director.		
5	Appointment of Shri Nitin Shukla, as an Independent Director		
6	Appointment of Smt. Sonal Mishra, IAS as a Woman Director		
7	To ratify the remuneration of Cost Auditors.		

Signed this _____ day of _____ 2015
Member's Folio / DP ID - Client ID No. _____
Signature of Shareholder(s) _____
Signature of Proxy holder(s) _____

Affix
Revenue
Stamp
Rs. 1/-

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 52nd Annual General Meeting.
- *3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including details of Member(s) in above box before submission.



Gujarat Mineral Development Corporation Limited

(A Government of Gujarat Enterprise)

CIN : L14100GJ1963SGC001206

Khanij Bhavan", 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad-52

Phone : 2791 0665 / 2791 1662 / 2791 3200 / 2791 3201 TeleFax : 079 – 2791 1151

e-mail : cosec@gmdcltd.com, website : www.gmdcltd.com

ECS MANDATE FORM (PHYSICAL SHARES)

DP ID/CLINET ID/L.F.NO : _____

NAME OF SHAREHOLDER : _____

ADDRESS OF SHAREHOLDER : _____

NO.OF SHARES HELD : _____

NAME OF BANK : _____

ADDRESS OF BANK : _____

BANK A/C.NO. : _____

BANK MICR CODE : _____

SHAREHOLDER'S SIGNATURE : _____

DATE : _____

PLACE : _____

**NOTE : ECS MANDATE FORM TO BE FILLED BY THE SHAREHOLDER
HOLDING PHYSICAL SHARES AND RETURN TO THE COMPANY OR
REGISTRAR FOR REGISTRATION.**

NOTES

[illegible]

NOTES

[illegible]

BY COURIER

To,



GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

(A Government of Gujarat Enterprise)

Registered Office :

"Khanij Bhavan", 132 Ft Ring Road, Near University Ground, Vastrapur, Ahmedabad - 52

Phone : 2791 0665 / 2791 1662 / 2791 3200 / 2791 3201 • Tele Fax : 079 2791 1151

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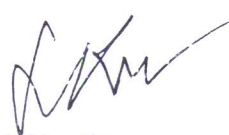
ANNEXURE

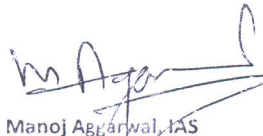
FORM A

Information required for Annual Audit Report as per Clause 31 of the Equity Listing Agreement

1	Name of the Company	Gujarat Mineral Development Corporation Limited
2	Annual Financial Statements for the year ended	31st March, 2015
3	Type of Audit observation	Unqualified
4	Frequency of observation	Since Inception

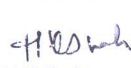

Pawan Bhootra
General Manager (Accounts)


L. Kulshrestha
General Manager (Finance) &
Chief Financial Officer


Manoj Aggarwal, IAS
Managing Director


Bhadresh Mehta
Chairman - Audit Committee

For H K Shah & Co.
Chartered Accountants
FRN - 109583W


CA H K Shah
Partner
Membership No. : 042758