



RAJASTHAN STATE MINES & MINERALS LIMITED

(A Government of Rajasthan Enterprise)

Board of Directors

as on 01.12.2013

Shri C. S. Rajan	Chairman
Shri Sunil Arora	Director
Shri Shailendra Agarwal	Director
Dr. Govind Sharma	Director
Shri Sudhansh Pant	Director
Shri A.C. Wadhawan	Director
Shri D. S. Maru	Director
Shri Ashok Bhandari	Managing Director

Financial Advisor

Shri M.L. Tailor

Registered Office

C-89-90, Janpath,
Lal kothi Scheme, Jaipur-302015

Company Secretary

Shri Rajendr Rao

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Auditors

M/s. P. C. Modi & Company
Chartered Accountants

Bankers

IDBI Bank
ICICI Bank
State Bank of India
Punjab National Bank

Corporate Office

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NOTICE

NOTICE is hereby given that the 66th Annual General Meeting of the shareholders of the company will now be held on Monday, 30th December 2013 at 11.00 A.M at the Committee Room No.1, Secretariat, Jaipur – 302015 (Rajasthan) to transact the following business :-

Ordinary Business

1. To receive, consider and adopt the Balance Sheet as on 31st March, 2013, Statement of Profit and Loss for the year ended on that date, the Auditors' Report thereon and the Report of the Board of Directors;
2. To declare dividend for the financial year 2012-2013;
3. To fix the remuneration of the statutory auditors and
4. To appoint a Director in place of Shri A.C. Wadhawan who retires by rotation under Article 103 of the articles of association of the company and is eligible for reappointment.

Special Business

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT Shri Shailendra Kumar Agarwal , retiring at this Annual General Meeting, having been appointed as an Additional Director, being eligible and offering himself for appointment and in respect of whom the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature, be and is hereby appointed a Director of the Company, liable to retire by rotation"

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT Shri D.S. Maru, retiring at this Annual General Meeting, having been appointed as an Additional Director, being eligible and offering himself for appointment and in respect of whom the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature, be and is hereby appointed a Director of the Company, liable to retire by rotation"

7. To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution :

"RESOLVED THAT in pursuant to the provisions of Section 293(1)(e) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the board of Directors of the Company (hereinafter referred to as "the Board") be and is hereby authorised to contribute, from time to time, to charitable and other funds not directly relating to the business of the company or the welfare of its employees, such amount or amounts, as the Board may in its absolute discretion deem fit subject to maximum limit of Rs. 90 crores in any financial year.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary and / or expedient for implementing and giving effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard on behalf of the Company."

By order of the Board
Rajasthan State Mines and Minerals Limited

(Rajendr Rao)
Company Secretary

Place: Udaipur

Date: December 05, 2013

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

The Board of Directors of the company had appointed Shri Shailendra Kumar Agarwal, Principal Secretary to the Government of Rajasthan, Department of Energy at their meeting held on 28th November, 2013 as additional director. As per the provisions of Section 260 of the Companies Act, 1956 read with Articles of Association of the company, the above named director shall hold office only till the date of the forthcoming Annual General Meeting.

Notice have been received from one of the shareholders as required under Section 257 of the Companies Act, 1956 proposing name of Shri Shailendra Kumar Agarwal, as candidate for office of director.

The Director seeking appointment / re-appointment may be deemed to be concerned or interested in the respective resolution concerning his appointment / re-appointment.

Item No. 6

The Board of Directors of the company had appointed Shri D.S. Maru, Director, Directorate of Mines & Geology, Government of Rajasthan at their meeting held on 28th November, 2013 as additional director. As per the provisions of Section 260 of the Companies Act, 1956 read with Articles of Association of the company, the above named director shall hold office only till the date of the forthcoming Annual General Meeting.

Notice have been received from one of the shareholders as required under Section 257 of the Companies Act, 1956 proposing name of Shri D.S. Maru as candidate for office of director.

The Director seeking appointment / re-appointment may be deemed to be concerned or interested in the respective resolution concerning his appointment / re-appointment.

Item No. 7

Under Section 293(1)(e) of the Companies Act, 1956 ("the Act"), the Board of Directors of a public company cannot except with the consent of its Members, contribute to charitable and other funds not directly relating to the business of the company or the welfare of its employees and amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the provisions of sections 349 and 350 during the three financial year immediately preceding, whichever is greater. The Board of Directors of the Company proposed to obtain the enabling approval of the Members of the company for making contribution to charitable and other funds not directly relating to the business of the company or the welfare of its employees, during any financial year, for an amount of upto Rs. 90,00,00,000/- (Rupees Ninety core only) which exceeds the limit prescribed.

As the Members may be aware, the Company has always believed in strengthening and uplifting the communities across the country. With an ongoing focus on health for all and assistance to poor people, the Company would like to earmark funds for its 'Social Responsibility Initiatives' and hence the above recommendation for making contribution to charitable and other funds. Since amount proposed to be contributed exceeds the limit laid down under sec 293(1)(e), consent of shareholders is required.

The Directors, therefore, recommend the proposed Ordinary Resolution as set out in the Notice. None of the Directors of company is, concerned or interested in the said Ordinary Resolution.

By order of the Board
Rajasthan State Mines and Minerals Limited

(Rajendr Rao)
Company Secretary

Place: Udaipur
Date: December 05, 2013

NOTE :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.



DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors are pleased to present the 66th Annual Report on the business and operations of your company together with the Audited Statement of Accounts and Auditors' Report for the year ended on 31st March, 2013.

Financial Year 2012-2013

The Indian economy grew at its slowest pace in a decade in 2012-13, Economic growth rate slowed to around 5.0% in the fiscal on account of poor performance of manufacturing, agriculture and service sector. It is to be noted that India's GDP grew by an outstanding 9.3% in 2010-11. Thus, the growth rate has nearly halved in just three years. This has posed another challenge for the Government to revive growth.

Despite of the slowdown in Indian economy and reported lower industrial growth, your company has been continuing to achieve excellent results in terms of total revenue, turnover and profitability. This have been achieved due to better realization of price, efficient management, and optimisation of resources and dedicated human resources.

Performance highlights during the reporting year are summarized below -

- | The total revenue came down to ₹ 1327.97 Crores, from previous year's revenue of ₹ 1340.30 Crores, showing a marginal decrease of 0.92 % as compared to the previous year.
- | The Profit Before Tax (PBT) stood at ₹ 615.83 Crores as against the PBT of Rs. 408.99 Crores earned during the previous year, which is 50.57% higher than the previous year's profit.
- | The company's Profit After Tax (PAT) stood at ₹ 410.94 Crores which is higher by 46.09% over the previous year's PAT of ₹ 281.30 Crores.
- | Earnings per Share (EPS), which indicates return on shareholders' investment, stood at ₹ 52.99 per share as compared with previous year's earning of ₹ 36.27 per share, registering growth of 46.09 % over the previous year.
- | The output per employee, which is one of the key indicators for human resource productivity, also stood at the level of ₹ 73.29 Lac per employee as compared to ₹ 71.23 Lac during the previous year.

Financial Outcome

The financial performance as compared to the previous fiscal year is depicted below-

	(Rs. in lakhs)	
Particulars	2012-13	2011-12
Profit after Interest but before Depreciation and Prior period Adjustments.	47744.69	47985.39
Depreciation & amortisation	(5699.02)	(6298.38)
Prior Period Adjustments	(0.467)	(802.17)
Profit Before Tax	42045.20	40884.84
Provision for Current Tax	(17670.00)	(14000.00)
Tax Adjustment of Earlier Years	(3988.66)	30.36
Exceptional Items	19537.52	14.99
Deferred Tax Provision	1170.06	1200.24
Net Profit after tax	41094.12	28130.44
Add : Balance brought forward from the previous year	67.82	42.67
Balance available for Appropriation	41161.94	28173.11
Appropriations		
- General Reserve	36600.00	24500.00
- Proposed Dividend	3877.58	3102.06
- Tax on Proposed Dividend	658.90	503.23
Balance carried forward to Next Year	25.37	67.82

Growth Indicators

	(Rs. in lakhs)	
Particulars	2012-13	2011-12
Total Revenue	132796.74	134030.06
Profit after tax	41094.12	28130.44
Net Worth	15355.12	116984.58
Basic and Diluted Earnings per Share (Rs.)	52.99	36.27
Output per Employee	73.29	71.23



Financial Resources

CAPITAL STRUCTURE

SHARE CAPITAL

Authorized and paid up share capital of the company during the financial year 2012-13 remain unchanged. The authorized capital of the company was Rs.80.00 Crores (Rupees Eighty Crores only) as on 31st March, 2013.

The paid up capital of the company as on 31st March, 2013 stood at 7,75,51,500 shares of Rs. 10/- each fully paid up, totalling to ₹ 77,55,15,000 (Rupees Seventy Seven Crores Fifty Five Lac Fifteen Thousand only).

Dividend

In view of encouraging performance of the company, your directors are pleased to recommend a dividend @ 50% of paid up share capital i.e. ₹ 5/- per share of the company for the financial year 2012-2013. Which is against 40% of paid up share capital ₹ 4/- per share paid in previous year.

Unclaimed dividend

Pursuant to Section 205A of the Companies Act, 1956, unclaimed dividend for the year 2004-2005 has been transferred during year under report to Investor Education & Protection Fund (IEPF) established by the Government of India.

Physical Performance

Strategic Business Unit & Profit Centre - Rock Phosphate

During the financial year 2012-13, production of high-grade ore (HGO) and low grade ore (LGO) was 6.95 Lac MT and 8.18 Lac MT respectively. The corresponding figures for the previous year were 9.64 Lac MT and 7.42 Lac MT respectively. The sale of Rock Phosphate stood at 7.39 Lac MT during the financial year 2012-2013 as against the sale of 11.36 Lac MT in the previous year. The total rock handling at the Jhamarkotra mines was 210.49 Lac MT against the previous year's 192.62 Lac MT.

In order to explore possibility of additional reserves in Jhamarkotra Rock phosphate deposit, an extensive plan for exploration core drilling has been formulated. This exercise will include 10,000 meters of total drilling in entire deposit extending over a strike length of about 16 Kms. This will pave way to enhancement of the life of mines and further generation of revenue.

Strategic Business Unit & Profit Centre-Lignite

Production and sale of lignite stood at 13.87 Lac MT as against 10.60 Lac MT produced and sold during 2012-2013, registering a remarkable growth of 30.84%

A preliminary work has been undertaken to re-start Kasnau pit as an integrated project at Nagaur. Production at Sonari mines, Barmer is expected to commence in the current financial year and it is expected to achieve production of 4.00 Lac MT during the financial year 2013-14.

The mine plan of Gurah West has already been approved by the Ministry of Coal. The acquisition of land of Gurah West is in progress. The production of this mine will be supplied to 70 MW lignite based power plant to be set up by the bidder already identified by Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL).

Mine blocks namely Shiv Kurla Mahabar, Sachha Sauda in Barmer district have already been allocated to the company. Obtaining necessary clearances / approval of above blocks is in progress.

Strategic Business Unit and Profit Centre – Gypsum

The production and sale of gypsum stood at 28.65 Lac MT and 28.54 Lac MT respectively in the year under report as against 33.36 Lac MT and 33.65 Lac MT in the year 2011-12. The main reason for reduction of production and sale of Gypsum was reluctance of land owners of gypsum bearing land to enter into agreement with the company at existing rate of compensation. This necessitated re-mining in certain area resulting in lower production. The sale of gypsum was lower during 2012-13 as compared to 2011-12 mainly because of the fact that major cement industries switched over to alternative sources like chemical and marine gypsum. Production in these mines is likely to commence in the current financial year 2013-14.

The company has applied for 18 mining leases of gypsum mineral in the various districts of Rajasthan which are still pending. In order to cater the need of farmers for land reclamation, the company has awarded work for installing Gypsum Grinding unit on DBOOT basis. It is expected to be completed in current financial year.

Strategic Business Unit and Profit Centre – Limestone

The steel grade limestone are produced at Jaisalmer and supplied to major steel plants in the country.

Chemical and cement grade limestone are produced from the Gotan deposit. The production and sales of limestone at Jaisalmer for the financial year stood at 22.61 Lac MT and 22.17 Lac MT for the year 2012-13 as against 27.59 Lac MT and 27.57 Lac MT respectively in the previous year. Production & despatches got setback during the year due to poor lifting of SMS grade limestone from Jaisalmer by our customers on account of cheaper import prices.

A proposal for laying down Broad Gauge line from Thaiyat Hameera to Sanu mines for smooth transportation of limestone to various steel plants is under way. The company has deposited 50% amount of estimated cost of project to the Railways. Once this line is constructed, the dependence on road transportation of limestone will be reduced and company will be able to meet increased demand at a cheaper price.

Projects and New Ventures

Wind Power Project at Jaisalmer

Your company has forayed into generation of green energy through installing wind energy farms of 106.3 MW capacities at Jaisalmer. The power to the tune of 1410 Lac units was supplied in 2012-13 to State Grid from these eco friendly projects besides contributing to reduction of CO₂ emission to the extent of 1.25 Lac tonne per year.

Carbon Credit

Various wind power projects of the company have been registered with the CDM Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC). These projects are green energy projects generating power without emitting CO₂ in the atmosphere.

During the year, the company has earned 20615 CERs that from UNFCCC for wind power CDM project towards its contribution in sustainable development and to protect global warming through green energy generation.

Company has entered into long term agreement with M/s Swedish Energy Agency for sale of CERs for two CDM projects. The company has earned revenue of ₹ 2.80 Crores by transferring CERs to M/s Swedish Energy Agency.

Desalination Project at Kasnau-Matasukh Lignite Mines, Nagaur

A desalination plant of 20 MLD has been set up at Nagaur by M/s Nagaur Water Supply Company Pvt. Ltd

(NWSCLPL) on DBOOT basis to treat brackish water of Kasnau-Matasukh project. The plant has capacity to produce 13 MLD potable water for supplying to nearby villages in Nagaur district through PHED. The production of potable water commenced on 22.05.2010 and desalinated water is being supplied by RSMML to PHED for further distribution to 120 villages of Nagaur district.

Mining in Schedule Area

The company has been assigned the responsibility of developing mineral wealth of Tribal Sub Plan (TSP) Area by the Government of Rajasthan. The company has taken several initiatives for development of mineral wealth of TSP area. The company has applied for 11 nos. of M.L for manganese deposit in Kushalgarh Tehsil of Banswara district, out of which 8 nos. of M.L. were recommended by Govt. of Rajasthan and forwarded to the Central Government for its approval. P. L. for one lease area of about 3000 hectares is also applied for Manganese. In the meantime, SAIL has shown its interest to become a joint venture partner with RSMML for manganese mining in TSP area.

The company has also executed on 12th July, 2012 a Memorandum of Understanding with Hindustan Copper Limited for development of base metal deposit in TSP and other areas in Rajasthan. This will provide impetus to the development of metal deposits in the State for the benefit of people.

Geo-chemical mapping programme

As earlier reported, a tripartite agreement has been signed among the Government of Rajasthan (GoR), Geological Survey of India (GSI), Directorate of Mines & Geology (DMG) and Rajasthan State Mines & Minerals Limited (RSMML) for geochemical mapping in 8 district of Rajasthan. Process for setting up chemical laboratory at Udaipur is in progress. The work of sampling and field work has been undertaken in the various districts of Rajasthan.

Deep-seated gypsum mining at Badwasi in Nagaur District

With the gradual depletion of surface deposits, the need for exploring alternate sources for consistent supply of Gypsum was felt. Hence, it was decided to explore the possibility of developing this deep seated Gypsum deposit at Badwasi, Nagaur and necessary steps are being taken for obtaining statutory clearances for this project.



Rajasthan State Mines & Minerals Limited

Mokala Lignite Project, district Nagaur

Your Directors are pleased to inform that Lignite Block at Mokala has been allotted to RSMML by GOI. The company is in process of availing the statutory clearances viz. approval of mine plan from Coal ministry, EIA/EMP, RSPCB etc.

New Projects

Besides above various activities like beneficiation of secondary ore, mining of chemical/cement grade Limestone, installation solar power projects are under active consideration of management.

Joint Venture Projects

RBG Mineral Industries Limited

A Memorandum of Understanding had been earlier entered into with M/s Binani Industries Ltd and M/s Gujarat Mineral Development Corporation Ltd, for setting up a multi metal project at Deri and Basantgarh. Pursuant to the above, a joint venture company namely RBG Mineral Industries Ltd (RBGMIL) was incorporated. As per the MOU and our commitments, an application for transfer of mining lease of Deri in favour of RBGMIL has already been submitted to Govt. of Rajasthan.

Subsidiary Companies

Barmer Lignite Mining Company Limited (BLMCL)

M/s Barmer Lignite Mining Company Limited (BLMCL) has been incorporated with 51% share holding of RSMML and remaining 49% equity with joint venture partner M/s Raj West Power Ltd (RWPL) for development, operation and extraction of lignite from Jalipa and Kapurdi mines block for supplying it to 1080 MW (8x135MW) power plant set up by RWPL in Barmer under Fuel Supply Agreement.

BLMCL has acquired 22347.85 bigas of private land for Jalipa Mining lease. Mining lease for the Jalipa Mining Block has been executed in favour of RSMML and the application for the transfer of same in favour of BLMCL is under process. Commercial production has already been commenced from Kapurdi lignite mine. All eight units of 135 MW each are generating power at Bhadresh in district Barmer.

The company has received in principle approval from Ministry of Road Transport and Highways (MORTH) on 24th September, 2009 for diversion of NH-15 passing through Jalipa lease area. Pre-Feasibility Report for the project has been received from the consultant

appointed by PWD (NH Division), Barmer. Preparation of Detailed Project Report (DPR) is under way and is likely to be completed soon.

Rajasthan State Petroleum Corporation Limited (RSPCL)

Rajasthan State Petroleum Corporation Limited has been formed as a wholly owned subsidiary of your company with the objective of conducting activities in the petroleum & natural gas sector. The Government of Rajasthan has approved the business line of oil refining, pipe line transport, gas retailing, city gas distribution, oil exploration, oil field support services for this company. The company has applied for allocation of a lignite block at Nagurda in Barmer-Sanchor basin for underground coal gasification to Ministry of Coal, New Delhi.

A joint venture agreement with GAIL Gas Ltd has been executed on 05.11.2012 for undertaking city gas distribution and other non-regulated business.

Foreign Exchange: Earnings and Outgo

The total foreign exchange earning was of Rs Nil and outgo was ₹ 8.45 Lac towards stores and spares, travelling and other matters.

Research & Development, Technology Absorption and Conservation of Energy

The details of conservation of energy and Research & Development and Technology Absorption as required by Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the Annexure to the Directors' Report.

Corporate Social Responsibility (CSR) Report

As a policy, your Company is committed to act in a socially responsible way to contribute to national wealth and upholding its responsibility for the environment and promoting the well-being of customers, employees, shareholders and other stakeholders. Several initiatives in this direction have been taken. RSMML is contributing generously towards rural development, education, health and other areas as a part of its Corporate Social Responsibility through various direct initiatives and contribution to Chief Minister Relief Fund.

Manpower

Human Resource Development & Training

Your company recognises human resource as the

most valuable resource and strive to provide a conducive and congenial work environment along with facilities and opportunities for growth. Your company believes that the quality of human resource is the key driver of corporate success and accords priority for Human Resource Development with emphasis on improving skill, competence and knowledge through regular training and professional development programmes. The manpower employed at the end of the financial year 2012-13 was 1701 as against 1788 employees last year.

Concern for Environment

The company is concerned for environment and has taken various steps including providing fund for undertaking various environmental management measures including pollution control and waste minimisation. Your company believes in following the all applicable environment related statutory laws and regulations. Regular water spraying at all points where dust is generated, installation of dust extraction and collection systems on drill machines, treatment of acidic water generated from beneficiation process are the measures taken for protection of environment. Periodical monitoring is done to keep the pollutants under control.

Industrial Relations

Industrial relations in all mines and offices of the company remained cordial during the year under report. The industrial relations in the company are based on principles of joint consultation and participating management. All major issues pertaining to workmen are resolved through amicable process and discussions. Efforts were made to ensure strict compliance with the safety rules and procedures. Seminars on safety were organised to educate workforce and Safety Week is also being observed in all mines every year.

Disclosure under Section 217(2A) of the Companies Act, 1956

The information required under the provision of Section 217 (2A) of the Companies Act, 1956, read with the Companies' (Particulars of Employees) Rules, 1975, as amended from time to time is nil.

Audit Committee

The Audit Committee of the company constitutes Shri Sunil Arora, Shri Sudhansh Pant and Shri A. C. Wadhawan.

The roles & terms of reference, the authority and the powers of the Committee are in conformity

with the requirements under section 292A of the Companies Act, 1956.

Directors' Responsibility Statement

The Companies Act, 1956 requires the Board of Directors of the Company to prepare accounts for each financial year giving a true and fair view of the state of affairs of the company and the profit and loss of the company for that period. The directors to the best of their knowledge and explanation state that:

- (i) In preparing the annual accounts, the applicable accounting standards have been followed and there is no material departure from the Accounting Standards.
- (ii) The Accounting Policies adopted have been consistently applied and, wherever necessary, made judgements 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 the financial year and of the profit of the company for the year under review;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The annual accounts have been prepared on a going concern basis.

Directors

Article 99(i) and 100 of the Articles of Association of the company empower the Governor of Rajasthan to appoint directors on the Board of the company. In exercise of the same, GoR has appointed Shri Ashok Bhandari, Managing Director in place of Shri Ajitabh Sharma w.e.f. 8th August, 2013.

The Board places on record the valuable contribution made by the outgoing director in the growth of the company.

Auditors

The appointment of Statutory Auditors is made by the Comptroller & Auditor General of India, New Delhi. M/s P. C. Modi & Company, Chartered Accountants, Jaipur was appointed to audit Annual Accounts for the financial year 2012-13. Further, M/s Om Agrawal & Company, Jaipur have been appointed as Statutory



Rajasthan State Mines & Minerals Limited

Auditor for the year 2013-14.

Your Directors request you to authorise the Board of Directors to fix the remuneration of the auditors to be appointed by the Comptroller and Auditor General of India under Section 619 of the Companies Act, 1956 for the financial year 2013-14.

The board of directors of the company appointed M/s M/s Mehta & Associates, Cost Accountants for conducting audit of cost accounts of wind farm and M/s R.K. Bhandari & Company, Cost Accountants for cost audit of SBU PC Lignite of the company for the financial year 2012-13. The company has filed with the Ministry of Corporate Affairs (MCA), Govt. of India, the Cost Audit Report and Compliance Report for the financial year 2011-12 for Wind Farm of the company on 28.02.2013 and 09.03.2013 as against the last date of filing on 28 February, 2013.

Acknowledgement

The Directors gratefully acknowledge and express their gratitude for valuable co-operation and continued support extended by the various Government Department, Financial Institutions, Bankers, Consultants and Customers. Your Directors also take this opportunity to thank CAG of India and Statutory Auditors for their co-operation and guidance.

Your company always holds the commitment and competence of its people in a very high esteem and considers it as one of its greatest strength. Your Directors place on record their sincere appreciation for all employees of the company for their contribution, co-operation and unstinted support towards the overall growth of the company.

For and on behalf of the Board

C.K. Mathew
Chairman

Place : Jaipur
Date : 04.09.2013

ANNEXURE TO THE DIRECTORS' REPORT

Particulars pursuant to the provisions of Companies (Disclosure of particulars in the Report of Directors) Rules, 1988

A. Conservation of Energy

a) Energy Conservation Measures taken :

RSMML has already taken initiatives towards energy conservation. The company has exhibited tremendous concern for trimming its energy consumption so as to be the least cost producer in the segments in which it operates.

- | Installation of energy efficient High pressure Grinding Rolls resulted in reduction of energy consumption at Industrial Beneficiation Plant.
- | Energy audit has been carried out through Petroleum Conservation Research Association (PCRA). PCRA has submitted the report and suggested the energy conservation opportunities, which are being implemented. Energy audit has been carried out through Petroleum Conservation Research Association (PCRA).
- | Installation of inverter results in less consumption of energy and saving in the energy.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy;

- | Investment proposal amounting to ₹ 20.00 lacs has been identified and being implemented for reduction of energy consumption.
- | Luminaries like HPMV/Halogen Lamps etc. are being replaced with high efficiency lamps like HSPB/Metal Halide/ LED to save energy.
- | Existing low efficiency motors are being replaced with high energy efficient motors and this will result in further saving in energy.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

- | Cost saving achieved due to low cost power from wind mills, Jaisalmer.

- | Reduction of energy consumption from 49 KWH to 32 KWH/MT of LGO feed and consequent impact on the cost of production of Beneficiated Rock Phosphate.
- | Higher power factor is maintained for achieving savings in the energy consumed from AVNL and also getting handsome rebate per month in the electricity bills.

B. Technology Absorption

Research and Development (R&D)

1. Specific areas in which R&D carried out by the company.

R&D efforts in the following areas strengthened the company's operation through technology absorption, adaptations & innovation.

- (a) A research project has been awarded to MPUA&T, Udaipur for ₹ 11,62,500/- for three years to increase agronomic efficacy of secondary ore which is being produced as intermediate product and presently not used. The quantity is about 50 lakhs tonnes.
- (b) PROM Technology – Standardization of PROM is under progress. Company has an ambitious plan to adopt the villages in and around the mines of respective SBU for extension works of the PROM technology which in turn will save the subsidy burden by reducing the fertilizer requirement.
- (c) Converting the tailing rejects of IBP to direct application fertilizer as source of Magnesium in acidic soils. The results of trials under taken by Horticulture Research Station, Ooty are encouraging for three years. The Government of Tamilnadu has considered using the tailing as source of magnesium.
- (d) Productivity studies of HEMM at Jhamarkotra Mines.
- (e) Beneficiation of secondary rock-phosphate.
- (f) Development of appetite for use as semi precious stone.
- (g) Making the use of fine size limestone gitti produced at Jaisalmer.
- (h) Utilization of saline water encountered while mining of lignite in Kasnau – Matasukh mines. Desalination plant is installed and commissioned.



Rajasthan State Mines & Minerals Limited

(i) Linking up the PROM technology with Biogas technology using lignite residues generated while handling the lignite. The work is being carried out at Maharana Pratap University of Agriculture & Technology, Udaipur.

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

- a) Strengthening of market share
- b) Converting waste into useful product
- c) Conservation of mineral.

3. Future plan of action

- a) Energy efficient process
- b) Massive plantation of Jetropha plants in company's leased area for bio-diesel production
- c) Forms of customized products.

4. Expenditure on R&D

(i) Capital	Rs. NIL
(ii) Recurring	Rs. 90.50 Lac
(iii) Total R&D expenditures as percentage of total turnover	0.068 %

C. Technology absorption, adaptation and innovation

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

- a) Company has developed the low cost organic fertilizer "PROM"

b) Two patents have been filed by the Company jointly with MLS University, Udaipur under the title i) "process for making slow release phosphate fertiliser." ii) "An eco-friendly process for making EPSOM and Gypsum."

2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

- i) Above efforts helped in satisfying the consumer needs as well as business requirements by introducing new products. Dissemination of PROM technology will bring down the import of phosphoric fertilizers.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information are furnished as under.

- a) Technology imported. - Nil
- b) Year of import - NA
- c) Has techno/logy been fully absorbed? - NA
- d) If not fully absorbed, - NA

areas where this

has not taken place, reasons therefore and future plans of action.

ADDENDUM TO THE DIRECTORS' REPORT

(Under Section 217 of the Companies Act, 1956)

Clarifications on the remarks contained in the Auditors' Report are as under:

- (i) As in the opinion of the company, the development charges are not refundable, therefore the company did not accept the demand and accordingly no liability on this account has been provided for. However, the company has disclosed the amounts of demand as contingent liability.
- (ii) The company has provided liability for excess over burden handled by the contractor during the contract period of 7 years on the basis of recommendations of the sub-committee of the Board which were accepted by the Board of Directors in its 382nd meeting held on 21st July, 2011. Accordingly, in our opinion liability has adequately been provided.

For and on behalf of the Board

C.K. Mathew
Chairman

Place : Jaipur
Date : 04.09.2013



INDEPENDENT AUDITOR'S REPORT

To

The Members

Rajasthan State Mines & Minerals Limited

Report on Financial Statements

We have audited the accompanying financial statements of **Rajasthan State Mines & Minerals Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Basis of Qualified Opinion

- (i) **The Development Charges on Gypsum and Limestone of ₹ 21.31 crores were refunded back by the government to the Company in the year 2006-07 as the levy of development charges was withdrawn since 1.04.2006. However, the said levy of ₹ 21.31 crores was recovered from the buyers while raising the bills/invoices. The Company had received certain claims from the buyers, as informed by the Company, amounting to ₹ 2.37 crores but the liability has not been provided. The total impact is that the Reserves and Surplus has been overstated by a total of ₹ 2.37 crores, Current Liabilities understated by ₹ 2.37 crores and Contingent Liabilities under the head 'Claims against company not acknowledged as debt' overstated by ₹ 2.37 crores.**
- (ii) **The Contractor M/s National Construction Company has raised a claim based on the terms of contract between the Company and the Contractor, for Excess Wastage Handling Remuneration which has not been adequately provided for by the Company in its books of accounts. The claim has been provided for at ₹ 19.25 crores in the financial year 2009-10 instead of ₹ 39.06 crores resulting into short provision of ₹ 19.81 crores. The total impact is that Reserves and Surplus has been overstated by a total of ₹ 19.81 crores, Current Liabilities understated by ₹ 19.81 crores and Contingent Liabilities under the head 'Claims against company not acknowledged as debt' overstated by ₹ 19.81 crores.**

- (iii) We further report that had the observations made by us in sub para nos. (i) and (ii) above, been considered Reserves & Surplus would have been ₹ 1446.61 crores (as against ₹ 1468.79 crores as reported by the Company), Current Liabilities would have been ₹ 1261.93 crores (as against ₹ 1239.75 crores as reported by the Company), Contingent liabilities, under the head 'Claims against company not acknowledged as debt', would have been ₹ 466.59 crores (as against ₹ 488.77 crores as reported by the Company).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the **Annexure** a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read with Significant Accounting Policies & Notes on Accounts as referred in Notes 1-40 comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and
 - e) in accordance with the Notification No. GSR 829(E) dated 21 October, 2003 issued by the Ministry of Finance- Department of Company Affairs the provisions of section 274(1)(g) of the Companies Act 1956 regarding disqualification of directors are not applicable to Rajasthan State Mines & Minerals Limited being a Government Company.
 - f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For P.C. Modi & Co
Chartered Accountants
FRN: 000239C

Place: Jaipur
Date: 23rd August, 2013

(Bharat Sonkhiya)
Partner
Membership No. 403023



THE ANNEXURE REFERRED TO IN OUR REPORT TO THE
MEMBERS OF RAJASTHAN STATE MINES & MINERALS LIMITED
(‘THE COMPANY’) FOR THE YEAR ENDED 31ST MARCH, 2013

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we report that:

- i. In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management during the year. There is a phased programme of physical verification of fixed assets by the management which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
 - (c) In our opinion the Company has not disposed off any substantial/major part of fixed assets during the year and the going concern status of the Company is not affected.
- ii. In respect of its inventories:
 - (a) As explained to us, the inventory has been physically verified by the management at regular intervals during the year.
In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to size of the Company and nature of its business except few instances as mentioned above.
 - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company has maintained proper records of inventory. And discrepancies noted on physical verification between the physical stock and the books records were not material in relation to operations of the Company and have been properly dealt with in the books of accounts.
- iii. We are informed that the Company has neither granted nor taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clauses iii (b), iii (c) and iii (d) of paragraph 4 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods except in case of reconciliation of old outstanding balances appearing in the books of accounts of the Company relating to E-RSMDC and others. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor we have been informed of any instance of continuing failure to correct major weaknesses in the aforesaid internal control procedure.
- v. Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, Clause 4(v) (b) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.

RAJASTHAN STATE MINES & MINERALS LIMITED

- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business. However, the system of Internal Audit needs to be strengthened in terms of timely completion and prompt remedial action. Also, scope of Internal Audit need to be enlarged.
- viii. We are informed that cost records are under the process of preparation. Hence, we have not reviewed the books of account required to be maintained by the Company pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under clause (d) of subsection (1) of Section 209 of the Act. Considering the same, we are not able to give opinion on maintenance of cost records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, the undisputed statutory dues in respect of the Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, etc., to the extent applicable and required, have been regularly deposited by the Company during the year with the appropriate authorities except the following which are outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable:

S.No.	Nature of dues	Amount (₹ In lacs)
1.	Royalty payable to DMG including Dead Rent(Gypsum)	201.02
2.	Development Charges payable to DMG (Gypsum)	22.04
3.	Royalty payable to DMG (Jaisalmer)	175.06
4.	Royalty payable to DMG (Rock Phosphate)	3724.31
5.	Premium Charges payable to DMG (Gypsum)	72.21
6.	M. R. Cess (Gypsum)	2.81
7.	Land Tax (wind mills, Banswara, Dungarpur, Gypsum)	2811.13
8.	Entry Tax	165.28
9.	Interest on late deposition of Royalty payable to DMG (Gypsum)	46.14
10.	Contribution to CPF	1.16
	Total	7221.16

- (b) As at 31st March, 2013 according to the records of the Company, the following are the particulars of disputed dues on account of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, etc. that have not been deposited (net of refund adjustments):

S.No.	Name of Statute	Amount (₹ in Lacs)	Forum where dispute is pending
1.	MP Sales Tax	6.22	Commissioner of Sales Tax, Chhattisgarh
2.	Rajasthan Sales Tax	45.13	Rajasthan Tax Board, Ajmer
3.	Entry Tax	411.09	Dy. Commissioner (Appeal)
4.	Land Tax	191.03	RTB, Ajmer
	Total	653.47	



Rajasthan State Mines & Minerals Limited

- x. The Company has neither accumulated losses as at 31st March, 2013 nor has it incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- xi. During the year the Company has not taken any loans from financial institutions, banks or debenture holders. Therefore, the said clause is not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to Chit Fund and Nidhi/Mutual Benefit Fund/Securities as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- xiv. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable.
- xv. The Company has not given any guarantees, for loan taken by others from banks or financial institutions during the year.
- xvi. During the year the Company did not obtain any term loan.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money by public issue during the year.
- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For P.C. Modi & Co
Chartered Accountants
FRN: 000239C

Place: Jaipur
Date: 23rd August, 2013

(Bharat Sonkhiya)
Partner
Membership No. 403023

BALANCE SHEET AS AT 31st MARCH, 2013

(Amt in ₹)

Particulars	Note No.	As at 31st March, 2013		As at 31st March, 2012	
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	2	77,55,15,000		77,55,15,000	
(b) Reserves & Surplus	3	1468,79,17,793	1546,34,32,793	1103,21,63,034	1180,76,78,034
2 Non-Current Liabilities					
(a) Long-term Borrowings	4	0		55,62,500	
(b) Deferred tax Liabilities(Net)	5	66,78,86,626		78,48,92,640	
(c) Other Long term Liabilities	6	5,26,88,746		6,82,36,615	
(d) Long-term Provisions	7	43,46,22,076	115,51,97,448	35,26,81,056	121,13,72,811
3 Current Liabilities					
(a) Trade Payables	8	82,37,96,976		53,27,52,903	
(b) Other Current Liabilities	9	927,70,55,673		1256,32,22,918	
(c) Short-term Provisions	10	229,66,77,248	1239,75,29,897	189,67,12,517	1499,26,88,338
TOTAL			2901,61,60,138		2801,17,39,183
II ASSETS					
1 Non-current assets					
(a) Fixed Assets					
(i) Tangible Assets	11	545,50,67,156		584,02,50,949	
(ii) Capital Work-in-Progress		56,90,777		5,42,77,461	
(b) Non-current Investments	12	1,28,45,004		1,28,45,004	
(c) Long-term loans and advances	13	189,96,28,330		123,93,84,686	
(e) Other non-current assets	14	13,30,77,898	750,63,09,165	12,21,23,955	726,88,82,055
2 Current Assets					
(a) Inventories	15	156,17,13,178		70,74,03,598	
(b) Trade Receivables	16	142,76,11,893		171,09,29,410	
(c) Cash & Bank Balances	17	936,56,05,931		703,41,48,985	
(d) Short term Loans & Advances	18	731,70,43,847		950,50,22,488	
(e) Other Current Assets	19	183,78,76,124	2150,98,50,973	178,53,52,647	2074,28,57,128
TOTAL			2901,61,60,138		2801,17,39,183

Significant Accounting Policies 1

Notes to Accounts 2-40

In terms of our report of even date

Sudhansh Pant
 Director

For and on behalf of the Board
Ashok Bhandari
 Managing Director

For P.C. Modi & Co.
 Chartered Accountants
 FRN: 000239C

M.L. Tailor
 Financial Advisor

Rajendr Rao
 Company Secretary

Bharat Sonkhiya
 Partner
 Membership No. 403023

 Place: Jaipur
 Date: 23rd August, 2013



Rajasthan State Mines & Minerals Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2013

(Amt. in ₹)

Particulars	Note No.	2012-13	2011-12
INCOME			
I Revenue from operations	20	1246,69,40,757	1273,63,23,221
II Other Income	21	81,27,33,336	66,66,82,562
III Total Revenue (I+II)		1327,96,74,093	1340,30,05,783
IV EXPENSES			
Purchase of Ore		69,58,70,994	15,61,65,507
Changes in inventories of finished goods & Others	22	-84,80,64,224	-15,01,43,805
Employee benefit expenses	23	131,15,90,018	135,40,27,748
Finance costs	24	7,65,84,433	12,21,11,428
Depreciation & Amortisation expense		56,99,02,336	62,98,37,976
Other Expenses	25	726,92,23,921	712,23,06,270
Total Expenses		907,51,07,478	923,43,05,124
V Profit before Prior Period Adjustments, Exceptional Items & Tax		420,45,66,615	416,87,00,659
Prior Period Adjustments (Net)	26	46,608	8,02,16,462
VI Profit before Exceptional Items & Tax		420,45,20,007	408,84,84,197
Exceptional items	27	195,37,52,060	14,99,999
VIII Profit Before Tax		615,82,72,067	408,99,84,196
IX Tax expense:			
Current Tax		176,70,00,000	140,00,00,000
Tax of earlier years		3988,66,435	-0,30,35,661
Deferred Tax		-11,70,06,014	-12,00,24,397
X Profit for the year (VIII-IX)		410,94,11,646	281,30,44,254
XI Earning Per equity share			
Basic and Diluted	28	52.99	36.27
Face value Per equity share		10.00	10.00
Weighted Average Number of Equity Shares		77551500	77551500

Significant Accounting Policies

1

Notes to Accounts

2-40

In terms of our report of even date

For and on behalf of the Board

Sudhansh Pant
Director

Ashok Bhandari
Managing Director

M.L. Tailor
Financial Advisor

Rajendr Rao
Company Secretary

For **P.C. Modi & Co.**
Chartered Accountants
FRN: 000239C

Bharat Sonkhiya
Partner
Membership No. 403023

Place: Jaipur
Date: 23rd August, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

(Amt in ₹)

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
A Cash Flow From Operating Activities		
Net Profit Before Tax & Exceptional Items	6158272067	4089984196
Adjustments For :		
Depreciation	569902336	629790006
Miscellaneous Expenditure written off	2134265	2449389
Miscellaneous Expenditure paid	(835800)	(1883941)
Reversal of dimunition in value of shares		(1499999)
Interest received	(651343419)	(593557585)
Dividend Income	(10000)	(10000)
Interest expenditure	75965719	122055861
Impaired/Obsolesion loss on assets	958719	1792604
Fixed and other Assets Written Off	28812	134562
Profit/Loss on sale of Fixed Assets (Net)	(2478440)	(5677808)
	91025	159361922
Operating Profit Before Working Capital Change	6152594259	4249346118
Change In Working Capital (Excluding Cash & Bank Balance)		
Inventories	(854309580)	(151407063)
Trade receivables	283317517	(708261482)
Loans & advances & other assets	984895803	(1922905597)
Trade payables, other liabilities and provisions	(2988893009)	(2574989269)
	3701446049	918871907
Cash Generated From Operation	3577604990	5168218025
Less: Direct Taxes Paid net of refund(including TDS)	(1789425756)	(872405284)
Net Cashflow From Operating Activities	1788179234	4295812741
B Cash Flow From Investing Activities		
Addition/Price revision in Fixed Assets	311332312	(3301128696)
Sale of Fixed and Other Assets	22649368	1547918
Dividend Income	10000	10000
Investment in Share application money	0	(10000000)
Interest Income	651343419	593557585
Net Cash (Used) In/From Investing Activities	985335099	(2716013193)
C Cash Flow From Financing Activities		
Payment of Dividend	(310206000)	(155103000)
Payment/adjustment of Corporate Dividend Tax	(50323168)	(25161584)



Rajasthan State Mines & Minerals Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Contd ...

	Year Ended 31.03.2013	Year Ended 31.03.2012
Refund/Adjustment of Deferred Payment Credit	(5562500)	(10632000)
Interest paid	(75965719)	(122055861)
Net Cash (Used) In/From Financing Activities	(442057387)	(312952445)
D Net Change In Cash & Cash Equivalents(A+B+C)	2331456946	1266847103
E Cash & Cash Equivalents at beginning of the year	7034148985	5767301882
F Cash & Cash Equivalents at end of the year	9365605931	7034148985

Net Change In Cash & Cash Equivalent (F-E) 2331456946 1266847103

Notes: ₹ In lac ₹ In lac

1 Cash & Cash Equivalent held by the Company and not available for use by it. 6769.98 7033.37

2 Cash Flow has been prepared under indirect method as set out in AS-3 issued by the Institute of Chartered Accountants of India.

3 Addition/Purchase of Fixed Assets includes movement of Capital Works in Progress & Capital Advances during the year.

4 Previous Year's figures have been recasted/regrouped, wherever necessary, to conform to the current years' presentation.

In terms of our report of even date

For and on behalf of the Board

Sudhansh Pant
Director

Ashok Bhandari
Managing Director

M.L. Tailor
Financial Advisor

Rajendr Rao
Company Secretary

For P.C. Modi & Co.
Chartered Accountants
FRN: 000239C

Bharat Sonkhiya
Partner
Membership No. 403023

Place: Jaipur
Date: 23rd August, 2013

ACCOUNTING POLICIES

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of the preparation of the Financial Statement :

The Financial Statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

1.2 Valuation of Inventories, Stores & Spares:

(a) Inventory :

The valuation of inventories is carried out on the principle of net realizable value or cost of production whichever is less.

(b) Stores & Spares :

Stores and Spares are valued at their weighted average cost.

(c) CERS/ VERs in hand

CERS/VERs are valued at cost incurred for their certification or net realisable value whichever is lower.

1.3 Shortages found on physical verification of materials are being accounted for considering the nature of material and the volume of shortages.

1.4 (a) Obsolete spares, stores are taken at Nil value.

(b) Obsolete Equipment, Machinery and other fixed assets have been valued at lower of estimated realizable value or carrying cost in accordance of with AS-28-“Impairment of Assets”.

1.5 Fixed Assets & Depreciation

(a) The value of "Gross Block" of fixed assets represents the cost of acquisition including taxes, duties, expenditure on installations, attributable to pre-operative expenses including borrowing cost and other identifiable direct expenses incurred up to the date of commercial use of assets.

(b) Depreciation has been provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

(c) Depreciation on High Grade Ore crushers at Jhamarkotra Mines has been provided for treating as a part of surface mining machinery.

(d) Cost of leasehold land is amortized over the period of lease.

(e) Cost of freehold mining land remained unusable after excavation of minerals is amortized on the basis of minerals actually produced during the year to the total estimated mineable reserves reckoning from the year in which regular production is commenced.

(f) Depreciation on Tailing Dam has been provided for on written down value method considering the useful life of seven years based on technical estimation.

(g) Assets costing up to Rs. 5,000/- each are fully depreciated in the year of purchase/installation.

(h) Depreciation on assets not owned by the Company is amortized over a period of five years from the year of completion.

1.6 Additional liability, if any, in respect of taxes and duties is accounted for when such liability is ascertained with reasonable certainty.

1.7 Retirement Benefits

(a) Provident Fund & Pension Fund of the Regional Provident Fund Commissioner are a defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund



Trust and Regional Provident Fund Commissioner respectively are charged to the statement of profit and loss.

- (b) Gratuity liability is defined benefit obligations and is provided for on the basis of actuarial valuation and is being funded every year through policy of L.I.C. of India.
- (c) Liability of leave encashment is accounted for on the basis of actuarial valuation.
- (d) Actuarial gains and losses are charged to statement of profit and loss .
- (e) Payments made under the Voluntary Retirement Scheme are charged to the statement of profit and loss as and when incurred.

1.8 Assests and Liabilities in foreign currency are translated at the rates prevailling at the close of the year.

1.9 Investments

- (a) Long term investments are valued at cost less provisions, if any, for diminutions, other than temporary, in the value of such investments.
- (b) Equity shares of Joint Sector/Assisted Sector are valued at token value of ₹1 except shares in Mayur Inorganics Ltd., Rajasthan Rashtriya Chemicals & Fertilizers Limited and Tedco Granite Ltd. which have been valued at lower of cost and realizable value.

1.10 Revenue Recognition

- (a) Revenue from the sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.
- (b) Insurance & other claims including liquidated damages/refunds etc. are accounted for on acceptance/actual receipt basis, if there is uncertainty in realization of such income.

1.11 Taxation

Income tax expenses comprise of current tax & deferred tax charge or credit. Current tax is provided on the taxable income, by applying the prevailing rates and tax laws. The deferred tax for timing difference between the book and taxable profit for the year is accounted using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred Tax Assets arising from the timing difference are recognized to the extent there is reasonable certainty that sufficient future taxable income will be available.

1.12 Forest Plantation & Environment

Expenditure on afforestation including payments made to forest department is written off in the year in which the same is incurred.

1.13 Deferred Revenue Expenditure

The expenditure incurred on survey, prospecting and development of mines are deferred, till the mining operation commences/ is abandoned. Once the mining operation starts, the same are being amortized over the period of five years in equal annual installments. In case the operation is abandoned in subsequent period unamortized portion of the deferred expenditure is charged to statement of profit & loss in the same year.

1.14 Mine Closure Expenses

Concurrent mine closure expenses are accounted for as and when incurred. Expenditure on Final mine closure plan of lignite are charged annually as revenue expenses in accordance with the Guidelines issued by the Ministry of Coal, Government of India in this respect , considering life of the mine and other relevant data as per technical estimations.

1.15 Grants -In -Aid

The Expenditure including capital expenditure incurred from the grant received is being adjusted against the amount of the grant so received. Unspent balances of Grants in aid are being carried forward to the subsequent years under the head "Other Current Liabilities" for future expenses.

1.16 Segment Reporting

The accounting policies adopted for Segment Reporting are in line with the accounting policies of the Company with the following additional policy for Segment Reporting :

- (a) The Company has identified its business segments based on its products.
- (b) There are no geographical segments.
- (c) Inter segment transfers have been accounted for on the market price or the cost price whichever is lower, except in case of transfer of power generated from wind mills which have been valued at the rate equal to the amount being adjusted in power bills by Ajmer Vidhyut Vitaran Nigam Limited (AVVNL).
- (d) Income & Expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income & Expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "unallocated corporate income/expenses".
- (e) Segment assets include all operating assets used by a segment and consists mainly of fixed assets, inventories, advances and trade receivables. Assets at the corporate level are not allocable to segments on a reasonable basis and thus, the same has not been allocated.
- (f) Segment liabilities include all operating liabilities and consist of principal creditors and accrued liabilities.

1.17 Earning per share

Basic and diluted earning per share is calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

1.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liabilities is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

1.19 Impairment of Assests

The carrying amount of the fixed assets are reviewed at each Balance Sheet date. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised. An impairment loss is charged to the Statement of Profit and Loss in the year in which the assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.20 Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization/depletion. Cost includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets, except mining rights, are amortized over their estimated useful lives on straight line basis.



2 SHARE CAPITAL

(Amt In ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
AUTHORISED 8,00,00,000 Equity Shares of ₹10/- each (Previous Year 8,00,00,000 Equity Shares of ₹ 10/- each)	80,00,00,000	80,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP 7,75,51,500 Equity Shares of ₹10/- each fully paid-up (Previous year, 7,75,51,500 Equity Shares of ₹10/- each fully paid-up)	77,55,15,000	77,55,15,000
Total	77,55,15,000	77,55,15,000

2.1 Details of shares held by Shareholders holding more than 5% Shares

Particulars	31/03/2013		31/03/2012	
	No. of Shares	% held	No. of Shares	% held
Government of Rajasthan	7,75,41,478	99.99	7,75,41,478	99.99

2.2 The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31st March,2013	As at 31st March,2012
Equity shares at the beginning of the year	7,75,51,500	7,75,51,500
Add: Issued during the year	0	0
Less : Shares cancelled on buy back during the year	0	0
Equity shares at the end of the year	7,75,51,500	7,75,51,500

2.3 Terms/right attached to equity shares

The Company has one class of equity share having a par value of ₹ 10 per share. Members of the Company holding equity share capital therein have a right to vote on every resolution placed before the Company and right to receive dividend. Each shareholder is eligible for one vote per share held.

3 RESERVES & SURPLUS

(Amt In ₹)

Particulars	31st March, 2013	31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
Capital Reserve			10,83,93,493	10,83,93,493
General Reserve				
As per last balance sheet	1091,69,87,799	846,69,87,799		
Add: Transferred from surplus statement of Profit and Loss	366,00,00,000	245,00,00,000	1457,69,87,799	1091,69,87,799
Surplus in statement of Profit and Loss				
As per last balance sheet	67,81,742	42,66,656		
Add: Profit for the year	410,94,11,646	281,30,44,254		
	411,61,93,388	281,73,10,910		
Less: Appropriations				
(a) Proposed Dividend on Equity Shares	38,77,57,500	31,02,06,000		
(b) Tax on Dividend	6,58,99,387	5,03,23,168		
(c) Transferred to General Reserves	366,00,00,000	245,00,00,000	25,36,501	67,81,742
Total			1468,79,17,793	1103,21,63,034

- 3 The dividend proposed by the Board of directors is subject to the approval in the ensuing Annual General Meeting, except in case of interim dividend. During the year ended 31st March 2013 the amount of per share final dividend recognised as distribution to equity shareholders was ₹ 5 per share (F. Y. 2011-12: ₹4 per share).

4 LONG TERM BORROWINGS

(Amt In ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
UNSECURED		
Deferred Payment Liabilities	55,62,500	1,64,81,000
Less Transferred to other current liabilities(Refer Note No. 9)	55,62,500	1,09,18,500
Total	0	55,62,500



5 DEFERRED TAX LIABILITIES (NET)

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
Deferred Tax Liabilities		
Difference between book value of Depreciable Assets as per books of accounts and written down value for tax purposes	82,63,54,182	91,68,55,824
Deferred Revenue Expenditure	19,80,934	13,79,548
	82,83,35,116	91,82,35,372
Deferred Tax Assets		
Provision for doubtful debts, claims & advances	2,07,48,735	2,95,83,129
Provision for Leave Encashment	8,74,03,376	7,65,39,499
Provision for Bonus	48,54,265	0
Deferred Revenue Expenditure		0
Others	4,74,42,114	2,72,20,104
	16,04,48,490	13,33,42,732
	66,78,86,626	78,48,92,640

6 OTHER LONG TERM LIABILITIES

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
(a) Trade Payables		
(b) Other Payables	5,26,88,746	6,82,36,615
Total	5,26,88,746	6,82,36,615

7 LONG TERM PROVISIONS

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
(a) Provision for employees benefits		
Provision for Leave Encashment	19,94,32,076	20,11,45,056
(b) Others		
Provision for Mine closure (Refer note no 25.3)	23,51,90,000	15,15,36,000
Total	43,46,22,076	35,26,81,056

8 TRADE PAYABLES

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
UNSECURED		
Due to Micro & Small Enterprises	22,33,808	17,80,104
Others	82,15,63,168	53,09,72,799
Total	82,37,96,976	53,27,52,903

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- 8.1 In compliance of the requirement under "The Micro, Small and Medium Enterprises Development Act, 2006" the Company has been making request to its vendors to provide their status under "The Micro, Small and Medium Enterprises Development Act, 2006" on the basis of the information received from various supplier/vendor the requisite information is as under-

(Amt in ₹)

Particulars	Amount 2012-13	Amount 2011-12
Delayed payments due - Principal	83,16,190	1,07,99,223
Interest due	5,17,447	4,44,836
Total interest paid on all delayed payments during the year under the provisions of the Act	0	0
Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	5,17,447	4,44,836
Interest accrued but not due	0	0
Total Interest due but not paid	5,17,447	4,44,836

9. OTHER CURRENT LIABILITIES

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
Current Maturity of Deferred Payment Liabilities (Refer note 4)	55,62,500	1,09,18,500
Unclaimed Dividend	78,140	38,062
Security Deposits	14,33,02,266	9,34,97,116
Advances from customers & Others	32,71,78,096	42,85,49,901
Subsidiary Companies	722,28,78,179	987,28,23,992
Other payables	157,80,56,492	215,73,95,347
Total	927,70,55,673	1256,32,22,918

- 9.1 As royalty is chargeable / payable on the mineral taken out from mining areas, the Company is not providing for any liabilities towards royalty chargeable / payable on the minerals lying in the mining areas.
- 9.2 In compliance of Gazette notification dated 10th April 2003, Royalty on Rock Phosphate & Gypsum was being paid to DMG at prescribed rate on the monthly benchmark price declared by the Indian Bureau of Mines (IBM) of these minerals. Since IBM is declaring the bench mark prices after a gap of six-seven months which are effective retrospectively, there remains some difference in the amount of royalty collected and payable to DMG on Rock phosphate as per the IBM formula. The Company had issued demand letters in earlier years to its customers for Rock Phosphate for payment of differential royalty in the cases where amount of royalty recovered was short and the customers have filed cases in Jodhpur bench of Hon'ble High Court, Rajasthan, against such demand letter. The cases are yet to be decided. As matter is sub-judice, and assessment of Royalty for the period is also pending, the accounts of the customers would be settled and necessary accounting adjustment would be made as per the decision of the Hon'ble High Court, Rajasthan and on the basis of the outcome of the royalty assessment.



10. SHORT TERM PROVISIONS

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
(a) Provision for employees benefits		
Leave encashment	5,77,12,308	3,47,60,319
Gratuity	1,83,08,053	10,14,23,030
(b) Others		
Proposed Dividend	38,77,57,500	31,02,06,000
Tax on proposed dividend	6,58,99,387	5,03,23,168
Income Tax	176,70,00,000	140,00,00,000
Total	229,66,77,248	189,67,12,517

10.1 As per Accounting Standard 15 "Employees Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

(₹ in Lacs)

Particulars	2012-13	2011-12
Employer's Contribution to Provident & Pension Funds	949.27	896.94

10.2 The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, incurred by the trust on account of difference in declared rate and income earned or other reasons. During the year there was a deficiency to the tune of Nil (Previous year ` 175.48 lacs) which has been booked under the head of Welfare.

10.3 During the financial year 2012-13, a trust has been formed in the name of RSMML Retired Employees Medical Relief Fund for extending medical facilities to the retired employees of the company. As per terms of Post Retirement Medical Scheme (PRMS) formulated for the purpose, a member is required to contribute membership fee of Rs 2,000/- plus a monthly contribution at the prescribed rate. Similarly the employer had provided one time contribution of Rs 2.00 Crores and interest earned thereon is to be used for making medical reimbursement to the ex-employees. In addition to this, the company has to contribute an amount equal to 25% of the contribution received from the members on yearly basis. The trust had applied for grant of approval to a fund u/s 10(23AAA) of the Income tax Act 1961, which was granted on 30/07/2013. The contribution received from the members has been deposited in separate bank Account designated for the purpose of operation of PRM Scheme.

Current liabilities of the company as on 31.03.2013 include Rs. 266.61 lacs collected from members of the trust towards membership fees & monthly contribution, and employer's contribution. Similarly employees' welfare includes Rs. 4.98 lacs towards medical reimbursement made during the year to ex-employees of the company.

Defined Benefit Plan :

The employees' gratuity fund scheme managed by a Trust (LIC) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

I. Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Lacs)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
	2012-13	2012-13	2011-12	2011-12
Present value of obligations at beginning of the year	8602.07	2359.05	7611.55	2095.64
Current Service Cost	324.90	115.60	290.11	153.90
Interest Cost	688.16	188.72	608.92	167.65
Actuarial loss	306.67	111.85	1107.69	205.88
Benefits paid	-847.25	-203.78	-1016.20	-264.02
Present value of obligations at end of the year	9074.55	2571.44	8602.07	2359.05

II. Reconciliation of opening and closing balances of fair value of plan assets

(₹ in Lacs)

Particulars	Gratuity (Funded)	Gratuity (Funded)
	2012-13	2011-12
Fair value of plan assets at beginning of the year	7587.84	6724.00
Expected return on plan assets	811.74	702.38
Employer Contribution	1339.13	1177.66
Benefits paid	-847.25	-1016.20
Fair value of plan assets at end of the year	8891.46	7587.84
Actual return on plan assets	811.74	702.38

III. Reconciliation of fair value of assets and obligation

(₹ in Lacs)

Particulars	Gratuity (Funded)	Gratuity (Funded)
	2012-13	2011-12
Fair value of plan assets at end of the year	8891.47	7587.84
Present value of obligation at end of the year	9074.55	8602.07
Liability recognized in Balance Sheet	183.08	1014.23



IV Expense recognized during the year

(₹ in Lacs)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
	2012-13	2012-13	2011-12	2011-12
Current Service Cost	324.90	115.60	290.11	153.90
Interest Cost	688.16	188.72	608.92	167.65
Expected return on plan assets	-811.74	-	-702.38	-
Actuarial loss	306.67	111.85	1107.69	205.88
Net Cost	507.99	416.17	1304.34	527.43

V Actuarial assumptions

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
	2012-13	2012-13	2011-12	2012-13
Mortality Table (LIC)				
Discount rate (Per annum)	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets (pa)	8.50%	NA	8.50%	NA
Rate of escalation in salary (per annum)	8.50%	8.50%	8.50%	8.50%

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

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

FIXED ASSETS

11.

(Amt in ₹)

PARTICULARS	Total Cost as at 1.4.2012	GROSS BLOCK		DEPRECIATION			NET BLOCK			
		Additions 2012-13	Deductions/ Adjustments	Total Cost as at 31.3.2013	Up To 31.3.2012	for the year 2012-13	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS										
Mining Land	210,06,37,634	2,30,11,912	-20,103,668	210,35,45,878	1,24,32,749	1,57,17,105	0	2,81,49,854	207,53,96,024	208,82,04,885
Free Hold	3,76,24,132	1	0	3,76,24,133	0	0	0	0	3,76,24,133	3,76,24,132
Lease Hold	5,99,79,583	0	0	5,99,79,583	98,66,994	8,18,720	0	1,06,85,714	4,92,93,869	5,01,12,589
Buildings	37,77,62,282	5,52,72,469	-31,892	43,30,02,859	19,58,47,771	1,41,17,244	-3,080	20,99,61,935	22,30,40,924	18,19,14,511
Railway Rakes- Leased to Railways	24,78,86,511	0	0	24,78,86,511	22,38,58,883	33,42,243	0	22,72,01,126	2,06,85,385	2,40,27,628
Railway Sidings	84,54,151	0	0	84,54,151	77,77,836	94,075	0	78,71,911	5,82,240	6,76,315
Plant & Machinery	214,33,53,536	8,88,21,146	-51,405,899	218,07,68,783	178,93,63,361	10,09,11,793	-50,292,794	183,99,82,360	34,07,86,423	35,39,90,175
Power Plant	12,43,73,039	0	0	12,43,73,039	11,45,11,535	13,71,735	0	11,58,83,270	84,89,769	98,61,504
Wind Power Plant	531,19,97,334	0	0	531,19,97,334	240,07,45,814	40,49,55,086	0	280,57,00,900	250,62,96,434	291,12,51,520
Furniture & Fittings	3,38,60,321	23,33,648	0	3,61,93,969	2,33,63,886	28,89,025	0	2,62,52,911	99,41,058	1,04,96,435
Vehicles	5,36,52,384	64,51,286	-715,866	5,93,87,804	3,35,65,366	56,32,903	-708,970	3,84,89,299	2,08,98,505	2,00,87,018
Water Supply Plant & Pipeline	16,26,42,175	95,53,140	-2,362,571	16,98,32,744	13,54,86,691	36,66,541	-1,727,335	13,74,25,897	3,24,06,847	2,71,55,484
Dam	5,46,42,501	0	0	5,46,42,501	5,18,09,195	3,94,113	0	5,22,03,308	24,39,193	28,33,306
Office & Other Equipment	6,81,82,019	34,08,048	-787,234	7,08,02,833	5,00,08,158	52,78,499	-753,529	5,45,33,128	1,62,69,705	1,81,73,861
Electrical Equipment & Inst.	23,26,24,204	84,95,909	-778,669	24,03,41,444	19,00,00,481	75,56,728	-688,270	19,68,68,939	4,34,72,505	4,26,23,723
Road	11,60,88,749	85,62,243	0	12,46,50,992	6,66,26,746	28,68,039	0	6,94,94,785	5,51,56,207	4,94,62,003
Tailing Dam	4,73,25,639	0	0	4,73,25,639	4,64,96,654	2,88,487	0	4,67,85,141	5,40,498	8,28,985
Obsolete Machinery									95,58,299	87,04,937
Machinery in stores/at site									21,89,138	22,21,938
Total	1118,10,86,194	20,59,09,802	-76,185,799	1131,08,10,197	535,17,62,120	56,99,02,336	-54,173,978	586,74,90,478	545,50,67,156	584,02,50,949
Previous Year	924,86,08,857	201,41,51,729	-81,674,392	1118,10,86,194	479,81,86,993	62,97,90,006	-76,214,879	535,17,62,120	584,02,50,949	446,96,96,281



- 11.1 Free hold land includes ₹ 62,16,030/- located at Bhatt ji ki Bari, Udaipur given on conditional Lease of ₹ 1/- p.a. to American International Health Management Ltd.(AIHML) for 99 Years.
- 11.2 Electric instalation includes ₹ 1,64,94,624/-(Gross) being power lines at Nagaur & Barmer which is not owned by the Company.
- 11.3 Depreciation for the year includes ₹ Nil (Prev. Year Rs 47970/-) in respect of earlier years.
- 11.4 The cost of land includes ₹ 17,18,16,973/- deposited with the office of Collector, Nagaur for disbursement to the land owners in respect of acquisition of 7509 bighas of land for mining of Lignite at Nagaur vide Land Acquisition Award dated 19.09.2000 issued by Land Acquisition Officer (SDO, Nagaur). Out of the above deposited amount, the District Collector, Nagaur has disbursed an amount of ₹ 164819016/- so far.
- 11.5 The cost of land includes ₹ 1,52,70,872/- (Previous year ₹ 1,52,70,872/-). The land acquired in compliance of original award issued by Dy. Collector, Girwa, Udaipur bearing no. ACQ/1/02/4953 – 55 dated 30.6.2004 and modifications thereof issued in the financial year 2006-07 for acquiring 56 hectare of land at Jhamarkotra, Lakkadwas, Sameta and Dhamdhar villages. Out of the total compensation, only 42 land owners took payment of ₹ 5419044 /-(Previous year ₹ 5419044 /-). The balance amount has been deposited with the court of Civil Judge Sr. Division Udaipur in the form of Fixed Deposit Receipts. The land acquisition proceeding and mutation are in progress.
- 11.6 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between Raj West Power Limited, Jaipur (RWPL) and Company, the Joint Venture Company has paid a sum of ₹ 26869.25 Lac to the Company for purchase/acquisition of Land for Mining of Lignite at Kapuradi villages in the state of Rajasthan. The proceedings for purchase/acquisition of Land have been initiated and the amount of ₹ 26728.95 Lac has been paid to Land acquisition Officer for acquisition of land and ₹ 43.48 Lac has been refunded back to JV Company. The mutation of land has been done in the favour of RSMML. Amount paid /payable towards land is 26912.88 Lac. The Government of Rajasthan through its letter dated 14.09.2012 has not acceded transfer of ownership of land from RSMML to its JV Company (BLMCL). However the possession of the land along with the mining rights rest with BLMCL and therefore the economic benefit from the usage of land will not flow to RSMML. Further in view of Para 9 of Annexure to the 'Guidelines For Preparation of Mine Closure Plan' dated 27th August '2009 (Similar to the para 8.1 of the revised guidelines dated 7th January'2013), said land is to be reclaimed and can be surrendered to the State Government only after obtaining a mine closure certificate from coal controller to the effect that the protective reclamation and rehabilitation works in accordance with the approved mine closure plan/final mine closure plan have been carried out .

Accordingly RSMML will neither get any economic benefit from the said land nor the control of it. In absence of both these factors the said land does not satisfy the qualifying criteria for recognition of asset as mentioned in Para 49 clause (a) of the 'Framework for the preparation and presentation financial statements' issued by the Institute of Chartered Accountants of India. Also company is not under any obligation to repay the amount received from BLMCL for the purchase of said land as the possession of land rests with it. Hence the deposit received from BLMCL is not a liability as defined in Para 49 clause (b) of the 'Framework for the preparation and presentation financial statements' issued by the Institute of Chartered Accountants of India. Accordingly company has not treated such amount as asset and liability in its financial statements. However, since the title of the land at Kapurdi mutated to RSMML same is shown at a nominal value of Re.1 in the Balance Sheet.

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- 11.7 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between Raj West Power Limited, Jaipur (RWPL) and Company, the Joint Venture Company has paid a sum of ₹ 70925.55 Lac to the Company for purchase/acquisition of Land for Mining of Lignite at Jalipa villages in the state of Rajasthan. The proceedings for purchase/acquisition of Land have been initiated and the amount of ₹ 66711.59 Lac has been paid to Land acquisition Officer for acquisition of land upto 31.03.2013. The progress of land acquisition is in process and mutation in favour of company yet to be taken place.
- 11.8 In compliance of the award of the Government, an amount of ₹ 3990.19 lacs has been paid to Land acquisition Officer for acquisition of land at Gudawest . The land acquisition and mutation is in progress. Hence the same is not being shown fixed assets of the Company.
- 11.9 In compliance of the award of the Government, an amount of ₹ 4162.45 lacs has been paid to Land acquisition Officer for acquisition of land at Giral III. The land acquisition and mutation is in progress. Hence the same is not being shown fixed assets of the Company.
- 11.10 Various assets taken over by erstwhile RSMDC from RIMDC (now RIICO) on 31.10.1979 have not yet been registered in the name of the Company)
- 11.11 Various assets taken over by the Company from erstwhile RSMDC consequent upon its merger with the Company have not yet been registered in the name of the Company. The process of registration of such assets is in progress.
- 11.12 No provision for assets, stores and spares taken over from the Directorate of Mines & Geology, Rajasthan at Deri Mines in 1979-80 has been made as the value of the items in question was not intimated by DMG and accordingly no depreciation and consumption of stores, spares and tools have been charged/adjusted on such items during relevant years although put to use. The materials sold out of such stock of DMG have been credited to DMG account.
- 11.13 The Company has submitted a solvency security certificate to the Jodhpur Bench of Hon'ble High Court Rajasthan in favour of North Western Railway & other Railway Authorities Jodhpur on assets of the Company in a case bearing no.D.B.SAW no. 697/2008 filed by the Company against Railway relating to payment of punitive charges amounting to ₹ 7,60,57,373/- imposed on the Company .



12 Non Current Investments

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012	As at 31st March,2013	As at 31st March,2012
LONG TERM (OTHER THAN TRADE)				
A IN EQUITY INSTRUMENTS				
(a) Subsidiaries				
(i) 1,02,00,000 Equity Shares in Barmer Lignite Mining Company Limited of ₹ 10/- each fully paid-up)(Previous Year 1,02,00,000 Equity Shares)			1	1
(ii) 111,00,000 Equity Shares in Rajasthan State Petroleum Corporation Limited of ₹ 10/- each fully paid-up) (Previous Year 1,00,000 Equity Shares)			110,00,000	10,00,000
(iii) Application money paid to RSPCL			0	100,00,000
(b) Joint Sectors/assisted sectors				
Unquoted				
(i) 24500 Equity Shares in Rajasthan Rashtriya Chemicals & Fertilisers Limited Ltd. of ₹ 10/- Each Fully Paid up(Previous year 24500 shares)			2,45,000	2,45,000
(ii) 9,000 Equity Shares in Rajesh Mineral Inds. Ltd. of ₹ 100/- Each Fully Paid up (Previous year 9,000 shares)	9,00,000	9,00,000		
Less :Diminution in value	8,99,999	8,99,999	1	1
(iii) 10,000 Equity Shares in Mayur Inorganics Ltd. of ₹ 10/- Each Fully Paid-up (Previous year 10,000 shares)			1,00,000	1,00,000
(iv) 3,00,000 Equity Shares (including 1,50,000 Bonus in Tedco Granite Limited ₹ 10/- Each Fully Paid up) (Previous year 3,00,000 shares of ₹ 10/- Each Fully Paid up)	15,00,000	15,00,000	15,00,000	15,00,000
Quoted				
(a) Under buy back arrangement				
(i) 1,43,000 Equity Shares In Mewar Marbles Ltd of ₹ 10/- Each Fully paid-up. Last quoted at ₹ 7/-Per Share at Mumbai Stock Exchange in 1996-97 (Previous year 1,43,000 shares)	14,30,000	14,30,000		
Less :Diminution in value	14,29,999	14,29,999	1	1
(ii) 3,00,000 Equity Shares in Nihon Nirman Ltd of ₹ 10/- each fully paid-up.last quoted at ₹ 2/-per share at Kolkata Stock Exchange in Aug.1997 (Previous year 3,00,000 shares)	30,00,000	30,00,000		
Less :Diminution in value	29,99,999	29,99,999	1	1
(b) Others				
1,72,500 Equity Shares In Nihon Nirman Ltd of ₹ 10/- each fully paid-up.last quoted at ₹ 2/-per share at Kolkata Stock Exchange in Aug.1997 (Previous year 1,72,500 shares)	17,25,000	17,25,000		
Less :Diminution in value	17,25,000	17,25,000	-	-
Total			128,45,004	128,45,004

- 12.1 The Company has formed a joint venture company with Raj West Power Limited, Jaipur (RWPL) in the name of Barmer Lignite Mining Company Ltd. Jaipur (BLMCL). BLMCL will undertake the work of Lignite mining in Jallipa Kapuradi areas of Barmer District and supply the same to RWPL for its Lignite based pit head power plant. As per the terms of the agreement between RSMML & RWPL, RSMML shall have 51% shares in BLMCL and RWPL will hold the remaining 49% of the equity of the JV Company. BLMCL has allotted 1,02,00,000 shares (Previous year 1,02,00,000 shares) to the Company having face value of ₹ 1020.00 Lac till 31.03.2013 (Previous year ₹ 1020.00 Lac). These shares are shown as investment at a token vale of ₹ 1/- in view of the opinion obtained from the Institute of the Chartered Accountants of India.
- 12.2 The Company has formed a joint venture company with RCF Ltd. Mumbai (RCFL), (A Govt. of India Enterprises) in the name of Rajasthan Rashtriya Chemical Fertilizers Limited having registered office at Jaipur (Rajasthan) to establish a plant for manufacturing a chemical fertilizer namely, Di-Ammonia Phosphate (DAP) in Kapasan, Rajasthan. As per terms of agreement between RSMML & RCFL, equity of the proposed Joint Venture Company shall be shared by RSMML & RCFL in the ratio of 49:51. Looking to the present market conditions, decision for commissioning of Plant has been deferred and hence the provisions of Accounting Standard -27“Financial Reporting of Interest in Joint Venture” Issued by the Institute of Chartered Accountants of India is not applicable to the Company at present.
- 12.3 The Company has paid a sum of ₹ 1.00 Crores to M/s Rajasthan State Petroleum Corporation (A subsidiary company of RSMML)as share application money against which shares were allotted during 2012-13.
- 12.4 For basis of valuation refer accounting policies 1.9 (b).



13. Long term loans & advances :

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
UNSECURED		
Capital advances	83,25,46,424	36,39,23,794
Security Deposits	18,12,80,264	8,25,66,740
To Employees		
Considered good	7,00,48,554	7,15,97,133
Considered doubtful	56,206	56,206
	7,01,04,760	7,16,53,339
Less : Provision for Doubtful Loans & Advances	56,206	56,206
	7,00,48,554	7,15,97,133
To Others		
Considered good	18,08,74,887	10,33,20,661
Considered doubtful	15,72,906	15,72,906
	18,24,47,793	10,48,93,567
Less : Provision for Doubtful Loans & Advances	15,72,906	15,72,906
	18,08,74,887	10,33,20,661
Prepaid Expenses	8,08,410	32,04,461
Income-Tax Deposits	63,40,69,791	61,47,71,897
Total	189,96,28,330	123,93,84,686

14 OTHER NON CURRENT ASSETS

(Amt in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
Northern Western Railway	94,44,740	65,37,994
Interest accrued on FDRs/NSCs	1,78,32,815	86,07,316
Non Judicial Stamps in hand	13,385	13,385
Claims Recoverable (Including Duty Drawback Receivables)	0	0
-Considered good	0	0
-Considered doubtful	0	0
	0	0
Less Provision for doubtful claims	0	0
Unamortised Expenditure		
Mine development expenditure	1079,21,223	1092,19,688
Less Transferred to other current assets (Refer Note No 19)	21,34,265	22,54,428
	10,57,86,958	10,69,65,260
Total	13,30,77,898	12,21,23,955

15 INVENTORIES

(Amt. in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
Finished Goods		
Rock Phosphate	108,86,48,683	41,02,04,075
Beneficiated Rock Phosphate	21,32,49,128	5,36,56,903
Rajphos	17,88,221	95,537
Gypsum	2,11,96,842	1,26,54,150
Lime Stone	2,16,97,009	1,99,58,364
Granite	0	0
Bio diesel and by products	0	26,803
Stores & Spare Parts	21,51,33,295	20,88,87,939
(Including in transit ₹ 7.13 Lac) (Previous year ₹ 0.87 Lac)		0
Others		0
CERs/VERs in hand	0	19,19,827
Total	156,17,13,178	70,74,03,598

15.1 For basis of valuation refer accounting policy 1.2.

15.2 The Company had used a small percentage of secondary ore of Rock Phosphate for beneficiation in its Industrial Beneficiation Plant on trial basis from time to time. The Secondary ore of Rock Phosphate is a very low grade mineral containing high silica and is being treated as waste material having no value. Since, the usability & economic viability of the secondary ore of Rock Phosphate for beneficiation is yet to be established, the same has not been valued and is being valued at zero as per the prevailing system of valuation of Rock Phosphate from the financial year 2008-09.

15.3 The income from emission reduction certificates Carbon Emission Reduction (CERs)/ Voluntary Emission Reduction (VERs) and/or was recognized at the estimated realisable value on their confirmation by the concerned authorities, consequent upon Guidance note issued by Institute of Chartered Accountants of India –Accounting for Self-generated Certified Emission Reductions (CERs). The Company was having 44098 VERs on 31/03/2013 (61511 CERs and 44098 VERs in hand on 31/03/2012) which have been treated as part of inventory and accordingly valued at cost Rs. Nil as incurred for certification or net realisable value whichever is lower. As the realisable value of VERs is expected to be Nil so the same are valued at Rs.Nil.

16 TRADE RECEIVABLES (UNSECURED)

(Amt. in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
Over six months from the date these become due for payment		
i Considered good	10,42,73,392	4,39,000
ii Considered doubtful	4,99,87,024	8,01,22,695
Other debts considered good	132,33,38,501	171,04,90,410
	147,75,98,917	179,10,52,105
Less: Provision for doubtful debts	4,99,87,024	8,01,22,695
(Bad debts written off during the year ₹ 34403808/-) (Prev. Year ₹ 70988/-)		
Total	142,76,11,893	171,09,29,410



17 CASH & BANK BALANCES

(Amt. in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
(a) Cash and cash equivalents		
Balances with Banks		
in current accounts	162,82,66,603	219,54,68,993
in deposit accounts with original maturity less than three months	7,30,60,735	19,26,69,633
in Fixed Deposit Receipts held as margin money or security against borrowings	0	
Cash on hand	4,94,686	3,25,496
Remittances in Transit	0	0
Balances with Treasury in P. D. Account	740,80,61,044	444,97,45,677
(b) Other bank balances		
Earmarked balances with banks	25,57,22,863	19,49,39,186
Short term bank deposits	0	10,00,000
Total	936,56,05,931	703,41,48,985

- 17.1 In compliance of directives given by the competent courts in some cases of SBU-PC lignite, bankers have retained a sum of ₹ 164.58 Lac (Prev. year ₹ 47.88Lac)in the form of FDRs which are in lien with them to be used for the specified purposes.
- 17.2 Balances with banks includes unclaimed/unpaid dividend of ₹ 78140/- (Prev year ₹ 38062/-)
- 17.3 Earmarked balances with bank includes Fixed deposit of ₹ 750.26 lacs (Prev Year ₹ 934.93 lacs) with maturity of more than twelve months.

18 SHORT TERM LOANS & ADVANCES

(Amt. in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
UNSECURED		
To Subsidiaries	8,136	1,05,114
To Employees		
Considered good	72,10,762	64,33,363
Considered doubtful	1,27,505	1,27,505
	73,38,267	65,60,868
Less : Provision for Doubtful Loans & Advances	1,27,505	1,27,505
	72,10,762	64,33,363
To Others		
Considered good	730,24,86,059	949,07,13,376
Considered doubtful	42,14,393	42,14,393
	730,67,00,452	949,49,27,769
Less : Provision for Doubtful Loans & Advances	42,14,393	42,14,393
	730,24,86,059	949,07,13,376
Prepaid Expenses	73,38,890	77,70,635
Total	731,70,43,847	950,50,22,488

19 OTHER CURRENT ASSETS

(Amt. in ₹)

Particulars	As at 31st March,2013	As at 31st March,2012
Income-Tax Deposits	162,44,75,985	165,32,14,558
Interest accrued on FDRs/NSCs	3,85,82,072	1,50,69,027
Claims Recoverable (Including Duty Drawback Receivables)		
-Considered good	15,84,32,446	10,11,69,683
-Considered doubtful	50,85,613	50,85,613
	1635,18,059	1062,55,296
Less Provision for doubtful claims	50,85,613	50,85,613
	1584,32,446	1011,69,683
Current portion of unamortised Mine development expenses (Refer Note No 14)	21,34,265	22,54,428
Others	1,42,51,356	1,36,44,951
Total	183,78,76,124	178,53,52,647

19.1 Claims recoverable includes an amount of ₹ 1582.54 Lac (Prev. Year ₹ 1002.02 Lac) recoverable from various contractors engaged in transportation and loading of limestone at Railway siding on account of punitive/penal/dead freight levied by the Railways on under loading/overloading of limestone. The contractors have filed Court cases against the company which are yet to be decided.

20 REVENUE FROM OPERATIONS

(Amt. in ₹)

Particulars	2012-13	2011-12
Sale of -		
High Grade Rock Phosphate	583,06,38,231	644,22,74,423
Beneficiated Rock Phosphate	104,61,98,031	118,08,21,282
Rajphos	0	5,53,39,333
Lignite	207,94,97,937	129,00,33,250
Gypsum	167,31,65,817	165,74,85,977
Selenite	1,04,35,710	1,62,42,816
Lime Stone	130,07,71,254	153,40,94,032
Power	52,62,33,777	55,90,98,277
Fluorspar	0	5,86,231
Granite	0	3,05,100
Bentonite	0	42,500
Total	1246,69,40,757	1273,63,23,221



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- 20.1 The selling prices of Rock phosphate and Cement grade Limestone and Gypsum are inclusive of Environment and Health Cess on mineral rights imposed by the State Government . The amount of cess whether included in selling prices or recovered separately is being treated a part of turnover of Company. An expenditure amounting to ₹ 3927.92 lacs on this account has been shown under the head MR cess in mining and other operating expenses.
- 20.2 Lignite & Limestone are being supplied to Rajasthan Vidyut Utpadan Nigam Limited (RVUNL) as per the Fuel Supply Agreement (FSA) entered with party. The FSA was due for renewal w.e.f. 20 February, 2012. Pending renewal of FSA ,revenue on this account have been accounted for on the basis of prevailing rate as per existing FSA. Similarly, supplies of Lignite have also been commenced from Sonari pit during the year. Issue for inclusion of Sonari pit in FSA & fixing of price is under consideration with RVUNL. As such, supply of lignite from Sonari pit have been accounted for on the basis of rate agreed by RVUNL considering the terms & conditions of existing FSA on provisional basis.

Necessary adjustments, if any, would be carried out on finalizing of FSA with RVUNL.

21 OTHER INCOME

(Amt. in ₹)

Particulars	2012-13	2011-12
Interest	65,13,43,419	59,35,57,585
Lease Rent on Railway Rakes	23,25,580	23,25,580
Dividend received on Long Term Investments	10,000	10,000
Carbon/Voluntary Emission Reduction (CER/VER)	2,80,61,921	0
Profit on Sale of Obsolete and Other Fixed Assets	24,78,440	6,44,904
Profit on Sale of Obsolete and other Spares	0	1,77,997
Miscellaneous Receipts, Refunds, Forfeitures & Claims	12,51,08,134	6,16,52,698
Excess provision for doubtful debts written back	0	74,85,154
Liability no longer required written back	21,13,713	3,51,965
Sundry Credit Balances written back	12,92,129	4,76,679
Total	81,27,33,336	66,66,82,562

- 21.1 The Company is getting CERs from its wind mill projects and other projects registered with United Nations Framework Convention on Climate Change (UNFCCC) under Clean Development Mechanism (CDM) category which are tradable in the international market. The Company would be receiving CERs on regular basis from its existing registered and future projects in pipe line for registration. Similarly the Company has also started getting Voluntary Emission Reduction (VERs) from Swiss Registry, Switzerland for its wind mill projects.

22 CHANGE IN INVENTORIES OF FINISHED GOODS & OTHERS

(Amt. in ₹)

Particulars	2012-13	2011-12
OPENING STOCK		
a. Finished Goods		
Rock Phosphate	41,02,04,075	26,00,29,565
Beneficiated Rock Phosphate	5,36,56,903	3,68,87,809
Rajphos	95,537	31,24,984
Gypsum	1,26,54,150	1,96,84,145
Lime Stone	1,99,58,364	2,79,35,557
Granite		2,07,922
Bio diesel and by products	26,803	5,01,872
b. Others		
CERs/VERs in hand (Refer Note No. 15.3)	19,19,827	
Total	49,85,15,659	34,83,71,854
CLOSING STOCK		
a. Finished goods		
Rock Phosphate	108,86,48,683	41,02,04,075
Beneficiated Rock Phosphate	21,32,49,128	5,36,56,903
Rajphos	17,88,221	95,537
Gypsum	2,11,96,842	1,26,54,150
Lime Stone	2,16,97,009	1,99,58,364
Bio diesel and by products	0	26,803
b. Others		
CERs/VERs in hand (Refer Note No. 15.3)	0	19,19,827
Total	134,65,79,883	49,85,15,659
Increase/ Decrease	-84,80,64,224	-15,01,43,805

23 EMPLOYEES BENEFIT EXPENSES

(Amt. in ₹)

Particulars	2012-13	2011-12
Salaries & Wages	90,85,09,146	85,89,83,784
Contribution to Provident/Pension & Other Funds	15,15,72,769	24,41,58,245
Leave Encashment	8,47,07,463	8,53,95,988
Bonus/Additional Remuneration	1,42,81,449	1,47,82,505
Ex gratia to employees	88,07,383	90,00,075
Employees' Welfare	14,36,84,624	14,10,19,971
Employees' Social Security	27,184	6,87,180
Total	1311590018	1354027748



24 FINANCE COSTS

(Amt. in ₹)

Particulars	2012-13	2011-12
Interest expense	7,59,65,719	12,20,55,861
Guarantee Commission	6,18,714	55,567
Total	7,65,84,433	12,21,11,428

25 OTHER EXPENSES

(Amt. in ₹)

Particulars	2012-13	2011-12
Mining and other operating expenses		
Stores consumed	73,39,15,618	74,89,36,278
Payment to Contractors :		
(i) For Removal of Overburden	35,86,29,303	30,89,66,910
(ii) For Raising, Transportation & Others	181,99,47,843	139,98,44,201
Freight Charges	9,43,887	8,33,920
Dewatering of Mines	88,18,794	1,55,71,174
Power Charges	14,89,02,343	12,21,65,714
Survey & Prospecting Charges	16,10,803	5,63,875
Royalty & Dead Rent	119,81,52,802	114,17,55,931
MR Cess	39,27,92,428	57,39,54,252
Land Tax	195,18,36,059	222,05,49,246
Mine Closure expenditure	8,36,54,000	8,41,37,500
Mine Development Expenses written off	21,34,265	24,49,389
Repairs to Buildings	38,94,827	44,93,483
Repairs to Plant	2,98,00,929	2,42,94,465
Repairs to Machinery	14,23,97,216	9,68,24,600
Crushing Plant Expenses	66,85,080	78,70,324
Repairs to Road	40,05,874	1,19,06,195
Research & Development	90,50,159	36,11,874
Sampling & Analysis	96,72,281	1,48,87,497
Laboratory Expenses	10,50,157	7,99,232
Compensation for Mineral	5,43,36,708	8,20,55,029
Afforestation Plantation & Environment	53,09,413	50,91,457
Rural Development Expenses	61,94,904	1,42,35,619
Selling and distribution expenses		
Cash Discounts/Rebate on Sales	10,24,747	38,99,509
Selling Expenses including commission	2,12,22,244	1,24,00,206
Packing Charges	1,44,63,756	1,86,92,377
Business Promotion Expenses	1,27,49,443	31,08,721

Particulars	2012-13	2011-12
Establishment & other Misc expenses		
Repairs to Others	99,89,594	67,72,698
Rent including Plot Rent	84,25,561	82,42,936
Rates & Taxes	2,93,00,599	96,49,548
Insurance	73,73,399	99,39,450
Travelling & Conveyance	5,29,64,003	4,87,24,459
Vehicle Up-keep	1,76,27,010	1,75,99,014
Payment to Auditors:		
(i) Audit Fees	4,48,298	4,30,170
(ii) Tax Audit Fees	1,12,360	1,10,300
(iii) For reimbursement of expenditure	3,61,294	3,09,679
General Charges	46,56,356	28,67,561
Postage, Telephone & Telegraphs	55,29,190	55,52,845
Printing & Stationery	47,72,166	51,83,045
Electricity & Water	54,54,269	50,21,577
Seminar, Training & Exhibition	5,92,629	12,37,391
Legal & Professional Charges	89,91,340	64,57,350
Advertisement & Publication	1,97,03,564	1,62,28,863
Bank Charges	1,10,399	98,854
Subscription	5,97,318	1,92,028
Entertainment	7,74,885	8,32,567
Board Meeting Expenses	1,83,485	1,52,959
Donation	3,97,77,218	3,79,20,073
Sundry debit balance written off	2,52,290	9,607
Provision for doubtful debts	42,68,137	
Consultancy Charges	50,64,987	73,65,405
Claims & Settlements	1,24,35,780	0
Computer Maintenance & Software Expenses	43,60,796	48,10,389
Obsolete and Other Fixed Assets written off	28,812	1,34,492
Impaired/Obsolescence loss on Fixed assets	9,58,719	17,92,604
Loss on sale/transfer of Obsolete and Other Fixed Assets	0	7,35,929
Obsolete Spares written off	9,13,580	
Loss on Sale of Spares	0	35,499
Total	726,92,23,921	712,23,06,270

25.1 Land tax has been provided for on the basis of demand notices received from various assessing authorities . However, where the demand notices are not received, the liabilities are being provided as per the Company's own assessment. The Company has filed petition challenging the land tax assessment orders issued by assessing authorities of various lands for different financial years with appellate authorities and Rajasthan Tax Board. Some of the appeals filed by the Company have been referred back to assessing authorities for reconsideration of the assessments done or otherwise by appellate authorities. During the year most of the assessing authorities have reassessed the demand and accordingly adjustments have



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been made as per the revised assessment of land tax. The accounting adjustment for remaining assessments will be made on final outcome of other cases.

- 25.2 Revenue expenditure on Research & Development is charged to Statement of Profit & Loss in the year in which it is incurred. There is no capital expenditure on Research & Development.
- 25.3 In compliance to the Guideline dated 27/08/2009, as amended from time to time, by Ministry of Coal, Government of India, for preparation of Final Mine Closure plan, an amount of ₹ 836.54 Lac (Previous year ₹ 1515.36 Lac) has been provided for in the financial year 2012-13 on this account. The expenses are provided on the basis of final closure plans prepared for various lignite mines of the company as on date. As per the above guidelines, the Coal controller shall issue directions for opening of escrow accounts after approval of mine closure plan. Pending approval of mine closure plan, the Escrow account is yet to be opened.
- 25.4 Stores consumed does not include consumption of Stores & spares of ₹ 1158.37 Lac charged under various heads (Prev. Year ₹ 1767.29 Lac).

26 PRIOR PERIOD ADJUSTMENTS

(Amt. in ₹)

Particulars	2012-13		2011-12	
	DEBIT	CREDIT	DEBIT	CREDIT
Interest.	0	2,22,389	0	0
Stores Consumed	0	0	6,930	0
Salaries and Wages(Net)	2,97,249	0	13,672	7,203
Employees' Welfare	18,953	0	3,600	0
Power Charges	0	6,39,635	0	0
Payment to raising & transportation contractor	5,82,534	0	7,44,065	0
Mine Closure expenditure	0	0	7,18,65,000	0
Electricity & Water	0	0	0	7,14,229
Rent	0	64,620	0	6,51,307
Rates & Taxes	0	0	0	8,15,197
Land Tax	0	1,70,100	96,36,258	0
General Charges	0	0	750	12,887
Bank Charges	0	65	0	0
Repairs to Machinery	1,81,280	0	0	2,10,000
Repairs to Others	3,304	0	0	0
Legal & Professional Charges	0	0	8,250	0
Travelling & Conveyance	48,988	0	13,542	0
Depreciation	0	0	0	47,970
Seminar & Conference	0	0	6,000	0
Afforestation, Plantation & Environment	0	0	0	1,20,000
Postage, Telephone & Telegram	774	0	838	0
Insurance	9,135	0	0	0
Miscellaneous	1,200	0	4,96,350	0
	11,43,417	10,96,809	827,95,255	25,78,793
Net Debit		46608		8021642

27 Exceptional Items

- (1) As M/s Tedco granite has turn around and has wiped off its accumulated losses, accordingly a sum of ₹ 14,99,999/- being amount provided earlier on account of diminution in value of investment have been reversed during the year 2011-12 and shown as an exceptional item in financial year.
- (2) During the year various assessing authorities have reassessed the land tax of different years of various mines of the company. Consequent to reassessment the liability of land tax has been revised resulting into reversal of amount of land tax. The amount of land tax as so reversed amounting to ₹ 1,95,37,52,060/- has been considered as exceptional item in the financial year 2012-13.

28 EARNING PER SHARE

Basic and diluted earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity share outstanding during the year. The Company has not issued the potential equity shares, and accordingly, basic and diluted earning per share is the same.

29. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF

(₹ in Lacs)

S.No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
i.	Claims against Company not acknowledged as debt	48877.27	43100.60
ii.	Estimated amount of contracts remaining to be executed on Capital Account	13674.90	10015.21
iii.	Disputed Income tax liability pending:		
	(a) Company in appeals Payment made (₹ 333.01 Lac) (Previous year ₹ 74.99 Lac)	333.01	74.99
	(b) IT Department in appeals (As per information available with Company)	9731.61	9540.75
iv.	Guarantee given by banker on behalf of the Company for which counter guarantee provided by the Company	224.24	186.57
v.	Claims of workmen pending adjudication and of those who have taken Voluntary Retirement amount unascertainable.		
vi.	Additional Liabilities, if any, in respect of pending Sales Tax, Income Tax, Service Tax, Land Tax, Land & Building Tax, House Tax, Royalty, M. R. Cess, Development Charges, Dead Rent, Surface Rent and Rent of Office Building and diversion of Forest Area and other claims whatsoever and interest on such liabilities and on the various claims of the contractors, incremental liability if any of pay and allowances of employees who opted for Vth & VIth pay commission etc. is unascertainable.		
vii.	Guarantee given by Company to RIICO/RFC in respect of debt and interest thereon recoverable from Rajasthan Granite and Marble Ltd. (Since Liquidated) amount unascertainable.		
viii.	Amount relating to environmental liabilities are unascertainable.		
ix.	Liabilities on account of Rider Agreements with contractor in which amounts are unascertainable.		
x.	Liability for the claims on account of other court cases filed against Company in which claim amount cannot be ascertained is not included in the above. Besides interest on the amount claimed by various parties who have filed court cases against the Company, is not included as the same is not ascertainable.		



- 30 (i) The Company in its Board meeting held on 31/03/2012 decided to invest in equity of ₹ 5.00 Crores in phased manner to its wholly owned subsidiary M/s Rajasthan Sate Petroleum Corporation limited against which a sum of ₹ 1.00 Crore has been invested up to 31/03/2013.
- (ii) The Company has entered in to tripartie Memorandum of Undertanding with DMG and GSI for Geochemical Mapping of Rajasthan. Under MOU all the cost of project (estimated to ₹ 19 Crores) will be borne by the RSMML and assets created with the above expenditure would be property of the company. The Company has already paid a sum of ₹ 545 Lac (Previous year ₹ 185.00 Lac) as an advance to be adjusted against expenditure incurred by DMG for the project. The expenditures incurred on this account are being adjusted against advances.
31. The Government of Rajasthan vide its notification dated 23/01/2009, had enhanced the rate of M. R. Cess on Rock phosphate from ₹ 35/- PMT to ₹ 500/-PMT with effect from 01.04.2008. Since the rate of M. R. Cess was enhanced retrospectively the Company has issued demand letters to its customers of Rock phosphate for payment of differential amount of M. R. Cess for the year 2008-09. Against such demand letters some of the customers have filed cases in Jodhpur and Jaipur benches of Hon'ble High Court, Rajasthan. The cases have been decided by the respective High Courts in their favour, against which the Govt. of Rajasthan, being an aggrieved party in the cases, has filed appeal with Hon'ble' supreme Court which is yet to be decided . As matter is sub-judice, the accounts of the customers would be settled and necessary accounting adjustment would be made as per the decision of the Hon'ble High Court, Rajasthan. The amount in dispute is of ₹ 4626.90 Lacs.
32. Company is generating power from Wind Farm since August 2001 and part of the generated power is being adjusted in power bill of SBU PC Rock phosphate (Jhamarkotra Mines) towards captive use by Ajmer Vidyut Vitaran Nigam Ltd. (AVNL) while balance is being sold to AVNL. From February 2005, AVNL had stopped the adjustment of wind power in captive use without assigning any reason thereof. After long persuasion at various levels, AVNL informed in November, 2005 that they have revised power bills from 2002 on new methodology as per guidelines of their Audit team. The amount so adjusted and in dispute is ₹ 115.08 lacs. RSMML had objected the methodology of AVNL and filed petitions in this matter with Rajasthan Electric Regulatory Commission (RERC) Jaipur which have been decided in favour of the Company. Further, the matter was referred to the Chairman, Central Tribunal wherein the case was decided in favour of the Company. However, AVNL has filed a writ in Hon'ble High Court of Rajasthan against the order but an amount of ₹ 80.64 Lacs has been refunded by AVNL during the year.
33. As per the Memorandum of Undertanding (MOU) dated 04/05/1997, M/s Binani Industries Ltd. (Parent Company of BZL), erstwhile RSMDC (since then merged with RSMML), and M/S White Tiger Resource NL formed a Joint venture Company under the name and style R.B.W. Minerals Industries Limited was incorporated on 16.07.1997 to carry out prospecting work on base metal deposits and other allied activities in Rajasthan and Gujarat states including at the Deri Multi Metal Project of the Company.
- It was also provided in the MOU that Joint venture Company would enter into an MOU with erstwhile RSMDC with a stipulation that erstwhile RSMDC would allow the Joint venture Company to carry out exploration work in mines and Joint Venture Company would reimburse the expenditure incurred on watch & ward, dead rent, other expenses for retaining the area. It was further, provided in the MOU that once the project is proved to be economically viable then Deri mines along with fixed assets would be transferred to the new company on mutually agreed valuation and terms & conditions after the permission of erstwhile RSMDC Board and State Govt. However, no such activities were started within the time specified in the MOU and thereafter. Subsequently, M/S White Tiger Resource NL has withdrawn itself from the Joint Venture and GMDC has become a new entrant in the project as per the terms of MOU dated 01/09/2001 executed between GMDC and of R.B.W. Minerals Industries Limited. Accordingly, the name of R.B.W. Minerals Industries Limited was changed to R.B.G. Minerals Industries Limited.
- Though, the various activities are in progress at the project sight but no significant development has taken place. The transfer price of the assets of the compnay has been firmed up and agreed by Joint Venture Company. The Company has given 'No objection' to Director, Mines & Geology to transfer the lease of Deri mines to the Joint Venture Company M/s RBG Minerals but the lease is yet to be transferred.

RAJASTHAN STATE MINES & MINERALS LIMITED

Pending final decision on the issues, the Company is booking the expenses incurred on Deri mines in the books of accounts as per prudent accounting principles & policies.

- 34 (i) Sh. Ajitabh Sharma from 01.04.2012 to 31.03.2013 Managing Director being key managerial personnel with whom transactions have taken place during the year.

a. Details of remuneration of the Chairman and Managing Director are as under -

(₹ in Lacs)		
Particulars	2012-13	2011-12
Salary (including pension contribution & perquisite on accommodation provided)	14.73	10.83
Telephone/Car*		
Total	14.73	10.83
Amount adjusted in respect of accounts		
Rent (Net)	NIL	NIL

* Value of Telephone/Car used not ascertainable

(ii) Parties where control exists

- a Barmer Lignite Mining Company Limited (BLMCL) -Subsidiary Company
- b Rajasthan State Petroleum Corporation Limited(RSPCL)-Subsidiary Company
- c Rajasthan Rashtriya Chemicals & Fertilizers Limited(RRCFL)- Associate Company

(iii) Transactions with Related parties

a Barmer Lignite Mining Company Limited :

(Amt. in ₹)		
Nature of Transactions during the year	2012-13	2011-12
Expenses incurred	2,21,26,507/-	63,01,893/-
Interest earned on deposits	6,34,68,605/-	10,94,13,970/-
Received towards acquisition of land (net)		241,00,00,000/-
Received towards reimbursed of expenditure	0	

b Rajasthan State Petroleum Corporation Limited :

(Amt. in ₹)		
Nature of Transactions during the year	2012-13	2011-12
Expenses incurred	262428	10,40,828/-
Share application money	0	1,00,00,000/-
Received towards reimbursed of expenditure	359406	7900000/-

c Rajasthan Rashtriya Chemicals & Fertilizers Limited :

(Amt. in ₹)		
Nature of Transactions during the year	2012-13	2011-12
Contribution	0	0



35. Miscellaneous:

- (i) The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts the disclosure and other presentation made in the financial statements. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- (ii) Normal Operating Cycle of Company's business has been determined in accordance with the requirement of Revised Schedule VI.
- (iii) Assets and liabilities have been classified into Current and Non current using the above Normal Operating Cycle and applying other criteria prescribed in Revised Schedule VI.
- (iv) Balance of trade payables, trade receivables and loans and advances are subject to confirmation / reconciliation and resultant adjustment(s) thereof.

36 Analysis of Stores and Spares consumed is as under:-

(₹ in Lacs)

Particulars	2012-13	2011-12
Imported	0.00 (0.00%)	0.00 (0.00%)
Indigenous	8497.52 (100.00 %)	9256.65 (100.00 %)

37 No imported raw material was consumed during the year.

38 Earning and expenditure in foreign currency (On accrual basis) are as under:-

(₹ in Lacs)

Particulars	2012-13	2011-12
Earnings	280.62	0
Expenditure		
Spares	-	
Other Matters	8.49	7.68

39. INFORMATION ABOUT BUSINESS SEGMENTS AS ON 31/03/2013

	Rock Phosphate		Rock Phosphate		Limestone		Limestone		Lignite		Gypsum		Gypsum		Captive Power Plant (I.O. Sec)		Captive Power Plant (I.O. Sec)		Wind farm		Other misc		Eliminations		Eliminations		Consolidated Total		Consolidated Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	
External Sales	687483262	767943308	130071254	1534680263	207949297	129007530	168360327	167003893	0	0	0	52623377	53908277	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inter-segment Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Revenue	145507806	120671845	2410088	1890297	126548011	183143578	27626316	15694218	1166575	1166575	0	67452041	27143220	0	476679	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated corporate revenue	702334068	779106883	1324871442	1533570560	2206404848	1473210928	1711277443	1689728111	1166575	1166575	0	659192005	639848950	0	476679	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	4848997404	532196481	1096576712	1287330007	1553599992	953808276	745283822	791827136	9565678	9565678	0	573922227	573922227	0	2448220	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Result	217444664	256691040	234295230	266240553	652458956	57401052	965994021	897900973	-8399103	-8399103	0	150279839	67446623	0	-107144	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Unallocable Expenditure	217444664	256691040	234295230	266240553	652458956	57401052	965994021	897900973	-8399103	-8399103	0	150279839	67446623	0	-107144	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Income tax charges exp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Profit from prior period & exceptional items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Exceptional items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Profit	309101350	252098237	88942602	76673926	1095978506	1383472788	624093244	406979812	10562440	10562440	0	14372889	2589220705	2850860	2850860	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Segment assets	309101350	252098237	88942602	76673926	1095978506	1383472788	624093244	406979812	10562440	10562440	0	14372889	2589220705	2850860	2850860	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated corporate assets	114965758	10767842	51966502	28563088	348954271	649161006	558640702	356607395	359202557	359202557	0	183667426	88073813	3787594	3787594	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Segment liabilities	114965758	10767842	51966502	28563088	348954271	649161006	558640702	356607395	359202557	359202557	0	183667426	88073813	3787594	3787594	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated corporate liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	114965758	10767842	51966502	28563088	348954271	649161006	558640702	356607395	359202557	359202557	0	183667426	88073813	3787594	3787594	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total equity	10767842	51966502	163207	20630494	36293531	189660261	7400397	26311706	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated corporate Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation/Amortisation	11273286	444928816	5818701	1144923385	788381720	8481152	602594774	1371735	1371735	1371735	0	471793714	471793714	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated corporate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Depreciation	11273286	444928816	5818701	1144923385	788381720	8481152	602594774	1371735	1371735	1371735	0	471793714	471793714	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-cash expenses other than depreciation	95879	1759521	0	616446	234265	2388148	913380	315128	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unallocated Non-cash expenses other than depreciation	95879	1759521	0	616446	234265	2388148	913380	315128	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit	95879	1759521	0	616446	234265	2388148	913380	315128	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

39.1 Previous year's figures have been recasted/regrouped, Wherever Necessary, to conform to the current years' presentation.



40 QUANTITATIVE DETAILS OF PRODUCTS AND OTHER DISCLOSURES

(i) Rock Phosphate, Beneficiated Rock Phosphate and Rajphos

(In MT)

Particulars	Rock Phosphate		Beneficiated Rock Phosphate		Rajphos	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Opening Stock	863915	558097	17095	13563	77	2693
Production	1513036	1705392	238334	264256	1595	30976
Less: Moisture Qty.			-48060	-52131		
Purchase	238277	31921				
Transfer	43873	47251	-43873	-47251		
Retrieval	3288	1241				
Sales	635525	942509	115923	180411		33592
Less: Moisture			-12014	-19933		
Own consumption for Ben. Rock Phosphate Rajphos	538426	536194				
Stock as per Books	1488438	865199	59587	17959	1672	77
Shortages	18078	1284	1506	864	0	
Closing Stock	1470360	863915	58081	17095	1672	77

(ii) Gypsum & Selenite:

(In MT)

Particulars	Gypsum		Selenite	
	2012-13	2011-12	2012-13	2011-12
Opening Stock	47947	76653	-	-
Purchases		453	-	-
Production	2858364	3323532	7231	13047
Sales	2846596	3352391	7231	13047
Stock as per Books	59715	48247		-
Shortages/Retrieval	1199	300		-
Closing Stock	58516	47947	-	-

(iii) Lime Stone:

(In MT)

Particulars	2012-13		2011-12	
	Lime Stone	Sub Grade Lime Stone	Lime Stone	Sub Grade Lime Stone
Opening Stock	22548	130988	61279	44505
Production	2275288	389905	2819465	413003
Sales	2246653	374253	2921580	309235
Stock as per Books	51183	146640	-40836	148272
Shortages/Retrieval	-24610	1693	-63384	17284
Closing Stock	75793	144947	22548	130988

RAJASTHAN STATE MINES & MINERALS LIMITED
(iv) Lignite:

(In MT)

Particulars	2012-13	2011-12
Opening Stock	-	-
Production	1387192	1059906
Sales	1387192	1059906
Stock as per Books	-	-
Shortages	-	-
Closing Stock	-	-

(v) Granite:

(In MT)

Particulars	2012-13			2011-12		
	Dressed Block in (CU.M.)	Cobbles in Nos.	Khandas in Nos.	Dressed Block in (CU.M.)	Cobbles in Nos.	Khandas in Nos.
Opening Stock	-	-	-	908	369941	50268
Production	-	-	-	-	-	-
Sales	-	-	-	908	369941	50268
Stock as per Books	-	-	-	-	-	-
Written off	-	-	-	-	-	-
Closing Stock	-	-	-	-	-	-

(vi) Fluorspar :

(In MT)

Particulars	2012-13	2011-12
Opening Stock	-	-
Production	0	212
Sales	0	212
Stock as per Books	-	-
Shortages	-	-
Closing Stock	-	-

(vii) Multimetal:

(In MT)

Particulars	2012-13	2011-12
Opening Stock	340	340
Production	-	-
Sales	-	-
Stock as per Books	340	340
Shortages	-	-
Closing Stock	340	340



Rajasthan State Mines & Minerals Limited

(viii) Bentonite:

(In MT)

Particulars	2012-13	2011-12
Opening Stock		1008
Production	-	-
Sales		1008
Stock as per Books		
Shortages	-	-
Closing Stock		

(ix) Power : (106.3 MW Wind Power Plant)

(In Units)

Particulars	2012-13	2011-12
Generation	141931821	152193872
Sales	127215940	136825407
Own Consumption	13784889	14717215
Wheeling units	930992	651250

(x) Power: (3.8 MW DG Set)

(In Units)

Particulars	2012-13	2011-12
Generation	221400	170580
Own Consumption	197390	110170
Auxillary Consumption out of generatiom	24010	60410

Note: The plant is operated for 8 days only during the financial year (previous year 12 days), as and when required.

In terms of our report of even date

For and on behalf of the Board

Sudhansh Pant
Director

Ashok Bhandari
Managing Director

M.L. Tailor
Financial Advisor

Rajendr Rao
Company Secretary

For **P.C. Modi & Co.**
Chartered Accountants
FRN: 000239C

Bharat Sonkhiya
Partner
Membership No. 403023

Place: Jaipur
Date: 23rd August, 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

S. No.	Name of the Subsidiary Company		Barmer Lignite Mining Company Limited	Rajasthan State Petroleum Corporation Limited
1	Financial year of the Subsidiary ended on		31-Mar-13	31-Mar-13
2	The extent of the holding company's interest in the subsidiary at the end of the financial year i. Face Value ii. Number of Shares held iii. Extent of holding	₹ No. %	10.00 10200000 51.00%	10.00 1100000 100.00%
3	The net aggregate amount of profit/loss of the subsidiary for the above financial year so far as they concern the members of the holding company i. Dealt with in the accounts of the holding company ii. Not dealt with in the accounts of the holding company	₹	Nil 28686600	Nil (241877)
4	The net aggregate amount of profit/loss of the subsidiary for the previous financial years since it became a subsidiary so far as they concern the members of the holding company i. Dealt with in the accounts of holding company ii. Not dealt with in the accounts of holding company	₹	Nil 34275527	Nil (8252101)

In terms of our report of even date

For and on behalf of the Board

For P.C. Modi & Co.
Chartered Accountants
FRN: 000239C

Bharat Sonkhiya
Partner
Membership No. 403023

Place: Jaipur
Date: 23rd August, 2013

Sudhansh Pant
Director

M.L. Tailor
Financial Advisor

Ashok Bhandari
Managing Director

Rajendr Rao
Company Secretary



Rajasthan State Mines & Minerals Limited

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) of the Companies Act, 1956 on the Accounts of Rajasthan State Mines & Minerals Limited, Jaipur for the year ended 31st March, 2013

The preparation of financial statements of Rajasthan State Mines & Minerals Limited, Udaipur for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 23rd August, 2013.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Rajasthan State Mines & Minerals Limited, Udaipur for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comments upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

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

(S. Alok)
Accountant General (E&RSA)
Rajasthan, Jaipur

Place: Jaipur

Date: 25.10.2013

FINANCIAL STATEMENTS
OF
RAJASTHAN STATE PETROLEUM CORPORATION LIMITED
(A Subsidiary Company of RSMML)



Rajasthan State Petroleum Corporation Limited

Rajasthan State Petroleum Corporation Limited

(A Subsidiary Company of RSMML)

KHANIJ BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

DIRECTORS' REPORT

To

The Shareholders,

Your directors take pleasure in presenting the forth annual report along with the audited accounts of the Company for the year ended on 31st March, 2013.

1. Financial Performance

During the year your company has incurred net expenditure of ₹ 241877/- towards routine establishment expenses. The net debit balance in the profit & loss account as on 31st March 2013 is ₹ 82,52,101/-.

2. Change in share capital

There is no change in composition of authorized share capital and paid up share capital has been increased by ₹ 1.00 Crore in the financial year 2012-13.

3. Progress of the activities of the corporation

Your Company has signed a Joint Venture agreement with GAIL Gas for developing "City Gas distribution Network in Rajasthan". Incorporation of Joint Venture Company named RSPCL GAIL Gas Ltd is being expedited.

For Underground Coal Gasification, the Government of Rajasthan has recommended allocation of Nagurda Block in Barmer-Sanchore Basin to RSPCL under Government dispensation route. However, the Ministry of Coal; Government of India has notified new policy for coal block allocation vide gazette dated 2nd February, 2012. The Company is following up with Ministry of Coal for identification of Nagurda block for allocation to State Government Companies under the guidelines of the "Auction by Competitive Bidding of Coal Mines Rules, 2012". Meanwhile, the company is also exploring the possibility of undertaking Underground Coal Gasification and Microbial Coal Conversion in allocated areas of RSMML.

Neyveli Lignite Corporation Limited (NLC) has also, in principle, agreed for forming alliance with RSPCL for

"Underground Coal Gasification and Syn gas production" in Rajasthan. The draft MoU sent to NLC has been confirmed by them.

The ONGC has been requested for formation of alliance between RSPCL & ONGC for Shale Gas Exploration Business. ONGC has replied favourably and terms shall be framed in consonance with the Shale Gas Policy being announced by Gol.

5. Dividend

Since the Company has not commenced its commercial operations during the year under review, the company has not made any profits. Hence, the Directors do not recommend any dividend for the year under review.

6. Fixed Deposit

Your Company has not accepted any Fixed Deposits from the public and is therefore not required to furnish information as per Companies (Acceptance of Deposits) Rules, 1975.

7. Composition of Directors

Shri Ashok Bhandari has been nominated as Managing Director in place of Shri Ajitabh Sharma. Shri S. K. Agrawal was nominated as Director in place of Shri Naresh Pal Gangwar.

Your Directors place on record their appreciation for the valuable services rendered by Shri Ajitabh Sharma and Shri Naresh Pal Gangwar during their tenure.

8. Directors' Responsibility Statement

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

- That in preparation of the annual accounts, the applicable accounting standards have been followed.
- That the Directors have 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 the financial year.

- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the annual accounts for the year under review, on a going concern basis.

9. Auditors

M/s G.K. Mittal & Associates, Chartered Accountants, Jaipur were appointed as Auditors under Section 619 of the Companies Act, 1956, to audit the Company's Annual Accounts for the Financial Year 2012-13. The Statutory Auditors for the Financial Year 2013-14 are yet to be appointed by CAG.

Your Directors request you to authorize the Board of Directors to fix the remuneration of the auditors as would be appointed by the CAG under Section 619 of the Companies Act, 1956.

10. Conservation of Energy and Technology Absorption

Since the Company has not commenced commercial operations, reports pertaining to conservation of energy and technology absorption are not applicable.

11. Secretarial Compliance Report

Pursuant to Section 383A of the Companies Act, 1956, a certificate from Company Secretary in whole time practice regarding status on compliance of the provisions of the Companies Act, 1956 by the Company is attached to the report.

12. Foreign Exchange Earnings and Outgo

There are no foreign exchange earnings or outgo during the year.

13. Particulars as per Section 217 (2A) of the Companies Act, 1956

None of the employees of the Company was in receipt of remuneration in excess of the limits specified under section 217 (2A) of the Companies Act, 1956.

14. Acknowledgment

Your Directors express their grateful appreciation for the cooperation and assistance received from the Government of Rajasthan, various Government departments and authorities, banks, consultants, Rajasthan State Mines and Minerals Limited and Directorate of Petroleum, Government of Rajasthan.

For and on behalf of the Board

Place: Jaipur
Dated: 11.09.2013

Sudhansh Pant
Chairman



COMPLIANCE CERTIFICATE

CIN : U23201RJ2008SGC026960
Nominal Capital : ₹ 35,00,00,000/-
To
The Members
RAJASTHAN STATE PETROLEUM CORPORATION LIMITED
C/O Directorate Of Petroleum,
Khanij Bhawan, Tilak Marg, C-Scheme
Jaipur

I have examined the registers, records, books and papers of **RAJASTHAN STATE PETROLEUM CORPORATION LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum of Association of the Company for the financial year ended on **31st March, 2013**. In my opinion and to the best of our information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited Company, comments are not required.
4. The Board of Directors duly met on 06.08.2012 in respect of which meeting proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. Company has not passed resolution by circular during the year.
5. The Company is not required to close its Register of Members during the financial year.
6. The Annual general Meeting for the financial year ended on **31.03.2012** was held on **26.09.2012** after giving due notice to the members of the Company and the resolution passed thereat were duly recorded in the Minute Book maintained for purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred in the section 295 of the Act.
9. The Company has duly complied with the provisions of Sec. 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate Share Certificate during the financial year.
13. The Company has:
 - (i) not made allotment of securities during the year under review. There is no share transfer during the year under review.
 - (ii) not declared any dividend/ interim dividend during the financial year under review.
 - (iii) not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) not applicable being no amount is outstanding at the end of the year.
 - (v) duly complied with the requirement of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was appointment of Mr. Attan Kumar Kakroo as additional Director and further appointed as director in place of

- Mr. Naresh Pal Gangwar, liable to retire by rotation and no appointment of alternate Director, and Mr. Tanmay Kumar and Mr. Shudhash Pant were appointed as nominee director during the financial year.
15. The Company has not appointed Managing Director during the Financial year.
 16. The Company has not appointed any sole selling agent during the financial year.
 17. The Company has got approval from Registrar of Companies for extension of time for holding Annual General Meeting. Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, and or such authorities prescribed under the various provisions of the Act during the financial year.
 18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and rules made thereunder.
 19. The Company has issued Equity Shares during the year.
 20. There was no redemption of preference shares or debentures during the financial year.
 21. The company has not bought back any shares during the financial year.
 22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
 24. The Company has not made borrowing during the financial year in accordance to the provision of the Act.
 25. The Company has not made loans and investments, or given guarantees or provided securities to persons in compliance with the provisions of the Act.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another state during the financial year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the financial year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the financial year under scrutiny.
 30. The Company has not altered its Articles of Association during the financial year.
 31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
 32. The Company has not received any money as security from its employees during the financial year.
 33. The Company has not deducted contribution towards Provident Fund under Section 418 of the Act during the financial year.

For S.K. Joshi & Associates

Company Secretaries

Place: Jaipur
Dated: 19.08.2013

Sanjay Kumar Joshi
Proprietor
C.P. No. 7342



Rajasthan State Petroleum Corporation Limited

Annexure A

Registers as maintained by the Company

1. Register of Members	u/s150
2. Minute Book of Board Meetings	u/s193(1)
3. Minute Book of General Meetings	u/s 193(1) ,196(1)
4. Register of Contracts	u/s 301
5. Register of Directors	u/s 303
6. Register of Directors Shareholding	u/s 307
7. Register of Charges	u/s143
8. Books of Accounts	u/s 209

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Directors, Central Government or other authorities during the financial year ending on 31st March, 2013

S.N	Document/ Form	Under Section	Date of Document	Filed on	Whether Filed within time	Whether additional fee paid
1.	Form 23AC& 23ACA	220	31.03.2012	21.10.2012	YES	NO
2.	Form 20B	159	26.09.2012	18.11.2012	YES	NO
3.	Form 66	383A(1)	31.03.2012	19.10.2012	YES	NO
7.	Form 32	303(2)	26.03.2012	04.08.2012	NO	YES
8.	Form 32	303(2)	26.09.2012	26.10.2012	YES	NO
9.	Form 32	303(2)	06.08.2012	10.11.2012	NO	YES
10.	Form 32	303(2)	06.08.2012	23.10.2012	NO	YES
11.	Form 2	75(1)	06.08.2012	27.08.2012	YES	NO

For S.K. Joshi & Associates

Company Secretaries

Sanjay Kumar Joshi
Proprietor

C.P. No. 7342

Place: Jaipur
Dated: 19.08.2013

G.K. MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS

“SHREE DHAM”, 3rd Floor
R-20, Yudhishter Marg,
C-Scheme, Jaipur-302005
(0) 0141-4021474, 75
(M) 99822-03400

INDEPENDENT AUDITOR'S REPORT

To The Members of
Rajasthan State Petroleum Corporation Limited

1. We have audited the attached Balance Sheet, Statement of Profit & Loss and annexure thereto of Rajasthan State Petroleum Corporation Ltd, as at 31st March, 2013 and also Cash Flow Statement for the year ended on that date. These Financial Statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards that we plan and perform thereto obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure, a statement on the matter specified in paragraph 4&5 of the said order.
4. Further to our comments in Annexure I referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of accounts as required by the law have been kept by the company so far as it appears from our examination of those books;
 - iii. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with books of account;
 - iv. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
 - v. As per the explanations given to us that it is being a Government Company, therefore the provisions of section 274(1)(g) of the Companies Act, 1956 are not applicable to it as per G.S.R. no. 829 (E) dated 21.19.2003 for the Companies Affair Department, Finance Ministry.
 - vi. In our opinion and to the best of our Information and according to the explanations give to us, the said account give the information required by the companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a. In the case of the Balance Sheet of the state of the affairs of the company as at 31st March, 2013;



Rajasthan State Petroleum Corporation Limited

b. In the case of Statement of Profit & Loss of the loss of the company for the year ended 31st March, 2013 and

c. In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For G.K. Mittal & Associates

Chartered Accountants
FRN 005842C

Jogendra Singh

Partner

Membership No. 079348

Place: Jaipur

Date : 22nd August 2013

ANNEXURE REFERRED TO IN PARAGARAPH 5(I) OF OUR
REPORT OF EVEN DATE TO THE SHAREHOLDERS OF
RAJASTHAN STATE PETROLEUM CORPORATION LIMITED

Referred to in paragraph 5 (1) of our report of even date.

- | | | | |
|-------|---|--------|--|
| (i) | (a) The company has not kept any fixed Assets. | (vii) | In our opinion, internal audit system is not compulsory for this company. |
| | (b) Above reference (i) (a) is not applicable.
I Above reference (i) (a) is not applicable. | (viii) | As per section 209 (1) (d) company is required to maintain cost records, but company has not commenced business, and has not maintained any cost record. |
| (ii) | (a) Company has not commenced the Business Operation, and there is no inventory as on the date of balance sheet. | (ix) | (a) Company has not commenced the business activities so this clause does not apply.
(b) Above reference (ix) (a) is not applicable.
I Above reference (ix) (a) is not applicable. |
| | (b) Above reference (ii) (a) is not applicable.
I Above reference (ii) (a) is not applicable. | (x) | This clause is not applicable as the company has not yet completed 5 years. |
| (iii) | (a) The company has not taken any loans. | (xi) | In our opinion and according to the information and explanation given to us the company has not defaulted in repayment of dues to a financial institution and bank. |
| | (b) Above reference (iii) (a) is not applicable.
I Above reference (iii) (a) is not applicable. As reported, Company has not accepted any loan. | (xii) | In our opinion and according to the information and explanation given to us company has not granted any loan and advances against security of share, debentures and other securities. |
| | (d) Above reference (iii) (a) is not applicable. | (xiii) | In our opinion, the company is not a chit fund or a Nidhi/Mutual benefit Fund/Society therefore the provisions of clause 4 (xiii) of the companies (Auditor Report) order 2003 are not applicable to the company. |
| (iv) | Company has not commenced the business activities, so this clause does not apply. | (xiv) | In our opinion, the company is not dealing or trading in share, security debentures and other investments. According to the provision of clause 4 (xiv) of the companies (Auditors Report) order 2003 are not applicable to the company. |
| | (a) According to the information and explanation given to us, we are of the opinion that the particulars of all contracts or agreements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered. | (xv) | According to the information given to us, company has not given any guarantee for loans taken by other from Bank or financial institution. |
| | (b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or agreement entered in the register maintained under section 301 of the Companies Act, 1956. | | |
| (vi) | In our opinion and according to the information given to us, in this financial year | | |



Rajasthan State Petroleum Corporation Limited

- (xvi) In our opinion and according to the information and explanation given to us, that the company has not accepted the term loan.
- (xvii) According to the information and explanation given to us and on an overall examination of balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares, so clause (xviii) is not applicable.
- (xix) The company has not issued any debentures
- in this year so provision of clause (xix) is not applicable.
- (xx) The company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedure performance for the purpose of reporting the true and fair view of the financial statements and information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For G.K. Mittal & Associates

Chartered Accountants
FRN 005842C

Jogendra Singh
Partner

Membership No. 079348

Place: Jaipur

Date : 22nd August, 2012

BALANCE SHEET AS ON 31st MARCH, 2013

(Amt in ₹)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
1 Shareholder's Fund			
(a) Share Capital	2	1,10,00,000	10,00,000
(b) Reserves & Surplus	3	-82,52,101	-80,10,224
2 Share application Money Pending for Allotment		0.00	1,00,00,000
3 Current Liabilities			
Other Current liabilities	4	13,754	1,10,114
TOTAL		27,61,653	30,99,890
II. ASSETS			
1 Current Assets			
Cash & Bank Balances	5	27,40,484	30,99,890
Other Current Assets	6	21,169	0
TOTAL		27,61,653	30,99,890

Significant Accounting Policies

1

Notes on Financial Statements

2-9

As per our attached report of even date

For G.K. MITTAL & ASSOCIATES

Chartered Accountants

FRN: 005842C

(Jogendra Singh)

Partner

Membership No. 079348

Place: Jaipur

Date: 22.08.2013

For and on behalf of the Board

A.K. Kakroo

Director

Ashok Bhandari

Managing Director



Rajasthan State Petroleum Corporation Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED

31st MARCH 2013

(Amt in ₹)

Particulars	Note No.	For the year 2012-13	For the year 2011-12
I. Revenue from operations		0	0
II. Other Income	7	21,169	0
III. Total Revenue (I+II)		21,169	0
IV. Expenses			
Employee benefits expense	8	0	4,17,472
Other expenses	9	2,63,046	6,23,466
Total Expenses		2,63,046	10,40,938
V. Loss before tax (III-IV)		-2,41,877	-10,40,938
VI. Tax expense			
Current Tax		0	0
Deferred Tax		0	0
VII. Loss for the period (V-VI)		-2,41,877	-10,40,938
VIII. Earning per equity share			
1) Basic		-0.32	-10.41
2) Diluted		-0.32	-10.41

Significant Accounting Policies

1

Notes on Financial Statements

2-9

As per our attached report of even date

For G.K. MITTAL & ASSOCIATES

Chartered Accountants

FRN: 005842C

(Jogendra Singh)

Partner

Membership No. 079348

Place: Jaipur

Date: 22.08.2013

For and on behalf of the Board

A.K. Kakroo

Director

Ashok Bhandari
Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31st MARCH 2013

(Amt in ₹)

PARTICULARS	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
Cash Flow From Operating Activities		
Net profit before tax	-2,41,877	-10,40,938
Adjustments	NIL	NIL
Interest	-21,169	0,00,000
Operating profit before working capital changes	-2,63,046	-10,40,938
Working capital changes		
Other Current Assets	-19,052	0
Other Payables	-96,360	-68,59,172
Cash generated from operations	-3,78,458	-79,00,110
Less: Direct tax paid	2,117	0
Net cash flow from operating activities (A)	-3,80,575	-79,00,110
Cash Flow From Investing Activities		
Interest received	21,169	0
Cash Flow From Investing Activities (B)	21,169	0
Cash Flow From Financing Activities		
Share Application Money	0	1,00,00,000
Cash Flow From Financing Activities (C)	0	1,00,00,000
Net Change in Cash & Cash Equivalents (A+B+C)	-3,59,406	20,99,890
Cash & Cash Equivalents at the beginning	30,99,890	10,00,000
Cash & Cash Equivalents at the end	27,40,484	30,99,890

As per our attached report of even date

For G.K. MITTAL & ASSOCIATES

 Chartered Accountants
 FRN: 005842C

 (Jogendra S. Shekhawat)
 Partner
 Membership No. 079348

 Place: JAIPUR
 Date: 22.08.2013

For and on behalf of the Board
A.K. Kakroo
 Director

Ashok Bhandari
 Managing Director



NOTES FORMING PART OF THE ACCOUNTS

AS AT 31st MARCH, 2013

NOTE NO. I SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

I. Significant Accounting Policies

- (a) The financial statements are prepared under the historical cost convention, on the accounting principles of going concern and as per applicable accounting standards. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision of accounting estimates is recognised prospectively.

(b) Fixed Assets

Fixed assets are recorded at historical cost which includes all direct and indirect expenses up to the date of acquisition and installation of the same.

(c) Depreciation

Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

Depreciation on impaired assets related to a cash generating unit is provided by adjusting the depreciation charge in the remaining periods so as to allocate the revised carrying amount of the assets over its remaining useful life.

(d) Impairment of Assets:

In accordance with AS 28 on "Impairment of Assets" issued by ICAI, where there is an indication of impairment of the company's

assets relating to cash generating units, the carrying amount of such assets are reviewed at each balance sheet date to determine whether there is an impairment. The recoverable amount of such assets is estimated at the higher of its net selling price and its value in use. An impairment loss is recognized in the Statement of Profit & Loss whenever carrying amount of such assets exceeds its recoverable amount.

(e) Investments :

Long term investments are stated at cost. In case, there is a decline other than temporary in the value of the investment, a provision for the same has been made.

(f) Inventories :

Inventories are valued at lower of cost and realisable value. Cost is determined on the basis of weighted average. Obsolete and unserviceable stock is duly provided for wherever applicable.

(g) Foreign exchange Transactions :

Transactions are recorded at the exchange rates prevailing on the date of the transaction.

Foreign currency designated assets, liabilities and capital commitments are stated at the year end rates. The exchange differences are adjusted to carrying cost of the fixed assets acquired outside India if they relate to fixed assets and to Statement of Profit & Loss in other cases.

(h) Borrowing Cost :

Borrowing Costs directly attributable to the acquisition and construction of qualifying assets are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use.

(i) Provisions and Contingent Liabilities :

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) The Company has a present obligation as a result of a past event.
- b) A probable outflow of resources is expected to settle the obligation and
- c) The amount of the obligation can be reliably estimated

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognized to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

- a) A present obligation arising from a past event, when it is not probable that a outflow of resources will be required to settle the obligation.
- b) A possible obligation, unless the probability of outflow of resources is remote.

(II) OTHER NOTES ON ACCOUNTS :

- (a) The project is under implementation and yet to commence commercial operations. In view of the Opinion issued by the Expert Advisory Committee, the statement of Profit & Loss has been prepared as required by AS-26. Accordingly various expenses incurred during the current year have been charged to the Statement of Profit & Loss for the year.
- (b) The company has allotted 10,00,000 Equity Shares to its holding company M/s Rajasthan State Mines & Minerals Limited at the face value of ₹ 10/- each equity share against share application money received in earlier year (s). Thus, there was no share application money outstanding for allotment at the end of the current year.

- (c) The company has not received any intimation from its suppliers whether they are registered under Micro, Small and Medium Enterprises Development Act, 2006. Hence, the disclosure relating to amount unpaid as at the year-end together with interest paid/payable under this Act has not been disclosed separately

- (d) As per AS-22, deferred tax should be recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Therefore, no provision of deferred tax assets and liabilities is made as on 31 March, 2013 as there is no timing difference and project is yet to start its commercial production.

- (e) Remuneration to Auditors:

	F.Y. 2012-13	F.Y. 2011-12
Audit fees	Rs. 5618/-	Rs.5000/-

- (f) In the opinion of the Management, Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provisions for all known liabilities are adequate and not in excess of what is required.

- (g) Contingent Liabilities provided for: Nil.

- (h) Related party Disclosure as per Accounting Standard 18:

List of Related Parties:

- (i) Parties where control exists
 - (a) Rajasthan State Mines and Minerals Limited- Holding Company.
- (ii) Related Party Transactions – The following transaction took place with related parties during the year:



Rajasthan State Petroleum Corporation Limited

(Amt In ₹)

Nature of Transaction during the year	2012-13	2011-12
Receipt of Share application Money	Nil	1,00,00,000/-
Allotment of Equity Shares (Against share application money received earlier)	1,00,00,000/-	Nil
Refund towards reimbursement of expenditure	3,59,406/-	-79,00,000/-
Expenses incurred	2,62,428/-	10,40,828/-

(i) Earnings per Share (EPS) :

In determining earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra-ordinary/ exceptional item. The number of shares in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all diluted potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of outstanding shares). A statement showing the computation of EPS is as under:

S. No.	Particulars	As at 31st March 2013	As at 31st March 2012
A	Net Profit after Tax (Rs. In Lacs)	-2.41	-10.41
B	Weighted average number of equity share for Basic EPS (No. of shares in Lacs)	7.52	1.00
C	Basic earning per share (In Rs.) (A/B)	-0.32	-10.41
D	Weighted average number of equity shares for Diluted EPS (No. of shares in Lacs)	7.52	1.00
E	Diluted earning per share (In Rs.) (A/D)	-0.32	-10.41
F	Face Value of share (In Rs.)	10.00	10.00

2. SHARE CAPITAL

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Authorised Share Capital		
3,50,00,000 Equity Shares of Rs. 10 each (Previous Year 3,50,00,000 Equity Shares of Rs. 10 each)	35,00,00,000	35,00,00,000
2. Issued, Subscribed & Paid up Share Capital		
11,00,000 Fully paid equity shares of Rs. 10/- each (Previous year 1,00,000 equity shares of Rs. 10/- each)	1,10,00,000	10,00,000
	1,10,00,000	10,00,000

2.1 The reconciliation of the number of shares outstanding is set out below-

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Equity Shares outstanding at the beginning of the year	1,00,000	1,00,000
Add: Issued during the year	10,00,000	0.00
Equity Shares outstanding at the end of the year	11,00,000	1,00,000

2.2 Shares held by Holding Company

Name of Holding Company	As at 31st March 2013		As at 31st March 2012	
	Amount (in ₹)	No. of Shares	Amount (in ₹)	No. of Shares
Rajasthan State Mines & Minerals Limited	1,10,00,000	11,00,000	10,00,000	1,00,000

2.3 The details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
	No of Shares	% held	No of Shares	% held
Rajasthan State Mines & Minerals Limited.	11,00,000	100	1,00,000	100

2.4 Terms/right attached to equity shares

The Company has one class of equity share having a par value of ₹10 per share. Members of the Company holding equity share capital therein have a right to vote on every resolution placed before the Company and right to receive dividend. Each shareholder is eligible for one vote per share held.

3. RESERVES AND SURPLUS

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Debit balance of Statement of Profit and Loss		
As per last balance sheet	-80,10,224	-69,69,286
Add: Loss for the year	-2,41,877	-10,40,938
	-82,52,101	-80,10,224



4. OTHER CURRENT LIABILITIES

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Other Payables		
From Rajasthan State Mines & Minerals Limited (holding Company)	8,136	1,05,114
From others	5,618	5,000
	13,754	1,10,114

- 4.1 Based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts due to Micro, Small and Medium Enterprises Suppliers on accounts of principal and/or interest as at the close of the year.

5. CASH & CASH EQUIVALENTS

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Cash and cash equivalents		
Balance with ICICI Bank in current account	2,40,484	30,99,890
(b) Other bank balances		
Short term bank deposits	25,00,000	0
	27,40,484	30,99,890

6. OTHER CURRENT ASSETS

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Interest Accrued on FDR	19052	0
Income Tax Deposits (TDS on interest on FDR)	2,117	0
	21,169	0

7. OTHER INCOME

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Interest on FDR	21,169	0.00
	21,169	0.00

8. EMPLOYEES' BENEFIT EXPENSES:

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Salary & Wages	0	4,02,073
Medical Aid & Welfare	0	15,399
	0	4,17,472

9. OTHER EXPENSES

(Amt In ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Legal & Professional Fees	22,500	23,850
Printing & Stationery	5,700	9,915
Travelling Expenses	57,766	2,89,217
Audit Fee	5,618	5,000
Postage & Telephone Expenses	9,288	11,816
Seminar, Conference & Exhibition	1,45,596	2,83,098
Bank Charges	0	110
General Charges	16,578	460
	2,63,046	6,23,466

As per our attached report of even date

For G.K. MITTAL & ASSOCIATES

Chartered Accountants
FRN: 005842C

(Jogendra S Shekhawat)
Partner
Membership No. 079348

Place: JAIPUR
Date: 22/08/2013

For and on behalf of the Board

A.K. Kakroo
Director

Ashok Bhandari
Managing Director



Rajasthan State Petroleum Corporation Limited

COMMENTS OF CAG UNDER SECTION 619(4) OF THE COMPANIES ACT 1956

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF RAJASTHAN STATE PETROLEUM CORPORATION LIMITED, JAIPUR FOR THE YEAR ENDED 31ST MARCH 2013.

The preparation of financial statements of Rajasthan State Petroleum Corporation Limited, Jaipur for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 22.08.2013.

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditors on the accounts of Rajasthan State Petroleum Corporation Limited, Jaipur for the year ended 31 March 2013 and as such have no comments to make under Section 619 (4) of the Companies Act, 1956.

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

(S. Alok)
Accountant General
(Eco. & Rev. Sector Audit)
Rajasthan, Jaipur

Place : Jaipur
Date 16.09.2013

FINANCIAL STATEMENT
OF
BARMER LIGNITE MINING COMPANY LIMITED
(A *subsidiary company* of RSMML)



Barmer Lignite Mining Company Limited
Seventh Annual Report
DIRECTORS' REPORT

To the Shareholders,

Your directors take pleasure in presenting the 7th Annual Report along with the audited accounts of the Company for the year ended on 31st March 2013.

1. Financial Results

During the year, the Company has dispatched 3.75 Million Tonnes of lignite from its Kapurdi Block to Raj West Power Limited (RWPL). As at March 2013, the Gross Block and Capital Work-in-progress aggregates to Rs. 659.48 crore. During the year, your Company has achieved profit after tax of Rs. 5.76 crore. The profit after tax for the year was calculated based on the adhoc interim transfer price of lignite and payment of proportionate reduced charges to the mine development operator which is subject to truing up.

2. Details and Status of the project and Operation

Your Company was incorporated on 19th January, 2007 as a Joint Venture Company between Rajasthan State Mines & Mineral Ltd. (RSMML), a Government of Rajasthan enterprise & Raj West Power Ltd. (RWPL), a subsidiary of JSW Energy Limited with equity participation of 51% and 49% respectively to develop lignite mines in two contiguous blocks viz Kapurdi and Jalipa in Barmer district of Rajasthan for supplying lignite to the mine-head located 1080 MW (8X135 MW) capacity Lignite Based Thermal Power Plant of RWPL.

Your Company is pleased to inform that during its very first full year of operation, Kapurdi mines have achieved its approved capacity. However, during the year, efforts to contain propagation of in-seam fire detected in the quarry bed had resulted in lignite extraction exceeding the tonnage under approved mining plan. The process of transfer of the Jalipa lignite mining lease is underway.

Your Company has appealed to Appellate Tribunal To Electricity (APTEL) against Rajasthan Electricity Regulatory Commission (RERC) Order dated 17.08.2011 wherein RERC had sought rebid of the Mine Developer cum Operator (MDO) appointed by the Company citing certain deficiencies in the process of tendering. Pending disposal of case, the Company had engaged M/s. Engineers India Limited

(EIL) for carrying out an International Competitive Bidding (ICB) Process. In the meantime, APTEL in its judgement dated 08.04.2013 had upheld the order of RERC for the conduct of competitive bidding for MDO appointment by the Company without any right of first refusal to RWPL or their consortium members. RWPL had filed a Civil Appeal before the Supreme Court on 01st August, 2013 against the above order of APTEL.

During the month of April 2012, Hon'ble RERC determined the Ad-hoc interim tariff of lignite to be supplied to RWPL for the Year 2012-13.

Till October 2013, an amount of Rs.642.61 Crs. have been disbursed to the khatedars out of Rs.709 Crs. (Approx.) paid to RSMML for payment to land losers towards acquisition of land for Jalipa lignite block, R&R and compensation towards structures.

The Detailed Project Report (DPR) for diversion of NH 15 has been prepared by PWD-NH Division and submitted to Ministry of Road Transport and Highways, New Delhi for approval and for the financial sanction.

Your Company had awarded EPC contract for Lignite Handling System (LHS) of 5 MTPA capacity at Kapurdi lignite mines to FL Smidth, Chennai on 06.12.2011 at a project cost of Rs.94 Crores which is expected to be completed by December 2013.

Your Company had also awarded EPC contract to M/s Triveni Engineering & Industries Limited on 19.09.2013 for 3.0 MLD Water Treatment Plant (WTP) at Kapurdi Lignite Mines valued at Rs.6.82 crores. The period of execution to complete the WTP is 8 months.

In order to meet the growing requirement of the power plant, the Company proposes to enhance the mining capacity of Kapurdi lignite mines from the present approved level of 3MTPA to 7MTPA to meet any shortfall due to delay in starting of Jalipa Lignite mines. Pending approval of increase in capacity from 3 to 7 MTPA, your Company had also applied to MOEF for increase in Mining capacity by 25% to 3.75 MTPA in accordance with MOEF Guidelines dated December 19, 2012.

3. Dividend

Your Directors have not recommended any dividend for the year under review.

4. Fixed Deposits

Your Company has not accepted any Fixed Deposits from the public and is therefore not required to furnish information as per Companies (Acceptance of Deposits) Rules, 1975.

5. Share Capital

There is no change in the Authorised and Paid up Capital of the Company during the year.

6. Financing

During the year, your Company has received Rs.6,96,00,000/- from its Promoter, RWPL, towards Subordinate Debt as per Joint Venture Agreement and the proceeds were used to effect payment to various parties.

Your Company has also received Rs.84,00,00,000/- towards Rupee Term Loan from Banks / Financial Institutions for financing the project related costs including interest during construction.

7. Directors

a) Composition

The Board comprises of 7 directors.

b) Retirement by Rotation

Mr. Sunil Arora and Mr. Pramod Menon, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The proposals regarding their re-appointment as Directors are placed for your approval.

c) Changes in the Board

Mr. Pramod Menon ceased to be the Managing Director of the Company w.e.f. 03rd May, 2013 but continues to remain as Director of the Company as nominee of RWPL. Mr. Umesh Gupta has been nominated by RWPL as Managing Director in place of Mr. Pramod Menon with effect from 03rd May, 2013.

Mr. Shailendra Agarwal was nominated by RSMML as Director in place of Mr. Naresh Pal Gangwar, Director with effect from 21st May, 2013.

Mr. Ashok Kumar Bhandari was nominated by RSMML as Director in place of Mr. Ajitabh Sharma, Director with effect from 29th August, 2013.

Your Directors place on record their deep appreciation for the valuable services rendered by Mr. Naresh Pal Gangwar and Mr. Ajitabh Sharma during their tenures as Directors.

8. Composition of Audit Committee

As per the requirements of Section 292A of the Companies Act, 1956, an Audit Committee was constituted on 27th December, 2007 and was reconstituted from time to time and presently constitutes of the following members:

- 1) Mr. Shailendra Agarwal, Chairman
- 2) Mr. Sudhansh Pant
- 3) Mr. Sanjay Sagar
- 4) Mr. Pramod Menon

The terms of reference of audit committee are in accordance with Section 292A of the Companies Act, 1956. Members of the Audit Committee met thrice during the year.

9. Directors' Responsibility Statement

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

- a) In the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed and there is no material departure from the same;
- b) The Directors have 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 the financial year and of the profit or loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The Directors have prepared the annual accounts for the year under review, on a going concern basis.



Barmar Lignite Mining Company Limited

technology absorption, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given as Annexure to the Director's Report.

12. Foreign Exchange Earnings and Outgo

There are no foreign exchange earnings or outgo during the year.

13. Particulars as per Section 217 (2A) of the Companies Act 1956

In terms of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, none of the employees of the Company was in receipt of remuneration in excess of the limits prescribed.

14. Acknowledgment

Your Directors wish to place on record their appreciation for the cooperation and assistance received from the Government of Rajasthan, various Government departments and authorities, banks, consultants, Rajasthan State Mines and Minerals Limited and Raj West Power Limited.

10. Auditors

The Statutory Auditors, M/s Chatter & Chatter, Chartered Accountants, Jaipur were appointed as Auditors under Section 619 of the Companies Act, 1956, to audit the Company's Annual Accounts for the Financial Year 2012-13. M/s Chatter and Chatter has been reappointed as Auditors u/s 619 of the Companies Act, 1956 for the Financial Year 2013-14.

In accordance with the Order dated 24th January, 2012 issued by Ministry of Corporate Affairs (MCA) pursuant to Section 233B of the Companies Act, 1956, your Company is required to get its cost accounting records audited by a Cost Auditor and had accordingly appointed M/s. R.K. Bhandari & Co., Cost Accountants for this purpose for FY 2012-2013.

Subject to the approval of the Central Government, your Company has reappointed M/s. R.K. Bhandari & Co., Cost Accountants to conduct the audit of the cost accounting records for FY 2013-2014.

11. Particulars of Conservation of Energy and Technology Absorption etc.

The particulars relating to energy conservation and

For and on Behalf of the Board

Place: Jaipur
Date : 29.11.2013

Sunil Arora
Chairman

ANNEXURE TO THE DIRECTOR'S REPORT

Particulars pursuant to the provisions of Companies (Disclosure of particulars in the report of Directors) Rules, 1988

A Conservation of Energy

a) Energy Conservation Measures taken:

Installation of Capacitor Bank:

1. Capacitor banks have been installed. As a result of which power factor improved from 0.76 to 0.96.
2. We are using CFL and LED Light fittings for area lightings to save the energy.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

The following actions are proposed to be taken.

Replacement of lower capacity pumps with Higher capacity:

- 1. At present we have total 19 nos pumps for dewatering purpose. There are set of submergible pumps and with common head horizontal pumps (with positive suction) of 160KW&75KW are connected. Net efficiency of pumps are getting reduced to approx. 65% due to this series connection of pumps.
- 1. We are going to replace two-third of lower capacity series connected pumps with two nos higher capacity 6.6KV, 400KW pump with 79% efficiency maintaining same water flow(m³/hr).
- 1. There will be saving of ₹ **46.2 lacs/yr** (@Rs.6.25/kwhx16x330days) after this modification.

Connected pumps, power consumption and water flow:

Option	No of submergible pump and total KW load	No of horizontal pumps and KW load	Total water qty (m ³ /hr)	Specific power consumption (KW/m ³)
Present condition	12x30KW	5x160KW+2x75KW	1750	1310/1750=0.75
After modification	3x160+6x30=660KW 440V, 3-ph motor	2x375=750 KW 6.6KV,3-ph motor	2118	1410/2118=0.67

Power saving for dewatering of 1750 m³/hr = 1750(0.75-0.67)=140KW

C) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

Load Current drawl from 6.6KV side is reduced by 35 Amp, which resulted power saving worth Rs. 1.33 lacs/yr.

B. Technology Absorption

1.	Specific area in which R&D carried out by the Company	Company is making studies in the field of slope stability. Test results obtained from the study made by MBM Engineering College Jodhpur is being sent to our consultant Vattenfall Europe Mining AG for analysis.
2.	Benefits derived as a result of the above R&D	Result of above R&D will be helpful in reducing the ultimate slope angle of benches and in turn will result in reduction in land use, reduction of cost, recovery of maximum quantity of Geological Reserve and stability of ground in due course of time.



3.	Future plan of action	The study will be completed only when the mine reaches the maximum depth. Depending on the result of first phase of study future course of action will be decided.
4. a. b. c. d.	Expenditures Capital Recurring Total Total R&D expenditure as a percentage of turnover	a. Rs 160000.00 b. Nil c. Nil d. 0%

AUDITORS' REPORT

Auditors' Report to the Shareholders

Report on Financial Statement

We have audited the attached Balance Sheet of Barmer Lignite Mining Company Limited as at 31st March, 2013 and the Profit & Loss Account and also the Cash flow Statement for the year ended on that date annexed there to and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from the material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Auditing Standards generally accepted in India, which require that we plan and perform the audit to obtain reasonable assurance about the whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The, procedures selected depend on the auditors judgment, including assessments of the risk of the material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management,

as well as evaluating the overall presentation of the financial statements.

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

Emphasis

Without qualifying our report, attention is drawn to:

- a) Notes No. 23(b)(iii) "Based on adhoc interim transfer price and adhoc interim MDO fees the profit and loss accounts of the company reflect a profit after tax of ₹ 5.76 Crores for the FY 2012-13. However, as a regulated project of the post tax ROE capped at 15.50% of the invested equity, the PAT should have worked out about ₹ 1.03 Crores. Accordingly, the reported PAT for the FY 2012-13 is higher than regulatory return pending the final determination of transfer price and MDO Fees".
- b) Notes 23 (k), dealing with interest on subordinate loan in which we would like to bring to the notice that the matter of interest on subordinate loan have being referred to GoR by the CAG and the outcome of which is awaited.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manure so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In case of Profit & Loss Account, of the profit for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the companies (Auditors Report) Order, 2003, as amended, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Act, we



Barmar Lignite Mining Company Limited

- give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227 (3) of the Act, we report that :
- a. We have obtained all the information and explanations which to the best of our knowledge and believe were necessary for the purpose of our audit;
 - b. In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956; and
 - e. In terms of Government of India, Department of Company Affairs notification No. GSR 829 (E) dated 21st October, 2003, Government companies are exempted from the applicability of section 274 (1) (g) of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For Chatter & Chatter
Chartered Accountants

Rakesh Chatter
Partner
Membership No. 073831
FRN : 005376 C

Place: Jaipur
Date: 29.11.2013

*Annexure to the Auditors' Report
(Referred to in paragraph I of our Report of even Date)*

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of our audit, we report that to the best of knowledge and belief:

- i. In respect of its fixed asset:
 - (a) The Company has capitalized its assets pertaining to Kapurdi Mining Block upto the date of commercial operation and all other capital assets relating to Jalipa Mining Block are shown as Capital Work in process which has not been put to use. The Company has maintained proper records showing full particulars, including quantities details and situation of fixed assets.
 - (b) The fixed assets were physically verified by the internal auditors/management in accordance with the regular programme of verification which, in our opinion is reasonable. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) Non of or part of fixed assets have been dispose of during the year.
- ii. In respect of inventories:
 - (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the explanations given to us, the procedures for the physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the explanations given to us, the Company has maintained proper records of inventories and no discrepancies were noticed on physical verification.
- iii.
 - (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, sub-clause (b), (c) and (d) are not applicable.
 - (e) The company has taken unsecured loans from M/s Raj West Power Limited amounting to Rs. 368.59 Crores, out of which loans received during the year is of Rs. 6.96 Crores covered in the register maintained under section 301 of the Act.
 - (f) The rate of interest and other terms and conditions of loans taken by the company, are not prima facie prejudicial to the interest of the company; and
 - (g) The company has not repaid the principal / interest amount of the loan during the year, as according to explanation and information provided to us that same was not due for payment during the current year. Company has made provision for interest on subordinated loan received from M/s Raj West Power Limited.
- iv. There is adequate internal control commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed asset and sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.
- v.
 - (a) The particular of contract or arrangements referred to section 301 of the Act have been entered in the register required to be maintained under that section, if applicable; and
 - (b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The company has not accepted deposits from the public during the year, so section 58 A and 58 AA of the Companies Act, 1956 does not apply.
- vii. In our opinion the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the company and the nature of its business.



Barmar Lignite Mining Company Limited

- viii. The maintenance of cost records prescribed by the Central Government under clause (d) of sub-section 1 of section 209 of the Act, is made applicable in lignite mining business from the financial year 2012-13. We have checked the records and are prima-facie of the opinion that the same are properly maintained.
- ix. (a) The company is regular in depositing undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authority and no amount is outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us there is no undisputed amount payable in case dues of income tax / sales tax / wealth tax / service tax / customs duty / excise duty / cess etc. accept the amount of land tax demand of ₹ 4.22 Crores for the financial year 2012-13 and 2011-12, which is sub-judice with the Hon'ble High Court, Jodhpur. However, the company has deposited 30% of the land tax for the year 2011-12 out of the above mentioned demand i.e. ₹ 0.63 Crores as per assessment of Sub Registrar Office, Barmer in accordance with the directive of the Hon'ble High Court, Jodhpur.
- x. The company's accumulated profit at the end of the financial year are ₹ 4.67 Crores (previous year ₹ (1.09) Crores), which includes profit in the current year of ₹ 5.76 Crores (previous year loss of ₹ 0.60 Crores).
- xi. In our opinion and according to the information and explanation given to us, the company is not defaulted in repayment of dues to a financial institution or bank.
- xii. In our opinion and according to the information and explanation given to us, the company has not granted loans and advances on the basis of security by a way of pledge of shares, debentures and other securities.
- xiii. The company is not a Chit Fund / a Nidhi / Mutual benefit fund society / company. Therefore special statute applicable to Chit Fund is not applicable.
- xiv. The company is not dealing or trading in shares, securities, debentures and other investments and hence it is not applicable.
- xv. In our opinion and as per information and explanation provided to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. As per information and explanation provide to us the company has obtained sanction of term loan for ₹ 1260.00 Crores. The company has availed ₹ 846.50 Crores during the year under review and has been utilized for the purposes for which they were raised.
- xvii. During the year no funds has been raised on short term basis.
- xviii. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. During the year the company has not issued any debentures, so provision of this clause is not applicable.
- xx. The company has not raised any money through public issue during the year.
- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and information and explanation given to us, we have to report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Chatter & Chatter
Chartered Accountants

Rakesh Chatter
Partner
Membership No. 073831
FRN : 005376 C

Place: Jaipur
Date: 29.11.2013

BALANCE SHEET AS AT 31st MARCH, 2013

Particulars	Note	As at 31st March, 2013 ₹ In crore	As at 31st March, 2012 ₹ In crore
I EQUITY AND LIABILITIES			
(1) Shareholders' funds:			
(a) Share capital	2	20.00	20.00
(b) Reserves and surplus	3	4.66	(1.10)
		24.66	18.90
(2) Non-current liabilities:			
(a) Long-term borrowings	4	1,215.09	1,124.13
(b) Other long-term liabilities	5	132.72	96.21
		1,347.81	1,220.34
(3) Current Liabilities:			
(a) Trade payables	6	47.16	11.32
(b) Other current liabilities	7	49.31	44.53
(c) Short term Provisions	8	0.11	0.53
		96.58	56.38
TOTAL		1,469.05	1,295.62
II ASSETS			
(1) Non-current assets:			
(a) Fixed Asssets			
(i) Tangible assets	9	4.99	5.29
(ii) Intangible assets		346.47	361.00
(iii) Capital work-in progress		284.71	132.03
(b) Non-current investments	10	0.00	0.00
(c) Long-term loans and advances	11	712.07	712.67
(d) Other non-current assets	12	0.00	0.00
(e) Deferred tax Assets		0.41	1.71
		1,348.65	1,212.70



Barmar Lignite Mining Company Limited

(2) Current assets:			
(a) Inventories	13	5.38	25.54
(b) Trade receivables	14	62.03	37.34
(c) Cash and bank balances	15	31.55	5.96
(d) Short-term loans and advances	16	2.25	0.81
(e) Other current assets	17	19.19	13.27
		120.40	82.92
TOTAL		1,469.05	1,295.62

Significant Accounting Policies 1

Notes forming Integral part of Financial Statements 2-23

As per our attached report of even date
For Chatter & Chatter
Chartered Accountants

For and on behalf of the Board of Directors

Rakesh Chatter
Partner
Membership No. 073831

Umesh Gupta
Managing Director

Sunil Arora
Chairman

Place: Jaipur
Date : 29.11.2013

Nitesh Gangwal
Company Secretary

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	Note	For the year ended 31st March, 2013	For the year ended 31st March, 2012
		In crore	In crore
I Revenue from operations	18	403.99	163.43
II Other income	19	0.77	0.03
III Total Revenue (I+II)		404.76	163.46
IV Expenses:			
Cost of Lignite Mining	20	291.67	146.78
Increase / (Decrease) in Inventories		20.16	(25.54)
Finance costs	21	35.87	18.43
Depreciation and amortisation expenses		14.82	8.48
Other expenses	22	32.82	15.77
Total Expenses		395.34	163.92
V Profit before Prior Period Item and tax (III-IV)		9.42	(0.46)
VI Prior Period Item		.59	-
VII Profit / (Loss) Before tax (V-VI)		8.83	(0.46)
VIII Tax Expenses:			
Current tax		1.77	1.76
Deferred tax		1.30	1.62
		3.07	0.14
IX Profit /(Loss) for the year (V- VI)		5.76	(0.60)
X Earnings per share (₹)			
Basic		2.88	(0.30)
Diluted		2.88	(0.30)
Significant Accounting Policies	1		
Notes forming Integral part of Financial Statements	2-23		

As per our attached report of even date
For Chatter & Chatter
Chartered Accountants

For and on behalf of the Board of Director

Rakesh Chatter
Partner
Membership No. 073831

Umesh Gupta
Managing Director

Sunil Arora
Chairman

Place: Jaipur
Date : 29/11/2013

Nitesh Gangwal
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

	For the year ended 31st March, 2013 ₹ In crore		For the year ended 31st March, 2012 ₹ In crore	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		8.83		(0.46)
Adjusted for:				
Depreciation	14.82		8.49	
Interest Income	(0.77)		(0.03)	
Finance Costs	35.87		18.43	
		49.92		26.89
Operating profit before working capital changes		58.75		26.43
Adjustments for:				
Trade and other receivables	(24.69)		(37.34)	
Trade Payables including Advance received from customers	40.21		44.59	
Inventories	20.16		(25.54)	
Loans and advances	(6.76)		13.83	
		28.92		(4.46)
Cash generated from operations		(87.67)		21.97
Direct Taxes Paid (Net)		(1.77)		(1.29)
NET CASH FLOW FROM OPERATING ACTIVITIES		85.90		20.68
B. CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of Fixed Assets including CWIP & Pre-Operative Expenses		(116.17)		(336.81)
Interest Income		0.77		0.03
NET CASH USED IN INVESTMENT ACTIVITIES		(115.40)		(336.78)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings		90.96		163.03
Finance cost paid		(35.87)		(18.43)
NET CASH FINANCING ACTIVITIES		55.09		144.60
NET INCREASE / DECREASE (-) IN CASH AND CASH EQUIVALENTS (A+B+C)		25.59		(171.50)
CASH AND CASH EQUIVALENTS - OPENING BALANCE		5.96		177.46
CASH AND CASH EQUIVALENTS - CLOSING BALANCE		31.55		5.96

RAJASTHAN STATE MINES & MINERALS LIMITED

Note :

- 1) The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3.
- 2) Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification

As per our attached report of even date
For Chatter & Chatter
Chartered Accountants

Rakesh Chatter
Partner
Membership No. 073831

Place: Jaipur
Date : 29/11/2013

For and on behalf of the Board of Directors

Umesh Gupta
Managing Director

Sunil Arora
Chairman

Nitesh Gangwal
Company Secretary



SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE: - 1

Significant Accounting Policies

(a) General:

- i The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern.
- ii Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable.
- iii All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis. All taxes, duties and cess etc paid on purchases have been charged to the Profit and loss account except such taxes, duties and cess, which are subsequently recoverable with reasonable certainty from the taxing authorities.

In case of Service Tax paid / payable on Lignite extraction charges and other Services, the same has been charged to Profit and Loss account after netting off the Excise Duty payable on sale of Lignite. On account of the huge difference in Service Tax paid on Lignite extraction cost and excise duty paid on sale of Lignite, the possibility of utilization of CENVAT credit cannot be ascertained with reasonable certainty.

- iv The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any

revision to accounting estimates is recognized prospectively.

- v All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956.

(b) Fixed Assets:

(i) Tangible Assets

Fixed assets are stated at cost which includes all direct and indirect expenses up to the date of acquisition, installation and / or any cost attributable for bringing the asset to its working condition for its intended use.

Expenditure incurred during construction period:

Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commencement of commercial production which are incidental and related to construction are capitalized as part of construction cost. Income, if any, earned during the construction period is deducted from the indirect costs.

(ii) Intangible Assets:

Surface rights on Kapurdi Land and Rights under the implementation and Joint venture agreement are amortized on the basis of lignite actually extracted during the period with respect to the estimated quantity of extractable mineral reserves.

(c) Capital Work-in-Progress (CWIP):

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Cost of material consumed, erection charges thereon along with other related expenses incurred for the projects are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a

systematic basis to the cost of the related asset.

Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP on the basis of the closing balance of Specific asset or part of asset being capitalized. The balance, if any, left after such capitalization is kept as a separate item under the CWIP Schedule.

Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance/receipt of claims.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the Fixed Asset is charged off to profit and loss statement in the period in which they are incurred.

(d) Depreciation / Amortization:

Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Surface Rights on Kpurdi Land and Rights under the implementation and Joint Venture agreement are amortized on the basis of lignite actually extracted during the period with respect to the estimated quantity of extractable mineral reserves.

(e) Impairment of Assets:

In accordance with Accounting Standard 28 on "Impairment of Assets" prescribed by the Company (Accounting Standards) Rules, 2006, where there is an indication of impairment of the company's assets relating to cash generating units, the carrying amount of such assets are reviewed at each balance sheet date to determine whether there is an impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized in the profit & loss statement whenever carrying amount of such assets exceeds its recoverable amount.

Depreciation on impaired assets related to cash generating unit is provided by adjusting the depreciation charge in the remaining periods so as to allocate the revised carrying

amount of the asset over its remaining useful life.

(f) Employee related Benefits

The Company does not have any employee on its rolls and are being deputed from Joint Venture Partners. Hence, all employee related benefits are being taken care by the respective Companies from whom the employees are deputed.

(g) Revenue Recognition:

Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.

(h) Investments:

Long term investments are stated at cost. In case, there is a decline other than temporary in the value of the investment, a provision for same is made. Current investments are valued at lower of cost or fair value.

(i) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost is determined on the basis of weighted average. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, defective and unserviceable stock is duly provided for wherever applicable.

(j) Borrowing Cost:

Borrowing Costs directly attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such asset up to the date when such assets are ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment of those borrowings. The capitalization of the borrowing costs shall cease when substantially all activities necessary to prepare the qualifying asset for its intended use are complete.

Other borrowing costs are charged to revenue.



Barmar Lignite Mining Company Limited

(k) **Taxation:**

Income tax expenses comprise current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income of the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however where there is unabsorbed depreciation or carry forward loss under taxation loss, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

Tax credit is recognized in respect of Minimum Alternate Tax (MAT) paid in terms of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and the same is reviewed at each balance sheet date.

(l) **Provision for Mine closure charges:**

Company provides for annual mine closure cost based on the Guidelines for preparation

of Mine closure plan issued by the Ministry of Coal, Government of India. An amount equal to the annual cost is to be deposited every year throughout the mine life compounded @ 5% annually.

(m) **Provisions and Contingent Liabilities:**

Provisions are recognized based on the best estimates of the expenditure required to settle the present obligation at the balance sheet date when

- a) The Company has a present obligation as a result of a past event.
- b) A probable outflow of resources is expected to settle the obligation and
- c) The amount of the obligation can be reliably estimated

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognized to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

- a) Present obligation arising from a past event, when it is not probable that a outflow of resources will be required to settle the obligation.
- b) A possible obligation arising from past event, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future event not within the control of the enterprise.

NOTES FORMING PART OF FINANCIAL STATEMENTS

**NOTE: 2
SHARE CAPITAL**

Particulars	As at 31st March,2013 In crore	As at 31st March,2012 In crore
Authorised:		
2,00,00,000 Equity Shares of Rs. 10 each (Previous year 2,00,00,000 equity shares of Rs.10 each)	20.00	20.00
Issued,Subscribed and paid-up:		
2,00,00,000 Equity Shares of Rs. 10 each (Previous year 2,00,00,000 equity shares of Rs.10 each)	20.00	20.00
	20.00	20.00

2.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March,2013 No. of Shares	As at 31st March,2012 No. of Shares
Shares outstanding at the beginning of the year	2,00,00, 000	2,00,00,000
Add: Fresh Issue of Shares	-	-
Shares outstanding at the end of the year	2,00,00, 000	2,00,00,000

2.2 Details of aggregate shareholding by Holding Company, Subsidiary of Holding Company or Associate of Holding Company

Particulars	As at 31st March,2013 No. of Shares	As at 31st March,2012 No. of Shares
Rajasthan State Mines & Minerals Limited (Holding Company) - a Government of Rajasthan Enterprise	1,02,00, 000	1,02,00,000

2.3 Details of shareholding more than 5% of aggregate shares in the Company

Particulars	As at 31st March,2013 No. of Shares	As at 31st March,2012 No. of Shares
Rajasthan State Mines & Minerals Limited (Holding Company)	1,02,00,000	1,02,00,000
Raj West Power Limited (Joint Venture partner)	98,00,000	98,00,000



2.4 Terms & Rights attached to equity shares

a)	The Company has only one class of equity share having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share.
b)	In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

2.5 Aggregate number of Bonus Shares issued and shares issued for consideration other than cash during the last five years

Particulars	As at 31st March,2013 No. of Shares	As at 31st March,2012 No. of Shares
Shares allotted as fully paid-up without payment received in cash to RSMML as per IA & JV Agreement	1,02,00,000	1,02,00,000

**NOTE: 3
RESERVES AND SURPLUS**

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Surplus :		
Balance as at the beginning of the year	(1.10)	(0.49)
Add: Net Profit for the current year	5.76	(0.60)
Balance as at the end of the year	4.66	(1.10)

**NOTE: 4
LONG TERM BORROWINGS**

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Secured Loans		
Rupee Term Loans:		
From Banks	846.50	762.50
Unsecured Loans		
Subordinate Debt from Related Parties		
Raj West Power Limited (RWPL)	368.59	361.63
	1,215.09	1,124.13

4.1 Details of Security :

Rupee Term Loan amounting to Rs. 846.50 crores is availed on which partial security has been created on 24th July, 2012. For balance creation of Security, the Company is awaiting approval from Govt./Govt. undertaking.

The stipulated security for the said facility is:

- ₹ Hypothecation of movable assets.
- ₹ A first mortgage charge by way of mortgage on the immovable assets of the Project as may be permitted by the Government
- ₹ A first charge on all the Project's bank accounts including but not limited to the Trust & Retention Account(TRA).
- ₹ A first charge on the operating cash flows, commissions, revenues of whatever nature and wherever arising, present and future, intangibles, goodwill, uncalled capital, present and future;
- ₹ Assignment of all rights, titles and interests of the Company in, to and under all assets of the Project and all project documents, contracts, insurance policies, permits/approvals etc. related to the lignite mine development to which the Company is a party, which can be legally assigned and as may be permissible by the Government;
- ₹ Assignment of mining lease/mining rights and other related rights as may be permissible under relevant laws/ allowed by the Government;
- ₹ Pledge of 51% equity shares of the Company.

4.2 Terms of Repayment of Loan:

- a) Outstanding amount of Rs.846.50 Crores as rupee term loan is repayable in 50 Structured Installments commencing from 30 September 2014 till 24 November 2026.
- b) Outstanding amount of Rs. 368.59 Crores of subordinated debt is repayable after repayment of rupee term loan.



NOTE: 5
OTHER LONG TERM LIABILITIES

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Others :		
Interest on Subordinated Debt	132.72	96.21
	<u>132.72</u>	<u>96.21</u>

NOTE: 6
TRADE PAYABLES

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Secured Loans		
Trade Payables	47.16	11.32
	<u>47.16</u>	<u>11.32</u>

- 1) There are no amounts due to Micro, Small and Medium Enterprises suppliers on account of principal and/or interest on suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 .
- 2) All balances are confirmed by the respective parties.

NOTE: 7
OTHER CURRENT LIABILITIES

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Payables - Projects	21.29	6.75
Other payables:		
Statutory Dues payable	9.91	13.06
Lignite Extraction charges payable	4.30	19.05
Mine closure Charges payable	10.86	4.71
Others payable	2.95	0.96
	<u>49.31</u>	<u>44.53</u>

All vendor balances, other than statutory dues are confirmed by the respective parties.

**NOTE: 8
SHORT TERM PROVISIONS**

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Provisions for Tax (Net of advance tax and TDS Rs. Nil (Previous year Rs. 1.77 crore))	-	0.47
Others provisions	0.11	0.06
	<u>0.11</u>	<u>0.53</u>



Note : 9
FIXED ASSETS
(₹ crore)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1st April, 2012	Additions	Deductions/ Adjustments	As at 31st March, 2013	Upto 31st March, 2012	Transferred under Scheme of Amalgamation	For the year	Deductions/ Adjustments	As at 31st March, 2013	As at 31st March, 2012
(A) Tangibles										
Building	0.15	-	-	0.15	0.00		0.01	-	0.01	0.15
Plant & Equipment	5.27	-	-	5.27	0.22		0.28	-	0.50	5.05
Office Equipment	0.07	-	-	0.07	0.00		0.01	-	0.01	0.07
Furniture & Fixtures	0.02	-	-	0.02	0.00		0.00	-	0.00	0.02
Vehicles	-	-	-	-	-		-	-	-	-
TOTAL	5.51	-	-	5.51	0.22	-	0.30	-	0.52	5.29
(B) Intangibles										
Surface Rights on Kapurdi Land	365.86	-	-	365.86	8.18		14.39	-	22.57	357.68
Rights under the Implementation and JV Agreement	3.40	-	-	3.40	0.08		0.13	-	0.21	3.32
TOTAL	369.26	-	-	369.26	8.26	-	14.52	-	22.78	361.00
TOTAL (A+B)	374.77	-	-	374.77	8.48	-	14.82	-	23.30	366.29
Previous Year	-	-	-	-	-	-	-	-	-	-

1. Surface rights on Kapurdi Land includes Borrowing costs of Rs. Nil (Previous year Rs. 74.81 crore) capitalised during the year (refer note 23 (g)).

RAJASTHAN STATE MINES & MINERALS LIMITED
NOTE: 9 contd....
CAPITAL WORK IN PROGRESS

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
CAPITAL WORK IN PROGRESS		
Rights under the Implementation and Joint Venture Agreement	6.80	10.20
Plant and Machinery and Civil Works	53.28	5.91
	60.08	16.11
Less: Transferred to Fixed Assets	-	8.92
Total A	60.08	7.19
PRE-OPERATIVE EXPENDITURE DURING CONSTRUCTION PERIOD & TRIAL RUN		
Opening Balance	124.84	58.00
Manpower Cost	0.57	2.09
Mining Lease Expenses	0.00	0.01
Land Development Expenses	1.65	0.31
Mining Plan Expenses	-	0.02
NH Diversion Expenses	-	0.50
LAO Expenses	-	0.10
Legal and Professional Charges	0.01	0.39
Advertisement Expenses	0.01	0.00
Travelling Expenses	0.04	-
General Expenses	0.05	0.01
Office Rent	0.03	0.02
Labour Charges	0.25	0.16
Finance Charges	0.17	6.62
Interest During Construction Period	104.35	169.13
	231.97	237.36
Less: Interest Income earned	7.34	13.41
(TDS: Rs.0.73 crore (Previous Year :Rs.1.29 crore))		
Less: Amount Transferred to Balance Sheet	-	96.68
Less: Amount Transferred to Profit & Loss Account	-	2.43
Total B	224.63	124.84
Total A+B	284.71	132.03

Interest during Construction includes Rs.Nil (Previous year : Rs.73.84 crore) and Finance Charges Rs.Nil (Previous year : Rs.0.97 crore) pertaining to Kapurdi Mining Land.



NOTE: 10
NON CURRENT INVESTMENTS

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Government and trust securities 6-Year National Savings Certificate Rs.20,000 (Previous Year Rs.20,000) (Pledged with Commercial Tax Department)	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

NOTE: 11
LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Unsecured, considered good Capital Advances	712.07	712.67
Deposits with Government/Semi Government authorities ₹20,000 - Pledged with DMGR)	0.00	0.00
	<u>712.07</u>	<u>712.67</u>

NOTE: 12
NON CURRENT OTHER ASSETS

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Others : Interest accrued on NSC - ₹ 4,177 (Previous Year ₹ 2357)	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

NOTE: 13
INVENTORIES

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Finished Goods	5.38	25.54
	<u>5.38</u>	<u>25.54</u>

**NOTE: 14
TRADE RECEIVABLES**

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Unsecured, considered good	-	-
Outstanding for a period not exceeding six months from the due date	62.03	37.34
	<u>62.03</u>	<u>37.34</u>

1) All vendor balances are confirmed by the respective parties.

**NOTE: 15
CASH AND BANK BALANCES**

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Cash and Cash Equivalent		
On Current accounts	0.54	0.41
Bank Deposit	31.01	5.55
	<u>31.55</u>	<u>5.96</u>

**NOTE: 16
SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31st March,2012 ₹ In crore	As at 31st March,2011 ₹ In crore
Unsecured, considered good		
Sundry Deposits	1.16	0.53
Advance Tax and Tax Deducted at Source (Net of provision ₹ 4.00 crores Previous year Rs. Nil)	0.75	-
Other Advances	0.34	0.28
	<u>2.25</u>	<u>0.81</u>



**NOTE: 17
OTHER CURRENT ASSETS**

Particulars	As at 31st March,2013 ₹ In crore	As at 31st March,2012 ₹ In crore
Prepaid Expenses - ₹ 21,432 (Previous Year - ₹ 33,613)	0.00	0.00
Interest Accrued on Advances (TDS ₹ 0.71 crore; Previous Year ₹ 1.21 Crore)	19.19	12.92
Insurance Claim Receivable	-	0.35
	<u>19.19</u>	<u>13.27</u>

**NOTE: 18
REVENUE FROM OPERATIONS**

Particulars	For the year ended 31st March,2013 ₹ In crore	For the year ended 31st March,2012 ₹ In crore
Sale of Lignite	497.26	201.32
Less: Excise Duty	<u>26.47</u>	<u>9.16</u>
	470.79	192.16
Less : Other Levies		
i) Royalty	24.37	10.79
ii) Clean Energy Cess	18.75	8.35
iii) VAT	23.68	9.59
	<u>403.99</u>	<u>163.43</u>

**NOTE: 19
OTHER INCOME**

Particulars	For the year ended 31st March,2013 ₹ In crore	For the year ended 31st March,2012 ₹ In crore
Interest income		
Fixed Deposits (TDS ₹ 7,65,856/- Previous Year ₹ 32,274/-)	0.77	0.03
Miscellaneous Income	0.00	
	<u>0.77</u>	<u>0.03</u>

**NOTE: 20
COST OF LIGNITE MINING**

Particulars	For the year ended 31st March,2013 ₹ In crore	For the year ended 31st March,2012 ₹ In crore
Lignite Extraction Cost	290.44	136.74
Mine Closure Charges (Refer note 23 (g))	5.56	4.71
Excise duty on Closing Stock	(2.75)	3.40
Royalty on Closing Stock	(1.58)	1.93
	<u>291.67</u>	<u>146.78</u>

**NOTE: 21
FINANCE COSTS**

Particulars	For the year ended 31st March,2013 ₹ In crore	For the year ended 31st March,2012 ₹ In crore
Interest expenses		
Subordinated Loan from RWPL	8.39	4.04
Interest on Loan from Bank	27.34	13.36
Interest other	0.05	0.06
Finance Charges	0.09	0.97
	<u>35.87</u>	<u>18.43</u>

**NOTE: 22
OTHER EXPENSES**

Particulars	For the year ended 31st March,2013 ₹ In crore	For the year ended 31st March,2012 ₹ In crore
Manpower cost	0.88	0.36
Rates and taxes	28.60	11.28
Insurance	0.02	0.03
Advertising Expenses	0.12	0.02
Sampling Expenses	0.74	0.32
Legal and professional charges	0.24	2.63
Audit Fees	0.01	0.01
Travelling and Conveyance	0.11	0.09
General expenses	2.10	1.03
	<u>32.82</u>	<u>15.77</u>



NOTE - 23

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013:

- (a) The Company had supplied 3.75 Million Ton Lignite to Raj West Power Limited during the year.
- (b) (i) The Company is engaged in the mining of lignite for exclusive supply to Raj WestPower Limited (RWPL) for power generation and the Transfer Price of Lignite to RWPL is determined on the basis of the cost of mining plus a post tax Return on Equity (ROE), by Rajasthan Electricity Regulatory Commission (RERC) as per extant guidelines. As per the prevailing regulation, the post tax ROE is 15.50% upto 2014.
- (ii) The Company has recognized Revenue on sale of Lignite on the basis of Adhoc Interim Transfer Price Orders of RERC dated April 02,2012 and October 15,2012 wherein the adhoc interim transfer price is inter-alia arrived at by considering 65% or 75% of the transfer price claimed by the Company in its petition. Based on these orders and in accordance with the views expressed by the Comptroller & Auditor General of India (CAG), the Company has booked the Lignite extraction charges payable to Mine Developer cum Operator (MOO) in the same proportion as approved in the Adhoc Interim Tariff Order. As and when the final RERC order determining the lignite transfer price is received, the impact of such finalized tariff, MDO charges payable and Truing up for relevant period will be provided in the books of account.
- (iii) Based on adhoc Interim transfer price and adhoc interim MOO fees, the Profit and Loss accounts of the Company reflect a Profit after Tax (PAT) of Rs 5.76 crores for FY 2012-13. However, as a regulated project with post tax ROE capped at 15.50% of invested Equity, the PAT works out to about Rs 1.03 crores. Accordingly, the reported PAT for FY 2012-13 is higher than regulatory returns pending final determination of transfer price and MDO fees.
- (c) Service tax paid /payable on Lignite extraction charges and other Services for Rs 10.10 crore (Previous Year Rs. 2.72 crore), has been charged to Profit and Loss account after netting off the Excise duty payable on sale of Lignite. The same has been charged to Profit and Loss account, on account of the huge difference in Service tax paid on Lignite extraction cost and excise duty paid on sale of Lignite which is in line with the accounting policy followed by the Company.
- (d) Contingent Liabilities and Commitments:
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. 40.76 crore (Previous Year Rs. 90.11 crore).
- (e) A demand for Rs. 2.11 crore was raised by Sub-registrar Banner towards Land Tax for the year 2012-13 and the same has been provided in the books during the year.
- (f) As per Ministry of Environment and Forests (MOEF) clearance, the Company needs to expend at least Rs. 2.00 crore per annum towards CSR activities. Accordingly the company has provided in its books for its Kapurdi Mining block for the year 2012-13.
- (g) During the year the Company has aligned the basis of estimating the Mine Closure Charges with that of its submissions to RERC. Accordingly an amount of Rs. 6.15 crore (Rs. 5.56 crores for FY 12-13 and arrears of Rs. 0.59 crore for FY 11-12) has been provided in the books towards Mine closure obligation in the current year and the same will be deposited in an Escrow account with the Coal Controller. This is in line with the guidelines under the Mine Closure Plan issued by the Ministry of Coal, Government of India and amendments made from time to time. The said Funds to be deposited in the Escrow account shall be available for utilisation upto 80% of the total deposited amount including interest in the Escrow account after every five years in line with the periodic examination of the Mine Closure Plan. The amount released would be equal to the expenditure incurred on the Progressive mine closure in the past five years or 80% whichever is less. The balance amount at the end of the final Mine closure would be released on compliance of all the provisions of Closure plan duly signed by the lessee and duly certified by the Coal Controller.
- (h) The Company has paid a sum of ₹ 977.51 crore upto 31st March, 2013 (Previous year Rs. 977.51 crore) to Rajasthan State Mines & Minerals Limited (RSMML) towards the compensation for land acquisition of 17,323.05 bighas of Kapurdi Mining Land and 22,347.85 bighas of Jalipa Mining Land which in turn has been paid as land compensation to the land owners While the mutation process of Kapurdi Lignite Mining Land has been completed and land transferred in the name of RSMML, the process is underway for Jalipa Lignite Mining Land. RSMML has intimated that the transfer of land from RSMML to the Company has been rejected by Government of Rajasthan, even though the opinion of Advocate General states that the transfer of land from RSMML to the

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Company is contemplated within the provision of the Implementation Agreement and Joint Venture Agreement. JV partner has represented to Govt. of Rajasthan (GOR) for reconsideration of the issue and response is awaited. Till the issue attains finality and based on the present position taken by GOR, the cost paid towards the acquisition of Kapurdi land to RSMML is reflected as Surface Rights for Kapurdi Land.

- I) The Company had received NOC for 2,172.03 big has of government land from District Collector (Barmer) vide letter dated 12.01.2010 to be used by company for lignite mining in Kapurdi. Subsequently, District Collector (Barmer) has raised a claim by issuing a letter dated 31.07.2012, seeking for payment of ₹ 32.58 crores towards government land against transfer of title on the government land admeasuring 2\ 172.03 big has. The Company has not accepted the offer for acquiring of Land and conveyed to the RSMML to take up the matter with appropriate authority.
- J) During the year the company has recognised ₹ 1.56 crores (Previous year ₹ Nil) towards Land Development Charges and ₹ 0.65 crore (Previous year ₹ 2.21 crore) being the amount payable to RSMML towards the proportionate amount of Salary and Wages of RSSML employees and office expenses for the period FY 2012-13. The above charge relates to Land development charges and the time spent by RSSML employees on the Company's project and the same has been charged to Capital Work in Progress (CWIP).
- K) The Company has an outstanding subordinated debt of ₹ 368.59 crore (Previous Year 361.63 crore) as on 31st March, 2013, availed @ 10% interest rate from RWPL to fund its project related requirements. The Company has recognised interest on subordinated debt for the period from 01st April, 2012 to 31st March, 2013, ₹ 36.51 crore (Previous year ₹ 96.41 Crores) during the current year. As required by Comptroller & Auditor General of India (CAG) , the Company has obtained an Opinion on levy of interest on Subordinate Loan from Leamed Advocate General, Rajasthan Jaipur who has also affirmed the provision for the same. However, the matter has been referred by CAG to the GOR and its final opinion is awaited.
- L) The Government of Rajasthan vide its order dated 30th March, 2011 had stated that any interest gained by RSSML on the amount deposited with it by the Company towards land compensation to be paid for Jalipa and Kapurdi Mining Block (as a result of delayed payment) will be refunded to the Company. Accordingly, the Company has accounted for interest income of ₹ 7.05 crore (previous year ₹ 12.61 crore including ₹ 0.48 crore pertaining to FY 2009-10) on the basis of the ledger balance outstanding in the books of RSMML.

(m) Deferred tax asset consists of timing differences on account of:

(₹ in Crore)

Particulars	As at 31st March,2013	As at 31st March,2012
Preliminary Expenses Written Off	0.13	0.17
Carry Forward losses	-	-
Unabsorbed Depreciation	(2.52)	(1.07)
Disallowances u/s.43B	3.60	6.19
Deferred Tax Asset(Liability)	0.41	1.71

(n) Earnings Per Share (Basic & Diluted):

(₹ in Crore)

Particulars	For the Year Ended 31st March,2013	For the Year Ended 31st March,2012
Net profit (Loss) as attributable to equity shareholders (A) (₹ in crore)	5.76	(0.60)
Weighted Average Number of equity shares outstanding during the period (Face Value - ₹ 10 per share) (B)	2,00,00,000	2,00,00,000
Earnings Per Share (Basic and Diluted) (A/B) (In ₹)	2.88	(0.30)



Barmar Lignite Mining Company Limited

- (o) Based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts due to Micro, Small and Medium Enterprises suppliers on account of principal and/or interest as at the close of the year.

(₹ in Crore)

Particulars	Current Year	Previous Year
1 Principal amount due and remaining unpaid	-	-
2 Interest due on (1) above and the unpaid interest	-	-
3 Interest paid on all delayed payments under the MSMED Act.	-	-
4 Payment made beyond the appointed day during the year	-	-
5 Interest due and payable for the period of delay other than (3) above	-	-
6 Interest accrued and remaining unpaid	-	-
7 Amount of further interest remaining due and payable in succeeding years	-	-

(p) Remuneration to Auditors (excluding service tax):

(₹ in Crore)

Particulars	For the Year ended 31st March, 2013	For the Year ended 31st March, 2012
Audit Fees	0.01	0.01
Tax Audit fees Rs. 33,708/- (Previous Year ₹300001/-)	0.00	0.00
For Other services RS.50562/- (Previous Year ₹ 45820/-)	0.00	0.00

- (q) In the opinion of the Management, the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is illequate and not in excess of what is required.
- (r) There are no reportable segments as per Accounting Standard 17 prescribed by the Companies (Accounting Standards) Rules, 2006.

(s) Related party Disclosure as per Accounting Standard 18

List of Related Parties:

Companies with significant influence:

- i) RajWest Power Limited (RWPL)
- ii) JSW Energy Limited (JSWEL)

ii) Related Party Transactions:

(₹ in Crore)

Nature of Transaction	Current Year	Previous Year
Transactions with RWPL		
Subordinated Loan (Unsecured Loan)	6.96	50.53
Interest on Subordinated Loan	36.51	96.41
Sale of Lignite	403.99	163.43
Salary to deputed staff	0.76	0.09
Reimbursement of expenses related to acquisition	0.33	0.71
Transactions with JSWEL		
Manpower Cost	-	0.08

Closing balance of related parties

(₹ in Crore)

Name of the related party	As at 31st March 2013	As at 31st March 2012
Raj West Power Limited (RWPL)		
- Subordinated Debt	368.59	361.63
- Others	138.12	100.53

Notes:

- a) Related party relationships have been identified by the management and relied upon by the auditor.
- b) No disclosure is required in the financial statements of state controlled enterprises as regards related party relationships with other state-controlled enterprises and transactions with such enterprises. Accordingly transaction with RSMML has not be reported.
- (iii) Key Managerial Personnel
 - Mr. Sanjay Sagar - Managing Director (up to 18.07.2012)
 - Mr. Pramod Menon - Managing Director (from 19.07.2012 to 02.05.2013)
 - Mr. Umesh Narayan Gupta - Managing Director (from 03.05.2013 to till date)
 There is no remuneration paid to key managerial person.
- (t) Previous year's figures have been regrouped / rearranged wherever necessary to confirm to current years classification.

As per our attached report of even date
For Chatter & Chatter
 Chartered Accountants

For and on behalf of the Board of Director

Rakesh Chatter
 Partner
 Membership No. 073831

Umesh Gupta
 Managing Director

Sunil Arora
 Chairman

Place: Jaipur
 Date : 29.11.2013

Nitesh Gangwal
 Company Secretary



COMMENTS OF CAG UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956

Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of Barmer Lignite Mining Company Limited, Jaipur for the year ended 31st March, 2013

CAG Comments	Management Reply
<p>The preparation of financial statements of Barmer Lignite Mining Company Limited, Jaipur for the year ended 31st March, 2013 in accordance with financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 29 November 2013.</p> <p>I, on behalf of the Comptroller and Audit General of India, have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Barmer Lignite Mining Company Limited, Jaipur for the year ended 31st March, 2013. 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. Based on my supplementary audit, I would like to highlight the following significant matters under Section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.</p>	No comments required
<p>A. <u>Comments on Financial Position</u></p> <p>Balance Sheet</p>	
<p>1. Equity and Liabilities</p> <p>Current Liabilities</p> <p>Other Current Liabilities (Note No. 7) Rs. 49.31 Crore.</p>	
<p>The above is understated by Rs. 7.70 crore due to non-provision of liability towards material supplied/ works carried out by M/s FLSmith Private Limited during the year 2012-13 for which payment was made during June 2013 to September 2013. Consequently, capital work in Progress has been understated by Rs. 7.70 Crore.</p>	<p>Noted. The amount mentioned pertains to pre-operative expenditure pending capitalisation for lignite handling system (LHS). Hence, it does not have any impact on Profit & Loss Account. Further, the Company had accounted for the same in FY 2013-14 and is being capitalised with LHS.</p>

<p>2. Assets Non –Current Assets Fixed Assets (Note No.9) Rs. 351.46 Crore</p>	
<p>The above does not include Rs. 32.58 Crore being demand of Government land raised by District collector (Barmer) in July 2012 on which mining activity is carried out by the Company since the NOC issued by the Government in January 2010. Consequently, fixed Assets (Intangibles), Depreciation & Amortization and current liabilities have been understated by Rs. 30.57 Crore, Rs. 2.01 Crore & Rs. 32.58 Crore respectively. Profit has been overstated by Rs. 2.01 Crore</p>	<p>As the claim is not tenable, Company has duly represented its position on the matter to RSMML. Appropriate disclosure has been made in this regard in the Notes to Accounts {Refer Note No. 23 (i)}</p>
<p style="text-align: center;">For and on behalf of The Comptroller and Auditor General of India</p> <p style="text-align: right;">Sd/-</p> <p style="text-align: right;">S.Alok Accountant General (E & R S Audit) Rajasthan, Jaipur</p> <p>Place : Jaipur Date : 04.04.2014</p>	<p style="text-align: center;">For and on behalf of Barmer Lignite Mining company Ltd.</p> <p style="text-align: right;">Sd/-</p> <p style="text-align: right;">C.S. Rajan Chairman</p> <p>Place : Jaipur Date : 16.07.2014</p>