

51st
Annual Report
2013-2014



**GUJARAT MINERAL DEVELOPMENT
CORPORATION LIMITED**

BOARD OF DIRECTORS

CHAIRMAN

Shri D.J. Pandian, IAS

MANAGING DIRECTOR

Shri Pankaj Kumar, IAS (From 01.05.2013)

COMPANY SECRETARY

Shri Joel Evans

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

Ms. S. Aparna, IAS

Shri T. Natarajan, IAS

Shri Bhadrash Mehta

BANKERS

Bank of Baroda

Dena Bank

Vijaya Bank

Axis Bank Ltd.

HDFC Bank Ltd.

State Bank of India

Union Bank of India

IDBI Bank Ltd.

PROJECTS:

Lignite Projects

Panandhro (Dist. Kutch)

Rajpardi (Dist. Bharuch)

Tadkeshwar (Dist. Surat)

Mata-No-Madh (Dist. Kutch)

Bhavnagar (Dist. Bhavnagar)

Fluorspar Project

Kadipani (Dist. Vadodara)

Bauxite Projects

Gadhsisa (Dist. Kutch)

Bhatia (Dist. Jamnagar)

Calcination Project

Gadhsisa (Dist. Kutch)

Multi-Metal Project

Ambaji (Dist. Banaskantha)

Power Project

Nani Chher (Dist. Kutch)

Wind Farm Project

Maliya (Dist. Rajkot)

Jodiya (Dist. Jamnagar)

Godsar (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 Limited

101, Shatdal Complex, 1st floor,

Opp: Bata Show Room,

Ashram Road,

Ahmedabad – 380 009

Tel. (079) 2658 2878

Fax: (079) 2658 1296

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AGM DATE, DAY, TIME & VENUE

Date of AGM	: 25.09.2014
Day	: Thursday
Time	: 11.00 a.m.
Venue	: Registered Office of the Company Khanij Bhavan 132 Ft. Ring Road Near University Ground Vastrapur, Ahmedabad-380 052

FINANCIAL HIGHLIGHTS



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Sr.	Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
(A) Statement of Profit & Loss											
(₹ In lakhs)											
1.	Total Turnover	1,34,407.28	1,74,762.51	1,69,599.76	1,42,752.68	1,06,608.05	98,121.21	98,105.54	58,895.65	43,374.08	36,925.50
2.	Profit before tax	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	16,799.15
3.	Interest	-	-	784.89	1,528.32	2,611.22	5,390.84	7,024.77	7,370.52	5,054.94	20.34
4.	Depreciation	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	804.22
5.	Provision for tax	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	6,478.03
6.	Profit after tax	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	10,321.13
7.	Short/Excess provision of tax of earlier years	-	-	-	30.70	1.17	488.85	-	1,420.48	649.31	20.33
8.	Net Profit after short/excess tax prov of earlier years	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	10,341.46
9.	Balance of profit of last year	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	1,461.33
10.	Profit available for appropriation	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	11,802.79
11.	Dividend in %	150.00	150.00	150.00	150.00	125.00	100.00	100.00	100.00	60.00	50.00
12.	Dividend in Rupees	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	1,590.00
(B) Balance Sheet											
1.	Share Capital	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	3,180.00	3,180.00	3,180.00	3,180.00
2.	Reserves and Surplus	2,79,887.62	2,47,135.53	1,98,212.64	1,60,616.98	1,34,197.57	1,15,510.61	1,02,989.73	80,693.28	74,966.36	73,616.63
3.	Gross Fixed Assets	2,80,574.16	2,65,632.13	2,55,743.34	2,23,619.18	1,97,608.33	1,88,640.64	1,84,653.41	1,79,178.43	1,71,358.45	92,749.45
4.	Net Fixed Assets	1,86,237.72	1,78,023.78	1,75,778.06	1,51,739.13	1,34,143.07	1,30,820.45	1,34,283.09	1,37,135.55	1,36,496.96	70,877.57
5.	Capital Employed	2,87,645.95	2,66,406.11	2,20,610.83	1,91,260.84	1,71,092.32	1,85,736.39	1,87,945.97	1,88,169.08	1,86,376.29	1,80,521.34
6.	Net worth	2,86,247.62	2,53,495.53	2,04,572.64	1,65,852.01	1,38,755.83	1,20,769.80	1,05,847.65	80,319.15	74,446.76	73,713.62
(C) Financial Ratios											
1.	% of Net Profit										
	On Sales	32.67	34.38	28.70	26.25	26.25	24.08	26.90	18.45	9.57	27.95
	On Gross Fixed Assets	15.65	22.62	19.04	16.76	14.16	12.53	14.29	6.07	2.44	11.13
	On Capital Employed	15.27	22.55	22.07	19.59	16.36	12.72	14.04	5.78	2.24	5.72
	On net worth	15.34	23.70	23.80	22.60	20.17	19.57	24.93	13.53	5.61	14.00
	On Share Capital	690.46	944.72	765.46	589.25	440.05	371.55	829.97	341.76	131.28	324.56
2.	Debt/Equity Ratio	Nil	Nil	Nil	0.08	0.15	0.39	0.63	1.14	1.39	1.45

NOTICE

Notice is hereby given that the 51st Annual General Meeting of the Shareholders of 'Gujarat Mineral Development Corporation Limited' will be held on Thursday, the 25th September, 2014 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 business :

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, 2014, 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. To declare dividend on Equity Shares for the year ended 31st March, 2014.
3. To fix up the remuneration of Statutory Auditors for the year 2014-15 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:
"RESOLVED THAT Shri D.J. Pandian, IAS, (DIN: 00015443) who was appointed as director of the company on 4th March 2014, be and is hereby confirmed and appointed as a Director & Chairman of the Company whose period of office shall not be liable to determination by retirement of Directors by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013."
5. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Bhadrash Mehta (DIN 02625115), Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation."
6. To ratify the remuneration of Cost Auditors 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 thereunder, the remuneration of

₹ 1,50,000/- plus applicable Service Tax, reimbursement of out of pocket expenses incurred in connection with the Cost Audit for financial year 2014-15 payable to M/s Manish Analkat, Cost Auditors, as approved by the Board of Directors of the Company at its Meeting held on 13-8-2014, be and is hereby ratified."

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

Date : 13.08.2014
Place : Ahmedabad.

Registered Office :

Gujarat Mineral Development Corporation Limited
CIN NO:- L14100GJ1963SGC001206
'Khanij Bhavan' Vastrapur, Ahmedabad-380 052

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No.4

The Government of Gujarat vide notification No.GU/2014/14/GMC/102003/889/CHH,1 dated 4-3-2014 has appointed Shri D.J. Pandian, IAS, (DIN: 00015443) as a Director and the Chairman pursuant to the provisions of Article No. 108 and 107(C) of the Memorandum and Article of Association. Shri D.J. Pandian, aged 59 years, is a senior IAS officer with a vast work experience. He has served in various senior positions in Government of Gujarat and in various other National and International offices and is currently the Additional Chief Secretary of Energy and Petrochemicals Department as well as Industries & Mines Department, Government of Gujarat. He is also on the Board of the following Companies:

1. GUJARAT STATE PETROLEUM CORPORATION LIMITED
2. GUJARAT STATE PETRONET LIMITED
3. GSPC GAS COMPANY LIMITED
4. GSPC PIPAVAV POWER COMPANY LIMITED
5. GSPC LNG LIMITED
6. GUJARAT POWER CORPORATION LIMITED
7. GUJARAT INDUSTRIES POWER COMPANY LIMITED
8. GUJARAT STATE ELECTRICITY CORPORATION LIMITED
9. GUJARAT ENERGY TRANSMISSION CORPORATION LIMITED
10. GUJRAT URJA VIKAS NIGAM LIMITED
11. GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

12. GUJARAT ALKALIES AND CHEMICALS LIMITED
13. MAHAGUJ COLLIERIES LIMITED
14. GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED
15. TORRENT POWER LIMITED
16. BAITARNI WEST COAL COMPANY LIMITED
17. GUJARAT GAS COMPANY LIMITED
18. GUJARAT INDUSTRIAL CORRIDOR CORPORATION LIMITED
19. DHOLERA INTERNATIONAL AIRPORT COMPANY LIMITED
20. GUJARAT INDUSTRIAL INVESTMENT CORPORATION LIMITED
21. DAHEZ SEZ LIMITED

Except Shri D J Pandian, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financially 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.

The Board recommends the appointment of Shri D.J. Pandian, IAS.

Item No.5

Mr. Bhadresh Mehta (DIN 02625115) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 21.10.2008. Mr. Mehta is Chairman of the Nomination and Remuneration Committee, the Audit Committee and Stakeholders Relationship Committee, of the Board of Directors of the Company.

Mr. Bhadresh Mehta (DIN 02625115), aged 54 years and a Chartered Accountant by profession. He is not a Director in any other Company in India.

In the opinion of the Board, Mr. Bhadresh Mehta 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 Mr. Bhadresh Mehta 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 immense benefit to the Company and it is desirable to continue to avail services of Mr. Bhadresh Mehta as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Bhadresh Mehta as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Bhadresh Mehta, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financially 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

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors, M/s Manish Analkat, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 with a remuneration of ₹1,50,000.00.

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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

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. 6 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

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

Date : 13.08.2014
Place : Ahmedabad.

Registered Office :

Gujarat Mineral Development Corporation Limited
CIN NO:- L14100GJ1963SGC001206
'Khanij Bhavan' 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 & 5, 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 hereto.
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

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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 20th September, 2014 to 22nd September, 2014 (both dates inclusive).

3. The dividend declared at the Annual General Meeting will be paid on equity shares of the Company on or after 29th September, 2014 to those Members holding shares in physical form and whose names appear on the Register of Members of the Company on 22nd September, 2014. 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 19th September, 2014, 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 29th September, 2014 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 Company's Share Transfer and Registrar Agent M/s MCS Limited, 101, 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 Limited, 101, Shatdal Complex, Opp. Bata Show Room, Ahmedabad-9 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. Pursuant to provisions of section 212 of the Companies Act, 1956, the members are hereby informed that the annual accounts of M/s Gujarat State Mining & Resources Corporation Limited (GSMRCL) and the related detailed information shall be made available to the shareholders on demand. The annual accounts of M/s GSMRCL will also be available for inspection by any

shareholders during office hours on all working days. Hard copy of details of accounts of GSMRCL shall be furnished to the shareholder/s on demand.

10. 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.
11. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 dividends for the financial year ended 31st March, 2007 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, 2007 or any subsequent financial years are requested to make their claim to M/s. MCS 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 and unpaid 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	2006-2007	29.09.2007	29.09.2014
2	2007-2008	11.09.2008	11.09.2015
3	2008-2009	29.09.2009	29.09.2016
4	2009-1010	28.09.2010	28.09.2017
5	2010-2011	30.09.2011	30.09.2018
6	2011-2012	28.09.2012	28.09.2019
7	2012-2013	27.09.2013	27.09.2020

12. Voting through electronic means

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 51st AGM dated 25th September, 2014. The detailed process, instructions and manner for availing e-Voting facility is shown hereunder :

The Company has fixed 22nd August, 2014 as a cut-off date to record the entitlement of the Shareholders to cast their votes electronically at the 51st AGM.

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

- (i) Log on to the e-voting website www.evotingindia.com



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- (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:
- (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 **35443 (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

	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)
	<ul style="list-style-type: none">• 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 last 8 digits of the demat account/folio number in the PAN field.• In case the folio 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. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.• If the folio no. starts with alpha, then take first 2 digit of your name and then after folio no. e.g. If your name is Jagdish and your folio no. is J0000001 then enter JAJ0000001 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 August 2014) in the Dividend Bank details field .

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, 19th September 2014 at (9.00 a.m.) and ends on Sunday, 21st September 2014 (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 August 2014), 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 5th July 2014.
3. 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.
4. The result of voting will be announced by the Chairman of the Meeting on or after the 51st Annual General Meeting to be held on Thursday, the 25th September, 2014. 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.
5. 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.

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 Limited 101, Shatdal Complex Opp. Bata Show Room Ashram Road, Navrangpura Ahmedabad-380 009
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.

DIRECTORS' REPORT 2013-2014

To
The Shareholders,
Gujarat Mineral Development Corporation Limited

Your Directors have pleasure in presenting 51st Annual Report along with the audited accounts of your Corporation for the financial year 2013-2014. Our profit after tax for the year is ₹ 43,913 lakhs as against ₹ 60,084 lakhs last year.

Financial Results	2013-14 (₹ In lakhs)	2012-13 (₹ In lakhs)
Operating profit	75,415	1,04,145
Less: Interest	-	-
Profit after interest, but Before depreciation	75,415	1,04,145
Less: Depreciation	12,456	11,738
Profit before tax & exceptional items	62,959	92,407
Less: Exceptional items	-	2,038
Profit before tax	62,959	90,369
Less: Provision for tax for the year including deferred tax	19,046	30,285
Net profit after tax	43,913	60,084
Add: Balance of Profit brought forward	24,565	15,642
Less: Excess/Short provision of Deferred tax liability (net)	-	-
Profit available for appropriation	68,478	75,726
Less: Appropriations		
(i) Proposed Dividend	9,540	9,540
(ii) Corporate tax on dividend	1,621	1,621
(iii) General Reserve	25,000	40,000
Balance carried to Balance Sheet	32,317	24,565

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- (1) in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (2) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- (3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (4) the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a Going Concern Basis.

DIVIDEND

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

CONTRIBUTION TO STATE AND CENTRAL EXCHEQUER:

The Company has contributed to the State Exchequer an amount of ₹ 29,718.53 lakhs including Royalty of ₹ 6,074.55 lakhs and Sales Tax of ₹ 23,643.98 lakhs.

The contribution to Central Exchequer was an amount of ₹ 19,045.59 lakhs as Income tax, ₹ 5,440.77 lakhs as Central Excise and ₹ 4,206.17 lakhs as Clean Energy Cess.

SHARE CAPITAL

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

FINANCE AND TAXATION

Income Tax assessment of the Corporation has been completed up to the Financial Year 2010-11 and the Sales Tax assessment has been completed up to the Financial Year 2009-10.

INTERNAL AUDIT

M/s. T.R.Chadha & Co. and M/s Dhirubhai Shah & Doshi, Chartered Accountants were appointed as Internal Auditor of the Company for the year 2013-14.

STATUTORY AUDIT

M/s. H.K. Shah & Co., Chartered Accountants were appointed as Statutory Auditors of the Company by the Comptroller & Auditor General of India for the year 2013-14.

COST AUDIT

M/s N.D. Birla & Co. were appointed as Cost Auditors of the Company for the year 2013-14. The Cost Audit Report was filed on 26-9-2013 for the Financial Year 2012-13.

REVIEW OF THE OPERATIONS

During the year, your Corporation operated five lignite mines, namely, Panandhro, Mata-No-Madh, Rajpardi, Tadkeshwar and Bhavnagar Lignite Mines. In spite of stiff competition from alternate fuels such as petcoke and imported coal, the total lignite sales were sustained and during the year 2013-14,

83.98 lakhs MT of lignite were produced from these mines. The mine-wise production figures are as follows :

Sr. No.	Name of mine	Lignite production in lakhs MT
1	Panandhro	26.74
2	Mata-No-Madh	30.03
3	Tadkeshwar	10.78
4	Rajpardi	05.77
5	Bhavnagar	10.66
	Total	83.98

FLUORSPAR PROJECT, KADIPANI (DIST. VADODARA)

GMDC along with M/s. Gujarat Fluoro Chemicals Limited and M/s Navin Fluorine Chemicals Limited is setting up fluor spar beneficiation project, a single largest project of 40,000 MTPA capacity at Kadipani. For selection of suitable technology, core samples has been analysed at China. Further course of action for selection of technology is under process.

BAUXITE

During the year under review, the Gadhsisa Group of bauxite mine has produced 5,520 M.T. of (+) 52% Al₂O₃ bauxite and 2,08,166 MT of (-) 52% Al₂O₃ bauxite.

During the year under review, the Gadhsisa Group of mines sold 21,185 MT of (+) 52% Al₂O₃ and 97,614 MT of (-) 52% Al₂O₃ along with 75,547 MT of mine dust.

MANGANESE

During the period 2013-14, Corporation has disposed of 25,534 MT of manganese Ore Waste dump lying at Pani area of Panchmahal district.

MEWASA BAUXITE PROJECT, MEWASA

GMDC has obtained National Wildlife Board-New Delhi clearance and also entered into lease deed agreement with District Collector for Mewasa bauxite project. The commencement of mining activities at Mewasa bauxite mine is expected soon.

POWER PROJECT – NANI CHHER

During the year under review, the total generation of Akrimota Thermal Power Station was 985 MUs. The power project generated the revenue of ₹ 172.60 Crores. During the year, this project generated loss of ₹ 10.44 crores.

WIND FARM

Your directors are pleased to inform you that Wind Farms with a capacity of 50.4 MW were progressively commissioned by 31.08.2013. The total Wind farm capacity as on date is 150.9 MW and it earned revenue of ₹ 99.90 crores.

SOLAR POWER

During the year, the total generation of 5 MW Solar Power

Plant was 8.40 MUs. The Solar Project generated the revenue of ₹ 12.40 crores.

BRIEF ABOUT VARIOUS CENTRES OF EXCELLENCE RUN BY GMDC

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

Your 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.

International Stone Research Centre (ISRC):

Your company has taken an initiative to establish International Stone Research Centre (ISRC) at Ambaji in the district of Banaskantha, Gujarat (India) 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 will be set up by GoG through Gujarat Mineral Research and Development Society (GMRDS), Gujarat Mineral Development Corporation Ltd. (GMDC), Gujarat Industries Power Company Ltd. (GIPCL), and Stone Technology Centre (STC) as Industry Partners and *Internationale Marmi E Macchine* (IMM) Carrara S.P.A, Italy as International Knowledge Partner under the Centre of Excellence Scheme of Industry & Mines Dept., GoG.

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 will 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 started at Dev Dholera village in the district of Ahmedabad, Gujarat (India)

The Centre will identify, nurture, mentor and grow the spirit of entrepreneurship and innovation amongst the youth. The Centre is an independent centre and will facilitate "Next Generation Entrepreneurship" that blends creativity, innovation, engineering, product design and leverages emerging technologies to evolve out-of-the-box applications.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

NEW PROJECTS AND SCHEMES OF THE CORPORATION

1. Gujarat Jaypee Cement & Infrastructure Limited

GMDC formed Joint Venture with M/s. Jaypee Associates Limited for setting up of 2.4 million TPA of Cement project based on limestone supply from GMDC. The land required for the project has been identified and application made to concerned department for allocation. Allocation order is awaited. Further progress will take only after allocation of land is made.

2. Gujarat Gokul Power Company Limited

GMDC formed J.V. with M/s. Gujarat Refoils & Solvents Limited for setting up of 125 MW Power Project based on lignite supply from GMDC. The land required for the project has been acquired. Project related activities have started and some of Govt. clearances have also been received.

3. Bhavnagar Energy Company Limited

GMDC along with seven other PSUs formed a JV Company for setting up of 500 MW Power Generation plant based on the lignite to be supplied from 3 lignite mines of GPCL. A tripartite agreement among GMDC, GPCL and BECL has been executed on 31.03.2012. As per the terms of this Agreement, GMDC has been entrusted the work of MDO to develop the project. 1st Unit will be commissioned by Financial Year 2014-15.

4. Gujarat State Mining & Resources Corporation Limited

GMDC along with M/s. Sunflag Iron & Steel Company Limited, has formed a JVC to acquire coking coal blocks to be allocated under Govt. dispensation route for setting up of Coke Oven Plant in Gujarat. List of coal blocks to be allocated by Govt. of India, has not been notified as yet. After such a list is notified, application shall be made for identified blocks for allocation. Further progress in the project for setting up of Coke Oven plant depends on coal blocks allocation.

5. Naini Coal Company Limited

GMDC alongwith Pondicherry Industrial Promotion Development & Investment Corporation Limited (PIPDICL) set up a JVC to develop the Naini Coal Block allocated jointly to GMDC and PIPDIL by Govt. of India, in the ratio of 50:50 coal reserves of the block. Geological report has been prepared by CMPDIL. Due to slow progress, MOC, Government of India, deallocated coal block. The company filed writ petition in the Hon'ble High Court. The case has been transferred to Supreme Court. Final decision is awaited.

6. RBG Mineral Industries Limited

GMDC, Rajasthan State Mines & Minerals Development Corporation and M/s. Binani Industries Limited have

formed a JVC to a 2000 TPD Beneficiation plant for lead, zinc and copper based on lease of Ambaji, Deri and Basantgad. As per the detailed Project Report prepared by M/s. SRK Consultants of USA, the project is economically viable. The valuation of mineral assets of Ambaji was carried out through IBM Nagpur. The project is under valuation stage.

7. Gujarat Credo Mineral Industries Limited

GMDC along with M/s. Credo Mineral Industries Limited formed a JV to set up Zeolite, Proppants and low grade bauxite beneficiation project based on bauxite supply from GMDC. The land required for the project has been purchased near our Naredi mines and all Govt. clearances required for implementation of the project have been obtained. The project for Beneficiation of low grade bauxite (phase-I) has been commissioned. During the year 2013-14, the JV company has sold beneficiated materials worth of ₹ 16.00 crores.

8. Alumina & Aluminium Smelter

GMDC identified M/s. National Aluminium Company Limited (NALCO), a Govt. of India Navratna Company to set up Alumina and Aluminium Smelter plant in Kutch District based on the bauxite to be supplied by GMDC. The proposal for equity participation of GMDC in the JVC has been approved by Government of Gujarat. The part of land has been acquired and acquisition of the remaining land is under process. The same shall be acquired soon. Detailed Project Report received from NALCO is under our scrutiny.

9. Speciality Alumina Chemicals

GMDC along with M/s. Alumina Refinery Pvt. Ltd. is setting up a project for Speciality Aluminium Chemicals plant in Kutch based on the bauxite to be supplied by GMDC from Kutch. Land required for the project has already been obtained and most of Govt. clearances have also been obtained. Commissioning of the project is in advanced stage and project is expected to start working shortly.

ENVIRONMENT PROGRAMME

Being a mining industry, GMDC is well concerned with surrounding environment and doing its best towards environment protection. Environmental protection is one of our prime objectives and to minimize the negative impacts of mining operations, GMDC has adopted all environmental measures to control Air, Water, Noise & Land pollution etc. Our projects are certified under ISO 9001, ISO 14001 & OHSAS 18001.

Towards environment protection, this year GMDC has planted total 2.42 Lakhs plant saplings covering 102.94 hectares of area. Grassland has developed in 15.5 hectares of area. Micro drip irrigation system has installed in 26.84 hectares of area.

Further GMDC has established a 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 (1 Lakh Square Meters Area) has done through geo coir mat & thereafter grass development in all lignite projects of GMDC.

Production capacity expansion from 3MTPA to 5MTPA at Surkha (N) Lignite Project, Bhavnagar has initiated. Preparation of EIA-EMP report has completed and further Public Hearing also has conducted. NOC and CCA of various projects have achieved and/or renewed well within time. As per the requirement of MoEF EC and GPCB CCA, environmental monitoring is being done in-house as well as through MoEF/GPCB approved laboratory to measure the operational impact on environment and further corrective measures, if required. 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. GMDC set a benchmark by conducting Energy & Water Audit along with Carbon Foot printing of all its projects through approved and qualified external auditors.

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

INDUSTRIAL RELATIONS, HEALTH AND SAFETY

The relations between your Company and its employees continued to be cordial throughout the year. GMDC's commitment to the health and safety of project staff and inhabitants within the surrounding areas of mines through our efforts at providing :

1. Well equipped and staffed dispensaries at Panandhro, Rajpardi, Kadipani and at Akrimota Power Project.
2. Ambulance Vans to Taluka Panchayats of Kutch.
3. Uniforms as well as ISI & DGMS approved safety shoes, helmets and devices as per the provisions of the Mines Act.

INCLUSIVE DEVELOPMENT

Your Company has since inception imbibed the philosophy of inclusive development, wherever it has its areas of operations. During the year under review, your Company has carried out various developmental initiatives to reach out to the local community in order to augment their standard of living. Your Corporation targets the rural health and sanitation, agriculture and micro irrigation, education and rural infrastructure. Mobile dispensaries at various projects provide much needed critical health care to the remotest villages. Not only these, the hospitals at select projects provide health care facilities to both employees and to the community of surrounding villages. Various rural infrastructures such as roads, solar street lights,

community halls, sewerage systems, water tanks, RO Plants are provided in the villages surrounding the project areas. In order to promote higher education amongst the rural girl child, your Company has provided a special scholarship scheme to the eligible girl students for core zone villages. With the recognition of CSR under the new Company Law regime, CSR has emerged as a strategic area of operations and your company is committed to further this CSR mandate in a planned and systematic manner.

PARTICULARS OF EMPLOYEES

No employee was in receipt of emoluments in excess of ₹ 5,00,000 per month or ₹ 60,00,000 per annum during the year under review.

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 Companies(Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed as Annexure-I and forms part of this report.

BOARD-OF-DIRECTORS

During the year under review, the Government of Gujarat had given additional charge of Managing Director, GMDC to Shri Pankaj Kumar, IAS, vice Shri B.B. Swain, IAS.

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-II.

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 Corporation 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

D.J.Pandian
Chairman

Date : 13.08.2014

Place : Gandhinagar



FORM – A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, POWER AND FUEL CONSUMPTION.

A. Conservation of Energy

(a) Energy Conservation Measures taken

Installation of 5MW solar power plant in the F.Y. 2013-14

(b) Additional Investments and Proposal for Reduction of Consumption of Energy

NIL

(c) Impact of the above measures

Alternative non conventional energy source will result in saving of traditional energy.

B. Technology absorption

The disclosure is made in the prescribed Form B.

C. Foreign Exchange Earnings and outgo

Total foreign exchange used : GBP 77,535.44

Total foreign exchange earned : NIL

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT

Research and Development

Particular fields in which Research and Development carried out by the Corporation are as follows :

Research & Development (R&D)

1. Specific Areas in which R & D carried out by Company

NIL

2. Benefits derived as a result of above R & D

NIL

3. Future Plan of Action

1. Value addition of low grade manganese mineral.
2. Development of Deep seated lignite and coal deposit thorough Underground Coal Gasification method.
3. Laterite and low alumina content bauxite value addition for use in proposed Alumina projects.
4. Value addition of Silica Sand of Rajpardi mine
5. New exploration of lignite, bauxite, limestone and manganese.
6. Wind Farm project.

Technology absorption, adaptation and innovation

1. Efforts in brief made towards technology absorption, adaptation and innovation :

1. Installation of wind power farms with a capacity of 150.9 MW.
2. Latest Fluorspar beneficiation technology.
3. Dry beneficiation of Lignite to reduce moisture and sulphar content. The plant is under installation.

2. Benefits derived as a result of the above efforts :

1. Generation of clean and sustainable energy.
2. Recovery of ore will improve and process cost will be reduced.
3. Dry beneficiation will improve Calorific value of Lignite from 3000 to 4000 Kcal and dry beneficiated Lignite will be eco friendly fuel.

REPORT ON CORPORATE GOVERNANCE FOR F.Y. 2013-14 (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 present strength of the Board is five Directors, 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 except Shri Bhadresh Mehta.

Category and Designation of Directors:

Sr. No.	Name of the Directors	Category	Designation	No. of Directorship in other companies (Excluding Pvt. Ltd. companies)	No. of specified committees (other than GMDC) in which Chairman / Member	
					Chairman	Member
1.	Maheshwar Sahu, IAS (Up to 31.1.2014)	NED/PD	Chairman/ Director	09	-	-
2.	D J Pandian, IAS (From 4.3.2014)	NED/PD	Chairman/ Director	21	-	-
3.	Bidyut Behari Swain (Please Refer Note No. 5 as mentioned below)	ED/PD	Managing Director	14	-	-
4.	Pankaj Kumar, IAS	ED/PD	Managing Director	12	-	1
5.	Vinaykumar Yogeshchandra Vyasa, IAS (up to 1.7.2013)	NED/PD	Director	Nil	-	-

6.	Bhadresh Vinaychandra Mehta	NED/ID	Director	Nil	-	-
7.	Ms. S Aparna, IAS	NED/PD	Director	12	1	1
8.	T Natrajan, IAS (From 1.7.2013)	NED/PD	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 B B Swain has been appointed as Managing Director up to 30th April 2013. From 1st May, 2013 Shri Pankaj Kumar has been appointed as Managing Director.
- PD-Promoter Director, NED-Non Executive Director, ED-Executive Director.

All the Directors play an active and important role by participating in deliberations at the Board/Committee Meetings.

Seven meetings of the Board-of-Directors were held during the year i.e. on 10.4.2013, 28.5.2013, 30.7.2013, 31.8.2013, 30.10.2013, 30.12.2013 and 12.2.2014.

The attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting held on 27th September, 2013 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 M S Sahu, IAS Chairman	6	6	NO
2.	Shri B B Swain, IAS *Up to 30.04.13	1	1	NO
3	Shri Pankaj Kumar, IAS *From : 01.05.13	6	6	YES
4.	Ms. S Aparna, IAS	7	3	NO
5.	Shri Vinay Vyasa, IAS	1	1	NO
6.	Shri Bhadresh Mehta	7	6	YES
7	Shri T Natrajan	5	5	YES

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



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

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

In addition to the Audit Committee and Shareholders / Investors Grievance Committee as required to be constituted under the Listing Agreement, the Board has constituted the following Committees:

1. Tender Committee
2. Personnel Committee
3. Share Transfer Committee

Audit Committee

The Audit Committee of the Company comprises of following three non-executive directors out of which one is Independent Director as on 31.03.2014.

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

The Audit Committee is headed by an independent director. The Audit Committee met four times during the Financial Year 2013-14 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 **28.5.2013, 30.7.2013, 30.10.2013 and 12.2.2014**. 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	2
3.	Shri T Natrajan, IAS	3	3

The Company Secretary acts as Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at 50th Annual General Meeting of the Company held on 27th September 2013 .

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.

Remuneration Committee

Since the Company is a Government Company in terms of Section 617 of the Companies Act, 1956, the remuneration of Directors is fixed by the Govt. of Gujarat and the remuneration of Executives, Supervisors and Workmen is fixed by the Board-of-Directors in-line-with the Government guidelines. None of the Non-Executive Director of the company has any pecuniary relationship or transactions with the Company. Hence no Remuneration Committee has been constituted.

However, the Details of Sitting Fees paid to the Directors for the year 2013-14 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 Maheshwar Sahu, IAS Chairman	—	30000/-*	Nil
2.	Shri B B Swain, IAS Managing Director upto 30.04.13	—	—	Nil
3.	Shri Pankaj Kumar, IAS Managing Director From: 01.05.13	—	—	Nil
4.	Ms. S Aparna, IAS	—	35000/-*	Nil
5.	Shri Vinay Vyasa, IAS	—	10000/-*	Nil
6.	Shri T Natrajan, IAS	—	45000/-*	Nil
7.	Shri Bhadresh Mehta	—	60000/-	Nil

*Paid into Government Treasury

Shareholders' / Investors' Grievance Committee

The Company has constituted a "Shareholders' / Investors' Grievance 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:

Shri Bhadresh Mehta	Chairman	
Shri B B Swain, IAS	Member	upto 30.4.2013
Shri Pankaj Kumar, IAS	Member	From 1.5.2013

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

Period	Complaints Received	Complaints Redressed
01-04-2013 to 30-06-2013	00	00
01-07-2013 to 30-09-2013	00	00
01-10-2013 to 31-12-2013	00	00
01-01-2014 to 31-03-2014	00	00
Total	00	00

The Company Secretary acts as Secretary of the "Shareholders' / Investors' Grievance Committee"

Share Transfer Committee

In-order-to provide efficient and fast share transfer service to the investors, the Board has constituted a Share Transfer Committee. The composition of the Committee during the year under review is as under:

Shri Bhadresh Mehta	Chairman	
Shri B B Swain, IAS	Member	upto 30.4.2013
Shri Pankaj Kumar, IAS	Member	From 1.5.2013

The Company has entered into a comprehensive agreement with M/s. MCS 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.

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
2010-11	30.09.2011	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
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

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	2012-13	NIL
2	2011-12	NIL
3	2010-11	NIL

(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 or that may have potential conflicts with the interests of the Company at large with its promoters, the Directors or the management, their subsidiaries or relatives etc.

For details, about 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 2013-14. A declaration by the Managing Director to this effect is provided at Annexure A which forms part of the company's Annual Report 2013-14.

Means of Communication:

The Company communicates with the shareholders at large through its Annual Report, publication of quarterly financial results in newspapers and also through periodic press releases and electronics media. 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 : AGM Date, day, Information time and venue

Date of AGM	: 25.09.2014
Day	: Thursday
Time	: 11.00 AM
Venue	: Registered Office of the Company Khanij Bhavan Off: 132 Ft. Ring Road Near University Ground Vastrapur, Ahmedabad-380 052



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Financial Calendar (tentative)

Period	Tentative Schedule
1st quarter results ending 30th June	Within 45 days of end of the quarter
2nd quarter results ending 30th September	Within 45 days of end of the quarter
3rd quarter results ending 31st December	Within 45 days of end of the quarter
4th quarter results ending 31st 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 20.09.2014 to 22.09.2014 (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 upto the year 2013-2014.

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	Low	Closing*	Closing*
	₹	₹	₹	
April, 2013	178.00	142.20	154.60	5930.20
May, 2013	159.40	135.00	138.45	5985.95
June, 2013	146.00	118.65	126.65	5842.20
July, 2013	130.95	85.10	86.85	5742.00
August, 2013	102.00	76.25	82.85	5471.80
September, 2013	95.00	79.35	89.90	5735.30
October, 2013	111.00	87.25	103.40	6299.15
November, 2013	108.95	96.50	106.75	6176.10
December, 2013	123.85	98.10	118.70	6304.00
January, 2014	123.65	111.05	115.00	6089.50
February, 2014	117.75	100.10	105.65	6276.95
March, 2014	134.35	103.40	131.90	6704.20

*at the end of the month

Registrar and Transfer Agent (For physical & Demat)

M/s. MCS Limited
101, Shatdal Complex, 1st floor
Opp: Bata Show Room
Ashram Road
Ahmedabad – 380 009
Tel. 26582878 – Fax – 079 26581296

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 R & T.A. 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, 2014 was as under:

Category	No. of Shares	% to total
Govt. of Gujarat	235320000	74.00
Mutual Funds	25118433	7.90
Financial Institutions/Banks	388949	0.12
Insurance Companies, Foreign Institutional Investors, Bodies Corporate	39411396	12.39
Individuals, HUFs, NRIs	17761222	5.59
Total.....	318000000	100.00

ANNUAL REPORT 2013-2014

Distribution of Shareholding as on 31.3.2014

Shareholding of nominal value of ₹	Number of Share-holders	Number of Shares held	Number of Shares held as % to total
(1)	(2)	(3)	(4)
Upto - 500	45263	5324739	1.6744
501 - 1000	2475	2085426	0.6558
1001 - 2000	1168	1869569	0.5879
2001 - 3000	395	1045813	0.3289
3001 - 4000	197	718068	0.2258
4001 - 5000	152	728479	0.2291
5001 - 10000	265	1990231	0.6259
10001 - 50000	176	3499369	1.1004
50001 - 100000	33	2336446	0.7347
100001 and above	75	298401860	93.8371
Total...	50199	318000000	100.00

Dematerialization of Shares

Consequent upon the compulsory demat of the equity shares of the Company as notified by SEBI, as on 31.3.2014 about 99.75% of the equity capital offered to the public is in Demat Form.

Particulars	No. of Equity Shares	% to Share Capital
NSDL	78000247	24.53%
CDSL	239200644	75.22%
Physical (Public)	799109	0.25%
TOTAL	318000000	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)
	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)
	Ratadia (Dist. Kutch)
Calcined Bauxite Project	Gadhsisa (Dist. Kutch)
Manganese Project	Shivrajpur (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 : 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 and forms part of this Annual Report.

Compliance

A certificate from the Practising Company Secretary is annexed to the Directors' Report and forms part of the Annual Report.

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 2013-14

For Gujarat Mineral Development Corporation Ltd.

Pankaj Kumar
Managing Director

Date : 13.08.2014

Place : Ahmedabad



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

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.

I 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 Bombay Stock Exchange for the accounting year ended on 31st March 2014. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My 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 my examination of the records produced, explanation and information furnished, I certify that the Company has complied with all the mandatory conditions of the said clause 49 of the listing agreement except;

- (i) Non-compliance of clause 491(A)(ii) regarding number of independent directors in the composition of Board since only one independent director is appointed.
- (ii) Non-compliance of clause 491I(A)(i) regarding number of independent directors in the composition of Audit Committee since only one independent director is appointed and clause 491I(B) as regards quorum of the meeting of Audit committee with minimum of two independent members present in such committee meeting and during the year one such meeting was held only with one director who is independent.

Signature with Seal

Name of Company Secretary	:	Sandip Sheth	
Signing Authority	:	Practising Company Secretary	
FCS No	:	5467	Date : 29th May 2014
COP No.	:	4354	Place : Ahmedabad

CERTIFICATE BY CEO AND CFO FOR ANNUAL ACCOUNTS 2013-14

- 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)

Pankaj Kumar, IAS
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Overview of Indian Economy:

India's GDP is expected to grow at 5.2-5.7 per cent in this fiscal year (2014-15) (as per NCAER). The higher growth of 5.7 per cent is conditional on pick up of investment spending. Following the slowdown induced by the global financial crisis in 2008-09, the Indian economy responded strongly to fiscal and monetary stimulus and achieved a growth rate of 8.6 per cent and 9.3 per cent respectively in 2009-10 and 2010-11, but due to a combination of both external and domestic factors, the economy decelerated growing at 6.2%, 5% and 4.9% in 2011-12, 2012-13 and 2013-14 respectively.

Gross Domestic Product (GDP) is a key indicator by which a nation's economic performance is gauged. Economic policies bring about pronounced changes in the industrial climate, foreign trade, domestic and international taxation policies, monetary exchange rates, etc., that have overreaching effects on the overall growth of an economy. GDP at factor cost at constant (2004-05) prices in the year 2013-14 was estimated to ₹ 57.42 lakh crore, showing a growth rate of 4.7 percent over the First Revised Estimates of GDP for the year 2012-13 of ₹ 54.82 lakh crore, released on 31st January 2014.

In the case of 'mining and quarrying', the Index of Industrial Production of Mining registered a decline of 0.8 percent during 2013-14, as against the decline of 2.2 percent during April-November, 2013. Production of coal and crude oil registered growth rates of 0.8 percent and (-) 0.2 percent in 2013-14 as compared to growth rates of 1.2 percent and (-) 0.6 percent during April to December, 2013. The growth of 'mining & quarrying' is now estimated at (-) 1.4 percent.

With an estimated GDP of approximately US \$4.78 trillion in 2012, on a purchasing power parity basis, India is one of the largest economies in the world (*Source: CIA World Fact book*). India is also one of the fastest growing economies in the world.

Overview of Indian Mining Sector

Mining and minerals industry is one of the major contributors to economic growth in India. It is a large and important sector with value of mineral production of around USD 36.3 billion (FY14 estimates). Mining sector plays a significant role in providing raw material security for the country. The country is endowed with huge resources of many metallic and non-metallic minerals. India produces as many as 87 minerals, which include 4 fuels, 10 metallic minerals, 47 non-metallic minerals, 3 atomic minerals and 23 minor minerals. These minerals have a wide application in various industries. Increased thrust to globalization and opening up of the economy to private participation has led to increased strategic importance of the sector. Currently, the Indian Mining Industry is dominated by large state owned mining companies. The share of state owned companies by value of output is 72 per

cent. However, this share differs significantly across sectors, for example, it is 92 per cent in coal, whereas only 31 per cent in iron ore. As the sector is expected to grow significantly in the coming years, private sector is increasingly attracted to the sector.

Industry Structure and Developments

The total value of mineral production (excluding atomic minerals) during 2013-14 has been estimated at ₹ 2,27,176 crores indicating a marginal increase of 1.99% from last year. During year 2013-14, estimated value for fuel minerals account for ₹ 1,55,646 crores or 68.51% of mineral production. The value of production of metallic minerals stood at ₹ 37,213 crores or 16.39% of the total value of production and non-metallic minerals including minor minerals contributed to ₹ 34,317 crores or 15.10% of the total value. The provisional value of minerals and ores exported during the year 2012-13 was ₹ 1,59,747 crores whereas the value of import was ₹ 11,24,137 crores.

The index of mineral production (base 2004-05=100) for the year 2012-13 was 125.46. The index of mineral production has further declined to 118.2 for 2013-14. The index of mineral production has shown a decline of about 1.3% in fuel minerals and 15.8% in metallic minerals in 2012-13. However there was an increase of 5.2% in non metallic minerals in 2012-13 over the previous year.

State-wise Analysis of Mineral Production

As regards State-wise scenario during 2012-13, the value of mineral production (excluding atomic and minor minerals) from Off-Shore region was the highest at ₹ 53,621 crore or 24.1% of the total value of mineral production followed in order of importance by Odisha ₹ 29,450 crore or 13.2%, Rajasthan ₹ 23,503 crore or 10.6%, Chhattisgarh ₹ 16,600 crore or 7.5%, Jharkhand ₹ 16,516 crore or 7.4%, Gujarat ₹ 13,046 crore or 5.9%, Andhra Pradesh ₹ 12,292 crore or 5.5%, Assam ₹ 11,000 crore or 4.9%, Madhya Pradesh ₹ 10,502 crore or 4.7%, West Bengal ₹ 8,882 crore or 4.0%, Maharashtra ₹ 6,152 crore or 2.8%, Tamil Nadu ₹ 5,744 crore or 2.6%, Meghalaya ₹ 4,674 crore or 2.1% , Karnataka ₹ 4,409 crore or 2.0% and Uttar Pradesh ₹ 3,151 crore or 1.4% percent. Other States/Union Territories shared the remaining ₹ 3,205 crore or about 1.4% of the total value of mineral production.

Among the States, value of mineral production registered an increase in Andhra Pradesh, Bihar, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Tripura and West Bengal. Whereas, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Jammu & Kashmir, Kerala, Meghalaya, Uttar Pradesh, Uttarakhand and Off-Shore region indicated a decline in value of mineral production during the year under review.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2012-13		
State	Value in ₹ Crores	Value in %
Off-Shore Area	53,621	24.1
Odisha	29,450	13.2
Rajasthan	23,503	10.6
Andhra Pradesh	12,292	5.5
Jharkhand	16,516	7.4
Chattisgarh	16,600	7.5
Gujarat	13,046	5.9
Madhya Pradesh	10,502	4.7
Assam	11,000	4.9
West Bengal	8,882	4
Karnataka	4,409	2
Maharashtra	6,152	2.8
TamilNadu	5,744	2.6
Meghalaya	4,674	2.1
Uttar Pradesh	3,151	1.4
Others	3,205	1.4
total	2,22,747	100

*excluding atomic and minor

Mineral-wise Analysis

Coal:

During the year under review, the contribution of Coal in terms of value was the highest at ₹ 71,929 crore or about 32.3% of the total value of mineral production followed by Petroleum (crude) ₹ 69,140 crore or 31.0%, Iron Ore ₹ 33,227 crore or about 14.9%, natural gas (utilized) ₹ 25,433 crore or 11.4%, lignite ₹ 5,665 crore or 2.5%, limestone ₹ 4,322 crore or 1.9% and chromite ₹ 2,448 crore or 1.1 percent. The share of these seven minerals together to the total value of mineral production during 2012-13 was about 95.1 percent.

2012-13		
Mineral	Value in ₹ Crores	Share in %
Coal	71,929	32.3
Petroleum	69,140	31
Iron Ore	33,227	14.9
Natural Gas	25,433	11.4
Lignite	5,665	2.5
Lime Stone	4,322	1.9
Chromite	2,448	1.1
Others	10,583	4.9
Mineral	Value (%)	
Fuel Minerals	77.3	
Metalic	19.6	
Non-Metalic	3.1	

Bauxite:

The Production of Bauxite at 15.36 million tonnes during 2012-13 registered an increase of 13% as compared to the previous year. Odisha with 36% share in total production was the leading producer of bauxite followed by Gujarat (20%), Jharkhand and Maharashtra (13% each), Chhattisgarh (12%) and Madhya Pradesh (5%). The remaining one percent was contributed by Goa, Karnataka and Tamil Nadu.

NALCO, BALCO, & HINDALCO are the major companies engaged in the mining of bauxite in the country. The share of these companies with 21 captive mines was 65% in the total production during 2012-13. The contribution of Panchpatimali bauxite mine of NALCO alone was 35% in the total output. The share of public sector in the total production was 42% and the remaining 58% was contributed by private sector. There were 152 reporting mines of Bauxite during 2012-13 of which 20 were owned by public sector and 132 by private sector.

Bauxite	Production (2012-13)
Total Statewise	15.36 Million Tonnes %
Odisha	36
Gujarat	20
Jharkhand	13
Maharashtra	13
Chhattisgarh	12
Madhya Pradesh	5
Goa, Karnataka, Tamil Nadu	1

(Source: IBM http://ibm.gov.in/msmpmar13_07_Highlights_Eng.pdf)

Apart from these, Gujarat is the largest producer of Silica and Fluorite, second in fire clay and clay, third in quartz and ball-clay, and fourth in china-clay and lime-stone in India.

Gujarat Mineral Development Corporation, the leading state owned mining company in Gujarat, contributes significantly to Lignite production in the state. GMDCL has exclusive ownership of around 90 per cent of the total lignite production capacity in the state. For Bauxite, the ownership is around 75-80 per cent. Other minerals produced by the Corporation include Fluorspar and Manganese ore etc. Over the years, GMDCL has strengthened its position in mineral production and also ventured into power generation. Currently, the Corporation has established capacity to produce 150.9 MW of wind power, with a plan to extend it by 50 MW. Solar power generation capacity is 5 MW presently. By adding green power generation into its portfolio of environmentally responsible activities, the Corporation has strengthened its commitment towards the cause of sustainable development.

Opportunities and Threats

Opportunities

- With the global economy heading towards a revival, and Indian economy showing signs of stability, demand for mineral output is expected to grow steadily. Mineral resources are key ingredients for industrial production. Demand for industrial output is expected to go up, which will lead to increased derived demand of mineral sector output.
- GMDC's foray in power production has provided a new avenue for the Corporation to expand. With almost 66 per cent of Indian population without sufficient access to electricity, the demand for power is inevitable to increase.
- 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 near future and commence production, which will add to the Corporation's output and profitability.
- Venturing into exploration and mining of high-end minerals in regions outside India is a great opportunity for GMDC. With strong financial performance over the years, the Corporation has the required resources and capability to explore the outside market.
- Enormous Value Addition Potential in Gujarat
- Large Scope in Mining field to work as MDO
- Growth in demands of fuel and other mineral resources in Gujarat and India
- Large tract of land available for development in different old and to be closed mines.

Threats

- Difficulties in expanding operations and increased costs due to stricter environmental regulations are major threats for mining operations. A comprehensive environmental pollution index (CEPI) is introduced which prohibits mining in high pollution areas, even if the pollution is due to other industrial activities in the region.
- Issuance of captive mining licenses in coal mining is a new trend, which promotes private sector participation in the sector. Growing presence of private companies in the sector will lead to stiffer competition for the state owned companies.
- Slow progress in finalization of resettlement and rehabilitation issues, and other problems related to land acquisition 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.

- Different regulatory hindrances and changes in the processes of early implementation of projects
- Delay in land acquisition.
- Limited Scope of Expansion Bauxite sale
- Market Recession and slump in price

Performance

Product-wise performance

Name of Product	2011-2012		2012-13		2013-14	
	Production	Sales	Production	Sales	Production	Sales
Lignite (MT in lakhs)	113.42	113.42	109.05	109.05	84.13	84.13
Bauxite (MT in lakhs)	8.70	8.70	8.34	7.94	2.13	1.23
Power (M. Units)	870.91	712.81	921.59	754.17	985	824
Wind Power (M. Units)	146.22	146.12	232.56	232.56	269	269
Solar Power (M. Units)	0.028	0.028	7.93	7.93	8.32	8.32

Financial Performance (₹ in Lakhs)

Particulars	2011-2012	2012-2013	2013-14
Turnover	1,63,069	1,67,468	1,28,966
PBT	71,770	90,369	62,959
PAT	48,683	60,084	43,913
Dividend (%)	150	150	150

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 commence lime stone production.
- To double the no. of joint ventures based on new minerals for value addition.
- Setting Up world class International Centre for Mining Safety and Automation- iCEM and Entrepreneurship- iCREATE with various national and international, industry and academic partner
- Underground Coal Gasification (UCG) Project
- Exploration of Business Opportunity in Beach Sand Mining, Bio Fertilizer and Bio-Fuel.
- Business in Lignite Transportation through authorized transporters

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



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

its operational efficiency to continue to generate with low overburden volumes in mines and high plant load factors in power plants. 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 will lead to higher costs and may result in delay of operations.

Internal Control

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 sales 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 and Chartered Accountants for physical verification of assets.

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.

Financial Statements & Notes



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Gujarat Mineral Development Corporation Limited

Report on the Financial Statements.

We have audited the accompanying financial statements of GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General circular 15/2013 dated 13th September 2013 of the Ministry Of Corporate Affairs in respect of section 133 of the companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry Of Corporate Affairs in respect of section 133 of the companies Act, 2013.
 - e. As per Circular No. 08/2002 dated 22.03.2002 issued by Ministry of Law, Justice and Company Affairs, Government Companies have been exempted from the applicability of the clause (g) of sub section (1) of Section 274 of the Companies Act 1956, regarding the disqualification of directors under the said section.

For H. K. Shah & Co.,
Chartered Accountants
Firm Regn No. 109583/W

H.K.Shah
(Partner)
M. No. 042758

Place: Ahmedabad
Date: 29.05.2014

ANNEXURE TO THE AUDITOR'S REPORT (Referred to paragraph (1) of 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 2014. We report that:

1. (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, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The differences are under reconciliation and we are informed that there is a reasonable system to deal in books on conclusion of the reconciliation.
- (c) Fixed assets disposed during the year were not substantial, and therefore, do not affect the going concern assumption.
2. (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 inventories. The discrepancies noticed on verification between the physical stock and book stock was not material and the same have been properly dealt with in the books of accounts.
3. (a&b) The company has neither granted loan nor taken loan from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or to the company under the same management. Therefore requirement of sub clause (b), (c), (d), (f) and (g) of clause (iii) of the order is not applicable to the company.
4. The Company has 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.
5. There are no transactions that need to be entered into register in pursuance of section 301 of the companies Act, 1956. Therefore requirement of sub clause (b) of clause (v) of the order is not applicable to the company.
6. The company has not accepted any deposits from the public during the year within the meaning of section 58A and 58AA and other relevant provisions of the act.
7. Internal Audit of the company is entrusted to the firm of Chartered Accountants. The system is commensurate with the size of the Company and the nature of the company, except that there is a scope of upgrading in some areas.
8. We have reviewed books of accounts and records maintained by the corporation pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie the prescribed records have been maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
9. (a) According to the information and explanations given to us, there are no undisputed dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales tax, Wealth tax, Service tax, Excise Duty, Cess and any other statutory dues which are outstanding as at 31.03.2014 for a period of more than six months from the date they became payable.
- (b) The details of excise duty, income tax and sales tax not deposited on account of dispute is 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
10. The Company has been registered for a period for 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



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- year. Therefore, the requirement of clause (x) of paragraph 4 of the Order is not applicable to the Company.
11. As there are no borrowings, the requirement of clause (xi) regarding default of repayments is not applicable to the company.
 12. The company has not granted any loans and advances on the basis of security by way of pledge of other securities, and therefore requirement of clause (xii) of paragraph 4 of the order is not applicable to the company.
 13. The Company is not a Chit Fund, Nidhi or Mutual benefit society. Hence, the requirement of clause (xiii) of paragraph 4 of the order is not applicable to the Company.
 14. According to the information and explanations given to us, the Company is not dealing in shares, securities, debentures and other investments and therefore requirement to clause (xiv) of paragraph 4 of the order is not applicable to the company.
 15. 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.
 16. The Company has not obtained any term loan during the year under audit. Hence the requirement of clause (xvi) of paragraph 4 of the order is not applicable to the Company.
 17. According to the information and explanations given to us, we are of opinion that there are no funds raised on short term basis that have been used for long term investment.
 18. During the period under audit, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
 19. During the period under audit, the Company has not issued any debentures and therefore requirement of clause (xix) of the order is not applicable to the company.
 20. During the period under audit, company has not raised any money by way of public issue and therefore the requirement of clause (xx) of paragraph 4 of the order is not applicable to the company.
 21. 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.

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

H. K. Shah
Partner
M. No. 042758

Date : 29.05.2014
Place : Ahmedabad

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Comments of the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956 on the accounts of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2014.

The preparation of financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 29 May 2014.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2014. 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 under Section 619(4) of the Companies Act, 1956.

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

H. K. Dharmadarshi
Accountant General
(E & RSA), Gujarat

Place : Ahmedabad
Date : 22.08.2014



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2014		As at 31st March, 2013	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.01	6,360.00		6,360.00	
Reserves and Surplus	2.02	2,79,887.62	2,86,247.62	2,47,135.53	2,53,495.53
NON-CURRENT LIABILITIES					
Deferred tax liabilities (Net)	2.03	28,714.17		31,188.58	
Other long-term liabilities	2.04	16,915.56		17,591.53	
Long-term provisions	2.05	27,433.08	73,062.81	22,957.71	71,737.82
CURRENT LIABILITIES					
Trade payables	2.06	6,477.04		6,346.07	
Other current liabilities	2.07	16,707.86		27,179.62	
Short-term provisions	2.08	12,002.63	35,187.53	11,686.67	45,212.36
Total			3,94,497.96		3,70,445.71
ASSETS					
NON-CURRENT ASSETS					
Fixed assets					
Tangible assets	2.09	1,86,069.37		1,77,754.74	
Intangible assets	2.09	168.35		269.04	
Capital work-in-progress (Net of Provision)		1,118.11		2,410.11	
		1,87,355.83		1,80,433.89	
Non-current investments	2.10	26,034.75		18,278.00	
Long-term loans and advances	2.11	51,330.37		52,348.00	
Other non-current assets	2.12	-	2,64,720.95	824.00	2,51,883.89
CURRENT ASSETS					
Inventories	2.13	4,715.77		3,927.46	
Trade receivables	2.14	5,181.30		3,983.30	
Cash and cash equivalents	2.15	4,183.88		5,684.46	
Short-term loans and advances	2.16	1,14,872.06		1,04,142.60	
Other current assets	2.17	824.00	1,29,777.01	824.00	1,18,561.82
Total			3,94,497.96		3,70,445.71

Significant Accounting Policies and Notes
on Financial Statements

1 & 2

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

D.J. Pandian, IAS
Chairman

Joel Evans
Company Secretary

Bhadresh Mehta
Director

Pankaj Kumar, IAS
Managing Director

Place: Ahmedabad
Date: 29th May, 2014

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 : 29th May, 2014

ANNUAL REPORT 2013-2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	2013-2014	2012-2013
(₹ in Lakhs)			
Revenue from Operations (Net of Excise Duty)	2.18	1,28,966.51	1,67,468.49
Other Income	2.19	14,541.61	15,548.12
Total Revenue		1,43,508.12	1,83,016.61
Expenses:			
Changes in inventories of Finished goods, Work-in-progress & Stock-in-Trade	2.20	(1,147.62)	63.43
Employee benefits Expense	2.21	9,708.59	10,440.15
Depreciation/ Depletion	2.09	12,456.50	11,738.40
Other Expenses	2.22	59,531.64	68,367.79
Total Expenses		80,549.11	90,609.77
Profit before exceptional and extraordinary items and tax		62,959.01	92,406.84
Less : Exceptional items		-	2,038.12
Profit before extraordinary items and tax		62,959.01	90,368.72
Less : Extraordinary Items		-	-
Profit Before Tax		62,959.01	90,368.72
Tax Expense			
Current Tax		21,520.00	28,400.00
Deferred Tax		(2,474.41)	1,884.51
Profit/(Loss) For the period		43,913.42	60,084.21
Earning per equity Share			
Basic		13.81	18.89
Diluted		13.81	18.89

Significant Accounting Policies and Notes on Financial Statements

1 & 2

Pawan Bhootra
General Manager (Accounts)

Joel Evans
Company Secretary

Place: Ahmedabad
Date: 29th May, 2014

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 : 29th May, 2014

L. Kulshrestha
General Manager (Finance)

Bhadresh Mehta
Director

D.J. Pandian, IAS
Chairman

Pankaj Kumar, IAS
Managing Director



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

CASH-FLOW STATEMENT FOR THE YEAR 2013-14

		(₹ in Lakhs)	
Sr. No.	Particulars	2013-2014	2012-2013
A	Cash-Flow from Operating Activities:		
	Net Profit before tax and extra ordinary items	62,959.01	90,368.72
	Adjustments for:		
	Depreciation and Depletion	12,371.14	11,750.47
	Provision for Doubtful Debts, Investments and Loans & Advances	14.59	2,042.62
	Provision for Obsolete Spares / Stock	193.34	-
	Assets written off	14.29	10.59
	Excess/Short provision adjusted	(641.38)	(4,026.53)
	Surplus / Deficit on sale of assets	(388.83)	(1,639.04)
	Dividend Income	(551.68)	(403.35)
	Wealth Tax	2.28	2.06
	Interest from Banks and Corporates	(8,771.90)	(7,468.24)
	Operating profit before working capital changes:	<u>65,200.86</u>	<u>90,637.30</u>
	Adjustments for:		
	Trade & Other Receivable	(5,250.52)	(42,754.05)
	Inventories	(981.65)	2,612.55
	Trade & Other Payable	(5,595.88)	4,696.73
		<u>(11,828.05)</u>	<u>(35,444.77)</u>
	Cash generated from operations	<u>53,372.81</u>	<u>55,192.53</u>
	Direct Taxes Paid (Net)	(24,732.04)	(33,195.34)
	Net Cash-Flow from Operating Activities	<u>28,640.77</u>	<u>21,997.19</u>
B	Cash-Flow from Investing Activities:		
	Purchase of fixed assets	(19,406.85)	(16,496.05)
	Sale of fixed assets	488.31	2,348.39
	Redemption / Purchase of Investments	(7,756.75)	(5,014.62)
	Interest from Bank and Corporates	7,131.76	7,890.89
	Dividend & Income from units	551.68	403.35
	Net cash used in Investing Activities	<u>(18,991.85)</u>	<u>(10,868.04)</u>
C	Cash-Flow from Financing Activities:		
	Dividend paid	(11,149.49)	(11,088.84)
	Net cash used in Financing Activities	<u>(11,149.49)</u>	<u>(11,088.84)</u>
	Net increase in Cash & Cash Equivalents	(1,500.58)	40.31
	Cash & Cash Equivalent at the beginning of year	5,684.46	5,644.15
	Cash & Cash Equivalent at the end of year	<u>4,183.88</u>	<u>5,684.46</u>

Notes:

- Cash and Cash Equivalents include Cash and Bank Balances.
- Previous year's figures have been rearranged/restated/regrouped, wherever necessary.
- 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)

D.J. Pandian, IAS
Chairman

Joel Evans
Company Secretary

Bhadresh Mehta
Director

Pankaj Kumar, IAS
Managing Director

Place: Ahmedabad
Date: 29th May, 2014

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 : 29th May, 2014

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 -

Generally prior period expenses/Income and prepaid expenses for an amount up to ₹ 50,000 in each case are debited/credited as current year's expenses/income.
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 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.
 - 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.
8. **DEPRECIATION:**
 - a) Depreciation has been provided for the fixed assets as under:
 - i) Depreciation is charged on written down value method at the rates prescribed in Schedule-XIV to the Companies Act, 1956 except Plant & Machinery of Thermal Power Plant, Wind Energy Farm and Solar Project from time to time.
 - ii) Depreciation in respect of Plant and Machinery of Wind Energy Farm and Solar Project is charged on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 from time to time.
 - iii) 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 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.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- 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.
- g) In case of intangible assets, software is amortized at 40% on written down value method.

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.

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.

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 the Suppliers' credit for purchase of fixed assets repayable in foreign currency, the exchange difference arising on repayment/realignment 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.

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 exclude VAT.

- b) The liquidated damage/penalty, if any, on the works completed are generally determined on completion/closure of contracts and charged as revenue.
- c) Income of lease management fees is spread over the primary period of lease.

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.
- 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 upto 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) The annual cost of final mine closure is calculated and accounted for considering the useful life of the mines on the basis of approved final mine closure plans otherwise annual cost is calculated on the basis of draft mine closure plans submitted to the Ministry of Coal, GOI or on the basis of technical estimations for mines for which draft mine closure plans have not been submitted.

24. 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.

25. PROPOSED DIVIDEND:

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



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2 : NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2014

2.01 SHARE CAPITAL (₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
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 31.03.2014	As at 31.03.2013
Number of shares outstanding at the beginning of year	31,80,00,000	31,80,00,000
Add: Shares issued during the year	-	-
Less : Share bought back	-	-
Number of shares outstanding at the end of year	<u>31,80,00,000</u>	<u>31,80,00,000</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 31.03.2014	% held as at 31.03.2014	No. of shares as at 31.03.2013	% held as at 31.03.2013
Governor of Gujarat	23,53,20,000	74%	23,53,20,000	74%

2.01.03 The details of Aggregate no. of shares allotted as fully paid up by way of Bonus Shares for the period of immediately preceding five years from the date of balance sheet.

Particulars	Year of allotment Shares allotted	Aggregate no. of
Equity Shares allotted as Bonus Shares	2008-09	15,90,00,000

2.02 RESERVES AND SURPLUS (₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
- General Reserve		
Opening Balance	2,22,570.63	1,82,570.63
Add : Transfer from Profit & Loss Account	25,000.00	40,000.00
Closing Balance	<u>2,47,570.63</u>	<u>2,22,570.63</u>
- Surplus		
Opening Balance	24,564.90	15,642.01
Add : Net profit/(Net Loss) for the current year	43,913.42	60,084.21
Amount available for appropriation	68,478.31	75,726.22
Less : Appropriation		
Final Dividend	9,540.00	9,540.00
Dividend Distribution Tax	1,621.32	1,621.32
Amount Transferred to General Reserve	25,000.00	40,000.00
Closing Balance	<u>32,316.99</u>	<u>24,564.90</u>
Total	<u>2,79,887.62</u>	<u>2,47,135.53</u>

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2.03	DEFERRED TAX LIABILITY (NET)	(₹ in Lakhs)	
	Particulars	As at 31.03.2014	As at 31.03.2013
	Deferred Tax Liability		
	Due to Depreciation	39,184.79	39,868.95
	Deferred Tax Assets		
	Due to Disallowance u/s 43B of Income Tax	(10,027.42)	(8,325.29)
	Due to Others Timing Differences	(443.20)	(355.08)
	Total	28,714.17	31,188.58
2.04	OTHER LONG-TERM LIABILITIES	(₹ in Lakhs)	
	Particulars	As at 31.03.2014	As at 31.03.2013
	Security & Other Deposit liability	16,709.76	17,385.28
	Environment Expense Reserve Fund	205.80	181.33
	Others Liabilities	-	24.92
	Total	16,915.56	17,591.53
2.05	LONG-TERM PROVISIONS	(₹ in Lakhs)	
	Particulars	As at 31.03.2014	As at 31.03.2013
	Provision for Employee Benefits		
	- Gratuity	-	-
	- Leave Encashment	2,546.74	2,296.78
	Provision for Mine Closure	24,886.34	20,660.93
	Total	27,433.08	22,957.71
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 ₹ 26,442.15 Lakhs (P.Y. ₹ 21,317.56 Lakhs) and has incurred progressive mine closure expenses of ₹ 1,555.81 Lakhs (P Y ₹ 656.63 Lakhs) so far. As per the guidelines the amount so provided is required to be deposited in ESCROW Account with a bank. The company 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.		
2.06	TRADE PAYABLES	(₹ in Lakhs)	
	Particulars	As at 31.03.2014	As at 31.03.2013
	Creditors for Supplies & services	6,477.04	6,346.07
	Total	6,477.04	6,346.07
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	(₹ in Lakhs)	
	Particulars	As at 31.03.2014	As at 31.03.2013
	Creditors for Capital Assets	552.95	5,874.58
	Advance received from Customers	5,012.88	9,694.71
	Rates, Taxes & Duties payable	3,413.82	4,674.02
	Security & Other Deposit liability	2,382.43	3,514.85
	Unpaid Dividend	94.83	83.00
	Other Liabilities	5,250.95	3,338.46
	Total	16,707.86	27,179.62



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.07.01 The Government of Gujarat (GOG) has provided funds for amounting to ₹ 5,610.86 Lakhs (P.Y. ₹ 3,758.85 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 ₹ 3,531.85 Lakhs (P.Y. ₹ 2,616.70 Lakhs) till 31st March, 2014. Net balance of unutilised funds amounting to ₹ 2,079.01 Lakhs (P.Y. ₹ 1,142.15 Lakhs) is shown under the head "Other Liabilities". Details of funds received and utilized for various activities are as under:

(₹ in Lakhs)

Nature of Activities	Funds Received upto 31.03.2014	Funds Utilized upto 31.03.2014	Unutilized funds as on 31.03.2014
Construction and other expenses of Stone Park	3,569.32	2,649.03	920.29
Construction and other expenses of Laboratory	1,945.40	858.27	1,087.13
Activities related to Trade Fair	46.14	20.09	26.05
Activities related to ISRC	50.00	4.46	45.54
Total	5,610.86	3,531.85	2,079.01
Previous Year	3,758.85	2,616.70	1,142.15

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, ₹ 123.43 Lakhs (P.Y. ₹. 149.48 Lakhs) (i.e. 80% of the basic sale price) has been transferred to GMRDS.

2.08 SHORT-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Provision for Employee Benefits		
- Gratuity	336.98	196.64
- Leave Encashment	375.36	323.27
- Provident Fund	128.97	5.44
Proposed Dividend	9,540.00	9,540.00
Provision for Tax on Dividend	1,621.32	1,621.32
Total	12,002.63	11,686.67

2.08.01 During the year ended 31st March, 2014, 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 shareholders 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	2013-14	2012-13
Contribution to PF & other funds	775.84	714.99

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	31.03.2014	31.03.2013
Present Value of Obligation as at the beginning of the year	8,668.41	8,163.64
Current Service Cost	389.48	329.49
Interest Cost	693.47	693.91
Actuarial (gain) / Loss on obligations	(201.03)	82.67
Benefits paid	(463.02)	(601.30)
Past Service cost	-	-
Present Value of Obligation as at the end of the year	9,087.31	8,668.41

(ii) Changes in the Fair Value of Plan Assets. (₹ In Lakhs)

Particulars	31.03.2014	31.03.2013
Fair Value of Plan Assets at the beginning of the year	8,471.78	6,939.59
Expected Return on Plan Assets	737.04	596.80
Actuarial Gain / (loss) on Plan Assets	4.55	36.68
Contributions	-	1,500.01
Benefits Paid	(463.02)	(601.30)
Fair Value of Plan Assets at the end of the year	8,750.35	8,471.78

(iii) The amount recognized in Balance Sheet (₹ In Lakhs)

Particulars	31.03.2014	31.03.2013
Fair Value of Plan Assets as at the end of the year	8,750.35	8,471.78
Present Value of Obligations as at the end of the year	(9,087.31)	(8,668.41)
Net Asset / (Liability) recognized in Balance Sheet	(336.96)	(196.63)

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

Particulars	31.03.2014	31.03.2013
Current Service Cost	389.48	329.49
Interest Cost	693.47	693.91
Expected Return on Plan Assets	(737.04)	(596.80)
Net actuarial (gain) / loss recognized in the year	(205.57)	46.00
Past Service Cost	-	-
Expenses/(Income) Recognized in the Statement of Profit & Loss	140.34	472.60

(v) Investment Details

Particulars	% Invested as at	
	31.03.2014	31.03.2013
Funds with L.I.C. (% Invested)	100.00	100.00

(vi) Assumptions

Particulars	31.03.2014	31.03.2013
Mortality Table (LIC)	2006-08(Ultimate)	2006-08(Ultimate)
Discount Rate (Current)	9.03%	8.00%
Rate of increase in Compensation Levels	6.00%	6.00%
Rate of Return on Plan Assets	8.70%	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.



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2.09 FIXED ASSETS

(₹ In Lakhs)

Description	GROSS BLOCK				DEPRECIATION/DEPLETION				NET BLOCK	
	As on 01.04.2013	Additions during the year	Sales/ Adjustments during the year	As on 31.03.2014	As on 01.04.2013	Depreciation/ Depletion for the year	Sales/ Adjustment during the year	As on 31.03.2014	As at 31.03.2014	As at 31.03.2013
Tangible Assets :										
Land										
- Free hold Land	10,285.35	446.59	-	10,731.94	1,744.96	205.10	-	1,950.06	8,781.88	8,540.39
- Lease hold Land	1,207.82	471.91	-	1,679.73	104.31	83.99	-	188.30	1,491.43	1,103.51
Building	24,079.38	1,869.11	3.48	25,945.01	10,768.95	1,037.23	3.04	11,803.14	14,141.87	13,310.43
Plant & Equipment	2,25,855.82	17,650.05	5,620.47	2,37,885.40	71,859.36	10,731.60	5,523.25	77,067.71	1,60,817.69	1,53,996.46
Furniture & Fixtures	1,369.00	4.18	22.07	1,351.11	1,097.22	53.40	21.42	1,129.20	221.91	271.78
Vehicles	1,226.78	189.78	81.48	1,335.08	917.97	94.27	77.09	935.15	399.93	308.81
Office Equipments	874.03	26.08	19.63	880.48	650.67	33.40	18.25	665.82	214.66	223.36
Total (A)	2,64,898.18	20,657.70	5,747.13	2,79,808.75	87,143.44	12,238.99	5,643.05	93,739.38	1,86,069.37	1,77,754.74
Intangible Assets :										
Enterprise Resource Planning	733.95	31.46	-	765.41	464.91	132.15	-	597.06	168.35	269.04
Total (B)	733.95	31.46	-	765.41	464.91	132.15	-	597.06	168.35	269.04
Total (A) + (B)	2,65,632.13	20,689.16	5,747.13	2,80,574.16	87,608.35	12,371.14	5,643.05	94,336.44	1,86,237.72	1,78,023.78
Previous Year	2,55,743.34	14,706.81	4,818.02	2,65,632.13	79,965.27	11,750.47	4,107.38	87,608.35	1,78,023.78	1,75,778.06

2.09.01 Depreciation on free hold land represents depletion on wasting assets.

2.09.02 Depreciation is net off ₹ 85.36 Lakhs (P.Y. including ₹ 12.06 Lakhs) relating to previous years including depreciation of ₹19.93 Lakhs on addition in intangible assets (ERP) amounting to ₹ 31.40 Lakhs.

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 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 Company 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	891.51	877.10	14.41
Furniture & Fixtures	9.82	9.49	0.33
Office Appliances	4.81	4.67	0.14
Vehicles	107.56	105.61	1.95
Total	1,013.70	996.87	16.83
Previous Year	1,144.89	1,129.30	15.59

2.09.05 During the current year the Corporation has changed the policy for provision of depletion. Now onwards it will be based on geological reserve submitted in mine closure plan. Had the corporation continued with earlier policy of the mineable reserve used in previous year then depletion charged during the current year would have been higher by ₹ 45.63 Lakhs and profit before tax and net fixed assets would have been lower to that extent. Due to change in the policy, the corporation has accounted for reduction in provision of ₹ 99.81 Lakhs accounted as prior period income.

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2.10 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Quoted Investments		
- Investments in Equity Instruments		
41,45,433 (P.Y. 40,80,433) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Alkalies & Chemicals Ltd.	4,953.11	4,826.24
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
	<u>6,219.27</u>	<u>6,092.40</u>
Less : Provision for diminution in value of investments	187.12	187.12
	<u>6,032.15</u>	<u>5,905.28</u>
Unquoted Investments		
- Investments in Equity Instruments		
10,00,000 (P.Y.10,00,000) Equity shares of ₹ 10/- each, fully paid, of Gujarat Informatics Ltd.	100.00	100.00
3,900 (P.Y. 3,900) 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
13,40,00,000 (P.Y. 5,90,00,000) Equity Shares of ₹ 10/- each, fully paid, of Bhavnagar Energy Company Ltd.	13,400.00	5,900.00
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
2,497 (P.Y. 2,497) 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. Nil) Equity Shares of ₹ 10/- Each, fully paid, of Aikya Chemicals Pvt. Ltd.	129.87	-
	<u>20,005.09</u>	<u>12,375.22</u>
Less : Provision for diminution in value of investments	2.50	2.50
	<u>20,002.59</u>	<u>12,372.72</u>
Total Non-current Investment	<u>26,034.75</u>	<u>18,278.00</u>
Aggregate amount of quoted investments	6,219.27	6,092.40
Aggregate market value of quoted investments	10,705.27	10,321.02
Aggregate amount of unquoted investments	20,005.09	12,375.22
Aggregate provision for diminution in value of investments	189.62	189.62



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2.10.01 Details of Investment in Subsidiary (₹ in Lakhs)

Particulars	Country of Incorporation	Investment as at 31.03.2014	Proportion of Shareholding as at 31.03.2014	Investment as at 31.03.2013	Proportion of Shareholding as at 31.03.2013
Gujarat State Mining & Resources Corp. Ltd.	India	2.55	51%	2.55	51%

2.10.02 Details of Investment in Associates (₹ in Lakhs)

Particulars	Investment as at 31.03.2014	Investment as at 31.03.2013
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 :

(₹ in Lakhs)

Particulars	Country of Incorporation	Investment as at 31.03.2014	Proportion of Shareholding as at 31.03.2014 (as per agreement)	Investment as at 31.03.2013	Proportion of Shareholding as at 31.03.2013 (as per agreement)
Bhavnagar Energy Co.Limited.	India	13,400.00	26%	5,900.00	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	50%	2.50	50%
Aikya Chemicals Pvt Ltd	India	129.87	26%	NIL	NIL
Gujarat Gokul Power Limited.	India	Agreement is executed but payment is not made	26%	Agreement is executed but payment is not made.	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 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 ₹ 3,250 Lakhs and another ₹ 3,250 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. ₹ 3,250 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 Company has made provision

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of ₹ 2,038.12 Lakhs towards advances of ₹ 2,035.62 Lakhs and investments of ₹ 2.50 Lakhs respectively in F.Y. 2012-13, which has been shown as "Exceptional Items" in Statement of Profit & Loss. Meanwhile, company has filed petition in high court against the order of Government of India.

2.11 LONG-TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Unsecured, considered good		
Capital Advances	2,024.88	8,469.79
Deposits with Various Courts	1,275.35	1,275.35
Deposits with Corporate Bodies	8,600.00	4,450.00
Interest accrued but not due on above deposits	77.40	14.25
Security Deposits	270.76	298.61
Advances to Suppliers/ Contractors	2,890.57	5,772.76
Advance Tax & Tax Deducted at Source (Net of Provision)	33,062.62	29,852.86
Balance with Govt. Parties		
- with Sales Tax / VAT Department	925.45	898.65
Loans & Advances to Employees	1,200.34	1,312.73
Other Loans & Advances	1,003.00	3.00
	<u>51,330.37</u>	<u>52,348.00</u>
Doubtful		
Loans & Advances to Related Parties	2,035.62	2,035.62
Deposits with Corporate Bodies	2,629.27	2,657.21
Interest Accrued and Due on Deposits	1,583.13	1,583.13
	<u>6,248.02</u>	<u>6,275.96</u>
Less : Allowance for Bad & Doubtful	6,248.02	6,275.96
	<u>-</u>	<u>-</u>
Total	<u><u>51,330.37</u></u>	<u><u>52,348.00</u></u>

2.12 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Secured, considered good		
Receivable towards sale of fixed assets	-	824.00
Total	<u>-</u>	<u>824.00</u>

2.13 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Mined Ore	3,241.58	2,093.96
Finished Goods	0.45	0.45
Stores, Spares & Fuel	2,175.79	2,341.35
	<u>2,175.79</u>	<u>2,341.35</u>
Less : Provision for Obsolete Stock	712.77	519.69
	<u>1,463.02</u>	<u>1,821.66</u>
Loose Tools	10.72	11.39
Total	<u><u>4,715.77</u></u>	<u><u>3,927.46</u></u>



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.14 TRADE RECEIVABLES (₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Debts outstanding for a period exceeding six months		
Unsecured, considered good	182.07	302.93
Doubtful	11.59	80.48
	193.66	383.41
Less : Allowance for Bad & Doubtful	11.59	80.48
	182.07	302.93
Other debts		
Unsecured, considered good	4,999.23	3,680.37
Total	5,181.30	3,983.30

2.15 CASH AND CASH EQUIVALENTS (₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Cash & Stamp on Hand	0.20	1.19
Balance with Banks		
- Current Account	3,467.41	5,037.60
- Fixed Deposits	539.60	481.60
Other Bank Balance		
- Balance with Banks in Unpaid Dividend accounts	107.20	95.82
- Balance with Banks to the extent held as Margin Money	44.40	43.18
- 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
	550.67	538.07
Less : Allowance made for Doubtful FDR	374.00	374.00
	176.67	164.07
Total	4,183.88	5,684.46

2.15.01 Cash and Cash Equivalents as of 31st March, 2014 and 31st March, 2013 include restricted cash and bank balances of ₹ 176.67 Lakhs and ₹ 164.07 Lakhs respectively. The restrictions are primarily on account of cash and bank balances held as margin money, fixed deposits and unclaimed dividends.

2.15.02 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 Company has placed the same with Union Bank of India, Vastrapur Branch, Ahmedabad.

2.16 SHORT-TERM LOANS AND ADVANCES (₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Unsecured, considered good		
Deposits with Corporate Bodies	1,01,812.83	95,982.21
Interest accrued but not due on Deposits	3,015.00	1,438.01
Advances to Suppliers	4,336.45	1,817.01
Balance with Govt. Parties		
- with Central Excise & CGM	3,458.90	2,487.91
Prepaid expenses	197.40	160.12
Loans & Advances to Related Parties	395.39	187.98

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Particulars	As at 31.03.2014	As at 31.03.2013
Loans & Advance to Employees	873.29	699.44
Other Loans & Advances	782.80	1,369.92
	1,14,872.06	1,04,142.60
Doubtful		
Advances to Suppliers	3.00	0.11
Less : Allowance for Bad & Doubtful	3.00	0.11
	-	-
Total	1,14,872.06	1,04,142.60

2.17 OTHER CURRENT ASSETS (₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Secured, considered good		
Receivable towards sale of fixed assets	824.00	824.00
Total	824.00	824.00

2.17.01 The corporation had sold the land at Gotri in Vadodara during the year 2012-13 for the payment of ₹ 1,831.11 Lakhs. At the time of execution of documents ₹ 183.11 Lakhs was received. Balance amount of ₹ 1,648 Lakhs is recoverable in four equal half yearly installments. The said amount is secured by bank guarantee of Dena Bank. During the year 2013-14 two installments have been received.

2.18 REVENUE FROM OPERATIONS (₹ In Lakhs)

Particulars	2013-2014	2012-2013
Sale of Products	1,34,407.28	1,74,762.51
Less : Excise Duty	5,440.77	7,294.02
Total	1,28,966.51	1,67,468.49

2.18.01 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 are in the process of execution of Supplementary Power Purchase Agreement. Pending such execution and finalization, the revenue has been booked on the basis of amount paid by GUVNL against electricity bills and adjustment of U.I. charges. Necessary adjustment, if any, shall be made in accounts after final outcome of the matter.

2.19 OTHER INCOME (₹ in Lakhs)

Particulars	2013-2014		2012-2013	
Interest Income				
- Income Tax/ Sales Tax Refund	5.20		190.08	
- FDRs with Banks & ICDs	8,771.90		7,468.24	
- Others	253.05	9,030.15	250.78	7,909.10
Income from Investments				
- Dividend Income	551.68		403.35	
Net gain on Sale of Fixed Assets	388.83		1,639.04	
Sale of Scrap material	143.36		707.17	
Excess Provision of Earlier Years Written Back	641.38		4,026.53	
Liquidated Damages/ Penalty	2,548.38		370.87	
Other Misc. Income	1,237.83		492.06	
Total	14,541.61		15,548.12	



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

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

(₹ in Lakhs)

Particulars	2013-2014	2012-2013
Inventories at the end of the year:		
Finished Goods	0.45	0.45
Mined Ore	3,241.58	2,093.96
	<u>3,242.03</u>	<u>2,094.41</u>
Less :Inventories at the beginning of the year:		
Finished Goods	0.45	0.45
Mined Ore	2,093.96	2,157.39
	<u>2,094.41</u>	<u>2,157.84</u>
Increase/(Decrease) in Inventories	<u>1,147.62</u>	<u>(63.43)</u>

2.21 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2013-2014	2012-2013
Salaries, Wages & Bonus	7,585.31	7,075.38
Contribution to Provident fund & other funds	916.18	1,187.58
Staff Welfare Expenses	635.25	793.68
Terminal Benefits	571.85	1,383.51
Total	<u>9,708.59</u>	<u>10,440.15</u>

2.22 OTHER EXPENSES

(₹ in Lakhs)

Particulars	2013-2014	2012-2013
Manufacturing Expenses		
Loading of Lignite & Overburden Removal	25,949.00	26,545.60
Other Loading charges & Mining Expenses	894.38	2,212.65
Consumption of Stores, Spares & Fuel		
- Power & Fuel	1,079.15	1,020.58
- Consumption of Stores, Spares & Chemicals	5,755.20	8,077.98
Operation & Maintenance Charges for Power Projects	2,941.45	1,241.06
Repairs & Maintenance		
- Buildings	497.03	450.13
- Machineries (Including spares)	1,392.58	1,105.24
- Other Assets	145.32	1,615.88
Rates & Taxes		
- Royalty	5,854.53	8,633.68
- Clean Energy Cess	4,206.17	5,464.60
- Other Rates & Taxes	189.11	441.14
Mine Closure Expenses	5,194.26	4,960.39
Other Manufacturing Expense		
- Machinery Hire Charges	0.10	31.92
- Rent	0.06	0.18
Administrative & Selling Expenses		
Insurance Premium	316.83	278.01
Vehicle Hire Charges	568.71	487.74

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Particulars	2013-2014		2012-2013	
Advertisement & Publicity	214.86		210.74	
Security Expenses	1,396.20		1,162.46	
Legal & Professional Fees	335.39		448.03	
Payment to Auditors				
- Audit Fees	6.38		5.31	
- For Tax Audit	0.78		0.77	
- For Consolidation	0.11		0.11	
- Out of Pocket Expenses	0.17	7.44	0.01	6.21
Remuneration to Managing Director	-		4.33	
Directors sitting Fees & Allowances	2.00		2.29	
Cash Discount	431.51		503.90	
Provision for Obsolete Stock	193.34		-	
Provision for doubtful debts	14.59		4.49	
Net Loss on Foreign Exchange transactions	1.99		0.13	
Mining & Project Development Expenses	28.80		664.46	
Other Miscellaneous Charges	1,750.62		2,328.65	
Prior Period Adjustments (Net)	171.02		465.32	
Total	59,531.64		68,367.79	

2.22.01 Royalty on account of sale of Bauxite has been accounted for ₹ 251.17 Lakhs (P.Y. ₹ 1,130.46 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 2,040 (P.Y. 2,040) 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 Details of Prior Period Adjustments (Net) (₹ In Lakhs)

Particulars	2013-2014		2012-2013	
Income				
- Sales	0.55		39.00	
- Other Income	89.89	90.44	1.71	40.71
Expenditure				
- Consumption of Stores, Chemicals etc.	10.67		90.76	
- Repair & Maintenance	4.85		15.69	
- Electricity Expenses	53.76		-	
- Loading of Lignite / Mining Expenses of bauxite	181.58		111.14	
- Rates & Taxes	32.30		243.57	
- O & M / Plant operation charges	41.49		6.11	
- Depreciation	(85.36)		12.06	
- Other Miscellaneous Expenses (net)	22.18	261.47	26.70	506.03
Net Prior Period Income/(Expenses)	(171.02)		(465.32)	



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2.23 Contingent Liabilities

Contingent liabilities not provided for Claims against the Corporation not acknowledged as debt ₹ 42,204.61 Lakhs (P.Y. ₹ 99,083.65 Lakhs).

2.23.01 The ex-owners of land acquired for the Akrimota Project of the Corporation have filed suits for enhancement of compensation awarded by the order of the competent authority and the value of enhancement claimed is ₹ 773.52 Lakhs upto 31st March, 2014 (P.Y. ₹ 773.52 Lakhs). Necessary adjustment shall be made in accounts after final decision/outcome of the case.

2.23.02 As against claims for additional compensation of ₹ 1,000 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.

2.23.03 Claims for additional compensation against acquisition of land at Rajpardi and Panandhro for mining activities of the Corporation are under litigation before the Hon'ble Gujarat High Court. Pending the final disposal of the matters by the Hon'ble High Court ₹ 1,239.03 Lakhs (P.Y. ₹ 1,239.03 Lakhs) has been deposited and shown under the head 'Deposits with various Courts'. Necessary adjustment shall be made in accounts after final decision/outcome of the case.

2.23.04 Income Tax : ₹ 27,586.75 Lakhs (P.Y. ₹ 24,062.98 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 : ₹ 4,657.22 Lakhs (P.Y. ₹ 5,548.22 Lakhs)

2.23.08 Bank Guarantee/letter of credits issued by banks on behalf of the Corporation. : ₹ 57.42 Lakhs (P.Y. ₹ 121.88 Lakhs)

2.23.09 Royalty, Stamp duty and Conversion tax : ₹ 4,943.48 Lakhs (P.Y. ₹ 4,466.88 Lakhs)

2.23.10 Incentive to Employees : ₹ 1,158.84 Lakhs (P.Y. ₹ 1,158.84 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 ₹ 6,205.36 Lakhs (P.Y. ₹ 9,844.86 Lakhs)

2.24.02 Other Commitments

- Corporation has entered in to the Sponsor Support Agreement with Bhavnagar Energy Company Ltd (BECL), whereby corporation has given commitment to meet the Cost overrun to the extent of its share of 26% in BECL.
- NALCO has made upfront payment of ₹ 15,100 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

(₹ In Lakhs)

Particulars	2013-2014		2012-2013	
	₹	%	₹	%
Imported	-	-	78.36	1
Indigenous	5,755.20	100	7,999.61	99
Total	5,755.20	100	8,077.97	100

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II C.I.F. Value of Imports: (₹ In Lakhs)

Particulars	2013-2014	2012-2013
Components & Spares	92.38	88.39
Capital Goods	-	-
Total	92.38	88.39

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

IV Remuneration to Managing Director : (₹ In Lakhs)

Particulars	2013-2014	2012-2013
Remuneration	Nil	3.25
Perquisites	Nil	1.08
Total	Nil	4.33

V During the year the Corporation has remitted the amount in foreign currency on account of the Share holders as under: (₹ In Lakhs)

	2012-13	2011-12
(a) Year to which dividend relates		
(b) Number of non-resident shareholders	26	34
(c) Number of shares held by them	52293	48682
(d) Amount of dividend remitted in foreign currency	1.57	1.46

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 As at the Balance Sheet date Corporation has 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	2013-2014	2012-2013
Profit after tax (₹ In Lakhs)	43,913.42	60,084.21
Weighted average no. of equity shares outstanding	31,80,00,000	31,80,00,000
Basic and diluted earnings per share	₹ 13.81	₹ 18.89

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 policy of the corporation with the following additional policies for segment reporting.

- 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".
- 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".

Sr.	Particulars	2013-2014	2012-2013
1	Segment Revenue		
	a) Mining Projects	1,07,734.09	1,51,337.61
	b) Power Projects	30,304.35	27,402.90
	Segment Revenue	1,38,038.44	1,78,740.51
	c) Un-allocable Corporate Revenue	617.18	1,754.06
	Total Revenue	1,38,655.62	1,80,494.57



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Sr. Particulars	2013-2014	2012-2013
2 Segment Results :		
(Profit/Loss before interest and tax)		
a) Mining Projects	49,526.16	82,204.58
b) Power Projects	6,338.63	3,696.55
	Segment Results	85,901.13
c) Un-allocable Corporate Results	(2,487.61)	(1,806.74)
	Total	84,094.39
Add : Interest Income	9,030.15	7,909.10
Add : Dividend Income	551.68	403.35
Net Profit before tax and exceptional Items	62,959.01	92,406.84
Less : Exceptional Items	-	2,038.12
	62,959.01	90,368.72
Less : Provision for Current Tax	21,520.00	28,400.00
Less : Provision for Deferred Tax	(2,474.41)	1,884.51
Total Tax Provision	19,045.59	30,284.51
Profit after tax (Enterprise net profit)	43,913.42	60,084.21
3 Segment Assets :		
a) Mining Projects	45,877.98	49,131.70
b) Power Projects	2,52,783.90	2,34,714.66
	Total Segment Assets	2,83,846.36
c) Un-allocable Corporate Assets	1,69,796.69	1,55,138.65
	4,68,458.57	4,38,985.01
4 Segment Liabilities :		
a) Mining Projects	54,062.66	53,156.78
b) Power Projects	79,205.07	68,398.60
	Total Segment Liabilities	1,21,555.38
c) Un-allocable Corporate Liabilities	3,35,190.84	3,17,429.63
	4,68,458.57	4,38,985.01
5 Capital Expenditure :		
(i) Additions :		
a) Mining Projects	2,412.62	1,809.30
b) Power Project	17,864.18	12,845.05
	20,276.80	14,654.35
c) Un-allocable Capital Expenditure	412.38	52.46
	Total Additions	14,706.81
(ii) Depreciation :		
a) Mining Projects	994.48	1,515.72
b) Power Project	11,098.88	9,873.11
	12,093.36	11,388.83
c) Un-allocable Depreciation	277.78	361.64
	Total Depreciation	11,750.47

Notes :

1. Segment assets and liabilities are subject to reconciliation.
2. Segment Revenue of Mining includes ₹ 4,683.11 Lakhs (P.Y. ₹ 5,092.75 Lakhs) being captive consumption of Lignite/Lime for Power Project.
3. Inter-segment transfers of Lignite and Lime are accounted for at cost.
4. Depreciation is net off ₹ 85.36 Lakhs (P.Y. including ₹ 12.06 Lakhs) relating to previous years.

2.31 Related party disclosures on 31.3.2014 :

(i) List of Related parties & Relationships :

Name of Related Party	Relationship
Shri M. Sahu, IAS – Chairman (up to 31.01.2014) Shri D. J. Pandian, IAS – Chairman (w.e.f. 01.02.2014) Shri B. B. Swain, IAS - Managing Director (up to 30.04.2013) Shri Pankaj Kumar, IAS - Managing Director (w.e.f. 01.05.2013)	Key Management Personnel
Gujarat Foundation for Entrepreneurial Excellence	Associates
Gujarat Jaypee Cement Infrastructure Ltd. Gujarat Credo Mineral Industries Ltd. Bhavnagar Energy Co. Ltd. Aikya Chemicals Pvt. Ltd. Swarnim Gujarat Flourspar Pvt. Ltd. Naini Coal Company Ltd.	Joint Ventures
Gujarat Mining & Resources Corporation Ltd.	Subsidiary company
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	Subsidiary		Associates		Joint Ventures		Key Management Personnel		Others		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Remuneration Paid	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4.33	Nil	Nil	Nil	4.33
Purchase of Investments*	Nil	Nil	Nil	Nil	7,629.87	3,596.50	Nil	Nil	Nil	Nil	7,629.87	3,596.50
Paid/ Receivable	Nil	Nil	Nil	43.09	501.20	2,056.65	Nil	Nil	248.48	360.25	749.68	2,459.99
Received/(Payable)	Nil	Nil	Nil	Nil	857.12	Nil	Nil	Nil	76.61	333.48	76.61	333.48
Donations given	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* Includes ₹ Nil (P.Y. ₹ 494 Lakhs) adjusted against receivable towards sale of bauxite.

(iii) Balances as at 31st March, 2014 : (₹ In Lakhs)

Nature of transactions	Subsidiary		Associates		Joint Ventures		Key Management Personnel		Others		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Investments	2.55	2.55	5.00	5.00	14,047.95	6,418.08	Nil	Nil	Nil	Nil	14,055.50	6,425.63
Receivables	1.00	1.00	84.50	84.50	2,043.66	2,043.58	Nil	Nil	266.84	94.97	2,396.00	2,224.05
Payables	Nil	Nil	Nil	Nil	355.99	Nil	Nil	Nil	Nil	Nil	355.99	Nil

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.

2.33 The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956 subject to fulfillment of conditions stipulated in the circular. The company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the consolidated financial statements.

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

D.J. Pandian, IAS
Chairman

Joel Evans
Company Secretary
Place: Ahmedabad
Date: 29th May, 2014
As per our report of even date attached

Bhadresh Mehta
Director

Pankaj Kumar, IAS
Managing Director

For H.K.Shah & Co.
Chartered Accountants
FRN - 109583/W
CA. H. K. Shah
Partner
Membership No. 042758
Place: Ahmedabad
Date : 29th May, 2014



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Consolidated Financial Statements & Notes

INDEPENDENT AUDITOR'S REPORT

To,
The Board of Directors
Gujarat Mineral Development Corporation Limited,
Ahmedabad.

Report on the Consolidated Financial Statements.

We have audited the accompanying consolidated financial statements of **GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED., AHMEDABAD ("the company")**, and its subsidiary (collectively referred as "the group") which comprise the Consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General circular 15/2013 dated 13th September 2013 of the Ministry Of Corporate Affairs in respect of section 133 of the companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control

relevant to the Group's preparation and presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report of the other auditor on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We have not audited the financial statements of subsidiary company whose financial statements reflect Total Assets of ₹ 0.76 Lakhs as on 31st March 2014, Total Revenue of ₹ Nil, Net Cash flows ₹ 0.34 lakhs and Net Loss ₹ 0.65 lakhs for the year ended on that date. These financial statements have been audited by other auditor whose report has been furnished to us, and our opinion, is based solely on the report of other auditor.

Our opinion is not qualified in respect of other matters.

For H. K. Shah & Co.,
Chartered Accountants
Firm Regn No. 109583/W

H.K.Shah
(Partner)
M. No. 042758

Place: Ahmedabad
Date: 29.05.2014



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2014		As at 31st March, 2013	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2.02	6,360.00		6,360.00	
Reserves and Surplus	2.03	2,79,883.36	2,86,243.36	<u>2,47,134.92</u>	2,53,494.92
MINORITY INTEREST			(1.64)		1.87
NON-CURRENT LIABILITIES					
Deferred tax liabilities (Net)	2.04	28,714.17		31,188.58	
Other long-term liabilities	2.05	16,915.56		17,591.53	
Long-term provisions	2.06	27,433.08	73,062.81	<u>22,957.71</u>	71,737.82
CURRENT LIABILITIES					
Short-term borrowings	2.07	2.47		2.47	
Trade payables	2.08	6,477.69		6,346.41	
Other current liabilities	2.09	16,707.86		27,179.62	
Short-term provisions	2.10	12,002.63	35,190.65	<u>11,686.67</u>	45,215.17
Total			3,94,495.18		<u>3,70,449.78</u>
ASSETS					
NON-CURRENT ASSETS					
Fixed assets					
Tangible assets	2.11	1,86,069.37		1,77,754.74	
Intangible assets	2.11	168.35		269.04	
Capital work-in-progress (Net of Provision)		1,118.11		<u>2,410.11</u>	
		1,87,355.83		1,80,433.89	
Non-current investments	2.12	26,032.20		18,275.45	
Long-term loans and advances	2.13	51,330.37		52,348.00	
Other non-current assets	2.14	-	2,64,718.40	<u>830.52</u>	2,51,887.86
CURRENT ASSETS					
Inventories	2.15	4,715.77		3,927.46	
Trade receivables	2.16	5,181.30		3,983.30	
Cash and cash equivalents	2.17	4,184.65		5,685.56	
Short-term loans and advances	2.18	1,14,871.06		1,04,141.60	
Other current assets	2.19	824.00	1,29,776.78	<u>824.00</u>	1,18,561.92
Total			3,94,495.18		<u>3,70,449.78</u>

Significant Accounting Policies and Notes on Financial Statements

1 & 2

Pawan Bhootra
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

D.J. Pandian, IAS
Chairman

Joel Evans
Company Secretary

Bhadresh Mehta
Director

Pankaj Kumar, IAS
Managing Director

Place: Ahmedabad
Date: 29th May, 2014

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 : 29th May, 2014

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CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

	Note No.	2013-2014	2012-2013
(₹ in Lakhs)			
Revenue from Operations (Net of Excise Duty)	2.20	1,28,966.51	1,67,468.49
Other Income	2.21	14,541.61	15,548.12
Total Revenue		1,43,508.12	1,83,016.61
Expenses:			
Changes in inventories of Finished goods, Work-in-progress & Stock-in-Trade	2.22	(1,147.62)	63.43
Employee benefits Expense	2.23	9,708.59	10,440.15
Depreciation/ Depletion	2.11	12,456.50	11,738.40
Other Expenses	2.24	59,532.27	68,368.30
Total Expenses		80,549.74	90,610.28
Profit before exceptional and extraordinary items and tax		62,958.38	92,406.33
Less : Exceptional items		-	2,038.12
Profit before extraordinary items and tax		62,958.38	90,368.21
Less : Extraordinary Items		-	-
Profit Before Tax		62,958.38	90,368.21
Tax Expense			
Current Tax		21,520.00	28,400.00
Deferred Tax		(2,474.41)	1,884.51
Profit/(Loss) For the period		43,912.79	60,083.70
Add: Share of Loss in subsidiary company transferred to minority interest		0.32	0.26
Profit/(Loss) For the period (After adjustment of minority interest)		43,913.11	60,083.96
Earning per equity Share			
Basic		13.81	18.89
Diluted		13.81	18.89
Significant Accounting Policies and Notes on Financial Statements	1 & 2		

Pawan Bhootra
General Manager (Accounts)

Joel Evans
Company Secretary

Place: Ahmedabad
Date: 29th May, 2014

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 : 29th May, 2014

L. Kulshrestha
General Manager (Finance)

Bhadresh Mehta
Director

D.J. Pandian, IAS
Chairman

Pankaj Kumar, IAS
Managing Director



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2013-14

		(₹ in Lakhs)	
Sr. No.	Particulars	2013-2014	2012-2013
A	Cash-Flow from Operating Activities:		
	Net Profit before tax and extra ordinary items	62,958.38	90,368.21
	Adjustments for:		
	Depreciation and Depletion	12,371.14	11,750.47
	Provision for Doubtful Debts, Investments and Loans and Advances	14.59	2,042.62
	Provision for Obsolete Spares / Stock	193.34	-
	Assets written off	14.29	10.59
	Excess/Short provision adjusted	(641.38)	(4,026.53)
	Surplus / Deficit on sale of assets	(388.83)	(1,639.04)
	Dividend Income	(551.68)	(403.35)
	Wealth Tax	2.28	2.06
	Interest from Banks and Corporates	(8,771.90)	(7,468.24)
	Operating profit before working capital changes:	65,200.23	90,636.79
	Adjustments for:		
	Trade & Other Receivable	(5,244.00)	(42,760.58)
	Inventories	(981.65)	2,612.55
	Trade & Other Payable	(5,595.56)	4,696.80
	Misc. Expenditure	(6.52)	6.52
		(11,827.73)	(35,444.71)
	Cash generated from operations	53,372.50	55,192.08
	Direct Taxes Paid (Net)	(24,732.05)	(33,195.34)
	Net Cash-Flow from Operating Activities	28,640.45	21,996.74
B	Cash-Flow from Investing Activities:		
	Purchase of fixed assets	(19,406.87)	(16,496.05)
	Sale of fixed assets	488.31	2,348.39
	Redemption / Purchase of Investments	(7,756.75)	(5,014.62)
	Interest from Bank and Corporates	7,131.76	7,890.89
	Dividend & Income from units	551.68	403.35
	Net cash used in Investing Activities	(18,991.87)	(10,868.04)
C	Cash-Flow from Financing Activities:		
	Dividend paid	(11,149.49)	(11,088.84)
	Net cash used in Financing Activities	(11,149.49)	(11,088.84)
	Net increase in Cash & Cash Equivalents	(1,500.91)	39.86
	Cash & Cash Equivalent at the beginning of year	5,685.56	5,645.70
	Cash & Cash Equivalent at the end of year	4,184.65	5,685.56

Notes:

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

Pawan Bhootra
General Manager (Accounts)

Joel Evans
Company Secretary

Place: Ahmedabad
Date: 29th May, 2014

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 : 29th May, 2014

L. Kulshrestha
General Manager (Finance)

Bhadresh Mehta
Director

D.J. Pandian, IAS
Chairman

Pankaj Kumar, IAS
Managing Director

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 -

Generally prior period expenses/Income and prepaid expenses for an amount up to ₹ 50,000 in each case are debited/credited as current year's expenses/income.
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.
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 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.
 - 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) Depreciation is charged on written down value method at the rates prescribed in Schedule-XIV to the Companies Act, 1956 except Plant & Machinery of Thermal Power Plant, Wind Energy Farm and Solar Project from time to time.
 - ii) Depreciation in respect of Plant and Machinery of Wind Energy Farm and Solar Project is charged on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 from time to time.
 - iii) 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 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.
- g) In case of intangible assets, software is amortized at 40% on written down value method.

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.

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.

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 the Suppliers' credit for purchase of fixed assets repayable in foreign currency, the exchange difference arising on repayment/realignment 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.

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 exclude VAT.
- b) The liquidated damage/penalty, if any, on the works completed are generally determined on completion/closure of contracts and charged as revenue.
- c) Income of lease management fees is spread over the primary period of lease.

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 upto 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.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- b) The annual cost of final mine closure is calculated and accounted for considering the useful life of the mines on the basis of approved final mine closure plans otherwise annual cost is calculated on the basis of draft mine closure plans submitted to the Ministry of Coal, GOI or on the basis of technical estimations for mines for which draft mine closure plans have not been submitted.

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, 2014

- 2.01 The consolidated financial statements relate to Gujarat Mineral Development Corporation Limited and its subsidiary. The subsidiary company considered in the financial statement is as follows:

Name of the company	Proportion of shareholding as on March 31, 2014	Proportion of shareholding as on March 31, 2013
Gujarat State Mining and Resources Corporation Ltd.	51 %	51 %

2.02 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
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 31.03.2014	As at 31.03.2013
Number of shares outstanding at the beginning of year	31,80,00,000.00	31,80,00,000.00
Add: Shares issued during the year	-	-
Less : Share bought back	-	-
Number of shares outstanding at the end of year	<u>31,80,00,000.00</u>	<u>31,80,00,000.00</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 31.03.2014	% held as at 31.03.2014	No. of shares as at 31.03.2013	% held as at 31.03.2013
Governor of Gujarat	23,53,20,000	74%	23,53,20,000	74%

- 2.02.03 The details of Aggregate no. of shares allotted as fully paid up by way of Bonus Shares for the period of immediately preceding five years from the date of balance sheet

Particulars	Year of allotment	Aggregate no. of Shares allotted
Equity Shares allotted as Bonus Shares	2008-09	15,90,00,000.00

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2.03	RESERVES AND SURPLUS	(₹ In Lakhs)	
Particulars	As at 31.03.2014	As at 31.03.2013	
- General Reserve			
Opening Balance	222,570.63	182,570.63	
Add : Transfer from Profit & Loss Account	<u>25,000.00</u>	<u>40,000.00</u>	
Closing Balance	247,570.63	222,570.63	
- Surplus			
Opening Balance	24,564.29	15,638.34	
Add : Net profit/(Net Loss) for the current year	43,913.09	60,083.94	
Add : Transferred to Unamortized expenses	<u>(3.33)</u>	<u>3.33</u>	
Amount available for appropriation	68,474.05	75,725.61	
Less : Appropriation			
Final Dividend	9,540.00	9,540.00	
Dividend Distribution Tax	1,621.32	1,621.32	
Amount Transferred to General Reserve	<u>25,000.00</u>	<u>40,000.00</u>	
Closing Balance	<u>32,312.73</u>	<u>24,564.29</u>	
Total	<u>279,883.36</u>	<u>247,134.92</u>	
2.04 DEFERRED TAX LIABILITY (NET)			
(₹ In Lakhs)			
Particulars	As at 31.03.2014	As at 31.03.2013	
Deferred Tax Liability			
Due to Depreciation	39,184.79	39,868.95	
Deferred Tax Assets			
Due to Disallowance u/s 43B of Income Tax	(10,027.42)	(8,325.29)	
Due to Others Timing Differences	<u>(443.20)</u>	<u>(355.08)</u>	
Total	<u>28,714.17</u>	<u>31,188.58</u>	
2.05 OTHER LONG-TERM LIABILITIES			
(₹ In Lakhs)			
Particulars	As at 31.03.2014	As at 31.03.2013	
Security & Other Deposit liability	16,709.76	17,385.28	
Environment Expense Reserve Fund	205.80	181.33	
Others Liabilities	<u>-</u>	<u>24.92</u>	
Total	<u>16,915.56</u>	<u>17,591.53</u>	
2.06 LONG-TERM PROVISIONS			
(₹ In Lakhs)			
Particulars	As at 31.03.2014	As at 31.03.2013	
Provision for Employee Benefits			
- Gratuity	-	-	
- Leave Encashment	2,546.74	2,296.78	
Provision for Mine Closure	<u>24,886.34</u>	<u>20,660.93</u>	
Total	<u>27,433.08</u>	<u>22,957.71</u>	

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 ₹ 26,442.15 Lakhs (P.Y. ₹ 21,317.56 Lakhs) and has incurred progressive mine closure expenses of ₹ 1,555.81 Lakhs (P Y ₹ 656.63 Lakhs) so far. As per the guidelines the amount so provided is required to be deposited in ESCROW Account with a bank. 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.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

2.07 SHORT TERM BORROWINGS (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Loans and advances received (Unsecured)	2.47	2.47
Total	2.47	2.47

2.08 TRADE PAYABLES (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Creditors for Supplies & services	6,477.69	6,346.41
Total	6,477.69	6,346.41

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 (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Creditors for Capital Assets	552.95	5,874.58
Advance received from Customers	5,012.88	9,694.71
Rates, Taxes & Duties payable	3,413.82	4,674.02
Security & Other Deposit liability	2,382.43	3,514.85
Unpaid Dividend	94.83	83.00
Other Liabilities	5,250.95	3,338.46
Total	16,707.86	27,179.62

2.09.01 The Government of Gujarat (GOG) has provided funds for amounting to ₹ 5,610.86 Lakhs (P.Y. ₹ 3,758.85 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 ₹ 3,531.85 Lakhs (P.Y. ₹ 2,616.70 Lakhs) till 31st March, 2014. Net balance of unutilised funds amounting to ₹ 2,079.00 Lakhs (P.Y. ₹ 1,142.15 Lakhs) is shown under the head "Other Liabilities". Details of funds received and utilized for various activities are as under:

Nature of Activities	Funds Received upto 31.03.2014	Funds Utilized upto 31.03.2014	Unutilized funds as on 31.03.2014
Construction and other expenses of Stone Park	3,569.32	2,649.03	920.29
Construction and other expenses of Laboratory	1,945.40	858.27	1,087.13
Activities related to Trade Fair	46.14	20.09	26.05
Activities related to ISRC	50.00	4.46	45.54
Total	5,610.86	3,531.85	2,079.01
Previous Year	3,758.85	2,616.70	1,142.15

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, ₹ 123.43 Lakhs (P.Y. ₹ 149.48 Lakhs) (i.e. 80% of the basic sale price) has been transferred to GMRDS.

2.10 SHORT-TERM PROVISIONS (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Provision for Employee Benefits		
- Gratuity	336.98	196.64
- Leave Encashment	375.36	323.27
- Provident Fund	128.97	5.44
Proposed Dividend	9,540.00	9,540.00
Provision for Tax on Dividend	1,621.32	1,621.32
Total	12,002.63	11,686.67

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2.10.01 During the year ended 31st March, 2014, 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 shareholders in ensuing Annual General Meeting.

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	2013-2014	2012-2013
Contribution to PF & other funds	775.84	714.99

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	31.03.2014	31.03.2013
Present Value of Obligation as at the beginning of the year	8,668.41	8,163.64
Current Service Cost	389.48	329.49
Interest Cost	693.47	693.91
Actuarial (gain) / Loss on obligations	(201.03)	82.67
Benefits paid	(463.02)	(601.30)
Past Service cost	-	-
Present Value of Obligation as at the end of the year	9,087.31	8,668.41

(ii) Changes in the Fair Value of Plan Assets. (₹ In Lakhs)

Particulars	31.03.2014	31.03.2013
Fair Value of Plan Assets at the beginning of the year	8,471.78	6,939.59
Expected Return on Plan Assets	737.04	596.80
Actuarial Gain / (loss) on Plan Assets	4.55	36.68
Contributions	-	1,500.01
Benefits Paid	(463.02)	(601.30)
Fair Value of Plan Assets at the end of the year	8,750.35	8,471.78

(iii) The amount recognized in Balance Sheet (₹ In Lakhs)

Particulars	31.03.2014	31.03.2013
Fair Value of Plan Assets as at the end of the year	8,750.35	8,471.78
Present Value of Obligations as at the end of the year	(9,087.31)	(8,668.41)
Net Asset / (Liability) recognized in Balance Sheet	(336.96)	(196.63)

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

Particulars	31.03.2014	31.03.2013
Current Service Cost	389.48	329.49
Interest Cost	693.47	693.91
Expected Return on Plan Assets	(737.04)	(596.80)
Net actuarial (gain) / loss recognized in the year	(205.57)	46.00
Past Service Cost	-	-
Expenses/(Income) Recognized in the Statement of Profit & Loss	140.34	472.60

(v) Investment Details

Particulars	% Invested as at	
	31.03.2014	31.03.2013
Funds with L.I.C. (% Invested)	100	100



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(vi) Assumptions

Particulars	31.03.2014	31.03.2013
Mortality Table (LIC)	2006-08(Ultimate)	2006-08(Ultimate)
Discount Rate (Current)	9.03%	8.00%
Rate of increase in Compensation Levels	6.00%	6.00%
Rate of Return on Plan Assets	8.70%	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 01.04.2013	Additions during the year	Sales/ Adjustments during the year	As on 31.03.2014	As on 01.04.2013	Depreciation/ Depletion for the year	Sales/ Adjustment during the year	As on 31.03.2014	As at 31.03.2014	As at 31.03.2013
Tangible Assets :										
Land										
- Free hold Land	10,285.35	446.59	-	10,731.94	1,744.96	205.10	-	1,950.06	8,781.88	8,540.39
- Lease hold Land	1,207.82	471.91	-	1,679.73	104.31	83.99	-	188.30	1,491.43	1,103.51
Building	24,079.38	1,869.11	3.48	25,945.01	10,768.95	1,037.23	3.04	11,803.14	14,141.87	13,310.43
Plant & Equipment	2,25,855.82	17,650.05	5,620.47	2,37,885.40	71,859.36	10,731.60	5,523.25	77,067.71	1,60,817.69	1,53,996.46
Furniture & Fixtures	1,369.00	4.18	22.07	1,351.11	1,097.22	53.40	21.42	1,129.20	221.91	271.78
Vehicles	1,226.78	189.78	81.48	1,335.08	917.97	94.27	77.09	935.15	399.93	308.81
Office Equipments	874.03	26.08	19.63	880.48	650.67	33.40	18.25	665.82	214.66	223.36
Total (A)	2,64,898.18	20,657.70	5,747.13	2,79,808.75	87,143.44	12,238.99	5,643.05	93,739.38	1,86,069.37	1,77,754.74
Intangible Assets :										
Enterprise Resource Planning	733.95	31.46	-	765.41	464.91	132.15	-	597.06	168.35	269.04
Total (B)	733.95	31.46	-	765.41	464.91	132.15	-	597.06	168.35	269.04
Total (A) + (B)	2,65,632.13	20,689.16	5,747.13	2,80,574.16	87,608.35	12,371.14	5,643.05	94,336.44	1,86,237.72	1,78,023.78
Previous Year	2,55,743.34	14,706.81	4,818.02	2,65,632.13	79,965.27	11,750.47	4,107.38	87,608.35	1,78,023.78	1,75,778.06

2.11.01 Depreciation on free hold land represents depletion on wasting assets.

2.11.02 Depreciation is net off ₹ 85.36 Lakhs (P.Y. including ₹ 12.06 Lakhs) relating to previous years including depreciation of ₹ 19.93 Lakhs on addition in intangible assets (ERP) amounting to ₹ 31.40 Lakhs .

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 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.

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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	891.51	877.10	14.41
Furniture & Fixtures	9.82	9.49	0.33
Office Appliances	4.81	4.67	0.14
Vehicles	107.56	105.61	1.95
Total	1,013.70	996.87	16.83
Previous Year	1,144.89	1,129.30	15.59

2.11.05 During the current year the Corporation has changed the policy for provision of depletion. Now onwards it will be based on geological reserve submitted in mine closure plan. Had the corporation continued with earlier policy of the mineable reserve used in previous year then depletion charged during the current year would have been higher by ₹ 45.63 Lakhs and profit before tax and net fixed assets would have been lower to that extent. Due to change in the policy, the corporation has accounted for reduction in provision of ₹ 99.81 Lakhs accounted as prior period income.

2.12 NON-CURRENT INVESTMENTS (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Quoted Investments		
- Investments in Equity Instruments		
41,45,433 (P.Y. 40,80,433) Equity Shares of ₹ 10/- each, fully paid, of Gujarat Alkalies & Chemicals Ltd.	4,953.11	4,826.24
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	6,092.40
Less : Provision for diminution in value of investments	187.12	187.12
	6,032.15	5,905.28
Unquoted Investments		
- Investments in Equity Instruments		
10,00,000 (P.Y.10,00,000) Equity shares of ₹ 10/- each, fully paid, of Gujarat Informatics Ltd.	100.00	100.00
3,900 (P.Y. 3,900) 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
13,40,00,000 (P.Y. 5,90,00,000) Equity Shares of ₹ 10/- each, fully paid, of Bhavnagar Energy Company Ltd.	13,400.00	5,900.00
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
2,497 (P.Y. 2,497) 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



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Particulars	As at 31.03.2014	As at 31.03.2013
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. Nil) Equity Shares of ₹ 10/- Each, fully paid, of Aikya Chemicals Pvt. Ltd.	129.87	-
	20,002.54	12,372.67
Less : Provision for diminution in value of investments	2.50	2.50
	20,000.04	12,370.17
Total Non-current Investment	26,032.20	18,275.45
Aggregate amount of quoted investments	6,219.27	6,092.40
Aggregate market value of quoted investments	10,705.27	10,321.02
Aggregate amount of unquoted investments	20,002.54	12,372.67
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 31.03.2014	Investment as at 31.03.2013
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 31.03.2014	Proportion of Share-holding as at 31.03.2014	Investment as at 31.03.2013	Proportion of Share-holding as at 31.03.2013
Bhavnagar Energy Co.Limited.	India	13,400.00	26%	5,900.00	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	50%	2.50	50%
Aikya Chemicals Pvt Ltd	India	129.87	26%	NIL	NIL
Gujarat Gokul Power Limited.	India	Agreement is executed but payment is not made	26%	Agreement is executed but payment is not made.	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.

2.12.04 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

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Corporate Guarantee of GMDC for an amount of ₹ 3,250 Lakhs and another ₹ 3,250 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. ₹ 3,250 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 Company has made provision of ₹ 2,038.12 Lakhs towards advances of ₹ 2,035.62 Lakhs and investments of ₹ 2.50 Lakhs respectively in F.Y. 2012-13, which has been shown as "Exceptional Items" in Statement of Profit & Loss. Meanwhile, company has filed petition in high court against the order of Government of India.

2.13 LONG-TERM LOANS AND ADVANCES

(₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Unsecured, considered good		
Capital Advances	2,024.88	8,469.79
Deposits with Various Courts	1,275.35	1,275.35
Deposits with Corporate Bodies	8,600.00	4,450.00
Interest accrued but not due on above deposits	77.40	14.25
Security Deposits	270.76	298.61
Advances to Suppliers/ Contractors	2,890.57	5,772.76
Advance Tax & Tax Deducted at Source (Net of Provision)	33,062.62	29,852.86
Balance with Govt. Parties		
- with Sales Tax / VAT Department	925.45	898.65
Loans & Advances to Employees	1,200.34	1,312.73
Other Loans & Advances	1,003.00	3.00
	51,330.37	52,348.00
Doubtful		
Loans & Advances to Related Parties	2,035.62	2,035.62
Deposits with Corporate Bodies	2,629.27	2,657.21
Interest Accrued and Due on Deposits	1,583.13	1,583.13
	6,248.02	6,275.96
Less : Allowance for Bad & Doubtful	6,248.02	6,275.96
	-	-
Total	51,330.37	52,348.00

2.14 OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Secured, considered good		
Receivable towards sale of fixed assets	-	824.00
Unamortized preliminary expenses	-	6.52
Total	-	830.52

2.15 INVENTORIES

(₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Mined Ore	3,241.58	2,093.96
Finished Goods	0.45	0.45
Stores, Spares & Fuel	2,175.79	2,341.35
	2,175.79	2,341.35
Less : Provision for Obsolete Stock	712.77	519.69
	1,463.02	1,821.66
Loose Tools	10.72	11.39
Total	4,715.77	3,927.46



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2.16 TRADE RECEIVABLES (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Debts outstanding for a period exceeding six months		
Unsecured, considered good	182.07	302.93
Doubtful	11.59	80.48
	<u>193.66</u>	<u>383.41</u>
Less : Allowance for Bad & Doubtful	11.59	80.48
	<u>182.07</u>	<u>302.93</u>
Other debts		
Unsecured, considered good	4,999.23	3,680.37
Total	<u><u>5,181.30</u></u>	<u><u>3,983.30</u></u>

2.17 CASH AND CASH EQUIVALENTS (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Cash & Stamp on Hand	0.20	1.19
Balance with Banks		
- Current Account	3,468.18	5,038.70
- Fixed Deposits	539.60	481.60
Other Bank Balance		
- Balance with Banks in Unpaid Dividend accounts	107.20	95.82
- Balance with Banks to the extent held as Margin Money	44.40	43.18
- 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>550.67</u>	<u>538.07</u>
Less : Allowance made for Doubtful FDR	374.00	374.00
	<u>176.67</u>	<u>164.07</u>
Total	<u><u>4,184.65</u></u>	<u><u>5,685.56</u></u>

2.17.01 Cash and Cash Equivalents as of 31st March, 2014 and 31st March, 2013 include restricted cash and bank balances of ₹ 176.67 Lakhs and ₹ 164.07 Lakhs respectively. The restrictions are primarily on account of cash and bank balances held as margin money, fixed deposits and unclaimed dividends.

2.17.02 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 Company has placed the same with Union Bank of India, Vastrapur Branch, Ahmedabad.

2.18 SHORT-TERM LOANS AND ADVANCES (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Unsecured, considered good		
Deposits with Corporate Bodies	1,01,812.83	95,982.21
Interest accrued but not due on Deposits	3,015.00	1,438.01
Advances to Suppliers	4,336.45	1,817.01
Balance with Govt. Parties		
- with Central Excise & CGM	3,458.90	2,487.91
Prepaid expenses	197.40	160.12
Loans & Advances to Related Parties	394.39	186.98
Loans & Advance to Employees	873.29	699.44

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Particulars	As at 31.03.2014	As at 31.03.2013
Other Loans & Advances	782.80	1,369.92
	1,14,871.06	1,04,141.60
Doubtful		
Advances to Suppliers	3.00	0.11
Less : Allowance for Bad & Doubtful	3.00	0.11
	-	-
Total	1,14,871.06	1,04,141.60

2.19 OTHER CURRENT ASSETS (₹ In Lakhs)

Particulars	As at 31.03.2014	As at 31.03.2013
Secured, considered good		
Receivable towards sale of fixed assets	824.00	824.00
Total	824.00	824.00

2.19.01 The corporation had sold the land at Gotri in Vadodara during the year 2012-13 for the payment of ₹ 1,831.11 Lakhs. At the time of execution of documents ₹ 183.11 Lakhs was received. Balance amount of ₹ 1,648 Lakhs is recoverable in four equal half yearly installments. The said amount is secured by bank guarantee of Dena Bank. During the year 2013-14 two installments have been received.

2.20 REVENUE FROM OPERATIONS (₹ In Lakhs)

Particulars	2013-14	2012-13
Sale of Products	1,34,407.28	1,74,762.51
Less : Excise Duty	5,440.77	7,294.02
Total	1,28,966.51	1,67,468.49

2.20.01 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 are in the process of execution of Supplementary Power Purchase Agreement. Pending such execution and finalization, the revenue has been booked on the basis of amount paid by GUVNL against electricity bills and adjustment of U.I. charges. Necessary adjustment, if any shall be made in accounts after final outcome of the matter.

2.21 OTHER INCOME (₹ In Lakhs)

Particulars	2013-2014		2012-2013	
Interest Income				
- Income Tax/ Sales Tax Refund	5.20		190.08	
- FDRs with Banks & ICDs	8,771.90		7,468.24	
- Others	253.05	9,030.15	250.78	7,909.10
Income from Investments				
- Dividend Income	551.68		403.35	
Net gain on Sale of Fixed Assets	388.83		1,639.04	
Sale of Scrap material	143.36		707.17	
Excess Provision of Earlier Years Written Back	641.38		4,026.53	
Liquidated Damages/ Penalty	2,548.38		370.87	
Other Misc. Income	1,237.83		492.06	
Total	14,541.61		15,548.12	



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2.22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN TRADE (₹ In Lakhs)

Particulars	2013-2014	2012-2013
Inventories at the end of the year:		
Finished Goods	0.45	0.45
Mined Ore	3,241.58	2,093.96
	<u>3,242.03</u>	<u>2,094.41</u>
Less :Inventories at the beginning of the year:		
Finished Goods	0.45	0.45
Mined Ore	2,093.96	2,157.39
	<u>2,094.41</u>	<u>2,157.84</u>
Increase/(Decrease) in Inventories	<u>1,147.62</u>	<u>(63.43)</u>

2.23 EMPLOYEE BENEFITS EXPENSE (₹ In Lakhs)

Particulars	2013-2014	2012-2013
Salaries, Wages & Bonus	7,585.31	7,075.38
Contribution to Provident fund & other funds	916.18	1,187.58
Staff Welfare Expenses	635.25	793.68
Terminal Benefits	571.85	1,383.51
Total	<u>9,708.59</u>	<u>10,440.15</u>

2.24 OTHER EXPENSES (₹ In Lakhs)

Particulars	2013-2014	2012-2013
Manufacturing Expenses		
Loading of Lignite & Overburden Removal	25,949.00	26,545.60
Other Loading charges & Mining Expenses	894.38	2,212.65
Consumption of Stores, Spares & Fuel		
- Power & Fuel	1,079.15	1,020.58
- Consumption of Stores, Spares & Chemicals	5,755.20	6,834.35
	<u>6,834.35</u>	<u>8,077.98</u>
Operation & Maintenance Charges for Power Projects	2,941.45	1,241.06
Repairs & Maintenance		
- Buildings	497.03	450.13
- Machinerics (Including spares)	1,392.58	1,105.24
- Other Assets	145.32	2,034.93
	<u>145.32</u>	<u>1,615.88</u>
Rates & Taxes		
- Royalty	5,854.53	8,633.68
- Clean Energy Cess	4,206.17	5,464.60
- Other Rates & Taxes	189.11	10,249.81
	<u>189.11</u>	<u>441.14</u>
Mine Closure Expenses	5,194.26	14,539.42
Other Manufacturing Expense		
- Machinery Hire Charges	0.10	31.92
- Rent	0.06	0.16
	<u>0.06</u>	<u>0.18</u>
Administrative & Selling Expenses		
Insurance Premium	316.83	278.01
Vehicle Hire Charges	568.71	487.74

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Particulars	2013-2014		2012-2013	
Advertisement & Publicity	214.86		210.74	
Security Expenses	1,396.20		1,162.46	
Legal & Professional Fees	335.90		448.41	
Payment to Auditors				
- Audit Fees	6.52		5.46	
- For Tax Audit	0.78		0.77	
- For Consolidation	0.11		0.11	
- Out of Pocket Expenses	0.17	7.57	0.01	6.35
Remuneration to Managing Director	-		4.33	
Directors sitting Fees & Allowances	2.00		2.29	
Cash Discount	431.51		503.90	
Provision for Obsolete Stock	193.34		-	
Provision for doubtful debts	14.59		4.49	
Net Loss on Foreign Exchange transactions	1.99		0.13	
Mining & Project Development Expenses	28.80		664.46	
Other Miscellaneous Charges	1,750.62		2,328.64	
Prior Period Adjustments (Net)	171.02		465.32	
Total	59,532.27		68,368.30	

2.24.01 Royalty on account of sale of Bauxite has been accounted for ₹ 251.17 Lakhs (P.Y. ₹ 1,130.46 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 2,040 (P.Y. 2,040) 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 Details of Prior Period Adjustments (Net) (₹ In Lakhs)

Particulars	2013-2014		2012-2013	
Income				
- Sales	0.55		39.00	
- Other Income	89.89	90.44	1.71	40.71
Expenditure				
- Consumption of Stores, Chemicals etc.	10.67		90.76	
- Repair & Maintenance	4.85		15.69	
- Electricity Expenses	53.76		-	
- Loading of Lignite / Mining Expenses of bauxite	181.58		111.14	
- Rates & Taxes	32.30		243.57	
- O & M / Plant operation charges	41.49		6.11	
- Depreciation	(85.36)		12.06	
- Other Miscellaneous Expenses (net)	22.18	261.47	26.70	506.03
Net Prior Period Income/(Expenses)	(171.02)		(465.32)	

2.25 Contingent Liabilities

Contingent liabilities not provided for Claims against the Corporation not acknowledged as debt ₹ 42,204.61 Lakhs (P.Y. ₹ 99,083.65 Lakhs).



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

- 2.25.01** The ex-owners of land acquired for the Akrimota Project of the Corporation have filed suits for enhancement of compensation awarded by the order of the competent authority and the value of enhancement claimed is ₹ 773.52 Lakhs upto 31st March, 2014 (P.Y. ₹ 773.52 Lakhs). Necessary adjustment shall be made in accounts after final decision/outcome of the case.
- 2.25.02** As against claims for additional compensation of ₹ 1,000 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** Claims for additional compensation against acquisition of land at Rajpardi and Panandhro for mining activities of the Corporation are under litigation before the Hon'ble Gujarat High Court. Pending the final disposal of the matters by the Hon'ble High Court ₹ 1,239.03 Lakhs (P.Y. ₹ 1,239.03 Lakhs) has been deposited and shown under the head 'Deposits with various Courts'. Necessary adjustment shall be made in accounts after final decision /outcome of the case.
- 2.25.04** Income Tax : ₹ 27,586.75 Lakhs (P.Y. ₹ 24,062.98 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 : ₹ 4,657.22 Lakhs (P.Y. ₹ 5,548.22 Lakhs)
- 2.25.08** Bank Guarantee/letter of credits issued by banks on behalf of the Corporation. : ₹ 57.42 Lakhs (P.Y. ₹ 121.88 Lakhs)
- 2.25.09** Royalty, Stamp duty and Conversion tax : ₹ 4,943.48 Lakhs (P.Y. ₹ 4,466.88 Lakhs)
- 2.25.10** Incentive to Employees : ₹ 1,158.84 Lakhs (P.Y. ₹ 1,158.84 Lakhs)
- In view of the various court cases/litigations and claims disputed by the Company, 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 ₹ 6,205.36 Lakhs (P.Y. ₹ 9,844.86 Lakhs)

2.26.02 Other Commitments

- a) Corporation has entered in to the Sponsor Support Agreement with Bhavnagar Energy Company Ltd (BECL), whereby 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 ₹ 15,100 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

(₹ In Lakhs)

Particulars	2013-2014		2012-2013	
	₹	%	₹	%
Imported	-	0	78.36	1
Indigenous	5,755.20	100	7,999.61	99
Total	5,755.20	100	8,077.97	100

II C.I.F. Value of Imports:

(₹ In Lakhs)

Particulars	2013-2014	2012-2013
Components & Spares	92.38	88.39
Capital Goods	Nil	Nil
Total	92.38	88.39

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

IV Remuneration to Managing Director :

(₹ In Lakhs)

Particulars	2013-2014	2012-2013
Remuneration	Nil	3.25
Perquisites	Nil	1.08
Total	Nil	4.33

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

(₹ In Lakhs)

(a) Year to which dividend relates	2012-13	2011-12
(b) Number of non-resident shareholders	26	34
(c) Number of shares held by them	52293	48682
(d) Amount of dividend remitted in foreign currency	1.57	1.46

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 As at the Balance Sheet date Company has 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	2013-2014	2012-2013
Profit after tax (₹ In Lakhs)	43,912.79	60,083.70
Weighted average no. of equity shares outstanding	31,80,00,000	31,80,00,000
Basic and diluted earnings per share	₹ 13.81	₹ 18.89

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 policy of the corporation with the following additional policies for segment reporting.

- 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".
- 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	2013-2014	2012-2013
1 Segment Revenue		
a) Mining Projects	1,07,734.09	1,51,337.61
b) Power Projects	30,304.35	27,402.90
Segment Revenue	1,38,038.44	1,78,740.51
c) Un-allocable Corporate Revenue	617.18	1,754.06
Total Revenue	1,38,655.62	1,80,494.57
2 Segment Results :		
(Profit/Loss before interest and tax)		
a) Mining Projects	49,526.16	82,204.58
b) Power Projects	6,338.63	3,696.55
Segment Results	55,864.79	85,901.13



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Sr. Particulars	2013-2014	2012-2013
c) Un-allocable Corporate Results	(2,488.25)	(1,807.26)
Total	53,376.54	84,093.87
Add : Interest Income	9,030.15	7,909.10
Add : Dividend Income	551.68	403.35
Net Profit before tax and exceptional Items	62,958.37	92,406.32
Less : Exceptional Items	-	2,038.12
	62,958.37	90,368.20
Less : Provision for Current Tax	21,520.00	28,400.00
Less : Provision for Deferred Tax	(2,474.41)	1,884.51
Total Tax Provision	19,045.59	30,284.51
Profit after tax (Enterprise net profit)	43,912.78	60,083.69
3 Segment Assets :		
a) Mining Projects	45,877.98	49,131.70
b) Power Projects	2,52,783.90	2,34,714.66
Total Segment Assets	2,98,661.88	2,83,846.36
c) Un-allocable Corporate Assets	1,69,797.46	1,55,142.73
	4,68,459.34	4,38,989.09
4 Segment Liabilities :		
a) Mining Projects	54,062.66	53,156.78
b) Power Projects	79,205.07	68,398.60
Total Segment Liabilities	1,33,267.73	1,21,555.38
c) Un-allocable Corporate Liabilities	3,35,191.60	3,17,433.71
	4,68,459.33	4,38,989.09
5 Capital Expenditure :		
(i) Additions :		
a) Mining Projects	2,412.62	1,809.30
b) Power Project	17,864.18	12,845.05
	20,276.80	14,654.35
c) Un-allocable Capital Expenditure	412.38	52.46
Total Additions	20,689.18	14,706.81
(ii) Depreciation :		
a) Mining Projects	994.48	1,515.72
b) Power Project	11,098.88	9,873.11
	12,093.36	11,388.83
c) Un-allocable Depreciation	277.78	361.64
Total Depreciation	12,371.14	11,750.47

Notes :

1. Segment assets and liabilities are subject to reconciliation.
2. Segment Revenue of Mining includes ₹ 4,683.11 Lakhs (P.Y. ₹ 5,092.75 Lakhs) being captive consumption of Lignite/Lime for Power Project.
3. Inter-segment transfers of Lignite and Lime are accounted for at cost.
4. Depreciation is net off ₹ 85.36 Lakhs (P.Y. including ₹ 12.06 Lakhs) relating to previous years.

2.33 Related party disclosures on 31.3.2014 :

(i) List of Related parties & Relationships :

Name of Related Party	Relationship
Shri M.Sahu, IAS – Chairman (up to 31.01.2014) Shri D.J. Pandian, IAS – Chairman Shri B.B.Swain, IAS - Managing Director (up to 30.04.2013) Shri Pankaj Kumar, IAS - Managing Director (w.e.f. 01.05.2013)	Key Management Personnel
Gujarat Foundation for Entrepreneurial Excellence	Associates
Gujarat Jaypee Cement Infrastructure Ltd. Gujarat Credo Mineral Industries Ltd. Bhavnagar Energy Co. Ltd. Aikya Chemicals Pvt. Ltd. Swarnim Gujarat Flourspar Pvt. Ltd. Naini Coal Company Ltd.	Joint Ventures
GMDC Gram Vikas Trust Lakhpat Welfare Society GMDC Science & Research Centre	Enterprises over which key management personnel are able to exercise significant influence

(ii) Transactions during the year with related parties :

(₹ In Lakhs)

Nature of transactions	Associates		Joint Ventures		Key Management Personnel		Others		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Remuneration Paid	Nil	Nil	Nil	Nil	Nil	4.33	Nil	Nil	Nil	4.33
Purchase of Investments*	Nil	Nil	7,629.87	3,596.50	Nil	Nil	Nil	Nil	7,629.87	3,596.50
Paid/ Receivable	Nil	43.09	501.20	2,056.65	Nil	Nil	248.48	360.25	749.68	2,459.99
Received/(Payable)	Nil	Nil	857.12	Nil	Nil	Nil	76.61	333.48	76.61	333.48
Donations given	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* Includes ₹ Nil (P.Y. ₹ 494 Lakhs) adjusted against receivable towards sale of bauxite.

(iii) Balances as at 31st March, 2014 :

(₹ In Lakhs)

Nature of transactions	Associates		Joint Ventures		Key Management Personnel		Others		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Investments	5.00	5.00	14,047.95	6,418.08	Nil	Nil	Nil	Nil	14,052.95	6,423.08
Receivables	84.50	84.50	2,043.66	2,043.58	Nil	Nil	266.84	94.97	2,395.00	2,223.05
Payables	Nil	Nil	355.99	Nil	Nil	Nil	Nil	Nil	355.99	Nil

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 Financial Information of Subsidiary Company:

(₹ In Lakhs)

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.	2013-14	5.00	-8.35	0.77	0.77	0.00	0.00	-0.65	0.00	-0.65	0.00
	2012-13	5.00	-1.19	7.63	7.63	0.00	0.00	-0.52	0.00	-0.52	0.00

Pawan Bhootra
General Manager (Accounts)

Joel Evans
Company Secretary
Place: Ahmedabad
Date: 29th May, 2014
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 : 29th May, 2014

L. Kulshrestha
General Manager (Finance)
Bhadresh Mehta
Director

D.J. Pandian, IAS
Chairman
Pankaj Kumar, IAS
Managing Director



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

CIN : L14100GJ1963SGC001206

ATTENDANCE SLIP

I/We _____ _____ _____	Folio No.	
	D.P. ID	
	Client ID	

hereby record my/our present at the **51st ANNUAL GENERAL MEETING** of the Company held in the premises of the Company at the Registered office: 'Khanij Bhavan', 132' Ring Road, University Ground, Vastrapur, Ahmedabad-52 at 11.00 a.m. on Thursday, the 25th September, 2014.

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 : L14100GJ1963SGC001206

"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 : cosec@gmdcltd.com • Website : www.gmdcltd.com

PROXY FORM

51st ANNUAL GENERAL MEETING

Thursday, the 25th September, 2014 at 11.00 a.m.

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 **51st ANNUAL GENERAL MEETING** of the Company to be held on Thursday, the 25th September 2014 at 11.00 a.m. in the premises of the Company 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, 2014, 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 2014-2015.		
Special Business			
4.	Appointment of Shri D.J. Pandian, IAS, as a Director & Chairman of the Company.		
5.	Appointment of Shri Bhadrash Mehta, as an independent Director.		
6.	To ratify the remuneration of Cost Auditors.		

Signed this _____ day of _____ 2014

Member's Folio / DP ID - Client ID No. _____

Signature of Shareholder(s) _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp
₹ 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 51st 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 LTD.

**GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.
KHANIJ BHAWAN, 132 FT RING ROAD,
NR.UNIVERSITY GROUND, HELMET CIRCLE,
VASTRAPUR, AHMEDABAD – 380 054**

ECS / MANDATE FORM

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 AND RETURN BACK TO THE COMPANY OR REGISTRAR FOR REGISTRATION.

BY COURIER

To,



**GUJARAT
MINERAL
DEVELOPMENT
CORPORATION
LIMITED**

(A GOVT. OF GUJARAT ENTERPRISE)

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

CIN No. : L14100GJ1963SGC001206