

48th
Annual Report
2010-2011



**GUJARAT MINERAL DEVELOPMENT
CORPORATION LIMITED**

BOARD OF DIRECTORS

CHAIRMAN

Shri M. Sahu, IAS

MANAGING DIRECTOR

Shri V. S. Gadhavi, IAS

COMPANY SECRETARY

Shri Joel Evans

AUDITORS

M/s. Jain Seth & Co.
Chartered Accountants

REGISTERED OFFICE

Khanij Bhavan
132 Feet Ring Road
Near University Ground
Vastrapur, Ahmedabad – 380 052

Phone : 2791 3200 / 3501 / 1662 / 1680 / 0665 /
0096 / 0465 / 2416 / 2457 / 2443 / 1340

FAX : (079) 2791 3038 / 1151 / 1454 / 1822 / 0969

E-Mail : contact@gmdcltd.com

Website : www.gmdcltd.com

DIRECTORS

Shri Atanu Chakraborty, IAS

Shri Vinay Vyasa, IAS

Shri Bhadres Mehta

BANKERS

Bank of Baroda

Dena Bank

Vijaya Bank

Axis Bank Ltd.

HDFC 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. Baroda)

Bauxite Projects

Gadhsisa (Dist. Kutch)

Bhatia (Dist. Jamnagar)

Calcination Project

Gadhsisa (Dist. Kutch)

Multi-Metal Project

Ambaji (Dist. Banaskantha)

Manganese Project

Shivrajpur (Dist. Panchmahal)

Power Project

Nani Chher (Dist. Kutch)

Wind Farm Projects

Maliya (Dist. Rajkot)

Jodia (Dist. Jamnagar)

Gorsar (Dist. Porbandar)

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AGM DATE, DAY, TIME & VENUE

Date of AGM :	30-9-2011
Day :	Friday
Time :	11.00 a.m.
Venue :	Registered Office of the Company Khanij Bhavan Off: 132 Ft. Ring Road Near University Ground Vastrapur, Ahmedabad-380 052

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. 26582878
Fax: (079) 26581296



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

FINANCIAL HIGHLIGHTS

Sr. Particulars	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
(A) Profit & Loss Account										
1. Total Turnover	1,42,122.34	1,06,608.05	98,121.21	98,105.54	58,895.65	43,374.08	36,925.50	27,295.60	29,275.01	25,256.58
2. Profit before tax	58,461.06	40,608.25	36,990.48	40,839.48	16,775.22	6,669.12	16,799.15	12,046.25	13,052.92	10,978.86
3. Interest	1,528.32	2,611.22	5,390.84	7,024.77	7,370.52	5,054.94	20.34	88.56	113.93	164.19
4. Depreciation	9,295.55	8,615.31	7,777.77	9,553.69	12,932.05	13,034.02	804.22	1,133.37	1,262.56	2,116.62
5. Provision for tax	20,984.72	12,621.37	13,359.87	14,446.38	5,907.38	2,494.48	6,478.03	3,950.57	4,561.87	4,360.58
6. Profit after tax	37,476.34	27,986.88	23,630.61	26,393.10	10,867.85	4,174.64	10,321.13	8,095.59	8,473.39	6,618.46
7. Short/Excess provision of tax of earlier years	30.70	1.17	488.85	-	1,420.48	649.31	20.33	0.08	17.66	0.18
8. Net Profit after short/excess tax prov of earlier years	37,507.04	27,988.05	23,141.76	26,393.10	9,447.37	3,525.33	10,341.46	8,095.51	8,491.05	6,618.28
9. Balance of profit of last year	11,626.94	12,939.98	4,739.10	2,066.44	1,339.52	2,989.78	1,461.33	1,980.17	2,103.47	1,757.19
10. Profit available for appropriation	49,133.98	40,928.03	27,880.86	28,459.54	10,786.89	6,515.11	11,802.79	10,075.68	10,594.52	8,375.47
11. Dividend in %	150.00	125.00	100.00	100.00	100.00	60.00	50.00	45.00	45.00	40.00
12. Dividend in Rupees	9,540.00	7,950.00	6,360.00	3,180.00	3,180.00	1,908.00	1,590.00	1,431.00	1,431.00	1,272.00
(B) Balance Sheet										
1. Share Capital	6,360.00	6,360.00	6,360.00	3,180.00	3,180.00	3,180.00	3,180.00	3,180.00	3,180.00	3,180.00
2. Reserves & Surplus	1,60,616.98	1,34,197.57	1,15,510.61	102,989.73	80,693.28	74,966.36	73,616.63	65,088.77	58,607.00	51,730.30
3. Gross Fixed Assets	2,23,619.18	1,97,608.33	1,88,640.64	184,653.41	179,178.43	171,358.45	92,749.45	37,249.35	36,937.07	36,335.47
4. Net Fixed Assets	1,51,739.13	1,34,143.07	1,30,820.45	134,283.09	137,135.55	136,496.96	70,877.57	7,055.98	7,825.87	8,459.20
5. Current Assets	1,93,014.86	1,48,090.21	1,50,108.13	135,104.82	115,401.80	108,466.19	59,790.43	44,423.45	43,164.17	34,480.09
6. Current Liabilities	1,55,374.91	1,12,113.46	95,387.21	82,782.69	67,659.48	63,101.47	21,546.83	19,635.83	21,906.55	12,184.29
7. Capital Employed	1,91,260.84	1,71,092.32	1,85,736.39	187,945.97	188,169.08	186,376.29	1,80,521.34	1,37,391.26	1,05,200.96	63,635.94
8. Net worth	1,65,852.01	1,38,755.83	1,20,769.80	105,847.65	80,319.15	74,446.76	73,713.62	66,141.06	60,558.49	53,550.24
(C) Financial Ratios										
1. % of Net Profit										
On Sales	26.37	26.25	24.08	26.90	18.45	9.57	27.95	29.66	28.94	26.20
On Gross Fixed Assets	16.76	14.16	12.53	14.29	6.07	2.44	11.13	21.73	23.31	18.21
On Capital Employed	19.59	16.36	12.72	14.04	5.78	2.24	5.72	5.89	8.06	10.40
On net worth	22.60	20.17	19.57	24.93	13.53	5.61	14.00	12.24	13.99	12.36
On Share Capital	589.25	440.05	371.55	829.97	341.76	131.28	324.56	254.58	266.45	208.13
2. Debt/Equity Ratio	0.08	0.15	0.39	0.63	1.14	1.39	1.45	1.16	0.84	0.33

NOTICE

Notice is hereby given that the 48th Annual General Meeting of the Shareholders of 'Gujarat Mineral Development Corporation Limited' will be held on 30th September 2011, 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 'Profit & Loss Account' of the Corporation for the year ended 31st March, 2011 and the 'Balance Sheet' as on that date and the Report of the Board-of-Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2011.
3. To fix up the remuneration of Statutory Auditors for the year 2011-12 to be appointed by the Comptroller & Auditor General of India.

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

Date : 30-05-2011
 Place : Ahmedabad.

Registered Office :
 Gujarat Mineral Development Corporation Limited
 'Khanij Bhavan' Vastrapur, Ahmedabad-380 052

NOTES:

1. 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.
2. The 'Members Register' and the 'Share Transfer Book' of the Company shall remain closed from 21-9-2011 to 30-9-2011 (both dates inclusive).
3. The Dividend declared by the Company will be paid within 30 days from the date of the meeting to those Shareholders whose names appear on the 'Members Register' of the Company on 30-9-2011. The Shareholders are advised to encash their Dividend Warrants during their original validity period. Thereafter, payment of the dividend shall be made by cheques payable on the Company's Bankers at Ahmedabad. The Shareholders are advised to get merged/consolidated their multiple folios held in the same names and in the same order.
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. 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 in respect of their physical share folios, if any.
7. 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.
8. 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.
9. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 dividends for the financial year ended 31st March, 2004 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, 2004 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	2003-2004	30.09.2004	30.09.2011
2	2004-2005	30.09.2005	30.09.2012
3	2005-2006	22.12.2006	22.12.2013
4	2006-2007	29.09.2007	29.09.2014
5	2007-2008	11.09.2008	11.09.2015
6	2008-2009	29.09.2009	29.09.2016
7	2009-2010	28.09.2010	28.09.2017

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

Date : 30-05-2011
 Place : Ahmedabad.

Registered Office :
 Gujarat Mineral Development Corporation Limited
 'Khanij Bhavan' Vastrapur, Ahmedabad-380 052



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

DIRECTORS' REPORT

To
The Shareholders,
Gujarat Mineral Development Corporation Limited

Your Directors have pleasure in presenting 48th Annual Report along with the audited accounts of your Corporation for the financial year 2010-2011. Our profit after tax for the year is ₹ 37476.35 lacs as against ₹ 27986.88 lacs last year.

Financial Results	2010-11 (₹ in lakh)	2009-10 (₹ in lakh)
Operating profit	69,284.94	51,834.79
Less: Interest	1,528.32	2,611.23
Profit after interest, but Before depreciation	67,756.62	49,223.56
Less: Depreciation	9,295.55	8,615.31
Profit for the year before tax	58,461.07	40,608.25
Less: Provision for tax for the year including deferred tax	20,984.72	12,621.37
Net profit after tax	37,476.35	27,986.88
Add: Balance of profit brought forward	11,626.94	12,939.98
Add: Excess provision of FBT / Dividend Tax of earlier years	30.69	1.18
Profit available for appropriation	49,133.98	40,928.04
Less: Appropriation		
(i) Proposed Dividend	9,540.00	7,950.00
(ii) Corporate tax on dividend	1,547.63	1,351.10
(iii) General Reserve	25,000.00	20,000.00
Balance carried to Balance Sheet	13,046.35	11,626.94

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, 2011, 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, 2011 on a going concern basis.

DIVIDEND

Your Directors have pleasure to recommend a dividend of 150 %, including special dividend of 25% on account of Swarnim Gujarat Year, i.e. ₹ 3 per share on equity shares. An amount of ₹ 9540 Lacs on equity share capital of ₹ 6360 lacs shall be paid as dividend.

CONTRIBUTION TO STATE EXCHEQUER:

The Corporation has contributed to the State Exchequer an amount of ₹ 31893 lacs including Royalty of ₹ 8032 lacs and Sales Tax of ₹ 23861 lacs.

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 2007-08 and the Sales Tax assessment has been completed up to the Financial Year 2006-07.

INTERNAL AUDIT

M/s. Sandip Desai & Company, Chartered Accountants were appointed as Internal Auditor of the Corporation for the year 2010-11.

STATUTORY AUDIT

M/s. Jain Seth & Co., Chartered Accountants were appointed Statutory Auditors of the Corporation by the Comptroller & Auditor General of India for the year 2010-11.

COST AUDIT

M/s Manish Analkat were appointed as Cost Auditors in respect of Akrimota Thermal Power Station for the year 2010-11.

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

Sr. No.	Name of mine	Lignite production in lac MT
1	Panandhro	26.97
2	Mata-No-Madh	36.97
3	Tadkeshwar	18.94
4	Rajpardi	10.76
5	Bhavnagar	8.68
	Total	102.32

FLOURSPAR PROJECT, KADIPANI (DIST. VADODARA)

During the year 2010-11, production of 4,801 MT of all grade concentrate is produced till Nov., 2010. The efforts are being made to find out some solution for removal of solid plant tailing waste lying at Kadipani to restart plant operations.

BAUXITE

During the year under review, the Gadhsisa Group of Mines produced **95240 M.T. High grade; 453110 M.T. Low grade (<54%) bauxite , 135000 MT Mine Dust .**

The CB plant was not in operation. So no Calcined bauxite produced and generated a revenue of **₹ 66.58 Crores**. The bauxite sold was **78,930 M.T. of High grade (>54%), 585695 M.T. of Low grade (<54%), 124661 MT Mine dust, 3,872 M.T. of Calcined bauxite, 688 M.T. of C.B. Balls and 2,067 M.T. of Plant dust**. The high grade Bauxite, Calcined Bauxite, CB Balls, Plant dust produced was supplied to the units in the State and the low grade bauxite produced was supplied to the units in the country and Part of low grade was also exported.

MANGANESE

During the period 2010-11, the Corporation disposed off 2.45 Lac MT of Mn Ore Waste dump lying at Shivrajpur area. GMDC generated ₹ 491.29 Lac of the total sale value.

POWER PROJECT – NANI CHHER

During the year under review, the total generation of Akrimota Thermal Power Station was 1171 MUs. The power project generated the revenue of ₹ 233.67 Crores. During the year, this project generated profit of ₹ 31.16 crores.

WIND FARM

Your directors are pleased to inform you that Wind Farms with a capacity of 40.5 MW were progressively commissioned by 31.03.2011. The total Wind farm capacity as on date is 60 MW and it earned revenue of ₹1804 lacs. The work of 40.5 MW final phase of Wind farm project has been started and is expected to be completed within next four months. With this, the total Wind farm capacity will reach 100.5 MW.

SOLAR POWER

Your Directors are happy to inform you that your Corporation is actively considering to set up a 5 MW Solar Power Plant in Kutch region to harness the solar energy.

ENTERPRISE RESOURCE PLANNING PROJECT – iMine

During the year under review, your Corporation implemented an integrated one of its kind ERP Project – iMine. The project proposes to introduce efficiency and transparency with IT intervention. The integrated IT platform offers unique solutions for all functionality across the board, viz. Sales and Dispatch, Maintenance, Power Generation, Geology, Finance, Purchase, Human Resource Management and Investors' Grievance. The unique features of the software will enable consumers to order and pay online. Moreover, the ERP facility will make available real time information.

NEW PROJECTS AND SCHEMES OF THE CORPORATION

A) During the period under review, your Corporation executed MoUs with following parties during Vibrant Gujarat Global Investors' Summit 2011 held in January, 2011 for participation in mining projects abroad.

Sr. No.	Name of party	Purpose of MoU
1	Jadeja Reality Pvt. Ltd.	Coal and Bauxite mining
2	PT Aneka Sumber Jaya	Exploration and mining of coal blocks in East Kalimantan, in Indonesia

3	ATHA Group	Joint investments in South Africa (coal, manganese, iron ore and other minerals)
4	Gujarat State Fertilizers & Chemicals Ltd., Baroda	Rock Phosphate Mining at Uganda
5	Gujarat State Fertilizers & Chemicals Ltd., Baroda	Rock Phosphate Mining in Mozambique
6	Gujarat State Fertilizers & Chemicals Ltd., Baroda	Potash Mining in Canada

B) Setting up of Alumina and Aluminium Smelter Plant in Kutch District based on non-plant grade bauxite to be supplied by GMDC.

It has been decided to call for financial bids from selected seven parties and finally one of them shall be selected, to go ahead with the project.

C) Value addition projects based on supply of non-plant grade bauxite by GMDC

MOUs have been signed with the following parties.

Sr. No.	Name of party	Purpose of MoU
1	Alumina Refinery Ltd.	Speciality Alumina Chemicals Refining
2	Navin Processors Pvt. Ltd.	Zeolite and Aluminium chemicals plant
3	Credo Venture Ltd.	Zeolite and DBLB project

D) Setting up of 200 MW Group Captive Power Plant for textile weaving sector based on supply of lignite by GMDC from its Bhavnagar mine

Four Companies listed below have shown interest in this regard.

1. Univision Textile Gujarat Limited
2. Ahmedabad Textile Processors' Association
3. Pradip Energy Limited
4. Suryachakra Energy & Infrastructure Pvt. Ltd.

One out of the above four shall be selected with approval of Govt. of Gujarat, to go ahead with the project.

E) Setting up of Cement Plant based on supply of limestone by GMDC

Based on EOI, the following have been shortlisted for long term supply of overburden limestone from the lignite mines of GMDC

1. Adani Enterprise Ltd. - In Kutch District
2. Reliance Cementation Pvt. Ltd. - In Kutch District
3. ACC Limited - In Kutch District
4. India Bulls Construction Materials Ltd. - In Kutch District
5. Calcom Cement Co. Ltd. - In Tadkeshwar (Surat Dist.)

F) Setting up of Power Plant based on allocation of coal Blocks to GMDC by Govt. of India

Based on EOI, the following parties have been identified to approach GOI for allocation of Coal Blocks

1. Reliance Power Limited
2. Shyam Emco Infrastructure Limited
3. Adani Power Limited



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

4. Tata Power
5. Ispat Industries Limited
6. Indiabulls Power Limited
7. Jaiprakash associates Limited
8. Pradip Energy Limited
9. Suryachakra Energy (Chhatisgarh) Pvt. Ltd.
10. ATHA Group.

G) Lignite based Value addition projects

Sr. No.	Name of party	Purpose of MoU
1	Rajratna Fasteners Pvt. Ltd.	Making of coal briquettes (green coal) from coal dust and agricultural biomass.
2	Suryachakra Green Power Pvt. Ltd.	10 Nos. of 15 MW Biomass Power Plants
3	Ardee Hi-tech Pvt. Ltd.	Setting up of plant for Pyrite Removal from Bhavnagar lignite
4	Adani Enterprise Limited	Production of Syn Gas from deep-seated lignite deposits

H) Exploration and prospecting of mineral resources in the State

1. Credo Ventures Ltd.

I) Mining of Manganese, Iron Ore and setting up of value addition plants outside Gujarat but within the country.

1	Raj Lube Pvt. Ltd	i) Mining of Manganese ore and setting up of Ferro Alloys Plant along with Captive Thermal Power plant. ii) Mining of Iron Ore and setting up of Sponge Iron plant.
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J) Setting up of 100 MW Solar Power Plant – Santech Power LLC ENVIRONMENT PROGRAMME

Environment is governed by number of factors which requires proactive measures resolve before it becomes alarming. Keeping this in view GMDC has declared “Environmental Policy-20” statement as part of commitment to emphasize on adopting environment friendly measures in the whole sphere of operation.

GMDC has obtained environmental clearance from Ministry of Environment and Forests New Delhi for three projects namely Mevasa-1 bauxite mine, Mata no Madh lignite mine and Tackeshwar lignite mine. Being closer to the sanctuary, Mata no Madh and Mevasa-1 mining proposal is being submitted for the approval of Standing Committee on Wildlife.

Your company has taken up massive plantation through Forest department and departmentally on 228.0 ha area in the year 2010-11 which is 14% higher than last year to contribute for environmental protection and conservation and restoration of mined out areas. A total of 2.97 lakh saplings have been planted. For the environmental awareness and sensitization of people, your company has conducted group training programme as well as community plantation drives such as Van Mahotsav celebration.

Your company is well concerned with the environmental protection and takes appropriate preventive and curative measures to maintain environment. For control of pollution and environmental protection, your Company is following an effective environment management system at all its projects with regular water sprinkling for dust suppression, electrostatic precipitator for stack dust emission,

sewage and Effluent Treatment Plants for the control of water pollution and regular vibration measurement for controlling noise pollution from machines.

In addition to above, your company has intensified environmental protection measures by way of reclamation of mined out area by backfilling and afforestation, plantation on overburden dump, virgin area and roadside through in house sources as well as through Forest department. Company has its own environmental department at Corporate Office headed by Chief General Manager. Your company is regularly monitoring polluting parameters internally as well as through external agencies and maintaining the environmental control measures and standards very effectively.

Environment audit is conducted by an external agency recognized by the Gujarat Pollution Control Board regularly and the Environmental Audit Report is submitted to Gujarat Pollution Control Board and compliances of environmental clearance are submitted to Ministry of Environment and Forests, New Delhi.

INDUSTRIAL RELATIONS, HEALTH AND SAFETY

The relations between Corporation and its employees continued to be cordial throughout the year. Corporation continued to take care of the health and safety of project staff and inhabitants within the surrounding areas of mines by providing :

1. Well equipped and staffed dispensaries at Panandhro, Rajpardi, Kadipani and at Akrimota Power Projects. There is a facility of telemedicine at select hospitals which provide state of the art techno-medical intervention.
2. Ambulance Vans to Taluka Panchayats of Kutchh.
3. Uniform, ISI & DGMS approved safety shoes helmets and all safety devices as per the provisions of the Mines Act.

SOCIALLY RESPONSIBLE AND INCLUSIVE DEVELOPMENT

Your corporation has been sensitive towards the needs of the society within which it operates and has continuously strived to make a difference to the lives of people and community in some of the remotest regions where it operates. During the year, your Corporation rigorously advocated the Micro Irrigation Scheme in collaboration with Government agencies in the arid regions of Kutch and assisted small and marginal farmers to adopt Micro Irrigation for better yields. And the results have been very good. Kutch, where your Corporation has predominant presence, is a perennial water scarce region. In order to address the problem of scarcity of water for the local community, your Corporation also undertook special drive for creation of water bodies to harvest and retain rain water. These water bodies have proved to be an alixir for the local communities as during the year that passed by saw good monsoon season. These initiatives have helped in improving the livelihood and income generation for the rural poor. Special initiatives were also launched to upgrade the skill of the rural women artisans in the villages of Lakhpat taluka to leverage their traditional handicraft skills for income generation. Your corporation has charted out a focused policy to carry out its social responsibilities for an inclusive growth.

PARTICULARS OF EMPLOYEES

No employee was in receipt of emoluments in excess of ₹2,00,000 per month or ₹24,00,000 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 at Annexure-I and forms part of this report.

BOARD-OF-DIRECTORS

During the year under review, there was no change in the Board of Directors of your Corporation.

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

Place : Gandhinagar
Date : 30-05-2011

M. Sahu
Chairman

ANNEXURE : I

FORM – A

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

A. Conservation of Energy

(a) Energy Conservation Measures taken

- (i) Solar Power Plant of 10 kwp commissioned at Corporate Office
- (ii) Solar Power Plant of 20 kwp commissioned at Bhavnagar Office

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

- (i) Proposal to set up roof top solar power plants at various project offices of the Corporation

(c) Impact of the above measures

- (i) 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 : Euro 92524
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. Exploration of lignite, bauxite, limestone and manganese.
 6. Setting up of 5 MW Solar and 100 MW 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 60 MW.
 2. Proposal to set up 5 MW solar power plant
2. **Benefits derived as a result of the above efforts:**
Generation of clean and sustainable energy.



CORPORATE GOVERNANCE REPORT

MANDATORY REQUIREMENTS

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 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.

BOARD-OF-DIRECTORS

Composition

The composition of the Board-of-Directors as on 31.3.2011 is detailed below :

Sr. No.	Name of the Directors	Designation	Category	No. of outside Directorship held	No. of Chairmanship in the Committees of Board	No. of membership in the Committees of Board
1.	Shri M Sahu, IAS	Chairman	Non-Executive	6	-	-
2.	Shri V S Gadhavi, IAS	MD	Executive	9	-	1
3.	Shri Atanu Chakraborty, IAS	Director	Non-Executive	13	-	4
4.	Shri Vinay Vyasa, IAS	Director	Non-Executive	Nil	Nil	Nil
5.	Shri Bhadresh Mehta	Director	Non-Executive Independent	Nil	Nil	Nil

Notes :

1. None of the Directors is related to any other Director.
2. None of the Directors has any business relationship with the Company.
3. None of the Directors received any loans and advances from the Company during the year.

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 26.5.2010, 28.7.2010, 22.9.2010, 01.11.2010, 29.12.2010, 09.02.2011 & 16.3.2011 .

The attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting held on 28th September, 2010 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	7	6	No
2.	Shri V S Gadhavi, IAS, Managing Director	7	7	YES
3.	Shri Atanu Chakraborty, IAS	7	3	No
4.	Shri Vinay Vyasa, IAS	7	6	Yes
5.	Shri Bhadresh Mehta	7	7	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 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 Company has constituted an Audit Committee of the Directors consisting of three Directors, who have adequate financial and accounting knowledge. The Audit Committee is headed by an independent director. The Audit Committee met four times during the Financial Year 2010-11 to discuss *inter alia* the Auditors' Report, adequacy of internal control / internal audit system and functions, to review the unaudited quarterly financial results etc on 26.5.2010, 28.7.2010, 1.11.2010 and 9.2.2011. The number of meetings of Audit Committee and attendance of members at these meetings during the year are stated as under:

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Sr. No.	Name of the Directors	Meeting held during tenure	Attended
1.	Shri Bhadresh Mehta	4	4
2.	Shri Atanu Chakraborty, IAS	-	-
3.	Shri Vinay Vyasa, IAS	4	4

The Company Secretary acts as Secretary to the Audit Committee.

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. Hence no Remuneration Committee has been constituted.

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 V S Gadhvi, IAS - Member

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

Period	Complaints Received	Complaints Redressed
01-04-2010 to 30-06-2010	31	31
01-07-2010 to 30-09-2010	46	46
01-10-2010 to 31-12-2010	06	06
01-01-2011 to 31-03-2011	0	00
Total	83	83

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 V S Gadhvi, IAS - Member

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.

Dematerialisation of Shares

Consequent upon the compulsory demat of the equity shares of the Company as notified by SEBI, as on 31.3.2011 about 98.42 % of the equity capital offered to the public is in Demat Form.

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
2007-08	11.09.2008 24.9.2008 (adjourned AGM)	11.00 AM 4.00 PM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
2008-09	29.09.2009	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
2009-10	28.09.2010	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052



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- (b) Whether any special resolutions passed in the previous 3 AGMs ? Yes

Sr No.	Year	Subject
1	2009-10	NIL
2	2008-09	NIL
3	2007-08	Alteration in Capital Clause of Memorandum of Association
	-do-	To amend Article 115 of Articles of Association of the Company

- (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 of 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. 16 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, on 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 2010-11. A declaration by the Managing Director to this effect is provided at Annexure A which forms part of the company's Annual Report 2010-11.

Means of Communication :

The Company communicates with the shareholders at large through its Annual Report, publication of quarterly financial

results in leading national English and Vernacular language newspapers and also through periodic press releases and electronics media. Further, the financial results of the Company as published in the newspapers are also displayed in the Company's website www.gmdcltd.com for the information of shareholders and investors.

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 Statutory Auditors of the Company is annexed to the Directors' Report and forms part of the Annual Report.

General Shareholder Information

AGM Date, day, time and venue	
Date of AGM	: 30 th September, 2011
Day	: Friday
Time	: 11.00 AM
Venue	: Registered Office of the Company Khanij Bhavan Off: 132 Ft. Ring Road Near University Ground Vastrapur, Ahmedabad – 380 052

Financial Calendar (tentative)

Period	Tentative Schedule
1 st quarter results ending 30 th June	Within 45 days of end of the quarter
2 nd quarter results ending 30 th September	Within 45 days of end of the quarter
3 rd quarter results ending 31 st December	Within 45 days of end of the quarter
4 th quarter results ending 31 st March	Within 45 days of end of the quarter in case of Unaudited Results
	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 21-9-2011 to 30-9-2011 (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.

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Dividend payment date

The dividend if declared at the Annual General Meeting would be paid to the Shareholders within 30 days from the date of AGM.

Listing of shares

The equity shares of the company are listed on the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The Listing Fee has been paid to NSE & BSE up to the year 2011-2012.

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, 2010	149.85	131.50	137.25	5278.00
May, 2010	136.60	109.20	125.65	5086.30
June, 2010	133.90	117.00	128.35	5312.50
July, 2010	130.60	117.60	120.85	5367.60
August, 2010	131.75	103.70	119.80	5402.40
September, 2010	145.75	120.05	130.70	6029.95
October, 2010	146.05	131.15	135.15	6017.70
November, 2010	172.70	124.50	132.70	5862.70
December, 2010	141.90	121.05	139.70	6134.50
January, 2011	142.20	116.85	121.45	5505.90
February, 2011	122.55	101.50	114.50	5333.25
March, 2011	139.00	116.00	135.70	5833.75

*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.

Shareholding Pattern

The pattern of equity share holding of the Company as on 31st March, 2011 was as under:

Category	No. of Shares	% to total
Govt. of Gujarat	235320000	74.00
Mutual Funds	36552825	11.49
Financial Institutions/Banks	535716	0.17
Insurance Companies, Foreign Institutional Investors, Bodies Corporate	21135644	6.64
Individuals, HUFs, NRIs	24455815	7.70
Total.....	318000000	100.00

Distribution of Shareholding as on 31.3.2011

Shareholding of nominal value of	Shareholders	No. of Shares
₹	Number of Shareholders	% to total
(1)	(2)	(3)
Upto - 500	65608	8015262
501 - 1000	3858	3227808
1001 - 2000	1701	2705818
2001 - 3000	539	1412763
3001 - 4000	253	931772
4001 - 5000	233	1114116
5001 - 10000	348	2641798
10001 - 50000	213	4204371
50001 - 100000	36	2691494
100001 and above	83	291054798
Total...		318000000

PLANT LOCATIONS :

Lignite Projects	Panandhro	(Dist. Kutch)
	Rajparadi	(Dist. Bharoch)
	Mata-no-Madh	(Dist. Kutch)
	Tadkeshwar	(Dist. Surat)
	Surkha	(Dist. Bhavnagar)
Fluorspar Project	Kadipani	(Dist. Baroda)
Multi Metal Project	Ambaji	(Dist. Banaskantha)
Bauxite Projects	Bhatia	(Dist. Jamnagar)
	Ratadia	(Dist. Kutch)



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Calcination 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)

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

NON-MANDATORY REQUIREMENTS

The details of remuneration and Sitting Fees paid to the Directors during the year are as under :

Sr. No.	Name of the Directors	Remuneration paid (₹)	Sitting fees (₹)
1.	Shri Maheswar Sahu, IAS Chairman	—	30,000*
2.	Shri V S Gadhvi, IAS Managing Director	12,93,533	—
3.	Shri Atanu Chakraborty, IAS	—	20,000*
4.	Shri Vinay Vyasa, IAS	—	40,000*
5.	Shri Bhadresh Mehta	—	45,000

*Paid into Government Treasury

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Over view

Gujarat Mineral Development Corporation has been established with a mandate to develop mineral resources within an outside state of Gujarat. The company is the sole merchant selling agent for Lignite in India. The corporation has carved its niche in mineral industry as a leading mineral development and power generation company. It was also diversified in to Wind Power Generation.

Product-wise performance :

Name of the products	2008-2009		2009-10		2010-11	
	Production (MT in lacs)	Sales (MT in lacs)	Production (MT in lacs)	Sales (MT in lacs)	Production (MT in lacs)	Sales (MT in lacs)
Lignite	81.07	81.06	83.79	83.78	102.32	102.33
Bauxite	4.14	0.35	4.65	3.11	5.48	6.98
Calcined Bauxite	0.42	0.42	0.17	0.18	-	0.05
Fluorspar	0.07	0.08	0.09	0.09	0.05	0.06
Manganese ore	0.06	—	—	—	0.05	0.03
Power (Units I & II)	1105 MU	956 MU	1394 MU	1194 MU	1171 MU	987 MU
Wind Power	—	—	10 MU	10 MU	51 MU	51 MU

Financial performance :

Particulars	Year 2008-2009 (₹ in lacs)	Year 2009-2010 (₹ in lacs)	Year 2010-11 (₹ in lacs)
Profit before depreciation and tax (but after prior period and pre-operative exp.)	44,768.25	49,223.56	67,756.62
Depreciation	7,777.77	8,615.31	9,295.55
Profit Before Tax	36,990.48	40,608.25	58,461.07
Provision for Taxation	13,359.87	12,621.37	20,984.72
Profit After Tax	23,630.61	27,986.88	37,476.35
Dividend (%)	100%	125%	150%

Future Prospects and Outlook :

Your corporation has charted out an aggressive developmental road map. As is pointed out in Directors' Report, the new mineral policy announced by State Government has enhanced the role of the Corporation, in mineral development in Gujarat State. With this tumulus, injected by State Government, corporation foresees a very bright future. As indicated in the Directors' Report, number of joint venture and value edition projects within outside State have been envisaged which in turn will propel the growth to a new heights. The corporation is also considering possibilities of spreading its wings outside India.

Risks and Concerns

If mining of Lignite is permitted for industrial use (other than captive consumption) through the enactment of the Bill pending

with the Parliament to amend the Coal Mines (Nationalisation) Act, the Corporation may find competition from the private operators.

Internal Control System

The Company has an in-house Internal Audit department and internal check procedures in respect of the purchase of various Stores, Chemicals, Plant & Machinery and also in respect of sales of goods. The Company has appointed Internal Auditors for various Projects and Head Office and they submit periodical reports to the Top Management. The company also avails the services of professional and Chartered Accountants for physical verification of assets.

Risk Management

GMDC manages risk mainly through insurance, internal controls and periodical audit by external agencies. Moreover, statutory mining requirements for responding to any hazards are also being observed as required by various mining

regulations framed under the Mines Act, 1952 and rules made thereunder.

Statutory Compliance

The Company Secretary who is also the Compliance Officer, ensures compliance of all applicable provisions of the Companies Act, Securities Contract Regulation Act and SEBI Act. Moreover, a regular report in this regard is also submitted to the Board of Directors.

Industrial Relations

During the year under report, the Company has employed 2235 (including Daily Rated Workers & Monthly Rated Workers) employees.

The Company has cordial industrial relations and long term agreements for wage settlement are in force between the Management and Unions and measures are being taken on a regular basis to improve the productivity and reduce wastage.

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 2010-11.

For Gujarat Mineral Development Corporation Ltd.

Date : 30-05-2011
Place : Ahmedabad

V. S. Gadhavi
Managing Director



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Certificate on Compliance of Conditions of Corporate Governance (under Clause 49 of the Listing Agreement)

To,
The shareholders of Gujarat Mineral Development Corporation Limited
We have examined the compliance of conditions of Corporate Governance of Gujarat Mineral Development Corporation Limited for the year ended 31st March 2011 as stipulated in clause 49 of the Listing agreement of the said company with stock exchanges.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the company for ensuring the compliance of the condition of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and the best of our information and according to the explanation given to us, subject to;

- (i) Non-compliance of clause 49i(A)(ii) regarding number of independent director in the composition of Board since only one independent director is appointed.
- (ii) Non-compliance of clause 49ii(A)(ii) regarding number of independent director in the composition of Board since only one independent director is appointed.

We certify that the company has complied with the conditions of corporate Governance as stipulated in the above mentioned listing agreement.

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

For Jain Seth & Co.
Chartered Accountants

CA Rajendra Kumar
Partner

FRNo/MNo.:002069W/049913

Date: 5th August, 2011
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 2011.

The preparation of financial statements of Gujarat Mineral Development Corporation Limited, Ahmedabad for the year ended 31 March 2011 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory auditor appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 is 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 30th May 2011.

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 2011. 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 and Auditor General of India

Dr. Prasenjit Mukherjee
Principal Accountant General
Place : Ahmedabad
Date : 17th August, 2011

AUDITORS' REPORT

To,
The Shareholders

Gujarat Mineral Development Corporation Limited

1. We have audited the attached Balance Sheet of **Gujarat Mineral Development Corporation Limited** as at 31st March, 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 accounts as required by law, have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with books of account;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-

section (3C) of Section 211 of the Companies Act, 1956;

- (e) Since the Company is a Government Company, as per Notification No.: G.S.R. 829 (E) dated October 21, 2003 of Ministry of Finance (Department of Company Affairs) provisions of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956 are not applicable to the Company;
- (f) Without qualifying our report attention is invited to following Notes of Schedule 17 to the Financial Statements.
 - f.1 Note no. 1(a) and 1(b) regarding non provision of compensation for land acquired.
 - f.2 Note no. 4 regarding non provision for lease rent and royalty in respect of application made for renewal of lease for extracting lignite.
 - f.3 Note no. 7(c) regarding recognition of revenue in respect of sale of electricity to Gujarat Urja Vikas Nigam Ltd. (GUVNL) on the basis of amount paid by GUVNL, pending execution of Supplementary Power Purchase Agreement.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon and the statement on significant accounting policies give the information required by the Companies Act 1956 in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India:
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011.
 - (ii) in the case of Profit and Loss account, of the profit for the year ended on that date; and
 - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Jain Seth & Co.
Chartered Accountants
FRN-002069W

CA. Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : May 30th, 2011



ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 3 of our report of even date)

1. In respect of its fixed assets:

- a. The Company has maintained records showing full particulars including quantitative details and situation of fixed assets project wise.
- b. The fixed assets were physically verified during the year by the firm of Chartered Accountants.
- c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year.

2. In respect of its inventories:

- a. During the year, the management and the firm of Chartered Accountants have physically verified the inventories. In our opinion frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are 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 were not material and the same have been properly dealt with in the books of accounts.

3. In respect of loans granted and taken to / from parties covered in the register maintained u/s 301 of the Companies Act, 1956.

According to the information and the explanations given to us, the Company has not granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Consequently requirements of clauses (iii) (a) to (iii) (g) of paragraph 4 of the Order are not applicable to the Company.

4. In respect of internal control

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and also for sale of goods. During the course of our audit, we have not observed, any continuing failure to correct major weaknesses in internal controls.

5. In respect of contracts or arrangements need to be entered into a register maintained u/s 301 of the Companies Act, 1956.

According to the information and explanation given to us, there were no contracts/ arrangements that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956.

6. In respect of deposits from public

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year within the meaning of sections 58A, 58AA or any other relevant provisions of The Companies Act, 1956 and the Companies (Acceptance of deposits) Rules, 1975. We are informed that, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

7. In respect of internal audit system

The internal audit during the year was carried out by the internal audit department of the Company and the firm of Chartered Accountants. In our opinion the scope of internal audit needs to be strengthened so as to make it commensurate with the size of the Company and nature of its business.

8. In respect of maintenance of cost records

We have broadly reviewed the books of account and records maintained by the Company 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 in respect of Power Projects 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 determine whether they are accurate or complete.

9. In respect of statutory dues:

- a. According to the records of the Company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income tax, value added tax, wealth tax, custom duty, excise duty, service tax, cess and other material statutory dues applicable to it. As informed to us, provisions of Employees' State Insurance Act are not applicable to the company.

- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Value added tax, income tax, wealth tax, customs duty, excise duty, sales tax, service tax and cess, were outstanding as at March 31, 2011 for a period of more than six months from the date they became payable.
- c. According to the records of the company, there are no dues of custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute. **In respect of income tax and sales tax, details of disputed dues which have not been deposited are given hereunder:**

Nature of dues	Amount (₹ in lakhs)	Forum where dispute is pending
Sales tax	106.59	Gujarat Sales Tax Tribunal
Income tax	8159.85	CIT (Appeals), ITAT
Total	8266.44	

10. In respect of accumulated losses and cash losses

The company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.

11. In respect of dues to financial institution / banks / debentures

Based on our audit procedures and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution.

12. In respect of loans and advances granted on the basis of security.

According to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In respect of provisions applicable to Chit fund

The Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.

14. In respect of dealing or trading in shares, securities, debentures and other investment

As the company is not dealing or trading in shares, securities, debentures and other investments, the

provision of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

15. In respect of guarantee given for loans taken by others

According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

16. In respect of application of term loans

According to the information and explanations given to us, term loans have been applied for the purpose for which they were raised.

17. In respect of funds used

According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that funds raised on short term basis have, prima facie, not been used for long-term investments.

18. In respect of preferential allotment of shares

During the year, the Company has not made any preferential allotment of shares to parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

19. In respect of securities created for debentures

According to the records of the Company, the Company has not issued any debentures during the year.

20. In respect of end use of money raised by public issues

The Company has not raised any money by way of public issue during the year and therefore paragraph 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable.

21. In respect of fraud

According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Jain Seth & Co.
Chartered Accountants
FRN-002069W

CA. Rajendra Kumar
Partner
Membership No.049913

Place: Ahmedabad
Date: May 30th, 2011



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedules	₹	As at 31-03-2011 ₹	As at 31-03-2010 ₹
Sources of Funds:				
Shareholders' Funds :				
Share Capital	1	63,60,00,000		63,60,00,000
Reserves and Surplus	2	16,06,16,98,572		13,41,97,56,820
			16,69,76,98,572	14,05,57,56,820
Loan Funds :				
Unsecured Loans	3		1,33,02,14,286	2,16,07,14,286
Net Deferred Tax Liability	4		2,53,67,57,071	2,39,85,17,806
Total			20,56,46,69,929	18,61,49,88,912
Application of Funds:				
Fixed Assets :				
Gross Block	5	22,36,19,18,408		19,76,08,33,289
Less : Depreciation		7,18,80,05,121		6,34,65,25,919
Net Block		15,17,39,13,287		13,41,43,07,370
Capital Work in progress		1881,75,337		972,49,830
			15,36,20,88,624	13,51,15,57,200
Investments	6		1,32,60,88,170	1,32,55,83,200
Current Assets, Loans & Advances :				
Inventories	7	68,04,67,666		72,51,00,903
Sundry Debtors		35,56,95,897		48,99,71,451
Cash and Bank Balances		42,57,72,400		95,77,50,218
Other Current Assets		5,18,99,956		3,91,31,725
Loans and Advances		17,78,76,50,192		12,59,70,66,367
		19,30,14,86,111		14,80,90,20,664
Less:				
Current Liabilities & Provisions :				
Liabilities	8	3,67,71,61,673		2,01,36,54,878
Provisions		11,86,03,29,234		9,19,76,91,343
		15,53,74,90,907		11,21,13,46,221
Net Current Assets			3,76,39,95,204	3,59,76,74,443
Misc. Expenditure (to the extent not written off or adjusted)	9		11,24,97,931	18,01,74,069
Total			20,56,46,69,929	18,61,49,88,912
Information as required by Schedule-VI of the Companies Act, 1956				
Significant Accounting Policies	15			
Notes on Accounts	16			
	17			

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached

For Jain Seth & Co.
Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011

ANNUAL REPORT 2010-2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedules	₹	2010-11 ₹		2009-10 ₹
Income :					
Sales			14,21,22,34,060		10,66,08,05,150
Less: Excise duty			6,43,24,431		85,89,631
			14,14,79,09,629		10,65,22,15,519
Other Income	10		37,02,26,176		34,69,08,843
Increase \ Decrease in stock	11		(4,01,58,957)		9,96,57,684
Excess provision of earlier Years			1,79,38,761		1,64,78,287
Total			14,49,59,15,609		11,11,52,60,333
Expenditure:					
Manufacturing and Other Expenses	12		7,52,09,63,829		6,00,09,80,793
Interest	13		15,28,32,413		26,11,22,550
Depreciation			92,95,54,920		86,15,31,137
Mining & Project Development deferred Expenses written off			2,45,17,655		2,45,71,616
Prior period adjustments	14		2,19,40,075		(9,37,71,107)
Total			8,64,98,08,892		7,05,44,34,989
Profit before Tax					
			5,84,61,06,717		4,06,08,25,344
Provision for Income-tax [including Wealth-tax amounting to ₹ 2,33,000 (PY ₹ 1,51,000)]		1,96,02,33,000			1,16,01,51,000
Provision for deferred tax Liability		13,82,39,265			10,19,86,109
			2,09,84,72,265		1,26,21,37,109
Profit after Tax					
Add: Excess provision of FBT/ Dividend Tax of earlier years			3,74,76,34,452		2,79,86,88,235
			30,69,950		1,17,733
			3,75,07,04,402		2,79,88,05,968
Add : Balance of profit of last year			1,16,26,93,612		1,29,39,97,894
Profit available for appropriation					
			4,91,33,98,014		4,09,28,03,862
Less : Appropriations :					
General Reserve			2,50,00,00,000		2,00,00,00,000
Proposed Dividend			95,40,00,000		79,50,00,000
Tax on Dividend			15,47,62,650		13,51,10,250
Balance carried to Balance-sheet			1,30,46,35,364		1,16,26,93,612
Basic and diluted earning per share					
			11.79		8.80
(Refer note No.15 of Schedule17)					
Information as required by Schdule-VI of the Companies Act, 1956					
	15				
Significant Accounting Policies	16				
Notes on Accounts	17				

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached
For Jain Seth & Co.

Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Cash-flow statement for the year ended 31st March, 2011 Pursuant to the listing agreement with stock exchange.

Particulars	2010-11 ₹	2009-10 ₹
A Cash-Flow from Operating Activities:		
Net Profit before tax & extra ordinary items	5,84,61,06,717	4,06,08,25,344
Adjustments for:		
Depreciation	90,17,82,589	86,15,31,137
Provision for Doubtful Debts, Loans & Advances	(3,062,967)	2,99,502
Provision for Obsolete Spares / Stock	3,38,31,570	-
Provision for Inventory write back	(597,399)	-
Assets written off	72,59,616	10,62,649
Voluntary Retirement Scheme deferred revenue exps.	-	1,61,04,116
Electricity and transmission line amortised	1,56,72,000	1,56,72,000
River diversion exps	88,20,655	88,20,655
Road, Repairs & Maintenance	4,31,49,883	5,13,60,207
Coal Mine Expense, Chhattisgad	33,600	-
Depreciation written back	(2,844)	(70,365)
Surplus / Deficit on sale of assets	(84,27,447)	(6,00,67,271)
Interest & Finance Charges	15,28,32,413	26,11,22,550
Dividend & Income From Units	(3,28,01,063)	(2,46,45,326)
Interest from Bank & Corporates	(15,26,71,273)	(17,44,12,521)
Interest on Tax Free Bonds	-	-
Operating profit before working capital changes:	<u>6,81,19,26,050</u>	<u>5,01,76,02,677</u>
Adjustments for:		
Trade & Other Receivable	(32,86,730,165)	1,54,84,32,336
Inventories	1,15,84,000	(13,32,31,174)
Trade Payable	2,27,10,17,005	38,69,53,644
Misc. Expenditure	-	(2,00,90,438)
	<u>(1,00,41,29,160)</u>	<u>1,78,20,64,368</u>
Cash generated from operations	<u>5,80,77,96,890</u>	<u>6,79,96,67,045</u>
Direct Taxes Paid (Net)	<u>(1,84,55,02,845)</u>	<u>(1,20,63,82,684)</u>
Cash-flow before extra ordinary items:	<u>3,96,22,94,045</u>	<u>5,59,32,84,361</u>
Extra ordinary items:	-	-
Net Cash-Flow from Operating Activities	<u>3,96,22,94,045</u>	<u>5,59,32,84,361</u>
B Cash-Flow from Investing Activities:		
Purchase of fixed assets	(2,77,59,82,577)	(1,42,46,18,000)
Sale of fixed assets	2,48,42,088	7,01,92,720
Redemption / Purchase of Investments	(5,04,970)	(73,99,96,800)
Interest Received	-	-
Interest from Bank and Companies	15,26,71,273	17,44,12,521
Dividend & Income from units	3,28,01,063	2,46,45,326
Net cash used in Investing Activities	<u>(2,56,61,73,123)</u>	<u>(1,89,53,64,233)</u>
C Cash-Flow from Financing Activities:		
Total proceeds from Share Capital	-	-
Total proceeds from borrowing (net)	(83,05,00,000)	(2,62,50,00,000)
Interest & financial charges	(17,14,37,737)	(31,88,33,779)
Dividend paid	(92,61,61,003)	(74,25,98,178)
Net cash used in Financing Activities	<u>(1,92,80,98,740)</u>	<u>(3,68,64,31,957)</u>
Net increase in Cash & Cash Equivalents	<u>(53,19,77,818)</u>	<u>1,14,88,171</u>
Cash & Cash Equivalent at the beginning of year	95,77,50,218	94,62,62,047
Cash & Cash Equivalent at the end of year	42,57,72,400	95,77,50,218

Notes: 1. Cash and Cash Equivalents include Cash and Bank Balances
2. The Cash Flow Statement has been prepared under the 'Indirect Method'.

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached

For Jain Seth & Co.
Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011

ANNEXURES TO THE BALANCE SHEET

Particulars	As at 31-03-2011 ₹	As at 31-03-10 ₹
SCHEDULE - 1 SHARE CAPITAL		
Authorised :		
74,50,00,000 Equity share of ₹ 2/- each (Previous year 74,50,00,000 equity shares of ₹ 2/- each)	1,49,00,00,000	1,49,00,00,000
1,00,000 Preference shares of ₹ 100 each (Previous year 1,00,000 Preference shares of ₹ 100 each)	100,00,000	100,00,000
	1,50,00,00,000	1,50,00,00,000
Issued,Subscribed and Paid-up :		
31,80,00,000 Equity shares of ₹ 2/- Each (Previous year 31,80,00,000 Equity shares of ₹ 2/- Each)	63,60,00,000	63,60,00,000
Total	63,60,00,000	63,60,00,000
SCHEDULE - 2 RESERVES AND SURPLUS		
General Reserve :		
Balance as per last Balance-sheet	12,25,70,63,208	10,25,70,63,208
Add : Transferred from Profit & Loss Account	2,50,00,00,000	2,00,00,00,000
	14,75,70,63,208	12,25,70,63,208
Balance of Profit & Loss Account	1,30,46,35,364	1,16,26,93,612
Total	16,06,16,98,572	13,41,97,56,820
SCHEDULE - 3 UNSECURED LOANS		
Loan From Gujarat State Financial Services	1,33,02,14,286	2,16,07,14,286
Total	1,33,02,14,286	2,16,07,14,286
Repayble within one year	80,95,00,000	150,00,00,000
SCHEDULE - 4 NET DEFERRED TAX LIABILITY		
(a) Deferred Tax Assets on account of : Disallowance under Income Tax	47,50,79,176	18,65,59,059
	47,50,79,176	18,65,59,059
(b) Deferred Tax Liabilites on account of : Depreciation, Gratuity and others	3,01,18,36,247	2,58,50,76,865
Net Deferred Tax Liability	2,53,67,57,071	2,39,85,17,806



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

SCHEDULE - 5 FIXED ASSETS :

Sr. No.	Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
		As at 1-4-2010 ₹	Additions/ Adjustments ₹	Deductions ₹	As at 31-3-2011 ₹	Up to 31-3-2010 ₹	For the year 2010-11 ₹	Deductions/ Adjustments ₹	As at 31-3-2011 ₹	As at 31-3-2011 ₹	As at 31-3-2010 ₹
1	Free hold Land	68,88,48,417	6,18,59,902	-	75,07,08,319	4,56,60,434	2,86,96,442	-	7,43,56,876	67,63,51,443	64,31,87,983
2	Lease Hold Land	1,56,00,000	3,57,37,200	-	5,13,37,200	-	17,10,849	-	17,10,849	4,96,26,351	1,56,00,000
3	Buildings	2,41,33,72,837	3,50,76,307	1,74,30,090	2,43,10,19,054	82,97,51,430	10,98,35,219	1,13,40,538	92,82,46,111	1,50,27,72,943	1,58,36,21,407
4	Plant & Machinery	16,08,92,18,665	251,07,02,139	4,95,69,191	18,55,03,51,613	5,02,00,02,972	73,04,28,161	3,42,83,195	5,71,61,47,938	12,83,42,03,675	11,06,92,15,693
5	Furniture, Fixtures & Appliances	21,68,47,026	1,26,63,600	1,30,17,544	21,64,93,082	15,15,67,384	1,37,13,326	1,21,74,585	15,31,06,125	6,33,86,957	6,52,79,642
6	Vehicles	11,19,29,071	2,77,29,681	26,66,885	13,69,91,867	8,18,04,978	1,21,20,403	25,02,220	9,14,23,161	4,55,68,706	3,01,24,093
7	Leased Assets : Vehicles	22,50,17,273	-	-	22,50,17,273	21,77,38,721	52,75,340	-	22,30,14,061	20,03,212	72,78,552
	Total ₹	19,76,08,33,289	2,68,37,68,829	8,26,83,710	22,36,19,18,408	6,34,65,25,919	90,17,79,740	6,03,00,538	7,18,80,05,121	15,17,39,13,287	13,41,43,07,370
	Total as at 31-3-2010 ₹	18,86,40,64,478	1,34,58,59,997	44,90,91,186	19,76,08,33,289	5,78,20,19,018	86,15,31,137	29,70,24,236	6,34,65,25,919	13,41,43,07,370	
	Capital works in progress (including un-installed machinery, etc.)									18,81,75,337	9,72,49,830
										15,36,20,88,624	13,51,15,57,200
										TOTAL	

Note:

Depreciation for the year	92,95,54,920
Adjustment of Depreciation of earlier year	2,77,75,180
	90,17,79,740

STATEMENT SHOWING WRITTEN OFF ASSETS AWAITING DISPOSAL INCLUDED IN FIXED ASSETS STATED ABOVE

Sr. No.	Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
		As at 1-4-2010 ₹	Additions/ Adjustments ₹	Deductions ₹	As at 31-3-2011 ₹	Up to 31-3-2010 ₹	For the year 2010-11 ₹	Deductions/ Adjustments ₹	As at 31-3-2011 ₹	As at 31-3-2011 ₹	As at 31-3-2010 ₹
1	Plant & Machinery	4,27,52,263	80,48,007	1,91,88,248	3,16,12,022	4,15,70,846	78,79,311	1,86,12,462	3,08,37,695	7,74,327	11,81,417
2	Furniture, Fixtures & Appliances	28,41,151	-	3,14,163	25,26,988	27,47,673	-	3,00,602	24,47,071	79,917	93,478
3	Vehicles	56,71,939	15,68,593	4,05,793	68,34,739	54,82,437	15,32,210	3,90,304	66,24,343	2,10,396	1,89,502
	Total ₹	5,12,65,353	96,16,600	1,99,08,204	4,09,73,749	4,98,00,956	94,11,521	1,93,03,368	3,99,09,109	10,64,640	14,64,397
	Total as at 31-3-2010 ₹	6,22,04,379	75,82,038	1,85,21,064	5,12,65,353	6,05,54,846	74,33,610	1,81,87,500	4,98,00,956	14,64,397	

NOTE : a) Inter-assets depreciation fund is subject to reconciliation.

Annexures to the Balance Sheet

As at 31-03-2011 As at 31-03-2010
₹ ₹ ₹

Schedule - 6 INVESTMENTS (At cost)(fully paid)

Long Term

(1) Quoted:

Shares :

(i) 32,68,480 (P.Y. 32,68,480) Equity Shares of each of ₹ 10 of Gujarat Alkalies & Chemicals Ltd. [Market Value of ₹ 41,31,35,872 (P.Y. ₹ 41,10,11,360)] (Refer note no. 12 of Schedule 17)	34,14,24,000	34,14,24,000
(ii) 10,00,000 (P.Y.10,00,000) Equity shares each of ₹ 10 of Gujarat State Fertilisers & Chemicals Limited [Market Value of ₹ 34,33,00,000 (P.Y. ₹ 22,13,00,000)]	10,01,25,000	10,01,25,000
(iii) 9,35,600 (P.Y. 9,35,600) Equity shares of ₹ 10 each of Gujarat State Financial Corporation Less: Provision made for diminution in value	1,87,12,000	1,87,12,000
	<u>1,87,12,000</u>	<u>1,87,12,000</u>
(iv) 7,77,900 (P.Y. 7,77,900) Equity shares of ₹ 10 each of Vijaya Bank [Market Value of ₹ 6,17,26,365 (P.Y. ₹ 3,69,11,355)]	77,79,000	77,79,000
	<u>77,79,000</u>	<u>77,79,000</u>
	44,93,28,000	44,93,28,000

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Annexures to the Balance Sheet	As at 31-03-2011 ₹	As at 31-03-2010 ₹
(2) Unquoted:		
Shares :		
(i) 10,00,000 (P.Y.10,00,000) Equity share of ₹ 10 each of Gujarat Informatics Limited	1,00,00,000	1,00,00,000
(ii) 1,000 (P.Y. 1,000) Equity shares of ₹ 100 each of Gujarat Industrial Technical Consultancy Organization Limited	1,00,000	1,00,000
(iii) 74,25,000 (P.Y. 74,25,000) Equity Shares of ₹ 10 each of Gujarat Guardian Limited	7,42,50,000	7,42,50,000
(iv) 2,61,72,800 (P.Y.2,61,73,800) Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Limited	50,99,96,800	50,99,96,800
(v) 2,80,00,000 (P.Y. 2,80,00,000) Shares of ₹ 10/- each of Bhavnagar Energy Company Ltd.	28,00,00,000	28,00,00,000
(vi) 1,90,840 (P.Y. 1,90,840) Shares of ₹ 10 each of Gujarat Jaypee Cement and Infra Ltd	19,08,400	19,08,400
(vii) 25,000 (P.Y. NIL) Shares of ₹ 10 each of Naini Coal Co. Ltd.	2,50,000	-
(viii) 25,497 (P.Y. NIL) Shares of ₹ 10 each of Gujarat State Mining & Resources Corp.Ltd.	2,54,970	-
	87,67,60,170	87,62,55,200
	1,32,60,88,170	1,32,55,83,200
Aggregate cost of quoted investments [Market value of ₹ 81,81,62,237 (P.Y.₹ 66,92,22,715)]	46,80,40,000	46,80,40,000
Aggregate cost of unquoted investments	87,67,60,170	87,62,55,200
Total	1,34,48,00,170	1,34,42,95,200
SCHEDULE — 7 CURRENT ASSETS, LOANS & ADVANCES :		
SCHEDULE — 7.1 Inventories		
Stores & Spare Parts (Gross)	43,13,61,167	43,43,35,173
Less: Provision for obsolete stores	5,19,69,187	1,83,22,551
	37,93,91,980	41,60,12,622
Loose Tools	4,81,64,781	14,90,039
Stores & Spares in transit	8,73,052	1,59,98,831
	42,84,29,813	43,35,01,492
Stock-in-trade :		
Mined Ore (Gross)	25,19,92,989	23,39,79,956
Less: Provision for obsolete stock	-	5,97,399
	25,19,92,989	23,33,82,557
Finished Goods	44,864	5,82,16,854
	25,20,37,853	29,15,99,411
Total	68,04,67,666	72,51,00,903
SCHEDULE — 7.2 SUNDRY DEBTORS:		
(a) Outstanding for a period exceeding six months :		
Considered Good (including lease debtors)	11,35,40,873	10,37,80,060
Considered Doubtful	75,98,501	75,98,501
	12,11,39,374	11,13,78,561
(b) Other Debts :		
Considered Good	24,21,55,024	38,61,91,391
	36,32,94,398	49,75,69,952
Less : Provision	75,98,501	75,98,501
Total	35,56,95,897	48,99,71,451



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Annexures to the Balance Sheet		As at 31-03-2011	As at 31-03-2010
		₹	₹
SCHEDULE — 7.3 CASH AND BANK BALANCES			
1	Cash & Stamps in hand	<u>1,55,927</u>	<u>2,02,285</u>
2	Remittances in Transit	1,55,927	<u>2,02,285</u>
3	With Scheduled Banks :	6,00,00,000	<u>—</u>
	(i) In Current Accounts*	18,32,91,351	48,88,14,814
	(ii) In Fixed Deposit Accounts	<u>18,23,25,122</u>	<u>46,87,33,119</u>
		36,56,16,473	95,75,47,933
4	With Non-Schedule Banks :		
	Maximum Balance		
	In Fixed Deposit Account (₹)	24,00,000	24,00,000
	(i) Ahmedabad Mahila Nagrik Sahkari Bank Limited, Ahmedabad (in liquidation) (PY 24,00,000)		
	(ii) Ahmedabad Urban Co-operative Bank, Ahmedabad (in liquidation) (PY 3,50,00,000)	3,50,00,000	3,50,00,000
		<u>3,74,00,000</u>	<u>3,74,00,000</u>
	Less : Provision made for Doubtful FDR	<u>3,74,00,000</u>	<u>3,74,00,000</u>
		<u>—</u>	<u>—</u>
	Total	42,57,72,400	95,77,50,218
	*Includes balance in unclaimed dividend accounts	71,97,014	63,17,717
SCHEDULE — 7.4 OTHER CURRENT ASSETS			
	Interest accrued but not due on deposits	<u>5,18,99,956</u>	<u>3,91,31,725</u>
	Total	5,18,99,956	3,91,31,725
SCHEDULE — 7.5 LOANS & ADVANCES :			
(Unsecured, considered good unless otherwise stated)			
Advances recoverable in cash or in kind or for value to be received			
(a)	Considered Good	1,98,79,17,484	1,27,30,19,771
	Considered Doubtful	<u>83,55,792</u>	<u>1,14,18,759</u>
		1,99,62,73,276	1,28,44,38,530
	Less : Provision	<u>83,55,792</u>	<u>1,14,18,759</u>
		1,98,79,17,484	1,27,30,19,771
(b)	Deposits with Corporate Bodies (out of which ₹ 26,29,27,293 (PY ₹ 26,29,27,293) is considered doubtful)	4,04,59,75,134	1,42,26,41,710
	Less : Provision for doubtful ICD	<u>26,29,27,293</u>	<u>26,29,27,293</u>
		3,78,30,47,841	1,15,97,14,417
(c)	Interest accrued and due on deposits [out of which ₹ 15,83,13,400 (PY ₹ 15,83,13,400) is considered doubtful]	16,12,75,899	16,12,75,899
	Less : Provision for doubtful interest on FDR	<u>15,83,13,400</u>	<u>15,83,13,400</u>
		29,62,499	29,62,499
(d)	Other Deposits	15,82,58,421	11,72,75,150
(e)	Sales tax Payments made	11,57,97,224	11,56,06,553
(f)	Income tax Paid in Advance and Tax deducted at source	11,58,75,32,699	9,80,79,90,996
(g)	Balance with central excise and CGM	<u>15,21,34,024</u>	<u>12,04,96,981</u>
	Total	17,78,76,50,192	12,59,70,66,367

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Annexures to the Balance Sheet	As at 31-03-2011	As at 31-03-2010
	₹	₹
SCHEDULE — 8 CURRENT LIABILITIES & PROVISIONS :		
SCHEDULE —8.1 Current Liabilities		
Sundry Creditors	1,05,35,84,786	54,64,46,094
Advance Payments from customers	59,30,65,901	54,61,29,065
Credit Balances of Bank accounts	7,52,73,569	80,93,110
Other Liabilities	1,92,57,25,351	86,57,48,516
Unclaimed Dividend *	71,97,014	63,17,717
Interest accrued but not due on Unsecured loan	2,23,15,052	4,09,20,376
Total	3,67,71,61,673	2,01,36,54,878
SCHEDULE —8.2 Provisions		
Proposed Dividend	95,40,00,000	79,50,00,000
Tax on Dividend	15,47,62,650	13,51,10,250
Provision for Income Tax and Wealth Tax	9,64,33,45,390	7,74,90,73,532
Provision for Leave Encashment, PFand Gratuity	17,50,05,285	17,35,73,166
Provision for Excise duty on closing stock	—	36,97,395
Provision for Mine Closure	93,32,15,909	34,12,37,000
Total	11,86,03,29,234	9,19,76,91,343
Total	15,53,74,90,907	11,21,13,46,221

* There is no amount due and outstanding to be transferred to Investor Education and Protection fund as at 31-3-2011

SCHEDULE — 9 MISCELLANEOUS EXPENDITURE :

(to the extent not written off or adjusted)

(1) River diversion expenses Deferred	1,86,39,750	2,74,60,405
(2) HT Line shifting charges Deferred	3,13,44,000	4,70,16,000
(3) Road Repairs and Maint expenses Deferred	6,25,14,181	10,56,64,064
(4) Coal Mine Expenses, Chhattisgadh	—	33,600
Total	11,24,97,931	18,01,74,069

ANNEXURES TO THE PROFIT & LOSS ACCOUNT

Annexures to the Profit & Loss Account	2010-11	2009-10
	₹	₹
SCHEDULE — 10 OTHER INCOME		
Income from Investments : (Gross)		
Dividend	3,28,01,063	2,46,45,326
	3,28,01,063	2,46,45,326
Interest (Gross) from :		
Income-tax Refund	794	1,62,08,481
FDRs with Banks and ICDs	15,26,71,273	17,44,12,521
Others	88,69,226	87,26,528
[Tax deducted at source ₹ 1,62,98,544 (PY ₹ 3,32,86,532)]		
	16,15,41,293	19,93,47,530
Miscellaneous Income	14,70,94,001	4,91,40,412
Profit on Sale of Fixed Assets	85,11,583	6,00,99,130
Lease Rent	18,08,000	43,39,200
Rent	1,84,70,236	93,37,245
Total	37,02,26,176	34,69,08,843



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Annexures to the Profit & Loss Account	₹	₹	2010-11 ₹	2009-10 ₹
SCHEDULE — 11 INCREASE \ (DECREASE) IN STOCK				
Closing Stock				
Mined Ore		25,19,92,989		23,39,79,956
Finished Goods		44,864		5,82,16,854
			25,20,37,853	29,21,96,810
Less: Opening Stock				
Mined Ore		23,39,79,956		16,04,90,409
Finished Goods		5,82,16,854		3,20,48,717
			29,21,96,810	19,25,39,126
			(4,01,58,957)	9,96,57,684
SCHEDULE — 12 MANUFACTURING AND OTHER EXPENSES				
Payments to and Provisions for Employees :				
Salary, Wages and Bonus		69,69,50,171		81,56,06,958
Contribution to PF & Other Funds		6,95,98,344		6,09,38,631
Welfare Expenses		5,84,94,391		5,59,13,378
Terminal Benefits		69,08,59,683		14,86,16,464
			1,51,59,02,589	1,08,10,75,431
Operational and Other Expenses :				
Power and Fuel		89,74,55,992		1,06,56,60,887
Consumption of Stores, Spares & Chemicals		3,00,74,374		4,73,84,025
			92,75,30,366	1,11,30,44,912
Repairs & Maintenance :				
Buildings		6,72,71,745		7,92,84,820
Machineries (Including spares)		16,02,61,001		23,71,29,219
Other Assets		24,31,25,092		24,90,72,488
			47,06,57,838	56,54,86,527
Other Expenditure :				
Machinery Hire Charges		78,97,942		74,32,506
Rent		2,52,000		1,26,000
			81,49,942	75,58,506
Rates and Taxes				
Royalty and Dead Rent		1,18,84,21,880		62,33,73,636
Other Rates & Taxes		246,00,356		6,14,03,772
Excise Duty on Closing Stock		—		36,97,395
			1,21,30,22,236	6884,74,803
Overburden Removal, Loading, Plant operation and Mining Expenses		2,22,29,80,743		1,84,71,82,952
Mine Closure Expenses		59,27,00,000		34,12,37,000
Insurance Premium		2,81,33,557		2,91,28,239
Vehicle Hire Charges		3,70,23,684		3,95,29,016
Advertisement and Publicity		1,21,43,810		1,77,38,506
Forest/ Environment Expenses		11,42,46,176		2,84,68,948
Rehabilitation Expenses		4,01,142		34,21,542
Security Expenses		8,97,24,206		7,13,15,110
Legal and Professional Fees		4,22,61,596		98,82,989

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Annexures to the Profit & Loss Account	₹	₹	2010-11 ₹	2009-10 ₹
Payment to Auditors :				
Audit fees	4,74,290			4,74,290
For Tax Audit	66,180			66,180
For Report on Corporate Governance	44,120			44,120
Out of Pocket Expenses	10,000			5,515
		5,94,590		5,90,105
Remuneration to Managing Director		12,93,533		11,44,499
Loss on Sale of Assets		84,136		31,859
Directors' Sitting fees & allowances		1,72,500		2,15,000
Donation		12,73,49,292		7,97,65,523
Provision for Doubtful Debts, Loans & Advances		-		2,99,502
Provision for Obsolete Stores/Stock		3,38,31,570		-
Miscellaneous Charges		8,27,60,323		7,53,89,824
			3,38,57,00,858	2,54,53,40,614
Total			7,52,09,63,829	6,00,09,80,793
SCHEDULE — 13 INTEREST				
Interest and Financial charges :				
Fixed Loans			14,59,84,307	25,94,59,580
Others			68,48,106	16,62,970
Total			15,28,32,413	26,11,22,550
SCHEDULE — 14 PRIOR PERIOD ADJUSTMENTS :				
Income :				
Other Income		23,05,739		(28,99,189)
Total			23,05,739	(28,99,189)
Expenditure :				
Payment to the employees		65,09,766		5,04,233
Operational & Other Expenses		-		(10,48,69,659)
Consumption of Stores, Chemicals etc.		(59,69,552)		3,51,828
Repair & Maintenance for Buildings		35,58,373		12,33,783
Repair & Maintenance for Machineries		50,56,011		11,76,135
Miscellaneous Mining Expenses		5,74,133		(2,45,000)
Bauxite Exploration Expenses		(4,03,915)		-
Royalty & Dead Rent Charges		38,20,824		56,892
Rates & Taxes		(12,09,963)		1,60,309
Legal and Professional charges		(20,246)		33,51,984
Consultancy Charges		4,04,071		13,88,067
Depreciation		(2,77,72,331)		-
Insurance Premium		30,60,636		-
General Charges		(29,31,029)		-
Finance Charges		(1,79,449)		-
Miscellaneous Expenses (net)		-		(6,65,996)
Travelling Charges		-		1,49,085
Advertisement and Publicity charges		5,00,000		5,42,702
Plantation\Forest Charges		3,80,62,018		-
Short Provision of earlier Years		11,86,467		1,95,341
Total			2,42,45,814	(9,66,70,296)
Net			2,19,40,075	(9,37,71,107)



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

SCHEDULE - 15 : Information pursuant to the provisions of Para 3, 4C and 4D of part-II of Schedule-VI to the Companies Act, 1956.

I. Capacity, Production, Turnover and Stock:

Sr. No.	Particulars	Installed Capacity (M.T.)	Opening Stock		Production Quantity (M.T.)	Turnover		Closing Stock	
			Quantity (M.T.)	Value (₹)		Quantity (M.T.)	Value (₹)	Quantity (M.T.)	Value (₹)
1.	Fluorspar Project, Kadipani Mined Ore	NIL	72,007	2,16,02,098	52,920	60	19,404	96,699(a)	2,90,09,608
		(NIL)	(36,701)	(1,10,10,334)	(1,00,237)	(NIL)	(NIL)	(72,007)	(2,16,02,098)
	Powder and Filter-Cake	30,000	1,068	1,66,54,000	4,801	5,851	(b)9,24,24,742	(c) NIL	NIL
		(30,000)	(1,159)	(1,46,84,355)	(8,786)	(88,77)	(13,33,40,177)	(1,068)	(1,66,54,000)
	Briquettes	14,400	2	44,864	NIL	NIL	NIL	2	44,864
		(14,400)	(5)	(91,168)	(NIL)	(NIL)	(NIL)	(2)	(44,864)
2.	Bauxite Project, Bhatia Mined Ore	NIL	39,140	83,61,095	NIL	33,387	2,85,00,229	5,753	21,28,929
		(NIL)	(39,140)	(83,61,095)	(NIL)	(NIL)	(NIL)	(39,140)	(83,61,095)
3.	Bauxite Calcination Project, Gadhsisa (Kutchh) Mined Ore	NIL	8,39,549	19,11,71,701	5,48,350	6,64,393	(d)62,81,12,842	(e)7,23,389	18,87,53,740
		(NIL)	(7,13,557)	(13,48,12,182)	(4,65,058)	(3,11,064)	(26,63,49,625)	(8,39,549)	(19,11,71,701)
	Calcined Bauxite	50,000	4,862	4,09,21,673	NIL	4,560	3,76,46,998	(f)NIL	NIL
		(50,000)	(5,627)	(1,66,76,877)	(17,366)	(18,131)	(16,26,68,086)	(4,862)	(4,09,21,673)
4.	Multi-Metal Project, Ambaji Bulk-Concentrate	NIL	200	NIL	(NIL)	131	1,30,610	(g)NIL	(NIL)
		(15,000)	(200)	(NIL)	(NIL)	(NIL)	(NIL)	(200)	(NIL)
5.	Lignite Projects : Panandhro-Mined Ore	NIL	1,381	6,75,309	26,97,377	(h)26,98,040	(i)1,20,28,91,019	(j)NIL	NIL
		(NIL)	(837)	(2,61,981)	(28,38,376)	(28,37,831)	(96,46,71,393)	(1,381)	(6,75,309)
	Rajparadi - Mined Ore	NIL	NIL	NIL	10,75,851	10,75,851	(k)1,79,77,77,883	NIL	NIL
		(NIL)	(NIL)	(NIL)	(9,54,777)	(9,54,777)	(1,37,98,87,705)	(NIL)	(NIL)
	Mata no Madh - Mined Ore	NIL	NIL	NIL	36,96,859	36,96,859	4,26,32,65,032	NIL	NIL
		(NIL)	(NIL)	(NIL)	(28,87,335)	(28,87,335)	(2,82,02,94,314)	(NIL)	(NIL)
	Tadkeshwar - Mined Ore	NIL	NIL	NIL	18,94,279	18,94,279	2,53,51,62,428	NIL	NIL
		(NIL)	(NIL)	(NIL)	(10,48,016)	(10,48,016)	(1,40,42,56,263)	(NIL)	(NIL)
	Bhavnagar- Mined Ore	NIL	NIL	NIL	8,67,952	8,67,952	1,05,99,88,254	NIL	NIL
		(NIL)	(NIL)	(NIL)	(6,51,399)	(6,51,399)	(79,67,87,182)	(NIL)	(NIL)
6.	Power Proj.Nani Chher	250 MWH	NIL	NIL	1,171 MU	987 MU(l)	2,33,67,22,529	NIL	NIL
		(250 MWH)	(NIL)	(NIL)	(1,394 MU)	(1,194 MU)	(2,69,03,31,230)	(NIL)	(NIL)
7.	Wind Farm-Maliya	19.5 MWH	NIL	NIL	35.37 MU	35.37 MU	12,45,51,671	NIL	NIL
		(19.5 MWH)	(NIL)	(NIL)	(9.91MU)	(9.91MU)	(3,37,40,572)	(NIL)	(NIL)
	Wind Farm-Jodiya	33 MWH	NIL	NIL	10.74 MU	10.74 MU	3,79,19,158	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	
	Wind Farm-Godsar	7.5 MWH	NIL	NIL	5.07 MU	5.07 MU	1,78,97,622	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
8.	Manganese Project- Shivrajpur Mined Ore	NIL	1,286	1,86,031	4,834	2,849	1,05,71,426	(m)3,275	3,37,631
		(NIL)	(1,273)	(1,85,767)	(NIL)	(NIL)	(NIL)	(1,286)	(1,86,031)
	Mined ore waste	NIL	NIL	NIL	2,42,410	2,42,410	(n)3,85,57,668	NIL	NIL
		(NIL)	(NIL)	(NIL)	(55,090)	(55,090)	(83,28,346)	NIL	NIL

Notes:

- After considering captive consumption of ore of 28,168 M.T. (PY 64,931 M.T.) for production of Powder/ Filter Cake.
- After excluding ₹.94,544/- (PY ₹ 1,50,253) of tailing waste.
- After considering shortage of 18 MT (PY NIL)
- Including ₹ 5,17,94,133/- (PY ₹ 35,90,060) being sales value of fine dust.
- After considering shortage of 116 MT (PY NIL)
- After considering shortage of 302 MT (PY NIL)
- After considering shortage of 69.39 MT (PY NIL)
- Including Branch transfer 9,94,388.03 M.T. (PY 12,41,051 M.T.) of Lignite and 15,977.26 M.T (PY 4,187 M.T) of Lime Stone to Power Project- Nani Chher.
- Including ₹ 6,04,181/ (PY ₹ 7,65,858) being sales value of lime stone
- After considering shortage of 718 MT (PY NIL)
- Including ₹ 43,97,536 (PY ₹ 11,64,310) being sales value of clay .
- Excluding auxiliary consumption of 184 MU (PY 200 MU).
- After considering excess of 4 MT (PY 13 MT)
- After transferring 80% of sales proceeds to GMRDS.

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SCHEDULE - 15

Information pursuant to the provisions of Para 3,4C and 4D of part-II Schedule-VI to the Companies Act, 1956, (continued)

	2010-11		2009-10	
	Quantity M.T.	Value ₹	Quantity M.T.	Value ₹
II Raw Material Consumed :				
(a) Fluorspar Project, Kadipani				
Mined Ore	28,168	2,81,84,919	64,931	6,49,69,225
(b) Calcination Project, Gadhsisa				
Mined Ore	-	-	28,003	77,84,834
	28,168	2,81,84,919*	92,934	7,27,54,059
*Notional value worked out for costing				
III Consumption of imported & indigenous raw materials, stores and spares :				
(a) Raw Materials	Value ₹	%	Value ₹	%
Imported	Nil	Nil	Nil	Nil
Indigenous	2,81,84,919	100	7,27,54,059	100
	2,81,84,919*	100	7,27,54,059*	100
(b) Components, Stores & Spares	₹	%	₹	%
Imported	10,22,491	1	28,33,532	1
Indigenous	15,19,23,744	99	23,39,03,651	99
	15,29,46,235*	100	23,67,37,183*	100
*(Includes ₹ 12,28,71,862/- (PY ₹ 18,93,53,158/-) charged to Repairs & Maintenance				
IV C.I.F.Value of Imports :		₹		₹
Components & Spares		74,81,732		78,52,933
Capital Goods		Nil		Nil
		74,81,732		78,52,933
V Expenditure in foreign currency :		Nil		Nil
VI Profit and loss account includes :		₹		₹
Remuneration to Managing Director as under :				
Remuneration		12,76,893		11,25,643
Perquisites		16,640		18,856
		12,93,533		11,44,499
VII During the year the Corporation has remitted the amount in foreign currency on account of the shareholders as under :				
(a) Year to which dividend relates		2009-10		2008-09
(b) Number of non-resident shareholders		145		32
(c) Number of shares held by them		1,16,919		1,62,984
(d) Amount of dividend remitted in foreign currency		2,92,302		3,25,968

VIII 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".



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Items	Particulars	2010-11 ₹	2009-10 ₹
1	Segment Revenue (net sales/revenue)		
	a) Mining Projects	12,21,56,29,960	8,59,76,35,158
	b) Power Projects	2,67,96,49,140	2,76,21,32,815
		14,89,52,79,099	11,35,97,67,973
	c) Un-allocable Corporate Revenue	20,18,87,483	24,22,53,000
		15,09,71,66,582	11,60,20,20,973
2	Segment Results : (Profit/Loss before interest and tax)		
	a) Mining Projects	5,74,40,36,146	3,63,37,19,735
	b) Power Projects	57,04,50,885	69,51,78,920
		6,31,44,87,031	4,32,88,98,655
	c) Un-allocable Corporate Results	(50,98,90,257)	(23,09,43,617)
		5,80,45,96,774	4,09,79,55,038
	Less : Interest Paid	15,28,32,413	26,11,22,550
	Add : Interest Income	19,43,42,356	22,39,92,856
	Net Profit before tax	5,84,61,06,717	4,06,08,25,344
	Less : Provision for Current Tax	1,96,02,33,000	1,16,01,51,000
	Less : Provision for Deferred Tax	13,82,39,265	10,19,86,109
	Total Tax Provision	2,09,84,72,265	1,26,21,37,109
	Profit after tax (Enterprise net profit)	3,74,76,34,452	2,79,86,88,235
	Add : Provision for taxes of earlier years (net)	30,69,950	1,17,733
	Add : Balance of profit of last year	1,16,26,93,612	1,29,39,97,894
	Profit available for appropriation	4,91,33,98,014	4,09,28,03,862
3	Segment Assets :		
	a) Mining Projects	2,71,68,05,445	2,88,13,68,972
	b) Power Projects	14,46,77,15,036	12,82,39,25,420
		17,18,45,20,481	15,70,52,94,392
	c) Un-allocable Corporate Assets	7,33,01,07,656	4,31,30,49,747
		24,51,46,28,136	20,01,83,44,139
4	Segment Liabilities :		
	a) Mining Projects	2,17,96,53,313	1,44,71,53,339
	b) Power Projects	1,46,82,44,504	2,32,19,97,773
		3,64,78,97,816	3,76,91,51,112
	c) Un-allocable Corporate Liabilities	20,86,67,30,320	16,24,91,93,027
		24,51,46,28,136	20,01,83,44,139
5	Capital Expenditure :		
	(i) Additions :		
	a) Mining Projects	20,87,60,281	13,40,29,589
	b) Power Project	2,43,90,96,694	1,20,55,37,128
		2,64,78,56,975	1,33,95,66,717
	c) Un-allocable Capital Expenditure	3,59,11,854	62,93,280
		2,68,37,68,829	1,34,58,59,997
	(ii) Depreciation :		
	a) Mining Projects	13,27,35,252	12,63,84,026
	b) Power Project	77,33,88,116	71,87,88,468
		90,61,23,368	84,51,72,494
	c) Un-allocable Depreciation	2,34,31,552	1,63,58,643
		92,95,54,920	86,15,31,137

6 Segment assets and liabilities are subject to reconciliation.

7 Segment Revenue of Mining Projects includes ₹ 53,69,26,542/- (P.Y. ₹ 47,81,71,008/-) being captive consumption of Lignite/Lime for Power Project.

8 Inter segment transfers of Lignite and Lime are done at cost.

SCHEDULE 16 : 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 generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except that -

Expenses/Income for an amount upto ₹ 50,000 in each case is debited/credited as current year's expenses/income.
3. **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.
4. **MACHINERY SPARES:**

Machinery spares for Generating Units, Power Station and Switchyard, etc. either procured alongwith 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.
5. **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.
6. **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 Power Plant and Wind Energy Farm from time to time.
 - ii) Depreciation is charged on straight line method as per the rates and in the manner as prescribed by CERC (Terms and Conditions of Tariff) Regulations, 2009 in respect of Plant and Machinery including mandatory/ insurance spares of Power Project.
 - iii) Depreciation in respect of Plant and Machinery of Wind Energy Farm is charged on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 from time to time.
 - 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)
 - i) Leasehold land is written off over the period of lease.
 - ii) On the basis of the principle of wasting assets, necessary provision has been made 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 mineral reserves.



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- g) Capital expenditure incurred on roads, river diversion work and shifting of electrical lines, transformer, etc not owned by the Corporation, is amortized over a period of 5 years.

7. 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.

8. INVENTORIES:

- a) Stores, chemicals, spares and loose tools are valued at cost. Cost is ascertained on First in First out basis.
- b) Raw materials, mined ore, goods-in-process and finished products are valued at lower of cost or net realizable value item-wise. Cost is inclusive of excise duty wherever applicable. Cost is ascertained on First in First out basis.

9. 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 the Profit and Loss Account.

10. EMPLOYEE BENEFITS:

- a) Post employment benefits i.e. gratuity and leave encashment are recognized as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The expense is 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 Profit and Loss Account of the year in which the related services are rendered.
- c) Contribution to recognized Provident Fund Trust, loss, if any and other related expenses are charged to the Profit and Loss Account as and when crystallized.
- d) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss Account.
- e) Compensation paid to the legal heirs of deceased employee while in service is charged to the Profit and Loss Account 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.

11. LIABILITIES FOR PURCHASES:

Provisions are made in respect of materials received upto the end of the accounting year for which bills are not received and are estimated where documentary evidence is not available.

12. REVENUE RECOGNITION:

- a) Sales are recognized at the time of despatch 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) Interest recoverable on delayed receipt of lease rentals after the expiry of lease period are accounted when there is certainty of receipt thereof.
- c) The liquidated damage/penalty, if any, on the works completed are determined on completion of contracts and charged as revenue.
- d) Income of lease management fees is spread over the primary period of lease.

13. EXCISE DUTY:

Excise duty is accounted on the basis of both the payments made in respect of goods cleared as also provision made for goods lying in stock.

14. 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 Profit and Loss Account 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.

15. 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.

16. 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.

17. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account 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.

18. REHABILITATION AND RESETTLEMENT EXPENSES:

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

19. AFFORESTATION EXPENSES:

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

20. MINES CLOSURE EXPENSES:

Mines closure expenses are charged as revenue as per Guidelines for preparation of Mines Closure Plan issued by the Govt. of India, Ministry of Coal and on the basis of actual reserves, annual production and useful life of the mines, etc. as per technical estimation.

21. 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.



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SCHEDULE 17 : NOTES ON ACCOUNTS

1. Contingent liabilities not provided for Claims against the Corporation not acknowledged as debt ₹ 38,135.00 (P.Y. ₹ 28,262.31) lakhs.
 - a) 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 (P.Y. ₹ 773.52) lakhs. Necessary adjustment shall be made in accounts after final decision/outcome of the case.
 - b) Claims for additional compensation against acquisition of land at Rajpari 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, ₹ 1,044.78 (P.Y. ₹ 880.96) lakhs has been deposited and shown under the head 'Advance recoverable in cash or kind or for value to be received'. Necessary adjustment shall be made in accounts after final decision/outcome of the case.
 - c) Income-tax : ₹ 23,791.26 (P.Y. ₹ 13,978.89) lakhs
 - d) Sales-tax : ₹ 453.94 (P.Y. ₹ 418.73) lakhs
 - e) Related to Contractors and Others : ₹ 4,792.53 (P.Y. ₹ 6,474.23) lakhs
 - f) Bank Guarantee issued by banks on behalf of the Corporation : ₹ 3,559.19 (P.Y. ₹ 3,303.99) lakhs
 - g) Royalty, Stamp duty and Conversion tax : ₹ 3,719.78 (P.Y. ₹ NIL) lakhs
 - h) Gratuity : ₹ Nil (P.Y. ₹ 2,431.99) lakhs

In view of the various court cases/litigations and claims disputed by the Company, financial impact as to outflow of resources is not ascertainable at this stage.
2. Estimated amount of Capital Contracts remaining to be executed and not provided for ₹ 28,559.62 (P.Y. ₹ 50,482.15) lakhs.
3. 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 (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.
4. 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.
5. Royalty on account of sale of Bauxite and Manganese Ore has been deposited on adhoc basis as intimated by the Commissioner of Geology and Mining. Necessary adjustment shall be made in the accounts after final outcome of the matter.
6.
 - a) The Corporation has changed the method for charging depreciation for the assets purchased upto March 31, 1987 from Straight Line Method to Written down Value method for the sake of uniformity.
Had the Corporation continued to charge depreciation on Straight Line Method the depreciation charge for the current year would have been lower by ₹ 119.20 lakhs and profit would have been higher to that extent and net assets would have been higher by ₹ 119.20 lakhs.
 - b) The Corporation has changed the policy to charge the depreciation from the date of putting them to use on pro rata basis in respect of all the assets w.e.f. current financial year. So far depreciation on assets in respect of projects other than power project and wind energy farm were charged proportionately for the period from the month of acquisition if it is acquired during the first fortnight of that month and from subsequent month if acquired during the second fortnight of that month.
Had the Corporation continued to charge depreciation proportionately for the period from the month of acquisition if it is acquired during the first fortnight of that month and from subsequent month if acquired during the second fortnight of that month. The depreciation charge for the current year would have been higher by ₹ 0.39 lakhs and profit would have been lower to that extent and net assets would have been lower by ₹ 0.39 lakhs.
7.
 - a) 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 (P.Y. ₹ 59.40) lakhs are accounted in the books of the Corporation and included in the respective heads of the assets.
 - b) An amount of ₹ 168.80 (P.Y. ₹ 30.80) lakhs is payable by GSECL on account of 50% of the revenue expenditure incurred by GMDC towards common facilities at Panandhro, which is subject to reconciliation and adjustments, if any.

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- c) 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, the revenue has been booked on the basis of amount paid by GUVNL against electricity bills and adjustment of U.I. charges. Necessary adjustment shall be made in accounts after final outcome of the matter.
8. Gujarat State Road Transport Corporation Limited (GSRTC) had agreed to pay overdue lease rent of ₹ 1,183 lakhs in installments towards providing 254 buses on lease in respect of Agreement between GMDC and GSRTC dated 21.10.1999, which was credited to the Profit and Loss Account in the FY 2005-06 against which an amount of ₹ 202 lakhs is received upto 31st March, 2011. Further, we have received a letter dated 17.5.2011 from GSRTC for waiving the lease rentals amounting ₹ 981 lakhs in respect of the said lease. GMDC has not accepted their request for waiving the lease rentals. GSRTC being a Govt. of Gujarat undertaking, the matter has been referred to the Govt of Gujarat for recovery of outstanding amount of lease rentals, hence, no provision has been made for the same.
9. There are no amounts due to the Suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Corporation for this purpose.
10. a) Balance confirmations have not been received from Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited for ₹ 221.99 (P.Y. ₹ 304.20) lakhs and ₹ 84.55 (P.Y. ₹ 84.55) lakhs respectively. The said balances are subject to reconciliation and adjustments in the accounts.
b) Balances of Creditors, Debtors, Loans & Advances and Advances from Customers are subject to reconciliation and adjustments, if any, in the accounts.
11. In the opinion of Board of Directors, Current Assets. Loans & Advances have value at which they are stated in the Balance Sheet, if realized in the ordinary course of business, unless otherwise stated and provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.
12. 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 all the 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.
13. The possession of the Corporation's Guest-house at Bhuj given to Tourism Corporation of Gujarat Limited (TCGL) on 6.8.2002 against proposed sale in terms of letter No GMC-102002-415-CHH.1 dated 10.6.2002 of Ministry of Industries and Mines, Government of Gujarat has been returned to the Corporation on 28.2.2006 in terms of letter No TDC-102001-929-S dated 26.10.2005. TCGL during the period of possession has let out some portion of the Guesthouse. The Corporation is taking necessary steps with TCGL and the Government of Gujarat for recovery of rent for the period of possession, maintenance expenditure, gram panchayat tax and rent recovery from the tenants, which is in process. The said recoveries will be considered in accounts on finalization of negotiations with TCGL and the State Government.
14. Employee Benefits

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

- 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.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Present Value of Obligation as at the beginning of the year	48,65,54,509	36,51,15,610
Current Service Cost	2,51,20,154	2,15,58,107
Interest Cost	4,01,40,747	2,82,96,460
Actuarial (gain) / Loss on obligations	10,11,59,908	9,24,72,654
Benefits paid	(17,13,41,649)	(2,08,88,322)
Past Service cost	24,31,98,567	-
Present Value of Obligation as at the end of the year	72,48,32,236	48,65,54,509



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ii. Changes in the Fair Value of Plan Assets.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Fair Value of Plan Assets at the beginning of the year	64,71,50,773	51,99,32,232
Expected Return on Plan Assets	5,17,72,062	4,02,94,748
Actuarial Gain / (loss) on Plan Assets	71,66,221	78,12,115
Contributions	17,00,00,000	10,00,00,000
Benefits Paid	(17,13,41,649)	(2,08,88,322)
Fair Value of Plan Assets at the end of the year	70,47,47,407	64,71,50,773

iii. The amount recognized in Balance Sheet.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Present Value of Obligations as at the end of the year	72,48,32,236	48,65,54,509
Fair Value of Plan Assets as at the end of the year	70,47,47,407	64,71,50,773
Net Asset / (Liability) recognized in Balance Sheet	(2,00,84,829)	16,05,96,264

iv. Amount recognized in the Profit and Loss Account.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Current Service Cost	2,51,20,154	2,15,58,107
Interest Cost	4,01,40,747	2,82,96,460
Expected Return on Plan Assets	(5,17,72,062)	(4,02,94,748)
Net actuarial (gain) / loss recognized in the year	9,39,93,687	8,46,60,539
Past Service Cost	24,31,98,567	-
Expenses/(Income) Recognized in the Statement of Profit & Loss	35,06,81,093	9,42,20,358

v. Investment Details

Particulars	% Invested as at	
	March 31, 2011	March 31, 2010
Funds with L.I.C.	100	100

vi. Assumptions

Particulars	March 31, 2011	March 31, 2010
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount Rate	8.25%	8.25%
Rate of increase in Compensation Levels	5.50%	5.50%
Rate of Return on Plan Assets	8.00%	8.25%

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. 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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15. Earning per share :	2010-11	2009-10
Profit after tax (₹)	3,75,07,04,402	2,79,88,05,968
Weighted average no. of equity shares outstanding	31,80,00,000	31,80,00,000
Basic and diluted earnings per share (₹)	11.79	8.80

16. Related party disclosures on 31.3.2011 :

a) Key Management Personnel

Shri M. Sahu, IAS	Chairman
Shri V. S. Gadhavi, IAS	Managing Director

b) Particulars of remuneration paid to Managing Director are given below :

Shri V. S. Gadhavi, IAS	₹ 12,93,533/-
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c) Associates:

Investments:

Sr. No.	Particulars	Bhavnagar Energy Co Ltd	Gujarat Guardian Ltd	Gujarat Jaypee Cement & Infra structure Ltd
1	Balance as at 1 st April, 2010	₹ 28,00,00,000	₹ 7,42,50,000	₹ 19,08,400
2	Addition during the year	Nil	Nil	Nil
3	Balance as on 31.03.2011	₹ 28,00,00,000	₹ 7,42,50,000	₹ 19,08,400
4	Income from Investment during the year	Nil	₹ 74,25,000	Nil

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

Sr. No.	Name of Joint Venture	Country of Incorporation	Proportion of Ownership
1	Naini Coal Co Ltd	India	50%
2	Gujarat Jaypee Cement & Infrastructure Ltd	India	26%
3	Gujarat Gokul Power Ltd	India	26%
4	Bhavnagar Energy Co Ltd	India	16%
5	Gujarat State Mining & Resources Corporation Limited	India	51%

18. Disclosures as regards leased assets :

	2010-11 (₹)	2009-10 (₹)
a) Vehicles		
i. Gross carrying amount	22,50,17,273	22,50,17,273
ii. Accumulated depreciation	22,3014,061	21,77,38,721
iii. Depreciation charged to P&L A/c	52,75,340	46,92,240

b) The Corporation has given vehicles on lease to a State Government Undertaking.

19. Figures of the Previous Year have been re-grouped / re-arranged, wherever necessary, to make them comparable with the figures of the current year.



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20. Information Pursuant to Part-IV of Schedule VI to the Companies act,1956

Balance-Sheet Abstract and Company's General Business Profile

(A) Registration Details :	1206 of 1963-64
State code	04
Balance-Sheet Date	31-Mar-11
(B) Capital Raised during the year :	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
(C) Position of mobilisation and deployment of funds: (in thousand Rupees)	
Total Liabilities	2,05,64,670
Total Assets	2,05,64,670
Sources of Funds :	
Paid up Share Capital	6,36,000
Reserves and Surplus	1,60,61,699
Secured Loans	NIL
Unsecured Loans	13,30,214
Net Deferred tax Liability	25,36,757
Application of Funds :	
Net Fixed Assets	1,53,62,089
Investments	13,26,088
Net Current Assets,Loans and Advances	37,63,995
Miscellaneous Expenditure	1,12,498
Accumulated Losses	NIL
(D) Performance of the Company : (in thousand Rupees)	
Turnover (including other income)	1,44,95,916
Total Expenditure	86,49,809
Profit before tax	58,46,107
Profit after tax (after adjustment of short provision of tax)	37,50,704
Earning per share in Rupees	11.79
Dividend rate (%)	
(E) Name of the principal products, services of the company: (as per monetary terms)	
(i) Item code no	270220-00
Product description	Lignite
(ii) Item code no	252921-00
Product description	Fluorspar
(iii) Item code no	260600-01
Product description	Bauxite
(iv) Item code no	260600-02
Product description	Calcined Bauxite
(v) Item code no	-
Product description	Generation of Electricity

Signature to Schedule 1 to 17

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached

For Jain Seth & Co.
Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011

CERTIFICATE BY CEO AND CFO FOR ANNUAL ACCOUNTS 2010-11

- a) We have reviewed the Balance Sheet and the Profit and Loss Account and all the Schedules and Notes on 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.

L. KULSHRESTHA
General Manager (Finance)

S.R. BHATT
General Manager (Accounts)

V.S. GADHAVI, IAS
Managing Director



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Statement Pursuant To Section 212 of The Companies Act, 1956 Relating to Subsidiary Company Gujarat State Mining and Resources Corporation Ltd.

(A) The Financial Year/ Period of the subsidiary Company	April 19, 2010 to March 31,2011
(B) Shares of the subsidiary held by GMDC Limited on the above dates	
(a) Number and face value	25,497 shares of ₹10 each
(b) Extent of holding	51%
(C) The net aggregate of profit / loss of the subsidiary company so far as it concerns the members of GMDC Ltd.	
(a) not dealt with in the accounts of GMDC Ltd. For the year ended March 31,2011 amounted to:	
(i) for the subsidiary's financial year ended as in (A) above	NA
(ii) for the previous financial years of the subsidiary since it become the Holding Company's subsidiary.	NA
(b) dealt with in the accounts of GMDC Ltd. For the year ended March 31,2011 amounted to:	
(i) for the subsidiary's financial year ended as in (A) above	NA
(ii) for the previous financial years of the subsidiary since it become the Holding Company's subsidiary.	NA

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Shareholders
Gujarat Mineral Development Corporation Limited

1. We have audited the attached Consolidated Balance Sheet of **Gujarat Mineral Development Corporation Limited** and its subsidiary as at 31st March, 2011, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have not audited the Financial Statements of subsidiary company which reflect total assets of ₹6.47 lacs as on 31st March, 2011, total revenue nil and net Cash Flow Nil for the year ended on that date. This Financial Statement and other Financial information has been audited by other auditor whose reports have been furnished to us, and our opinion is based solely on the report of other auditor.
4. We report that the consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirement of the Accounting Standards (AS) 21, "Consolidated Financial Statements" and Accounting Standard (AS) 27, "Financial Reporting of interest in Joint Ventures" issued by the Institute of Chartered Accountants of India.
5. Based on our audit and on consideration of reports of other auditors on separate Financial Statements and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Consolidated Profit and Loss account, of the profit for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Jain Seth & Co.
Chartered Accountants
FRN -002069W

Place: Ahmedabad
Date: May 30th, 2011

CA. Rajendra Kumar
Partner
Membership No.049913



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2011

	Schedules	₹	As at 31-03-2011 ₹	As at 31-03-2010 ₹
Shareholders' Funds :				
Share Capital	1	63,60,00,000		63,60,00,000
Reserves and Surplus	2	16,06,16,98,572		13,41,97,56,820
			16,69,76,98,572	14,05,57,56,820
Loan Funds :				
Unsecured Loans	3		1,33,03,61,106	2,16,07,14,286
Net Deferred Tax Liability	4		2,53,67,57,071	2,39,85,17,806
Minority Interest			(77,347)	-
Total			20,56,47,39,402	18,61,49,88,912
Application of Funds:				
Fixed Assets :				
Gross Block	5	22,36,22,53,881		19,76,08,33,289
Less : Depreciation		7,18,80,05,121		6,34,65,25,919
Net Block		15,17,42,48,760		13,41,43,07,370
Capital Work in progress		1881,75,337		972,49,830
			15,36,24,24,097	13,51,15,57,200
Investments	6		1,32,58,33,200	1,32,55,83,200
Current Assets, Loans & Advances :				
Inventories	7	68,04,67,666		72,51,00,903
Sundry Debtors		35,56,95,897		48,99,71,451
Cash and Bank Balances		42,57,72,400		95,77,50,218
Other Current Assets		5,18,99,956		3,91,31,725
Loans and Advances		17,78,76,50,192		12,59,70,66,367
		19,30,14,86,111		14,80,90,20,664
Less:				
Current Liabilities & Provisions :				
Liabilities	8	3,67,71,72,703		2,01,36,54,878
Provisions		11,86,03,29,234		9,19,76,91,343
		15,53,75,01,937		11,21,13,46,221
Net Current Assets			3,76,39,95,204	3,59,76,74,443
Misc. Expenditure : (to the extent not written off or adjusted)	9		11,24,97,931	18,01,74,069
Total			20,56,47,39,402	18,61,49,88,912
Information as required by Schedule-VI of the Companies Act, 1956				
Significant Accounting Policies	15			
Notes on Accounts	16			
	17			

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached

For Jain Seth & Co.
Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011

ANNUAL REPORT 2010-2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

	Schedules	₹	2010-11 ₹		2009-10 ₹
Income :					
Sales			14,21,22,34,060		10,66,08,05,150
Less: Excise duty			6,43,24,431		85,89,631
			14,14,79,09,629		10,65,22,15,519
Other Income	10		37,02,26,176		34,69,08,843
Increase \ Decrease in stock	11		(4,01,58,957)		9,96,57,684
Excess provision of earlier Years			1,79,38,761		1,64,78,287
Total			14,49,59,15,609		11,11,52,60,333
Expenditure:					
Manufacturing and Other Expenses	12		7,52,09,63,829		6,00,09,80,793
Interest	13		15,28,32,413		26,11,22,550
Depreciation			92,95,54,920		86,15,31,137
Mining & Project Development deferred Expenses written off			2,45,17,655		2,45,71,616
Prior period adjustments	14		2,19,40,075		(9,37,71,107)
Total			8,64,98,08,892		7,05,44,34,989
Profit before Tax					
			5,84,61,06,717		4,06,08,25,344
Provision for Income-tax [including Wealth-tax amounting to ₹ 2,33,000 (PY ₹ 1,51,000)]		1,96,02,33,000			1,16,01,51,000
Provision for deferred tax Liability		13,82,39,265			10,19,86,109
			2,09,84,72,265		1,26,21,37,109
Profit after Tax					
Add: Excess provision of FBT/ Dividend Tax of earlier years			3,74,76,34,452		2,79,86,88,235
			3,09,95,950		1,17,733
			3,75,07,04,402		2,79,88,05,968
Add : Balance of profit of last year			1,16,26,93,612		1,29,39,97,894
Profit available for appropriation					
			4,91,33,98,014		4,09,28,03,862
Less : Appropriations :					
General Reserve			2,50,00,00,000		2,00,00,00,000
Proposed Dividend			95,40,00,000		79,50,00,000
Tax on Dividend			15,47,62,650		13,51,10,250
Balance carried to Balance-sheet			1,30,46,35,364		1,16,26,93,612
Basic and diluted earning per share (Refer note No.16 of Schedule17)			11.79		8.80
Information as required by Schdule-VI of the Companies Act, 1956					
Significant Accounting Policies	15				
Notes on Accounts	16				
	17				

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached
For Jain Seth & Co.

Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Consolidated Cash-flow Statement for the year ended 31st March, 2011 Pursuant to the listing agreement with stock exchange.

Particulars	2010-11 ₹	2009-10 ₹
A Cash-Flow from Operating Activities:		
Net Profit before tax & extra ordinary items	5,84,61,06,717	4,06,08,25,344
Adjustments for:		
Depreciation	90,17,82,589	86,15,31,137
Provision for Doubtful Debts, Loans & Advances	(30,62,967)	2,99,502
Provision for Obsolete Spares / Stock	3,38,31,570	-
Provision for Inventory write back	(5,97,399)	-
Assets written off	72,59,616	10,62,649
Voluntary Retirement Scheme deferred revenue exps.	-	1,61,04,116
Electricity and transmission line amortised	1,56,72,000	1,56,72,000
River diversion exps	88,20,655	88,20,655
Road, Repairs & Maintenance	4,31,49,883	5,13,60,207
Coal Mine Expense, Chhattisgad	33,600	-
Depreciation written back	(2,844)	(70,365)
Surplus / Deficit on sale of assets	(84,27,447)	(6,00,67,271)
Interest & Finance Charges	15,28,32,413	26,11,22,550
Dividend & Income From Units	(3,28,01,063)	(2,46,45,326)
Interest from Bank & Corporates	(15,26,71,273)	(17,44,12,521)
Interest on Tax Free Bonds	-	-
Operating profit before working capital changes:	<u>6,81,19,26,050</u>	<u>5,01,76,02,677</u>
Adjustments for:		
Trade & Other Receivable	(32,86,730,165)	1,54,84,32,336
Inventories	1,15,84,000	(13,32,31,174)
Trade Payable	2,27,10,17,005	38,69,53,644
Misc. Expenditure	-	(2,00,90,438)
	<u>(1,00,41,29,160)</u>	<u>1,78,20,64,368</u>
Cash generated from operations	<u>5,80,77,96,890</u>	<u>6,79,96,67,045</u>
Direct Taxes Paid (Net)	<u>(1,84,55,02,845)</u>	<u>(1,20,63,82,684)</u>
Cash-flow before extra ordinary items:	<u>3,96,22,94,045</u>	<u>5,59,32,84,361</u>
Extra ordinary items:	-	-
Net Cash-Flow from Operating Activities	<u>3,96,22,94,045</u>	<u>5,59,32,84,361</u>
B Cash-Flow from Investing Activities:		
Purchase of fixed assets	(2,77,59,82,577)	(1,42,46,18,000)
Sale of fixed assets	2,48,42,088	7,01,92,720
Redemption / Purchase of Investments	(5,04,970)	(73,99,96,800)
Interest Received	-	-
Interest from Bank and Companies	15,26,71,273	17,44,12,521
Dividend & Income from units	3,28,01,063	2,46,45,326
Net cash used in Investing Activities	<u>(2,56,61,73,123)</u>	<u>(1,89,53,64,233)</u>
C Cash-Flow from Financing Activities:		
Total proceeds from Share Capital	-	-
Total proceeds from borrowing (net)	(83,05,00,000)	(2,62,50,00,000)
Interest & financial charges	(17,14,37,737)	(31,88,33,779)
Dividend paid	(92,61,61,003)	(74,25,98,178)
Net cash used in Financing Activities	<u>(1,92,80,98,740)</u>	<u>(3,68,64,31,957)</u>
Net increase in Cash & Cash Equivalents	<u>(53,19,77,818)</u>	<u>1,14,88,171</u>
Cash & Cash Equivalent at the beginning of year	95,77,50,218	94,62,62,047
Cash & Cash Equivalent at the end of year	42,57,72,400	95,77,50,218

Notes: 1. Cash and Cash Equivalents include Cash and Bank Balances
2. The Cash Flow Statement has been prepared under the 'Indirect Method'.

S.R. Bhatt
General Manager (Accounts)

L. Kulshrestha
General Manager (Finance)

M.Sahu, IAS
Chairman

V.S.Gadhavi, IAS
Managing Director

Joel Evans
Company Secretary

Atanu Chakraborty, IAS
Director

Bhadresh Mehta
Director

Place : Ahmedabad
Date : 30th May, 2011

As per our report of even date attached

For Jain Seth & Co.
Chartered Accountants
FRN - 002069W

CA, Rajendra Kumar
Partner
Membership No.049913

Place : Ahmedabad
Date : 30th May, 2011

ANNEXURES TO THE CONSOLIDATED BALANCE SHEET

Particulars	As at 31-03-2011 ₹	As at 31-03-10 ₹
SCHEDULE - 1 SHARE CAPITAL		
Authorised :		
74,50,00,000 Equity share of ₹ 2/- each (Previous year 74,50,00,000 equity shares of ₹ 2/- each)	1,49,00,00,000	1,49,00,00,000
1,00,000 Preference shares of ₹ 100 each (Previous year 1,00,000 Preference shares of ₹ 100 each)	100,00,000	100,00,000
	<u>1,50,00,00,000</u>	<u>1,50,00,00,000</u>
Issued,Subscribed and Paid-up :		
31,80,00,000 Equity shares of ₹ 2/- Each (Previous year 31,80,00,000 Equity shares of ₹ 2/- Each)	63,60,00,000	63,60,00,000
Total 31,80,00,000 Equity shares of ₹ 2/- Each (out of the above 30,21,00,000 Shares were issued as fully paid bonus shares by Capitalisation of the General Reserve)		
Total	<u>63,60,00,000</u>	<u>63,60,00,000</u>
SCHEDULE - 2 RESERVES AND SURPLUS		
General Reserve :		
Balance as per last Balance-sheet	12,25,70,63,208	10,25,70,63,208
Add : Transferred from Profit & Loss Account	<u>2,50,00,00,000</u>	<u>2,00,00,00,000</u>
	14,75,70,63,208	12,25,70,63,208
Balance of Profit & Loss Account	<u>1,30,46,35,364</u>	<u>1,16,26,93,612</u>
Total	<u>16,06,16,98,572</u>	<u>13,41,97,56,820</u>
SCHEDULE - 3 UNSECURED LOANS		
Loan From Gujarat State Financial Services	1,33,02,14,286	2,16,07,14,286
Others	1,46,820	-
Total	<u>1,33,03,61,106</u>	<u>2,16,07,14,286</u>
Repayble within one year	80,95,00,000	150,00,00,000
SCHEDULE - 4 NET DEFERRED TAX LIABILITY		
(a) Deferred Tax Assets on account of :		
Disallowance under Income Tax	47,50,79,176	18,65,59,059
	<u>47,50,79,176</u>	<u>18,65,59,059</u>
(b) Deferred Tax Liabilites on account of :		
Depreciation, Gratuity and others	3,01,18,36,247	2,58,50,76,865
Net Deferred Tax Liability	<u>2,53,67,57,071</u>	<u>2,39,85,17,806</u>



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

SCHEDULE - 5, FIXED ASSETS :

Sr. No.	Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
		As at 1-4-2010 ₹	Additions/ Adjustments ₹	Deductions ₹	As at 31-3-2011 ₹	Up to 31-3-2010 ₹	For the year 2010-11 ₹	Deductions/ Adjustments ₹	As at 31-3-2011 ₹	As at 31-3-2011 ₹	As at 31-3-2010 ₹
1	Good will	-	3,35,473	-	3,35,473	-	-	-	-	3,35,473	-
2	Free hold Land	68,88,48,417	6,18,59,902	-	75,07,08,319	4,56,60,434	2,86,96,442	-	7,43,56,876	67,63,51,443	64,31,87,983
3	Lease Hold Land	1,56,00,000	3,57,37,200	-	5,13,37,200	-	17,10,849	-	17,10,849	4,96,26,351	1,56,00,000
4	Buildings	2,41,33,72,837	3,50,76,307	1,74,30,090	2,43,10,19,054	82,97,51,430	10,98,35,219	1,13,40,538	92,82,46,111	1,50,27,72,943	1,58,36,21,407
5	Plant & Machinery	16,08,92,18,665	2,51,07,02,139	4,95,69,191	18,55,03,51,613	502,00,02,972	73,04,28,161	3,42,83,195	5,71,61,47,938	12,83,42,03,675	11,06,92,15,693
6	Furniture, Fixtures & Appliances	21,68,47,026	1,26,63,600	1,30,17,544	21,64,93,082	15,15,67,384	1,37,13,326	1,21,74,585	15,31,06,125	6,33,86,957	6,52,79,642
7	Vehicles	11,19,29,071	2,77,29,681	26,66,885	13,69,91,867	8,18,04,978	1,21,20,403	25,02,220	9,14,23,161	4,55,68,706	3,01,24,093
8	Leased Assets : Vehicles	22,50,17,273	-	-	22,50,17,273	21,77,38,721	52,75,340	-	22,30,14,061	20,03,212	72,78,552
	Total	19,76,08,33,289	2,68,41,04,302	8,26,83,710	22,36,22,53,881	6,34,65,25,919	90,17,79,740	6,03,00,538	7,18,80,05,121	15,17,42,48,760	13,41,43,07,370
	Total as at 31-3-2010	18,86,40,64,478	1,34,58,59,997	44,90,91,186	19,76,08,33,289	5,78,20,19,018	86,15,31,137	29,70,24,236	6,34,65,25,919	13,41,43,07,370	9,72,49,830
	Capital works in progress (including un-installed machinery, etc.)									18,81,75,337	9,72,49,830
										15,36,24,24,097	13,51,15,57,200
										TOTAL	

Note:

Depreciation for the year	92,95,54,920
Adjustment of Depreciation of earlier year	2,77,75,180
	90,17,79,740

STATEMENT SHOWING WRITTEN OFF ASSETS AWAITING DISPOSAL INCLUDED IN FIXED ASSETS STATED ABOVE

Sr. No.	Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
		As at 1-4-2010 ₹	Additions/ Adjustments ₹	Deductions ₹	As at 31-3-2011 ₹	Up to 31-3-2010 ₹	For the year 2010-11 ₹	Deductions/ Adjustments ₹	As at 31-3-2011 ₹	As at 31-3-2011 ₹	As at 31-3-2010 ₹
1	Plant & Machinery	4,27,52,263	80,48,007	1,91,88,248	3,16,12,022	4,15,70,846	78,79,311	1,86,12,462	3,08,37,695	7,74,327	11,81,417
2	Furniture, Fixtures & Appliances	28,41,151	-	3,14,163	25,26,988	27,47,673	-	3,00,602	24,47,071	79,917	93,478
3	Vehicles	56,71,939	15,68,593	4,05,793	68,34,739	54,82,437	15,32,210	3,90,304	66,24,343	2,10,396	1,89,502
	Total	5,12,65,353	96,16,600	1,99,08,204	4,09,73,749	4,98,00,956	94,11,521	1,93,03,368	3,99,09,109	10,64,640	14,64,397
	Total as at 31-3-2010	6,22,04,379	75,82,038	1,85,21,064	5,12,65,353	6,05,54,846	74,33,610	1,81,87,500	4,98,00,956	14,64,397	

NOTE : a) Inter-assets depreciation fund is subject to reconciliation.

Annexures to the Consolidated Balance Sheet

As at 31-03-2011

As at 31-03-2010

₹

₹

₹

Schedule - 6 INVESTMENTS (At cost)(fully paid)

Long Term

(1) Quoted:

Shares :

(i) 32,68,480 (P.Y. 32,68,480) Equity Shares of each of ₹ 10 of Gujarat Alkalies & Chemicals Ltd. [Market Value of ₹ 41,31,35,872 (P.Y. ₹ 41,10,11,360)] (Refer note no. 13 of Schedule 17)	34,14,24,000	34,14,24,000
(ii) 10,00,000 (P.Y. 10,00,000) Equity shares each of ₹ 10 of Gujarat State Fertilisers & Chemicals Limited [Market Value of ₹ 34,33,00,000 (P.Y. ₹ 22,13,00,000)]	10,01,25,000	10,01,25,000
(iii) 9,35,600 (P.Y. 9,35,600) Equity shares of ₹ 10 each of Gujarat State Financial Corporation Less: Provision made for diminution in value	1,87,12,000	1,87,12,000
	1,87,12,000	1,87,12,000
(iv) 7,77,900 (P.Y. 7,77,900) Equity shares of ₹ 10 each of Vijaya Bank [Market Value of ₹ 6,17,26,365 (P.Y. ₹ 3,69,11,355)]	77,79,000	77,79,000
	44,93,28,000	44,93,28,000

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Annexures to the Consolidated Balance Sheet	As at 31-03-2011 ₹	As at 31-03-2010 ₹
(2) Unquoted:		
Shares :		
(i) 10,00,000 (P.Y.10,00,000) Equity share of ₹ 10 each of Gujarat Informatics Limited	1,00,00,000	1,00,00,000
(ii) 1,000 (P.Y. 1,000) Equity shares of ₹ 100 each of Gujarat Industrial Technical Consultancy Organization Limited	1,00,000	1,00,000
(iii) 74,25,000 (P.Y. 74,25,000) Equity Shares of ₹ 10 each of Gujarat Guardian Limited	7,42,50,000	7,42,50,000
(iv) 2,61,72,800 (P.Y.2,61,73,800) Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Limited	50,99,96,800	50,99,96,800
(v) 2,80,00,000 (P.Y. 2,80,00,000) Shares of ₹ 10/- each of Bhavnagar Energy Company Ltd.	28,00,00,000	28,00,00,000
(vi) 1,90,840 (P.Y. 1,90,840) Shares of ₹ 10 each of Gujarat Jaypee Cement and Infra Ltd	19,08,400	19,08,400
(vii) 25,000 (P.Y. NIL) Shares of ₹ 10 each of Naini Coal Co. Ltd.	2,50,000	-
	<u>87,65,05,200</u>	<u>87,62,55,200</u>
	<u>1,32,58,33,200</u>	<u>1,32,55,83,200</u>
Aggregate cost of quoted investments [Market value of ₹ 81,81,62,237 (P.Y.₹ 66,92,22,715)]	46,80,40,000	46,80,40,000
Aggregate cost of unquoted investments	87,65,05,200	87,62,55,200
Total	<u>1,34,45,45,200</u>	<u>1,34,42,95,200</u>
SCHEDULE — 7 CURRENT ASSETS, LOANS & ADVANCES :		
SCHEDULE — 7.1 Inventories		
Stores & Spare Parts (Gross)	43,13,61,167	43,43,35,173
Less: Provision for obsolete stores	5,19,69,187	1,83,22,551
	<u>37,93,91,980</u>	<u>41,60,12,622</u>
Loose Tools	4,81,64,781	14,90,039
Stores & Spares in transit	8,73,052	1,59,98,831
	<u>42,84,29,813</u>	<u>43,35,01,492</u>
Stock-in-trade :		
Mined Ore (Gross)	25,19,92,989	23,39,79,956
Less: Provision for obsolete stock	-	5,97,399
	<u>25,19,92,989</u>	<u>23,33,82,557</u>
Finished Goods	44,864	5,82,16,854
	<u>25,20,37,853</u>	<u>29,15,99,411</u>
Total	<u>68,04,67,666</u>	<u>72,51,00,903</u>
SCHEDULE — 7.2 SUNDRY DEBTORS:		
(a) Outstanding for a period exceeding six months :		
Considered Good (including lease debtors)	11,35,40,873	10,37,80,060
Considered Doubtful	75,98,501	75,98,501
	<u>12,11,39,374</u>	<u>11,13,78,561</u>
(b) Other Debts :		
Considered Good	24,21,55,024	38,61,91,391
	<u>36,32,94,398</u>	<u>49,75,69,952</u>
Less : Provision	75,98,501	75,98,501
Total	<u>35,56,95,897</u>	<u>48,99,71,451</u>



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Annexures to the Consolidated Balance Sheet		As at 31-03-2011	As at 31-03-2010
		₹	₹
SCHEDULE — 7.3 CASH AND BANK BALANCES			
1	Cash & Stamps in hand	<u>1,55,927</u>	<u>2,02,285</u>
2	Remittances in Transit	1,55,927	<u>2,02,285</u>
3	With Scheduled Banks :	6,00,00,000	<u>—</u>
	(i) In Current Accounts*	18,32,91,351	<u>48,88,14,814</u>
	(ii) In Fixed Deposit Accounts	<u>18,23,25,122</u>	<u>46,87,33,119</u>
		36,56,16,473	<u>95,75,47,933</u>
4	With Non-Schedule Banks :		
	Maximum Balance		
	In Fixed Deposit Account (₹)	24,00,000	<u>24,00,000</u>
	(i) Ahmedabad Mahila Nagrik Sahkari Bank Limited, Ahmedabad (in liquidation) (PY 24,00,000)		
	(ii) Ahmedabad Urban Co-operative Bank, Ahmedabad (in liquidation) (PY 3,50,00,000)	3,50,00,000	<u>3,50,00,000</u>
		<u>3,74,00,000</u>	<u>3,74,00,000</u>
	Less : Provision made for Doubtful FDR	<u>3,74,00,000</u>	<u>3,74,00,000</u>
		<u>—</u>	<u>—</u>
	Total	42,57,72,400	<u>95,77,50,218</u>
	*Includes balance in unclaimed dividend accounts	71,97,014	<u>63,17,717</u>
SCHEDULE — 7.4 OTHER CURRENT ASSETS			
	Interest accrued but not due on deposits	<u>5,18,99,956</u>	<u>3,91,31,725</u>
	Total	5,18,99,956	<u>3,91,31,725</u>
SCHEDULE — 7.5 LOANS & ADVANCES :			
(Unsecured, considered good unless otherwise stated)			
Advances recoverable in cash or in kind or for value to be received			
(a)	Considered Good	1,98,79,17,484	<u>1,27,30,19,771</u>
	Considered Doubtful	<u>83,55,792</u>	<u>1,14,18,759</u>
		1,99,62,73,276	<u>1,28,44,38,530</u>
	Less : Provision	<u>83,55,792</u>	<u>1,14,18,759</u>
		1,98,79,17,484	<u>1,27,30,19,771</u>
(b)	Deposits with Corporate Bodies (out of which ₹ 26,29,27,293 (PY ₹ 26,29,27,293) is considered doubtful)	4,04,59,75,134	<u>1,42,26,41,710</u>
	Less : Provision for doubtful ICD	<u>26,29,27,293</u>	<u>26,29,27,293</u>
		3,78,30,47,841	<u>1,15,97,14,417</u>
(c)	Interest accrued and due on deposits [out of which ₹ 15,83,13,400 (PY ₹ 15,83,13,400) is considered doubtful]	16,12,75,899	<u>16,12,75,899</u>
	Less : Provision for doubtful interest on FDR	<u>15,83,13,400</u>	<u>15,83,13,400</u>
		29,62,499	<u>29,62,499</u>
(d)	Other Deposits	15,82,58,421	<u>11,72,75,150</u>
(e)	Sales tax Payments made	11,57,97,224	<u>11,56,06,553</u>
(f)	Income tax Paid in Advance and Tax deducted at source	11,58,75,32,699	<u>9,80,79,90,996</u>
(g)	Balance with central excise and CGM	<u>15,21,34,024</u>	<u>12,04,96,981</u>
	Total	17,78,76,50,192	<u>12,59,70,66,367</u>

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Annexures to the Balance Sheet	As at 31-03-2011	As at 31-03-2010
	₹	₹
SCHEDULE — 8 CURRENT LIABILITIES & PROVISIONS :		
SCHEDULE —8.1 Current Liabilities		
Sundry Creditors	1,05,35,84,786	54,64,46,094
Advance Payments from customers	59,30,65,901	54,61,29,065
Credit Balances of Bank accounts	7,52,73,569	80,93,110
Other Liabilities	1,92,57,36,381	86,57,48,516
Unclaimed Dividend *	71,97,014	63,17,717
Interest accrued but not due on Unsecured loan	2,23,15,052	4,09,20,376
Total	3,67,71,72,703	2,01,36,54,878
SCHEDULE —8.2 Provisions		
Proposed Dividend	95,40,00,000	79,50,00,000
Tax on Dividend	15,47,62,650	13,51,10,250
Provision for Income Tax and Wealth Tax	9,64,33,45,390	7,74,90,73,532
Provision for Leave Encashment, PFand Gratuity	17,50,05,285	17,35,73,166
Provision for Excise duty on closing stock	—	36,97,395
Provision for Mine Closure	93,32,15,909	34,12,37,000
Total	11,86,03,29,234	9,19,76,91,343
Total	15,53,74,90,907	11,21,13,46,221

* There is no amount due and outstanding to be transferred to Investor Education and Protection fund as at 31-3-2011

SCHEDULE — 9 MISCELLANEOUS EXPENDITURE :

(to the extent not written off or adjusted)		
(1) River diversion expenses Deferred	1,86,39,750	2,74,60,405
(2) HT Line shifting charges Deferred	3,13,44,000	4,70,16,000
(3) Road Repairs and Maint expenses Deferred	6,25,14,181	10,56,64,064
(4) Coal Mine Expenses, Chhattisgadh	—	33,600
Total	11,24,97,931	18,01,74,069

ANNEXURES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT

Annexures to the Profit & Loss Account	2010-11	2009-10
	₹	₹
SCHEDULE — 10 OTHER INCOME		
Income from Investments : (Gross)		
Dividend	3,28,01,063	2,46,45,326
	3,28,01,063	2,46,45,326
Interest (Gross) from :		
Income-tax Refund	794	1,62,08,481
FDRs with Banks and ICDS	15,26,71,273	17,44,12,521
Others	88,69,226	87,26,528
[Tax deducted at source ₹ 1,62,98,544 (PY ₹ 3,32,86,532)]		
	16,15,41,293	19,93,47,530
Miscellaneous Income	14,70,94,001	4,91,40,412
Profit on Sale of Fixed Assets	85,11,583	6,00,99,130
Lease Rent	18,08,000	43,39,200
Rent	1,84,70,236	93,37,245
Total	37,02,26,176	34,69,08,843



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Annexures to the Profit & Loss Account	2010-11	2009-10
	₹	₹
SCHEDULE — 11 INCREASE \ (DECREASE) IN STOCK		
Closing Stock		
Mined Ore	25,19,92,989	23,39,79,956
Finished Goods	44,864	5,82,16,854
	25,20,37,853	29,21,96,810
Less: Opening Stock		
Mined Ore	23,39,79,956	16,04,90,409
Finished Goods	5,82,16,854	3,20,48,717
	29,21,96,810	19,25,39,126
	(4,01,58,957)	9,96,57,684
SCHEDULE — 12 MANUFACTURING AND OTHER EXPENSES		
Payments to and Provisions for Employees :		
Salary, Wages and Bonus	69,69,50,171	81,56,06,958
Contribution to PF & Other Funds	6,95,98,344	6,09,38,631
Welfare Expenses	5,84,94,391	5,59,13,378
Terminal Benefits	69,08,59,683	14,86,16,464
	1,51,59,02,589	1,08,10,75,431
Operational and Other Expenses :		
Power and Fuel	89,74,55,992	1,06,56,60,887
Consumption of Stores, Spares & Chemicals	3,00,74,374	4,73,84,025
	92,75,30,366	1,11,30,44,912
Repairs & Maintenance :		
Buildings	6,72,71,745	7,92,84,820
Machineries (Including spares)	16,02,61,001	23,71,29,219
Other Assets	24,31,25,092	24,90,72,488
	47,06,57,838	56,54,86,527
Other Expenditure :		
Machinery Hire Charges	78,97,942	74,32,506
Rent	2,52,000	1,26,000
	81,49,942	75,58,506
Rates and Taxes		
Royalty and Dead Rent	1,18,84,21,880	62,33,73,636
Other Rates & Taxes	246,00,356	6,14,03,772
Excise Duty on Closing Stock	—	36,97,395
	1,21,30,22,236	6884,74,803
Overburden Removal, Loading, Plant operation and Mining Expenses	2,22,29,80,743	1,84,71,82,952
Mine Closure Expenses	59,27,00,000	34,12,37,000
Insurance Premium	2,81,33,557	2,91,28,239
Vehicle Hire Charges	3,70,23,684	3,95,29,016
Advertisement and Publicity	1,21,43,810	1,77,38,506
Forest/ Environment Expenses	11,42,46,176	2,84,68,948
Rehabilitation Expenses	4,01,142	34,21,542
Security Expenses	8,97,24,206	7,13,15,110
Legal and Professional Fees	4,22,61,596	98,82,989

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Annexures to the Profit & Loss Account	₹	₹	2010-11 ₹	2009-10 ₹
Payment to Auditors :				
Audit fees	4,74,290			4,74,290
For Tax Audit	66,180			66,180
For Report on Corporate Governance	44,120			44,120
Out of Pocket Expenses	10,000			5,515
		5,94,590		5,90,105
Remuneration to Managing Director		12,93,533		11,44,499
Loss on Sale of Assets		84,136		31,859
Directors' Sitting fees & allowances		1,72,500		2,15,000
Donation		12,73,49,292		7,97,65,523
Provision for Doubtful Debts, Loans & Advances		-		2,99,502
Provision for Obsolete Stores/Stock		3,38,31,570		-
Miscellaneous Charges		8,27,60,323		7,53,89,824
			3,38,57,00,858	2,54,53,40,614
Total			7,52,09,63,829	6,00,09,80,793
SCHEDULE — 13 INTEREST				
Interest and Financial charges :				
Fixed Loans			14,59,84,307	25,94,59,580
Others			68,48,106	16,62,970
Total			15,28,32,413	26,11,22,550
SCHEDULE — 14 PRIOR PERIOD ADJUSTMENTS :				
Income :				
Other Income		23,05,739		(28,99,189)
Total			23,05,739	(28,99,189)
Expenditure :				
Payment to the employees		65,09,766		5,04,233
Operational & Other Expenses		-		(10,48,69,659)
Consumption of Stores, Chemicals etc.		(59,69,552)		3,51,828
Repair & Maintenance for Buildings		35,58,373		12,33,783
Repair & Maintenance for Machineries		50,56,011		11,76,135
Miscellaneous Mining Expenses		5,74,133		(2,45,000)
Bauxite Exploration Expenses		(4,03,915)		-
Royalty & Dead Rent Charges		38,20,824		56,892
Rates & Taxes		(12,09,963)		1,60,309
Legal and Professional charges		(20,246)		33,51,984
Consultancy Charges		4,04,071		13,88,067
Depreciation		(2,77,72,331)		-
Insurance Premium		30,60,636		-
General Charges		(29,31,029)		-
Finance Charges		(1,79,449)		-
Miscellaneous Expenses (net)		-		(665,996)
Travelling Charges		-		1,49,085
Advertisement and Publicity charges		5,00,000		5,42,702
Plantation/Forest Charges		3,80,62,018		-
Short Provision of earlier Years		11,86,467		1,95,341
Total			2,42,45,814	(9,66,70,296)
Net			2,19,40,075	(9,37,71,107)



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

SCHEDULE - 15 : Information pursuant to the provisions of Para 3, 4C and 4D of part-II of Schedule-VI to the Companies Act, 1956.

I. Capacity, Production, Turnover and Stock:

Sr. No.	Particulars	Installed Capacity (M.T.)	Opening Stock		Production Quantity (M.T.)	Turnover		Closing Stock	
			Quantity (M.T.)	Value (₹)		Quantity (M.T.)	Value (₹)	Quantity (M.T.)	Value (₹)
1.	Fluorspar Project, Kadipani Mined Ore	NIL	72,007	2,16,02,098	52,920	60	19,404	96,699(a)	2,90,09,608
		(NIL)	(36,701)	(1,10,10,334)	(1,00,237)	(NIL)	(NIL)	(72,007)	(2,16,02,098)
	Powder and Filter-Cake	30,000	1,068	1,66,54,000	4,801	5,851	(b)9,24,24,742	(c) NIL	NIL
		(30,000)	(1,159)	(1,46,84,355)	(8,786)	(88,77)	(13,33,40,177)	(1,068)	(1,66,54,000)
	Briquettes	14,400	2	44,864	NIL	NIL	NIL	2	44,864
		(14,400)	(5)	(91,168)	(NIL)	(NIL)	(NIL)	(2)	(44,864)
2.	Bauxite Project, Bhatia Mined Ore	NIL	39,140	83,61,095	NIL	33,387	2,85,00,229	5,753	21,28,929
		(NIL)	(39,140)	(83,61,095)	(NIL)	(NIL)	(NIL)	(39,140)	(83,61,095)
3.	Bauxite Calcination Project, Gadhsisa (Kutchh) Mined Ore	NIL	8,39,549	19,11,71,701	5,48,350	6,64,393	(d)62,81,12,842	(e)7,23,389	18,87,53,740
		(NIL)	(7,13,557)	(13,48,12,182)	(4,65,058)	(3,11,064)	(26,63,49,625)	(8,39,549)	(19,11,71,701)
	Calcined Bauxite	50,000	4,862	4,09,21,673	NIL	4,560	3,76,46,998	(f)NIL	NIL
		(50,000)	(5,627)	(1,66,76,877)	(17,366)	(18,131)	(16,26,68,086)	(4,862)	(4,09,21,673)
4.	Multi-Metal Project, Ambaji Bulk-Concentrate	0	200	NIL	(NIL)	131	1,30,610	(g)NIL	(NIL)
		(15,000)	(200)	(NIL)	(NIL)	(NIL)	(NIL)	(200)	(NIL)
5.	Lignite Projects : Panandhro-Mined Ore	NIL	1,381	6,75,309	26,97,377	(h)26,98,040	(i)1,20,28,91,019	(j)NIL	NIL
		(NIL)	(837)	(2,61,981)	(28,38,376)	(28,37,831)	(96,46,71,393)	(1,381)	(6,75,309)
	Rajparadi - Mined Ore	NIL	NIL	NIL	10,75,851	10,75,851	(k)1,79,77,77,883	NIL	NIL
		(NIL)	(NIL)	(NIL)	(9,54,777)	(9,54,777)	(1,37,98,87,705)	(NIL)	(NIL)
	Mata no Madh - Mined Ore	NIL	NIL	NIL	36,96,859	36,96,859	4,26,32,65,032	NIL	NIL
		(NIL)	(NIL)	(NIL)	(28,87,335)	(28,87,335)	(2,82,02,94,314)	(NIL)	(NIL)
	Tadkeshwar - Mined Ore	NIL	NIL	NIL	18,94,279	18,94,279	2,53,51,62,428	NIL	NIL
		(NIL)	(NIL)	(NIL)	(10,48,016)	(10,48,016)	(1,40,42,56,263)	(NIL)	(NIL)
	Bhavnagar- Mined Ore	NIL	NIL	NIL	8,67,952	8,67,952	1,05,99,88,254	NIL	NIL
		(NIL)	(NIL)	(NIL)	(6,51,399)	(6,51,399)	(79,67,87,182)	(NIL)	(NIL)
6.	Power Proj.Nani Chher	250 MWH	NIL	NIL	1,171 MU	987 MU(l)	2,33,67,22,529	NIL	NIL
		(250 MWH)	(NIL)	(NIL)	(1,394 MU)	(1,194 MU)	(2,69,03,31,230)	(NIL)	(NIL)
7.	Wind Farm-Maliya	19.5 MWH	NIL	NIL	35.37 MU	35.37 MU	12,45,51,671	NIL	NIL
		(19.5 MWH)	(NIL)	(NIL)	(9.91MU)	(9.91MU)	(3,37,40,572)	(NIL)	(NIL)
	Wind Farm-Jodiya	33 MWH	NIL	NIL	10.74 MU	10.74 MU	3,79,19,158	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	
	Wind Farm-Godsar	7.5 MWH	NIL	NIL	5.07 MU	5.07 MU	1,78,97,622	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
8.	Manganese Project- Shivrajpur Mined Ore	NIL	1,286	1,86,031	4,834	2,849	1,05,71,426	(m)3,275	3,37,631
		(NIL)	(1,273)	(1,85,767)	(NIL)	(NIL)	(NIL)	(1,286)	(1,86,031)
	Mined ore waste	NIL	NIL	NIL	2,42,410	2,42,410	(n)3,85,57,668	NIL	NIL
		(NIL)	(NIL)	(NIL)	(55,090)	(55,090)	(83,28,346)	NIL	NIL

Notes:

- After considering captive consumption of ore of 28,168 M.T. (PY 64,931 M.T.) for production of Powder/ Filter Cake.
- After excluding ₹.94,544/- (PY ₹ 150,253) of tailing waste.
- After considering shortage of 18 MT (PY NIL)
- Including ₹ 5,17,94,133/- (PY ₹ 35,90,060) being sales value of fine dust.
- After considering shortage of 116 MT (PY NIL)
- After considering shortage of 302 MT (PY NIL)
- After considering shortage of 69.39 MT (PY NIL)
- Including Branch transfer 9,94,388.03 M.T. (PY 12,41,051 M.T.) of Lignite and 15,977.26 M.T (PY 4,187 M.T) of Lime Stone to Power Project- Nani Chher.
- Including ₹ 6,04,181/ (PY ₹ 7,65,858) being sales value of lime stone
- After considering shortage of 718 MT (PY NIL)
- Including ₹ 43,97,536 (PY ₹ 11,64,310) being sales value of clay .
- Excluding auxiliary consumption of 184 MU (PY 200 MU).
- After considering excess of 4 MT (PY 13 MT)
- After transferring 80% of sales proceeds to GMRDS.

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SCHEDULE - 15

Information pursuant to the provisions of Para 3,4C and 4D of part-II Schedule-VI to the Companies Act, 1956, (continued)

	2010-11		2009-10	
	Quantity M.T.	Value ₹	Quantity M.T.	Value ₹
II Raw Material Consumed :				
(a) Fluorspar Project, Kadipani				
Mined Ore	28,168	2,81,84,919	64,931	6,49,69,225
(b) Calcination Project, Gadhsisa				
Mined Ore	-	-	28,003	77,84,834
	28,168	2,81,84,919*	92,934	7,27,54,059
*Notional value worked out for costing				
III Consumption of imported & indigenous raw materials, stores and spares :				
(a) Raw Materials	Value ₹	%	Value ₹	%
Imported	Nil	Nil	Nil	Nil
Indigenous	2,81,84,919	100	7,27,54,059	100
	2,81,84,919*	100	7,27,54,059*	100
(b) Components, Stores & Spares	₹	%	₹	%
Imported	10,22,491	1	28,33,532	1
Indigenous	15,19,23,744	99	23,39,03,651	99
	15,29,46,235*	100	23,67,37,183*	100
*(Includes ₹ 12,28,71,862/- (PY ₹ 18,93,53,158/-) charged to Repairs & Maintenance				
IV C.I.F.Value of Imports :		₹		₹
Components & Spares		74,81,732		78,52,933
Capital Goods		Nil		Nil
		74,81,732		78,52,933
V Expenditure in foreign currency :		Nil		Nil
VI Profit and loss account includes :				
Remuneration to Managing Director as under :		₹		₹
Remuneration		12,76,893		11,25,643
Perquisites		16,640		18,856
		12,93,533		11,44,499
VII During the year the Corporation has remitted the amount in foreign currency on account of the shareholders as under :				
(a) Year to which dividend relates		2009-10		2008-09
(b) Number of non-resident shareholders		145		32
(c) Number of shares held by them		1,16,919		1,62,984
(d) Amount of dividend remitted in foreign currency		2,92,302		3,25,968

VIII 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".



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Items	Particulars	2010-11 ₹	2009-10 ₹
1	Segment Revenue (net sales/revenue)		
	a) Mining Projects	12,21,56,29,960	8,59,76,35,158
	b) Power Projects	2,67,96,49,140	2,76,21,32,815
		14,89,52,79,099	11,35,97,67,973
	c) Un-allocable Corporate Revenue	20,18,87,483	24,22,53,000
		15,09,71,66,582	11,60,20,20,973
2	Segment Results : (Profit/Loss before interest and tax)		
	a) Mining Projects	5,74,40,36,146	3,63,37,19,735
	b) Power Projects	57,04,50,885	69,51,78,920
		6,31,44,87,031	4,32,88,98,655
	c) Un-allocable Corporate Results	-50,98,90,257	-23,09,43,617
		5,80,45,96,774	4,09,79,55,038
	Less : Interest Paid	15,28,32,413	26,11,22,550
	Add : Interest Income	19,43,42,356	22,39,92,856
	Net Profit before tax	5,84,61,06,717	4,06,08,25,344
	Less : Provision for Current Tax	1,96,02,33,000	1,16,01,51,000
	Less : Provision for Deferred Tax	13,82,39,265	10,19,86,109
	Total Tax Provision	2,09,84,72,265	1,26,21,37,109
	Profit after tax (Enterprise net profit)	3,74,76,34,452	2,79,86,88,235
	Add : Provision for taxes of earlier years (net)	30,69,950	1,17,733
	Add : Balance of profit of last year	1,16,26,93,612	1,29,39,97,894
	Profit available for appropriation	4,91,33,98,014	4,09,28,03,862
3	Segment Assets :		
	a) Mining Projects	2,71,68,05,445	2,88,13,68,972
	b) Power Projects	14,46,77,15,036	12,82,39,25,420
		17,18,45,20,481	15,70,52,94,392
	c) Un-allocable Corporate Assets	7,33,01,07,656	4,31,30,49,747
		24,51,46,28,136	20,01,83,44,139
4	Segment Liabilities :		
	a) Mining Projects	2,17,96,53,313	1,44,71,53,339
	b) Power Projects	1,46,82,44,504	2,32,19,97,773
		3,64,78,97,816	3,76,91,51,112
	c) Un-allocable Corporate Liabilities	20,86,67,30,320	16,24,91,93,027
		24,51,46,28,136	20,01,83,44,139
5	Capital Expenditure :		
	(i) Additions :		
	a) Mining Projects	20,87,60,281	13,40,29,589
	b) Power Project	2,43,90,96,694	1,20,55,37,128
		2,64,78,56,975	1,33,95,66,717
	c) Un-allocable Capital Expenditure	3,59,11,854	62,93,280
		2,68,37,68,829	1,34,58,59,997
	(ii) Depreciation :		
	a) Mining Projects	13,27,35,252	12,63,84,026
	b) Power Project	77,33,88,116	71,87,88,468
		90,61,23,368	84,51,72,494
	c) Un-allocable Depreciation	2,34,31,552	1,63,58,643
		92,95,54,920	86,15,31,137

6 Segment assets and liabilities are subject to reconciliation.

7 Segment Revenue of Mining Projects includes ₹ 53,69,26,542/- (P.Y. ₹ 47,81,71,008/-) being captive consumption of Lignite/Lime for Power Project.

8 Inter segment transfers of Lignite and Lime are done at cost.

SCHEDULE 16: SIGNIFICANT ACCOUNTING POLICIES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

1. Accounting Policies unless specifically stated to be otherwise are in accordance with generally accepted Accounting Principles.
2. **BASIS OF ACCOUNTING:**
This consolidated Financial Statements have been prepared to meet the requirement of clause 32 of the listing agreement with the Stock Exchange. The Consolidated Financial Statements of Gujarat Mineral Development Corporation Limited and its subsidiary Gujarat State Mining and Resources Corporation Limited are prepared under the historical cost convention method using the accrual method of accounting. Expenses/Income for an amount upto ₹ 50,000 in each case is debited/credited as current year's expenses/income only in case of parent company.
Comparative figures do not include the figures of subsidiary company being the subsidiary company has been incorporated during the current Financial Year 2010-11.
3. **PRINCIPLE OF CONSOLIDATION**
The Financial Statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the company. The consolidated Financial Statement have been prepared on the following basis:
 - a. The Financial Statements of the Company and its Subsidiary company have been combined on a line by line basis by adding together like items of assets, liability, income and expenses.
 - b. The excess of cost to the company of its investments in subsidiary company over its share of the equity of the subsidiary company is recognized as goodwill being an asset in the consolidated Financial Statements.
 - c. Minority interest in the net assets of the consolidated subsidiary consists of the amount of equity attributable to the minority shareholders by the company in the subsidiary company at the date on which investment are made and further movement in their shares in the equity, subsequent to the date of investment.
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.
5. **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.
5. **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.
6. **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 Power Plant and Wind Energy Farm from time to time.
 - ii) Depreciation is charged on straight line method as per the rates and in the manner as prescribed by CERC (Terms and Conditions of Tariff) Regulations, 2009 in respect of Plant and Machinery including mandatory/insurance spares of Power Project.
 - iii) Depreciation in respect of Plant and Machinery of Wind Energy Farm is charged on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 from time to time.
 - 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)
 - i) Leasehold land is written off over the period of lease.
 - ii) On the basis of the principle of wasting assets, necessary provision has been made 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 mineral reserves.
 - g) Capital expenditure incurred on roads, river diversion work and shifting of electrical lines, transformer, etc not owned by the Corporation, is amortized over a period of 5 years.
7. **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.
8. **INVENTORIES:**
 - a) Stores, chemicals, spares and loose tools are valued at cost. Cost is ascertained on First in First out basis.
 - b) Raw materials, mined ore, goods-in-process and finished products are valued at lower of cost or net realizable value item-wise. Cost is inclusive of excise duty wherever applicable. Cost is ascertained on First in First out basis.
9. **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 the Profit and Loss Account.



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10. **EMPLOYEE BENEFITS:**
 - a) Post employment benefits i.e. gratuity and leave encashment are recognized as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The expense is 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 Profit and Loss Account of the year in which the related services are rendered.
 - c) Contribution to recognized Provident Fund Trust, loss, if any and other related expenses are charged to the Profit and Loss Account as and when crystallized.
 - d) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss Account.
 - e) Compensation paid to the legal heirs of deceased employee while in service is charged to the Profit and Loss Account 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.
11. **LIABILITIES FOR PURCHASES:**

Provisions are made in respect of materials received upto the end of the accounting year for which bills are not received and are estimated where documentary evidence is not available.
12. **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 cuss and mine closure charges wherever applicable but exclude VAT.
 - b) Interest recoverable on delayed receipt of lease rentals after the expiry of lease period are accounted when there is certainty of receipt thereof.
 - c) The liquidated damage/penalty, if any, on the works completed are determined on completion of contracts and charged as revenue.
 - d) Income of lease management fees is spread over the primary period of lease.
13. **EXCISE DUTY:**

Excise duty is accounted on the basis of both the payments made in respect of goods cleared as also provision made for goods lying in stock.
14. **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 Profit and Loss Account 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.
15. **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.
16. **PRE-OPERATIVE & PRELIMINARY EXPENSES ::**
 - (a) **Pre-operative Expenses**

Parent Company
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.

Subsidiary Company
All pre-operative expenses are shown under the head of Miscellaneous Expenditure (to the extent not written off or adjusted) in Balance Sheet. It will be capitalized at the time of the commencement of commercial (business) activity of the company.
 - (b) **Preliminary Expenses:**

Subsidiary Company
Preliminary expenses are shown under the head of Miscellaneous Expenditure (to the extent not written off or adjusted) in Balance Sheet. It will be charged to Profit & Loss account at the time of commencement of commercial (business) activity of the Company.
17. **IMPAIRMENT OF ASSETS:**

An asset is treated as impaired when carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account 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.
18. **REHABILITATION AND RESETTLEMENT EXPENSES:**

Rehabilitation and Resettlement Expenses are charged as revenue in the year in which they are incurred.
19. **AFFORESTATION EXPENSES:**

Afforestation Expenses are charged as revenue to the extent they are incurred by the respective departments.
20. **MINES CLOSURE EXPENSES:**

Mines closure expenses are charged as revenue as per Guidelines for preparation of Mines Closure Plan issued by the Govt. of India, Ministry of Coal and on the basis of actual reserves, annual production and useful life of the mines, etc. as per technical estimation.
21. **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.

SCHEDULE 17: CONSOLIDATED NOTES ON ACCOUNTS

1. BASIS OF CONSOLIDATION

1.1 The consolidated financial statements relate to Gujarat Mineral Development Corporation Limited and its Subsidiary.

a) Basis of Accounting

- i) The financial statements of the subsidiary company in the consolidation are drawn up to the same reporting dates as of the Corporation.
- ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements" and generally accepted accounting principles.

b) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

- i) The financial statements of the corporation and its subsidiary are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balance, intra-group transactions and minority interest have been separately disclosed.
- ii) 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.
- iii) The difference between the cost of investment and the share of net assets at the time of acquisition of share in the subsidiary is identified in the financial statements as goodwill.

1.2 The subsidiary company considered in the financial statement is as follows:

Name of the Company	Proportion (%) of Shareholding as on March 31, 2011
Gujarat State Mining and Resources Corporation Ltd.	51%

2. Contingent liabilities not provided for Claims against the Corporation and its subsidiary not acknowledged as debt ₹ 38,135.00 (P.Y. ₹ 28,262.31) lakhs.

- a) 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 (P.Y. ₹ 773.52) lakhs. Necessary adjustment shall be made in accounts after final decision/outcome of the case.
- b) 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, ₹ 1044.78 (P.Y. ₹ 880.96) lakhs has been deposited and shown under the head 'Advance recoverable in cash or kind or for value to be received'. Necessary adjustment shall be made in accounts after final decision/outcome of the case.
- c) Income-tax : ₹ 23,791.26 (P.Y. ₹ 13,978.89) lakhs
- d) Sales-tax : ₹ 453.94 (P.Y. ₹ 418.73) lakhs
- e) Related to Contractors and Others : ₹ 4,792.53 (P.Y. ₹ 6,474.23) lakhs
- f) Bank Guarantee issued by banks on behalf of the Corporation : ₹ 3,559.19 (P.Y. ₹ 3,303.99) lakhs
- g) Royalty, Stamp duty and Conversion tax : ₹ 3,719.78 (P.Y. ₹ NIL) lakhs

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

3 Estimated amount of Capital Contracts remaining to be executed and not provided for ₹ 28559.62 (P.Y. ₹ 50482.15) lakhs.

4 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 (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.

5 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.

6 Royalty on account of sale of Bauxite and Manganese Ore has been deposited on adhoc basis as intimated by the Commissioner of Geology and Mining. Necessary adjustment shall be made in the accounts after final outcome of the matter.

7 a) The Corporation has changed the method for charging depreciation for the assets purchased upto March 31, 1987 from Straight Line Method to Written down Value method for the sake of uniformity.

Had the Corporation continued to charge depreciation on Straight Line Method the depreciation charge for the current year would have been lower by ₹ 119.20 lakhs and profit would have been higher to that extent and net assets would have been higher by ₹ 119.20. lakhs.



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- b) The Corporation has changed the policy to charge the depreciation from the date of putting them to use on pro rata basis in respect of all the assets w.e.f. current financial year. So far depreciation on assets in respect of projects other than power project and wind energy farm were charged proportionately for the period from the month of acquisition if it is acquired during the first fortnight of that month and from subsequent month if acquired during the second fortnight of that month.
- Had the Corporation continued to charge depreciation proportionately for the period from the month of acquisition if it is acquired during the first fortnight of that month and from subsequent month if acquired during the second fortnight of that month the depreciation charge for the current year would have been higher by ₹ 0.39 lakhs and profit would have been lower to that extent and net assets would have been lower by ₹ 0.39 lakhs.
- 8 a) 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 (P.Y. ₹ 59.40) lakhs are accounted in the books of the Corporation and included in the respective heads of the assets.
- b) An amount of ₹ 168.80 (P.Y. ₹ 30.80) lakhs is payable by GSECL on account of 50% of the revenue expenditure incurred by GMDC towards common facilities at Panandhro, which is subject to reconciliation and adjustments, if any.
- c) 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, the revenue has been booked on the basis of amount paid by GUVNL against electricity bills and adjustment of U.I. charges. Necessary adjustment shall be made in accounts after final outcome of the matter.
- 9 Gujarat State Road Transport Corporation Limited (GSRTC) had agreed to pay overdue lease rent of ₹ 1,183 lakhs in installments towards providing 254 buses on lease as per the Agreement between GMDC and GSRTC dated 21.10.1999, which was credited to Profit and Loss Account in the FY 2005-06 against which an amount of ₹ 202 lakhs has been received upto 31st March, 2011. Further, we have received a letter dated 17.5.2011 from GSRTC for waiving the lease rentals amounting ₹ 981 lakhs in respect of the said lease. GMDC has not accepted their request for waiving the lease rentals. GSRTC being a Govt. of Gujarat undertaking, the matter has been referred to the Govt of Gujarat for recovery of outstanding amount of lease rentals, hence, no provision has been made for the same.
- 10 There are no amounts due to the Suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Corporation for this purpose.
- 11 a) Balance confirmations have not been received from Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited for ₹ 221.99 (P.Y. ₹ 304.20) lakhs and ₹ 84.55 (P.Y. ₹ 84.55) lakhs respectively. The said balances are subject to reconciliation and adjustments in the accounts.
- b) Balances of Creditors, Debtors, Loans & Advances and Advances from Customers are subject to reconciliation and adjustments, if any, in the accounts.
- 12 In the opinion of Board of Directors, Current Assets. Loans & Advances have value at which they are stated in the Balance Sheet, if realized in the ordinary course of business, unless otherwise stated and provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- 13 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 all the 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.
- 14 The possession of the Corporation's Guest-house at Bhuj given to Tourism Corporation of Gujarat Limited (TCGL) on 6.8.2002 against proposed sale in terms of letter No GMC-102002-415-CHH.1 dated 10.6.2002 of Ministry of Industries and Mines, Government of Gujarat has been returned to the Corporation on 28.2.2006 in terms of letter No TDC-102001-929-S dated 26.10.2005. TCGL during the period of possession has let out some portion of the Guesthouse. The Corporation is taking necessary steps with TCGL and the Government of Gujarat for recovery of rent for the period of possession, maintenance expenditure, gram panchayat tax and rent recovery from the tenants, which is in process. The said recoveries will be considered in accounts on finalization of negotiations with TCGL and the State Government.

15 Employee Benefits

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

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.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Present Value of Obligation as at the beginning of the year	48,65,54,509	36,51,15,610
Current Service Cost	2,51,20,154	2,15,58,107
Interest Cost	4,01,40,747	2,82,96,460
Actuarial (gain) / Loss on obligations	10,11,59,908	9,24,72,654
Benefits paid	(17,13,41,649)	(2,08,88,322)
Past Service cost	24,31,98,567	-
Present Value of Obligation as at the end of the year	72,48,32,236	48,65,54,509

ii. Changes in the Fair Value of Plan Assets.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Fair Value of Plan Assets at the beginning of the year	64,71,50,773	51,99,32,232
Expected Return on Plan Assets	5,17,72,062	4,02,94,748
Actuarial Gain / (loss) on Plan Assets	71,66,221	78,12,115
Contributions	17,00,00,000	10,00,00,000
Benefits Paid	(17,13,41,649)	(2,08,88,322)
Fair Value of Plan Assets at the end of the year	70,47,47,407	64,71,50,773

iii. The amount recognized in Balance Sheet.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Present Value of Obligations as at the end of the year	72,48,32,236	48,65,54,509
Fair Value of Plan Assets as at the end of the year	70,47,47,407	64,71,50,773
Net Asset / (Liability) recognized in Balance Sheet	(2,00,84,829)	16,05,96,264

iv. Amount recognized in the Profit and Loss Account.

(Amount in ₹)

Particulars	March 31, 2011	March 31, 2010
Current Service Cost	2,51,20,154	2,15,58,107
Interest Cost	4,01,40,747	2,82,96,460
Expected Return on Plan Assets	(5,17,72,062)	(4,02,94,748)
Net actuarial (gain) / loss recognized in the year	9,39,93,687	8,46,60,539
Past Service Cost	24,31,98,567	-
Expenses/(Income) Recognized in the Statement of Profit & Loss	35,06,81,093	9,42,20,358

v. Investment Details

Particulars	% Invested as at	
	March 31, 2011	March 31, 2010
Funds with L.I.C.	100	100



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

vi. Assumptions

Particulars	March 31, 2011	March 31, 2010
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount Rate	8.25%	8.25%
Rate of increase in Compensation Levels	5.50%	5.50%
Rate of Return on Plan Assets	8.00%	8.25%

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. 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.

16. Earning per share :	2010-11	2009-10
Profit after tax (₹)	3,75,07,04,402	2,79,88,05,968
Weighted average no. of equity shares outstanding	31,80,00,000	31,80,00,000
Basic and diluted earnings per share (₹)	11.79	8.80

17. Related party disclosures on 31.3.2011 :

a) Key Management Personnel

Shri M. Sahu, IAS	Chairman
Shri V. S. Gadhavi, IAS	Managing Director

b) Particulars of remuneration paid to Managing Director are given below :

Shri V. S. Gadhavi, IAS	₹ 12,93,533/-
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c) Associates:

Investments:

Sr. No.	Particulars	Bhavnagar Energy Co Ltd	Gujarat Guardian Ltd	Gujarat Jaypee Cement & Infra structure Ltd
1	Balance as at 1 st April, 2010	₹ 28,00,00,000	₹ 7,42,50,000	₹ 19,08,400
2	Addition during the year	Nil	Nil	Nil
3	Balance as on 31.03.2011	₹ 28,00,00,000	₹ 7,42,50,000	₹ 19,08,400
4	Income from Investment during the year	Nil	₹ 74,25,000	Nil

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

Sr. No.	Name of Joint Venture	Country of Incorporation	Proportion of Ownership
1	Naini Coal Co Ltd	India	50%
2	Gujarat Jaypee Cement & Infrastructure Ltd	India	26%
3	Gujarat Gokul Power Ltd	India	26%
4	Bhavnagar Energy Co Ltd	India	16%

19. Disclosures as regards leased assets :

a) Vehicles	2010-11 (₹)	2009-10 (₹)
i. Gross carrying amount	22,50,17,273	22,50,17,273
ii. Accumulated depreciation	22,30,14,061	21,77,38,721
iii. Depreciation charged to P&L A/c	52,75,340	46,92,240

- b) The Corporation has given vehicles on lease to a State Government Undertaking.

20. Figures of the Previous Year have been re-grouped / re-arranged, wherever necessary, to make them comparable with the figures of the current year.

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Registered Office : Khanij Bhavan, Off: 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052

PROXY FORM

Regd. Folio No. _____ Class of Shares : _____
I/We _____ of _____
_____ being a Shareholder of
Gujarat Mineral Development Corporation Limited, holding _____ Shares denoting
Nos. _____
to _____ hereby appoint _____
of _____
_____ (or failing him _____
of _____) as my /
our Proxy to vote for me/us on my/our behalf at the 48th Annual General Meeting of the Company to be held at the Registered
Office of the Company at Khanij Bhavan, Off: 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad 380 052 at
11.00 a.m. on Friday, the 30th September, 2011 and at any adjournment thereof.

Dated _____ day of _____ 2011

Revenue
Stamp
₹1.00

Note : This form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the
Registered Office of the Company, not less than 48 hours before the meeting.

GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Registered Office : Khanij Bhavan, Off: 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052

ATTENDANCE SLIP

Regd. Folio No. _____ No. of Shares held _____

Class of Shares : _____

I certify that I am registered Shareholder / proxy for the registered shareholder of the Company. I hereby record my presence
at the 48th Annual General Meeting of the Company at the Registered Office of the Company, at Khanij Bhavan, Off: 132 Ft.
Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052 at 11.00 a.m. on Friday, the 30th September, 2011
and at any adjournment thereof.

(Shareholder's / Proxy
name in block letters)

Signature of
Shareholder / Proxy

Note : Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring
their copies of the Annual Report of the Company.

BOOK-POST

To,



**GUJARAT
MINERAL
DEVELOPMENT
CORPORATION
LIMITED**

(A GOVT. OF GUJARAT ENTERPRISE)

Registered Office :

"Khanji Bhavan", 132Ft. Ring Road,

Nr. University Ground, Vastrapur, Ahmedabad - 380 052.

Phone : 2791 3200 / 3501 / 1662 / 1680 / 0665 / 2416 / 2457 / 2443 / 1340

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