



GMDC/CS/ BSE/NSE/ 84 /2018-19

09.05.2018

To, National Stock Exchange of India, Exchange Plaza, Bandra Curla Complex Bandra (East) , Mumbai – 400 051 e-MAIL: <a href="mailto:cm1ist@nse.co.in">cm1ist@nse.co.in</a> Fax – 022 2659 8237 / 38 , 022 2659 8347/48	To, Bombay Stock Exchange Ltd. 25th Floor, P.J. Towers Dalal Street Fort, Mumbai-400 001 E-mail: <a href="mailto:corp.compliance@bseindia.com">corp.compliance@bseindia.com</a> Fax No. 022 2272 3121/2039/2041/2061/ 2037 Code : GMDCLTD Code : 532181
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Dear Sirs,

Sub : (i) Audited annual financial results of GMDC together with auditors' report for the quarter/year ended on 31st March, 2018.

(ii) Recommendation of Dividend by the Board for the year FY 2017-18.

We would like to inform that the Board of Directors of GMDC in its 299<sup>th</sup> Meeting held on 9/5/2018 has approved the Audited Financial Results (standalone and consolidated) for quarter/year ended 31<sup>st</sup> March,2018.

Further the Board has also approved audited Annual Financial Statement (standalone consolidated) for the year ended 31<sup>st</sup> March, 2018.

Pursuant to the above approval, we are submitting the following documents in compliance with SEBI (LODR) Regulation, 2015 :

1. Audited financial results for quarter/year ended 31<sup>st</sup> March, 2018.
2. Independent Auditors reports on audited financial result.
3. Certificate of veracity pursuant to Regulation 33(2) on the SEBI(LODR).
4. CEO/CFO compliance certificate pursuant to Regulation 17(8) of SEBI (LODR) Regulation , 2015.
5. Declaration on unmodified opinion in the auditor report for financial year 31<sup>st</sup> March, 2018. Pursuant to Regulation 33/52 of SEBI (LODR) Regulation ,2015.

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**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 3200 TeleFax : 079 – 2791 1151

Email: [cosec@gmdcltd.com](mailto:cosec@gmdcltd.com) Website: [www.gmdcltd.com](http://www.gmdcltd.com)



We would further like to inform that the Board has also recommended dividend of Rs. 3.50 /- per equity share of Rs. 2 each for financial year ended on 31<sup>st</sup> March, 2018.

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

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**GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED**

(See Regulation 47(1) (b) of the SEBI (LODR) Regulations, 2015)  
**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2018**

Sr No	Particulars	STANDALONE				CONSOLIDATED	
		3 Months ended on 31/03/2018 (Audited)	3 Months ended on 31/12/2017 (Unaudited)	12 months ended on 31/03/2018 (Audited)*	12 months ended on 31/03/2017 (Audited)	12 months ended on 31/03/2018 (Audited)*	12 months ended on 31/03/2017 (Audited)
		(Rupees in Lakh)					
1	Total Income from Operations (net)	63,506.13	50,606.30	2,06,996.68	1,58,235.66	2,06,996.68	1,58,235.66
2	Net Profit/(Loss) for the period (before Tax and Exceptional items)	17,258.71	11,925.81	55,692.57	44,694.66	55,627.41	44,729.95
3	Net Profit/(Loss) for the period before tax (after Exceptional items)	17,258.71	11,925.81	55,692.57	44,694.66	55,627.41	44,729.95
4	Net Profit/(Loss) for the period after tax (after Exceptional items)	10,006.88	7,855.77	43,460.39	32,519.59	35,306.05	32,505.76
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period after tax and Other Comprehensive Income (after tax)]	5,830.04	17,190.06	54,770.10	42,711.80	46,616.38	42,697.97
6	Equity Share Capital	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00
7	Reserves (excluding Revaluation Reserve as shown in the Balance Sheet)			4,33,787.64	3,90,499.66	4,28,830.70	3,93,696.64
8	Earning Per Share (of Rs. 2/- each) (for continuing and discontinued operations) (not annualised)-						
	1. Basic: (Rs)	3.15	2.47	13.67	10.23	11.10	10.22
	2. Diluted (Rs)	3.15	2.47	13.67	10.23	11.10	10.22

\* Subject to Audit u/s 143(6) of the Companies Act, 2013 by C&AG of India

**Note:**

The above is an extract of the detailed format of Financial Results for the quarter & for the year ended on 31st March 2018 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016. The full format of the Financial Results for the quarter & for the year ended on 31st March 2018 alongwith Explanatory Notes is available on the Stock Exchange websites. ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com))

Place: Ahmedabad

Date: 9th May, 2018

For and on behalf of the Board of Directors

Arunkumar Solanki, IAS  
 Managing Director

Sr. No	Particulars	STANDALONE				
		Quarter Ended			Year Ended	
		31-03-2018 (Audited)	31-12-2017 (Unaudited)	31-03-2017 (Audited)	31-03-2018 (Audited)*	31-03-2017 (Audited)
1	<b>Segment Revenue :</b> (Net Sales / Revenue from Operations)					
	1 Mining	55,997.30	45,442.09	48,649.61	1,77,581.53	1,30,205.95
	2 Power	10,705.17	7,254.18	11,701.16	41,572.12	45,590.76
		<b>66,702.47</b>	<b>52,696.27</b>	<b>60,350.77</b>	<b>2,19,153.65</b>	<b>1,75,796.71</b>
	Add: Un-allocable Corporate Revenue					
	Total Revenue	<b>66,702.47</b>	<b>52,696.27</b>	<b>60,350.77</b>	<b>2,19,153.65</b>	<b>1,75,796.71</b>
	Less: Inter Segment Revenue	3,196.34	2,089.97	5,960.36	12,156.96	17,561.05
	Net Sales/Income From Operations	<b>63,506.13</b>	<b>50,606.30</b>	<b>54,390.41</b>	<b>2,06,996.69</b>	<b>1,58,235.66</b>
2	<b>Segment Results (Operating Results):</b>					
	1 Mining	10,970.78	13,570.04	8,878.67	44,522.62	28,116.04
	2 Power	6,132.10	(1,101.57)	691.57	9,703.86	7,994.31
	Total Segment Operating Results	<b>17,102.88</b>	<b>12,468.48</b>	<b>9,570.24</b>	<b>54,226.48</b>	<b>36,110.35</b>
	Un-allocable Corporate Results	(3,355.13)	(2,876.95)	895.74	(10,069.25)	(5,083.07)
	Total Results	<b>13,747.75</b>	<b>9,591.52</b>	<b>10,465.98</b>	<b>44,157.23</b>	<b>31,047.28</b>
	Add : Interest and Dividend Income	3,063.34	2,270.56	2,665.25	10,825.27	13,647.38
	Add : Un-allocable income net of un-allocable expenses	447.60	63.72	121.46	710.06	-
	Net Profit Before Tax and Exceptional Items	<b>17,258.69</b>	<b>11,925.80</b>	<b>13,252.69</b>	<b>55,692.56</b>	<b>44,694.66</b>
3	<b>Segment Assets :</b>					
	1 Mining	1,20,527.46	1,19,240.38	98,598.09	1,20,527.46	98,598.09
	2 Power	1,63,524.28	2,86,467.94	1,70,418.28	1,63,524.28	1,70,418.28
	3 Unallocated	2,63,176.01	5,41,771.06	2,39,141.68	2,63,176.01	2,39,141.68
		<b>5,47,227.75</b>	<b>9,47,479.37</b>	<b>5,08,158.05</b>	<b>5,47,227.75</b>	<b>5,08,158.05</b>
4	<b>Segment Liabilities :</b>					
	1 Mining	61,539.93	73,641.85	61,212.21	61,539.93	61,212.21
	2 Power	6,484.69	1,33,093.45	6,160.82	6,484.69	6,160.82
	3 Unallocated	39,055.54	3,05,678.12	43,825.35	39,055.54	43,925.35
		<b>1,07,080.16</b>	<b>5,12,413.42</b>	<b>1,11,298.39</b>	<b>1,07,080.16</b>	<b>1,11,298.39</b>

\* Subject to Audit u/s 143(6) of the Companies Act, 2013 by C&A of India

**Notes:**

1. The above results have been reviewed by the Audit Committee of the Board of Directors in its meeting held on 09th May, 2018 and the same have been taken on record by the Board of Directors in its meeting held on the same date.

2. The Board of Directors have recommended 175 % dividend (Rs.3.50/- per equity share of Rs.2/-each) for the financial year ended 31.03.2018 subject to the approval of the share holders in the Annual General Meeting.

3. GMDC has implemented 7th pay commission w.e.f 01st August,2017 as per Government of Gujarat's notification. Provision of salary arrears as per 7th pay commission amounting Rs. 2561 Lakhs has been made in the books of accounts during the year ended on 31.03.18. However, the said arrears for the period from Jan-16 to July-17 will be released as and when the decision in this regard will be taken by the state government.

4. the company was using CERC (Terms & Conditions of Tariff) Regulations for depreciating its Wind, Solar and Thermal power plant assets. For all other assets, depreciation was being calculated as per Schedule II of the Companies Act, 2013. From 1st April, 2017, the company has discontinued to follow CERC regulations for depreciating the power plant assets and has charged depreciation based on useful life as prescribed in Schedule II of the Companies Act,2013 and accordingly, has estimated the useful life of the power plant assets. This change in estimate has resulted in decrease in depreciation to the tune of ₹ 6225.37 lakh for the year ended 31st March, 2018 and increase in profit before tax for the year ended that date by the same amount.

5. The provision for gratuity amounting to Rs. 5448.87 lakh has been made in the books of accounts for the year 2017-18 as per the amendment made in the Payment of Gratuity Act with effect from 29/03/2018 whereby the ceiling limit of Gratuity has been increased from Rs.10 Lakh to Rs. 20 Lakh.

6. Figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

7. Previous periods/year's figures have been regrouped, rearranged and restated wherever necessary.

Place: Ahmedabad  
Date: 9th May, 2018

For and on behalf of the Board of Directors



Anilkumar Solanki, IAS  
Managing Director



**GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED**

(Rupees in Lakh)

Statement of Financial Results for the Quarter & Year Ended on 31st March 2018

Particulars	STANDALONE					CONSOLIDATED	
	Quarter Ended			Year Ended		Year Ended	
	31-03-2018 (Audited)	31-12-2017 (Unaudited)	31-03-2017 (Audited)	31-03-2018 (Audited)*	31-03-2017 (Audited)	31-03-2018 (Audited)*	31-03-2017 (Audited)
<b>INCOME</b>							
Revenue from Operations	63,506.13	50,606.30	54,390.41	2,06,996.68	1,58,235.66	2,06,996.68	1,58,235.66
Finance Income	2,914.83	2,245.86	2,665.25	10,144.93	12,482.38	10,332.60	12,715.87
Other Income	776.69	352.91	121.46	1,868.47	5,418.39	(8,290.22)	5,431.39
<b>Total Income (A)</b>	<b>67,197.65</b>	<b>53,205.07</b>	<b>57,177.12</b>	<b>2,19,010.08</b>	<b>1,76,136.43</b>	<b>2,09,039.06</b>	<b>1,76,382.92</b>
<b>EXPENSES</b>							
Changes in inventories of finished goods and mined ore	(44.36)	27.75	(1,235.57)	(296.49)	(2,749.75)	(296.49)	(2,749.75)
Employee Benefit Expenses	8,750.84	4,719.75	2,341.43	18,974.08	10,404.96	18,984.65	10,412.47
Finance Costs	37.89	47.22	37.33	162.31	132.94	162.92	132.97
Depreciation and Amortisation Expenses	(141.50)	3,759.26	4,354.94	11,166.94	15,125.75	11,166.95	15,125.75
Other Expenses	41,336.07	32,725.29	38,426.30	1,33,310.67	1,08,527.87	1,23,393.62	1,08,731.53
<b>Total Expenses (B)</b>	<b>49,938.94</b>	<b>41,279.26</b>	<b>43,924.43</b>	<b>1,63,317.51</b>	<b>1,31,441.77</b>	<b>1,53,411.65</b>	<b>1,31,652.97</b>
<b>Profit Before Tax (A-B)</b>	<b>17,258.71</b>	<b>11,925.81</b>	<b>13,252.69</b>	<b>55,692.57</b>	<b>44,694.66</b>	<b>55,627.41</b>	<b>44,729.95</b>
Share of Profit (Loss) of Joint ventures and associates using equity method (net of taxes)						(8,089.17)	(49.12)
<b>Tax Expenses</b>							
Current Tax	5,631.14	5,439.72	3,178.51	19,726.40	7,030.51	19,726.40	7,030.51
Deferred Tax	1,620.69	(1,369.68)	1,073.12	(7,494.22)	5,144.56	(7,494.21)	5,144.56
<b>Profit After Tax for the Period</b>	<b>10,006.88</b>	<b>7,855.77</b>	<b>9,001.06</b>	<b>43,460.39</b>	<b>32,519.59</b>	<b>35,306.05</b>	<b>32,505.76</b>
<b>Other Comprehensive Income</b>							
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 (FVOCI)	(4,806.93)	9,255.51	(754.17)	10,441.16	8,580.36	10,441.16	8,580.36
Remeasurement of post-employment benefit obligations	600.56	122.88	196.12	969.19	491.50	969.81	491.50
Income tax relating to these items	29.53	(44.10)	1,224.16	(100.64)	1,120.35	(100.64)	1,120.35
<b>Other Comprehensive Income for the Period, net of tax</b>	<b>(4,176.84)</b>	<b>9,334.29</b>	<b>666.11</b>	<b>11,309.71</b>	<b>10,192.21</b>	<b>11,310.33</b>	<b>10,192.22</b>
<b>Total Comprehensive Income for the Period (Comprising profit (loss) and other Comprehensive Income for the period)</b>	<b>5,830.04</b>	<b>17,190.06</b>	<b>9,667.17</b>	<b>54,770.10</b>	<b>42,711.80</b>	<b>46,616.38</b>	<b>42,697.97</b>
<b>Earning per Equity Share (EPS) (Face Value of Rs.2)</b>							
Basic (Rs.)	3.15	2.47	2.83	13.67	10.23	11.10	10.22
Diluted (Rs.)	3.15	2.47	2.83	13.67	10.23	11.10	10.22



**GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED**

**Balance Sheet as at 31st March 2018 and 31st March 2017**

(Rupees in Lakh)

Particulars	Standalone		Consolidated	
	As at 31st March 2018	As at 31st March 2017	As at 31st March 2018	As at 31st March 2017
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	1,73,153.08	1,76,294.80	1,73,351.16	1,76,492.88
Capital Work-In-Progress	1,066.70	2,108.35	1,066.70	2,108.35
Investment Properties	11,714.34	11,825.55	11,714.34	11,825.55
Other Intangible Assets	32,913.32	19,151.37	32,913.32	19,151.37
Investment in Associates and Joint Ventures	30,656.37	20,525.48	22,540.21	20,497.85
<b>Financial Assets</b>				
Investments	55,661.54	45,220.38	55,661.54	45,220.38
Loans	289.28	444.36	289.28	444.36
Other Financial Assets	52,158.30	28,590.51	52,158.30	28,590.51
Other Non-Current Assets	45,790.36	62,807.00	45,969.60	62,966.58
<b>Total Non-Current Assets</b>	<b>4,03,403.29</b>	<b>3,66,967.80</b>	<b>3,95,664.45</b>	<b>3,67,297.83</b>
<b>Current Assets</b>				
Inventories	7,243.00	6,884.15	7,243.00	6,884.15
<b>Financial Assets</b>				
Trade Receivables	11,106.08	11,906.25	11,106.08	11,906.25
Cash and Cash Equivalents	2,833.74	2,082.65	5,599.70	4,969.56
Other Bank Balances	153.42	145.87	153.42	145.87
Loans	1,301.65	1,347.20	1,301.65	1,347.20
Other Financial Assets	1,08,552.09	1,07,415.22	1,08,595.81	1,07,451.22
Other Current Assets	12,617.73	11,392.51	12,621.47	11,395.95
	<b>1,43,807.71</b>	<b>1,41,173.85</b>	<b>1,46,621.13</b>	<b>1,44,100.20</b>
Assets classified as held for sale	16.75	16.40	16.75	16.40
<b>Total Current Assets</b>	<b>1,43,824.46</b>	<b>1,41,190.25</b>	<b>1,46,637.88</b>	<b>1,44,116.60</b>
<b>Total Assets</b>	<b>5,47,227.75</b>	<b>5,08,158.05</b>	<b>5,42,302.33</b>	<b>5,11,414.43</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	6,360.00	6,360.00	6,360.00	6,360.00
Other Equity	4,33,787.64	3,90,499.66	4,28,830.70	3,93,696.64
<b>Total Equity</b>	<b>4,40,147.64</b>	<b>3,96,859.66</b>	<b>4,35,190.70</b>	<b>4,00,056.64</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
Other Financial Liabilities	1,309.24	1,884.94	1,317.48	1,914.30
Provisions	40,422.91	36,696.96	40,422.91	36,696.96
Net Employee Benefit Liabilities	4,940.40	3,412.42	4,940.40	3,412.42
Deferred Tax Liabilities (Net)	14,922.99	22,316.57	14,923.00	22,316.57
Other Non-Current Liabilities	5,126.25	3,290.77	5,126.25	3,290.77
<b>Total Non-Current Liabilities</b>	<b>66,721.79</b>	<b>67,601.66</b>	<b>66,730.04</b>	<b>67,631.02</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
Trade Payables	10,957.49	9,698.50	10,959.11	9,710.11
Other Financial Liabilities	24,036.06	27,079.06	24,050.52	27,085.38
Net Employee Benefit Liabilities	1,065.06	870.81	1,065.06	870.81
Other Current Liabilities	4,299.71	6,048.36	4,306.90	6,060.47
<b>Total Current Liabilities</b>	<b>40,358.32</b>	<b>43,696.73</b>	<b>40,381.59</b>	<b>43,726.77</b>
<b>Total Liabilities</b>	<b>1,07,080.11</b>	<b>1,11,298.39</b>	<b>1,07,111.63</b>	<b>1,11,357.79</b>
<b>Total Equity and Liabilities</b>	<b>5,47,227.75</b>	<b>5,08,158.05</b>	<b>5,42,302.33</b>	<b>5,11,414.43</b>

## **Independent Auditors' Report**

**To**  
**The Members of**  
**Gujarat Mineral Development Corporation Limited**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Gujarat Mineral Development Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

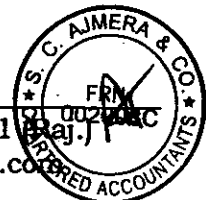
### **Management's Responsibility for the Standalone Ind AS Financial Statements**

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company 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.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



**S.C. AJMERA & CO**  
Chartered Accountants

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

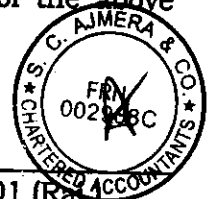
**Emphasis of Matter**

We draw attention to note no. 2.49 of the standalone financial statements wherein the company was using CERC (Terms & Conditions of Tariff) Regulations for depreciating its Wind, Solar and Thermal power plant assets. For all other assets, depreciation was being calculated as per Schedule II of the Companies Act, 2013. From 1st April, 2017, the company has discontinued to follow CERC regulations for depreciating the power plant assets and has charged depreciation based on useful life as prescribed in Schedule II of the Companies Act, 2013 and accordingly, has estimated the useful life of the power plant assets.

The said change of estimate has resulted in decrease in total depreciation to the tune of Rs. 6225.37 lakhs for the year ended 31st March, 2018 and increase in profit before tax for the year ended that date by the same amount.

The above change in estimate would also have impact on future accounting periods for which estimation is currently impracticable.

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



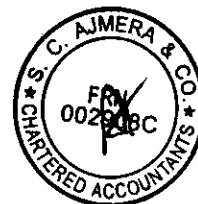


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Chartered Accountants

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**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 Act, 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 Act, 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 Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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 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 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 Ind AS financial statements- Refer Note 2.37 to the Standalone Ind AS financial statements.



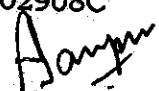
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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place:- Ahmedabad  
Date:- 09.05.2018

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

  
Arun Sarupria - Partner  
M. No. 078398



**ANNEXURE 'A' TO THE AUDITORS' REPORT**

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

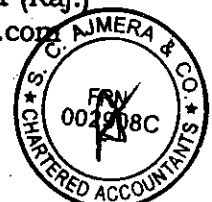
The Annexure referred to in Independent Auditors' Report to the members of Gujarat Mineral Development Corporation Limited ("the Company") on the standalone Ind AS financial statements for the year ended 31 March, 2018.

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 stock and book stock 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.
- 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

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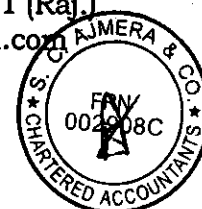
**S.C. AJMERA & CO**  
Chartered Accountants

provisions of sections 73 to 76 and other relevant provisions of the Companies Act and the rules framed there under, where applicable. Thus, the clause (v) of paragraph 3 of the order is not applicable to the company.

- vi. In pursuant to the order made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, the company has made and maintained the prescribed accounts and records.
- vii. In respect of statutory dues
- a. According to the information and explanations given to us, and on the basis of our examination, the company is generally regular in depositing undisputed statutory 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	Jan-14 Nov-15	0.65	Appellate Tribunal
Service Tax	Service Tax	Dec-15 to Aug 16	0.39	Appellate Tribunal
Central Excise Act, 1944	Excise	Jan 14-Dec 14	16.03	Appellate Tribunal
Central Excise Act, 1944	Excise	May 15-Jan 16	1.23	Appellate Tribunal
Central Excise Act, 1944	Excise	Mar 11-April 15	38.77	Appellate Tribunal
Central Excise Act, 1944	Excise	2015-16	450.58	Appellate Tribunal

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**S.C. AJMERA & CO**  
**Chartered Accountants**

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- 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. According to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi 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 Ind AS 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. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place:- Ahmedabad  
Date:- 09.05.2018



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

*Arun*  
Arun Sarupria - Partner  
M. No. 078398

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**Annexure 'B' to the Auditors' Report**

***Report on Internal Financial Controls over Financial Reporting***

**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 Development Mineral Corporation Limited** ("the Company") as of March 31, 2018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

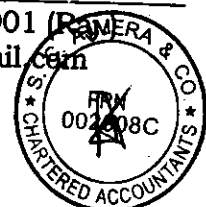
**Management's Responsibility for Internal Financial Controls**

The Company's management 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. 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



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Chartered Accountants

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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 Ind AS 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.

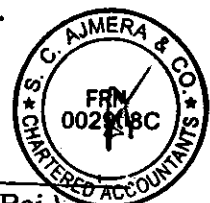
**Meaning of Internal Financial Controls Over Financial Reporting**

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 Ind AS 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 Ind AS 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.



**S.C. AJMERA & CO**  
Chartered Accountants

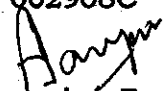
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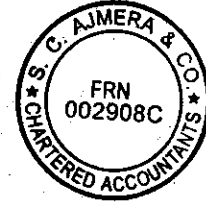
**Opinion**

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, 2018, 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.

Place:- Ahmedabad  
Date:- 09.05.2018

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

  
Arun Sarupria - Partner  
M. No. 078398





**S.C. AJMERA & CO**  
Chartered Accountants

**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 Ind AS Financial Statement of Gujarat Mineral Development Corporation Ltd. ("The Company") dated 09.05.2018 we have reported on Directions and Sub-direction under section 143(5) of the Companies Act, 2013 applicable for the year 2017-18, as under:

**ANNEXURE-2(I)**

**Directions under Section 143(5) of Companies Act, 2013 Applicable for the year 2017-18**

Sr. No.	Directions/Questions u/s 143(5)	Action Taken	Impact on Accounts and Financials
1	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	Yes, the Company has clear title/lease deeds for freehold and leasehold land respectively.	No impact
2	Whether there are any cases of waiver/ write off of debts/loans/interest etc. If yes, the reasons there for and the amount involved.	As informed to us, the company has written off Debit Balances of Rs. 23.52 Lakhs in the books of accounts. In the opinion of the management, such amounts are no longer receivable.	No impact
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift/grant(s) from the Government or other authorities.	Yes, proper records are maintained by the company for inventory lying with third parties and no asset is received as gift from Government or other authority, as informed to us.	No impact

Place: Ahmedabad  
Date: 09.05.2018

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

*Arun Sarupria*  
Arun Sarupria - Partner  
M. No. 078398

