GMDC/CS/ BSE/NSE/2572 / 2019-20

04/09/2019

To,	To,
National Stock Exchange of India, Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (East) , Mumbai – 400 051 e-MAIL: cmlist@nse.co.in Code : GMDCLTD	Bombay Stock Exchange Ltd. 25th Floor, P.J. Towers Dalal Street Fort, Mumbai-400 001 E-mail:corp.compliance@bseindia.com Code : 532181

Subject : AGM Notice and Annual Report of GMDC for the year 2018-19
Ref : Regulation 34 (1) of SEBI (LODR) Regulations, 2015

Dear Sir,

With reference to the subject mentioned above, we enclose herewith the notice convening 56th Annual General Meeting alongwith the 56th Annual Report.

You are requested to kindly take note of the same.

Thanking you,
Yours faithfully,
For Gujarat Mineral Development Corporation Limited,

(Joel Evans)
Company Secretary

Encl : As above

56th

Annual Report

2018-2019

GMDC
FUELING THE GROWTH

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

BOARD OF DIRECTORS

CHAIRMAN
Shri Manoj Kumar Das, IAS

MANAGING DIRECTOR
Shri Arunkumar Solanki, IAS

COMPANY SECRETARY
Joel Evans

STATUTORY AUDITORS
M/s. S.C.Ajmera & Co. Chartered Accountants

REGISTERED OFFICE
Khanij Bhavan
132 Feet Ring Road, Near University Ground,
Vastrapur, Ahmedabad – 380 052
Phone : (079) 27913200/3501/1340
Fax No : (079)2791 3038/1151/1454
E-Mail : cosec@gmdcltd.com
Website : www.gmdcltd.com

CONTENTS

AGM DATE, DAY, TIME & VENUE

Date :- **30th September, 2019**
Day :- **Monday**
Time :- **11.00 A.M.**
Venue :- **Registered Office of the Company Khanij Bhavan , 132 Ft, Ring Road , Near University Ground, Vastrapur, Ahmedabad - 380 052**

DIRECTORS
Shri Sanjeev Kumar, IAS , Director
Smt. Sonal Mishra, IAS, Director
Smt Gauri Kumar, IAS (Retd.) (w.e.f. 7.6.2019)
Shri Bhadresh Mehta, Independent Director (upto 31.3.2019)
Shri S.B.Dangayach, Independent Director
Shri Nitin Shukla, Independent Director
Prof. Shailesh Gandhi, Independent Director

BANKERS
Bank of Baroda
Dena Bank
Vijaya Bank
Axis Bank Ltd.,
HDFC Bank Ltd.,
State Bank of India
Unioun Bank of India
ICICI Bank Ltd.

PROJECTS:

Lignite Projects
Panandhro, (Dist. Kutch)
Mata No Madh (Dist. Kutch)
Umarsar (Dist. Kutch)
Rajpardi (Dist. Bharuch)
Tadkeshwar (Dist.Surat)
Bhavnagar (Dist.Bhavnagar)

Fluorspar Project
Kadipani (Dist. Baroda)

Bauxite Projects
Gadhsisa (Dist. Kutch)
Mevasa (Dist. Devbhoomi Dwarka)

Multi Matel Project
Ambaji (Dist. Banaskantha)

Power Project
Nani Chher (Dist. Kutch)

Wind Farm Projects
Maliya (Dist. Rajkot)
Jodia (Dist. Jamnagar)
Gorsar (Dist. Porbandar)
Bada (Dist. Kutch)
Varvala (Dist. Jamnagar)
Bhanvad (Dist. Jamnagar)
Rojmal (Dist. Bhavnagar, Amreli, Rajkot)

Solar Project
Panandhro (Dist. Kutch)

Manganese Project
Shivrajpur, (Dist. Panchmahal)

REGISTRAR & SHARE TRANSFER AGENT FOR PHYSICAL & DMAT SHARES
M/s. MCS STA Limited 101, Shatdal Complex ,
1st Floor, Opp: Bata Show Room, Ashram Road
Ahmedabad – 380 009
Tel: 079-26580461-63, Fax: 079-26581296

FINANCIAL HIGHLIGHTS

Sr.	Particulars	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
(A)	**Profit & Loss Account**										(₹ In Lakh)
1.	Revenue from Operations	187967.82	206996.68	158235.66	121533.29	147314.44	134407.28	174762.51	169599.76	142122.34	106608.05
2.	Profit before tax	30730.08	55692.57	44598.03	31845.49	63586.75	62959.01	90368.72	71769.78	58461.06	40608.25
3.	Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	784.89	1528.32	2611.22
4.	Depreciation	9613.73	11166.94	15125.75	13071.85	13726.91	12456.50	11738.40	10833.29	9295.55	8615.31
5.	Provision for tax	16851.40	12232.18	12175.07	9388.44	13553.89	19045.59	30284.51	23086.50	20984.72	12621.37
6.	Profit after tax	13878.68	43460.39	32422.96	22457.05	50032.86	43913.42	60084.21	48683.28	37476.34	27986.88
7.	Short/Excess provision of tax of earlier years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.70	1.17
8.	Net Profit after short/excess tax prov of earlier years	13878.68	43460.39	32422.96	22457.05	50032.86	43913.42	60084.21	48683.28	37507.04	27988.05
9.	Dividend in %	100.00	175.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	125.00
10.	Dividend in Rupees	6360.00	11130.00	9540.00	9540.00	9540.00	9540.00	9540.00	9540.00	9540.00	7950.00
(B)	**Balance Sheet**										
1.	Share Capital	6360.00	6360.00	6360.00	6360.00	6360.00	6360.00	6360.00	6360.00	6360.00	6360.00
2.	Reserves & Surplus	422190.95	433787.64	391192.05	360059.00	317796.69	279887.62	247135.53	198212.64	160616.98	134197.57
3.	Net worth	428550.95	440147.64	397552.05	366419.00	324156.69	286247.62	253495.53	204572.64	165852.01	138755.83
(C)	**Financial Ratios**										
1.	% of Net Profit										
	On Sales	7.38	21.00	20.49	18.48	33.96	32.67	34.38	28.70	26.37	26.25
	On net worth	3.24	9.87	8.16	6.13	15.43	15.34	23.70	23.80	22.60	20.17
	On Share Capital	218.22	683.34	509.79	353.10	786.68	690.46	944.72	765.46	589.25	440.05
2.	Debt/Equity Ratio	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.08	0.15

NOTICE

Notice is hereby given that the 56th Annual General Meeting of the Shareholders of 'Gujarat Mineral Development Corporation Limited' will be held on Monday, the 30th September, 2019, at 11.00 AM at the Registered Office of the Company, at Khanij Bhavan, 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (Standalone and Consolidated) for the year ended on March 31, 2019, including the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement as at that date together with the Report of the Board of Directors, and Auditors and C & AG thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2019.
3. To fix up the remuneration of Statutory Auditors for the financial year 2019-20 to be appointed by the Comptroller & Auditor General of India.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution for appointment of Smt Gauri Kumar, IAS (Retd.) (DIN: 01585999) as Woman Independent Director on the board of the Company:

   "RESOLVED THAT Smt Gauri Kumar, IAS (Retd.) (DIN: 01585999), who was appointed as an Additional Woman Independent Director of the Company with effect from 7th June, 2019, under Section 161 of the Companies Act, 2013, who is eligible for appointment as a Woman Independent Director of Company, be and is hereby appointed as a Woman Independent Director of the Company for term of five consecutive years with effect from 7.6.2019 to 6.6.2024 and whose office shall not be liable to retire by rotation".

5. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as a Special Resolution for re-appointment of Shri Nitin Chandrashanker Shukla (DIN: 00041433) as an Independent Director on the board of the Company:

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Nitin Chandrashanker Shukla (DIN: 00041433), Independent Director of the company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Director on the board of the Company to hold office for second term of five consecutive years with effect from 14th October, 2019 to 13th October, 2024 and whose office shall not be liable to retire by rotation".

6. To re-appoint Shri. Satyanarayan Banwarilal Dangayach (DIN: 01572754) as an Independent Director on the board of the Company and if thought fit, to pass, the following Resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri. Satyanarayan Banwarilal Dangayach (DIN: 01572754), Independent Director of the company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director on the board of the Company to hold office for second term of five consecutive years with effect from 14th October, 2019 to 13th October, 2024 and whose office shall not be liable to retire by rotation".

7. To ratify the remuneration of Cost Auditors for financial year 2019-20 and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the pursuant to Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the remuneration of ₹ 1,65,000.00 (Including all Taxes), reimbursement of out of pocket expenses incurred in connection with the Cost Audit for financial year 2019-20 payable to Dinesh Kumar Birla, Cost Auditors (Registration Number 7907), as approved by the Board of Directors of the Company at its Meeting held on 9.5.2019 be and is hereby ratified."

By Order of the Board-of-Directors

Date : 03rd August 2019 **Joel Evans**
Place : Ahmedabad. Company Secretary

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

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

Item No. 4:

Smt Gauri Kumar, IAS (DIN: 01585999) is a senior retired officer of Indian Administration Services. During her entire career in the Administrative Services, she has headed various public offices of the State Government of Gujarat as well as Government of India. She commands a very wide experience of various Government sectors, public systems and public governance.

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

Except Smt. Gauri Kumar, IAS (Retd.), being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financially or otherwise, in the resolution set out at item no.4. This Explanatory Statement may also be regarded as a disclosure under the applicable provisions of SEBI (Listing Obligations Disclosures Requirements), Regulations, 2015 with the Stock Exchange.

Item No. 5:

Shri Nitin Chandrashanker Shukla (DIN: 00041433) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14th October, 2014. Shri Nitin Chandrashanker Shukla is a member of the Audit Committee w.e.f 29th April, 2017, Nomination and Remuneration Committee w.e.f. 13th November, 2014 and Risk Management Committee w.e.f. 19th December, 2014, of the Board of Directors of the Company.

Shri Nitin Chandrashanker Shukla (DIN: 00041433) is aged 67 years and is a professional. Shri Nitin Chandrashanker Shukla has a very wide experience in natural resources sector. He is an industrialist by profession. He is a Director in many other Companies as under:

1. Dahez Sez Limited - Director
2. Anuvad Academy & Research Foundation - Director
3. Gujarat Foundation for Entrepreneurial Excellence - Nominee Director

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

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Nitin Chandrashanker Shukla as an Independent Director. Accordingly, the Board recommends the resolution in relation to re-appointment of Shri Nitin Chandrashanker Shukla as an Independent Director, for the approval by the shareholders of the Company for further period of 5 years i.e. 14th October, 2019 to 13th October, 2024.

Except Shri Nitin Chandrashanker Shukla, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financially or otherwise, in the resolution set out at item no. 5. This Explanatory Statement may also be regarded as a disclosure under the applicable provisions of SEBI (Listing Obligations Disclosures Requirements), Regulations, 2015 with the Stock Exchange.

Item No. 6:

Shri Satyanarayan Banwarilal Dangayach (DIN 01572754) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14th October, 2014. Shri Satyanarayan Banwarilal Dangayach is a member of the Audit Committee and Risk Management Committee, of the Board of Directors of the Company. Shri Satyanarayan Banwarilal Dangayach (DIN 01572754) is aged 67 years and is a professional. Shri Satyanarayan Banwarilal Dangayach possesses a Post Graduate Diploma on Management from Indian Institute of Management, Ahmedabad. He has a very wide experience in textile, infrastructure and finance sector. He is a Director in many other Companies as under:

1. Gujarat Industries Power Company Ltd. - Director
2. Narita Trade Links Private Limited - Director
3. GVFL Advisory Services Limited - Director
4. Gujarat Foundation for Entrepreneurial excellence - Nominee Director

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

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Satyanarayan Banwarilal Dangayach as an Independent Director. Accordingly, the Board recommends the resolution in relation to re-appointment of Shri Satyanarayan Banwarilal Dangayach as an Independent Director, for the approval by the shareholders of the Company, for a period of 5 years i.e. 14th October, 2019 to 13th October, 2024.

Except Shri Satyanarayan Banwarilal Dangayach, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financially or otherwise, in the resolution set out at item no. 6. This Explanatory Statement may also be regarded as a disclosure under the applicable provisions of SEBI (Listing Obligations Disclosures Requirements), Regulations, 2015 with the Stock Exchange.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors, M/s Dinesh Kumar Birla, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 with a remuneration of ₹ 1,65,000.00 (Including all Taxes).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

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

ANNEXURE TO AGM NOTICE

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of Director	Smt. Gauri Kumar	Shri Nitin Chandrashanker Shukla	Shri Satyanarayan Banwarilal Dangayach
DIN	01585999	00041433	01572754
Date of Birth	16/08/1955	14/04/1952	21/08/1952
Qualification	IAS (Retd.)	BE (Mechanical)	PGDM, IIM, Ahmedabad
Expertise in specific area	Very wide experience of working in various Government Departments both at State Government level and with the Government of India.	Very wide experience in natural resources sector. He is an industrialist by profession.	Very wide experience in textile, infrastructure and finance sector.
Date of first appointment in the current designation	07/06/2019	14/10/2014	14/10/2014
Shareholding in the Company	NIL	NIL	NIL
Directorships in other companies	NIL	1. Dahez Sez Limited 2. Anuvad Academy & Research Foundation 3. Gujarat Foundation for Entrepreneurial Excellence	1. Gujarat Industries Power Company Ltd. 2. Narita Trade Links Private Limited 3. GVFL Advisory Services Limited 4. Gujarat Foundation for Entrepreneurial Excellence
Memberships/ Chairmanship of Committees of other companies	NIL	NIL	NIL
Inter-se relationship between Directors and other Key Managerial Personnel	NA	NA	NA
Number of Meetings of the Board attended	NA	1	4
Details of remuneration last drawn	NA	₹ 15,000	₹ 37,500

By Order of the Board-of-Directors

Date : 03rd August 2019
Place : Ahmedabad.

Joel Evans
Company Secretary

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

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.

2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective shall be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Pursuant to provisions of Section 105 of the Companies Act, 2013 and rules framed there under, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send the Company, a certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting. The 'Members Register' and the 'Share Transfer Book' of the Company shall remain closed from Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both dates inclusive).

3. The dividend declared at the Annual General Meeting will be paid on equity shares of the Company on and after 12th October, 2019 to those Members holding shares in physical form and whose names appear on the Register of Members of the Company on 30th September, 2019. In respect of shares held in electronic form, the dividend will be payable to those who are the beneficial owners of shares after close of business hours on 23rd September, 2019, as per details to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

4. Relevancy of questions and the order of speaker at the meeting will be decided by the Chairman.

5. Members are requested to give full particulars of their Bank Account details for safe payment of dividend.

6. Facility of payment of dividend through ECS / NECS is available. Those shareholders who are holding shares in electronic mode should register their ECS mandate with their respective depository participants directly. For those shareholders who are holding equity shares in physical mode, they are requested to deposit ECS mandate form with the office of the Company's Share Transfer and Registrar Agent M/s MCS STA Limited, 101, Shatdal Complex, Opp. Bata Show Room, Ahmedabad-9. ECS mandate form for physical holding is attached to this notice which may be filled up by the shareholders and sent to the Registrar and Share Transfer Agent.

7. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to M/s. MCS STA Limited, 101, Shatdal Complex, Opp. Bata Show Room, Ahmedabad in respect of their physical share folios, if any.

8. Members desiring any information about accounts at the meeting are requested to write to the Company at least seven days in advance of the Annual General Meeting.

9. The Annual Report 2018-19 is being sent through electronic mode to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email address, physical copies of the Annual Report 2018-19 are being sent by the permitted mode. The notice of the 56th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the documents are being sent by the permitted mode.

10. With a view to using natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the Company to send communication.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to Depository Participant(s). Members holding shares in physical form are required to submit their PAN details of the company.

12. Members / Proxies are requested to bring a copy of their Annual Report and are also requested to produce the Attendance Slip at the entrance of the Meeting Hall.

13. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.

14. Securities and Exchange Board of India (SEBI) vide notification dated June 8, 2018 has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) 2015, mandating transfer of securities only in dematerialized form. Accordingly, the company would not be able to accept requests for transfer of securities unless the securities are held in dematerialized form.

15. Reserve Bank of India has initiated NECS (National Electronic Clearing System) facility for credit of dividend directly to the bank account of the members. Hence, members are requested to register their Bank Account details (Core Banking Solutions enabled account number,

9 digit MICR code & 11 digit IFSC code), in respect of shares held in dematerialized form with their respective Depository Participant i.e. the agency where the demat account has been opened and in respect of shares held in physical form with the RTA at the address given in this report or at the registered office of the Company.

16. Members may send their requests for change / updation of Address, Bank A/c details, ECS mandate, Email address, Nominations:

    (i) For shares held in dematerialised form - to their respective Depository Participant

    (ii) For shares held in physical form - to the RTA at the address given in this report or at the registered office of the Company.

17. Non-Resident Indian members are requested to inform the RTA at the address given in this notice immediately about:

    (i) Change in their residential status on return to India for permanent settlement.

    (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. Pursuant to the provisions of Sections 124 & 125 of the Companies Act, 2013 read with relevant rules, dividends for the financial year ended 31st March, 2012 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, 2012 or any subsequent financial years are requested to make their claim to M/s. MCS STA Limited, Ahmedabad. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

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

Sr. No.	Year	Date of Declaration	Due Date of Transfer
1	2011-2012	28.09.2012	28.09.2019
2	2012-2013	27.09.2013	27.09.2020
3	2013-2014	25.09.2014	25.09.2021
4	2014-2015	29.09.2015	29.09.2022
5	2015-2016	29.09.2016	29.09.2023
6	2016-2017	29.09.2017	29.09.2024
7	2017-2018	29.09.2018	29.09.2025

    Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to an IEPF suspense account. The Company has sent intimation to all such shareholders who have not claimed their dividend for seven consecutive years. All such Shareholders are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to IEPF suspense Account and no claim shall lie against the Company. The Shareholders thereafter need to claim their shares from IEPF Authority by filing E-Form-5 and by following such procedures as prescribed in the IEPF Rules (as may be amended from time to time).

19. **Green Initiatives:**

    The Ministry of Corporate Affairs has allowed paperless compliances by companies through electronic mode by providing the same under the Companies Act, 2013 and rules framed there under. The Members can now receive various notices and documents including Annual Reports through electronic mode. Members who have not registered their e-mail address are encouraged to participate in this green initiative by registering their e-mail id for e-communication. Members holding shares in dematerialized form are requested to register / update their e-mail id for e-communication with the Depository Participants, while Members holding shares in physical form are requested to register their e-mail id by sending a request on cosec@gmdcltd.com or mcsstaahmd@gmail.com. Even after registering for e-communication, Member(s) are entitled to receive communication(s) including Annual Report in physical form, free of cost, on receipt of written request for the same. Members may also note that the Annual Report for the financial year 2018-19 together with Notice of the 56th Annual General Meeting, Attendance Slip, Proxy Form and Route Map will also be available on the website of the Company viz. www.gmdcltd.com.

20. Members/Proxies should bring the attendance slip sent herewith duly filled in & signed for attending the Meeting. The copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

21. **Voting through electronic means**

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

    As per Sections 107 and 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, facility is provided to the Shareholders for e-Voting through CDSL to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 56th AGM dated 3rd August, 2019. The detailed process, instructions and manner for availing e-Voting facility is shown hereunder:

    The Company has fixed Monday, 23rd September, 2019 as a cut-off date to record the entitlement of the Shareholders to cast their votes electronically at the 56th AGM.

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

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

(ii) Click on "Shareholders" tab.

(iii) Now, select the "GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The Sequence Number is printed on address sticker. • In case the Sequence Number is less than 8 digits enter the applicable number f 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB/ Dividend Bank Details#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date 23rd September, 2019 in the Dividend Bank details field.**

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the **190819028** (EVSN) for the relevant GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **For Institutional shareholders :**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

SECTION-B: E-VOTING PROCESS - SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

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

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

1. The voting period begins on Thursday, 26th September, 2019 at 09:00 AM and ends on Sunday, 29th September, 2019 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd September, 2019. (Cut off date)

3. Shri Arvind Gaudana, Practicing Company Secretary (Membership No. FCS 2838, COP No. 2183) or failing him Shri Bhavya Gaudana, Practicing Company Secretary (Membership No. ACS 44965, COP No. 16485), to act as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

4. The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote-e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote-e-voting may only cast their vote at the AGM through ballot paper.

5. The result of voting will be announced by the Chairman of the Meeting on or after the 56th Annual General Meeting to be held on 30th September, 2019, the Monday. The result of the voting will be communicated to the Stock Exchanges and will be placed on the website of the Company www.gmdcltd.com.

6. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

7. Institutional shareholders (i.e. members other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter, etc., together with the attested specimen signature(s) of the duly authorized signatory(ies) who is / are authorized to vote, to the scrutinizer via email at: arvindg_cs@yahoo.com with a copy marked to evoting@nsdl.co.in.

Contact Details

Company	Gujarat Mineral Development Corporation Limited (A Government of Gujarat Enterprise) CIN: L14100GJ1963SGC001206 "Khanij Bhavan", 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad-52 Phone : 2791 0665 / 2791 1662 / 2791 3200 / 2791 3201 TeleFax : 079 – 2791 1151 e-mail : cosec@gmdcltd.com, website : www.gmdcltd.com
Registrar & Share Transfer Agent	M/s MCS Share Transfer Agent Limited 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room Ashram Road, Navrangpura Ahmedabad-380 009 E-mail : mcsstaahmd@gmail.com
e-Voting Agency	Central Depository Services (India) Limited E-mail : helpdesk.evoting@cdslindia.com
Scrutinizer	M/s Gaudana & Gaudana Practicing Company Secretaries E-mail : arvindg_cs@yahoo.com

BOARD'S REPORT 2018-19

To
The Shareholders,
Gujarat Mineral Development Corporation Limited

Your Directors have pleasure in presenting 56th Board's Report along with the audited accounts of your company for the financial year 2018-19.

1. FINANCIAL RESULTS

Our profit after tax for the year is ₹ 138.79 crore as against ₹ 428.27 crore last year.

Particulars	2018-19 ₹ In Lakh	2017-18 ₹ In Lakh
Total Income from Operations (net)	2,02,225.52	2,18,938.65
Net Profit/(Loss) for the period (before Tax and Exceptional items)	60,495.08	55,054.87
Net Profit/(Loss) after tax (after Exceptional items)	13,878.68	42,822.69
Total Comprehensive Income for the period [Comprising Profit/(Loss) after tax and Other Comprehensive Income (after tax)]	1,898.11	54,132.40

2. REVIEW OF THE BUSINESS OPERATIONS

2.1 LIGNITE PROJECTS:

During the year, the Company operated six lignite mines, namely, Panandhro, Mata-No-Madh, Rajpardi, Tadkeshwar, Bhavnagar and Umarsar Lignite Mines. During the year under review, 91.90 lakh MT of lignite were produced from these mines. The mine-wise production figures are as follows:

Sr. No.	Name of mine	Lignite production in lakh MT
1	Panandhro	7.08
2	Mata-No-Madh	32.81
3	Rajpardi	9.98
4	Tadkeshwar	19.43
5	Bhavnagar	6.72
6	Umarsar	15.88
	Total	**91.90**

2.2 POWER PROJECT – NANI CHHER

During the year under review, 2 x 125 MW Akrimota Thermal Power Station is running successfully. This year the Power Plant generated 1187.43 MUs having 54.22% PLF.

2.3 WIND AND SOLAR POWER

Wind Farm Projects of 200.9 MW are situated at different locations in Gujarat and 5 MW Solar Power Project is situated at Panandhro Lignite Project, which are running satisfactorily. The 200.9 MW Wind Projects have achieved 24.35% PLF (Plant Load Factor), whereas Solar Project is running at 16.91% CUF (Capacity Utilization Factor).

2.4 BAUXITE AND MANGANESE

2.4.1 Gadhsisa Group of Bauxite Mines – Kutch

In the Financial year 2018-19, Company has sold 1,11,560.60 MT of (<52% Al_2O_3) Non Plant Grade Bauxite along with 6,636.93 MT of mine dust from Gadhsisa Group of mine, District Kutch.

2.4.2 Mevasa Bauxite Mines, Devbhoomi Dwarka

In the Financial year 2018-19, Company has sold 5,125.48 MT (≥ 52% Al_2O_3) Plant Grade Bauxite and 54,513.74 MT of (<52% Al_2O_3) Non Plant Grade Bauxite from Mevasa Mine, District Devbhoomi Dwarka.

2.4.3 Manganese

In the Financial year 2018-19, Company has sold 48,713.68 MT of Sub grade Manganese Ore from Waste dump of Shivrajpur Project, District Panchmahal.

3. DIVIDEND

Your Directors have pleasure to recommend a dividend of 100% i.e. ₹ 2.0 per share on equity shares. An amount of ₹ 6,360 lakh on paid up equity share capital of ₹ 6,360 lakh shall be paid as dividend.

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

In terms of Section 124 of The Companies Act, 2013 and applicable provisions of Companies Act, 2013, any unclaimed dividend or unpaid dividend relating to the financial year 2011-12 will be transferred to the Investor Education and Protection Fund established by the Central Government on due date. Further, as per the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the company will also transfer the shares of the shareholders who have not claimed their dividend for a consecutive seven years. The necessary approval and the authorization for this purpose have already been completed. In line with the instructions to be received from Ministry of Corporate Affairs, the company will transfer such shares to IEPF authority.

5. CONTRIBUTION TO CENTRAL EXCHEQUER:

The company has contributed ₹ 197.63 crore towards income tax for the year under consideration.

6. SHARE CAPITAL

During the year under review, the issued, subscribed and paid-up share capital remained constant at ₹ 63.60 Crore divided into 31.80 crore equity shares of ₹ 2 each.

7. TAXATION

Income Tax assessment of the Company has been completed up to the Financial Year 2014-15.

8. INTERNAL AUDIT

M/s G S V & Co. Chartered Accountants and M/s R S Patel & Co., Chartered Accountants are the internal auditors of the company.

9. STATUTORY AUDIT

M/s. S C Ajmera & Co., Chartered Accountants were appointed Statutory Auditors of the Company by the Comptroller & Auditor General of India for the Financial Year 2018-19.

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

Being a Government Company, the C & AG has carried out supplementary audit of your Company pursuant to Provisions of Section 143 (6) of the Companies Act, 2013. The C & A G has not offered any averse comment upon or supplementary to statutory audit report.

11. COST AUDIT

M/s Dinesh Birla & Co. was appointed as Cost Auditors of the company for the year 2018-19. The Cost Audit Report has been filed on 6th September, 2018 for the Financial Year 2017-18.

12. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Pinakin Shah & Co., Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year 2018-19. Their secretarial audit report is given in Annexure I forms part of this report.

13. STATUS OF VARIOUS JOINT VENTURES

13.1 Naini Coal Company Limited

Naini Coal Block was allocated jointly to the Company and Pondicherry Industrial Promotion Development & Investment Corporation Limited (PIPDICL) and to develop the Coal Block, Naini Coal Company Limited was incorporated as the joint venture company. Due to slow progress on the project because of non-receipt of PL approval from Govt. of Odisha, Ministry of Coal, Govt. of India, de-allocated the block, invoking 50% of the Bank Guarantee. The Hon'ble Supreme Court of India has cancelled all the allocated coal blocks which include Naini Coal Block also. Hence this joint venture will be closed in due course. GMDC has filed a petition in the Hon'ble High Court in respect of invocation of Bank Guarantee and is pending for disposal.

Meanwhile, approval of the State Government has been received for closing the company.

13.2 Gujarat Credo Mineral Industries Limited

Dry beneficiation of low grade bauxite and Zeolite manufacturing plant has been commissioned.

13.3 Alumina and Aluminium Smelter Plant

Land required for the project has been allocated by Government and part possession has been taken. Detailed Project Report for 0.5 Million TPA plant got prepared by NALCO and is not viable. Hence they had requested GMDC to drop the project for which approval of Govt. of Gujarat has been received.

13.4 Fluorspar Beneficiation Plant

GMDC along with M/s. Gujarat Fluorochemicals Limited and M/s Navin Fluorine International Limited is setting up the fluorspar beneficiation plant, a single largest project of 40,000 MTPA capacity at Kadipani. Based on pilot test report, Global tender will be floated for selection of EPC contract. Valuation report for Kadipani assets has been received. Based on report, land will be leased on hire basis to JV Company and asset transfer will be carried out in favour of JV Company.

13.5 Aikya Chemicals Private Limited

Manganese Oxide, Manganese dioxide and Manganese Sulphate plant set by JVC has been commissioned. GMDC has so far invested ₹ 3.90 crore as equity in the company.

13.6 Bhavnagar Energy Company Limited

During the year, Bhavnagar Energy Company Ltd. has been merged with Gujarat State Electricity Corporation Ltd. vide Notification dated 27th August, 2018 issued by Energy and Petrochemicals Department, Government of Gujarat. GMDC has been given one share of GSECL of ₹ 10 fully paid against the total investment of ₹ 29,765.00 lakh in 29,76,50,000 equity shares of BECL of ₹ 10 each, fully paid.

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

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

15. ENVIRONMENTAL PROGRAMME

Environmental Programme refers to the Management of an Organization's Environmental Programmes in a Systematic, Sustainables and Planned Manner along with its documentation, implementation & review.

During the year 2018-19, GMDC has planted total 1,36,518 plants saplings covering 58.91 hectares of mine lease and residential colony areas involving State Forest Department, local villagers, societies etc. For efficient use of water drip irrigation networks are used for plantation.

Under statutory compliance, as a part of monthly environmental monitoring for air, water and noise pollution is being done through the laboratory approved by Ministry of Environment and Forests/ Gujarat Pollution Control Board as well as through in-house facility. Annual Environment Audit at GMDC Projects is being done by GPCB approved Schedule I / II Auditors, as applicable.

Primary Effluent Treatment Plants (PETP's have been commissioned at major lignite mines of GMDC for the treatment of acid mine drainage water. These ETP's are prefabricated movable structure so can be easily shifted to other location after completion of project. We are using Caustic Lye as neutralizing agent to neutralise mine drainage water which produces less amount of sludge as well also work as alkali coagulant in precipitation of metals present in effluent. It is automatic plant which automatically adjust its process based on input characteristics of water and all parameters are connected to Cloud Based Technology so that its performance can be monitored from anywhere.

GMDC has procured the state-of-the-art mobile water treatment vehicle for efficient treatment & better utilization of mine seepage water. It has capacity to treat mine seepage water to convert it to the standard of drinking water.

Unique features of mobile water treatment vehicle are as below:

- Mobile, self-contained independent and automatic
- Produce drinking water from any contaminated water source
- Connect to any possible Water source (rivers, lakes, oceans, brackish water, wells, highly turbidity water)
- Plug & Play configuration
- High transferability and high level of safety
- Integrated water storage tank/distribution system
- Independent energy source
- Resistance to all weather conditions

In our seven mines Environment Clearnace conditions compliance was verified by MOEF, Bhopal successfully & verification reports received.

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

16. INDUSTRIAL RELATIONS, HEALTH AND SAFETY

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

The Company is an **OHSAS 18001** certified company. Regular health check up of employees engaged in Mining and Power segment including employees engaged through contractors, transporters etc. are conducted.

17. PARTICULARS OF EMPLOYEES

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

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

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

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

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

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

GMDC's risk management process revolves around following parameters:

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

GMDC has also set up a Risk Management Committee.

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

There were no loans and guarantees given by the company under Section 186 of the Companies Act, 2013.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the Financial Year, the transactions entered into by the company with the related parties were in the ordinary course of business at arm's length. The company has not entered into contracts / arrangements / transactions with Related Parties which could be considered material in accordance with Section 188 of the Act and the Policy of the company for Related Party Transactions. Hence, the disclosure in Form AOC – 2 under Section 134 (3) of Companies Act, 2013 is not required. The Policy on Related Party Transactions may be accessed on the website of the company at https://www.gmdcltd.com/en/corporate-polices-gmdc.

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

There are no such comments.

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

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

24. EXTRACTS OF ANNUAL RETURN

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

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

GMDC had conducted 4 Board Meetings in the financial year under review.

26. DIRECTORS' RESPONSIBILIY STATEMENT

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

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit and loss of the company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the annual accounts on a going concern basis;

e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. DEPOSITS

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

28. DECLARATION OF INDEPENDENT DIRECTORS

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

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

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

(i) Shri Bhadresh Mehta

(ii) Shri Sanjeev Kumar, IAS

(iii) Shri S B Dangayach

(iv) Shri Nitin Shukla

(v) Prof Shailesh Gandhi

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

30. SHARES

30.1 BUY BACK OF SECURITIES

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

30.2 SWEAT EQUITY

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

30.3 BONUS SHARES

No Bonus Shares were issued during the year under review.

30.4 EMPLOYEES STOCK OPTION PLAN

GMDC has not provided any Stock Option Scheme to the employees.

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

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

The following is a summary of sexual harassment complaints received and disposed off during the year 2018-19:

No. of complaints received : NIL
No. of complaints disposed of : NIL

32. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act form part of this Annual Report. Further, a statement containing salient features of the Financial Statements of Subsidiaries / Associate Companies / Joint Ventures in the prescribed format AOC – 1 is given at Annexure V.

33. BOARD-OF-DIRECTORS

The tenure of Shri Bhadresh Mehta, Independent Director was completed on 31.3.2019 and hence, he ceased to be the Independent Director of company. After the end of the financial year, Smt. Gauri Kumar, IAS has been appointed as additional independent woman director w.e.f. 7.6.2019.

34. CORPORATE GOVERNANCE

As per requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and as per the new listing agreement entered into with the various Stock Exchanges, the detailed report on the Corporate Governance is given in Annexure VI.

35. MANAGEMENT DISCUSSION AND ANALYSIS

As per requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and as per the new listing agreement entered into with the various Stock Exchanges, Management Discussion and Analysis is given at Annexure VII and form part of this report.

36. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND CSR POLICY

GMDC has been sensitive towards its Social Responsibility right from its inception. It has adopted a business model which has an inclusive approach. The company is always keen to address needs and requirements of the community within which it operates. Your company reaches out to various segments of society, in particular, of rural community by providing them critical rural infrastructure in various sectors, such as, Water, Health, Sanitation, Education, Employment, Livelihood, Agriculture etc. These initiatives of your company attempt to take the fruits of development to those people who are not yet included in the main stream. In the year passed by, your company has embarked upon a unique initiative of e-clinic whereby the modern medical facilities will be delivered at the door step of rural masses apart from this your company has also enriched the libraries of schools in rural areas of the state by providing them books. Under the CSR activities Modernization of Anganwadi and making it smart Anganwadi has been taken up.

The CSR Policy of the Company is also uploaded on the website of GMDC. The CSR Policy framework of the company is available elsewhere in this annual report. A CSR Report for Fiscal year 2018-19 as prescribed under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, forms part of this Report, and is annexed at Annexure VIII.

37. 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 GMDC 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 Company for their valued co-operation.

For and on behalf of the Board-of-Directors

Arunkumar Solanki, IAS	**S B Dangayach**
Managing Director	Independent Director
DIN : 03571453	DIN : 001572754

Date : 03rd August,2019
Place : Ahmedabad

ANNEXURE : I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended on 31/03/2019
[*Pursuant to Section 204(1) of the Companies Act, 2013* and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Gujarat Mineral Development Corporation Limited
(CIN: L14100GJ1963SGC001206)
KhanijBhavan, Near Gujarat University Ground,
132 Ft. Ring Road,
Vastrapur, Ahmedabad - 380052.

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and Company, our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent to foreign direct investment, overseas direct investment and external commercial borrowings;

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   (f) The Securities and Exchange Board of India (Registrar to an Issue and Share transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India(Delisting of Equity Shares) Regulation, 2009;

   (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 w.e.f 1st December, 2015.

(vi) Following are some other laws specifically to the Company:

   (a) The Mines Act, 1952;

   (b) The Mines and Minerals (Development and Regulation) Act, 1957;

   (c) The Air (Prevention and Control of Pollution) Act, 1981;

   (d) The Environmental (Protection) Act, 1986;

   (e) The Environmental (Protection) Rules, 1986, amended up to 2008.

   (f) The Hazardous Waste (Management & handling) Rules, 1989

   (g) The Noise pollution (Regulation & Control) Rules, 2000;

   (h) The Electricity Act, 2003.

   (i) The Employees Provident Fund and Miscellaneous Provisions Act, 1952

(j) The Payment of Gratuity Act, 1972

(k) The Contract Labour (Regulation and Abolition) Act, 1970

(l) Minimum Wages Act, 1948

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

We further report that no other specific law applicable to Company except as above as per information provided by the Company.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except in case of regulation 13(1) and 7(3) of SEBI (LODR) Regulation, 2015 wherein a penalty was levied for delay in compliance and the Company has paid the same in time.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The change in the composition of the Board of Directors took place during the period under review were carried out in compliance with provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions were carried out unanimously and recorded as part of the minutes.

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

For Pinakin Shah & Co.
(Company Secretaries)

CS Pinakin Shah
FCS No: 2562,
C.P. No: 2932

Place: Ahmedabad
Date: 27/08/2019

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

ANNEXURE A

To,
The Members,
Gujarat Mineral Development Corporation Limited
(CIN: L14100GJ1963SGC001206)
KhanijBhavan, Near Gujarat University Ground,
132 Ft. Ring Road,
Vastrapur, Ahmedabad - 380052.

Sub: Secretarial Audit Report for the F.Y 2018-19.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Gujarat Mineral Development Corporation Limited (hereinafter referred as the Company). Our responsibility is to express an opinion on these Secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our Opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the GMDC.

4. Wherever required, we have issued our preliminary observations on 11/07/2019 and the Company has provided reply/ clarification to our satisfaction and the Company has assured to comply the lapses, wherever occurred.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of records and procedure on test basis.

6. The Secretarial audit report is neither an assurance to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Pinakin Shah & Co.
(Company Secretaries)

CS Pinakin Shah
FCS No: 2562,
C.P. No: 2932

Place: Ahmedabad
Date: 27/08/2019

ANNEXURE : II

PARTICULARS OF EMPLOYEES

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

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

Remuneration paid to Whole Time Director.

Name of the Whole Time Director	Shri Arun Kumar Solanki, IAS
Designation	Managing Director
Remuneration in FY 2018-19	₹ 31,89,079
% increase in remuneration in 2019 as compared to 2018	8.47
Ratio of Remuneration to Median Remuneration of Employees	4.86
Ratio of Remuneration to Revenues (FY 2017-18)	Negligible
Ratio of Remuneration to Revenues (FY 2018-19)	Negligible

Remuneration paid to Independent Directors

Company's Independent Directors do not receive any remuneration other than the sitting fees and out of pocket expenses, which are ₹ 7500.00 and ₹ 1,000.00 respectively, per meeting of the Board and its Committees. The sittings fees and out of pocket expenses paid to the independent directors during the year are as under:

Sr No	Particulars	Shri Bhadresh Mehta	Shri Nitin Shukla	Shri S B Dangayach	Prof Shailesh Gandhi
1	Sitting Fees in FY 2018-19 (in ₹)	37,500	15,000	37,500	22,500
2	% increase in remuneration in 2018-19 as compared to 2017-18	NA	NA	NA	NA
3	Ratio of Remuneration to Median Remuneration of Employees	NA	NA	NA	NA
4	Ratio of Remuneration to Revenues (FY 2017-18)	NA	NA	NA	NA
5	Ratio of Remuneration to Revenues (FY 2018-19)	NA	NA	NA	NA

Remuneration of the Key Managerial Personnel (KMP)

Name of the Key Managerial Personnel	Shri L Kulshrestha	Shri Joel Evans
Designation	Chief General Manager & Chief Financial Officer	Company Secretary
Remuneration in FY 2017-18	₹ 27,77,282	₹ 13,77,791
Remuneration in FY 2018-19	₹ 30,23,110	₹ 15,21,052
% increase in remuneration in 2018-19 as compared to 2017-18	8.85	10.40
Ratio of Remuneration to Median Remuneration of Employees	4.61	2.32
Ratio of Remuneration to Revenues (FY 2017-18)	Negligible	Negligible
Ratio of Remuneration to Revenues (FY 2018-19)	Negligible	Negligible

The Median Remuneration of Employees (MRE) excluding Whole-Time Director (WTD) was ₹ 6,06,000 for financial year 2018-19.

The number of employees on the rolls of the Company as on March 31, 2019 was 1375 (Figure is inclusive of monthly rated workers, daily rated workers, employees on contracts and trainees).

The revenue during FY 2018-19 was ₹ 2,022 crore and net profit was ₹ 138.79 crore. The aggregate remuneration to employees excluding WTD decreased by 15.75% over the previous financial year. The aggregate increase in salary of other KMPs was 9.36% in FY 2018-19 over FY 2017-18.

GMDC's market capitalization decreased by 34% to ₹ 2,577 crore as of March 31, 2019 from ₹ 3,913 crore as of March 31, 2018. The Price Earnings Ratio was 18.58 as of March 31, 2019 which is lower by 104% as compared to March 31, 2018. The closing price of GMDC's equity shares on the NSE and BSE as of March 31, 2019 was ₹ 81.05 and ₹ 81.50 respectively.

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

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

ANNEXURE : III

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

A. Conservation of Energy

1. **The Steps taken or impact on conservation of energy:** NIL

2. **The steps taken by the company for utilizing the alternate source of the energy:**

   i. GMDC has successfully installed Wind Power Farm with the capacity of 200.9 MW and Solar Power Project of 5 MWp capacity.

   ii. By taking green initiative of wind and solar power generation, GMDC reduced 4.26 lakh tons of CO_2 due to generation of green energy

3. **The capital investment of energy conservation equipments:** NIL

B. Technology Absorption

i. The efforts made towards technology absorption:

(a) Installation of Slope Stability Radar

ii. The benefits derived like product improvement, cost reduction, product development or import substitution :-

(a) The radar helps in monitoring geo-technical parameters for mines safety

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :

Deployment of Israel technology of mobile mine water purifier

iv. The expenditure incurred on Research and Development: NIL

C. Foreign Exchange Earnings and Outgo

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

ANNEXURE : IV

EXTRACT OF ANNUAL RETURN

(For the financial year ended on 31.03.2019)

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

I. REGISTRATION & OTHER DETAILS:

CIN	L14100GJ1963SGC001206
Registration Date	15.05.1963
Name of the Company	Gujarat Mineral Development Corporation Limited
Category/Sub-category of the Company	Government Company
Address of the Registered office & contact details	Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052 Telephone : (079) 2791 1662 / 1680 / 0665 / 2443 / 1340 /3501 / 0096 / 2465 / 3200 Fax : (079) 2791 0969 / 1454 / 3038/1151 E-mail : cosec@gmdcltd.com Website : www.gmdcltd.com
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. MCS Share Transfer Agent Limited 101, Shatdal Complex, 1st floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009 Tel : (079) 26582878 Fax : (079) 26581296 Email : mcsstaahmd@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Lignite	270220-00	78.65
2	Electricity	-	20.85

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

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Gujarat Foundation for Entrepreneurial Excellence (GFEE) 1st Floor, Khanij Bhavan, 132 Ft. Ring Road, Near University Ground Vastrapur, Ahmedabad-380 052	U80903GJ2011NPL066999	Associate	50	2(6)
2	Gujarat Jaypee Cement & Infrastructure Limited C/O Jayprakash Associates Ltd. J.A. House, 63 Basant Lok, Vasant Vihar New Delhi-110 057	U26943GJ2007PLC051360	Associate	26	2(6)
3	Gujarat Credo Mineral Industries Limited TF-1, 3rd Floor "DEV" Opp. Parimal Garden, C G Road Ahmedabad-380 006	U26900GJ2012PLC069426	Associate	26	2(6)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
4	Swarnim Gujarat Fluorspar Private Limited Khanij Bhavan, 132 Ft. Ring Road, Near University Ground Vastrapur, Ahmedabad-380 052	U24119GJ2012PTC070801	Associate	50	2(6)
5	Naini Coal Company Limited Khanij Bhavan, 132 Ft. Ring Road, Near University Ground Vastrapur, Ahmedabad-380 052	U10200GJ2009SGC058295	Associate	50	2(6)
6	Aikya Chemicals Private Limited 1, Chandramaninagar Vidya Vihar School Lane Off. High Tension Road, Subhanpura Vadodara-390 023	U24100GJ2011PTC068018	Associate	26	2(6)

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

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	235320000	-	235320000	74.00	235320000	-	235320000	74.00	NIL
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A)	**235320000**	**-**	**235320000**	**74.00**	**235320000**	**-**	**235320000**	**74.00**	**NIL**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	25053999	-	25053999	7.88	24373979	-	24373979	7.66	-0.22
b) Banks / FI	1768661	-	1768661	0.56	1179241	-	1179241	0.37	-0.19
c) Central Govt	-	-	-	-					
d) State Govt(s)	-	-	-	-					
e) Venture Capital Funds	-	-	-	-					
f) Insurance Companies	7957644	-	7957644	2.50	8196792	-	8196792	2.58	0.08
g) FIIs	13944790	-	13944790	4.38	11025960	-	11025960	3.47	-0.91
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	**48725094**	**-**	**48725094**	**15.32**	**44775972**	**-**	**44775972**	**14.08**	**-1.24**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Central Govt/State Govt(s)/POI									
a) Govt.	72310	-	72310	0.02	89562	-	89562	0.03	0.01
Sub-total (B)(2):-	**72310**	**-**	**72310**	**0.02**	**89562**	**-**	**89562**	**0.03**	**0.01**
3. Non-Institutions									
a) Bodies Corp.	3193285	43000	3236285	1.02	3399580	43000	3442580	1.08	0.06
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	23172122	475224	23647346	7.44	27724081	392950	28117031	8.85	1.41
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	2103506	0	2103506	0.66	1846110	-	1846110	0.58	-0.08
c) Others (specify)									
Non Resident Indians	3358904	94250	3453154	1.09	3555256	92500	3647756	1.15	0.06
Hindu Undivided Families	1437255	-	1437255	0.45	744194	-	744194	0.23	-0.22
Trusts	5050	-	5050	0.002	16795	-	16795	0.003	0.001
Sub-total (B)(3):-	**33270122**	**612474**	**33882596**	**10.66**	**37286016**	**528450**	**37814466**	**11.89**	**1.23**
Total Public Shareholding (B)=(B)(1)+ (B)(2)+(B)(3)	**82067526**	**612474**	**82680000**	**26.00**	**82151550**	**528450**	**8268000**	**26.00**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**317387526**	**612474**	**318000000**	**100.00**	**317471550**	**528450**	**318000000**	**100.00**	**-**

ii. Shareholding of Promoters-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	H.E. The Government of Gujarat	235320000	74.00	NIL	235320000	74.00	NIL	NIL

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

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

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

Sr. No.	Name of the shareholder	Shares held as on 1.4.2018 (Opening Balance)		Shares held as on 31.3.2019 (Closing Balance)		Purchase / Sale (-) during the year
		No of shares	% of shares held in the company	No of shares	% of shares held in the company	
1	Franklin India Smaller Companies Fund	9028098	2.84	9028098	2.84	NIL
2	ICICI Prudential Multi-Asset Fund	5200000	1.64	8439990	2.65	3239990
3	Life Insurance Corporation of India	5174139	1.63	5174139	1.63	NIL
4	UTI-MID Cap Fund	2133594	0.67	2321464	0.73	187870
5	Dr Sanjeev Arora	1701672	0.54	1747484	0.55	45812
6	ICICI Prudential Infrastructure Fund	1772991	0.56	1607635	0.51	-165356
7	National Insurance Company Ltd	1440000	0.45	1440000	0.45	NIL
8	Polunin Emerging Markets Small Cap Fund, LLC	1321276	0.42	1371357	0.43	50081
9	Dimensional Emerging Markets Value Fund	1228209	0.39	1228209	0.39	NIL
10	ICICI Prudential Multicap Fund	0	0.00	1154154	0.36	1154154

v. **Shareholding of Directors and Key Managerial Personnel:**

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

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Shri Arun Kumar Solanki, IAS	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31,05,679/-	31,05,679/-
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	83,400/-	83,400/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission		
	- as % of profit	NIL	NIL
	- others, specify…	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	**31,89,079/-**	**31,89,079/-**
	Ceiling as per the Act	**60,00,000/-**	**60,00,000/-**

B. Remuneration to other directors : **(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Shri Bhadresh Mehta	Shri S.B. Dangayach	Shri Nitin Shukla	Prof Shailesh Gandhi	
	Fee for attending Board / Committee Meetings	37,500/-	37,500/-	15,000/-	22,500/-	1,22,500/-
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	**37,500/-**	**37,500/-**	**15,000/-**	**22,500/-**	**1,22,500/-**
2	Other Non-Executive Directors					
	Fee for attending Board / Committee Meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
	Total (B)=(1+2)	**37,500/-**	**37,500/-**	**15,000/-**	**22,500/-**	**1,22,500/-**
	Total Managerial Remuneration	**37,500/-**	**37,500/-**	**15,000/-**	**22,500/-**	**1,22,500/-**

C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD **(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	**CS**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,94,981	14,82,471	43,77,452
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	1,28,129	38,581	1,66,710
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission			
	- as % of profit	NIL	NIL	NIL
	others, specify…	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	**30,23,110**	**15,21,052**	**45,44,162**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

*****

ANNEXURE : V

CONSOLIDATED FINANCIAL STATEMENT (AOC-I)

Form AOC – 1

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

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

PART “A” : SUBSIDIARIES

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

1	Sr. No.	
2	Name of the Subsidiary	Not Applicable
3	Reporting period for which the subsidiary concerned, if different from the holding company’s reporting period	Not Applicable
4	Reporting currency and Exchange Rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Not Applicable
5	Share Capital	-
6	Reserve & Surplus	-
7	Total Assets	-
8	Total Liabilities (Excluding Shareholders’ Fund)	-
9	Investments	-
10	Turnover	-
11	Profit before taxation	-
12	Provision for taxation	-
13	Profit after taxation	-
14	Proposed Dividend	-
15	% of Shareholding	-

PART "B" : ASSOCIATES AND JOINT VENTURES

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

Sr. No.	Name of Associates / Joint Ventures	Swarnim Gujarat Fluorspar Pvt. Ltd. (Audited)	Gujarat Foundation for Entrepreneurial Excellence	Gujarat Jaypee Cement and Infrastructure Ltd.	Gujarat Credo Mineral Industries Ltd.	Aikya Chemicals Pvt. Ltd.	Naini Coal Company Ltd.
1.	Latest Audited/un-audited Balance Sheet Date	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019
2.	Shares of Associate / Joint Ventures held by the Company at the year end						
	No	25,000	50,000	1,90,840	49,40,000	38,98,700	2,497
	Amount of Investment in Associate / Joint Ventures (Amount in ₹)	2,50,000	5,00,000	19,08,400	4,94,00,000	3,89,87,000	2,49,700
	Extent of Holding %	1.14%	50%	26%	26%	26%	50%
3.	Description of how there is significant Influence	The Company has control of the composition of the Board of Directors in Swarnim Gujarat Fluorspar Pvt. Ltd.					
4.	Reason why the Associates / Joint Venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Net worth attributed to shareholding as per latest audited /unaudited Balance Sheet (₹ in lakh)	1.60	-	0.00	11.29	122.32	0.00
6.	Profit / Loss for the Year attributed to shareholding (₹ in lakh)	(0.09)	-	0.14	94.85	(80.66)	0.00
	I. Considered in Consolidation	Yes	Yes	Yes	Yes	Yes	Yes
	II. Not Considered in Consolidation	-	-	-	-	-	-

Please refer note No. 2.50.01 of notes to the Consolidated Financial Statments Accounts for reasons of not consolidating the financial statements of GMRICS.

*****

ANNEXURE : VI

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "Listing Regulations" or "LODR")

Company's philosophy on Code of Governance

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

BOARD-OF-DIRECTORS

Composition

The composition of the Board with reference to the number of Executive, Non-Executive directors and Woman Directors, meets the requirement of Code of Corporate Governance. The Company has an optimum combination of Non-Executive Directors with independent Directors.

The strength of the Board comprised of eight Directors as on 31st March, 2019. The Board members consist of persons with professional expertise and experience in various fields of Finance, Accounts, Management, Law, Labour Welfare etc. Further, being a State Government Public Sector Undertaking, majority Directors are IAS Officers who have possessed professional expertise and are appointed by the Government of Gujarat.

Category and Designation of Directors:

Sr. No.	Name of Director	Category	Designation	No. of Directorship in other Companies (Excluding Pvt. Limited Companies)	No. of specified Committees (Other than GMDC in which Chairman / Member	
					Chairman	Member
1	Shri Manoj Kumar Das, IAS	NED/PD	Chairman	10	--	-
2	Shri Arunkumar Solanki, IAS	ED/ PD	Managing Director	6	-	-
3	Shri Sanjeev Kumar, IAS	NED/PD	Director	9	-	-
4	Smt. Sonal Mishra, IAS	NED/PD	Director	1	-	-
5	Shri Bhadresh Mehta	NED/ID	Director	2	-	-
6	Shri S. B. Dangayach	NED/ID	Director	7	-	1
7	Shri Nitin Shukla	NED/ID	Director	3	-	-
8	Prof. Shailesh Gandhi	NED/ID	Director	0	-	-

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.
4. Outside directorship do not include alternate directorship, directorship of Private Ltd. Companies, Section 8 Company and of Companies incorporated outside India. The Number of outside Committee position held includes Audit Committee and Investor Grievance Committee only.
5. PD –Promoter Director, NED –Non Executive Director, ED –Executive Director, ID – Independent Director.

The Company has received declarations on criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16 (1) (b) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on March 31, 2019.

The Board confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Act and Regulation 16(1) (b) of the Listing Regulations and are independent of the management.

There was no instance during the FY 2018-19 when the Board had not accepted any recommendation of any committee of the Board.

Details of Directorship and Chairman / Membership of Board Committees of other Listed Companies showing the position as on 31st March, 2019 are given in the following table:

Sr. No.	Name of Director	Name of Other Listed Companies	Category of Directorship
1	Shri Manoj Kumar Das, IAS	Gujarat Alkalies And Chemicals Limited	Director
2	Shri Arunkumar Solanki, IAS	None	NA
3	Shri Sanjeev Kumar, IAS	None	NA
4	Smt. Sonal Mishra, IAS	None	NA
5	Shri Bhadresh Mehta	Gujarat State Petronet Limited	Independent Director
6	Shri S. B. Dangayach	Gujarat Industries Power Company Ltd.	Independent Director
7	Shri Nitin Shukla	None	NA
8	Prof. Shailesh Gandhi	None	NA

Number of Board Meetings Held

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

The Board met 4 times during the year i.e. on 09.05.2018, 10.08.2018, 25.10.2018 and 13.02.2019. The attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting held on 29th September, 2018 is as under:

Sr. No.	Name of the Directors	No. of Meetings held during the tenure of Directors	No. of meetings attended	Attendance at the last AGM
1	Shri Manoj Kumar Das, IAS	4	4	No
2	Shri Arunkumar Solanki, IAS	4	4	Yes
3	Shri Sanjeev Kumar, IAS	4	4	No
4	Smt. Sonal Mishra, IAS	4	3	Yes
5	Shri Bhadresh Mehta	4	4	Yes
6	Shri S. B. Dangayach	4	4	Yes
7	Shri Nitin Shukla	4	1	Yes
8	Prof. Shailesh Gandhi	4	3	No

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

1. Knowledge
2. Behavioral Skills
3. Strategic thinking and decision making
4. Financial Skills
5. Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.

Information supplied to the Board

Requisite information as specified in Part - A of Schedule II of Regulation 17 of the Listing Regulations are made available to the Board of Directors, whenever applicable, for discussions and consideration at the Meeting. Agenda Papers are circulated to Directors in advance so as to have the focused and meaningful discussion at the meeting. At every Board Meeting, a presentation is made on the matters covering finance, marketing, operations and any other material/ significant developments. In case of business exigencies or urgency of matters, resolutions are passed by Circulation and the same is put-up to the Board / Committee in the next meeting for taking note thereof. Action Taken Report on the decisions taken at the previous Board / Committee Meetings is placed at their immediately succeeding Meetings for noting.

As required under the Act and Listing Regulations, the Board has constituted mandatory committees. Meetings of the Committees are held, whenever need arises. Minutes of all Committee Meetings are placed before the Board for taking note thereof.

The Board periodically reviews the compliance reports of laws applicable to the Company as also the steps taken to rectify non-compliances, if any.

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.

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 2018-19. A declaration by the Managing Director to this effect is provided at "**Annexure A**" which forms part of the company's Annual Report 2018-19.

Separate Meetings of the Independent Directors

As required under Schedule IV to the Companies Act, 2013 read with Regulation 25(3) of the Listing Regulations. The Independent Directors hold a Meeting during the year without the attendance of Non-Independent Directors and Members of Management. During the meeting they -

i. review the performance of Non-Independent directors and the Board as a whole;
ii. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
iii. assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Directors effectively participate and interact in the Meeting. The Chairman has good experience, knowledge and understanding of the Board's functioning. The information flow between the Company's Management and the Board is satisfactory.

Familiarization Programme for Independent Directors

A system is in place to familiarize the Independent Directors about the company by providing a Director's pact covering the details about the company such as operational & financial highlights, various plants with installed capacity and products manufactured by the company, CSR activities, etc., their role, rights & responsibility, the nature of industry in which the company operates, business model of the company, etc. While considering quarterly and Annual Financial Results, a presentation is made to the Audit Committee and Board, inter-alia, covering operational and financial performance of the company.

The familiarization programme is organized when a new Independent Director is appointed.

COMMITTEES OF THE BOARD

The Board has constituted the Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, CSR Committee and Risk Management Committee as required to be constituted under the provisions of Companies Act, 2013 and Listing Regulations. Apart from abovementioned committees the Board of Directors has also constituted a Tender Committee.

Audit Committee

The Audit Committee of the Company comprises of following directors out of which four are Independent Directors as on 31st March, 2019.

1.	Shri Bhadresh Mehta	Non-Executive Director/Independent Director
2.	Shri Sanjeev Kumar, IAS	Non-Executive Director/Promoter Director
3.	Shri S B Dangayach	Non-Executive Director / Independent Director
4.	Shri Nitin Shukla	Non-Executive Director / Independent Director
5.	Prof Shailesh Gandhi	Non-Executive Director / Independent Director

The Audit Committee is chaired by an independent director. The Audit Committee met four times during the Financial Year 2018-19 to discuss *inter alia* the Auditor's Report, adequacy of internal control / internal audit system and functions, to review the unaudited quarterly financial results etc. on 09.05.2018, 10.08.2018, 25.10.2018 and 13.02.2019. The number of meetings of Audit Committee and attendance of members at these meetings during the year are stated as under:

Sr. No.	Name of the Directors	No. of Meetings held during tenure	Attended	Position held in committee
1.	Shri Bhadresh Mehta	4	4	Chairman
2.	Shri Sanjeev Kumar, IAS	4	4	Member
3.	Shri S B Dangayach	4	4	Member
4.	Shri Nitin Shukla	4	1	Member
5.	Prof Shailesh Gandhi	4	2	Member

Mr. Joel Evans, Company Secretary, acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at 55th Annual General Meeting of the Company held on 29th September, 2018, to answer shareholders queries.

Terms of Reference of the Audit Committee

The terms of reference of Audit Committee is governed by the provisions of Section 177 of the Companies Act, 2013 and rules framed thereunder and as per the Listing Regulations. The terms of reference, *inter alia,* include oversight of the Company's financial reporting process, review of annual financial statements, quarterly financial statements, internal control systems, internal audit reports etc.

Nomination and Remuneration Committee

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

The Nomination and Remuneration Committee of the Company comprises of following three non-executive directors out of which two are Independent Directors as on 31st March, 2019.

1. Shri Bhadresh Mehta — Non-Executive Director/Independent Director (Chairman)
2. Shri Sanjeev Kumar, IAS — Non-Executive Director/Promoter Director (Member)
3. Shri Nitin Shukla — Non-Executive Director/Independent Director (Member)

Mr. Joel Evans, Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee have been formulated in line with the requirement of Section 178 of the Companies Act, 2013 and rules framed thereunder and as per Listing Regulations.

The Details of Sitting Fees paid to the Directors for the year 2018-19 are mentioned hereunder along with their shareholding in the Company.

Sr. No.	Name of the Directors	Remuneration paid (₹)	Sitting fees (₹)	No. of Shares held
1	Shri Manoj Kumar Das, IAS *	-	37500.00	NIL
2	Shri Arunkumar Solanki, IAS	-	NIL	NIL
3	Shri Sanjeev Kumar, IAS*		37500.00	NIL
4	Smt. Sonal Mishra, IAS*	-	30000.00	NIL
5	Shri Bhadresh Mehta	-	37500.00	NIL
6	Shri S. B. Dangayach	-	37500.00	NIL
7	Shri Nitin Shukla	-	15000.00	NIL
8	Prof. Shailesh Gandhi	-	22500.00	NIL

*Paid into Government Treasury

During the period under review, no meeting of the Nomination and Remuneration Committee was held.

Risk Management Committee

As provided under Listing Regulations, the company has constituted Risk Management Committee consisting of the following Directors as the members as on 31st March, 2019:

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

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

Stakeholders Relationship Committee

The Company has constituted a “Stakeholders Relationship Committee”. This Committee looks into the redressal of shareholders’/ investors’ grievances, if any, regarding transfer / transmission / demat of shares, loss of Share Certificates, Non-receipt of Annual Reports, 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 as on 31st March, 2019:

Sr. No.	Name of the Director	Category
1.	Shri Bhadresh Mehta	Chairman
2.	Shri Arunkumar Solanki, IAS	Member
3.	Shri Sanjeev Kumar, IAS	Member

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

Period	Complaints Received	Complaints Redressed
01-04-2018 to 30-06-2018	0	0
01-07-2018 to 30-09-2018	0	0
01-10-2018 to 31-12-2018	1	1
01-01-2019 to 31-03-2019	0	0
Total	**1**	**1**

The Company Secretary acts as Secretary to the “Stakeholders Relationship Committee”

Compliance Officer:

Mr. Joel Evans, Company Secretary, who is the Compliance Officer, can be contacted at:
Gujarat Mineral Development Corporation Limited
Reg. Office:Khanij Bhavan, 132 ft Ring Road, Nr. University Ground, Vastrapur, Ahmedabad 380 052.
Tel: +91 27913200 • Fax +91 27911151
Email: cosec@gmdcltd.com

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

As per the Listing Regulation, 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.

Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility Committee (**CSR Committee**) of the Company comprises of following three executive/non-executive directors out of which one Director is Independent Director, as on 31st March, 2019.

1. Shri Arunkumar Solanki, IAS Executive Director/Chairman
2. Shri Sanjeev Kumar, IAS Non-Executive Director/Promoter Director
3. Shri Bhadresh Mehta Non-Executive Director/Independent Director

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

The Company has formulated CSR Policy and the same is available at the website of the Company at https://www.gmdcltd.com/downloads/csr_policy.pdf

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
2015-16	29.09.2016	11.00 AM	Registered Office of the Company, at Khanij Bhavan, 132' Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
2016-17	29.09.2017	11:00 AM	
2017-18	29.09.2018	11:00 AM	

No Extra Ordinary General Meeting was held during any of the last three financial years. No special resolution was passed in the previous 3 (Three) Annual General Meetings.

(b) No special resolution was put through postal ballot in the previous financial year.

(c) No special resolution proposed to be put though postal ballot this year.

Disclosures

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

For details, about other related parties transactions, see Note No.2.44 of Notes on Financial Statements.

Related Party Transaction Policy has been formulated in order to regulate the transactions between Company and Related Parties. The Related Party Transaction Policy is available at the website of the Company at https://www.gmdcltd.com/en/corporate-policies-gmdc.

(b) Following compliances are not filed with BSE/NSE within prescribed time.

Regulation 7(3): Compliance Certificate certifying maintaining physical & electronic transfer facility.

Regulation 13(3): Statement of Investor complaints.

(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.

(e) Pursuant to the provisions of Regulation 17 (8) of the Listing Regulations, the Managing Director and the Chief Financial Officer have issued a certificate to the Board of Directors for the financial year ended on 31st March, 2019.

(f) The Company has in preparation of financial statements followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the period under review.

(g) Total fees for all the services rendered by the statutory auditor is given below.

Name of the Staturory Auditor: (M/s S C Ajmera & Co)	**Total Amount**
Services for which payment made	**(₹ in Lakh)**
Statutory Audit	7.74
Other Services including reimbursement of expenses	3.34
Total	**11.08**

Certification from Company Secretary in Practice

Mr. Arvind D Gaudana of M/s. Gaudana and Gaudana, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuning as director of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with section as "Annexure D".

Means of Communication

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

Type of Result	Date on which published	Daily News Paper (English)	Daily News Paper (Gujarati)
Quarterly of 30th June, 2018	11.08.2018	Financial Express	Financial Express
Quarterly of 30th September, 2018	26.10.2018	Mint	Financial Express
Quarterly of 31st December, 2018	14.02.2019	Business Line	Financial Express
Annual as on 31st March, 2019	10.05.2019	Financial Express	Financial Express

The Annual Report, Quarterly Results, Quarterly Corporate Governance Report and Shareholding Pattern of the Company are filed with the Stock Exchanges within the prescribed time.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to provide a work environment that ensures every woman employee is treated with dignity, respect and afforded equal treatment.

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

The Company has constituted Internal Complaints Committee to redress the complaint(s).

The Details of the complaints

No. of Complaints filed during the financial year	NIL
No. of Complaints disposed of during the financial year	NIL
No. of Complaints pending as at the end of the financial year	NIL

General Shareholder Information : AGM Date, day, time and venue

Date of AGM : 30th Septmber, 2019

Day : Monday

Time : 11.00 AM

Venue : Registered Office of the Company
Khanij Bhavan
132 Ft Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052

Financial Calendar (tentative)

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

Date of 'Book Closure'

The Register-of-Members and the Share Transfer Register of the Company would remain closed from Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive) for the purpose of ascertaining the list of shareholders entitled for the dividend, if any, declared at the ensuing Annual General Meeting and approved by the shareholders.

Dividend Payment and Dividend Distribution Policy

The dividend if declared at the Annual General Meeting and approved by the shareholders would be paid to the Shareholders within 30 days from the date of declaration. The Company has put in place dividend distribution policy which is available at https://www.gmdcltd.com/en/corporate-policies-gmdc.

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 and BSE up to the year 2018-19. The Company has also paid custodial fees to National Securities Depository Ltd., and Central Depository Services (India) Ltd., for FY 2019-20.

NAME OF THE STOCK EXCHANGE	STOCK CODE
National Stock Exchange of India Ltd.,	GMDCLTD
The Stock Exchange, Mumbai	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, 2018	146.85	123.00	135.60	10739.35
May, 2018	140.25	115.20	116.15	10736.15
June, 2018	127.30	101.75	106.65	10714.30
July, 2018	104.90	102.60	114.50	11356.50
August, 2018	122.70	113.00	114.85	11680.50
September, 2018	116.90	92.55	93.45	10930.45
October, 2018	100.30	81.25	86.15	10386.60
November, 2018	92.50	85.10	86.25	10876.75
December, 2018	92.50	83.75	89.20	10862.55
January, 2019	90.75	82.30	87.05	10830.95
February, 2019	86.50	72.55	76.95	10792.50
March, 2019	94.50	77.25	81.30	11623.90

*at the end of the month

Registrar and Share Transfer Agent (For physical & Demat)

M/s. MCS STA Limited
101, Shatdal Complex, 1st floor, Opp: Bata Show Room, Ashram Road, Ahmedabad – 380 009
Tel. 26580461-62-63 Fax – 079 26581296 • Email: mcsstaahd@gmail.com

Share Transfer System

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

A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL). Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (for half year ended on 31st March, 2019), certificates, on half-yearly basis have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

Report on Corporate Governance:

As per Regulation 27(2) of SEBI Listing Regulations, 2015, the Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance.

Shareholding Pattern:

The pattern of equity share holding of the Company as on 31st March, 2019 was as under:

Category	No. of Shares	% to total
Govt. of Gujarat	23,53,20,000	74.00
IEPF	89,562	0.03
Mutual Funds	2,43,73,979	7.66
Financial Institutions/Banks	11,79,241	0.37
Insurance Companies, Foreign Institutional Investors, Bodies Corporate	2,38,44,573	7.50
Individuals, HUFs, NRIs, Trusts	3,31,92,645	10.44
Total……..	**31,80,00,000**	**100.00**

Distribution of Shareholding as on 31st March, 2019

Shareholding of nominal value of			Shareholders		No. of Shares
₹		₹	Number of Shareholders	Number of shares held	% to total
(1)			(2)	(4)	(3)
Upto	-	500	57435	7516911	2.37
501	-	1000	4687	3864477	7.00
1001	-	2000	2351	3656977	1.15
2001	-	3000	833	2161787	0.68
3001	-	4000	381	1377887	0.43
4001	-	5000	360	1701637	0.54
5001	-	10000	494	3689109	1.16
10001	-	50000	352	7291524	2.29
50001	-	100000	52	3574721	1.13
100001 and above			52	283164970	89.05
Total…				**318000000**	**100.00**

The Company has filed Shareholding Pattern with NSE and BSE on a Quarterly Basis within prescribed time as per Regulation 31 of Listing Regulations.

Dematerialization of Shares

Consequent upon the compulsory demat of the equity shares of the Company as notified by SEBI, as on 31.03.2019 about 99.83% of the equity capital offered to the public is in Demat Form. The equity shares of the promoters are also in Demat Form.

Particulars	No. of Equity Shares	% to Share Capital
NSDL	70440634	22.15
CDSL	247030916	77.68
Physical (Public)	528450	0.17
TOTAL	**318000000**	**100.00**

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

The Company has not issued any of these instruments.

PLANT LOCATIONS:

Lignite Projects	Panandhro	(Dist. Kutch)
	Umarsar	(Dist.Kutch)
	Rajpardi	(Dist. Bharuch)
	Mata-no-Madh	(Dist. Kutch)
	Tadkeshwar	(Dist. Surat)
	Bhavnagar	(Dist. Bhavnagar)
Fluorspar Project	Kadipani	(Dist. Vadodara)
Multi Metal Project	Ambaji	(Dist. Banaskantha)
Bauxite Projects	Gadhsisa	(Dist. Kutch)
	Mevasa	(Dist. Devbhoomi Dwarka)
Manganese Project	Shivrajpur	(Dist. Panchmahal)
Power Project	Nani Chher	(Dist. Kutch)
Wind Power	Maliya	(Dist. Rajkot)
	Gorsar	(Dist. Porbandar)
	Jodiya	(Dist. Jamnagar)
	Bada	(Dist. Kutch)
	Varvala	(Dist. Jamnagar)
	Bhanvad	(Dist. Jamnagar)
	Rojmal	(Dist. Bhavnagar, Amreli and Rajkot)
Solar Project	Panandhro	(Dist. Kutch)

Address for correspondence:

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

Gujarat Mineral Development Corporation Limited
'Khanij Bhavan', 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052
Telephone : (079) 2791 3501 / 3200 • E-mail : cosec@gmdcltd.com, • Website : www.gmdcltd.com

CEO / CFO Certificate

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

Compliance Certificate on Corporate Governance

A certificate from Mr. Arvind D Gaudana of Gaudana and Gaudana, Practicing Company Secretaries regarding the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2019 as stipulated in regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended from time to time is annexed at "**Annexure C**" to the Corporate Governance Report and forms part of the Annual Report.

Vigil Mechanism / Whistle Blower Policy

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

Subsidiary Companies

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth. In Holding Company immediately preceding accounting year or has generated 20% of the consolidated income of the company during the previous financial year. Accordingly a policy on material subsidiary has not been formulated.

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 Listing Regulations relating to Corporate Governance.

The Directors and Senior Management have affirmed compliance with the said Code during the financial year 2018-19.

For Gujarat Mineral Development Corporation Ltd.

Date : 03rd August,2019

Place : Ahmedabad

Arunkumar Solanki, IAS

Managing Director

ANNEXURE B

CERTIFICATE BY CEO AND CFO FOR ANNUAL ACCOUNTS FOR THE YEAR 2018-19

A. We have reviewed financial statements and the cash flow statement for the year 2018-19 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the company's affairs and are in compliance with 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 volatile of 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 we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) 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

Chief General Manager & Chief Financial Officer

Arunkumar Solanki,IAS

Managing Director

ANNEXURE C

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN: L14100GJ1963SGC001206 **Nominal Capital:- ₹ 1,50,00,00,000/-**
Paid up Capital:- ₹ 63,60,00,000/-

To,
The Members of
GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED
Khanij Bhavan, Near Gujarat University Ground,
132 Ft Ring Road, Vastrapur, Ahmedabad,
Gujarat 380052, India

We have examined the compliance of conditions of Corporate Governance by **GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED** ('the company')along with relevant registers, records, forms, returns and disclosures received from the Directors of Company for the year ended 31st March, 2019 as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'SEBI Listing Regulations, 2015').

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said SEBI Listing Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that as at 31st March, 2019, no investor grievance was pending for a period of one month against the Company as per the records maintained by the Company and presented to Stakeholders Relationship Committee.

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

For Gaudana & Gaudana
(Company Secretaries)
CS Arvind Gaudana
Senior Partner
FCS No: 2838, C.P. No: 2183

Place : Ahmedabad
Date : 03rd August,2019

ANNEXURE D

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i)
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members of
Gujarat Mineral Development Corporation Limited
(CIN: L14100GJ1963SGC001206)
Khanij Bhavan, Near Gujarat University Ground,
132 Ft Ring Road, Vastrapur, Ahmedabad, Gujarat 380052.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Gujarat Mineral Development Corporation Limited** having CIN **L14100GJ1963SGC001206** and having registered office at **Khanij Bhavan, Near Gujarat University Ground, 132 Ft. Ring Road, Vastrapur, Ahmedabad, Gujarat 380052, India** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1	Shri Nitin Chandrashanker Shukla	00041433	14/10/2014
2	Shri. Satyanarayan Banwarilal Dangayach	01572754	14/10/2014
3	Shri Shailesh Gandhi	02685385	03/12/2015
4	Smt.Sonal Mishra	03461909	18/06/2015
5	Shri Arunkumar Mohanbhai Solanki	03571453	24/06/2016
6	Shri Sanjeev Kumar	03600655	15/07/2017
7	Shri Manoj Kumar Das	06530792	16/05/2017
8	Shri Bhadresh Vinaychandra Mehta	02625115	21/10/2008

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Gaudana & Gaudana
(Company Secretaries)
CS Arvind Gaudana
Senior Partner
FCS No: 2838, C.P. No: 2183

Place : Ahmedabad
Date : 03rd August,2019

ANNEXURE VII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Mining Scenario

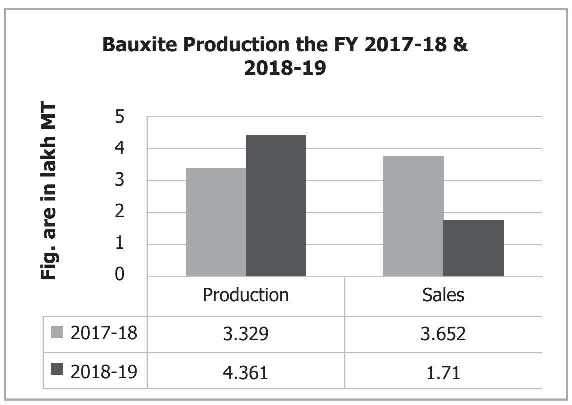
The World Bank's Metals and Minerals Price Index increased 1.7 percent in the first quarter of 2019 (q/ q). This was a rebound from a decline in the fourth quarter of 2018 that followed an even steeper decline in the preceding quarter. The price increase reflected supply concerns, progress in trade negotiations between the United States and China, and fiscal stimulus in China. Metal prices are anticipated to continue rebounding from their 2018 trough but average 1.9 percent lower in 2019. Risks are broadly balanced. Downside risks include a weaker-than expected demand boost from China's fiscal stimulus and a prolonged stall in U.S.-China trade negotiations.

Alone among base metals, *aluminum* prices dropped 5.1 percent in the first quarter as supply concerns receded in early 2019. Sanctions imposed on the Russian aluminum producer Rusal in April 2018 were lifted in January 2019. A production embargo on the world's largest alumina refinery, Alunorte in Brazil (10 percent of global alumina supply excluding China), due to alleged environmental breaches was lifted although the resumption of full production is still awaiting federal court approval. Aluminum production and smelter capacity have expanded in China where environmental curbs were less stringent than expected. Aluminum prices are projected to fall by 8 percent in 2019 reflecting lower alumina prices and large aluminum over capacity in China. Most base metal prices face upside risks from the possibility of tighter-than-expected environmental policies and slower-than-expected easing of commodity-specific supply bottlenecks.

(Source: A Commodity Market Outlook, April, 2019)

Indian Economy & Mining Sector Perspective

As per the provisional estimates of national income, the growth of real Gross Domestic Product (GDP) for 2018-19 is estimated at 6.8 percent. The growth rates of GDP at constant prices were 8.2 percent and 7.2 percent respectively for 2016-17 and 2017-18 (Figure – 1). The growth of GDP at constant prices for fourth quarter (Q4) of 2018-19 was 5.8 percent, as compared to 8.1 percent in Q4 of the previous year.



IIP (Index of Industrial Production) of mining sector grew by 3.2 percent in May 2019, as compared to a growth of 5.8 percent in May 2018. During April-May 2019, production of mining sector grew by 4.1 percent, as compared to a growth of 4.8 percent during the corresponding period of previous year.

(Source: Ministry of Finance, Department of Economic Affairs, Economic Division, Monthly Economic Report, June, 2019)

FDI upto 100 percent is allowed in exploration, mining, minerals, processing, metallurgy and exploration of metal and non-metal ores under the automatic route for all non-fuel and non-atomic minerals including diamonds and precious stones. During April 2000-December 2018, FDI inflows into metallurgical industries stood at US$ 11,152.87 million. During the same period, FDI inflows in the mining, diamond and gold ornaments and coal production sectors stood at US$ 2,321.59 million, US$ 1,151.45 million and US$ 27.73 million respectively.

(Source: Metal and Mining Report, April 2019, Indian Brand Equity Foundation)

The Gross Value Added (GVA) accrued from mining and quarrying sector at 2011-12 prices for the first quarters of 2017-18 is estimated at ₹ 85,911 crore, indicated a decrease of about 0.7% over that in the same period of previous year. Similarly, the quarterly estimates of GVA (at current prices) for the first quarter of the year 2017-18 is estimated at ₹ 82,270 crore. The mining and quarrying sector contribution (at current price) to GVA accounted for about 2.3 % for the first quarter of the year 2017-18.

(Source: Ministry of Mines Annual Report 2017-18)

India is the 3rd largest producer of coal. Coal production in the country stood at 688.8 million tonnes in FY18. It stood at 739.36 million tonnes in FY19. India has the 5th largest estimated coal reserves in the world, standing at 319.02 billion tonnes in FY 2018-19.

(Source: Metal and Mining Report, July 2019, Indian Brand Equity Foundation)

Geological Survey of India (GSI) has augmented coal resource in different states and the total resource of coal of the country stands at 3,15,148.81 million tonnes and that of lignite stands at 44698.14 million tonnes as on 01.04.2017.

(Source: *Ministry of Mines Annual Report 2017-18)*

According to Ministry of Mines, India has the 7th largest bauxite reserves- around 2,908.85 million tonnes in FY 2016-17. Aluminium production stood at 0.92 million metric tonnes during April-June 2018 and is forecasted to grow to 3.33 million tonnes in FY 2019-20. India has vast mineral potential with mining leases granted for longer durations of 20 to 30 years.

(Source: Metal and Mining Report, April 2019, Indian Brand Equity Foundation)

India is the world's second-largest producer of cement. The sector's strong expansion over the past decade has been a key contributor to rising coal demand. Cement Production is expected to increase at a CAGR of 5-6% between FY 2016-17 to FY 2019-20. Cement production in India increased from 230.49 million tonnes in FY 2011-12 to 297.56 million tonnes in FY 2017-18. During April 2018-February 2019, cement production stood at 304.20 million tonnes. Sales of cement in India grew at 13.6 per cent year-on-year to 275.7 million tonnes during April 2018- January 2019. The Union Budget has allocated Rs 139 billion (US$ 1.93 billion) for Urban Rejuvenation Mission: AMRUT and Smart Cities Mission. Government's infrastructure push combined with housing for all, Smart Cities Mission and Swachh Bharat Abhiyan is going to boost cement demand in the country. As of October 2018, the Government of India has auctioned 23 limestone blocks and 42 more limestone blocks are expected to be auctioned by March 2019.

(Source: Sectoral Report on Cement, April 2019, Indian Brand Equity Foundation)

The power sector accounts for a large share of the consumption of coal in country. In FY 2017-18, 2016-17, power generation in India was 1249.19 TWh. Power generation in India expanded at a CAGR of 5.35 % during FY 2008-09 to 2018-19. Coal based power generation is forecasted to grow at a CAGR of 6.5% during 2017-18 to 2022-23. This increase is expected to boost non-coking coal consumption at a CAGR of 5.4% to 1,076 million tonnes in FY 2022-23 from 826 million tonnes in FY 2017-18. Around 85.97% of total power generation was done through thermal power plants, while hydro and nuclear plants contributed 3.18% and 10.46% respectively in FY 2017-18.

(Source: Metal and Mining Report, April 2019, Indian Brand Equity Foundation)

Industry Structure and Development

The country is endowed with huge resources of many metallic and non-metallic minerals. Mining sector is an important segment of the Indian economy. Since independence, there has been a pronounced growth in the mineral production both in terms of quantity and value. India produces 95 minerals– 4 fuel-related minerals, 10 metallic minerals, 23 non-metallic minerals, 3 atomic mineral and 55 minor minerals (including building and other materials).

(Source: Ministry of Mines Annual Report 2017-18)

India's metal and mining sector has witnessed strong growth over the past few years. GVA (Gross Value Added) from mining & quarrying reached US$ 51.31 billion in FY 2018-19 SAE (Second Advance Estimate). Mineral Production in India has also surged, achieving a CAGR of 5.72% between 2013-14 and 2017-18E to reach US$ 17.62 billion in 2017-18. The operative mines (excluding atomic minerals, petroleum (crude), natural gas (utilized) and minor minerals) in India have increased to an estimated 1,531 in 2017-18 from 1,508 in 2016-17. As of December, 2018, 18 mineral blocks have been auctioned. Production of as many as 95 minerals is undertaken in India, including 4 fuel minerals, 10 metallic minerals, 23 non-metallic minerals, 3 atomic minerals and 55 minor minerals (including building and other materials). Odisha was the leading producer of minerals with production worth in FY 2018-19 (up to July 2018) excluding fuel, atomic and minor minerals, followed by Rajasthan, Karnataka, Chhattisgarh and Jharkhand with production of minerals worth US$ 1.03billion, US$ 0.53billion, US$ 0.43 billion, US$ 0.39 billion and US$ 0.12 billion respectively. Production of metallic minerals in the country has increased from US$ 7.30 billion in 2011-12 to US$ 8.23 billion in 2017-18E. During the same period, production of non-metallic minerals increased from US$ 0.95 billion to US$ 1.20billion. Production of metallic minerals and non-metallic minerals in India FY 2018-19 (upto July, 2018) was US$ 2.71 billion and US$ 0.43 billion respectively.

(Source: Metal and Mining Report, April - 2019, Indian Brand Equity Foundation)

Favourable Policies are Supporting the Sector Growth

- Aims to bring in more transparency, better regulation and enforcement, balanced social and economic growth along with sustainable mining practices.

- Proposes to grant industry status to mining with the objective of boosting financing of private sector.
- Supports merger and acquisition of mining players.
- The MMDR Act of 1957, witnessed amendments in 2015 for the promotion and development of the mining industry in India, that includes making auctions the sole method for the allotment of mineral concessions and mandating the establishment of District Mineral Foundation (DMF).
- FDI of up to 100 % is permitted under the Automatic Route to explore and exploit all non-fuel and non-atomic minerals and process all metals as well as for metallurgy.
- FDI caps for coal and lignite has been increased to 100 % under the automatic route.
- In March 2018, the government allowed 100% FDI in coal mining.
- Government of India is encouraging private ownership for steel operations and other high priority industry.
- Profits of companies producing specified metals are given tax concession under the Income Tax Act.
- Low custom duty on the capital equipment used for minerals
- Companies who do mining in backward districts are eligible for complete tax holiday for a period of 5 years from the commencement of production and 30% tax holiday for 5 years thereafter.
- Government of India significantly reduced the duty payable on finished steel products and has stream lined the associated approval process.
- Focuses on up-gradation of the skill sets to foster adaptation of new state of art technology.
- Aims to increase the capacity and quality of training infrastructure and trainers to address human resource needs.

(Source: Metal and Mining Report, April - 2019, Indian Brand Equity Foundation)

Growth Drivers for Mining Sector

- Rise in infrastructure development and automotive production driving growth in the sector.
- Power and Cement industries also aiding growth in the metals and mining sector.
- Demand for iron and steel is set to continue, given the strong growth expectations for the residential and commercial building industry.
- India holds a fair advantage in cost of production and conversion costs in steel and alumina.
- It’s strategic location enables convenient export to developed as well as the fast developing Asian markets.
- There is significant scope for new mining capacities in iron ore, bauxite, and coal.
- Considerable opportunities for future discoveries of sub-surface deposits.
- The Ministry of Steel aims to increase the steel production capacity to 300 million tonnes by 2030-31 from 134.6 million tonnes in 2017-2018 indicating new opportunities in the sector.
- 100 per cent FDI allowed in the mining sector and exploration of metal and non metal ores under the Automatic Route.
- Approval of MMDR Bill (2011) to provide better legislative environment for investment and technology.
- National Mineral Policy 2019 launched for transparency, better regulation and enforcement, balanced social and economic growth into the sector.

(Source: Metal and Mining Report, April - 2019, Indian Brand Equity Foundation)

Performance of GMDC (FY 2018-19)

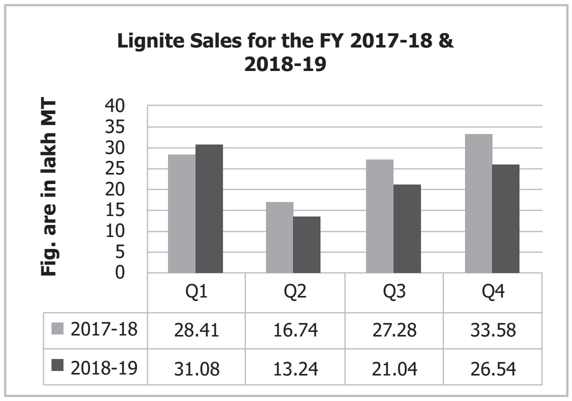
A. Product wise performance

a. Lignite:

Lignite mining continues to be the main operation of the company. GMDC currently has 6 operational Lignite mines. The mines are located in Kutch, South Gujarat and Bhavnagar region. Out of total Profit before Tax (PBT) of the company about 80% is from Lignite Mining Operations.

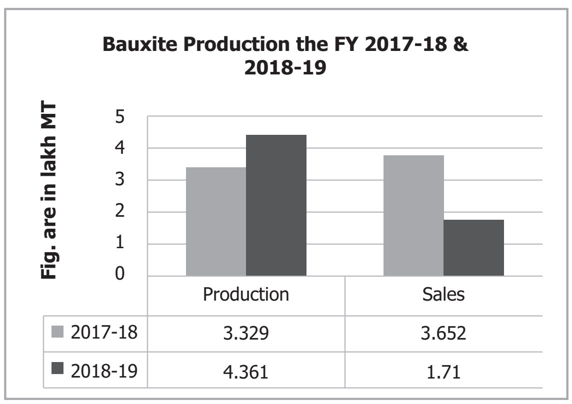
GMDC’s six active lignite mines together produced 91.90 lakh Metric Tonnes of lignite during the FY 2018-19. GMDC is the largest merchant seller of Lignite in the country.

Lignite sale of GMDC has decreased by nearly 13.31% in FY 2018-19 compared to FY 2017-18.



b. Bauxite

Other than Lignite, GMDC is also operating Bauxite mines in Gujarat. The operations are located in districts of Kutch as well as Devbhoomi Dwarka. The Bauxite deposits of Gujarat are clustered deposits with numerous pocket deposits present in near-by vicinity. GMDC is currently mining nine Bauxite deposits, of which eight are in Kutch and one is in Devbhoomi Dwarka. In FY 2018-19 GMDC has produced 3.94 lakh metric tonnes Bauxite from its eight operating mines (Gadhsisa Group of Bauxite Mines) in Dist. Kutch and has produced 0.421 lakh metric tonnes Bauxite from its Mevasa Bauxite Mines in Dist. Devbhoomi Dwarka. GMDC's production capacity of Bauxite is likely to be stable in coming years. GMDC envisages to cater the needs of major value addition plants of mineral in the state.



c. Power

GMDC Power Division consists of ATPS Thermal Power Plant, Wind Power Plants and Solar Power Plants. A total 1623.30 Millions Units of power was produced in FY 2018-19.

Akrimota Thermal Power Plant: The Generation as well as PLF of ATPS for 2018-19 is 1187.43 Millions Units and 54.22% PLF respectively. ATPS received national level runner up award by Mission Energy Foundation in the category of Efficient Management of Fly Ash TPP <=500 MW**.**

Wind Power Plants : GMDC consists of 200.9 MW Capacity of Wind Power Projects and are situated at different locations in Gujarat. The PLF of wind projects has reported 24.34% in the FY 2018-19 with total Generation of 428.31 Million Units as compared to 21.76% PLF and generation of 382.76 Million Units in the FY 2017-18. Wind Power generation for FY 2018-19 increases by 12% as compared to the previous year because of the constant follow up and supervision of the O&M Contractors.

Solar Power Plant: GMDC has 5 MW Solar Power Project situated at Panandhro Lignite Project. The solar power plant has generated 7.56 Million Unit Power with PLF of 17.26% which is 15% rise in Generation as compared to the previous year.

d. **Exploration Activities**

To establish behaviour of mineral deposit along with quality & quantity of the ore , GMDC initiated mineral exploration practices by study of Satellite Imagery and GIS Technology, Geological Mapping & Geo – physical surveys, Pitting and trenching, Conventional Mineral Exploration by drilling for Lignite, Bauxite , Manganese and other associated mineral deposit followed by mineral analysis and preparation of exploration report as per requirement of Ministry of Coal & Ministry of Mines by using latest computer software.

We have also carry out geological mapping with the help of satellite images & GIS technology over possible bauxite & laterite bearing areas in Kutch and established addition bauxite bearing areas for stage – II exploration.

B. **Financial performance**

The company's profit before depreciation, tax and exceptional items has increased by 5% from ₹ 669.58 Crore to ₹ 701.09 Crore over the past year. Total market capitalisation of the company stands out at ₹ 2577 Crore as on 31st March, 2019.

(₹ in Lakh)

Particulars	2016-17	2017-18	2018-19
Turnover	1,58,235	2,06,996	1,87,968
Profit before Depreciation, tax and exceptional items	42,510	66,860	70,109
PBT	44,598	55,692	60,495*
PAT	32,422	43,460	13,879
Dividend (%)	150	175	100

(*before exceptional item)

The details of significant changes in key financial ratios, along with detailed explanations thereto is given hereunder:-

Sr. No.	Name of Accounting Ratio	Financial Year		Change %	Explanation for significant change in Accounting Ratios
		2018-19	2017-18		
1	Debtors' Turnover Ratio	14.53	17.99	-19.21%	No Significant change
2	Inventory Turnover Ratio	22.04	29.30	-24.79%	No Significant change
3	Current Ratio	6.06	3.56	70.18%	The Change in Current Ratio is mainly on account of repayment of ₹ 15,100 Lakh to NALCO during FY 2018-19 as approved by the Govt of Gujarat.
4	Operating Profit Margin	32.18%	26.91%	19.62%	No Significant change
5	Net Profit Margin	7.38%	21.00%	-64.38%	Reduction in Net profit margin percentage is on account of loss on investment in Bhavnagar Energy Company Limited (BECL) which is merged with Gujarat State Electricity Corporation Ltd with loss of ₹ 29,765 Lakh as per notification dated 27 Aug, 2018 issued by Energy and Petroleum Department, Govt of Gujarat which has been shown as exceptional item in the Statement of Profit and Loss also.

Opportunities and Threats for GMDC:

Opportunities

- As six mining leases are reserved by the Central Government for GMDC, it will boost the Lignite Production which will help in increasing revenue of GMDC.
- There are large amount of reserves of Limestone at our upcoming Lakhpat Punrajpur Mining, Panandhro Extension & Bharkandam. GMDC is approaching various cement companies across India for setting up of Cement Plant where GMDC will be a long term Limestone supplier.
- As the market of overburden minerals like Silica Sand, Ball Clay & Bentonite is increasing, entering into the beneficiation industry of these overburden minerals will have a larger scope in terms of revenue, customer base and market share. GMDC is planning to enter into this beneficiation Industries by the way of long term supplies of respective minerals.
- Joint Detailed Exploration of Manganese bearing area in Dist. Panchmahal & Baroda to be carried out with M/s MOIL Ltd. for further development of a new business prospects.

Threats

- Imported Coal
- Shifting technology from Coal/Lignite to alternate fuels like Natural Gas, FO, etc
- Land acquisition

Outlook

GMDC's measured drive is outlined by extension of activities on three facades, namely, venturing into exploration activities; increasing the geographical reach within Gujarat and diversifying operations in sectors such as renewable power generation and other minerals. The future outlook of GMDC may include the following :

- To identify and reserve new lignite and bauxite leases within Gujarat
- To establish itself as a nodal agency for exploration in scientific manner within Gujarat as well as India
- To venture into renewable power generation options in its mined out area as reclamation of exhausted projects needs to be carried out
- To promote training and development in the mining sector to cater the need of skilled manpower in the sector
- To cater Limestone to the Cement Plants in Kutch from our upcoming mines
- To explore new business opportunities for Manganese in Dist. Panchmahal & Baroda jointly with M/s MOIL Ltd.

Risks and Concerns

Various activities undertaken to achieve the goals make the Company susceptible to various risks. It has to be recognized that risks are not merely the hazards to be avoided but in many cases offer opportunities which create value ultimately leading to enhancement of shareholders' wealth, and ensuring sustainability of operations.

Mining companies are required to ensure restoration of mined out areas, and that some of the revenue/costs of the mining go towards strengthening of environmental resources and ecosystem resilience in adjoining areas. GMDC is actively undertaking activities to ensure sustainable development. Increasing environmental concerns will lead to higher costs. Land acquisition is also a challenge for GMDC as the new legal framework for land acquisition would result in higher land cost.

Internal Control and its adequacy

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

Human Resource and Industrial Relations

During the year under review there was no material development in human resource and industrial relations. The Company had harmonious relations between management and the employees. As on 31st March, 2019, the Company had 1375 employees.

Cautionary Statement

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

******

ANNEXURE VIII

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2018-19

1. **Brief Outline:**

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

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

2. **The Composition of the Corporate Social Responsibility Committee:**

   i. Shri Arunkumar Solanki, IAS, MD - Chairman

   ii. Shri Sanjeev Kumar, IAS, Director - Member

   iii. Shri Bhadresh Mehta, Independent Director - Member

3. **Average Net Profit of the Company for last three Financial Years:** ₹ 439.96 Crore

4. **CSR Expenditure:**

   (a) Contributed to GMDC Gramya Vikas Trust for CSR activities ₹ 901.13 Lakh

   (b) Incurred directly by GMDC towards various CSR activities ₹ 0.49 Lakh

   Total Expenditure on CSR ₹ **901.62 Lakh**

5. **Details of CSR Spent during the Financial Year 2018-19:**

   i. Total amount to be spent for the Financial Year 2018-19: ₹ 8.80 Crore

   ii. Amount unspent, if any: ₹ NIL

   iii. Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakh)

Sr. No.	CSR Project or Activity Identified	Sector in which the project cost is covered	Projects or programs (1) Local area or other (2) The state and district where projects or programs were undertaken	Amount outlay (Budget) project or program-wise	Amount spent on the projects or programs subheads : (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1	Providing Water Cooler, Drinking Water facility through our tanker to near villages, Widening & Deepening of Check Dam, Borewell in villages & Vanmahotsav, Water Harversting, Ecofriendly beg distribution, Dust Suppression Machine (Multifog), Distribution of plants and tree guards, Gujarat Ecology Institute vadodara	Water Conservation & Environment	ATPS, Panandhro, Bhavnagar, Bhatia, Gadhshisa, Rajpardi, Umarsar, Mata No Madh	200.000	123.617	749.976	Through GMDC Gramya Vikas Trust

(₹ in Lakh)

Sr. No.	CSR Project or Activity Identified	Sector in which the project cost is covered	Projects or programs (1) Local area or other (2) The state and district where projects or programs were undertaken	Amount outlay (Budget) project or program-wise	Amount spent on the projects or programs subheads : (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
2	Administration and Maintenance of Shyamji Krishna Varma Memorial Trust , Renovation of Temple, Musical Instruments & Sound systems, Study and Cultural Tours for students,	Art Culture & History	Shyamji Krishna Varma Memorial Society Mandvi, Rajpardi, Panandhro, Mata Na Madh, Tadkeshwar, Umarsar, ATPS, Gadhsisa	50.000	114.586	1494.677	Through GMDC Gramya Vikas Trust
3	Providing Note Books and Sport equipments, Benches and other infrastructure, Financial Assistance to Girl Students and Smart Class Room, Notebook to Govt. village Schools, Educational Accessories to village, Sponsoring Education of Girl Students in Lakhpat , School Bus facility, educational tour, Smart Anganwadi in 50 villages, Providing books for competitive exams, financial assistance for employment training programs and youth welfare	Education (Promoting Education Skill Development Vocational Training)	Pandhro, ATPS, Umarsar, Tadkeshwar, Mata No Madh, Rajpardi Bhavnagar, Bhatia, Gadhshisa, Kadipani, Rajpardi and Other proejcts	250.000	445.637	9806.349	Through GMDC Gramya Vikas Trust
4	Water supply pipe connection up to tank, Construction of Panchayat Community Hall, Anganwadi ,Underground Sewage, Furniture of Gram Panchyat, Public Library. Bus Stand, LED Street Lights, Smashangruh, Police Station, Road, Water Tank, Retaining Wall, Garib Kalyan Mela	Rural Infrastructure & Rural Development	ATPS, Panandhro, Umarsar, Bhavnagar, Mata No Madh , Rajpardi, Tadkeshwar	150.000	50.172	842.833	Through GMDC Gramya Vikas Trust
5	Medicine & Mobile Dispensary Service to villages , Financial Assistance to Gujarat Medical research institutes, Winter wears to blind people, Equipments for differently abled people Toilets -Individual , Financial Assistance for Lokfalo for construction of toilets	Health and Sanitation	Panandhro, ATPS, Rajpardi, Gadhshisa, Mata Na Madh, Ahmedabad	250.000	205.367	1433.642	Through GMDC Gramya Vikas Trust
6	Donation to various NGOs, government programs and projects	Donation	Various districts of Gujarat State	50.000	4.490	1168.490	Through GMDC Gramya Vikas Trust
	TOTAL			**950.000**	**943.869**	**15495.967**	

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not sending the amount :** NIL

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

   "The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR Objectives and Policy of the Company."

Arunkumar Solanki, IAS
Chairman – CSR Committee

CSR POLICY

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

Objectives:

The basic objectives of CSR policy of GMDC are as under :

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

Areas of focus

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

ANNEXURE IX

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f) of SEBI (LODR) Regulations 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L14100GJ1963SGC001206
2. Name of the Company : Gujarat Mineral Development Corporation Ltd.
3. Registered address : Khanij Bhavan, 132 Ft Ring Road, Nr University Ground, Vastrapur, Ahmedabad 52.
4. Website : www.gmdcltd.com
5. E-mail id : cosec@gmdcltd.com
6. Financial Year reported : 2018-19
7. Sector(s) that the Company is engaged in (industrial activity code-wise): Mining & Power
8. List three key products/services that the Company manufactures/provides (as in Balance Sheet): Lignite & Electricity
9. Total number of locations where business activity is undertaken by the Company
   a) Number of International Locations (Provide details of major five) : Nil
   b) Number of National Locations : Nil
10. Markets served by the Company : In Gujarat State

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : ₹ 63.60 crore
2. Total Turnover (INR) : ₹ 1,880 crore
3. Total profit after taxes (INR) : ₹ 138.78 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 6.50%. Further disclosures as required under Section 135 of the Companies Act, 2013 read with the applicable rules are made elsewhere in this report.
5. List of activities in which expenditure in 4 above has been incurred:-

   The above expenditure has been*, inter alia,* incurred on the following activities:

   a) Health & Sanitation
   b) Water
   c) Environment
   d) Art, Culture & History
   e) Education
   f) Rural Infrastructure and development

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?: No.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): Not applicable
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: No.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number : 03571453
2. Name : Shri Arunkumar Solanki, IAS
3. Designation : Managing Director

b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	Not applicable
2	Name	Shri L Kulshreshtha
3	Designation	Chief General Manager and Chief Financial Officer
4	Telephone Number	079-27913200 (1701)
5	Email Id	fink@gmdcltd.com

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of the Compliance (Reply in Y/N)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for BR	Y	Y	Y	Y	Y	Y	NA	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?*									
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	NA	Y	NA	Y	Y

* The website link of applicable policies are mentioned elsewhere in this Report.

Sr. No.3 : Does the policy conform to any national / international standards? If yes, specify? (50 words)

P1	The company, being a Government company, has a Vigilance Policy as per the Government guidelines and also has vigilance wing as part of its overall HR Department set up. Apart from this the Company also has a whistle blower policy and a code of conduct. The Whistle Blower Policy and code of conduct conforms to the requirements as stipulated by the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The company also has detailed service rules for its employees which include anti bribery and anti corruption provisions. Over and above, the Company is also prone to Right to Information Act, 2005.
P2	The company carries out its mining operations within the regulatory framework with all environmental sensibilities. The company also promotes inclusive growth and has its operations in some of the remotest regions of the state. The Company has a Corporate Social Responsibility Policy which can be viewed on the weblink https://www.gmdcltd.com/en/corporate-policies-gmdc.

P3	In order to promote the employee welfare, the company provides welfare amenities to employees such as residential quarters at projects, schools both English medium and Gujarati medium at select projects, hospital facilities, medical facilities, play ground, both for outdoor and indoor games etc, at these remote locations. For the benefits of employees, the company has also created a facility of Employee Recreation Club at all its project locations and conducts a biannual Cultural cum Sports Olympiads for bringing out the hidden talents of its employees and their family members.
P4	Being a State Public Sector enterprise, the company's operational outlook is Socio Economic in nature. The company's mining operations are located in either the underdeveloped or deserted or tribal belt of the State of Gujarat. The company has always endeavored to bring this marginalized section of the society into the mainstream of development by creating direct and indirect employment opportunities for both men and women of these areas. Not only this, through a holistic CSR interventions, the company has reached out to the rural masses. Not only this, the company constantly endeavors to have an inclusive approach towards mineral development.
P5	The Company is a State and is a Government Company. Therefore the company follows the constitutional mandate on human rights.
P6	The company has adopted an Environment Policy which can be viewed on the weblink : https://www.gmdcltd.com/en/corporate-policies-gmdc. Environment management is a very important part of mining industry and GMDC follows best practices towards reclamation and restoration of mined out areas. GMDC has adopted all measures to control the Air, Water, Noise & Land pollution. The company maintains a full fledged Environment Department with well qualified environment engineers and well equipped testing laboratories at its major mining projects. There is a system of constant environment monitoring and control.
P7	While there is no specific policy for this purpose, the company puts forth its suggestions and views through trade bodies like Federation of Indian Mineral Industries, Mining Engineers' Association of India, Gujarat Mineral Industries Association. Company's operational and sales policies are sensitive towards the requirement of fuel within the state by small and medium enterprises in particular.
P8	GMDC is painstakingly cultivating a culture of building good relations with the community among which it operates, be it through acquisition of mining land, resettlement and rehabilitation of project affected persons or the nurture of fragile environment in which it undertakes mining or provision of needful assistance to its neighbours. As a corporate philosophy, GMDC has been responding to the various societal needs of remote rural areas from where mineral wealth is generated and has been lending a helping hand. Be it environmental needs, developmental needs in the form of employment generation, education, health care, water, sanitation, women empowerment or critical need at the time of natural disasters, GMDC has chosen to respond responsibly. In line with the requirement of Companies Act, 2013, the CSR Policy of GMDC is framed and can be viewed at https://www.gmdcltd.com/downloads/csr_policy.pdf
P9	The company is a critical supplier of an alternative fuel of lignite to the industrial units operating in the State of Gujarat. The company's customers span from major manufacturers of textiles to small time brick manufacturers. The company attempts to distribute the natural resources in the most optimal manner to these customers at affordable prices. The company also saves the state from critical foreign exchange outflow, as the fuel supply is available to the industry in an assured, timely and cost effective manner. The online customer care portal of the company facilitates faster and effective customer reach out. Not only this, the company conducts on site and off site customer meets and customer satisfaction surveys for understanding the need and fuel preferences of customers.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-		-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company: Annually

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The company had prepared a Sustainability Report. Please check the Company's website link : https://www.gmdcltd.com/downloads/GMDC-Sustainability-Report-03062017.pdf

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ ~~No.~~ Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others? : No

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During the year under report, no such complaints have been received by the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
   a) Energy generation through Wind Power
   b) Energy generation through Solar Power

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
   a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
   b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   The company is actually in the business of supply of mineral to the industries situated within the state of Gujarat.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   The company, being a government company, has special provisions for sourcing goods from small and medium enterprises. Various services like plantations, labour, security services etc. are procured on outsourced basis through participation of local communities and local villagers.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   GMDC takes care of mineral conservation and hence, the overburden which is produced during the mining operations of lignite is properly stacked and is sold for value addition (like silica sand, ball clay, bentonite, limestone).

Principle 3: Businesses should promote the wellbeing of all employees

1	Total number of employees.	1375
2	Total number of employees hired on temporary/contractual/casual basis.	37
3	Number of permanent women employees.	118
4	Number of permanent employees with disabilities	15
5	Name of employee association that is recognized by management. (a) Gujarat Rajya Khanij Karmachari Sangh (b) GMDC Karmachari Sangh (BMS)	
6	Percentage of permanent employees who are members of these recognized employee associations	83%

7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as at the end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. Percentage of under mentioned employees who were given safety & skill up-gradation training in the last year?

a)	Permanent Employees	55 %
b)	Permanent Women Employees	51 %
c)	Casual/Temporary/Contractual Employees	81 %
d)	Employees with Disabilities	27 %

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/~~No~~

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.Please indicate the Total number of employees hired on temporary/contractual/casual basis.

   The company being a Government Company, is required to follow the reservation policy of the State Government. The Company maintains roster and as per the roster, the company employs employees in the category of scheduled castes, scheduled tribes, other backward classes. Not only this, the company also currently has hired Monthly Rated Workers at various projects who are local people without any specialized skill but they carry out various work such as plantations, office peons, office cleaners etc.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   The Company being a Government company, follows the Government policy on reservation in public employment, as may be applicable from time to time.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   The policy covers the company. Moreover, the company being a Government Company, the company, *inter alia,* follows the constitutional mandate of equality before law and equal protection of law.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?: NIL

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others: The policy extends to the company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Yes. It is within GMDC's Environment Policy itself. GMDC believes in Clean Energy and reduction in Carbon Foot prints. Please check the GMDC website link : https://www.gmdcltd.com/en/corporate-policies-gmdc and https://www.gmdcltd.com/en/green-footprint.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes. GMDC's all operational projects are certified in ISO 9001, 14001 & OHSAS 18001.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The company does not have a project related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   The company has set up 200.9 MW wind power projects. Moreover, the company has also set up a 5 MW solar power project on the mined out reclaimed area at its Panandhro Lignite Project. Please check the GMDC website link: https://www.gmdcltd.com/en/wind-power.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?: Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year: NIL

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (business development cell)

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   a. Federation of Indian Mineral Industries

   b. Gujarat Chamber of Commerce and Industries

   c. GUJMIN Industries Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? ~~Yes~~/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Principle 8: Businesses should support inclusive growth and equitable development (business development cell)

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   (a) Semi annual financial assistance to girl students residing in core zone villages of GMDC projects

   (b) Operation and Maintenance of Shyamji Krishna Varma Memorial at village Maska, in Mandvi Taluka of Kutch District.

   (c) Providing Mobile Dispensaries with Doctors and medicines to the core zone villages of GMDC

   (d) Smart Anganwadis in core zone villages of GMDC.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   The company undertakes its community development programmes under CSR initiatives under the aegis of GMDC Gramya Vikas Trust. In many instances, the company dovetails the Government Schemes with additional inputs to its core zone villages.

3. Have you done any impact assessment of your initiative?

   Impact assessment studies of GMDC's CSR intitatives at Mata no Madh and Tadkeshwar Lignite Project was carried out by Gujarat Institute of Desert Ecology.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   The details of spending on CSR is published elsewhere as part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The company constantly endeavors to ensure that the community initiatives undertaken by it are successfully adopted by the community. The educational facilities provided by the company are being utilized by the local community. The health care facilities, the mobile health services, the semi annual financial assistance to girl students of core zone villages, the micro irrigation scheme, are successfully adopted by the community within which the company operates.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner (business development cell)

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year: (NIL)
2. Does the company display product information on the product label, over and above what is mandated as per local laws? ~~Yes/No~~/N.A. /~~Remarks~~(additional information)
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so: NIL
4. Did your company carry out any consumer survey/ consumer satisfaction trends?: Yes

INDEPENDENT AUDITORS' REPORT

To
The Members of
Gujarat Mineral Development Corporation Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Gujarat Mineral Development Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India of the state of affair of the Company as at 31st March, 2019, the profit and total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

i. We draw attention to note no. 2.02.01 and 2.48(a) of the standalone financial statements wherein the company has changed the accounting policy relating to presentation of Government Grants. Earlier Government grants relating to the purchase or construction of items of PPE or investment properties were included in non-financial liabilities as deferred income and credited to Statement of Profit & Loss on a straight line basis over the expected life of the related assets and presented within the other income. Now, Government grant relating to the purchase or construction of items of PPE or investment properties is deducted from cost of purchase/construction in arriving at the carrying amount of the asset in line with Ind AS 20.

   The said change of accounting policy has resulted in decrease in Other Income and depreciation to the tune of Rs. 43.04 Lakh for the year ended 31st March, 2019 and decrease in Investment Properties and Other Non-Current Non-Financial Liabilities by Rs. 2458.59 Lakh.

ii. We draw the attention to Note No. 2.48(c) of the standalone financial statements wherein the company has changed its accounting policy of charging overburden removal on actual basis i.e. without adjustment of stripping ratio to charging overburden removal cost based on plot wise technically evaluated average stripping ratio on contract awarded based on unit price.

   The said change of accounting policy has resulted in increase in profit to the tune of Rs. 3328.13 Lakhs and increase in Non Current Non Financial Assets by the same amount.

iii. We draw the attention to Note No. 2.04.01 of the standalone financial statements wherein the company has made an investment in 2,976.50 lakh equity shares of Rs.10 each amounting to Rs. 29,765 lakh of Bhavnagar Energy Company Limited (BECL). BECL was merged with Gujarat State Electricity Corporation Limited (GSECL) and GSECL has issued one share having book value of Rs 12.01 against 2,976.50 lakh equity shares of Rs.10 each amounting to Rs. 29,765 lakh of BECL held by the company.

   Therefore, an amount of Rs. 29,765 lakh has been written off during the year and has been shown as an exceptional item in the Statement of Profit & Loss.

iv. We draw the attention to Note No. 2.48(b) of the standalone financial statements wherein the Company was treating the Power Purchase Agreement (PPA) entered with Gujarat Urja Vikas Nigam Ltd. (GUVNL) for sale of power generated from thermal power plant located at Akrimota as assets given on operating lease. During the year, the company has discontinued treating the same as assets given on operating lease and accordingly, income from sale of power has been shown under the head 'Sale of Product' instead of 'Other Operating Income'.

The above reclassification does not have any impact on profitability as well as total assets of the Company.

Our opinion on the standalone financial statements, and our Report on Other Legal and Regulatory Requirements is not modified in respect of the above matters.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Stripping Cost** Expenditure incurred on removal of mine waste materials (overburden) necessary to extract the lignite reserve is referred to as Stripping cost. Cost of stripping is charged on technical evaluated average stripping ratio at each plot of mine after due adjustment for stripping activity. Refer Note (r) of the Significant Accounting Policies	**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Evaluated the Overburden Removal (OB) and lignite reserve estimate and discussed with the geologist about geologist model, estimation tools and sampling method (As per SA-620 "Using the Work of an Auditor's Expert"). • Tested 'Average stripping ratio' by recalculating the Lignite to overburden. • Selected a sample of contracts and through inspection of evidence tested the operating effectiveness of the internal controls relating to stripping activity. • Carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls. • Performed analytical procedures and test of details for reasonableness of expenditure incurred.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Report on CSR Activities, Corporate Governance and Shareholders Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued there under and accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions , misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of Section 143(5) of the Companies Act, 2013, we give in Annexure '2(i) & 2(ii)' a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.

3. As required by Section 143 (3) of the Companies Act, 2013 we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the standalone financial statements.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Act, are not applicable to the company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 2.37 to the Standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE 'A' TO THE AUDITORS' REPORT

(Referred to in para 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

The Annexure referred to in Independent Auditors' Report to the members of Gujarat Mineral Development Corporation Limited ("the Company") on the standalone financial statements for the year ended 31 March, 2019.

We report that:

i. In respect of Fixed Assets

   a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

   b. The Company has a program of physical verification of its fixed assets by which fixed assets are verified at reasonable intervals. In accordance with this program, fixed assets were verified during the year and discrepancies which were noticed on such verification were properly dealt with in the books of accounts.

   c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.

ii. In respect of Inventory

   a. The physical verification of inventory has been conducted at reasonable intervals by the Management.

   b. The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of company and the nature of its business.

   c. The company has maintained proper records of inventory. The discrepancies noticed on such verification between the physical stocks and book stocks were not material and the same have been properly dealt with in the books of accounts.

iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore requirement of clauses (iii) of the paragraph 3 of the order is not applicable to the company.

iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with as applicable.

v. The company has not accepted any deposits during the year as per the directives issued by the Reserve Bank of India and within the meaning of the provisions of sections 73 to 76 and other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable. Thus, the clause (v) of paragraph 3 of the order is not applicable to the company.

vi. In pursuant to the order made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, the company has made and maintained the prescribed accounts and records.

vii. In respect of statutory dues

   a. According to the information and explanations given to us, and on the basis of our examination, the company is generally regular in depositing undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Excise, Value Added Tax and Cess and any other statutory dues with appropriate authorities.

b. The details of excise duty, service tax, income tax and sales tax/VAT not deposited on account of dispute are as under:

Name of Statue	Nature of the Dues	Period to which the amount relates	Amount (Rs. In Lakh)	Forum where dispute is pending
Commercial tax	Sales tax/VAT	1995-96	98.92	Appellate Tribunal
Commercial tax	Sales tax/VAT	1997-98	2.45	Appellate Tribunal
Commercial tax	CST	1997-98	4.26	Appellate Tribunal
Service Tax	Service Tax	Dec-15 to Aug 16	0.39	Appellate Tribunal
Service Tax	Service Tax	2018-19	701.90	Directorate General of Central Excise Intelligence Zonal unit (DGCEIZ)
Service Tax	Service Tax	2018-19	344.23	Office of the Commissioner of Central GST, Kutch- Gandhidham
Central Excise Act, 1944	Excise	Jan 14 – Dec 14	1.23	Appellate Tribunal
Central Excise Act, 1944	Excise	Mar 11 - Jan 16	10.21	Appellate Tribunal
Central Excise Act, 1944	Excise	2015-16	450.58	Appellate Tribunal
Income Tax Act, 1961	Outstanding Demand	A.Y 2009-10	1.68	ITAT
Income Tax Act, 1961	Outstanding Demand	A.Y 2011-12	121.21	ITAT
Income Tax Act, 1961	Outstanding Demand	A.Y 2013-14	194.31	ITAT

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year.

ix. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.

xii. The provisions of clause 3 (xii) of the Order, for Nidhi Company, are not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the standalone Financial Statements etc. as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv. According to the information and explanations give to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them during the year.

xvi. According to information and explanation given to us, the Company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE 'B' TO THE AUDITORS' REPORT

Report on Internal Financial Controls over Financial Reporting

(Referred to in para 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Gujarat Mineral Development Corporation Limited** ("the Company") as of March 31, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by The Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF GUJARAT MINERAL DEVELOPMENT CORPORATION LTD

To
The Members
Gujarat Mineral Development Corporation Ltd.

In continuation of our Independent Audit Report on Standalone Financial Statement of Gujarat Mineral Development Corporation Ltd. ("The Company") dated 09.05.2019, we have reported on Directions and Sub-direction under section 143(5) of the Companies Act, 2013 applicable for the year 2018-19, as under:

ANNEXURE-2(i)

Directions under Section 143(5) of Companies Act, 2013 Applicable for the year 2018-19

Sr. No.	Directions/Questions u/s 143(5)	Action Taken	Impact on Accounts and Financials
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has Oracle based composite ERP System covering all the departments of the company from where accounting transactions are processed. We have not come across any case, where accounting transactions are processed outside ERP. Therefore, there is no financial implication on the integrity of the accounts.	No impact
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc, made by a lender to the company due to company's inability to repay the loan? if yes, the financial impact may be stated	The company has no borrowing. Therefore, there is no restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc, made by a lender to the company due to company's inability to repay the loan.	No impact
3	Whether funds received/ receivable for specific scheme from Central/ State agencies were properly accounted for / utilised as per its terms and conditions? List the cases of deviation	Yes, funds received/ receivable for specific scheme from Central/ State agencies were properly accounted for/ utilised as per its terms and conditions.	No impact

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE-2(ii)

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

Sr. No.	Sub Directions issued/Questions u/s 143(5)	Action Taken	Impact on financials
	Manufacturing Sector		
	Mining		
1	**Whether the company has taken adequate measures to reduce the adverse affect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.**	According to the information and explanation given to us, the Company is obtaining environmental pollution monitoring report periodically from outside agency for each project to reduce/monitor the adverse effect on environment. No Displacement/Rehabilitation has been taken at any project of the Company for the year 2018-19. (Please note that we are not technical expert)	No impact
2	**Whether the Company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?**	As per information and explanation given to us, the Company has obtained necessary consents from GPCB for mining projects.	No impact.
3	**Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?**	As informed to us, in respect of lignite projects overburden removal from mines and backfilling of mines are commensurate with the mining activity as per submitted/ approved/ prepared mine closure plan. (Please note that we are not technical expert)	No Impact
4	**Whether the Company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.**	As informed to us, the Company has neither disbanded nor discontinued any of its mines.	Not Applicable
5	**Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**	The expenditure on Rehabilitation Activity and for Mine Closure is properly accounted in the books of account of the Company, as per the policy adopted in this behalf.	No impact
	Power Sector		
	Generation		
1	**In the cases of Thermal Power Projects, compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company in this regard, may be checked and commented upon.**	As per information and explanation provided to us, the Company has made compliance of various pollution control Act. In respect of utilization and disposal of ash, generally the Company is using it in backfilling of mine in Panandhro project.	No impact
2	**Has the company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the Company?**	As informed to us, the Company has not entered into revenue sharing agreements with private parties for extraction of coal at pitheads.	Not Applicable
3	**Does the company have a proper system for reconciliation of quantity/ quality of coal ordered and received and whether grade of coal/ moisture and demurrage etc., are properly recorded in the books of accounts?**	Company does not purchase coal from the outside parties. However, as informed to us, the Company is having a system in ERP for reconciliation of quantity ordered and received and Grade of coal/ moisture and demurrage etc. are recorded in the books of accounts on the basis of Test Certificate received from the laboratory. (Please note that we are not technical experts).	No impact

Sr. No.	Sub Directions issued/Questions u/s 143(5)	Action Taken	Impact on financials
4	**How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?**	The power is sold to Government controlled entity and the same is calculated as per terms agreed in PPA (Power Purchase Agreement).	No impact
5	**In the case of Hydroelectric Projects the water discharge is as per policy /guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/ payable may be reported.**	As informed to us, no hydroelectric Project is carried out by Company.	Not Applicable

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Comments of the Comptroller and Auditor General of India under Section 143(6)(B) of the Companies Act, 2013 on the Standalone Financial Statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2019.

The preparation of standalone financial statements of Gujarat Mineral Development Corporation Limited, Ahmedabad for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 9 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2019 under section 143(6) (a) of the Act. 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 supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under section 143(6)(b) of the Act.

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

H. K. Dharmadarshi
Pr. Accountant General (E&RSA), Gujarat
Place : Ahmedabad
Date : 26/07/2019

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2.01	1,67,984.90	1,73,075.27
Capital Work-In-Progress	2.01	76.45	1,066.70
Investment Properties	2.02	9,183.13	9,288.37
Other Intangible Assets	2.03	35,776.16	32,108.88
Investment in Associates and Joint Ventures	2.04	891.37	30,656.37
Financial Assets			
Investments	2.05	41,737.16	55,661.54
Loans	2.06	205.79	289.28
Other Financial Assets	2.07	69,135.05	52,120.80
Other Non-Current Assets	2.08	44,705.59	45,790.36
Total Non-Current Assets		**3,69,695.60**	**4,00,057.57**
Current Assets			
Inventories	2.09	9,813.43	7,243.00
Financial Assets			
Trade Receivables	2.10	14,747.73	11,116.74
Cash and Cash Equivalents	2.11	1,827.76	2,833.74
Other Bank Balances	2.11	140.35	153.42
Loans	2.12	1,074.31	1,301.65
Other Financial Assets	2.13	1,05,011.71	1,08,595.28
Other Current Assets	2.14	14,850.90	12,617.72
		1,47,466.19	**1,43,861.55**
Assets classified as held for sale	2.15	16.75	16.75
Total Current Assets		**1,47,482.94**	**1,43,878.30**
Total Assets		**5,17,178.54**	**5,43,935.87**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.16	6,360.00	6,360.00
Other Equity	2.17	4,22,190.95	4,33,710.64
Total Equity		**4,28,550.95**	**4,40,070.64**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	2.18	2,593.94	1,309.24
Provisions	2.19	43,372.03	39,680.49
Net Employee Benefit Liabilities	2.20	3,930.57	4,172.12
Deferred Tax Liabilities (Net)	2.21	11,971.14	14,922.99
Other Non-Current Liabilities	2.22	2,441.94	2,624.62
Total Non-Current Liabilities		**64,309.62**	**62,709.46**
Current Liabilities			
Financial Liabilities			
Trade Payables	2.23	10,959.99	10,986.66
Other Financial Liabilities	2.24	9,365.26	23,761.83
Net Employee Benefit Liabilities	2.25	1,073.80	1,833.34
Other Current Liabilities	2.26	2,918.92	4,573.94
Total Current Liabilities		**24,317.97**	**41,155.77**
Total Liabilities		**88,627.59**	**1,03,865.23**
Total Equity and Liabilities		**5,17,178.54**	**5,43,935.87**
Significant Accounting Policies	1		
The accompanying notes are integral part of the Financial Statements.			

As per our report of even date attached

For S. C. Ajmera & Co. Chartered Accountants Firm Registration No. 002908C	**L. Kulshrestha** Chief General Manager & Chief Financial Officer	**Arunkumar Solanki, IAS** Managing Director DIN: 03571453
Arun Sarupria Partner Membership No.078398	**Joel Evans** Company Secretary	**S.B.Dangayach** Director DIN-001572754
Place : Ahmedabad Date : 09th May, 2019		Place : Ahmedabad Date : 09th May, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2019

(₹ in Lakh)

Particulars	Note No.	2018-19	2017-18
INCOME			
Revenue from Operations	2.27	1,87,967.82	2,06,996.68
Finance Income	2.28	11,765.62	10,144.93
Other Income	2.29	2,492.08	1,797.04
Total Income (A)		**2,02,225.52**	**2,18,938.65**
EXPENSES			
Changes in inventories of finished goods and mined ore	2.30	(631.81)	(296.49)
Employee Benefit Expenses	2.31	12,228.66	18,848.67
Finance Costs	2.32	183.12	162.32
Depreciation and Amortisation Expenses	2.33	9,613.73	11,902.66
Other Expenses	2.34	1,20,336.74	1,33,266.62
Total Expenses (B)		**1,41,730.44**	**1,63,883.78**
Profit before exceptional items and tax (A-B)		**60,495.08**	**55,054.87**
Exceptional Items			
Loss on Investment in associate		(29,765.00)	-
Profit Before Tax		**30,730.08**	**55,054.87**
Tax Expenses	2.35		
Current Tax		18,971.65	19,726.40
Deferred Tax		(2,120.25)	(7,494.22)
Profit After Tax for the Period		**13,878.68**	**42,822.69**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity instruments measured at fair value through other comprehensive income (FVTOCI)		(13,924.37)	10,441.16
Remeasurement of post-employment benefit obligations		1,112.20	969.19
Income tax relating to these items		831.60	(100.64)
Other Comprehensive Income for the Period, net of tax		**(11,980.57)**	**11,309.71**
Total Comprehensive Income for the Period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		**1,898.11**	**54,132.40**
Earning per Equity Share (EPS) (Face Value of ₹ 2)			
Basic (₹)	2.36	4.36	13.47
Diluted (₹)	2.36	4.36	13.47
Significant Accounting Policies	1		
The accompanying notes are integral part of the Financial Statements.			

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED ON 31ST MARCH, 2019

A. Equity Share Capital (₹ in Lakh)

Particulars	Number of Shares	Amount
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 2/- each fully paid up		
As at 1st April 2017	**31,80,00,000**	**6,360**
Increase/(decrease) during the year	-	-
As at 31st March 2018	**31,80,00,000**	**6,360**
As at 1st April 2018	**31,80,00,000**	**6,360**
Increase/(decrease) during the year	-	-
As at 31st March 2019	**31,80,00,000**	**6,360**

B. Other Equity (₹ in Lakh)

Particulars	Reserves & Surplus		Equity Instruments through Other Comprehensive Income	Total Other Equity
	General Reserve	Retained Earnings		
Balance as at 1st April, 2017	**2,71,928.96**	**87,240.35**	**31,330.35**	**3,90,499.66**
Adjustments on account of Prior period errors*	-	560.70	-	560.70
Restated balance at the beginning of the reporting period	**2,71,928.96**	**87,801.05**	**31,330.35**	**3,91,060.36**
Profit for the year	-	42,822.69	-	42,822.69
Other comprehensive income for the year	-	633.77	10,675.94	11,309.71
Total comprehensive income for the year	**-**	**43,456.46**	**10,675.94**	**54,132.40**
Cash dividends (Note 2.17)	-	(9,540.00)	-	(9,540.00)
Dividend Distribution Tax (DDT)	-	(1,942.12)	-	(1,942.12)
Balance as at 31st March, 2018	**2,71,928.96**	**1,19,775.39**	**42,006.29**	**4,33,710.64**
Balance as at 1st April, 2018	**2,71,928.96**	**1,19,775.39**	**42,006.29**	**4,33,710.64**
Profit for the year	-	13,878.68	-	13,878.68
Other comprehensive income for the year	-	723.55	(12,704.12)	(11,980.57)
Total comprehensive income for the year	**-**	**14,602.23**	**(12,704.12)**	**1,898.11**
Cash dividends (Note 2.17)	-	(11,130.00)	-	(11,130.00)
Dividend Distribution Tax (DDT)	-	(2,287.80)	-	(2,287.80)
Balance as at 31st March, 2019	**2,71,928.96**	**1,20,959.82**	**29,302.17**	**4,22,190.95**

*Impact of adjustments on account of prior period items has been explained in note number 2.48.

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2019

(₹ in Lakh)

Particulars	2018-19	2017-18
Cash Flow from Operating Activities		
Net Profit before tax	30,730.08	55,054.87
Adjustments for:		
Depreciation and Amortisation Expenses	9,613.73	11,902.66
Provision for Doubtful Debts, Investments and Loans and Advances	6.87	-
Assets /sundry balance/ stores written off	9.08	-
Excess/Short provision adjusted	98.18	443.61
Surplus / Deficit on sale of assets	(32.86)	(8.75)
Loss on Investments	29,765.00	-
Dividend Income	(789.74)	(680.34)
Unwinding of discount on provisions	150.72	150.72
Interest from Banks and Corporates	(8,405.26)	(8,046.91)
Operating profit before working capital changes:	**61,145.80**	**58,815.86**
Adjustments for:		
Trade and Other Receivable	(17,107.54)	(7,068.85)
Inventories	(2,570.43)	(358.85)
Trade and Other Payable	(11,421.93)	1,675.30
Cash generated from Operations	**30,045.90**	**53,063.46**
Taxes Paid	(19,763.36)	(20,576.03)
Net Cash Flow from Operating Activities (A)	**10,282.54**	**32,487.43**
Cash Flow from Investing Activities		
Purchase of items of property, plant and equipment, investment properties and intangible items	(7,142.22)	(20,642.15)
Sale of fixed assets	77.41	16.59
Redemption / Purchase of Investments	0.01	(10,130.89)
Interest from Banks and Corporates	8,405.26	8,046.91
Dividend Income	789.74	680.34
Net Cash Flow from Investing Activities (B)	**2,130.20**	**(22,029.20)**
Cash Flow from Financing Activities		
Government Grant Received	-	1,782.53
Dividend (Including Dividend Distribution Tax) Paid	(13,431.78)	(11,482.12)
Net Cash Flow from Financing Activities (C)	**(13,431.78)**	**(9,699.59)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**(1,019.04)**	**758.64**
Cash and Cash Equivalents at the beginning of the period	**2,987.16**	**2,228.52**
Cash and Cash Equivalents at the end of the period	**1,968.11**	**2,987.16**
Notes to Statement of Cash Flow		
1. **Cash and cash equivalent includes-**		
Cash and Cheques on Hand	-	-
Balances with Scheduled Banks		
in Current Accounts	1,827.76	2,833.74
Earmarked balances with banks	102.34	116.32
Fixed Deposits as Security against guarantees	13.09	12.18
Fixed Deposits as Security against other commitments	24.92	24.92
	1,968.11	**2,987.16**

2. Corresponding figures of the previous year have been re-grouped / re-arranged / re-classified / restated and revised, wherever necessary, for rounding off to nearest lakh and/or to make them comparable with the figures of the current year.
3. The Cash Flow Statement has been prepared under the 'Indirect Method' as per Ind AS 7.

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

1: SIGNIFICANT ACCOUNTING POLICIES

Note 1: Significant accounting policies

This note provides list of the significant accounting policies applied in the preparation of these standalone financial statements.

(a) Basis of preparation

(i) Statement of compliance with Ind AS

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act..

(ii) Historical cost convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Act including Indian Accounting Standards notified there under, except for the following where the fair valuation have been carried out in accordance with the requirements of respective Ind AS:

- Investments in equity instruments;
- Non-current assets held for sale; and
- Employee defined benefit plans - plan assets.

Prior period/ Pre-paid items:

Items exceeding the materiality determined by the management (₹ 50,000/-) are accounted retrospectively by restating the figures of relevant accounting periods. Other items are accounted in the year in which they arise.

(iii) Use of estimates and judgements

The preparation and presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management’s evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are accounted prospectively.

This policy provides an overview of the areas that involved judgement and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions,estimation and uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 2.02- Fair valuation of investment properties

Note 2.15- Fair valuation of non-current assets held for sale

Note 2.21 - Current / Deferred tax liabilities

Note 2.25 - Measurement of employee defined benefit liabilities

Note 2.19/2.37 - Provisions and contingent liabilities

Note 2.42 - Impairment of items of property, plant and equipment and other assets

Note 2.45 - Impairment of financial assets (including expected credit losses for receivables)

Note 2.45- Fair valuation of investments

Principles of fair value measurement have been provided in note (l) of the significant accounting policies.

(iv) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification as per the requirements of Ind AS compliant Schedule III to the Act.

(b) Borrowing costs

Borrowing costs attributable during the acquisition or construction of qualifying assets are capitalised 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.

(c) Property, Plant and Equipment (PPE)

Freehold land is carried at historical cost. All other items of PPE are stated at historical cost of acquisition/construction (net of recoverable taxes) less accumulated depreciation and impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition as well as construction/ installation of the items but excludes cost of fencing in lignite mines projects. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred. Rehabilitation and resettlement expenses incurred after initial acquisition of the assets are expensed to profit or loss in the year in which they are incurred.

Machinery spares for Generating Units, Power Station and Switchyard, etc. either procured along with the equipment or subsequently are capitalized in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned and project inventory and assets in transit.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is recognised in the Statement of Profit and Loss.

Un-serviceable/worn out plant and equipments, vehicles and other assets of the Company 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.

Item of PPE received by Company at free cost from parties other than government are stated at nominal cost.

(d) Investment properties

Investment properties comprise free hold land and building(including properties under construction) that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

(e) Intangible assets

Intangible assets are measured on initial recognition at cost (net of recoverable taxes, if any). Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The costs of mining leases, which include the costs of acquiring mineral rights, are capitalised as item of intangible assets under the head 'Mining rights' in the year in which they are incurred. Pre-operative Expenses of Mines/Mining Projects under implementation incurred up to the date of commencement of the production on commercial basis are written off to the Statement of Profit and Loss in the year in which they are incurred.

(f) Depreciation and amortisation methods, estimated useful lives and residual values

(i) Items of property, plant and equipment and investment properties

Depreciation is charged on straight line method (SLM) based on the useful life prescribed in Schedule II to the Act. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting date.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated on SLM based on the useful lives prescribed in Schedule II to the Act.

Low value items which are in the nature of assets (excluding immovable assets) and valuing up to ₹ 5,000/- are not capitalized and charged off to Statement of Profit and Loss in the year of acquisition.

(ii) Intangible assets

Intangible assets with finite lives are amortised over their useful life and assessed for impairment whenever there is an indication that the item of intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date.

Intangible assets are amortised on SLM based on the useful lives determined based on technical evaluation done by the management except mining rights which are amortised using a unit-of-production method based on the data available with the Company as regards extraction of the minerals as compared to the technical estimation of gross geological mineral reserves as mentioned in the submitted / approved mine closure plan. Capitalised mining rights are amortised once commercial production commences.

(g) Impairment of non-financial assets

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

Full provision is made on plant and machinery which has not been put to use and lying in capital work in progress for more than ten years.

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease accounting

As a lessee

Finance lease

At the commencement of the lease term, the Company recognises finance leases as assets and liabilities in its Balance Sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. The discount rate used in calculating the present value is the interest rate implicit in the lease or the Company's incremental borrowing rate. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

Operating lease

Lease payments under an operating lease are recognised as expenses on a straight-line basis over the lease term unless either:

A. another systematic basis is more representative of the time pattern of the user's benefit; or

B. the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Finance lease

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating lease

Lease income from operating lease (excluding amount for services such as insurance and maintenance) is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, unless either:

A. another systematic basis is more representative of the time pattern of the user's benefit; or

B. the payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

(i) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the Balance Sheet.

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

(j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition

A financial asset is recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Initial measurement

At initial recognition, the Company measures a financial asset (which is not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

A. Financial assets measured at amortised cost;

B. Financial assets measured at fair value through profit or loss (FVTPL); and

C. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

A. The Company's business model for managing the financial assets, and

B. The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

B. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost of a financial asset or financial liability means the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate (EIR) method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income through profit or loss. The losses arising from impairment are recognised through profit or loss.

A financial asset is measured at FVTOCI if both of the following conditions are met:

A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and

B. The asset's contractual cash flows represents SPPI.

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the FVTOCI. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). On sale of investments, cumulative gain or loss is recognised in OCI and the amount is not reclassified to profit or loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised through Profit or Loss.

The company has elected to measure its equity instrument through FVTOCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

A. The contractual rights to the cash flows from the financial asset have expired, or

B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

   i) The Company has transferred substantially all the risks and rewards of the asset, or

   ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

A. Financial assets measured at amortised cost

B. Financial assets measured at FVTOCI

ECLs are measured through a loss allowance at an amount equal to:

A. The 12-months ECLs (ECLs that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

B. Full time ECLs (ECLs that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance for trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months

ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-months ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

A. Financial assets measured as at amortised cost and contractual revenue receivables minus ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

B. Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequently, all financial liabilities are measured at amortised cost or at FVTPL.The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts.

Subsequent measurement

A. Financial liabilities measured at amortised cost

B. Financial liabilities subsequently measured at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised through profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at FVTPL.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the EIR method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(k) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

(l) Fair value measurement

The Company measures certain financial instruments at fair value at each Balance Sheet date.The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or

B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises the accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

A. Note 2.02- Fair valuation of investment properties

B. Note 2.15- Fair valuation of non-current assets held for sale

C. Note 2.25- Measurement of employee defined benefit obligations

D. Note 2.45- Disclosures for valuation methods, significant estimates and assumptions

E. Note 2.45- Quantitative disclosures of fair value measurement hierarchy

F. Note 2.45- Financial instruments (including those carried at amortised cost)

G. Note 2.45- Fair valuation of investments

(m) Inventories

Stores, chemicals, spares, fuel and loose tools are valued at cost. Cost is ascertained on weighted average method.

Raw materials, mined ore, goods-in-process and finished products are valued at lower of total cost incurred at respective project or net realizable value item-wise. Cost is ascertained on First In First Out basis. While valuing inventories, the inter-unit profit has been eliminated at corporate level. Further, the Company does not value the stock of by-products lying at various project sites.

Spares (not meeting the definition of PPE) are accounted as inventory and expensed to the Statement of Profit and Loss when issued for consumption.

(n) Employee benefits

(i) Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of reporting period that have terms approximating to the terms of related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Company does not have unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Compensation paid to the legal heirs of deceased employee while in service is charged to Statement of Profit and Loss as and when the liability arises.

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.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

A. Defined benefit plans such as gratuity; and

B. Defined contribution plan such as provident fund etc.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in profit or loss as past service cost.

Provident Fund

The Company pays provident fund contributions to GMDC Employees Provident Fund Trust. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Reimbursement of losses and other related expenses to Provident Fund Trust are charged to the Statement of Profit and Loss as and when crystallized.

(iv) Termination benefits

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to Statement of Profit and Loss in the year of separation.

(o) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(p) Revenue recognition

Revenue from contract with customer is recognised when control of goods or services are transferred to customer. Revenue is measured at transaction price as per the contract with customer. The amount of consideration to which the Company is entitled in exchange for transferring goods or services is considered as transaction price while recognition of revenue. Amounts disclosed as revenue are net of the amounts collected on behalf of third parties.

Sales are recognized at the time of dispatch of finished goods. Sales include amounts in respect of excise duty(on the basis of payments made in respect of goods cleared), royalty, transportation, packing charges, generation based incentives, clean energy cess, GST compensatory cess, mine closure charges wherever applicable and other taxes or duties, if any, but excludes VAT/GST. Sales are reduced to the extent of the amount of cash discount.

The liquidated damage/penalty, if any, on capital contracts are generally determined on completion of contract and the same is recognised in the Statement of Profit and Loss. Liquidated damages/penalty on long term revenue contracts are determined at the end of one year from the date of award of contracts and the same is recognised in the Statement of Profit and Loss.

In respect of power plants, Unscheduled Interchange (UI) Charges and Generation Based Incentives (GBI) are recognized as and when the same are received / incurred by the Company.

Interest income from a financial asset is recognised when it is probable that future economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the EIR applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to that asset’s gross carrying amount on initial recognition.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

(q) Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within the other income.

Government grants relating to purchase/construction of items of PPE or investment properties are deducted from the cost of purchase/ construction in arriving at the carrying amount of the related asset in line with Ind As 20.

(r) Stripping Costs

Expenditure incurred on removal of mine waste materials (overburden) necessary to extract the lignite reserves is referred to as stripping cost. The Company has to incur such expenses over the life of the mine as technically estimated.

Where, the company has awarded “unit rate” based contracts for overburden removal and lignite extraction, stripping cost is charged on technically evaluated average stripping ratio at each plot of mine after due adjustment for stripping activity on FIFO basis in the Statement of Profit & Loss under the head “ Loading of lignite and over burden removal”.

Balance amount in stripping activity adjustment account is shown in the Balance Sheet under the head “Other Non-Current Non-Financial Assets/Non-Current Provision” as the case may be.

(s) Taxation

Income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in standalone financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(t) Provisions, contingent liabilities and contingent assets

Provisions are recognised at present value when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net off reimbursement, if any.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of PPE. The cash flows are discounted at a current pre-tax rate that reflects the risk specific to the decommissioning liability. The unwinding of discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as may be appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Progressive mine closure expenses are accounted for as and when incurred.

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

Contingent liabilities are not provided for,If material, are disclosed by way of notes to accounts. Contingent assets are not recognised in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(u) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks . The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

(v) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(w) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(x) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 2.43 for segment information presented.

(y) Events occurring after the Balance sheet Date

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date) occurring after the Balance Sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represents material change and commitments affecting the financial position are disclosed in the Board's Report.

(z) **Exceptional Items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.01 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

Property, Plant and Equipment as at 31st March 2019 (₹ in Lakh)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Land- Free Hold	4,563.45	1,040.63	-	5,604.08	-	-	-	-	5,604.08	4,563.45
Building	16,377.93	240.56	0.63	16,617.86	1,684.09	566.94	-	2,251.03	14,366.83	14,693.84
Plant & Equipment	1,81,940.68	1,282.68	21.27	1,83,202.09	30,333.48	7,138.23	7.79	37,463.92	1,45,738.17	1,51,607.20
Furniture & Fixtures	144.80	14.89	7.39	152.30	56.65	18.06	6.15	68.56	83.74	88.15
Vehicles	908.81	123.31	0.34	1,031.78	323.25	118.35	-	441.60	590.18	585.56
Office Equipment	677.70	47.58	2.84	722.44	312.99	123.99	2.63	434.35	288.09	364.71
Computers	364.35	310.51	62.84	612.02	168.53	115.74	58.05	226.22	385.80	195.82
Electrical Equipment	1,089.19	120.88	34.39	1,175.68	315.38	121.64	10.53	426.49	749.19	773.81
Laboratory Equipment	260.76	0.99	-	261.75	58.03	24.90	-	82.93	178.82	202.73
Total Property, Plant and Equipment	**2,06,327.67**	**3,182.03**	**129.70**	**2,09,380.00**	**33,252.40**	**8,227.85**	**85.15**	**41,395.10**	**1,67,984.90**	**1,73,075.27**

Property, Plant and Equipment as at 31st March 2018 (₹ in Lakh)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-17	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-18	Balance As on 1-Apr-17	Additions during the year	Deduction during the year	Balance As on 31-Mar-18	As on 31-Mar-18	As on 31-Mar-17
Land- Free Hold	4,067.66	495.79		4,563.45	-	-	-	-	4,563.45	4,067.66
Building	14,810.04	1,568.81	0.92	16,377.93	1,129.69	554.40	-	1,684.09	14,693.84	13,680.35
Plant & Equipment	1,79,510.25	2,435.40	4.97	1,81,940.68	23,324.62	7,008.86	-	30,333.48	1,51,607.20	1,56,185.63
Furniture & Fixtures	139.69	5.24	0.13	144.80	30.61	26.04	-	56.65	88.15	109.08
Vehicles	826.97	82.14	0.30	908.81	209.98	113.27	-	323.25	585.56	616.99
Office Equipment	632.15	45.55	-	677.70	199.38	113.61	-	312.99	364.71	432.77
Computers	273.07	94.10	2.82	364.35	93.30	76.53	1.30	168.53	195.82	179.77
Electrical Equipment	1,026.31	62.88	-	1,089.19	197.22	118.16	-	315.38	773.81	829.09
Laboratory Equipment	227.08	33.68	-	260.76	33.64	24.39	-	58.03	202.73	193.44
Total Property, Plant and Equipment	**2,01,513.22**	**4,823.59**	**9.14**	**2,06,327.67**	**25,218.44**	**8,035.26**	**1.30**	**33,252.40**	**1,73,075.27**	**1,76,294.78**

Capital Work-in-progress: (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cost or deemed cost		
Balance at the beginning of the Year	1,199.93	2,241.58
Add: Addition during the Year	344.22	1,405.11
Less: Transferred to Property, Plant & Equipments	(1,334.47)	(2,446.76)
Closing gross carrying value	**209.68**	**1,199.93**
Accumulated Impairment Allowance		
Balance at the beginning of the Year	133.23	133.23
Add: Addition during the Year	-	-
Closing Accumulated Impairment Allowance	**133.23**	**133.23**
Closing net carrying value	**76.45**	**1,066.70**

Break-up of Capital Work-in-progress for the year ended 31st March, 2019 is given here under: (₹ in Lakh)

Segment	Civil Work	Non-Civil Work	Total
Mining	35.50	40.95	76.45
Power	-	-	-
Total	**35.50**	**40.95**	**76.45**
Previous Year	1,066.16	0.54	1,066.70

2.01.01 Gujarat State Electricity Corporation Limited (GSECL) and the Company had agreed to create common amenities (school, hospital, drinking water supply, communication, transport facilities, etc.) for the employees of both entities and also for general public in Panandhro in terms of minutes dated 8.10.1991, 3.8.1992, 1.10.1993. These were to be managed by a Trust to be registered in this regard. Pending formation of the Trust, the capital and revenue expenditure incurred by the Company 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 items of property, plant and equipment towards 50% share of the Company to the tune of ₹ 59.40 Lakh (P.Y. ₹ 59.40 Lakh) is accounted in the books of the Company and included in the respective items of property, plant and equipment.

2.01.02 Refer Note no. 2.48 (b) for reclassification of assets initially determined as given on operating lease.

2.02 INVESTMENT PROPERTIES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Freehold land	1,669.00	1,669.00
Building	7,514.13	7,618.07
Capital work in progress	-	1.30
Total investment properties	**9,183.13**	**9,288.37**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Freehold land		
Cost or deemed cost		
Balance at the beginning of the Year	1,669.00	1,669.00
Add: Addition during the Year	-	-
Closing net carrying value	**1,669.00**	**1,669.00**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Building		
Cost or deemed cost		
Balance at the beginning of the Year	7,856.54	9,508.95
Add: Addition during the Year	20.43	130.12
Less: Government Grant	-	(1,782.53)
Closing gross carrying value	**7,876.97**	**7,856.54**
Accumulated depreciation		
Balance at the beginning of the Year	238.47	143.19
Add: Addition during the Year	124.37	95.28
Closing accumulated depreciation	**362.84**	**238.47**
Closing net carrying value	**7,514.13**	**7,618.07**

2.02.01 Refer Note 2.48 (a) for impact of changes in accounting policy relating to presentation of Government grants on investment property.

2.02.02 Amount recognised in Statement of Profit and Loss for investment properties **(₹ in Lakh)**

Particulars	2018-19	2017-18
Rental income*	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit/(Loss) from investment properties before depreciation	**-**	**-**
Depreciation	(124.37)	(95.28)
Profit/(Loss) from investment properties	**(124.37)**	**(95.28)**

* Fixation of the rent of investment property is under process.

2.02.03 Fair Value **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment properties	11,683.95	11,683.95

Estimation of Fair Value

The Company obtains valuation for its investment properties (other than those under construction) at least annually. All resulting fair value estimates for investment properties are included in level 3. For properties under construction, management is of the view that the fair value can be determined reliably only on completion of the construction. Accordingly, the same shall be disclosed when the related work is completed.

2.03 OTHER INTANGIBLE ASSETS **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Computer Softwares	264.53	100.56
Mining Rights	35,511.63	32,008.32
Total intangible assets	**35,776.16**	**32,108.88**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Computer Softwares		
Cost or deemed cost		
Balance at the beginning of the Year	156.31	149.83
Add: Addition during the Year	200.00	6.48
Closing gross carrying value	**356.31**	**156.31**
Accumulated amortisation		
Balance at the beginning of the Year	55.75	37.02
Add: Addition during the Year	36.03	18.73
Closing accumulated amortisation	**91.78**	**55.75**
Closing net carrying value	**264.53**	**100.56**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Mining Rights		
Cost or deemed cost		
Balance at the beginning of the Year	37,741.32	21,018.17
Add: Addition during the Year	4,728.79	16,723.15
Closing gross carrying value	**42,470.11**	**37,741.32**
Accumulated amortisation		
Balance at the beginning of the Year	5,733.00	1,979.61
Add: Addition during the Year	1,225.48	3,753.39
Add: Adjustment during the Year	-	-
Closing accumulated amortisation	**6,958.48**	**5,733.00**
Closing net carrying value	**35,511.63**	**32,008.32**

2.03.01 Mining Rights includes lease hold as well as freehold land used for mining purpose. Amortisation on mining rights represents depletion on wasting assets.

2.03.02 As per technical estimation useful life of computer software , other than internally generated intangible assets is 10 years. It is amortized as per Straight Line Method over its useful life.

2.04 INVESTMENT IN ASSOCIATES AND JOINT VENTURES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investments in unquoted equity shares of joint venture companies (measured at amortised cost)		
2,497 (31st March, 2018: 2,497) Fully Paid Up Equity Shares of ₹ 100 each of Naini Coal Co. Limited	2.50	2.50
25,000 (31st March, 2018: 25,000) Fully Paid Up Equity Shares of ₹ 10 each of Swarnim Gujarat Fluorspar Pvt. Ltd.	2.50	2.50
50,000 (31st March, 2018: 50,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Foundation for Entrepreneurial Excellence	5.00	5.00
Investment in unquoted equity shares of associate companies (measured at amortised cost)		
Nil (31st March, 2018: 29,76,50,000) Fully Paid Up Equity Shares of ₹ 10 each of Bhavnagar Energy Company Ltd.	-	29,765.00
1,90,840 (31st March, 2018: 1,90,840) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Jaypee Cement and Infra Ltd.	19.08	19.08
49,40,000 (31st March, 2018: 49,40,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Credo Mineral Industries Ltd.	494.00	494.00
38,98,700 (31st March, 2018: 38,98,700) Fully Paid Up Equity Shares of ₹ 10 each of Aikya Chemicals Pvt. Ltd.	389.87	389.87
Less: Provision for Impairment		
(For investment in equity shares of Naini Coal Co. Ltd and Gujarat Jaypee Cement and Infra Ltd.)	(21.58)	(21.58)
Total	**891.37**	**30,656.37**

2.04.01 During the year Bhavnagar Energy Co Ltd (BECL) has been merged with Gujarat State Electricity Corporation Ltd (GSECL) vide notification dated 27th August, 2018 issued by Energy and Petrochemicals Department, Government of Gujarat. The Company has been given one share of GSECL of ₹ 10 fully paid having fair value of ₹12.01 against the total investment of ₹ 29,765.00 lakh in 29,76,50,000 equity shares of BECL ₹10 each fully paid. Therefore there is a loss on investment of ₹ 29,765.00 lakh, which has been shown as an exceptional item in the Statement of Profit and Loss.

2.04.02 Approval of Government of Gujarat has been obtained vide letter dated 06th August, 2018 for the closure of Naini Coal Co. Ltd and closure process thereof is in progress.

2.05 INVESTMENTS **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Non-Current		
Investment in quoted equity shares of other companies measured at fair value through other comprehensive income (FVTOCI)		
41,45,433 (31st March, 2018: 41,45,433) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Alkalies & Chemicals Ltd.	20,449.42	28,957.92
50,00,000 (31st March, 2018: 50,00,000) Fully Paid Up Equity Shares of ₹ 2 each of Gujarat State Fertilisers & Chemicals Ltd.	5,212.50	5,705.00
9,35,600 (31st March, 2018: 9,35,600) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat State Financial Corporation Ltd.	187.12	187.12
7,77,900 (31st March, 2018: 7,77,900) Fully Paid Up Equity Shares of ₹ 10 each of Vijaya Bank	389.34	404.90
Investment in unquoted equity shares of other companies measured at fair value through other comprehensive income (FVTOCI)		
10,00,000 (31st March, 2018: 10,00,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Informatics Ltd.	790.00	820.00
3,900 (31st March, 2018: 3,900) Fully Paid Up Equity Shares of ₹ 100 each of Gujarat Industrial Technical Consultancy Organization Ltd.	92.26	72.66
74,25,000 (31st March, 2018: 74,25,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Guardian Ltd.	12,707.89	17,599.48
2,61,72,800 (31st March, 2018: 2,61,72,800) Fully Paid Up Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Ltd.	2,095.75	2,101.58
1 (31st March, 2018: NIL) Fully Paid Up Equity Share of ₹ 10 of Gujarat State Electricity Corporation Ltd. having fair value of ₹ 12.01/-	-	-
Less: Provision for Impairment (for investments in equity shares of Gujarat State Financial Corporation Limited)	(187.12)	(187.12)
Total Non-Current Investments	**41,737.16**	**55,661.54**
Aggregate amount of quoted investments	26,051.26	35,067.82
Aggregate market value of quoted investments	26,051.26	35,067.82
Aggregate amount of unquoted investments	15,685.90	20,593.72

2.05.01 Investments measured at fair value through Other Comprehensive Income (FVTOCI) reflect investments in unquoted and quoted equity securities. Refer Note 2.45 for determination of their fair values.

2.05.02 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 16 Lakh number of shares of Gujarat Alkalies & Chemicals Limited (GACL) purchased by the Company 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 repurchase the above shares and the Company shall hold these shares as investment. The Board of Directors of the Company and GIIC have agreed to enter into Supplementary MOU for which proposal has been sent to the Govt. of Gujarat for its approval. The remaining 25.45 Lakh shares of GACL as shown in above note have been purchased by the Company from the open market.

2.05.03 Refer Note No. 2.39 (c) for investment in equity shares of Vijaya Bank.

2.06 NON-CURRENT LOANS*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans and advances to employees		
Unsecured, considered good	205.79	289.28
Other loans and advances to related parties		
Doubtful	1,625.00	1,703.81
Less: Provision for impairment	(1,625.00)	(1,703.81)
Total Non-Current Loans	**205.79**	**289.28**

* Refer note 2.45 for classification

2.06.01 Naini Coal Company Ltd. is a 50:50 joint venture of the Company and Pondicherry Industrial Promotion Development Investment Corp Ltd. (PIPDIC). Naini Coal Company Ltd had given bank guarantee of ₹ 6,500 Lakh to Coal Ministry, Govt of India for allocation of Naini Coal block in the State of Orissa. The said bank guarantee was secured by Corporate Guarantee of the Company for an amount of ₹ 3,250 Lakh and another ₹ 3,250 Lakh was secured by bank guarantee of UCO Bank, arranged by PIPDIC. Ministry of Coal, Govt of India has invoked 50% of Bank Guarantee i.e. ₹ 3,250 Lakh given by the Naini Coal Company Ltd. vide their letter dated 27th December,2012 due to non-compliance of some terms and conditions of Naini Coal block allocation. The Company had discharged its liability of ₹ 1,625 Lakh towards invoked bank guarantee and has accounted for the same as advance to Naini Coal Company Ltd. Total provision for impairment made for advances to Naini Coal Company Ltd. amounts to ₹ 1,625 Lakh (PY: ₹ 1,703.81 Lakh).

The Company has already filed special civil application before the Hon'ble Gujarat High court against arbitrary cancellation of coal block as well as invocation of bank guarantee. During the pendency of petition before the Hon'ble Gujarat High Court, the Hon'ble Supreme Court has cancelled all the coal blocks. Therefore, the petition with Hon'ble High Court is pending in respect of invocation of Bank Guarantee only. As the Company's pending petition is in respect of bank guarantee of ₹ 1,625 Lakh only, balance advance amount of ₹ 78.81 Lakh to Naini Coal Co. Ltd. is written off during the year.

2.07 OTHER NON-CURRENT FINANCIAL ASSETS*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Security deposits	403.40	364.09
Deposits with Corporate Bodies	14,540.71	5,462.58
Deposits with Corporate Bodies for Mine Closure	-	9,600.00
Balance with banks in Escrow Accounts	53,623.27	36,673.20
Others	567.67	20.93
Doubtful		
Deposits with Corporate Bodies	4,212.40	4,212.40
Less: Provision for impairment	(4,212.40)	(4,212.40)
Total Other Non-Current Financial Assets	**69,135.05**	**52,120.80**

* Refer note 2.45 for classification

2.07.01 As per the guidelines of Coal Controller, Ministry of Coal, the Company has so far deposited in Escrow account a sum (excluding interest accrued thereon) of ₹ 47,472.70 Lakh (31st March, 2018: ₹ 33,434.84 Lakh) for following Mines.

(₹ in Lakh)

Project Name	Provisions in Books of Accounts upto		Principal amount in escrow account / GSFS as on	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Umarsar	4,172.25	3,072.82	6,433.13	5,226.05
Rajpardi	2,598.18	2,080.78	2,729.09	2,205.46
Tadkeshwar	5,640.99	4,543.66	5,918.63	4,808.08
Mata No Madh	14,282.62	14,282.62	14,282.76	14,282.76
Bhavnagar	8,109.93	6,532.32	8,509.09	6,912.49
Panandhro*	11,399.20	11,399.20	9,600.00	9,600.00

***2.07.02** As per the Mine Closure guidelines the amount is required to be deposited in Escrow Account with a scheduled bank. The Company has opened the Escrow accounts for its all six lignite mines and deposited the amount. For its Panandhro mine, the company has deposited an amount of ₹ 9,600 lakh in escrow account as per calculation accepted by Office of the Coal Controller of India as against provision of ₹ 11,399.20 lakh as per draft mine closure plan. Necessary effect in the provision for mine closure will be given in the books of account after the acceptance of mine closure plan of the said mine by Ministry of Coal, Government of India.

2.08 OTHER NON-CURRENT NON-FINANCIAL ASSETS **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Capital advances	2,089.95	1,427.92
Balances with Government Authorities	1,685.45	4,561.21
Advance income tax and TDS (net of provision)	36,532.30	35,740.59
Prepaid expenses	1,069.76	1,158.79
Stripping Activity Adjustment Assets	3,328.13	-
Advances to suppliers/contractors	-	2,901.85
Total Other Non-Current Non-Financial Assets	**44,705.59**	**45,790.36**

2.08.01 The Company had given Operation & Maintenance Contract to KEPCO for the Thermal Power Plant from February-2013 to February-2028. However, KEPCO has discontinued the opertations and maintanace activities as per terms and conditions of the contract for said plant w.e.f 24th February,2019. As per the terms and conditions of the contract, the inventories of stores and spares parts lying at the plant in the ownership of the Company had been given on loan to KEPCO for utilization in Operation & Maintenance activities shown under the head “ Advances to suppliers/ contractors” and unutilised inventories have been taken back by the Company from KEPCO on discontinuation of the operation and maintanace contract . Inventories utilised by KEPCO have been shown as amount recoverable from KEPCO under the head “Other Non- current financial Assets”.

2.08.02 Refer Note no. 2.48(c) for Details of “Stripping Activity Adjustment Assets”.

2.09 INVENTORIES **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Current		
Mined ore	6,730.01	5,230.54
Finished goods	0.45	0.45
Stores, spares & fuel	3,550.43	2,488.82
	10,280.89	**7,719.81**
Less: Provision for obsolete stock	(477.83)	(485.88)
	9,803.06	**7,233.93**
Loose tools	10.37	9.07
Total Inventories	**9,813.43**	**7,243.00**

2.10 TRADE RECEIVABLES* **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Current		
Debts outstanding		
Unsecured, considered good	14,747.73	11,116.74
Doubtful	97.27	104.14
	14,845.00	**11,220.88**
Less: Provision for impairment	(97.27)	(104.14)
Total Trade Receivables	**14,747.73**	**11,116.74**

* Refer note 2.45 for classification

2.10.01 Considering the affirmations for compliance of code of conduct of the Company given by the directors and other officers of the Company, neither any trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies in which any director is a partner, a director or member.

2.11 CASH AND OTHER BANK BALANCES* **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents		
Balances with banks		
In current accounts	1,827.76	2,833.74
Cash & stamp on hand	-	-
Total Cash and Cash Equivalents	**1,827.76**	**2,833.74**
Other Bank Balances		
Earmarked balances with banks		
Unpaid dividend account	102.34	116.32
Fixed Deposit		
Security against guarantees	13.09	12.18
Security against other commitments	24.92	24.92
Doubtful deposits	374.00	374.00
	514.35	**527.42**
Less: Provision for impairment	(374.00)	(374.00)
Total Bank Balance other than Cash and Cash Equivalents	**140.35**	**153.42**

* Refer note 2.45 for classification

2.11.01 Other bank balances include restricted bank balances on account of unpaid dividend , Fixed deposits for Security against guarantees and Security against other commitments as stated above.

Pending clearance of the title of the land, sale deed in respect of the land of the cement plant at Hadad sold earlier, was not executed and an amount of ₹ 24.92 Lakh (31 March, 2018: ₹ 24.92 Lakh) was recoverable from the buyer on execution of sale deed. The said amount has been deposited by the party before the Danta Court and in turn the Court has directed to the Company to deposit the said amount with a nationalized bank in the form of FDR with a lien marked in favour of Danta Court. Accordingly the Company has placed the same with Union Bank of India, Vastrapur Branch, Ahmedabad.

2.12 CURRENT LOANS* **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
House building advance to employees		
Unsecured, considered good	796.35	892.06
Other loans and advances to employees		
Unsecured, considered good	277.96	334.40
Other loans and advances to related parties		
Unsecured, considered good	-	75.19
Doubtful	3.00	3.00
Less: Provision for impairment	(3.00)	(3.00)
Total Current Loans	**1,074.31**	**1,301.65**

* Refer note 2.45 for classification

2.13 OTHER CURRENT FINANCIAL ASSETS*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Deposits with Corporate Bodies	1,03,081.42	1,06,779.79
Others	1,930.29	1,815.49
Total Other Current Financial Assets	**1,05,011.71**	**1,08,595.28**

* Refer note 2.45 for classification

2.13.01 The company has paid in May,2015 an amount of ₹ 37.50 lakh for 3.75 lakh shares of ₹ 10 each to Stone Research Foundation to subscribe its shares which is included under the head “Others” above. However, no shares have been allotted by the said company so far and it has been decided during the year to close the Stone Research Foundation. Necessary adjustements in accounts will be made after receiving share application money and other receivables, if any.

2.14 OTHER CURRENT NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with Government Authorities	12,832.18	9,895.03
Prepaid expenses	394.25	277.48
Advances to employees / suppliers / contractors	1,624.47	2,445.21
Total Other Current Non-Financial Assets	**14,850.90**	**12,617.72**

2.15 ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Plant & equipments	15.79	15.79
Furniture & fixtures	0.21	0.21
Vehicles	0.46	0.46
Office equipments	0.29	0.29
Total	**16.75**	**16.75**

2.15.01 Assets classified as held for sale during the reporting period were measured at the carrying value on the date of such classification which approximates fair value less cost to sell. Consequently, no impairment loss was identified on these assets. There has been no material change in the value of such assets after the date of initial classification as assets classified as held for sale.

2.16 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
AUTHORISED SHARE CAPITAL		
74,50,00,000 Equity Shares (31st March 2018: 74,50,00,000) of ₹ 2/- each	14,900.00	14,900.00
1,00,000 Preference Shares (31st March 2018: 1,00,000) of ₹ 100/- each	100.00	100.00
Total	**15,000.00**	**15,000.00**
Issued, Subscribed & Paid-up Capital		
31,80,00,000 Equity Shares (31st March 2018: 31,80,00,000) of ₹ 2/- each fully paid up	6,360.00	6,360.00
Total	**6,360.00**	**6,360.00**

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
Number of shares outstanding at the beginning of year	31,80,00,000	31,80,00,000
Add: Shares issued during the year	-	-
Less : Share bought back	-	-
Number of shares outstanding at the end of year	**31,80,00,000**	**31,80,00,000**

2.16.02 Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In respect of the Financial Year 2017-18 dividend of ₹ 3.50 per share was proposed and approved. The same was recognised as distributions to equity shareholders during the year ended 31st March, 2019 (31st March 2018: ₹ 3 per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.16.03 Details of shareholder(s) holding more than 5% equity shares in the Company

Particulars	As at 31st March, 2019	As at 31st March, 2018
Number of Equity Shares		
Government of Gujarat	23,53,20,000	23,53,20,000
% Holding in Equity Shares		
Government of Gujarat	74.00%	74.00%

2.17 OTHER EQUITY **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
General Reserve	2,71,928.96	2,71,928.96
Retained Earnings	1,20,959.82	1,19,775.39
Reserves representing unrealized gains/(losses)	29,302.17	42,006.29
Total Other Equity	**4,22,190.95**	**4,33,710.64**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
General Reserve		
Opening balance	2,71,928.96	2,71,928.96
Add/(Less): Amount transaferred from/(to) retained earnings	-	-
Closing balance	**2,71,928.96**	**2,71,928.96**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Retained Earnings		
Opening balance	1,19,775.39	87,801.05
Add:		
Profit during the period	13,878.68	42,822.69
Remeasurement of post employment benefit obligation, net of tax	723.55	633.77
Less:		
Equity dividend	(11,130.00)	(9,540.00)
Tax on dividend	(2,287.80)	(1,942.12)
Closing balance	**1,20,959.82**	**1,19,775.39**

2.17.01 The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Reserves representing unrealized gains/(losses) (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
FVTOCI - Equity Investments		
Opening balance	42,006.29	31,330.35
Increase/(decrease) in fair value of FVTOCI - equity instruments	(13,924.37)	10,441.16
Income tax on net fair value gain or loss	1,220.25	234.78
Closing balance	**29,302.17**	**42,006.29**

2.17.02 The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within reserves representing unrealised gain/(losses).

2.18 OTHER NON-CURRENT FINANCIAL LIABILITIES* (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Security and other deposits liability	2,593.94	1,309.24
Total Other Non-Current Financial Liabilities	**2,593.94**	**1,309.24**

* Refer note 2.45 for classification

2.18.01 For majority of the security deposits received, the timing of outflow is uncertain as it depends on outcome of the underlying contracts. Thus the same has not been discounted because their present value would not represent meaningful information. The management does not believe it is possible to make assumptions for the outcome of the contract beyond the balance sheet date.

2.19 NON-CURRENT PROVISIONS (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for mine closure	41,200.26	37,659.45
Provision for decommissioning obligations	2,171.77	2,021.04
Total Non-Current Provisions	**43,372.03**	**39,680.49**

2.19.01 Movements in Provisions (including current/non-current) (₹ in Lakh)

Particulars	Provision for mine closure	Provision for decommissioning obligations	Total
As at 1st April 2018	**37,659.45**	**2,021.04**	**39,680.49**
Add: Unwinding of discounts	-	150.73	150.73
Add: Provision created during the year	4,291.74	-	4,291.74
Less: Expenses incurred on progressive mine closure	(750.93)	-	(750.93)
As at 31st March 2019	**41,200.26**	**2,171.77**	**43,372.03**

2.19.02 As per the guidelines for preparation of Mines Closure Plan issued by the Ministry of Coal, Government of India the Company has made a provision for mines closure expenses to the tune of ₹ 46,203.17 Lakh (31st March, 2018: ₹ 41,911.41 lakh) after considering the approved, submitted, prepared mine closure plans and has incurred progressive mine closure expenses of ₹ 5,002.91 Lakh (31st March, 2018: ₹ 4,251.96 lakh) so far.

2.20 NON-CURRENT NET EMPLOYEE BENEFIT LIABILITIES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for gratuity	-	352.97
Provision for leave salary	3,930.57	3,819.15
Total Non-Current Net Employee Benefit Liabilities	**3,930.57**	**4,172.12**

2.21 DEFERRED TAX LIABILITIES (NET)

Deferred tax relates to the following: **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Due to depreciation	29,359.91	30,539.98
Financial assets measured at FVTOCI	453.26	1,673.51
Total Deferred Tax Liabilities (A)	**29,813.17**	**32,213.49**
Deferred Tax Assets		
Due to disallowance u/s 43B of Income Tax Act	(16,092.85)	(15,605.41)
Decommissioning obligations (Net)	(389.33)	(318.21)
Straightlining of operation and maintenance expenses	(1,023.44)	(1,011.62)
Due to other timing differences	(336.41)	(355.26)
Total Deferred Tax Assets (B)	**(17,842.03)**	**(17,290.50)**
Net Deferred Tax Liabilities (A-B)	**11,971.14**	**14,922.99**

2.21.01 Movements in Deferred Tax Liabilities (net) **(₹ in Lakh)**

Particulars	Due to depreciation	Financial assets measured at FVTOCI	Due to disallowance u/s 43B of Income Tax Act	Decommissioning obligations (Net)	Straightlining of operation and maintenance expenses	Due to other timing differences	Net Deferred Tax Liabilities
As at 1st April 2018	**30,539.98**	**1,673.51**	**(15,605.41)**	**(318.21)**	**(1,011.62)**	**(355.26)**	**14,922.99**
Charged/(credited)							
- to profit or loss	(1,180.07)	-	(98.79)	(71.12)	(11.82)	18.85	(1,342.96)
- to other comprehensive income	-	(1,220.25)	(388.65)	-	-	-	(1,608.90)
As at 31st March 2019	**29,359.91**	**453.26**	**(16,092.85)**	**(389.33)**	**(1,023.44)**	**(336.41)**	**11,971.14**

2.21.02 Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate: **(₹ in Lakh)**

Particulars	2018-19	2017-18
Accounting Profit before income tax expenses	**30,730.08**	**55,054.87**
Tax at the Indian tax rate of 34.944% (2017-18 - 34.608%)	**10,738.32**	**19,053.39**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Effect of income that is exempt from taxation	(252.29)	(210.30)
Effect of expenses that are not deductible in determining the taxable profit	10,968.28	(99.06)
Effect of concessions (u/s 80IA)	(4,602.91)	(7,099.03)
Effect on deferred tax balances due to change in income tax rate from 34.608% to 34.944%	-	140.19
Adjustments for the current tax of prior periods	-	446.98
Income Tax Expenses at the effective income tax rate of 54.84% (2017-18: 22.22%)	**16,851.40**	**12,232.17**

2.21.03 Items of Other Comprehensive Income (OCI) **(₹ in Lakh)**

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Unrealised (gain)/loss on FVTOCI equity securities	1,220.25	234.78
Net loss/(gain) on remeasurements of defined benefit plans	(388.65)	(335.42)
Income tax charged to OCI	**831.60**	**(100.64)**

2.22 OTHER NON-CURRENT NON-FINANCIAL LIABILITIES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Operation & Maintenance Liability and Others	2,441.94	2,624.62
Total Other Non-Current Non-Financial Liabilities	**2,441.94**	**2,624.62**

2.23 TRADE PAYABLES* (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	7.49	4.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,952.50	10,982.27
Total Trade Payables	**10,959.99**	**10,986.66**

* Refer note 2.45 for classification

2.23.01 As at 31st March, 2019, there are outstanding dues to Micro, Small and Medium enterprises as stated above. There is no interest due or outstanding on the same.

2.24 OTHER CURRENT FINANCIAL LIABILITIES* (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Other payables (including for capital goods and services)	199.41	314.63
Earnest money deposits	497.31	313.61
Security and other deposits liability	3,307.79	2,983.86
Other financial liabilities	5,360.75	20,149.73
Total Other Current Financial Liabilities	**9,365.26**	**23,761.83**

* Refer note 2.45 for classification

2.24.01 Vide Government Resolution dated 19th November,2009, the Company has been given permission to lift Manganese Ore from dumps of Shivrajpur areas and dispose of the same for which the Company will be entitled to retain 20% of the sale price. The Company has to keep remaining 80% of the sale price of Manganese Ore dump in a separate account of Gujarat Mineral Research & Development Society (GMRDS) for mineral survey and exploration. Accordingly, ₹ 193.05 Lakh (31st March, 2018: ₹ 263.18 Lakh) (i.e. 80% of the basic sale price) has been transferred during the year to GMRDS and included under the head “Other Financial Liabilities”.

2.24.02 NALCO made upfront payment of ₹ 15,100 Lakh for setting up Allumina refinery and smelter plant in Kutchh region. However, subsequently based on detailed project report, both the companies mutually decided not to proceed with the project. As approved by Government of Gujarat,the Company has repaid during the year the said amount to NALCO, which is shown under the head “ Other Financial Liabilities” as on 31st March, 2018.

2.25 CURRENT NET EMPLOYEE BENEFIT LIABILITIES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Provision for provident fund	168.37	170.46
Provision for leave salary	905.43	894.60
Provision for gratuity	-	768.28
Total Current Net Employee Benefit Liabilities	**1,073.80**	**1,833.34**

2.25.01 DISCLOSURES FOR GRATUITY & LEAVE SALARY PROVISIONS AS PER INDIAN ACCOUNTING STANDARD- 19

Defined Contribution Plan (₹ in Lakh)

Particulars	2018-19	2017-18
Contribution to PF & other funds	1,100.40	1,015.86

Defined Benefit Plan

a) The following table sets out the status of the gratuity plan as required under Ind AS 19 and the reconciliation of opening balances of the present value of the defined benefit obligation.

(i) Changes in Present Value of Obligations (₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Present Value of Obligations as at the beginning of the year	**14,277.09**	**9,748.10**
Current Service Cost	702.28	618.98
Interest Cost	1,100.76	664.82
Actuarial (gain) / Loss on obligations	(1,212.93)	(907.74)
Benefits paid	(745.43)	(667.28)
Past Service cost	-	4,820.21
Present Value of Obligations as at the end of the year	**14,121.77**	**14,277.09**

(ii) Changes in the Fair Value of Plan Assets (₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Fair Value of Plan Assets as at the beginning of the year	**13,155.84**	**9,606.08**
Expected Return on Plan Assets	1,014.32	655.13
Actuarial Gain / (loss) on Plan Assets	(100.74)	61.45
Contributions	904.38	3,500.46
Benefits Paid	(745.43)	(667.28)
Fair Value of Plan Assets as at the end of the year	**14,228.37**	**13,155.84**

(iii) The amount recognized in the Balance Sheet (₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Fair Value of Plan Assets as at the end of the year	14,228.37	13,155.84
Present Value of Obligations as at the end of the year	(14,121.77)	(14,277.09)
Net Asset / (Liability) recognized in the Balance Sheet	**106.60**	**(1,121.25)**

(iv) Amount recognized in the Statement of Profit and Loss as employee benefit expenses (₹ in Lakh)

Particulars	2018-19	2017-18
Current Service Cost	702.28	618.98
Net Interest Cost	86.45	9.69
Expected Return on Plan Assets	-	-
Past Service Cost	-	4,820.21
Expenses/(Income) recognized as part of employee benefit expenses	**788.73**	**5,448.88**

(v) Amount recognized in the other comprehensive income (₹ in Lakh)

Particulars	2018-19	2017-18
Net actuarial (gain) / loss recognized in the year	(1,112.20)	(969.19)
Expenses/(Income) recognized in other comprehensive income	**(1,112.20)**	**(969.19)**

(vi) Investment details

Particulars	% Invested as at	
	31-Mar-19	**31-Mar-18**
Funds with L.I.C.	100.00%	100.00%

(vii) Assumption details

Particulars	31-Mar-19	31-Mar-18
Mortality Rate during employment	Indian Assured lives mortality (2006-08) Ultimate	Indian Assured lives mortality (2006-08) Ultimate
Rate of Discounting	7.59%	7.71%
Rate of salary increase	6.00%	6.00%
Rate of Return on Plan Assets	7.59%	7.71%
Rate of Employee Turnover	2.00%	2.00%

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

b) The Company has considered certain entitlements to earned leave, which can be carried forward to future periods as a long term employee benefit.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakh)

Particulars	Gratuity	
	2018-19	**2017-18**
Projected Benefit Obligation on Current Assumptions	**14,121.78**	**14,277.10**
Delta Effect of +1% Change in Rate of Discounting	(606.22)	(636.12)
Delta Effect of -1% Change in Rate of Discounting	670.38	702.26
Delta Effect of +1% Change in Rate of Salary Increase	234.48	267.51
Delta Effect of -1% Change in Rate of Salary Increase	(256.71)	(288.54)
Delta Effect of +1% Change in Rate of Employee Turnover	174.86	176.26
Delta Effect of -1% Change in Rate of Employee Turnover	(191.45)	(191.82)

2.26 Other Current Non-Financial Liabilities **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from Customers (Contract Liabilities)	1,262.52	2,148.64
Statutory taxes payables	347.23	752.50
Others	1,309.17	1,672.80
Total Other Current Non-financial Liabilites	**2,918.92**	**4,573.94**

2.26.01 The Government of Gujarat (GOG) has provided funds amounting to ₹ 7,634.73 Lakh (31st March, 2018: ₹ 7,524.16 Lakh) which are in the nature of deposits for Construction and other expenses for Stone Park, Laboratory and Trade Fair on behalf of Commissioner of Geology & Mining (CGM), GOG. Out of the said deposits, the Company has incurred ₹ 6,844.53 Lakh (31st March, 2018: ₹ 6,252.31 Lakh) till 31st March, 2019. Net balance of unutilised funds amounting to ₹ 790.20 Lakh (31st March, 2018: ₹ 1,271.85 Lakh) is shown under the head "Other Current Non-Financial Liabilities".

Details of funds received and utilized for various activities are as under: **(₹ in Lakh)**

Nature of activities	Funds Received up to 31st March, 2019	Funds Utilized up to 31st March, 2019	Fund unutilized as on 31st March, 2019
Construction and other expenses of Stone Park	5,036.62	4,266.50	770.12
Construction and other expenses of Laboratory	2,507.97	2,502.89	5.08
Activities related to Trade Fair	90.14	75.14	15.00
Total	**7,634.73**	**6,844.53**	**790.20**
Previous Year	7,524.16	6,252.31	1,271.85

2.27 REVENUE FROM OPERATIONS

Revenue from contracts with customers (Disaggregated revenue information) **(₹ in Lakh)**

Particulars	2018-19	2017-18
Sale of Products		
- Sale from Lignite Projects	1,47,834.53	1,62,244.20
- Sale from Bauxite Projects	1,550.30	3,090.86
- Sale from Thermal Power Project	22,047.39	26,875.69
- Sale from Renewable Energy Projects	17,152.71	15,543.42
- Sale from Other Projects	119.66	89.50
Less: Cash discount/incentives	736.77	846.99
Sale of products (net)	**1,87,967.82**	**2,06,996.68**
Total Revenue from Operations	**1,87,967.82**	**2,06,996.68**

2.27.01 Refer Note 2.48 (b) for reclassification for Sale from Thermal Power Project.

2.27.02 The company is selling lignite / power to GSECL/GUVNL. For arriving at the rate of lignite to be charged in invoice for sale of Lignite/power from year to year, the company is charging rate of interest of 13% on fixed assets of the respective project for finalization of cost as per agreed formula. Accordingly, the company has recognised the revenue for the sale of lignite/power to GSECL/GUVNL . However, while making the payment during the F.Y 2018-19 GSECL and GUVNL are allowing rate of interest of 8.50% only instead of 13% w.e.f 01st July,2017 . The matter has been referred to Government of Gujarat (GOG) to settle the issue. Necessary adjustment entries, if any, will be passed after the matter is finalised by GOG.

2.27.03 The Company has implemented Indian Accounting Standard (Ind AS) 115,Revenue from Contracts with Customers w.e.f. 01st April,2018 using the modified retrospective method of adoption. However, there is no financial implication due to implementation of the said Ind AS at present.

2.28 FINANCE INCOME **(₹ in Lakh)**

Particulars	2018-19	2017-18
Interest Income		
- FDRs with Banks & Inter Corporate Deposits (ICDs)	8,405.26	8,046.91
- Others	3,360.36	2,098.02
Total Finance Income	**11,765.62**	**10,144.93**

2.28.01 The company during the year, earned an interest of ₹ 3,236.26 lakh (2017-18: ₹2,004.85 lakh) on the fixed deposits of ₹52,070.81 lakh (31st March, 2018: ₹34,062.84 lakh) held in the escrow accounts for mine closure expenses and recognised such interest as income in the Statement of Profit and Loss . The interest income so earned is a part of escrow account over which the company has no hold until the provisions of mine closure plan are complied.

As per guidelines of Ministry of Coal, Govt of India, up to 80% of the total deposited amount including interest accrued in the escrow account would be released to the company after every five years in proportion to the expenditure incurred on mine closure and the balance will be released at the end of final mine closure on compliance of all the provisions of mine closure plan, provided that restoration of mine is completed within the specified period, failing which the amount in the escrow account is liable to be forfeited.

2.29 OTHER INCOME **(₹ in Lakh)**

Particulars	2018-19	2017-18
Income from Investments		
- Dividend Income	789.74	680.34
Net gain on Sale of Fixed Assets	32.86	8.75
Sale of Scrap material	266.13	42.04
Excess Provision of Earlier Years Written Back	98.18	443.61
Liquidated Damages/ Penalty	527.03	74.95
Other Misc. Income	778.14	547.35
Total Other Income	**2,492.08**	**1,797.04**

2.30 CHANGES IN INVENTORIES OF FINISHED GOODS & MINED ORE (₹ in Lakh)

Particulars	2018-19	2017-18
Inventories at the end of the year:		
Finished Goods	0.45	0.45
Mined Ore	6,730.01	5,230.54
Stock of Fuel	216.79	1,084.45
	6,947.25	**6,315.44**
Less :		
Inventories at the beginning of the year:		
Finished Goods	0.45	0.45
Mined Ore	5,230.54	4,744.04
Stock of Fuel	1,084.45	1,274.46
	6,315.44	**6,018.95**
Increase / (Decrease) in Inventories	**631.81**	**296.49**

2.31 EMPLOYEE BENEFIT EXPENSES (₹ in Lakh)

Particulars	2018-19	2017-18
Salaries, Wages & Bonus	9,017.81	10,703.53
Contribution to Provident fund & other funds	1,913.51	6,484.76
Staff Welfare Expenses	677.77	522.25
Terminal Benefits	617.47	1,136.05
Directors' sitting Fees & Allowances	2.10	2.08
Total Employee Benefit Expenses	**12,228.66**	**18,848.67**

2.32 FINANCE COSTS (₹ in Lakh)

Particulars	2018-19	2017-18
Unwinding of discount on Provisions	150.72	150.72
Interest on delayed payment of income tax	0.44	8.46
Other Charges	31.96	3.14
Total Finance Costs	**183.12**	**162.32**

2.33 DEPRECIATION AND AMORTISATION EXPENSES (₹ in Lakh)

Particulars	2018-19	2017-18
Depreciation of Property, Plant and Equipment	8,227.85	8,035.26
Depreciation on investment properties	124.37	95.28
Amortisation of intangible assets	1,261.51	3,772.12
Total Depreciation and Amortisation Expenses	**9,613.73**	**11,902.66**

2.34 OTHER EXPENSES (₹ in Lakh)

Particulars		2018-19		2017-18	
Manufacturing Expenses					
Loading of Lignite & Overburden Removal			54,895.42		54,878.61
Excise duty			-		1,903.72
Freight & Octroi Expenses			2,281.00		2,320.71
Other Loading charges & Mining Expenses			1,172.07		998.96
Electricity Expenses			1,645.87		1,502.98
Consumption of Stores, Spares & Chemicals			613.42		744.50
Operation & Maintenance Charges and Fuel for Thermal Project			2,806.20		5,343.20
Operation & Maintenance Charges for Renewable Energy Projects			2,150.30		1,887.91
Repairs & Maintenance					
- Buildings		398.78		1,114.41	
- Machineries (Including spares)		543.76		928.92	
- Other Assets		105.56	1,048.10	90.07	2,133.40
Rates & Taxes					
- Royalty		9,421.24		10,060.53	
- GST Compensatory Cess		31,896.02		27,266.28	
- Clean Energy Cess		-		11,398.96	
- Other Rates & Taxes		586.12	41,903.38	483.04	49,208.81
Mine Closure Expenses			4,291.75		4,087.38
Rent			107.11		99.94
	(A)		**1,12,914.62**		**1,25,110.12**
Administrative & Selling Expenses					
CSR Expenses			901.62		2,191.24
Financial Contribution to Government Bodies			376.00		177.00
Insurance Premium			302.40		342.80
Vehicle Hire Charges			808.60		712.92
Advertisement & Publicity			59.73		44.69
Security Expenses			2,544.16		2,553.40
Legal & Professional Fees			492.10		495.49
Payment to Auditors					
- Audit Fees		7.74		7.37	
- For Tax Audit		1.02		0.97	
- For Certification and other matters		2.32	11.08	1.49	9.83
Remuneration to Managing Director			31.89		29.26
Mining & Project Development Expenses			1.39		62.07
Other Miscellaneous Charges			1,893.15		1,537.80
	(B)		**7,422.12**		**8,156.50**
Total Other Expenses	**(A+B)**		**1,20,336.74**		**1,33,266.62**

2.34.01 During the year, royalty on account of sale of Bauxite had been accounted for ₹ 333.75 Lakh (2017-18: ₹ 675.68 Lakh) on ad hoc basis as intimated by the Commissioner of Geology and Mining. Necessary adjustment shall be made in the accounts after final outcome of the matter.

2.34.02 In view of the Supreme Court's decision in respect of mining activities, applications made by the Company for renewal of leases covering 2,040 (2017-18: 2,040) hectares of land for extracting lignite are pending since 1993-94. Necessary adjustment in respect of liability for any charges, taxes, duties etc. will be provided in accounts on finalization of renewal applications.

2.34.03 During the year, the Company has written off ₹ 70.90 Lakh (2017-18: ₹ 23.52 Lakh) and written back ₹ 231.17 Lakh (2017-18: ₹ 57.79 Lakh) in the books of account. In the opinion of the management, such amounts are no longer receivable / payable. Net effect thereof is written back to the Statement of Profit and Loss amounting to ₹ 160.27 Lakh (2017-18: ₹ 34.27 Lakh).

2.34.04 In compliance with Section 135(5) of the amended Companies Act, 2013, the Company has spent ₹ 901.62 Lakh (2017-18: ₹ 2,191.24 Lakh) against the statutory requirement of spending ₹ 879.94 Lakh (2017-18: ₹ 933 Lakh) (based on average net profits of last 3 years) during the year towards Corporate Social Responsibility (CSR) Expense.

2.34.05 Refer Note no. 2.48(c) for "Loading of Lignite & Overburden Removal".

2.35 INCOME TAX EXPENSES

This note provides an analysis of the Company's income tax expenses show amounts that are directly recognised in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(₹ in Lakh)

Particulars	2018-19	2017-18
Current Tax Expenses		
Current tax on profits for the year	18,971.65	19,726.40
Total Current Tax Expenses	**18,971.65**	**19,726.40**
Deferred Tax Expenses		
Decrease/(Increase) in deferred tax assets	280.07	(1,973.14)
(Decrease)/Increase in deferred tax liabilities	(2,400.32)	(5,521.08)
Total Deferred Tax Expenses	**(2,120.25)**	**(7,494.22)**
Income Tax Expenses	**16,851.40**	**12,232.18**

2.36 EARNING PER SHARE

Particulars	2018-19	2017-18
Profit attributable to equity holders for :		
Basic earnings (₹ in Lakh)	13,878.68	42,822.69
Adjusted for the effect of dilution (₹ in Lakh)	13,878.68	42,822.69
Weighted average number of Equity Shares for:		
Basic EPS	31,80,00,000	31,80,00,000
Adjusted for the effect of dilution	31,80,00,000	31,80,00,000
Earning Per Share (Face value of ₹ 2/- each):		
Basic (₹)	4.36	13.47
Diluted (₹)	4.36	13.47

2.37 CONTINGENT LIABILITIES AS ON 31ST MARCH, 2019

Contingent liabilities not provided for Claims against the Company not acknowledged as debt ₹ 69,780.98 Lakh (31st March, 2018: ₹ 63,200.59 Lakh).

2.37.01 Excise, VAT, Service tax, Income tax and other matters related to contingent liabilities:

(₹ in Lakh)

Sr No	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Income tax	33,725.82	33,534.54
2	Sales Tax/VAT	419.04	419.04
3	Excise	1,508.42	506.66
4	Related to contractors and others	21,119.12	15,810.34
5	Royalty, stamp duty and conversion tax	4,943.83	4,943.83
6	Land Compensation	4,450.00	4,450.00
7	Incentives to employees	1,158.84	1,158.84
8	Guarantees excluding financial guarantees:		
	Outstanding Bank Guarantees	2,455.91	2,377.34

2.37.02 KEPCO has invoked arbitration proceedings under clause 18 of the long term O&M service agreement and clause 17 of long term spares and consumable supply agreement dated 03rd January,2013 for various disputes. Arbitrator has been appointed and KEPCO has been given time till May-2019 to file claim statement hence amount of contingent liability thereof is not ascertainable.

2.38 COMMITMENTS **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	477.60	362.82

2.39 EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) The board has recommended dividend of ₹ 2/- per share which is subject to approval of shareholders in the ensuing general meeting.

(b) Mineable reserves of lignite are exhausted in Panandhro mine after the reporting date.

(c) Vijaya Bank has been merged with Bank of Baroda(BOB) on 01st April,2019 and the company has been allotted 3,12,715 equity shares of ₹ 2/- each fully paid of BOB on 8th April 2019 against 7,77,900 equity shares of ₹10/- each fully paid of Vijaya Bank.

2.40 In the opinion of Management, any of the assets other than items of property, plant and equipment, investment properties, intangible assets and Non-Current Investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

2.41 Balances of trade payables, trade receivables, loans & advances, advances from customers, other non-current/current liabilities, etc. are subject to confirmation and adjustements, if any, in the accounts.

2.42 On periodical basis and as and when required, the Company reviews the carrying amounts of its assets. In the Financial Year 2018-19, the Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

2.43 SEGMENT INFORMATION

(a) Description of segment and principal activities

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment, and accordingly, the Company has identified two reportable operating segments viz. Mining and Power. Operating segments have been identified and reported in a manner consistent with the internal reporting provided to the CODM.

(b) Segment revenue and expenses

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 a reasonable basis have been disclosed as “Unallocable”.

(c) Segment assets and liabilities

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 a reasonable basis have been disclosed as “Unallocable”.

(d) Secondary segment reporting

The Company does not have geographical distribution of revenue as the operations of the Company are carried out within the country and hence secondary segmental reporting based on geographical locations of its customers is not applicable to the Company.

(e) Information about major customers

Revenue from power segment (which exceeds 10% of total segment revenue) amounting to ₹ 37,607.96 (P.Y.: ₹ 40,705.25) Lakh is derived from a single customer and revenue from mining segment (which exceeds 10% of total segment revenue) amounting to ₹ 21,506.75 (P.Y.: ₹ 21,181.39) Lakh (inclusive of tax) is derived from a single customer.

(f) Information about product and services

The Company’s revenue from external customers for each product is same as that disclosed below under “segment revenue”.

(₹ in Lakh)

Particulars	2018-19				2017-18			
	Mining Projects	Power Projects	Unallocated	Total	Mining Projects	Power Projects	Unallocated	Total
Segment Revenues								
External Revenue*	1,49,504.48	38,463.34	-	1,87,967.82	1,65,424.56	41,572.12	-	2,06,996.68
Inter Segment Revenue	10,902.59	-	-	10,902.59	12,156.96	-	-	12,156.96
Total Segment Revenue	**1,60,407.07**	**38,463.34**	**-**	**1,98,870.41**	**1,77,581.52**	**41,572.12**	**-**	**2,19,153.64**
Segment Results								
Profit/(Loss)	42,108.83	10,530.01	(5,038.79)	47,600.05	43,881.37	9,605.27	(9,896.23)	43,590.41
Unallocated other income			12,555.36	12,555.36			10,825.26	10,825.26
Unallocated expenses and finance cost			339.67	339.67			639.20	639.20
Profit before exceptional items and tax	**42,108.83**	**10,530.01**	**7,856.24**	**60,495.08**	**43,881.37**	**9,605.27**	**1,568.23**	**55,054.87**
Exceptional Items								
Loss on Investment in associate			(29,765.00)	(29,765.00)				
Profit Before Tax	**42,108.83**	**10,530.01**	**(21,908.76)**	**30,730.08**	**43,881.37**	**9,605.27**	**1,568.23**	**55,054.87**
Income tax- Current			18,971.65	18,971.65			19,726.40	19,726.40
Deferred tax			(2,120.25)	(2,120.25)			(7,494.22)	(7,494.22)
Profit after tax	**42,108.83**	**10,530.01**	**(38,760.16)**	**13,878.68**	**43,881.37**	**9,605.27**	**(10,663.95)**	**42,822.69**
Other information								
Depreciation and amortisation	2,165.73	7,148.64	299.36	**9,613.73**	4,564.11	7,125.23	213.32	**11,902.66**
Non-Cash Expenses other than depreciation and amortisation	4,291.75	-	-	**4,291.75**	4,087.38	-	-	**4,087.38**

* Segment Revenue includes other income which is directly attributable to each segment.

(₹ in Lakh)

Segments Assets**	**As at 31st March, 2019**	**As at 31st March, 2018**
Mining Projects	1,23,883.16	1,15,752.09
Power Projects	1,54,554.44	1,63,524.28
Unallocated	2,38,740.94	2,64,659.50
Total	**5,17,178.54**	**5,43,935.87**

(₹ in Lakh)

Segments Liabilities**	**As at 31st March, 2019**	**As at 31st March, 2018**
Mining Projects	61,765.84	56,855.74
Power Projects	6,589.79	6,484.69
Unallocated	20,271.96	40,524.80
Total	**88,627.59**	**1,03,865.23**

** Segment assets and liabilities are measured in same way as in the financial statements. They are allocated based on the operations of the segment.

1. Segment assets and liabilities are subject to reconcilation.
2. Segment Revenue of Mining includes ₹ 10,902.59 Lakh (2017-18 ₹ 12,156.96 Lakh) being captive consumption of Lignite/Lime for Power Project.

2.44 RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on “Related Party Disclosures”, details for reporting period are as follows:

2.44.01 Associate/Joint Venture

Name of the entity	Type
Gujarat Jaypee Cement and Infrastructure Ltd.	Associate
Gujarat Credo Mineral Industries Ltd.	Associate
Aikya Chemicals Pvt. Ltd.	Associate
Gujarat Foundation for Entrepreneurial Excellence	Joint Venture
Swarnim Gujarat Fluorspar Pvt. Ltd.	Joint Venture
Naini Coal Company Ltd.	Joint Venture
Gujarat Gokul Power Ltd.*	Joint Venture
Gujarat Mineral Research & Industrial Consultancy Society	Subsidiary
GMDC Gramya Vikas Trust	Subsidiary
GMDC Science & Research Centre	Subsidiary

* Ceased to be Joint Venture during reporting period

2.44.02 Transactions with related parties:

(₹ in Lakh)

Particulars	Associates		Joint Ventures		Subsidiaries/ Government related entities/KMP		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Purchase of Investments	-	10,130.89	-	-		-	-	10,130.89
Sale of Goods/ Services	1,552.95	13,754.03	701.67	24.50	2,56,698.61	61,136.43	2,58,953.23	74,914.96
Received/ Adjusted/Written off	1,331.49	12,409.28	82.99	333.36	2,58,361.94	62,922.83	2,59,776.42	75,665.47
Funds deposited with GSFS					1,94,034.69	1,34,682.65	1,94,034.69	1,34,682.65
Funds withdrawn from GSFS					1,14,275.83	1,23,725.22	1,14,275.83	1,23,725.22
Interest Income	31.88	-	7.00	-	8,396.87	8,039.70	8,428.76	8,039.70
Financial Contribution to Government Bodies					376.00	-	376.00	-
Provident Fund Trust					2,022.67	1,865.77	2,022.67	1,865.77
Contribution made to Gratuity Trust (100% funded with LIC)					900.00	3,500.46	900.00	3,500.46
Donation /CSR					900.00	1,129.00	900.00	1,129.00
Directors' sitting fee					2.10	2.08	2.10	2.08
Outstanding balances arising from sales/purchases of goods/services								
Account Payable as at year end	12.30	20.59	316.98	1,012.82	-	-		
Account Receivable as at year end	985.06	4,946.38	1,641.66	1,718.81	2,41,596.78	1,25,493.54		

1. The above transactions are inclusive of all taxes, wherever applicable.
2. Directors' sitting Fees include taxes, wherever applicable. Further, directors' sitting fees in respect of Government nominated directors are deposited directly into Government Treasury.
3. Consequent upon merger of Bhavnagar Energy Company Limited (BECL) with Gujarat State Electricity Corporation Limited (GSECL) w.e.f. 01st April,2018 as per notification issued by Energy and Petrochemicals Department, Government of Gujarat dated 27th August, 2018, all related figures have been considered under the head Government related entities.

2.44.03 Terms and conditions

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. Goods were sold to related parties as mentioned above on mutually agreed terms. Most of the outstanding balances are unsecured.

The Company has executed Power Purchase Agreements with one of Government owned PSUs for sale of power generated from wind mills, solar and thermal power plant for the period ranging from 25 to 30 years.

2.44.04 Key Management Personnel Compensation: (₹ in Lakh)

Particulars	2018-19	2017-18
Short-term employee benefits	77.33	70.95
Post-employment benefits	28.38	26.12
Long-term employee benefits	32.09	29.32
Termination benefits	-	-
Employee share-based payments	-	-
Total compensation	**137.80**	**126.39**

2.44.05 Other transactions with Government related entities

Apart from the above transactions, the Company has also entered into other transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

2.44.06 Further, the Company has entered into various long term material supply and power purchase agreements with the related parties (including Government related entities) where goods/services are to be provided at prices determined based on the contractual terms agreed. Some of the contracts are in the process of being finalised pending the necessary approvals.

2.45 FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value (₹ in Lakh)

As at 31st March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	15,685.90	-	15,685.90	-	-	15,685.90	15,685.90
- Equity Shares - quoted	-	26,051.26	-	26,051.26	26,051.26	-	-	26,051.26
Loan								
- Non-current	-	-	205.79	205.79	-	-	-	-
- Current	-	-	1,074.31	1,074.31	-	-	-	-
Trade Receivables	-	-	14,747.73	14,747.73	-	-	-	-
Cash and Cash Equivalents	-	-	1,827.76	1,827.76	-	-	-	-
Other Bank Balances	-	-	140.35	140.35	-	-	-	-
Other financial assets								
- Non-current	-	-	69,135.05	69,135.05	-	-	-	-
- Current	-	-	1,05,011.71	1,05,011.71	-	-	-	-
Total financial assets	**-**	**41,737.16**	**1,92,142.70**	**2,33,879.86**	**26,051.26**	**-**	**15,685.90**	**41,737.16**
Financial liabilities								
Other financial liabilities								
- Non-current	-	-	2,593.94	2,593.94	-	-	-	-
- Current	-	-	9,365.26	9,365.26	-	-	-	-
Trade Payables	-	-	10,959.99	10,959.99	-	-	-	-
Total financial liabilities	**-**	**-**	**22,919.19**	**22,919.19**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost.

(₹ in Lakh)

As at 31st March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	20,593.72	-	20,593.72	-	-	20,593.72	20,593.72
- Equity Shares - quoted	-	35,067.82	-	35,067.82	35,067.82	-	-	35,067.82
Loan								
- Non-current	-	-	289.28	289.28	-	-	-	-
- Current	-	-	1,301.65	1,301.65	-	-	-	-
Trade Receivables	-	-	11,116.74	11,116.74	-	-	-	-
Cash and Cash Equivalents	-	-	2,833.74	2,833.74	-	-	-	-
Other Bank Balances	-	-	153.42	153.42	-	-	-	-
Other financial assets								
- Non-current	-	-	52,120.80	52,120.80	-	-	-	-
- Current	-	-	1,08,595.28	1,08,595.28	-	-	-	-
Total financial assets	**-**	**55,661.54**	**1,76,410.91**	**2,32,072.45**	**35,067.82**	**-**	**20,593.72**	**55,661.54**
Financial liabilities								
Other financial liabilities								
- Non-current	-	-	1,309.24	1,309.24	-	-	-	-
- Current	-	-	23,761.83	23,761.83	-	-	-	-
Trade Payables	-	-	10,986.66	10,986.66	-	-	-	-
Total financial liabilities	**-**	**-**	**36,057.73**	**36,057.73**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost.

Types of inputs are as under:

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVTOCI in unquoted equity shares:

Gujarat State Petroleum Corporation Limited

1. **Market approach :** This approach uses information generated by market transactions of the Company being valued or the transactions of comparable companies. The following market-linked information may be used for determining valuation under this approach.
   - Quoted price of the company being valued,

- Past transaction value of the company being valued,
- Listed comparable companies' trading multiples like price to earning ratio, enterprise value to earning before interest, tax, depreciation and amortisation, enterprise value to sales etc.
- Transactions multiples for investment / M & A transaction of comparable companies.

The valuation arrived at based on the market approach reflects the current value of the Company perceived in the active market. However, as the valuation arrived at using market multiples is based on the past/current transaction or traded values of comparable companies/businesses, it may not reflect the possible changes in future trend of cash flows being generated by a business.

2. **Income Approach :** The income approach reflects present value of future cash flows. For valuing a business, the discounted cash flow (DCF) methodology is used under this approach. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. This method is used to determine the present value of business on a going concern assumption. The DCF technique recognizes the time value of money.

   The value of the firm is arrived at by estimating the Free Cash Flow to Firm (FCFF) and discounting the same at the Weighted Average Cost of Capital (WACC). FCFF is estimated by forecasting free cash flows available to the firm (which are derived on the basis of the likely future earnings of the company).

3. **Cost Approach:** The cost approach essentially estimates the cost of replacing the tangible assets of the business. The replacement cost takes into account the market value of various assets or the expenditure required to create the infrastructure exactly similar to that of a company being valued.

Significant unobservable inputs

Highest priority is given to unadjusted quoted price of listed entities and lowest priority to non-market linked inputs such as future cash flows used in income approach.

Inter-relationship between significant unobservable inputs and fair value measurement

The estimated fair value would increase (decrease) if there is a change in significant unobservable inputs used in determination of fair value.

Considering the diverse asset and investment base of the Company with differing risk/return profiles, a sum of the parts approach has been adopted for the valuation. Under this method, the value of each distinct business/asset/investment has been arrived at separately and total value estimate for the Company presented as the sum of all its business/investments/assets.

Gujarat Guardian Limited

Fair value is determined using the ratio of enterprise value to EBITDA adjusted for the industry average. The industry average has been computed using peer companies.

GITCO and Gujarat Informatics Limited

In absence of sufficient information for determination of fair value, the Company has determined the same using net worth as reflected in the financial statements as at the each reporting date. Management is of the view that the value so determined are reflective of the fair values.

Further, in the absence of the audited financial statements of GITCO and Gujarat Informatics Limited, the fair value is determined based on unaudited financial statements for the year ended 31st March, 2019 of GITCO and 31st March, 2018 of Gujarat Informatics Limited. Once the audited financials are available, appropriate changes would be made in the subseqnuent periods.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March, 2019 and 31st March, 2018:

(₹ in Lakh)

Particulars	**Amount**
As at 1st April 2017	**21,230.49**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in Other Comprehensive Income	(636.77)
Gains/ (losses) recognised in Statement of Profit or Loss	-
As at 31st March 2018	**20,593.72**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in Other Comprehensive Income	(4,907.82)
Gains/ (losses) recognised in Statement of Profit or Loss	-
As at 31st March 2019	**15,685.90**

Transfer out of Level 3

There were no movements in level 3 in either directions during the year 2018-19 and 2017-18.

Sensitivity analysis - Investments in unquoted equity instruments

On account of lack of sufficient information as at the end of reporting period and nature of investments, the management is of the view that it is impracticable to determine the sensitivity of the fair values to changes in the underlying assumptions.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

(i) Risk management framework

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. Company has also set up a Risk Management Committee.

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

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

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Other financial assets

The Company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Trade and other receivables

Trade receivables of the Company are typically unsecured ,except to the extent of advance received against sales for sale of lignite. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. Significant portion of trade receivables at the respective reporting date comprise of State Governments PSUs. Management does not expect any credit risk on the same. The allowance for impairment of trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables.

Age of Receivables **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Within the credit period	2,402.10	4,800.22
1-30 days past due	3,468.56	1,563.97
31-60 days past due	1,591.32	522.58
61-90 days past due	64.61	3,407.61
More than 90 days past due	7,221.14	822.36

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. Management is of the view that these financial assets (majorly state owned PSUs) are not impaired as there has not been a significant change in credit quality and are recoverable based on the nature of the activity with the respective customer to which they belong and the type of customers. Further, since the amount are collected within one year, there is no loss on account of time value of money. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired except for trade receivables as at 31st March, 2019 and 31st March, 2018.

Movements in Expected Credit Loss Allowance **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	104.14	104.14
Movements in allowance	(6.87)	-
Closing balance	**97.27**	**104.14**

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

(₹ in Lakh)

Particulars	Carrying amount	
	31st March, 2019	31st March, 2018
India	14,747.73	11,116.74
Other regions	-	-
	14,747.73	**11,116.74**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Management estimates that there are no instances of past due or impaired trade and other receivables.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements, if any.

(₹ in Lakh)

31st March, 2019	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current financial liabilities	2,593.94	2,593.94	-	2,593.94
Current financial liabilities	9,365.26	9,365.26	9,365.26	-
Trade payables	10,959.99	10,959.99	10,959.99	-
Total	**22,919.19**	**22,919.19**	**20,325.25**	**2,593.94**

(₹ in Lakh)

31st March, 2018	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current financial liabilities	1,309.24	1,309.24	-	1,309.24
Current financial liabilities	23,761.83	23,761.83	23,761.83	-
Trade payables	10,986.66	10,986.66	10,986.66	-
Total	**36,057.73**	**36,057.73**	**34,748.49**	**1,309.24**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.

Currency risk

The functional currency of the Company is Indian Rupees.

The Company does not use derivative financial instruments for trading or speculative purposes. As the Company does not engage in foreign exchange transaction, it is not exposed to currency risk.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company does not have any undrawn or outstanding borrowings and hence does not possess any interest rate risk.

Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through other comprehensive income (FVTOCI). Some of the equity investments are publicly traded and are included in the NSE Nifty 50 Index.

Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and other comprehensive income for the period. The analysis is based on the assumption that the index had increased by 20% or decreased by 20% with all other variables held constant, and that the Company's quoted equity instruments moved in line with the index. The % have been determined considering average of the actual movements in quoted prices of equity shares held as investments as at 31st March, 2019

(₹ in Lakh)

Particulars	Impact on Other Comprehensive Income
NSE NIFTY 50 - increase 20%	5,210.25
NSE NIFTY 50 - decrease 20%	(5,210.25)

2.46 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns to the shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total non-current liabilities, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at 31st March, 2019 and 31st March, 2018 was as follows.

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total Non-current liabilities	64,309.62	62,709.46
Less : Cash and bank balances	1,968.11	2,987.16
Adjusted net debt	**62,341.51**	**59,722.30**
Total equity	**4,28,550.95**	**4,40,070.64**
Adjusted net debt to adjusted equity ratio	**0.15**	**0.14**

2.47 Corresponding figures of the previous year have been re-grouped / re-arranged / re-classified / restated and revised, wherever necessary, for rounding off to nearest lakh and/or to make them comparable with the figures of the current year.

Note 2.48: Prior Period Items, Errors and Changes in Accounting Policies

a) During the year company has changed its accounting policy relating to presentation of Government grants. Up to F.Y 2017-18 Government grants relating to the purchase or construction of items of PPE or investment properties were included in Note No. 2.22 under the head “Other Non-Current Non-Financial Liabilities” as “Deferred Government Grant” and credited to Statement of Profit And Loss on a straight line basis over the expected life of the related assets and presented within the “Other Income”.

As per the amended Ind AS 20, the option of presentation of government grants related to assets by deducting the same from the carrying amount of the asset is available to the Company for the annual periods beginning on or after April 1, 2018. Therefore, the Company has decided to opt for the same and changed the accounting policy. Accordingly, Government grant is deducted in arriving at the carrying amount of the asset. Thereby the grant is recognised in profit or loss over the life of a depreciable asset as a reduced depreciation expense. The change in accounting policy has been accounted retrospectively by restating the comparative amounts to which the same relates.

On account of above change in policy, Other Income & Depreciation Expense for the year 2018-19 have reduced by ₹ 43.04 Lakh (2017-18: ₹70.85 Lakh) , as well as Investment Property and Other Non-Current Non-Financial Liabilities as on 31st March, 2019 have reduced by ₹ 2,458.59 Lakh (as on 31st March, 2018: ₹ 2,501.63 Lakh) . There will be no impact of the same on Net Profit or Net Assets of the company for the year 2018-19 or 2017 -18.

b) The Company had entered into Power Purchase Agreement(PPA) with Gujarat Urja Vikas Nigam Limited (GUVNL) for sale of power generated from thermal power plant located at Akrimota for original tenure of 30 years. The agreement was initially determined to be an operating lease as per Ind AS 17 in the first Ind AS Financial Statements for the F.Y. 2016-17, at the time of transition of financial statements from IGAAP to Ind AS and the assets of thermal power plant were shown in Note No. 2.01.05 under the sub-head “Details of assets given on operating lease” under the main head “Property, Plant and Equipment (PPE)”. In F.Y. 2017-18 also the above presentation was continued. However, there is no lease agreement between the company and GUVNL and the company has effective control over its Akrimota Power Plant. Further, GUVNL has also executed PPA with it’s subsidiaries and other state PSUs and they have classified their power station under the head PPE. The company has particularly noted from the PPA that the power procurer -GUVNL is authorized by the distribution licenses to execute the PPA with the Company and this is a joint procurement arrangement involving multiple procurers. Therefore, based on the above factors, the Company concluded that PPAs entered into are not arrangements that contain a lease. The same is now rectified and income from Sale of Power has been shown under the head “Sale of Products” instead of “Other Operating Income”.

This reclassification does not have any impact on profitability as well as total assets of the Company.

c) In respect of various lignite projects of the company, till F.Y 2017-18 the Company used to charge overburden removal expenditure to revenue on actual basis i.e without adjustment of stripping ratio. During the year, overburden removal expenditure has been charged based on plot-wise technically evaluated average stripping ratio, where the company has awarded unit-rate based contracts for Overburden Removal and Lignite extraction.

Out of the total expenses of ₹ 10,890.52 Lakh during the year, ₹ 7,562.39 Lakh has been charged to overburden removal expenses and balance ₹ 3,328.13 Lakh incurred for stripping activity adjustment under such contracts, has been recognised as Stripping activity assets and shown under the head “ Non- Current Non- Financial Assets”.

On account of change in the accounting policy, the profit for the year has increased by ₹3,328.13 Lakh and Non- Current Non- Financial Assets have also increased by the same amount. As mineable reserves are exhausted at lignite mine Panandhro after the reporting date, the above change in accounting policy has not been considered for the said mine and total amount has been charged to Statement of Profit and Loss.

d) The Company has accounted for material prior period errors discovered during the current period, retrospectively by restating the comparative amounts to which the same relates. Since certain periods were prior to comparative period presented, the impact has been considered in opening balance sheet of comparative period presented.

Following are the financial items affected due to restatement in the comparative financial results presented hereunder for the matters stated above:

(₹ in Lakh)

Financial Statement Line Item affected (Balance Sheet)	As at 31st March, 2018				As at 1st April, 2017			
	Earlier Presented Amount	Correction Amount	Reclassification Amount	Restated Amount	Earlier Presented Amount	Correction Amount	Reclassification Amount	Restated Amount
ASSETS								
Non-Current Assets								
Property, Plant and Equipment	1,73,153.06	(2.13)	(75.66)	1,73,075.27	1,76,294.78	-	-	1,76,294.78
Investment Properties	11,714.34	-	(2,425.97)	9,288.37	11,825.55	-	(789.95)	11,035.60
Other Intangible Assets	32,913.32	(804.44)	0.00	32,108.88	19,151.37	-	-	19,151.37
Other Financial Assets	52,158.30	5.72	(43.22)	52,120.80	28,590.51	-	-	28,590.51
Current Assets								
Trade Receivables	11,106.08	10.63	0.03	11,116.74	11,906.25	10.63	-	11,916.88
Other Financial Assets	1,08,552.09	-	43.19	1,08,595.28	1,07,415.22	-	-	1,07,415.22
Other Current Assets	12,617.75	-	(0.03)	12,617.72	11,392.53	-	-	11,392.53
LIABILITIES								
Non-Current Liabilities								
Provisions	40,422.91	(742.42)	(0.00)	39,680.49	36,696.96	(550.07)	-	36,146.89
Net Employee Benefit Liabilities	4,940.40	-	(768.28)	4,172.12	3,412.42	-	-	3,412.42
Other Non-Current Liabilities	5,126.25	-	(2,501.63)	2,624.62	3,290.77	-	(789.95)	2,500.82
Current Liabilities								
Trade Payables	10,957.49	29.17	0.00	10,986.66	9,698.50	-	-	9,698.50
Other Financial Liabilities	24,036.06	-	(274.23)	23,761.83	27,079.06	-	-	27,079.06
Net Employee Benefit Liabilities	1,065.06	-	768.28	1,833.34	870.81	-	-	870.81
Other Current Liabilities	4,299.71	-	274.23	4,573.94	6,048.36	-	-	6,048.36
Other Equity								
Retained Earnings	**1,19,852.39**	**(77.00)**	**-**	**1,19,775.39**	**87,240.35**	**560.70**	**-**	**87,801.05**
Prior Period Errors of earlier periods		560.70				-		
Short booking of Sales Invoices		-				10.63		
Excess booking of Other Income		(0.58)				-		
Short booking of Depreciation and Amortisation		(806.57)				-		
Excess booking of Employee Benefit Exps.		127.49				380.48		
Excess / Short booking of other expenses (Net)		41.99				169.59		

(₹ in Lakh)

Financial Statement Line Item affected (Statement of Profit and Loss)	2017-18			
	Earlier Presented Amount	Correction Amount	Reclassification Amount	Restated Amount
INCOME				
Other Income	1,868.47	(0.58)	(70.85)	1,797.04
EXPENSES				
Employee Benefit Expenses	18,974.08	(127.49)	2.08	18,848.67
Depreciation and Amortisation Expenses	11,166.94	806.57	(70.85)	11,902.66
Other Expenses	1,33,310.67	(41.97)	(2.08)	1,33,266.62
Profit After Tax for the Period	**43,460.39**	**(637.70)**	**-**	**42,822.69**

(Amount in ₹)

Effect on Earning Per Share	2017-18		
	Earlier Presented Amount	Correction Amount	Restated Amount
Earning per Equity Share (EPS) for Profit for the Period (Face Value of ₹ 2)			
Basic (₹)	13.67	(0.20)	13.47
Diluted (₹)	13.67	(0.20)	13.47

2.49 Recent Indian Accounting Standards (Ind AS) effective from 1st April, 2019

Ministry of Corporate Affairs ("MCA") has notified the following new and amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019:

- New Ind AS 116 "Leases"
- Amendments to Ind AS 12 "Income Taxes"
- Amendments to Ind AS 19 "Employee Benefits"

The Company is in process of evaluation of the possible impact of new Ind AS 116, amended Ind AS 12 and amended Ind AS 19. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and on its net income on an ongoing basis.

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Gujarat Mineral Development Corporation Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Gujarat Mineral Development Corporation Limited** ("the Company") and its subsidiaries, its associates and jointly controlled entities (the Company, its subsidiaries, its associates and jointly controlled entities referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affair of the Group as at 31st March, 2019, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

i. We draw attention to note no. 2.02.01 and 2.48(a) of the consolidated financial statements wherein the company has changed the accounting policy relating to presentation of Government Grants. Earlier Government grants relating to the purchase or construction of items of PPE or investment properties were included in non-financial liabilities as deferred income and credited to Statement of Profit & Loss on a straight line basis over the expected life of the related assets and presented within the other income. Now, Government grant relating to the purchase or construction of items of PPE or investment properties is deducted from cost of purchase/construction in arriving at the carrying amount of the asset in line with Ind AS 20.

   The said change of accounting policy has resulted in decrease in Other Income and depreciation to the tune of ₹ 43.04 Lakh for the year ended 31st March, 2019 and decrease in Investment Properties and Other Non-Current Non-Financial Liabilities by ₹ 2458.59 Lakh.

ii. We draw the attention to Note No. 2.48(c) of the consolidated financial statements wherein the company has changed its accounting policy of charging overburden removal on actual basis i.e. without adjustment of stripping ratio to charging overburden removal cost based on plot wise technically evaluated average stripping ratio on contract awarded based on unit price.

   The said change of accounting policy has resulted in increase in profit to the tune of ₹ 3328.13 Lakhs and increase in Non Current Non Financial Assets by the same amount.

iii. We draw the attention to Note No. 2.04.01 of the consolidated financial statements wherein the company has made an investment in 2,976.50 lakh equity shares of ₹10 each of Bhavnagar Energy Company Limited (BECL) having carrying value of ₹ 21,437.46 lakhs. BECL was merged with Gujarat State Electricity Corporation Limited (GSECL) and GSECL has issued one share having book value of Rs 12.01 against 2,976.50 lakh equity shares of ₹10 each of BECL held by company.

   Therefore, the difference between the carrying value of shares of BECL and share received from GSECL amounting to ₹ 21,437.46 lakh has been written off during the year and has been shown as an exceptional item in the Statement of Profit & Loss.

iv. We draw the attention to Note No. 2.48(b) of the consolidated financial statements wherein the Company was treating the Power Purchase Agreement (PPA) entered with Gujarat Urja Vikas Nigam Ltd. (GUVNL) for sale of power generated from thermal power plant located at Akrimota as assets given on operating lease. During the year, the company has discontinued treating the same as assets given on operating lease and accordingly, income from sale of power has been shown under the head 'Sale of Product' instead of 'Other Operating Income'.

The above reclassification does not have any impact on profitability as well as total assets of the Company.

v. We draw the attention to Note No. 2.50.01 of Consolidated financial statement wherein Gujarat Mineral Research and Industrial Consultancy Society (GMRICS), a subsidiary of the company has not been considered in preparation of consolidated financial statement, as GMRICS has not prepared its annual accounts due to no financial transactions since 2012-13.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements, is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Stripping Cost** Expenditure incurred on removal of mine waste materials (overburden) necessary to extract the lignite reserve is referred to as Stripping cost. Cost of stripping is charged on technical evaluated average stripping ratio at each plot of mine after due adjustment for stripping activity. Refer Note (s) of the Significant Accounting Policies	**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Evaluated the Overburden Removal (OB) and lignite reserve estimate and discussed with the geologist about geologist model, estimation tools and sampling method (As per SA-620 "Using the Work of an Auditor's Expert"). • Tested 'Average stripping ratio' by recalculating the Lignite to overburden. • Selected a sample of contracts and through inspection of evidence tested the operating effectiveness of the internal controls relating to stripping activity. • Carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls. • Performed analytical procedures and test of details for reasonableness of expenditure incurred.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Report on CSR Activities, Corporate Governance and Shareholders Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued there under.

The respective Board of Directors of the companies/entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing (‘SAs’), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions , misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of Company and such other entities included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of two subsidiaries and three joint ventures and three associates, whose financial statements reflect total assets of ₹ 20,183.61 Lakh as at 31st March, 2019, total revenues of ₹ 10,138.14 Lakh and net cash flows amounting to ₹ 2,848.61 Lakh of two subsidiaries for the year ended on that date, as considered in the consolidated financial statements.

Financial statements of two subsidiaries, three joint ventures and three associates are unaudited. These consolidated financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements/ financial information. In our opinion and according to information and explanations given to us by the Management, these consolidated financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. In terms of Section 143(5) of the Companies Act, 2013 we give in Annexure '2(i) & 2(ii)' a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India to the Company.

2. As required by Section 143 (3) of the Companies Act, 2013 we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013.

   e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the company and its subsidiaries. Further, on the basis of the representation received from the management, none of the directors of the associates and joint ventures, incorporated in India are disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Act, are not applicable to the company and its subsidiaries. Further, on the basis of the representation received from the management, the remuneration paid, if any, by the associates and joint ventures, incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations of the consolidated financial position of the Group- Refer Note 2.37 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE 'A' TO THE AUDITORS' REPORT

Report on Internal Financial Controls over Financial Reporting

(Referred to in para 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Gujarat Mineral Development Corporation Limited ("the Company") and its subsidiaries, its associates and jointly controlled entities, (the Company, its subsidiaries, its associates and jointly controlled entities referred to as "the Group") as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies/entities included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Companies/entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Emphasis of Matter

We draw attention to note no. 2.50.01 of the consolidated financial statement wherein Gujarat Mineral Research and Industrial Consultancy Society, a subsidiary of the company has not been considered in preparation of consolidated financial statement, since, there are no transactions since the year of establishment.

Our opinion on an adequate internal financial controls system over financial reporting, is not modified in respect of the above matters.

Basis for Qualified Opinion

According to the information and explanations given to us, in Gujarat Foundation for Entrepreneurial Excellence – iCreate, a joint venture of the company, the following weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting:

There were deficiencies observed in operating effectiveness of internal control relating to payments, classification of expenses, compliance of TDS matters and salary processing as identified as per test check based audit.

Opinion

In our opinion, the Group, have in all material respects except for the effects of the matters described in the Basis for opinion paragraph above, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiaries, three associates and three jointly controlled entities is based on Management Representation as these were not audited.

Our opinion on an adequate internal financial controls system over financial reporting, is not modified in respect of the above matters.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF GUJARAT MINERAL DEVELOPMENT CORPORATION LTD

To
The Members
Gujarat Mineral Development Corporation Ltd.

In continuation of our Independent Audit Report on Consolidated Financial Statement of Gujarat Mineral Development Corporation Ltd. ("The Company") dated 09.05.2019, we have reported on Directions and Sub-direction under section 143(5) of the Companies Act, 2013 applicable for the year 2018-19, as under:

As per the information and explanation given to us, directions under section 143(5) of the Companies Act, 2013 are not applicable on the Subsidiaries, Joint Ventures and Associates of the company except Naini Coal Company Ltd. for which report on directions under section 143(5) of the Companies Act, 2013 have not been received yet. Hence, we are unable to offer any comment on the same.

ANNEXURE-2(i)

Directions under Section 143(5) of Companies Act, 2013 Applicable for the year 2018-19

Sr. No.	Directions/Questions u/s 143(5)	Action Taken by Gujarat Mineral Development Corporation Ltd.	Impact on Accounts and Financials
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has Oracle based composite ERP System covering all the departments of the company from where accounting transactions are processed. We have not come across any case, where accounting transactions are processed outside ERP. Therefore, there is no financial implication on the integrity of the accounts.	No impact
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc, made by a lender to the company due to company's inability to repay the loan? if yes, the financial impact may be stated	The company has no borrowing. Therefore, there is no restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc, made by a lender to the company due to company's inability to repay the loan.	No impact
3	Whether funds received/ receivable for specific scheme from Central/ State agencies were properly accounted for / utilised as per its terms and conditions? List the cases of deviation	Yes, funds received/ receivable for specific scheme from Central/ State agencies were properly accounted for/ utilised as per its terms and conditions.	No impact

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C
Arun Sarupria – Partner
M. No. 078398

Place :- Ahmedabad
Date :- 09.05.2019

ANNEXURE-2(ii)

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

Sr. No.	Sub Directions issued/Questions u/s 143(5)	Action Taken	Impact on financials
Manufacturing Sector			
Mining			
1	**Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.**	According to the information and explanation given to us, the Company is obtaining environmental pollution monitoring report periodically from outside agency for each project to reduce/monitor the adverse effect on environment. No Displacement/Rehabilitation has been taken at any project of the Company for the year 2018-19. (Please note that we are not technical expert)	No impact
2	**Whether the Company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?**	As per information and explanation given to us, the Company has obtained necessary consents from GPCB for mining projects.	No impact.
3	**Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?**	As informed to us, in respect of lignite projects overburden removal from mines and backfilling of mines are commensurate with the mining activity as per submitted/ approved/ prepared mine closure plan. (Please note that we are not technical expert)	No Impact
4	**Whether the Company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.**	As informed to us, the Company has neither disbanded nor discontinued any of its mines.	Not Applicable
5	**Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**	The expenditure on Rehabilitation Activity and for Mine Closure is properly accounted in the books of account of the Company, as per the policy adopted on this behalf.	No impact
Power Sector			
Generation			
1	**In the cases of Thermal Power Projects, compliance of the various Pollution Control Acts and the impact thereof including utilization and disposal of ash and the policy of the company in this regard, may be checked and commented upon.**	As per information and explanation provided to us, the Company has made compliance of various pollution control Act. In respect of utilization and disposal of ash, generally the Company is using it in backfilling of mine in Panandhro project.	No impact
2	**Has the company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the Company?**	As informed to us, the Company has not entered into revenue sharing agreements with private parties for extraction of coal at pitheads.	Not Applicable
3	**Does the company have a proper system for reconciliation of quantity/ quality of coal ordered and received and whether grade of coal/ moisture and demurrage etc., are properly recorded in the books of accounts?**	Company does not purchase coal from the outside parties. However, as informed to us, the Company is having a system in ERP for reconciliation of quantity ordered and received and Grade of coal/ moisture and demurrage etc. are recorded in the books of accounts on the basis of Test Certificate received from the laboratory. (Please note that we are not technical experts).	No impact

Sr. No.	Sub Directions issued/Questions u/s 143(5)	Action Taken	Impact on financials
4	**How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?**	The power is sold to Government controlled entity and the same is calculated as per terms agreed in Power Purchase Agreement (PPA).	No impact
5	**In the case of Hydroelectric Projects the water discharge is as per policy /guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/ payable may be reported.**	As informed to us, no hydroelectric Project is carried out by Company.	Not Applicable

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

Place :- Ahmedabad
Date :- 09.05.2019

Arun Sarupria – Partner
M. No. 078398

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Comments of the Comptroller and Auditor General of India under Section 143(6)(B) of the Companies Act, 2013 on the Consolidated Financial Statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2019.

The preparation of consolidated financial statements of Gujarat Mineral Development Corporation Limited, Ahmedabad for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 9 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Gujarat Mineral Development Corporation Limited for the year ended 31 March 2019 under section 143(6) (a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of **Gujarat Mineral Development Corporation Limited**, but did not conduct supplementary audit of the financial statements of **Naini Coal Company Limited** for the year ended on that date. Further, section 139(5) and 143(6) (b) of the Act are not applicable to **Gujarat Mineral Research & Industrial Consultancy Society, GMDC Gramya Vikas Trust, GMDC Science and Research Centre, Gujarat Foundation for Entrepreneurial Excellence, Swarnim Gujarat Fluorspar Private Limited, Gujarat Jaypee Cement and Infrastructure Limited, Gujarat Credo Mineral Industries Limited and Aikya Chemicals Private Limited** being private entities for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. 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 supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under section 143(6)(b) of the Act.

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

H. K. Dharmadarshi

Pr. Accountant General (E&RSA), Gujarat
Place : Ahmedabad

Date : 26/07/2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2.01	1,68,182.99	1,73,273.36
Capital Work-In-Progress	2.01	76.45	1,066.70
Investment Properties	2.02	9,183.13	9,288.37
Other Intangible Assets	2.03	35,776.16	32,108.88
Investment in Associates and Joint Ventures	2.04	1,118.00	22,540.21
Financial Assets			
Investments	2.05	41,737.16	55,661.54
Loans	2.06	205.79	289.28
Other Financial Assets	2.07	69,135.05	52,120.80
Other Non-Current Assets	2.08	44,867.00	45,969.60
Total Non-Current Assets		**3,70,281.73**	**3,92,318.74**
Current Assets			
Inventories	2.09	9,813.43	7,243.00
Financial Assets			
Trade Receivables	2.10	14,747.71	11,116.71
Cash and Cash Equivalents	2.11	4,676.36	5,599.70
Other Bank Balances	2.11	140.35	153.42
Loans	2.12	1,074.31	1,301.65
Other Financial Assets	2.13	1,05,064.67	1,08,639.01
Other Current Assets	2.14	14,854.34	12,621.66
		1,50,371.17	**1,46,675.15**
Assets classified as held for sale	2.15	16.75	16.75
Total Current Assets		**1,50,387.92**	**1,46,691.90**
Total Assets		**5,20,669.65**	**5,39,010.64**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.16	6,360.00	6,360.00
Other Equity	2.17	4,25,350.52	4,28,753.93
Total Equity		**4,31,710.52**	**4,35,113.93**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	2.18	2,623.56	1,317.47
Provisions	2.19	43,372.03	39,680.49
Net Employee Benefit Liabilities	2.20	3,930.57	4,172.12
Deferred Tax Liabilities (Net)	2.21	11,971.14	14,922.99
Other Non-Current Liabilities	2.22	2,441.94	2,624.62
Total Non-Current Liabilities		**64,339.24**	**62,717.69**
Current Liabilities			
Financial Liabilities			
Trade Payables	2.23	10,959.99	10,988.28
Other Financial Liabilities	2.24	9,658.25	23,776.27
Net Employee Benefit Liabilities	2.25	1,073.80	1,833.34
Other Current Liabilities	2.26	2,927.85	4,581.13
Total Current Liabilities		**24,619.89**	**41,179.02**
Total Liabilities		**88,959.13**	**1,03,896.71**
Total Equity and Liabilities		**5,20,669.65**	**5,39,010.64**
Significant Accounting Policies	1		

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2019

(₹ in Lakh)

Particulars	Note No.	2018-19	2017-18
INCOME			
Revenue from Operations	2.27	1,87,967.82	2,06,996.68
Finance Income	2.28	11,955.17	10,332.60
Other Income	2.29	2,498.03	1,799.35
Total Income (A)		**2,02,421.02**	**2,19,128.63**
EXPENSES			
Changes in inventories of finished goods and mined ore	2.30	(631.81)	(296.49)
Employee Benefit Expenses	2.31	12,239.52	18,859.25
Finance Costs	2.32	182.81	162.92
Depreciation and Amortisation Expenses	2.33	9,613.73	11,902.67
Other Expenses	2.34	1,20,748.21	1,33,510.56
Total Expenses (B)		**1,42,152.46**	**1,64,138.91**
Profit before exceptional items and tax (A-B)		**60,268.56**	**54,989.72**
Exceptional Items			
Loss on Investment in associate		(21,437.46)	-
Profit Before Tax		**38,831.10**	**54,989.72**
Share of profit/(loss) of joint ventures and associates accounted for using the equity method (Net of Tax)		14.23	(8,089.17)
Tax Expenses	2.35		
Current Tax		18,971.65	19,726.40
Deferred Tax		(2,120.25)	(7,494.22)
Profit After Tax for the Period		**21,993.93**	**34,668.37**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity instruments measured at fair value through other comprehensive income (FVTOCI)		(13,924.37)	10,441.16
Remeasurement of post-employment benefit obligations		1,113.23	969.81
Income tax relating to these items		831.60	(100.64)
Other Comprehensive Income for the Period, net of tax		**(11,979.54)**	**11,310.33**
Total Comprehensive Income for the Period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		**10,014.39**	**45,978.70**
Earning per Equity Share (EPS) (Face Value of ₹ 2)			
Basic (₹)	2.36	6.92	10.90
Diluted (₹)	2.36	6.92	10.90
Significant Accounting Policies	1		
The accompanying notes are integral part of the Financial Statements.			

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED ON 31ST MARCH, 2019

A. Equity Share Capital **(₹ in Lakh)**

Particulars	Number of Shares	Amount
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 2/- each fully paid up		
As at 1st April 2017	**31,80,00,000**	**6,360**
Increase/(decrease) during the year	-	-
As at 31st March 2018	**31,80,00,000**	**6,360**
As at 1st April 2018	**31,80,00,000**	**6,360**
Increase/(decrease) during the year	-	-
As at 31st March 2019	**31,80,00,000**	**6,360**

B. Other Equity **(₹ in Lakh)**

Particulars	Reserves & Surplus		Equity Instruments through Other Comprehensive Income	Total Other Equity
	General reserve	Retained earnings		
Balance as at 1st April, 2017	**2,73,741.72**	**88,624.58**	**31,330.35**	**3,93,696.65**
Adjustments on account of Prior period errors*	-	560.70	-	560.70
Restated balance at the beginning of the reporting period	**2,73,741.72**	**89,185.28**	**31,330.35**	**3,94,257.35**
Profit for the year	-	34,668.37	-	34,668.37
Other comprehensive income for the year	-	634.18	10,676.15	11,310.33
Total comprehensive income for the year	**-**	**35,302.55**	**10,676.15**	**45,978.70**
Cash dividends (Note 2.17)	-	(9,540.00)	-	(9,540.00)
Dividend Distribution Tax (DDT)	-	(1,942.12)	-	(1,942.12)
Balance as at 31st March, 2018	**2,73,741.72**	**1,13,005.71**	**42,006.50**	**4,28,753.93**
Balance as at 1st April, 2018	**2,73,741.72**	**1,13,005.71**	**42,006.50**	**4,28,753.93**
Profit for the year	-	21,993.93	-	21,993.93
Other comprehensive income for the year	-	724.22	(12,703.76)	(11,979.54)
Total comprehensive income for the year	**-**	**22,718.15**	**(12,703.76)**	**10,014.39**
Cash dividends (Note 2.17)	-	(11,130.00)	-	(11,130.00)
Dividend Distribution Tax (DDT)	-	(2,287.80)	-	(2,287.80)
Balance as at 31st March, 2019	**2,73,741.72**	**1,22,306.06**	**29,302.74**	**4,25,350.52**

*Impact of adjustments on account of prior period items has been explained in note number 2.48.

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2019

(₹ in Lakh)

Particulars	2018-19	2017-18
Cash Flow from Operating Activities		
Net Profit before tax	38,831.10	54,989.72
Adjustments for:		
Depreciation and Amortisation Expenses	9,613.73	11,902.67
Provision for Doubtful Debts, Investments and Loans and Advances	6.87	-
Assets /sundry balance/ stores written off	9.08	-
Excess/Short provision adjusted	98.18	443.61
Surplus / Deficit on sale of assets	(32.86)	(8.75)
Loss on Investments	21,437.46	-
Dividend Income	(789.74)	(680.34)
Unwinding of discount on provisions	150.72	150.72
Share in net profit/(loss) of joint ventures and associates	14.23	(8,089.17)
Interest from Banks and Corporates	(8,592.89)	(8,234.58)
Operating profit before working capital changes:	**60,745.88**	**50,473.88**
Adjustments for:		
Trade and Other Receivable	(17,116.28)	(7,077.08)
Inventories	(2,570.43)	(358.85)
Trade and Other Payable	(11,120.84)	1,648.02
Cash generated from Operations	**29,938.33**	**44,685.97**
Taxes Paid	(19,745.53)	(20,595.70)
Net Cash Flow from Operating Activities (A)	**10,192.80**	**24,090.27**
Cash Flow from Investing Activities		
Purchase of items of property, plant and equipment, investment properties and intangible items	(7,142.22)	(20,642.15)
Sale of fixed assets	77.41	16.59
Redemption / Purchase of Investments	(15.24)	(2,042.36)
Interest from Banks and Corporates	8,592.89	8,234.58
Dividend Income	789.74	680.34
Net Cash Flow from Investing Activities (B)	**2,302.58**	**(13,752.99)**
Cash Flow from Financing Activities		
Government Grant Received	-	1,782.53
Dividend (Including Dividend Distribution Tax) Paid	(13,431.78)	(11,482.12)
Net Cash Flow from Financing Activities (C)	**(13,431.78)**	**(9,699.59)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**(936.41)**	**637.69**
Cash and Cash Equivalents at the beginning of the period	**5,753.12**	**5,115.43**
Cash and Cash Equivalents at the end of the period	**4,816.71**	**5,753.12**
Notes to Statement of Cash Flow		
1. **Cash and cash equivalent includes-**		
Cash and Cheques on Hand	-	0.14
Balances with Scheduled Banks		
in Current Accounts	4,676.36	5,599.56
Earmarked balances with banks	102.34	116.32
Fixed Deposits as Security against guarantees	13.09	12.18
Fixed Deposits as Security against other commitments	24.92	24.92
	4,816.71	**5,753.12**

2. Corresponding figures of the previous year have been re-grouped / re-arranged / re-classified / restated and revised, wherever necessary, for rounding off to nearest lakh and/or to make them comparable with the figures of the current year.
3. The Cash Flow Statement has been prepared under the 'Indirect Method' as per Ind AS 7.

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

1: SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS

Note 1 : Significant Accounting Policies

This note provides list of the significant accounting policies applied in the preparation of these consolidated financial statements.

(a) Basis of preparation

(i) Statement of compliance with Ind AS

The consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act..

(ii) Historical cost convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Act including Indian Accounting Standards notified there under, except for the following where the fair valuation have been carried out in accordance with the requirements of respective Ind AS:

- Investments in equity instruments;
- Non-current assets held for sale; and
- Employee defined benefit plans - plan assets.

Prior period/ Pre-paid items:

Items exceeding the materiality determined by the management (₹ 50,000/-) are accounted retrospectively by restating the figures of relevant accounting periods. Other items are accounted in the year in which they arise.

(iii) Use of estimates and judgements

The preparation and presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are accounted prospectively.

This policy provides an overview of the areas that involved judgement and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions, estimation and uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 2.02- Fair valuation of investment properties

Note 2.15- Fair valuation of non-current assets held for sale

Note 2.21 - Current / Deferred tax liabilities

Note 2.25 - Measurement of employee defined benefit liabilities

Note 2.19/2.37 - Provisions and contingent liabilities

Note 2.42 - Impairment of items of property, plant and equipment and other assets

Note 2.45 - Impairment of financial assets (including expected credit losses for receivables)

Note 2.45- Fair valuation of investments

Principles of fair value measurement have been provided in note (m) of the significant accounting policies.

(iv) Current versus non-current classification-

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification as per the requirements of Ind AS compliant Schedule III to the Act.

(b) Principles of consolidation and equity accounting –

i. Subsidiaries –

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been aligned where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

ii. Associates –

Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost. Equity accounting is discontinued from the date when cease to have significant influence on the investee

iii. Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

iv. Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance Sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

(c) Borrowing costs

Borrowing costs attributable during the acquisition or construction of qualifying assets are capitalised 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.

(d) Property, Plant and Equipment (PPE)

Freehold land is carried at historical cost. All other items of PPE are stated at historical cost of acquisition/construction (net of recoverable taxes) less accumulated depreciation and impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition as well as construction/ installation of the items but excludes cost of fencing in lignite mines projects. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred. Rehabilitation and resettlement expenses incurred after initial acquisition of the assets are expensed to profit or loss in the year in which they are incurred.

Machinery spares for Generating Units, Power Station and Switchyard, etc. either procured along with the equipment or subsequently are capitalized in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned and project inventory and assets in transit.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is recognised in the Statement of Profit and Loss.

Un-serviceable/worn out plant and equipments, vehicles and other assets of the Company 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.

Item of PPE received by Company at free cost from parties other than government are stated at nominal cost.

(e) Investment properties

Investment properties comprise free hold land and building(including properties under construction) that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

(f) Intangible assets

Intangible assets are measured on initial recognition at cost (net of recoverable taxes, if any). Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The costs of mining leases, which include the costs of acquiring mineral rights, are capitalised as item of intangible assets under the head 'Mining rights' in the year in which they are incurred. Pre-operative Expenses of Mines/Mining Projects under implementation incurred up to the date of commencement of the production on commercial basis are written off to the Statement of Profit and Loss in the year in which they are incurred.

(g) Depreciation and amortisation methods, estimated useful lives and residual values

(i) Items of property, plant and equipment and investment properties

Depreciation is charged on straight line method (SLM) based on the useful life prescribed in Schedule II to the Act. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting date.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated on SLM based on the useful lives prescribed in Schedule II to the Act.

Low value items which are in the nature of assets (excluding immovable assets) and valuing up to ₹ 5,000/- are not capitalized and charged off to Statement of Profit and Loss in the year of acquisition.

(ii) Intangible assets

Intangible assets with finite lives are amortised over their useful life and assessed for impairment whenever there is an indication that the item of intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date.

Intangible assets are amortised on SLM based on the useful lives determined based on technical evaluation done by the management except mining rights which are amortised using a unit-of-production method based on the data available with the Company as regards extraction of the minerals as compared to the technical estimation of gross geological mineral reserves as mentioned in the submitted / approved mine closure plan. Capitalised mining rights are amortised once commercial production commences.

(h) Impairment of non-financial assets

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

Full provision is made on plant and machinery which has not been put to use and lying in capital work in progress for more than ten years.

(i) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease accounting

As a lessee

Finance lease

At the commencement of the lease term, the Company recognises finance leases as assets and liabilities in its Balance Sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. The discount rate used in calculating the present value is the interest rate implicit in the lease or the Company's incremental borrowing rate. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

Operating lease

Lease payments under an operating lease are recognised as expenses on a straight-line basis over the lease term unless either:

A. another systematic basis is more representative of the time pattern of the user's benefit; or

B. the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Finance lease

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating lease

Lease income from operating lease (excluding amount for services such as insurance and maintenance) is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, unless either:

A. another systematic basis is more representative of the time pattern of the user's benefit; or

B. the payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

(j) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the Balance Sheet.

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition

A financial asset is recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Initial measurement

At initial recognition, the Company measures a financial asset (which is not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

A. Financial assets measured at amortised cost;

B. Financial assets measured at fair value through profit or loss (FVTPL); and

C. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

A. The Company's business model for managing the financial assets, and

B. The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

B. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost of a financial asset or financial liability means the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate (EIR) method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income through profit or loss. The losses arising from impairment are recognised through profit or loss.

A financial asset is measured at FVTOCI if both of the following conditions are met:

A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and

B. The asset's contractual cash flows represents SPPI.

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the FVTOCI. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). On sale of investments, cumulative gain or loss is recognised in OCI and the amount is not reclassified to profit or loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised through Profit or Loss.

The company has elected to measure its equity instrument through FVTOCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

A. The contractual rights to the cash flows from the financial asset have expired, or

B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

i) The Company has transferred substantially all the risks and rewards of the asset, or

ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

A. Financial assets measured at amortised cost

B. Financial assets measured at FVTOCI

ECLs are measured through a loss allowance at an amount equal to:

A. The 12-months ECLs (ECLs that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

B. Full time ECLs (ECLs that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance for trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-months ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

A. Financial assets measured as at amortised cost and contractual revenue receivables minus ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

B. Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequently, all financial liabilities are measured at amortised cost or at FVTPL.The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts.

Subsequent measurement

A. Financial liabilities measured at amortised cost

B. Financial liabilities subsequently measured at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised through profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at FVTPL.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the EIR method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(l) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

(m) Fair value measurement

The Company measures certain financial instruments at fair value at each Balance Sheet date.The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or

B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises the accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

A. Note 2.02- Fair valuation of investment properties
B. Note 2.15- Fair valuation of non-current assets held for sale
C. Note 2.25- Measurement of employee defined benefit obligations
D. Note 2.45- Disclosures for valuation methods, significant estimates and assumptions
E. Note 2.45- Quantitative disclosures of fair value measurement hierarchy
F. Note 2.45- Financial instruments (including those carried at amortised cost)
G. Note 2.45- Fair valuation of investments

(n) Inventories

Stores, chemicals, spares, fuel and loose tools are valued at cost. Cost is ascertained on weighted average method.

Raw materials, mined ore, goods-in-process and finished products are valued at lower of total cost incurred at respective project or net realizable value item-wise. Cost is ascertained on First In First Out basis. While valuing inventories, the inter-unit profit has been eliminated at corporate level. Further, the Company does not value the stock of by-products lying at various project sites.

Spares (not meeting the definition of PPE) are accounted as inventory and expensed to the Statement of Profit and Loss when issued for consumption.

(o) Employee benefits

(i) Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of reporting period that have terms approximating to the terms of related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Company does not have unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Compensation paid to the legal heirs of deceased employee while in service is charged to Statement of Profit and Loss as and when the liability arises.

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.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

A. Defined benefit plans such as gratuity; and

B. Defined contribution plan such as provident fund etc.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in profit or loss as past service cost.

Provident Fund

The Company pays provident fund contributions to GMDC Employees Provident Fund Trust. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Reimbursement of losses and other related expenses to Provident Fund Trust are charged to the Statement of Profit and Loss as and when crystallized.

(iv) Termination benefits

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to Statement of Profit and Loss in the year of separation.

(p) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(q) Revenue recognition

Revenue from contract with customer is recognised when control of goods or services are transferred to customer. Revenue is measured at transaction price as per the contract with customer. The amount of consideration to which the Company is entitled in exchange for transferring goods or services is considered as transaction price while recognition of revenue. Amounts disclosed as revenue are net of the amounts collected on behalf of third parties.

Sales are recognized at the time of dispatch of finished goods. Sales include amounts in respect of excise duty(on the basis of payments made in respect of goods cleared), royalty, transportation, packing charges, generation based incentives, clean energy cess, GST compensatory cess, mine closure charges wherever applicable and other taxes or duties, if any, but excludes VAT/GST. Sales are reduced to the extent of the amount of cash discount.

The liquidated damage/penalty, if any, on capital contracts are generally determined on completion of contract and the same is recognised in the Statement of Profit and Loss. Liquidated damages/penalty on long term revenue contracts are determined at the end of one year from the date of award of contracts and the same is recognised in the Statement of Profit and Loss.

In respect of power plants, Unscheduled Interchange (UI) Charges and Generation Based Incentives (GBI) are recognized as and when the same are received / incurred by the Company.

Interest income from a financial asset is recognised when it is probable that future economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the EIR applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to that asset's gross carrying amount on initial recognition.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

(r) Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within the other income.

Government grants relating to purchase/construction of items of PPE or investment properties are deducted from the cost of purchase/ construction in arriving at the carrying amount of the related asset in line with Ind As 20.

(s) Stripping Costs

Expenditure incurred on removal of mine waste materials (overburden) necessary to extract the lignite reserves is referred to as stripping cost. The Company has to incur such expenses over the life of the mine as technically estimated.

Where, the company has awarded “unit rate” based contracts for overburden removal and lignite extraction, stripping cost is charged on technically evaluated average stripping ratio at each plot of mine after due adjustment for stripping activity on FIFO basis in the Statement of Profit & Loss under the head “ Loading of lignite and over burden removal”.

Balance amount in stripping activity adjustment account is shown in the Balance Sheet under the head “Other Non-Current Non-Financial Assets/Non-Current Provision” as the case may be.

(t) Taxation

Income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively. Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(u) Provisions, contingent liabilities and contingent assets

Provisions are recognised at present value when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net off reimbursement, if any.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of PPE. The cash flows are discounted at a current pre-tax rate that reflects the risk specific to the decommissioning liability. The unwinding of discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as may be appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Progressive mine closure expenses are accounted for as and when incurred.

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

Contingent liabilities are not provided for, If material, are disclosed by way of notes to accounts. Contingent assets are not recognised in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(v) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks . The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

(w) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(x) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(y) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 2.43 for segment information presented.

(z) Events occurring after the Balance sheet Date

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date) occurring after the Balance Sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represents material change and commitments affecting the financial position are disclosed in the Board's Report.

(aa) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.01 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

Property, Plant and Equipment as at 31st March 2019

(₹ in Lakh)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Land- Free Hold	4,563.45	1,040.63	-	5,604.08	-	-	-	-	5,604.08	4,563.45
Building	16,377.93	240.56	0.63	16,617.86	1,684.09	566.94	-	2,251.03	14,366.83	14,693.84
Plant & Equipment	1,82,138.74	1,282.68	21.27	1,83,400.15	30,333.47	7,138.23	7.79	37,463.91	1,45,936.24	1,51,805.27
Furniture & Fixtures	144.82	14.89	7.39	152.32	56.65	18.06	6.15	68.56	83.76	88.17
Vehicles	908.81	123.31	0.34	1,031.78	323.25	118.35	-	441.60	590.18	585.56
Office Equipment	677.70	47.58	2.84	722.44	312.99	123.99	2.63	434.35	288.09	364.71
Computers	364.35	310.51	62.84	612.02	168.53	115.74	58.05	226.22	385.80	195.82
Electrical Equipment	1,089.19	120.88	34.39	1,175.68	315.38	121.64	10.53	426.49	749.19	773.81
Laboratory Equipment	260.76	0.99	-	261.75	58.03	24.90	-	82.93	178.82	202.73
Total Property, Plant and Equipment	**2,06,525.75**	**3,182.03**	**129.70**	**2,09,578.08**	**33,252.39**	**8,227.85**	**85.15**	**41,395.09**	**1,68,182.99**	**1,73,273.36**

Property, Plant and Equipment as at 31st March 2018

(₹ in Lakh)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-17	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-18	Balance As on 1-Apr-17	Additions during the year	Deduction during the year	Balance As on 31-Mar-18	As on 31-Mar-18	As on 31-Mar-17
Land- Free Hold	4,067.66	495.79		4,563.45	-	-	-	-	4,563.45	4,067.66
Building	14,810.04	1,568.81	0.92	16,377.93	1,129.69	554.40	-	1,684.09	14,693.84	13,680.35
Plant & Equipment	1,79,708.31	2,435.40	4.97	1,82,138.74	23,324.60	7,008.87	-	30,333.47	1,51,805.27	1,56,383.71
Furniture & Fixtures	139.71	5.24	0.13	144.82	30.61	26.04	-	56.65	88.17	109.10
Vehicles	826.97	82.14	0.30	908.81	209.98	113.27	-	323.25	585.56	616.99
Office Equipment	632.15	45.55	-	677.70	199.38	113.61	-	312.99	364.71	432.77
Computers	273.07	94.10	2.82	364.35	93.30	76.53	1.30	168.53	195.82	179.77
Electrical Equipment	1,026.31	62.88	-	1,089.19	197.22	118.16	-	315.38	773.81	829.09
Laboratory Equipment	227.08	33.68	-	260.76	33.64	24.39	-	58.03	202.73	193.44
Total Property, Plant and Equipment	**2,01,711.30**	**4,823.59**	**9.14**	**2,06,525.75**	**25,218.42**	**8,035.27**	**1.30**	**33,252.39**	**1,73,273.36**	**1,76,492.88**

Capital Work-in-progress: **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cost or deemed cost		
Balance at the beginning of the Year	1,199.93	2,241.58
Add: Addition during the Year	344.22	1,405.11
Less: Transferred to Property, Plant & Equipments	(1,334.47)	(2,446.76)
Closing gross carrying value	**209.68**	**1,199.93**
Accumulated Impairment Allowance		
Balance at the beginning of the Year	133.23	133.23
Add: Addition during the Year	-	-
Closing Accumulated Impairment Allowance	**133.23**	**133.23**
Closing net carrying value	**76.45**	**1,066.70**

Break-up of Capital Work-in-progress for the year ended 31st March, 2019 is given here under: **(₹ in Lakh)**

Segment	Civil Work	Non-Civil Work	Total
Mining	35.50	40.95	76.45
Power	-	-	-
Total	**35.50**	**40.95**	**76.45**
Previous Year	1,066.16	0.54	1,066.70

2.01.01 Gujarat State Electricity Corporation Limited (GSECL) and the Company had agreed to create common amenities (school, hospital, drinking water supply, communication, transport facilities, etc.) for the employees of both entities and also for general public in Panandhro in terms of minutes dated 8.10.1991, 3.8.1992, 1.10.1993. These were to be managed by a Trust to be registered in this regard. Pending formation of the Trust, the capital and revenue expenditure incurred by the Company 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 items of property, plant and equipment towards 50% share of the Company to the tune of ₹ 59.40 Lakh (P.Y. ₹ 59.40 Lakh) is accounted in the books of the Company and included in the respective items of property, plant and equipment.

2.01.02 Refer Note no. 2.48 (b) for reclassification of assets initially determined as given on operating lease.

2.02 INVESTMENT PROPERTIES **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Freehold land	1,669.00	1,669.00
Building	7,514.13	7,618.07
Capital work in progress	-	1.30
Total investment properties	**9,183.13**	**9,288.37**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Freehold land		
Cost or deemed cost		
Balance at the beginning of the Year	1,669.00	1,669.00
Add: Addition during the Year	-	-
Closing net carrying value	**1,669.00**	**1,669.00**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Building		
Cost or deemed cost		
Balance at the beginning of the Year	7,856.54	9,508.95
Add: Addition during the Year	20.43	130.12
Less: Government Grant	-	(1,782.53)
Closing gross carrying value	**7,876.97**	**7,856.54**
Accumulated depreciation		
Balance at the beginning of the Year	238.47	143.19
Add: Addition during the Year	124.37	95.28
Closing accumulated depreciation	**362.84**	**238.47**
Closing net carrying value	**7,514.13**	**7,618.07**

2.02.01 Refer Note 2.48 (a) for impact of changes in accounting policy relating to presentation of Government grants on investment property.

2.02.02 Amount recognised in Statement of Profit and Loss for investment properties (₹ in Lakh)

Particulars	2018-19	2017-18
Rental income*	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit/(Loss) from investment properties before depreciation	**-**	**-**
Depreciation	(124.37)	(95.28)
Profit/(Loss) from investment properties	**(124.37)**	**(95.28)**

* Fixation of the rent of investment property is under process.

2.02.03 Fair Value (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment properties	11,683.95	11,683.95

Estimation of Fair Value

The Company obtains valuation for its investment properties (other than those under construction) at least annually. All resulting fair value estimates for investment properties are included in level 3. For properties under construction, management is of the view that the fair value can be determined reliably only on completion of the construction. Accordingly, the same shall be disclosed when the related work is completed.

2.03 OTHER INTANGIBLE ASSETS (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Computer Softwares	264.53	100.56
Mining Rights	35,511.63	32,008.32
Total intangible assets	**35,776.16**	**32,108.88**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Computer Softwares		
Cost or deemed cost		
Balance at the beginning of the Year	156.31	149.83
Add: Addition during the Year	200.00	6.48
Closing gross carrying value	**356.31**	**156.31**
Accumulated amortisation		
Balance at the beginning of the Year	55.75	37.02
Add: Addition during the Year	36.03	18.73
Closing accumulated amortisation	**91.78**	**55.75**
Closing net carrying value	**264.53**	**100.56**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Mining Rights		
Cost or deemed cost		
Balance at the beginning of the Year	37,741.32	21,018.17
Add: Addition during the Year	4,728.79	16,723.15
Closing gross carrying value	**42,470.11**	**37,741.32**
Accumulated amortisation		
Balance at the beginning of the Year	5,733.00	1,979.61
Add: Addition during the Year	1,225.48	3,753.39
Add: Adjustment during the Year	-	-
Closing accumulated amortisation	**6,958.48**	**5,733.00**
Closing net carrying value	**35,511.63**	**32,008.32**

2.03.01 Mining Rights includes lease hold as well as freehold land used for mining purpose. Amortisation on mining rights represents depletion on wasting assets.

2.03.02 As per technical estimation useful life of computer software , other than internally generated intangible assets is 10 years. It is amortized as per Straight Line Method over its useful life.

2.04 INVESTMENT IN ASSOCIATES AND JOINT VENTURES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investments in unquoted equity shares of joint venture companies (measured at amortised cost)		
25,000 (31st March, 2018: 25,000) Fully Paid Up Equity Shares of ₹ 10 each of Swarnim Gujarat Fluorspar Pvt. Ltd.	1.60	1.69
50,000 (31st March, 2018: 50,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Foundation for Entrepreneurial Excellence	-	-
Investment in unquoted equity shares of associate companies (measured at amortised cost)		
Nil (31st March, 2018: 29,76,50,000) Fully Paid Up Equity Shares of ₹ 10 each of Bhavnagar Energy Company Ltd.	-	21,437.46
1,90,840 (31st March, 2018: 1,90,840) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Jaypee Cement and Infra Ltd.	11.29	11.15
49,40,000 (31st March, 2018: 49,40,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Credo Mineral Industries Ltd.	982.79	886.92
38,98,700 (31st March, 2018: 38,98,700) Fully Paid Up Equity Shares of ₹ 10 each of Aikya Chemicals Pvt. Ltd.	122.32	202.99
Total	**1,118.00**	**22,540.21**

2.04.01 During the year Bhavnagar Energy Co Ltd (BECL) has been merged with Gujarat State Electricity Corporation Ltd (GSECL) vide notification dated 27th August, 2018 issued by Energy and Petrochemicals Department, Government of Gujarat. The Company has been given one share of GSECL of ₹ 10 fully paid having fair value of ₹12.01 against carrying value of investment of ₹21,437.46 lakh in 29,76,50,000 equity shares of BECL of ₹10 each fully paid. Therefore, loss on investment of ₹21,437.46 lakh has been written off, which has been shown as an exceptional item in the Statement of Profit and Loss.

2.04.02 Approval of Government of Gujarat has been obtained vide letter dated 06th August, 2018 for the closure of Naini Coal Co. Ltd and closure process thereof is in progress.

2.05 INVESTMENTS **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investment in quoted equity shares of other companies measured at fair value through other comprehensive income (FVTOCI)		
41,45,433 (31st March, 2018: 41,45,433) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Alkalies & Chemicals Ltd.	20,449.42	28,957.92
50,00,000 (31st March, 2018: 50,00,000) Fully Paid Up Equity Shares of ₹ 2 each of Gujarat State Fertilisers & Chemicals Ltd.	5,212.50	5,705.00
9,35,600 (31st March, 2018: 9,35,600) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat State Financial Corporation Ltd.	187.12	187.12
7,77,900 (31st March, 2018: 7,77,900) Fully Paid Up Equity Shares of ₹ 10 each of Vijaya Bank	389.34	404.90
Investment in unquoted equity shares of other companies measured at fair value through other comprehensive income (FVTOCI)		
10,00,000 (31st March, 2018: 10,00,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Informatics Ltd.	790.00	820.00
3,900 (31st March, 2018: 3,900) Fully Paid Up Equity Shares of ₹ 100 each of Gujarat Industrial Technical Consultancy Organization Ltd.	92.26	72.66
74,25,000 (31st March, 2018: 74,25,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat Guardian Ltd.	12,707.89	17,599.48
2,61,72,800 (31st March, 2018: 2,61,72,800) Fully Paid Up Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Ltd.	2,095.75	2,101.58
1 (31st March, 2018: NIL) Fully Paid Up Equity Share of ₹ 10 of Gujarat State Electricity Corporation Ltd. having fair value of ₹ 12.01/-	-	-
Less: Provision for Impairment (for investments in equity shares of Gujarat State Financial Corporation Limited)	(187.12)	(187.12)
Total Non-Current Investments	**41,737.16**	**55,661.54**
Aggregate amount of quoted investments	26,051.26	35,067.82
Aggregate market value of quoted investments	26,051.26	35,067.82
Aggregate amount of unquoted investments	15,685.90	20,593.72

2.05.01 Investments measured at fair value through Other Comprehensive Income (FVTOCI) reflect investments in unquoted and quoted equity securities. Refer Note 2.45 for determination of their fair values.

2.05.02 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 16 Lakh number of shares of Gujarat Alkalies & Chemicals Limited (GACL) purchased by the Company 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 repurchase the above shares and the Company shall hold these shares as investment. The Board of Directors of the Company and GIIC have agreed to enter into Supplementary MOU for which proposal has been sent to the Govt. of Gujarat for its approval. The remaining 25.45 Lakh shares of GACL as shown in above note have been purchased by the Company from the open market.

2.05.03 Refer Note No. 2.39 (c) for investment in equity shares of Vijaya Bank.

2.06 NON-CURRENT LOANS* **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans and advances to employees		
Unsecured, considered good	205.79	289.28
Other loans and advances to related parties		
Doubtful	1,625.00	1,703.81
Less: Provision for impairment	(1,625.00)	(1,703.81)
Total Non-Current Loans	**205.79**	**289.28**

* Refer note 2.45 for classification

2.06.01 Naini Coal Company Ltd. is a 50:50 joint venture of the Company and Pondicherry Industrial Promotion Development Investment Corp Ltd. (PIPDIC). Naini Coal Company Ltd had given bank guarantee of ₹ 6,500 Lakh to Coal Ministry, Govt of India for allocation of Naini Coal block in the State of Orissa. The said bank guarantee was secured by Corporate Guarantee of the Company for an amount of ₹ 3,250 Lakh and another ₹ 3,250 Lakh was secured by bank guarantee of UCO Bank, arranged by PIPDIC. Ministry of Coal, Govt of India has invoked 50% of Bank Guarantee i.e. ₹ 3,250 Lakh given by the Naini Coal Company Ltd. vide their letter dated 27th December, 2012 due to non-compliance of some terms and conditions of Naini Coal block allocation. The Company had discharged its liability of ₹ 1,625 Lakh towards invoked bank guarantee and has accounted for the same as advance to Naini Coal Company Ltd. Total provision for impairment made for advances to Naini Coal Company Ltd. amounts to ₹ 1,625 Lakh (PY: ₹ 1,703.81 Lakh).

The Company has already filed special civil application before the Hon’ble Gujarat High court against arbitrary cancellation of coal block as well as invocation of bank guarantee. During the pendency of petition before the Hon’ble Gujarat High Court, the Hon’ble Supreme Court has cancelled all the coal blocks. Therefore, the petition with Hon’ble High Court is pending in respect of invocation of Bank Guarantee only. As the Company’s pending petition is in respect of bank guarantee of ₹ 1,625 Lakh only, balance advance amount of ₹ 78.81 Lakh to Naini Coal Co. Ltd. is written off during the year.

2.07 OTHER NON-CURRENT FINANCIAL ASSETS* **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Security deposits	403.40	364.09
Deposits with Corporate Bodies	14,540.71	5,462.58
Deposits with Corporate Bodies for Mine Closure	-	9,600.00
Balance with banks in Escrow Accounts	53,623.27	36,673.20
Others	567.67	20.93
Doubtful		
Deposits with Corporate Bodies	4,212.40	4,212.40
Less: Provision for impairment	(4,212.40)	(4,212.40)
Total Other Non-Current Financial Assets	**69,135.05**	**52,120.80**

* Refer note 2.45 for classification

2.07.01 As per the guidelines of Coal Controller, Ministry of Coal, the Company has so far deposited in Escrow account a sum (excluding interest accrued thereon) of ₹ 47,472.70 Lakh (31st March, 2018: ₹ 33,434.84 Lakh) for following Mines.

(₹ in Lakh)

Project Name	Provisions in Books of Accounts upto		Principal amount in escrow account / GSFS as on	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Umarsar	4,172.25	3,072.82	6,433.13	5,226.05
Rajpardi	2,598.18	2,080.78	2,729.09	2,205.46
Tadkeshwar	5,640.99	4,543.66	5,918.63	4,808.08
Mata No Madh	14,282.62	14,282.62	14,282.76	14,282.76
Bhavnagar	8,109.93	6,532.32	8,509.09	6,912.49
Panandhro*	11,399.20	11,399.20	9,600.00	9,600.00

***2.07.02** As per the Mine Closure guidelines the amount is required to be deposited in Escrow Account with a scheduled bank. The Company has opened the Escrow accounts for its all six lignite mines and deposited the amount. For its Panandhro mine, the company has deposited an amount of ₹ 9,600 lakh in escrow account as per calculation accepted by Office of the Coal Controller of India as against provision of ₹ 11,399.20 lakh as per draft mine closure plan. Necessary effect in the provision for mine closure will be given in the books of account after the acceptance of mine closure plan of the said mine by Ministry of Coal, Government of India.

2.08 OTHER NON-CURRENT NON-FINANCIAL ASSETS **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Capital advances	2,089.95	1,427.92
Balances with Government Authorities	1,685.45	4,561.21
Advance income tax and TDS (net of provision)	36,693.71	35,919.83
Prepaid expenses	1,069.76	1,158.79
Stripping Activity Adjustment Assets	3,328.13	-
Advances to suppliers/contractors	-	2,901.85
Total Other Non-Current Non-Financial Assets	**44,867.00**	**45,969.60**

2.08.01 The Company had given Operation & Maintenance Contract to KEPCO for the Thermal Power Plant from February-2013 to February-2028. However, KEPCO has discontinued the opertations and maintanace activities as per terms and conditions of the contract for said plant w.e.f 24th February,2019. As per the terms and conditions of the contract, the inventories of stores and spares parts lying at the plant in the ownership of the Company had been given on loan to KEPCO for utilization in Operation & Maintenance activities shown under the head " Advances to suppliers/ contractors" and unutilised inventories have been taken back by the Company from KEPCO on discontinuation of the operation and maintanace contract . Inventories utilised by KEPCO have been shown as amount recoverable from KEPCO under the head "Other Non- current financial Assets".

2.08.02 Refer Note no. 2.48(c) for Details of "Stripping Activity Adjustment Assets".

2.09 INVENTORIES **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Current		
Mined ore	6,730.01	5,230.54
Finished goods	0.45	0.45
Stores, spares & fuel	3,550.43	2,488.82
	10,280.89	**7,719.81**
Less: Provision for obsolete stock	(477.83)	(485.88)
	9,803.06	**7,233.93**
Loose tools	10.37	9.07
Total Inventories	**9,813.43**	**7,243.00**

2.10 TRADE RECEIVABLES* **(₹ in Lakh)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Current		
Debts outstanding		
Unsecured, considered good	14,747.71	11,116.71
Doubtful	97.27	104.14
	14,844.98	**11,220.85**
Less: Provision for impairment	(97.27)	(104.14)
Total Trade Receivables	**14,747.71**	**11,116.71**

* Refer note 2.45 for classification

2.10.01 Considering the affirmations for compliance of code of conduct of the Company given by the directors and other officers of the Company, neither any trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies in which any director is a partner, a director or member.

2.11 CASH AND OTHER BANK BALANCES*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents		
Balances with banks		
In current accounts	4,676.36	5,599.56
Cash & stamp on hand	-	0.14
Total Cash and Cash Equivalents	**4,676.36**	**5,599.70**
Other Bank Balances		
Earmarked balances with banks		
Unpaid dividend account	102.34	116.32
Fixed Deposit		
Security against guarantees	13.09	12.18
Security against other commitments	24.92	24.92
Doubtful deposits	374.00	374.00
	514.35	**527.42**
Less: Provision for impairment	(374.00)	(374.00)
Total Bank Balance other than Cash and Cash Equivalents	**140.35**	**153.42**

* Refer note 2.45 for classification

2.11.01 Other bank balances include restricted bank balances on account of unpaid dividend , Fixed deposits for Security against guarantees and Security against other commitments as stated above.

Pending clearance of the title of the land, sale deed in respect of the land of the cement plant at Hadad sold earlier, was not executed and an amount of ₹ 24.92 Lakh (31 March, 2018: ₹ 24.92 Lakh) was recoverable from the buyer on execution of sale deed. The said amount has been deposited by the party before the Danta Court and in turn the Court has directed to the Company to deposit the said amount with a nationalized bank in the form of FDR with a lien marked in favour of Danta Court. Accordingly the Company has placed the same with Union Bank of India, Vastrapur Branch, Ahmedabad.

2.12 CURRENT LOANS*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
House building advance to employees		
Unsecured, considered good	796.35	892.06
Other loans and advances to employees		
Unsecured, considered good	277.96	334.40
Other loans and advances to related parties		
Unsecured, considered good	-	75.19
Doubtful	3.00	3.00
Less: Provision for impairment	(3.00)	(3.00)
Total Current Loans	**1,074.31**	**1,301.65**

* Refer note 2.45 for classification

2.13 OTHER CURRENT FINANCIAL ASSETS* **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Deposits with Corporate Bodies	1,03,081.42	1,06,779.79
Others	1,983.25	1,859.22
Total Other Current Financial Assets	**1,05,064.67**	**1,08,639.01**

* Refer note 2.45 for classification

2.13.01 The company has paid in May,2015 an amount of ₹ 37.50 lakh for 3.75 lakh shares of ₹ 10 each to Stone Research Foundation to subscribe its shares which is included under the head "Others" above. However, no shares have been allotted by the said company so far and it has been decided during the year to close the Stone Research Foundation. Necessary adjustements in accounts will be made after receiving share application money and other receivables, if any.

2.14 OTHER CURRENT NON-FINANCIAL ASSETS **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with Government Authorities	12,832.18	9,895.02
Prepaid expenses	397.69	277.48
Advances to employees / suppliers / contractors	1,624.47	2,449.16
Total Other Current Non-Financial Assets	**14,854.34**	**12,621.66**

2.15 ASSETS CLASSIFIED AS HELD FOR SALE **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Plant & equipments	15.79	15.79
Furniture & fixtures	0.21	0.21
Vehicles	0.46	0.46
Office equipments	0.29	0.29
Total	**16.75**	**16.75**

2.15.01 Assets classified as held for sale during the reporting period were measured at the carrying value on the date of such classification which approximates fair value less cost to sell. Consequently, no impairment loss was identified on these assets. There has been no material change in the value of such assets after the date of initial classification as assets classified as held for sale.

2.16 EQUITY SHARE CAPITAL **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
AUTHORISED SHARE CAPITAL		
74,50,00,000 Equity Shares (31st March 2018: 74,50,00,000) of ₹ 2/- each	14,900.00	14,900.00
1,00,000 Preference Shares (31st March 2018: 1,00,000) of ₹ 100/- each	100.00	100.00
Total	**15,000.00**	**15,000.00**
Issued, Subscribed & Paid-up Capital		
31,80,00,000 Equity Shares (31st March 2018: 31,80,00,000) of ₹ 2/- each fully paid up	6,360.00	6,360.00
Total	**6,360.00**	**6,360.00**

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
Number of shares outstanding at the beginning of year	31,80,00,000	31,80,00,000
Add: Shares issued during the year	-	-
Less : Share bought back	-	-
Number of shares outstanding at the end of year	**31,80,00,000**	**31,80,00,000**

2.16.02 Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In respect of the Financial Year 2017-18 dividend of ₹ 3.50 per share was proposed and approved. The same was recognised as distributions to equity shareholders during the year ended 31st March, 2019 (31st March 2018: ₹ 3 per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.16.03 Details of shareholder(s) holding more than 5% equity shares in the Company

Particulars	As at 31st March, 2019	As at 31st March, 2018
Number of Equity Shares		
Government of Gujarat	23,53,20,000	23,53,20,000
% Holding in Equity Shares		
Government of Gujarat	74.00%	74.00%

2.17 OTHER EQUITY (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
General Reserve	2,73,741.72	2,73,741.72
Retained Earnings	1,22,306.06	1,13,005.71
Reserves representing unrealized gains/(losses)	29,302.74	42,006.50
Total Other Equity	**4,25,350.52**	**4,28,753.93**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
General Reserve		
Opening balance	2,73,741.72	2,73,741.72
Add/(Less): Amount transaferred from/(to) retained earnings	-	-
Closing balance	**2,73,741.72**	**2,73,741.72**

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Retained Earnings		
Opening balance	1,13,005.71	89,185.28
Add:		
Profit during the period	21,993.93	34,668.37
Remeasurement of post employment benefit obligation, net of tax	724.22	634.18
Less:		
Equity dividend	(11,130.00)	(9,540.00)
Tax on dividend	(2,287.80)	(1,942.12)
Closing balance	**1,22,306.06**	**1,13,005.71**

2.17.01 The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Reserves representing unrealized gains/(losses) (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
FVTOCI - Equity Investments		
Opening balance	42,006.50	31,330.35
Increase/(decrease) in fair value of FVTOCI - equity instruments	(13,924.37)	10,441.16
Income tax on net fair value gain or loss	1,220.61	234.99
Closing balance	**29,302.74**	**42,006.50**

2.17.02 The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within reserves representing unrealised gain/(losses).

2.18 OTHER NON-CURRENT FINANCIAL LIABILITIES* (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Security and other deposits liability	2,623.56	1,317.47
Total Other Non-Current Financial Liabilities	**2,623.56**	**1,317.47**

* Refer note 2.45 for classification

2.18.01 For majority of the security deposits received, the timing of outflow is uncertain as it depends on outcome of the underlying contracts. Thus the same has not been discounted because their present value would not represent meaningful information. The management does not believe it is possible to make assumptions for the outcome of the contract beyond the balance sheet date.

2.19 NON-CURRENT PROVISIONS (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for mine closure	41,200.26	37,659.45
Provision for decommissioning obligations	2,171.77	2,021.04
Total Non-Current Provisions	**43,372.03**	**39,680.49**

2.19.01 Movements in Provisions (including current/non-current) (₹ in Lakh)

Particulars	Provision for mine closure	Provision for decommissioning obligations	Total
As at 1st April 2018	**37,659.45**	**2,021.04**	**39,680.49**
Add: Unwinding of discounts	-	150.73	150.73
Add: Provision created during the year	4,291.74	-	4,291.74
Less: Expenses incurred on progressive mine closure	(750.93)	-	(750.93)
As at 31st March 2019	**41,200.26**	**2,171.77**	**43,372.03**

2.19.02 As per the guidelines for preparation of Mines Closure Plan issued by the Ministry of Coal, Government of India the Company has made a provision for mines closure expenses to the tune of ₹ 46,203.17 Lakh (31st March, 2018: ₹ 41,911.41 lakh) after considering the approved, submitted, prepared mine closure plans and has incurred progressive mine closure expenses of ₹ 5,002.91 Lakh (31st March, 2018: ₹ 4,251.96 lakh) so far.

2.20 NON-CURRENT NET EMPLOYEE BENEFIT LIABILITIES (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for gratuity	-	352.97
Provision for leave salary	3,930.57	3,819.15
Total Non-Current Net Employee Benefit Liabilities	**3,930.57**	**4,172.12**

2.21 DEFERRED TAX LIABILITIES (NET)

Deferred tax relates to the following: (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Due to depreciation	29,359.91	30,539.98
Financial assets measured at FVTOCI	453.26	1,673.51
Total Deferred Tax Liabilities (A)	**29,813.17**	**32,213.49**
Deferred Tax Assets		
Due to disallowance u/s 43B of Income Tax Act	(16,092.85)	(15,605.41)
Decommissioning obligations (Net)	(389.33)	(318.21)
Straightlining of operation and maintenance expenses	(1,023.44)	(1,011.62)
Due to other timing differences	(336.41)	(355.26)
Total Deferred Tax Assets (B)	**(17,842.03)**	**(17,290.50)**
Net Deferred Tax Liabilities (A-B)	**11,971.14**	**14,922.99**

2.21.01 Movements in Deferred Tax Liabilities (net)

(₹ in Lakh)

Particulars	Due to depreciation	Financial assets measured at FVTOCI	Due to disallowance u/s 43B of Income Tax Act	Decommissioning obligations (Net)	Straightlining of operation and maintenance expenses	Due to other timing differences	Net Deferred Tax Liabilities
As at 1st April 2018	**30,539.98**	**1,673.51**	**(15,605.41)**	**(318.21)**	**(1,011.62)**	**(355.26)**	**14,922.99**
Charged/(credited)							
- to profit or loss	(1,180.07)	-	(98.79)	(71.12)	(11.82)	18.85	(1,342.96)
- to other comprehensive income	-	(1,220.25)	(388.65)	-	-	-	(1,608.90)
As at 31st March 2019	**29,359.91**	**453.26**	**(16,092.85)**	**(389.33)**	**(1,023.44)**	**(336.41)**	**11,971.14**

2.21.02 Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

(₹ in Lakh)

Particulars	2018-19	2017-18
Accounting Profit before income tax expenses	**38,831.10**	**54,989.72**
Tax at the Indian tax rate of 34.944% (2017-18 - 34.608%)	13,569.14	19,030.84
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Effect of income that is exempt from taxation	(252.29)	(210.30)
Effect of expenses that are not deductible in determining the taxable profit	10,968.28	(76.50)
Effect of concessions (u/s 80IA)	(4,602.91)	(7,099.03)
Effect on deferred tax balances due to change in income tax rate from 34.608% to 34.944%	-	140.19
Adjustments for the current tax of prior periods	-	446.98
Income Tax Expenses at the effective income tax rate of 54.84% (2017-18: 22.22%)	**19,682.22**	**12,232.18**

2.21.03 Items of Other Comprehensive Income (OCI)

(₹ in Lakh)

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Unrealised (gain)/loss on FVTOCI equity securities	1,220.61	234.99
Net loss/(gain) on remeasurements of defined benefit plans	(388.65)	(335.42)
Income tax charged to OCI	**831.96**	**(100.43)**

2.22 OTHER NON-CURRENT NON-FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Operation & Maintenance Liability and Others	2,441.94	2,624.62
Total Other Non-Current Non-Financial Liabilities	**2,441.94**	**2,624.62**

2.23 TRADE PAYABLES*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	7.49	4.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,952.50	10,983.89
Total Trade Payables	**10,959.99**	**10,988.28**

* Refer note 2.45 for classification

2.23.01 As at 31st March, 2019, there are outstanding dues to Micro, Small and Medium enterprises as stated above. There is no interest due or outstanding on the same.

2.24 OTHER CURRENT FINANCIAL LIABILITIES*

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Other payables (including for capital goods and services)	485.95	322.78
Earnest money deposits	497.31	313.61
Security and other deposits liability	3,314.24	2,990.15
Other financial liabilities	5,360.75	20,149.73
Total Other Current Financial Liabilities	**9,658.25**	**23,776.27**

* Refer note 2.45 for classification

2.24.01 Vide Government Resolution dated 19th November, 2009, the Company has been given permission to lift Manganese Ore from dumps of Shivrajpur areas and dispose of the same for which the Company will be entitled to retain 20% of the sale price. The Company has to keep remaining 80% of the sale price of Manganese Ore dump in a separate account of Gujarat Mineral Research & Development Society (GMRDS) for mineral survey and exploration. Accordingly, ₹ 193.05 Lakh (31st March, 2018: ₹ 263.18 Lakh) (i.e. 80% of the basic sale price) has been transferred during the year to GMRDS and included under the head “Other Financial Liabilities”.

2.24.02 NALCO made upfront payment of ₹ 15,100 Lakh for setting up Allumina refinery and smelter plant in Kutchh region. However, subsequently based on detailed project report, both the companies mutually decided not to proceed with the project. As approved by Government of Gujarat,the Company has repaid during the year the said amount to NALCO, which is shown under the head “ Other Financial Liabilities” as on 31st March, 2018.

2.25 CURRENT NET EMPLOYEE BENEFIT LIABILITIES

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Provision for provident fund	168.37	170.46
Provision for leave salary	905.43	894.60
Provision for gratuity	-	768.28
Total Current Net Employee Benefit Liabilities	**1,073.80**	**1,833.34**

2.25.01 DISCLOSURES FOR GRATUITY & LEAVE SALARY PROVISIONS AS PER INDIAN ACCOUNTING STANDARD- 19

Defined Contribution Plan

(₹ in Lakh)

Particulars	2018-19	2017-18
Contribution to PF & other funds	1,100.40	1,015.86

Defined Benefit Plan

a) The following table sets out the status of the gratuity plan as required under Ind AS 19 and the reconciliation of opening balances of the present value of the defined benefit obligation.

(i) Changes in Present Value of Obligations (₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Present Value of Obligations as at the beginning of the year	**14,277.09**	**9,748.10**
Current Service Cost	702.28	618.98
Interest Cost	1,100.76	664.82
Actuarial (gain) / Loss on obligations	(1,212.93)	(907.74)
Benefits paid	(745.43)	(667.28)
Past Service cost	-	4,820.21
Present Value of Obligations as at the end of the year	**14,121.77**	**14,277.09**

(ii) Changes in the Fair Value of Plan Assets (₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Fair Value of Plan Assets as at the beginning of the year	**13,155.84**	**9,606.08**
Expected Return on Plan Assets	1,014.32	655.13
Actuarial Gain / (loss) on Plan Assets	(100.74)	61.45
Contributions	904.38	3,500.46
Benefits Paid	(745.43)	(667.28)
Fair Value of Plan Assets as at the end of the year	**14,228.37**	**13,155.84**

(iii) The amount recognized in the Balance Sheet (₹ in Lakh)

Particulars	31-Mar-19	31-Mar-18
Fair Value of Plan Assets as at the end of the year	14,228.37	13,155.84
Present Value of Obligations as at the end of the year	(14,121.77)	(14,277.09)
Net Asset / (Liability) recognized in the Balance Sheet	**106.60**	**(1,121.25)**

(iv) Amount recognized in the Statement of Profit and Loss as employee benefit expenses (₹ in Lakh)

Particulars	2018-19	2017-18
Current Service Cost	702.28	618.98
Interest Cost	86.45	9.69
Expected Return on Plan Assets	-	-
Past Service Cost	-	4,820.21
Expenses/(Income) recognized as part of employee benefit expenses	**788.73**	**5,448.88**

(v) Amount recognized in the other comprehensive income (₹ in Lakh)

Particulars	2018-19	2017-18
Net actuarial (gain) / loss recognized in the year	(1,112.20)	(969.19)
Expenses/(Income) recognized in other comprehensive income	**(1,112.20)**	**(969.19)**

(vi) Investment details

Particulars	% Invested as at	
	31-Mar-19	**31-Mar-18**
Funds with L.I.C.	100.00%	100.00%

(vii) Assumption details

Particulars	31-Mar-19	31-Mar-18
Mortality Rate during employment	Indian Assured lives mortality (2006-08) Ultimate	Indian Assured lives mortality (2006-08) Ultimate
Rate of Discounting	7.59%	7.71%
Rate of salary increase	6.00%	6.00%
Rate of Return on Plan Assets	7.59%	7.71%
Rate of Employee Turnover	2.00%	2.00%

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

b) The Company has considered certain entitlements to earned leave, which can be carried forward to future periods as a long term employee benefit.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakh)

Particulars	Gratuity	
	2018-19	**2017-18**
Projected Benefit Obligation on Current Assumptions	**14,121.78**	**14,277.10**
Delta Effect of +1% Change in Rate of Discounting	(606.22)	(636.12)
Delta Effect of -1% Change in Rate of Discounting	670.38	702.26
Delta Effect of +1% Change in Rate of Salary Increase	234.48	267.51
Delta Effect of -1% Change in Rate of Salary Increase	(256.71)	(288.54)
Delta Effect of +1% Change in Rate of Employee Turnover	174.86	176.26
Delta Effect of -1% Change in Rate of Employee Turnover	(191.45)	(191.82)

2.26 Other Current Non-Financial Liabilities **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from Customers (Contract Liabilities)	1,262.52	2,148.64
Statutory taxes payables	347.23	752.50
Others	1,318.10	1,679.99
Total Other Current Non-financial Liabilites	**2,927.85**	**4,581.13**

2.26.01 The Government of Gujarat (GOG) has provided funds amounting to ₹ 7,634.73 Lakh (31st March, 2018: ₹ 7,524.16 Lakh) which are in the nature of deposits for Construction and other expenses for Stone Park, Laboratory and Trade Fair on behalf of Commissioner of Geology & Mining (CGM), GOG. Out of the said deposits, the Company has incurred ₹ 6,844.53 Lakh (31st March, 2018: ₹ 6,252.31 Lakh) till 31st March, 2019. Net balance of unutilised funds amounting to ₹ 790.20 Lakh (31st March, 2018: ₹ 1,271.85 Lakh) is shown under the head “”Other Current Non-Financial Liabilities””. Details of funds received and utilized for various activities are as under:”

Details of funds received and utilized for various activities are as under: **(₹ in Lakh)**

Nature of activities	Funds Received up to 31st March, 2019	Funds Utilized up to 31st March, 2019	Fund unutilized as on 31st March, 2019
Construction and other expenses of Stone Park	5,036.62	4,266.50	770.12
Construction and other expenses of Laboratory	2,507.97	2,502.89	5.08
Activities related to Trade Fair	90.14	75.14	15.00
Total	**7,634.73**	**6,844.53**	**790.20**
Previous Year	7,524.16	6,252.31	1,271.85

2.27 REVENUE FROM OPERATIONS

Revenue from contracts with customers (Disaggregated revenue information) **(₹ in Lakh)**

Particulars	2018-19	2017-18
Sale of Products		
- Sale from Lignite Projects	1,47,834.53	1,62,244.20
- Sale from Bauxite Projects	1,550.30	3,090.86
- Sale from Thermal Power Project	22,047.39	26,875.69
- Sale from Renewable Energy Projects	17,152.71	15,543.42
- Sale from Other Projects	119.66	89.50
Less: Cash discount/incentives	736.77	846.99
Sale of products (net)	**1,87,967.82**	**2,06,996.68**
Total Revenue from Operations	**1,87,967.82**	**2,06,996.68**

2.27.01 Refer Note 2.48 (b) for reclassification for Sale from Thermal Power Project.

2.27.02 The company is selling lignite / power to GSECL/GUVNL. For arriving at the rate of lignite to be charged in invoice for sale of Lignite/power from year to year, the company is charging rate of interest of 13% on fixed assets of the respective project for finalization of cost as per agreed formula. Accordingly, the company has recognised the revenue for the sale of lignite/power to GSECL/GUVNL . However, while making the payment during the F.Y 2018-19 GSECL and GUVNL are allowing rate of interest of 8.50% only instead of 13% w.e.f 01st July,2017 . The matter has been referred to Government of Gujarat (GOG) to settle the issue. Necessary adjustment entries, if any, will be passed after the matter is finalised by GOG.

2.27.03 The Company has implemented Indian Accounting Standard (Ind AS) 115,Revenue from Contracts with Customers w.e.f. 01st April,2018 using the modified retrospective method of adoption. However, there is no financial implication due to implementation of the said Ind AS at present.

2.28 FINANCE INCOME

(₹ in Lakh)

Particulars	2018-19	2017-18
Interest Income		
- FDRs with Banks & Inter Corporate Deposits (ICDs)	8,592.89	8,234.58
- Others	3,362.28	2,098.02
Total Finance Income	**11,955.17**	**10,332.60**

2.28.01 The company during the year, earned an interest of ₹ 3,236.26 lakh (2017-18: ₹2,004.85 lakh) on the fixed deposits of ₹52,070.81 lakh (31st March, 2018: ₹34,062.84 lakh) held in the escrow accounts for mine closure expenses and recognised such interest as income in the Statement of Profit and Loss . The interest income so earned is a part of escrow account over which the company has no hold until the provisions of mine closure plan are complied.

As per guidelines of Ministry of Coal, Govt of India, up to 80% of the total deposited amount including interest accrued in the escrow account would be released to the company after every five years in proportion to the expenditure incurred on mine closure and the balance will be released at the end of final mine closure on compliance of all the provisions of mine closure plan, provided that restoration of mine is completed within the specified period, failing which the amount in the escrow account is liable to be forfeited.

2.29 OTHER INCOME

(₹ in Lakh)

Particulars	2018-19	2017-18
Income from Investments		
- Dividend Income	789.74	680.34
Net gain on Sale of Fixed Assets	32.86	8.75
Sale of Scrap material	266.13	42.04
Excess Provision of Earlier Years Written Back	98.18	443.61
Liquidated Damages/ Penalty	527.03	74.95
Other Misc. Income	784.09	549.66
Total Other Income	**2,498.03**	**1,799.35**

2.30 CHANGES IN INVENTORIES OF FINISHED GOODS & MINED ORE

(₹ in Lakh)

Particulars	2018-19	2017-18
Inventories at the end of the year:		
Finished Goods	0.45	0.45
Mined Ore	6,730.01	5,230.54
Stock of Fuel	216.79	1,084.45
	6,947.25	**6,315.44**
Less :		
Inventories at the beginning of the year:		
Finished Goods	0.45	0.45
Mined Ore	5,230.54	4,744.04
Stock of Fuel	1,084.45	1,274.46
	6,315.44	**6,018.95**
Increase / (Decrease) in Inventories	**631.81**	**296.49**

2.31 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

Particulars	2018-19	2017-18
Salaries, Wages & Bonus	9,028.67	10,714.11
Contribution to Provident fund & other funds	1,913.51	6,484.76
Staff Welfare Expenses	677.77	522.25
Terminal Benefits	617.47	1,136.05
Directors' sitting Fees & Allowances	2.10	2.08
Total Employee Benefit Expenses	**12,239.52**	**18,859.25**

2.32 FINANCE COSTS

(₹ in Lakh)

Particulars	2018-19	2017-18
Unwinding of discount on Provisions	150.72	150.72
Interest on delayed payment of income tax	0.13	9.06
Other Charges	31.96	3.14
Total Finance Costs	**182.81**	**162.92**

2.33 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakh)

Particulars	2018-19	2017-18
Depreciation of Property, Plant and Equipment	8,227.85	8,035.27
Depreciation on investment properties	124.37	95.28
Amortisation of intangible assets	1,261.51	3,772.12
Total Depreciation and Amortisation Expenses	**9,613.73**	**11,902.67**

2.34 OTHER EXPENSES (₹ in Lakh)

Particulars		2018-19		2017-18
Manufacturing Expenses				
Loading of Lignite & Overburden Removal		54,895.42		54,878.61
Excise duty		-		1,903.72
Freight & Octroi Expenses		2,281.95		2,320.71
Other Loading charges & Mining Expenses		1,172.07		998.96
Electricity Expenses		1,645.87		1,502.98
Consumption of Stores, Spares & Chemicals		613.42		744.50
Operation & Maintenance Charges and Fuel for Thermal Project		2,806.20		5,343.20
Operation & Maintenance Charges for Renewable Energy Projects		2,150.30		1,887.91
Repairs & Maintenance				
- Buildings	399.95		1,114.41	
- Machineries (Including spares)	543.76		928.92	
- Other Assets	105.56	1,049.27	90.07	2,133.40
Rates & Taxes				
- Royalty	9,421.24		10,060.53	
- GST Compensatory Cess	31,896.02		27,266.28	
- Clean Energy Cess	-		11,398.96	
- Other Rates & Taxes	586.12	41,903.38	483.04	49,208.81
Mine Closure Expenses		4,291.75		4,087.38
Rent		107.11		99.94
(A)		**1,12,916.74**		**1,25,110.12**
Administrative & Selling Expenses				
CSR Expenses		977.60		2,147.80
Financial Contribution to Government Bodies		376.00		177.00
Insurance Premium		302.40		342.80
Vehicle Hire Charges		808.60		712.92
Advertisement & Publicity		59.73		44.69
Security Expenses		2,543.91		2,553.65
Legal & Professional Fees		512.12		504.75
Payment to Auditors				
- Audit Fees	9.51		7.37	
- For Tax Audit	1.02		0.97	
- For Certification and other matters	2.32	12.85	1.49	9.83
Remuneration to Managing Director		31.89		29.26
Mining & Project Development Expenses		304.80		332.76
Other Miscellaneous Charges		1,901.57		1,544.98
(B)		**7,831.47**		**8,400.44**
Total Other Expenses (A+B)		**1,20,748.21**		**1,33,510.56**

2.34.01 During the year, royalty on account of sale of Bauxite had been accounted for ₹ 333.75 Lakh (2017-18: ₹ 675.68 Lakh) on ad hoc basis as intimated by the Commissioner of Geology and Mining. Necessary adjustment shall be made in the accounts after final outcome of the matter.

2.34.02 In view of the Supreme Court's decision in respect of mining activities, applications made by the Company for renewal of leases covering 2,040 (2017-18: 2,040) hectares of land for extracting lignite are pending since 1993-94. Necessary adjustment in respect of liability for any charges, taxes, duties etc. will be provided in accounts on finalization of renewal applications.

2.34.03 During the year, the Company has written off ₹ 70.90 Lakh (2017-18: ₹ 23.52 Lakh) and written back ₹ 231.17 Lakh (2017-18: ₹ 57.79 Lakh) in the books of account. In the opinion of the management, such amounts are no longer receivable / payable. Net effect thereof is written back to the Statement of Profit and Loss amounting to ₹ 160.27 Lakh (2017-18: ₹ 34.27 Lakh).

2.34.04 In compliance with Section 135(5) of the amended Companies Act, 2013, the Company has spent ₹ 901.62 Lakh (2017-18: ₹ 2,191.24 Lakh) against the statutory requirement of spending ₹ 879.94 Lakh (2017-18: ₹ 933 Lakh) (based on average net profits of last 3 years) during the year towards Corporate Social Responsibility (CSR) Expense.

2.34.05 Refer Note no. 2.48(c) for "Loading of Lignite & Overburden Removal".

2.35 INCOME TAX EXPENSES

This note provides an analysis of the Company's income tax expenses show amounts that are directly recognised in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(₹ in Lakh)

Particulars	2018-19	2017-18
Current Tax Expenses		
Current tax on profits for the year	18,971.65	19,726.40
Total Current Tax Expenses	**18,971.65**	**19,726.40**
Deferred Tax Expenses		
Decrease/(Increase) in deferred tax assets	280.07	(1,973.14)
(Decrease)/Increase in deferred tax liabilities	(2,400.32)	(5,521.08)
Total Deferred Tax Expenses	**(2,120.25)**	**(7,494.22)**
Income Tax Expenses	**16,851.40**	**12,232.18**

2.36 EARNING PER SHARE

Particulars	2018-19	2017-18
Profit attributable to equity holders for		
Basic earnings (₹ in Lakh)	21,993.93	34,668.37
Adjusted for the effect of dilution (₹ in Lakh)	21,993.93	34,668.37
Weighted average number of Equity Shares for:		
Basic EPS	31,80,00,000	31,80,00,000
Adjusted for the effect of dilution	31,80,00,000	31,80,00,000
Earning Per Share (Face value of ₹ 2/- each):		
Basic (₹)	6.92	10.90
Diluted (₹)	6.92	10.90

2.37 CONTINGENT LIABILITIES AS ON 31ST MARCH, 2019

Contingent liabilities not provided for Claims against the Company not acknowledged as debt ₹ 69,780.98 Lakh (31st March, 2018: ₹ 63,200.59 Lakh).

2.37.01 Excise, VAT, Service tax, Income tax and other matters related to contingent liabilities:

(₹ in Lakh)

Sr No	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Income tax	33,725.82	33,534.54
2	Sales Tax/VAT	419.04	419.04
3	Excise	1,508.42	506.66
4	Related to contractors and others	21,119.12	15,810.34
5	Royalty, stamp duty and conversion tax	4,943.83	4,943.83
6	Land Compensation	4,450.00	4,450.00
7	Incentives to employees	1,158.84	1,158.84
8	Guarantees excluding financial guarantees:		
	Outstanding Bank Guarantees	2,455.91	2,377.34

2.37.02 KEPCO has invoked arbitration proceedings under clause 18 of the long term O&M service agreement and clause 17 of long term spares and consumable supply agreement dated 03rd January,2013 for various disputes. Arbitrator has been appointed and KEPCO has been given time till May-2019 to file claim statement hence amount of contingent liability thereof is not ascertainable.

2.38 COMMITMENTS (₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	477.60	362.82

2.39 EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) The board has recommended dividend of ₹ 2/- per share which is subject to approval of shareholders in the ensuing general meeting.

(b) Mineable reserves of lignite are exhausted in Panandhro mine after the reporting date.

(c) Vijaya Bank has been merged with Bank of Baroda(BOB) on 01st April,2019 and the company has been allotted 3,12,715 equity shares of ₹ 2/- each fully paid of BOB on 8th April 2019 against 7,77,900 equity shares of ₹10/- each fully paid of Vijaya Bank.

2.40 In the opinion of Management, any of the assets other than items of property, plant and equipment, investment properties, intangible assets and Non-Current Investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

2.41 Balances of trade payables, trade receivables, loans & advances, advances from customers, other non-current/current liabilities, etc. are subject to confirmation and adjustements, if any, in the accounts.

2.42 On periodical basis and as and when required, the Company reviews the carrying amounts of its assets. In the Financial Year 2018-19, the Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

2.43 SEGMENT INFORMATION

(a) Description of segment and principal activities

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment, and accordingly, the Company has identified two reportable operating segments viz. Mining and Power. Operating segments have been identified and reported in a manner consistent with the internal reporting provided to the CODM.

(b) Segment revenue and expenses

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 a reasonable basis have been disclosed as “Unallocable”.

(c) Segment assets and liabilities

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 a reasonable basis have been disclosed as “Unallocable”.

(d) Secondary segment reporting

The Company does not have geographical distribution of revenue as the operations of the Company are carried out within the country and hence secondary segmental reporting based on geographical locations of its customers is not applicable to the Company.

(e) Information about major customers

Revenue from power segment (which exceeds 10% of total segment revenue) amounting to ₹ 37,607.96 (P.Y.: ₹ 40,705.25) Lakh is derived from a single customer and revenue from mining segment (which exceeds 10% of total segment revenue) amounting to ₹ 21,506.75 (P.Y.: ₹ 21,181.39) Lakh (inclusive of tax) is derived from a single customer.

(f) Information about product and services

The Company’s revenue from external customers for each product is same as that disclosed below under “segment revenue”.

(₹ in Lakh)

Particulars	2018-19				2017-18			
	Mining Projects	Power Projects	Unallocated	Total	Mining Projects	Power Projects	Unallocated	Total
Segment Revenues								
External Revenue*	1,49,504.48	38,463.34	-	1,87,967.82	1,65,424.56	41,572.12	-	2,06,996.68
Inter Segment Revenue	10,902.59	-	-	10,902.59	12,156.96	-	-	12,156.96
Total Segment Revenue	**1,60,407.07**	**38,463.34**	**-**	**1,98,870.41**	**1,77,581.52**	**41,572.12**	**-**	**2,19,153.64**
Segment Results								
Profit/(Loss)	42,108.84	10,530.01	(5,460.84)	47,178.01	43,881.37	9,605.27	(10,151.37)	43,335.27
Unallocated other income			12,744.92	12,744.92			11,012.93	11,012.93
Unallocated expenses and finance cost			345.63	345.63			641.52	641.52
Profit before exceptional items and tax	**42,108.84**	**10,530.01**	**7,629.71**	**60,268.56**	**43,881.37**	**9,605.27**	**1,503.08**	**54,989.72**
Exceptional Items								
Loss on Investment in associate			(21,437.46)	(21,437.46)				
Profit Before Tax	**42,108.83**	**10,530.01**	**(13,807.75)**	**38,831.10**	**43,881.37**	**9,605.27**	**1,503.08**	**54,989.72**
Share of profit/(loss) of joint ventures and associates accounted for using the equity method (Net of Tax)			14.23	14.23			(8,089.17)	(8,089.17)
Income tax- Current			18,971.65	18,971.65			19,726.40	19,726.40
Deferred tax			(2,120.25)	(2,120.25)			(7,494.22)	(7,494.22)
Profit after tax	**42,108.84**	**10,530.01**	**(30,644.92)**	**21,993.93**	**43,881.37**	**9,605.27**	**(18,818.27)**	**34,668.37**
Other information								
Depreciation and amortisation	2,165.73	7,148.64	299.36	**9,613.73**	4,564.12	7,125.23	213.32	**11,902.67**
Non-Cash Expenses other than depreciation and amortisation	4,291.75	-	-	**4,291.75**	4,087.38	-	-	**4,087.38**

* Segment Revenue includes other income which is directly attributable to each segment.

(₹ in Lakh)

Segments Assets**	**As at 31st March, 2019**	**As at 31st March, 2018**
Mining Projects	1,23,883.16	1,15,752.09
Power Projects	1,54,554.44	1,63,524.28
Unallocated	2,42,232.05	2,59,734.27
Total	**5,20,669.65**	**5,39,010.64**

(₹ in Lakh)

Segments Liabilities**	**As at 31st March, 2019**	**As at 31st March, 2018**
Mining Projects	61,765.84	56,855.74
Power Projects	6,589.79	6,484.69
Unallocated	20,603.50	40,556.28
Total	**88,959.13**	**1,03,896.71**

** Segment assets and liabilities are measured in same way as in the financial statements. They are allocated based on the operations of the segment.

1. Segment assets and liabilities are subject to reconcilation.
2. Segment Revenue of Mining includes ₹ 10,902.59 Lakh (2017-18 ₹ 12,156.96 Lakh) being captive consumption of Lignite/Lime for Power Project.

2.44 RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on "Related Party Disclosures", details for reporting period are as follows:

2.44.01 Associate/Joint Venture

Name of the entity	Type
Gujarat Jaypee Cement and Infrastructure Ltd.	Associate
Gujarat Credo Mineral Industries Ltd.	Associate
Aikya Chemicals Pvt. Ltd.	Associate
Gujarat Foundation for Entrepreneurial Excellence	Joint Venture
Swarnim Gujarat Fluorspar Pvt. Ltd.	Joint Venture
Naini Coal Company Ltd.	Joint Venture
Gujarat Gokul Power Ltd.*	Joint Venture
Gujarat Mineral Research & Industrial Consultancy Society	Subsidiary
GMDC Gramya Vikas Trust	Subsidiary
GMDC Science & Research Centre	Subsidiary

* Ceased to be Joint Venture during reporting period

2.44.02 Transactions with related parties: (₹ in Lakh)

Particulars	Associates		Joint Ventures		Subsidiaries/ Government related entities/KMP		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Purchase of Investments	-	10,130.89	-	-		-	-	10,130.89
Sale of Goods/ Services	1,552.95	13,754.03	701.67	24.50	2,56,698.61	61,136.43	2,58,953.23	74,914.96
Received/ Adjusted/Written off	1,331.49	12,409.28	82.99	333.36	2,58,361.94	62,922.83	2,59,776.42	75,665.47
Funds deposited with GSFS					1,94,034.69	1,34,682.65	1,94,034.69	1,34,682.65
Funds withdrawn from GSFS					1,14,275.83	1,23,725.22	1,14,275.83	1,23,725.22
Interest Income	31.88	-	7.00	-	8,396.87	8,039.70	8,428.76	8,039.70
Financial Contribution to Government Bodies					376.00	-	376.00	-
Provident Fund Trust					2,022.67	1,865.77	2,022.67	1,865.77
Contribution made to Gratuity Trust (100% funded with LIC)					900.00	3,500.46	900.00	3,500.46
Donation /CSR					900.00	1,129.00	900.00	1,129.00
Directors' sitting fee					2.10	2.08	2.10	2.08
Outstanding balances arising from sales/purchases of goods/services								
Account Payable as at year end	12.30	20.59	316.98	1,012.82	-	-		
Account Receivable as at year end	985.06	4,946.38	1,641.66	1,718.81	2,41,596.78	1,25,493.54		

1. The above transactions are inclusive of all taxes, wherever applicable.
2. Directors' sitting Fees include taxes, wherever applicable. Further, directors' sitting fees in respect of Government nominated directors are deposited directly into Government Treasury.
3. Consequent upon merger of Bhavnagar Energy Company Limited (BECL) with Gujarat State Electricity Corporation Limited (GSECL) w.e.f. 01st April,2018 as per notification issued by Energy and Petrochemicals Department, Government of Gujarat dated 27th August, 2018, all related figures have been considered under the head Government related entities.

2.44.03 Terms and conditions

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. Goods were sold to related parties as mentioned above on mutually agreed terms. Most of the outstanding balances are unsecured.

The Company has executed Power Purchase Agreements with one of Government owned PSUs for sale of power generated from wind mills, solar and thermal power plant for the period ranging from 25 to 30 years.

2.44.04 Key Management Personnel Compensation: **(₹ in Lakh)**

Particulars	2018-19	2017-18
Short-term employee benefits	77.33	70.95
Post-employment benefits	28.38	26.12
Long-term employee benefits	32.09	29.32
Termination benefits	-	-
Employee share-based payments	-	-
Total compensation	**137.80**	**126.39**

2.44.05 Other transactions with Government related entities

Apart from the above transactions, the Company has also entered into other transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

2.44.06 Further, the Company has entered into various long term material supply and power purchase agreements with the related parties (including Government related entities) where goods/services are to be provided at prices determined based on the contractual terms agreed. Some of the contracts are in the process of being finalised pending the necessary approvals.

2.45 FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value **(₹ in Lakh)**

As at 31st March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	15,685.90	-	15,685.90	-	-	15,685.90	15,685.90
- Equity Shares - quoted	-	26,051.26	-	26,051.26	26,051.26	-	-	26,051.26
Loan								
- Non-current	-	-	205.79	205.79	-	-	-	-
- Current	-	-	1,074.31	1,074.31	-	-	-	-
Trade Receivables	-	-	14,747.71	14,747.71	-	-	-	-
Cash and Cash Equivalents	-	-	4,676.36	4,676.36	-	-	-	-
Other Bank Balances	-	-	140.35	140.35	-	-	-	-
Other financial assets								
- Non-current	-	-	69,135.05	69,135.05	-	-	-	-
- Current	-	-			-	-	-	-
			1,05,064.67	1,05,064.67				
Total financial assets	**-**	**41,737.16**	**1,95,044.24**	**2,36,781.40**	**26,051.26**	**-**	**15,685.90**	**41,737.16**
Financial liabilities								
Other financial liabilities								
- Non-current	-	-	2,623.56	2,623.56	-	-	-	-
- Current	-	-	9,658.25	9,658.25	-	-	-	-
Trade Payables	-	-	10,959.99	10,959.99	-	-	-	-
Total financial liabilities	**-**	**-**	**23,241.80**	**23,241.80**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost.

(₹ in Lakh)

As at 31st March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	20,593.72	-	20,593.72	-	-	20,593.72	20,593.72
- Equity Shares - quoted	-	35,067.82	-	35,067.82	35,067.82	-	-	35,067.82
Loan								
- Non-current	-	-	289.28	289.28	-	-	-	-
- Current	-	-	1,301.65	1,301.65	-	-	-	-
Trade Receivables	-	-	11,116.71	11,116.71	-	-	-	-
Cash and Cash Equivalents	-	-	5,599.70	5,599.70	-	-	-	-
Other Bank Balances	-	-	153.42	153.42	-	-	-	-
Other financial assets								
- Non-current	-	-	52,120.80	52,120.80	-	-	-	-
- Current	-	-	1,08,639.01	1,08,639.01	-	-	-	-
Total financial assets	**-**	**55,661.54**	**1,79,220.57**	**2,34,882.11**	**35,067.82**	**-**	**20,593.72**	**55,661.54**
Financial liabilities								
Other financial liabilities								
- Non-current	-	-	1,317.47	1,317.47	-	-	-	-
- Current	-	-	23,776.27	23,776.27	-	-	-	-
Trade Payables	-	-	10,988.28	10,988.28	-	-	-	-
Total financial liabilities	**-**	**-**	**36,082.02**	**36,082.02**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost.

Types of inputs are as under:

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVTOCI in unquoted equity shares:

Gujarat State Petroleum Corporation Limited

1. **Market approach :** This approach uses information generated by market transactions of the Company being valued or the transactions of comparable companies. The following market-linked information may be used for determining valuation under this approach.
   - Quoted price of the company being valued,
   - Past transaction value of the company being valued,

- Listed comparable companies' trading multiples like price to earning ratio, enterprise value to earning before interest, tax, depreciation and amortisation, enterprise value to sales etc.
- Transactions multiples for investment / M & A transaction of comparable companies.

The valuation arrived at based on the market approach reflects the current value of the Company perceived in the active market. However, as the valuation arrived at using market multiples is based on the past/current transaction or traded values of comparable companies/businesses, it may not reflect the possible changes in future trend of cash flows being generated by a business.

2. **Income Approach :** The income approach reflects present value of future cash flows. For valuing a business, the discounted cash flow (DCF) methodology is used under this approach. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. This method is used to determine the present value of business on a going concern assumption. The DCF technique recognizes the time value of money.

   The value of the firm is arrived at by estimating the Free Cash Flow to Firm (FCFF) and discounting the same at the Weighted Average Cost of Capital (WACC). FCFF is estimated by forecasting free cash flows available to the firm (which are derived on the basis of the likely future earnings of the company).

3. **Cost Approach:** The cost approach essentially estimates the cost of replacing the tangible assets of the business. The replacement cost takes into account the market value of various assets or the expenditure required to create the infrastructure exactly similar to that of a company being valued.

Significant unobservable inputs

Highest priority is given to unadjusted quoted price of listed entities and lowest priority to non-market linked inputs such as future cash flows used in income approach.

Inter-relationship between significant unobservable inputs and fair value measurement

The estimated fair value would increase (decrease) if there is a change in significant unobservable inputs used in determination of fair value.

Considering the diverse asset and investment base of the Company with differing risk/return profiles, a sum of the parts approach has been adopted for the valuation. Under this method, the value of each distinct business/asset/investment has been arrived at separately and total value estimate for the Company presented as the sum of all its business/investments/assets.

Gujarat Guardian Limited

Fair value is determined using the ratio of enterprise value to EBITDA adjusted for the industry average. The industry average has been computed using peer companies.

GITCO and Gujarat Informatics Limited

In absence of sufficient information for determination of fair value, the Company has determined the same using net worth as reflected in the financial statements as at the each reporting date. Management is of the view that the value so determined are reflective of the fair values.

Further, in the absence of the audited financial statements of GITCO and Gujarat Informatics Limited, the fair value is determined based on unaudited financial statements for the year ended 31st March, 2019 of GITCO and 31st March, 2018 of Gujarat Informatics Limited. Once the audited financials are available, appropriate changes would be made in the subseqnuent periods.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March, 2019 and 31st March, 2018:

(₹ in Lakh)

Particulars	Amount
As at 1st April 2017	**21,230.49**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in Other Comprehensive Income	(636.77)
Gains/ (losses) recognised in Statement of Profit or Loss	-
As at 31st March 2018	**20,593.72**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in Other Comprehensive Income	(4,907.82)
Gains/ (losses) recognised in Statement of Profit or Loss	-
As at 31st March 2019	**15,685.90**

Transfer out of Level 3

There were no movements in level 3 in either directions during the year 2018-19 and 2017-18.

Sensitivity analysis - Investments in unquoted equity instruments

On account of lack of sufficient information as at the end of reporting period and nature of investments, the management is of the view that it is impracticable to determine the sensitivity of the fair values to changes in the underlying assumptions.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

(i) Risk management framework

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. Company has also set up a Risk Management Committee.

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

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

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Other financial assets

The Company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Trade and other receivables

Trade receivables of the Company are typically unsecured ,except to the extent of advance received against sales for sale of lignite. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. Significant portion of trade receivables at the respective reporting date comprise of State Governments PSUs. Management does not expect any credit risk on the same. The allowance for impairment of trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables.

Age of Receivables **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Within the credit period	2,402.10	4,800.22
1-30 days past due	3,468.54	1,563.96
31-60 days past due	1,591.32	522.58
61-90 days past due	64.61	3,407.59
More than 90 days past due	7,221.14	822.36

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. Management is of the view that these financial assets (majorly state owned PSUs) are not impaired as there has not been a significant change in credit quality and are recoverable based on the nature of the activity with the respective customer to which they belong and the type of customers. Further, since the amount are collected within one year, there is no loss on account of time value of money. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired except for trade receivables as at 31st March, 2019 and 31st March, 2018.

Movements in Expected Credit Loss Allowance **(₹ in Lakh)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	104.14	104.14
Movements in allowance	(6.87)	-
Closing balance	**97.27**	**104.14**

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

(₹ in Lakh)

Particulars	Carrying amount	
	31st March, 2019	31st March, 2018
India	14,747.71	11,116.71
Other regions	-	-
	14,747.71	**11,116.71**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Management estimates that there are no instances of past due or impaired trade and other receivables.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements, if any.

(₹ in Lakh)

31st March, 2019	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current financial liabilities	2,623.56	2,623.56	-	2,623.56
Current financial liabilities	9,658.25	9,658.25	9,658.25	-
Trade payables	10,959.99	10,959.99	10,959.99	-
Total	**23,241.80**	**23,241.80**	**20,618.24**	**2,623.56**

(₹ in Lakh)

31st March, 2018	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current financial liabilities	1,317.47	1,317.47	-	1,317.47
Current financial liabilities	23,776.27	23,776.27	23,776.27	-
Trade payables	10,988.28	10,988.28	10,988.28	-
Total	**36,082.02**	**36,082.02**	**34,764.55**	**1,317.47**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.

Currency risk

The functional currency of the Company is Indian Rupees.

The Company does not use derivative financial instruments for trading or speculative purposes. As the Company does not engage in foreign exchange transaction, it is not exposed to currency risk.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company does not have any undrawn or outstanding borrowings and hence does not possess any interest rate risk.

Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through other comprehensive income (FVTOCI). Some of the equity investments are publicly traded and are included in the NSE Nifty 50 Index.

Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and other comprehensive income for the period. The analysis is based on the assumption that the index had increased by 20% or decreased by 20% with all other variables held constant, and that the Company's quoted equity instruments moved in line with the index. The % have been determined considering average of the actual movements in quoted prices of equity shares held as investments as at 31st March, 2019

(₹ in Lakh)

Particulars	Impact on Other Comprehensive Income
NSE NIFTY 50 - increase 20%	5,210.25
NSE NIFTY 50 - decrease 20%	(5,210.25)

2.46 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns to the shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total non-current liabilities, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at 31st March, 2019 and 31st March, 2018 was as follows.

(₹ in Lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total Non-current liabilities	64,339.24	62,717.69
Less : Cash and bank balances	4,816.71	5,753.12
Adjusted net debt	**59,522.53**	**56,964.57**
Total equity	**4,31,710.52**	**4,35,113.93**
Adjusted net debt to adjusted equity ratio	**0.14**	**0.13**

2.47 Corresponding figures of the previous year have been re-grouped / re-arranged / re-classified / restated and revised, wherever necessary, for rounding off to nearest lakh and/or to make them comparable with the figures of the current year.

Note 2.48: Prior Period Items, Errors and Changes in Accounting Policies

a) During the year company has changed its accounting policy relating to presentation of Government grants. Up to F.Y 2017-18 Government grants relating to the purchase or construction of items of PPE or investment properties were included in Note No. 2.22 under the head "Other Non-Current Non-Financial Liabilities" as "Deferred Government Grant" and credited to Statement of Profit And Loss on a straight line basis over the expected life of the related assets and presented within the "Other Income".

As per the amended Ind AS 20, the option of presentation of government grants related to assets by deducting the same from the carrying amount of the asset is available to the Company for the annual periods beginning on or after April 1, 2018. Therefore, the Company has decided to opt for the same and changed the accounting policy. Accordingly, Government grant is deducted in arriving at the carrying amount of the asset. Thereby the grant is recognised in profit or loss over the life of a depreciable asset as a reduced depreciation expense. The change in accounting policy has been accounted retrospectively by restating the comparative amounts to which the same relates.

On account of above change in policy, Other Income & Depreciation Expense for the year 2018-19 have reduced by ₹ 43.04 Lakh (2017-18: ₹ 70.85 Lakh), as well as Investment Property and Other Non-Current Non-Financial Liabilities as on 31st March, 2019 have reduced by, ₹ 2,458.59 Lakh (as on 31st March, 2018: ₹ 2,501.63 Lakh). There will be no impact of the same on Net Profit or Net Assets of the company for the year 2018-19 or 2017 -18.

b) The Company had entered into Power Purchase Agreement(PPA) with Gujarat Urja Vikas Nigam Limited (GUVNL) for sale of power generated from thermal power plant located at Akrimota for original tenure of 30 years. The agreement was initially determined to be an operating lease as per Ind AS 17 in the first Ind AS Financial Statements for the F.Y. 2016-17, at the time of transition of financial statements from IGAAP to Ind AS and the assets of thermal power plant were shown in Note No. 2.01.05 under the sub-head "Details of assets given on operating lease" under the main head "Property, Plant and Equipment (PPE)". In F.Y. 2017-18 also the above presentation was continued. However, there is no lease agreement between the company and GUVNL and the company has effective control over its Akrimota Power Plant. Further, GUVNL has also executed PPA with it's subsidiaries and other state PSUs and they have classified their power station under the head PPE. The company has particularly noted from the PPA that the power procurer - GUVNL is authorized by the distribution licenses to execute the PPA with the Company and this is a joint procurement arrangement involving multiple procurers. Therefore, based on the above factors, the Company concluded that PPAs entered into are not arrangements that contain a lease. The same is now rectified and income from Sale of Power has been shown under the head "Sale of Products" instead of "Other Operating Income".

This reclassification does not have any impact on profitability as well as total assets of the Company.

c) In respect of various lignite projects of the company, till F.Y 2017-18 the Company used to charge overburden removal expenditure to revenue on actual basis i.e without adjustment of stripping ratio. During the year, overburden removal expenditure has been charged based on plot-wise technically evaluated average stripping ratio, where the company has awarded unit-rate based contracts for Overburden Removal and Lignite extraction.

Out of the total expenses of ₹ 10,890.52 Lakh during the year, ₹ 7,562.39 Lakh has been charged to over burden removal expenses and balance ₹ 3328.13 Lakh incurred for stripping activity adjustment under such contracts, has been recognised as Stripping activity assets and shown under the head "Non- Current Non- Financial Assets".

On account of change in the accounting policy, the profit for the year has increased by ₹ 3,328.13 Lakh and Non- Current Non- Financial Assets have also increased by the same amount. As mineable reserves are exhausted at lignite mine Panandhro after the reporting date, the above change in accounting policy has not been considered for the said mine and total amount has been charged to Statement of Profit and Loss.

d) The Company has accounted for material prior period errors discovered during the current period, retrospectively by restating the comparative amounts to which the same relates. Since certain periods were prior to comparative period presented, the impact has been considered in opening balance sheet of comparative period presented.

Following are the financial items affected due to restatement in the comparative financial results presented hereunder for the matters stated above:

(₹ in Lakh)

Financial Statement Line Item affected (Balance Sheet)	As at 31st March, 2018				As at 1st April, 2017			
	Earlier Presented Amount	Correction Amount	Reclassification Amount	Restated Amount	Earlier Presented Amount	Correction Amount	Reclassification Amount	Restated Amount
ASSETS								
Non-Current Assets								
Property, Plant and Equipment	1,73,351.15	(2.13)	(75.66)	1,73,273.36	1,76,492.88	-	-	1,76,492.88
Investment Properties	11,714.34	-	(2,425.97)	9,288.37	11,825.55	-	(789.95)	11,035.60
Other Intangible Assets	32,913.32	(804.44)	0.00	32,108.88	19,151.37	-	-	19,151.37
Other Financial Assets	52,158.30	5.72	(43.22)	52,120.80	28,590.51	-	-	28,590.51
Current Assets								
Trade Receivables	11,106.08	10.63	0.00	11,116.71	11,906.25	10.63	-	11,916.88
Other Financial Assets	1,08,595.81	-	43.20	1,08,639.01	1,07,451.22	-	-	1,07,451.22
Other Current Assets	12,621.48	-	0.18	12,621.66	11,395.94	-	-	11,395.94
LIABILITIES								
Non-Current Liabilities								
Provisions	40,422.91	(742.42)	(0.00)	39,680.49	36,696.96	(550.07)	-	36,146.89
Net Employee Benefit Liabilities	4,940.40	-	(768.28)	4,172.12	3,412.42	-	-	3,412.42
Other Non-Current Liabilities	5,126.25	-	(2,501.63)	2,624.62	3,290.77	-	(789.95)	2,500.82
Current Liabilities								
Trade Payables	10,959.11	29.17	0.00	10,988.28	9,710.11	-	-	9,710.11
Other Financial Liabilities	24,050.52	-	(274.25)	23,776.27	27,085.38	-	-	27,085.38
Net Employee Benefit Liabilities	1,065.06	-	768.28	1,833.34	870.81	-	-	870.81
Other Current Liabilities	4,306.90	-	274.23	4,581.13	6,060.47	-	-	6,060.47
Other Equity								
Retained Earnings	**1,19,852.39**	**(76.98)**	**-**	**1,13,005.71**	**87,240.35**	**560.70**	**-**	**89,185.28**
Prior Period Errors of earlier periods		560.70				-		
Short booking of Sales Invoices		-				10.63		
Excess booking of Other Income		(0.58)				-		
Short booking of Depreciation and Amortisation		(806.57)				-		
Excess booking of Employee Benefit Exps.		127.49				380.48		
Excess / Short booking of other expenses (Net)		41.99				169.59		

(₹ in Lakh)

Financial Statement Line Item affected (Statement of Profit and Loss)	2017-18			
	Earlier Presented Amount	Correction Amount	Reclassification Amount	Restated Amount
INCOME				
Other Income	1,870.78	(0.58)	(70.85)	1,799.35
EXPENSES				
Employee Benefit Expenses	18,984.65	(127.48)	2.08	18,859.25
Depreciation and Amortisation Expenses	11,166.95	806.57	(70.85)	11,902.67
Other Expenses	1,33,554.62	(41.98)	(2.08)	1,33,510.56
Profit After Tax for the Period	**35,306.05**	**(637.68)**	**-**	**34,668.37**

(Amount in ₹)

Effect on Earning Per Share	2017-18		
	Earlier Presented Amount	Correction Amount	Restated Amount
Earning per Equity Share (EPS) for Profit for the Period (Face Value of ₹ 2)			
Basic (₹)	11.10	(0.20)	10.90
Diluted (₹)	11.10	(0.20)	10.90

2.49 Recent Indian Accounting Standards (Ind AS) effective from 1st April, 2019

Ministry of Corporate Affairs ("MCA") has notified the following new and amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019:

- New Ind AS 116 "Leases"
- Amendments to Ind AS 12 "Income Taxes"
- Amendments to Ind AS 19 "Employee Benefits"

The Company is in process of evaluation of the possible impact of new Ind AS 116, amended Ind AS 12 and amended Ind AS 19. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and on its net income on an ongoing basis.

2.50 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III (₹ in Lakh)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent								
Gujarat Mineral Development Corporation Limited								
31 March 2019	99.27%	4,28,559.62	105.06%	23,106.23	100.01%	(11,980.57)	111.10%	11,125.66
31 March 2018	94.53%	4,11,301.32	126.78%	43,951.70	99.99%	11,309.70	120.19%	55,261.40
Subsidiaries								
Indian								
GMDC Gramya Vikas Trust								
31 March 2019	-0.21%	(910.29)	-4.50%	(989.31)	0.00%	-	-9.88%	(989.31)
31 March 2018	-0.42%	(1,808.02)	-3.17%	(1,098.80)	0.00%	-	-2.39%	(1,098.80)
GMDC Science and Research Center								
31 March 2019	0.68%	2,943.20	-0.62%	(137.22)	-		-1.37%	(137.22)
31 March 2018	0.71%	3,080.42	-0.28%	(95.36)	0.00%	-	-0.21%	(95.36)
Associates (Investments as per the equity method)								
Indian								
Bhavnagar Energy Company Ltd.								
31 March 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2018	4.93%	21,437.46	-23.26%	(8,062.33)	0.00%	-	-17.53%	(8,062.33)
Gujarat Jaypee Cement and Infra Ltd.								
31 March 2019	0.00%	11.29	0.00%	0.14	0.00%	-	0.00%	0.14
31 March 2018	0.00%	11.15	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Gujarat Credo Mineral Industries Ltd.								
31 March 2019	0.23%	982.79	0.43%	94.85	0.01%	1.03	0.96%	95.87
31 March 2018	0.20%	886.92	0.44%	151.28	0.01%	0.63	0.33%	151.91

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Aikya Chemicals Pvt. Ltd.								
31 March 2019	0.03%	122.32	-0.37%	(80.66)	0.00%	-	-0.81%	(80.66)
31 March 2018	0.05%	202.99	-0.48%	(167.34)	0.00%	-	-0.36%	(167.34)
Joint Ventures (Investments as per the equity method)								
Indian								
Naini Coal Co. Limited								
31 March 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2018	0.00%	-	-0.03%	(10.57)	0.00%	-	-0.02%	(10.57)
Swarnim Gujarat Fluorspar Pvt. Ltd.								
31 March 2019	0.00%	1.60	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
31 March 2018	0.00%	1.69	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
Gujarat Foundation for Entrepreneurial Excellence								
31 March 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2018	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total								
31 March 2019	**100.00%**	**4,31,710.52**	**100.00%**	**21,993.93**	**100.00%**	**(11,979.54)**	**100.00%**	**10,014.39**
31 March 2018	**100.00%**	**4,35,113.93**	**100.00%**	**34,668.37**	**100.00%**	**11,310.33**	**100.00%**	**45,978.70**

2.50.01 Gujarat Mineral Research & Industrial Consultancy Society (GMRICS) (being a subsidiary) is a society set up under Society's Act and is controlled by the Company. However, the financial statements have not been prepared due to no financial transactions since 2012-13. Hence, the same has not been considered for the purposes of preparing the consolidated financial statements.

2.51 INTEREST IN ASSOCIATES AND JOINT VENTURES

Set out below are the associates and joint ventures of the Company as at 31st March 2019 which, in the opinion of the directors, are material to the Company. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in Lakh)

Name of Entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amount	
					31 March 2019	31 March 2018
Naini Coal Company Ltd	India	50.00%	Joint Venture	Equity Method	-	-
Swarnim Gujarat Fluorspar Pvt Ltd	India	1.05%	Joint Venture	Equity Method	1.60	1.69
Gujarat Foundation for Entrepreneurial Excellence	India	50.00%	Joint Venture	Equity Method	-	-
Bhavnagar Energy Company Ltd.	India	28.24%	Associate	Equity Method	-	21,437.46
Gujarat Jaypee Cement Infrastructure Limited	India	26.00%	Associate	Equity Method	11.29	11.15
Gujarat Credo Mineral Industries Ltd.	India	26.00%	Associate	Equity Method	982.79	886.92
Aikya Chemicals Pvt Ltd	India	26.00%	Associate	Equity Method	122.32	202.99

Nature of business:-

Swarnim Gujarat Fluorspar Pvt Ltd	- Fluorspar beneficiation
Gujarat Foundation for Entrepreneurial Excellence	- Incubation center for entrepreneurship & development
Gujarat Credo Mineral Industries Ltd.	- Bauxite beneficiation
Aikya Chemicals Pvt Ltd	- Manganese beneficiation

Summarised financial information for associate and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the Company. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Summarised Balance Sheet as at 31 March 2018 (₹ in Lakh)

Particulars	Naini coal company Ltd.	Swarnim Gujarat Fluorspar Private Limited	Gujarat Foundation for Entrepreneurial Excellence	Gujarat Jaypee Cement & Infrastructure Ltd.	Gujarat Credo Mineral Industries Limited	Aikya Chemicals Pvt Ltd.
Current Assets						
Cash and cash equivalents	5.82	3.29	59.45	*	*	*
Other assets	-	0.04	810.99	*	*	*
Total current assets	**5.82**	**3.33**	**870.44**	**33.78**	**4,680.49**	**932.56**
Total non-current assets	**2.91**	**160.72**	**1,165.04**	**10.31**	**5,737.43**	**4,396.11**
Current liabilities						
Financial liabilities (excluding trade payables)	3,407.62	0.57	2,051.64	*	*	*
Other liabilities	1.21	15.39	16.99	*	*	*
Total current liabilities	**3,408.83**	**15.96**	**2,068.63**	**1.22**	**7,006.70**	**4,551.82**
Non-current liabilities						
Financial liabilities (excluding trade payables)	-	-	-	*	*	*
Other liabilities	-	-	-	*	*	*
Total non-current liabilities	**-**	**-**	**-**	**-**	**-**	
Net Assets	**(3,400.10)**	**148.09**	**(33.15)**	**42.87**	**3,411.22**	**776.85**

* Indicates disclosures that are not required for investments in associates

Summarised Balance Sheet as at 31 March 2019 (₹ in Lakh)

Particulars	Naini coal company Ltd.	Swarnim Gujarat Fluorspar Private Limited	Gujarat Foundation for Entrepreneurial Excellence	Gujarat Jaypee Cement & Infrastructure Ltd.	Gujarat Credo Mineral Industries Limited	Aikya Chemicals Pvt Ltd.
Current Assets						
Cash and cash equivalents	5.84	17.52	132.24	*	*	*
Other assets	-	0.04	751.54	*	*	*
Total current assets	**5.84**	**17.56**	**883.78**	**34.41**	**4,798.11**	**814.35**
Total non-current assets	**3.02**	**160.70**	**492.12**	**10.31**	**5,597.67**	**4,101.25**
Current liabilities						
Financial liabilities (excluding trade payables)	1.21	0.56	1,867.91	*	*	*
Other liabilities	3,407.62	18.38	0.92	*	*	*
Total current liabilities	**3,408.83**	**18.94**	**1,868.83**	**1.32**	**5,021.10**	**1,908.98**
Non-current liabilities						
Financial liabilities (excluding trade payables)	-	-	-	*	*	*
Other liabilities	-	-	-	*	*	*
Total non-current liabilities	**-**	**-**	**-**	**-**	**1,594.71**	**2,540.02**
Net Assets	**(3,399.97)**	**159.32**	**(492.93)**	**43.40**	**3,779.97**	**466.60**

* Indicates disclosures that are not required for investments in associates

Summarised Statement of profit and loss for the year ended on 31 March 2018 (₹ in Lakh)

Particulars	Naini coal company Ltd.	Swarnim Gujarat Fluorspar Private Limited	Gujarat Foundation for Entrepreneurial Excellence	Gujarat Jaypee Cement & Infrastructure Ltd.	Gujarat Credo Mineral Industries Limited	Aikya Chemicals Pvt Ltd.
Revenue	**2.30**	**0.32**	**158.28**	**1.96**	**7,043.06**	**1,120.63**
Profit/(Loss) for the year	**1.00**	**(10.64)**	**(454.26)**	**(0.34)**	**357.17**	**(648.85)**
Other comprehensive income	-	-	-	-	2.42	-
Total comprehensive income	**1.00**	**(10.64)**	**(454.26)**	**(0.34)**	**359.58**	**(648.85)**
Dividend received	-	-	-	-	24.70	-

Summarised Statement of profit and loss for the year ended on 31 March 2019 (₹ in Lakh)

Particulars	Naini coal company Ltd.	Swarnim Gujarat Fluorspar Private Limited	Gujarat Foundation for Entrepreneurial Excellence	Gujarat Jaypee Cement & Infrastructure Ltd.	Gujarat Credo Mineral Industries Limited	Aikya Chemicals Pvt Ltd.
Revenue	**0.35**	**0.00**	**75.13**	**2.09**	**7,935.77**	**1,032.85**
Profit/(Loss) for the year	**0.12**	**(8.76)**	**(475.24)**	**0.53**	**364.79**	**(295.01)**
Other comprehensive income	-	-	-	-	3.96	-
Total comprehensive income	**0.12**	**(8.76)**	**(475.24)**	**0.53**	**368.75**	**(295.01)**
Dividend received	-	-	-	-	-	-

As per our report of even date attached
For S. C. Ajmera & Co.
Chartered Accountants
Firm Registration No. 002908C

Arun Sarupria
Partner
Membership No.078398

Place : Ahmedabad
Date : 09th May, 2019

L. Kulshrestha
Chief General Manager
& Chief Financial Officer

Joel Evans
Company Secretary

Arunkumar Solanki, IAS
Managing Director
DIN: 03571453

S.B.Dangayach
Director
DIN-001572754

Place : Ahmedabad
Date : 09th May, 2019

Gujarat Mineral Development Corporation Limited

CIN : L14100GJ1963SGC001206

ATTENDANCE SLIP

I/We ______________________________

____

____

Folio No.	
D.P.ID	
Client ID	

hereby record my/our present at the 56th ANNUAL GENERAL MEETING of the Company held in the premises of the Company at the Registered office: 'Khanij Bhavan',132' Ft Ring Road, University Ground, Vastrapur, Ahmedabad - 52 at 11.00 a.m. on 30th September, 2019.

Signature of the Member/Proxy/Representative attending the Meeting

Notes: (i) Please handover the Attendance Slip at the entrance to the place of the Meeting.

(ii) Only Members and in their absence, duly appointed proxies will be allowed for the Meeting. Please avoid bringing non-members/ children to the Meeting.

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule. 19(3) of the Companies (Management and Administration) Rules, 2014 – Form No. MGT-11]

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

PROXY FORM

56th ANNUAL GENERAL MEETING

Monday, the 30th September, 2019 at 11.00 a.m.

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

(1) Name ______________________ Address ______________________
E-mail ID. ______________________ Signature ______________________ or failing him/her

(2) Name ______________________ Address ______________________
E-mail ID. ______________________ Signature ______________________ or failing him/her

(3) Name ______________________ Address ______________________
E-mail ID. ______________________ Signature ______________________ or failing him/her

as my / our proxy to attend vote (on a poll) for me / us and on my / our behalf at the 56th ANNUAL GENERAL MEETING of the Company to be held on Monday, the 30th September, 2019 at 11.00 a.m. in the premises of the Company at the Registered office: 'Khanij Bhavan', 132' Ring Road, University Ground, Vastrapur, Ahmedabad-52 and at any adjournment thereof in respect of such Resolutions as are indicated below.

Resolution No.	Resolutions	Optional*	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the financial statements (standalone & consolidated) for the year ended on March 31, 2019, including the Balance Sheet, Profit and Loss Statement of Changes in Equity and Cash Flow Statement as at that date together with the Report of the Board of Directors and Auditors and C & AG thereon.		
2.	Declaration of Dividend on Equity Shares.		
3.	To fix up the remuneration of Statutory Auditors for the year 2019-20.		
Special Business			
4.	Appointment of Smt. Gauri Kumar (DIN: 01585999) as a Woman Independent Director		
5.	Re-appointment of Shri Nitin Chandrashanker Shukla (DIN: 00041433) as an Independent Director		
6.	Re-appointment of Shri Satyanarayan Banwarilal Dangayach (DIN: 01572754) as an Independent Director		
7.	To ratify the remuneration of Cost Auditors for the Financial Year 2019-20.		

Signed this __________ day of __________ .9.2019 Member's Folio / DP ID – Client ID No. ______________

Signature of Shareholders(s) ______________ Signature of Proxy holder(s) ______________

Affix Revenue Stamp ₹ 1/-

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, Please refer to the Notice of the 56th Annual General Meeting.

*3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.

4. Please complete all details including details of Member(s) in above box before submission.

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

ECS MANDATE FORM (PHYSICAL SHARES)

DP ID/CLIENT ID/L.F.NO : ______________________

NAME OF SHAREHOLDER : ______________________

ADDRESS OF SHAREHOLDER : ______________________

____

____

NO.OF SHARES HELD : ______________________

NAME OF BANK : ______________________

ADDRESS OF BANK : ______________________

____

____

BANK A/C.NO. : ______________________

BANK MICR CODE : ______________________

SHAREHOLDER'S SIGNATURE: ______________________

DATE : ____________

PLACE : ____________

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

NOTES

NOTES

BY COURIER

TO,

FUELING THE GROWTH

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

(A GOVT. OF GUJARAT ENTERPRISE)

Registered Office :
Khanij Bhavan", 132 Ft. Ring Road,
Near University Ground, Vastrapur, Ahmedabad-380 052.
Phone : 2791 3200 / 3501 / 1662 / 1680 / 0665 / 0096 / 2465 / 2416 / 2457 / 2443 / 1340
Fax : (079) 2791 3038 / 1151 / 1454 / 1822 / 0969
E-mail : cosec@gmdcltd.com
Website : www.gmdcltd.com
CIN : L14100GJ1963SGC001206