



# Rajasthan State Mines & Minerals Limited

( A Government of Rajasthan Enterprise)

## DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 73<sup>rd</sup> 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 31<sup>st</sup> March, 2020.

### 1. Financial Highlights:

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

Particulars	(Rs. in Lacs)	
	2019-2020	2018-19
Total Revenue	98414.90	1,16,229.47
Total Expenditure	80691.96	94025.22
<b>Profit before Tax before exceptional items</b>	<b>17722.94</b>	<b>22204.25</b>
Less: Exceptional Items	-	500.00
<b>Profit before Tax after exceptional items</b>	<b>17722.94</b>	<b>21704.25</b>
Provision for current tax	(5244.34)	(7013.46)
Tax adjustment of earlier years	(0.02)	(35.19)
Deferred tax provisions	1256.55	278.60
<b>Net Profit after Tax</b>	<b>13735.13</b>	<b>14934.20</b>
Other comprehensive income (net of taxes)	(280.50)	17.76
<b>Total Comprehensive Income</b>	<b>13454.63</b>	<b>14951.96</b>
Basic and Diluted Earnings per Share (Rs.)	17.35	19.28

### 2. Operational Highlights:

#### a. *Strategic Business Unit & Profit Centre – Rock Phosphate*

The production of High Grade Ore (HGO) and Low Grade Ore (LGO) during the year 2019-20 was of 4.81 Lac MT and 6.69 Lac MT respectively. The corresponding figures for the previous year 2018-19 are 6.00 Lac MT and 4.97 Lac MT respectively. The total sale of Rock phosphate during the year 2019-20 was 9.23 Lac MT which is 15.24% lower as compared to the sale of 10.89 Lac MT made in the financial year 2018-19 mainly due to availability of imported Rock Phosphate at a cheaper rate.

Your Company has focused on augmenting the sales through the introduction of new low grade Rock Phosphate i.e. 18% P<sub>2</sub>O<sub>5</sub>. The 18% P<sub>2</sub>O<sub>5</sub> ground Rock Phosphate is being used as raw material for manufacturing of PROM (Phosphate Rich Organic Manure) Fertilizer. Company is getting positive response from buyers of this product.

***b. Strategic Business Unit & Profit Centre – Lignite***

During the year 2019-20, 7.90 Lac MT of Lignite produced and sold as compared to 13.17 Lac MT produced and sold in the year 2018-19. Your Company is facing tough competition from imported coal. The price of Indonesian coal has significantly reduced from 107 USD approx in Aug-2018 to 50 USD approx in Aug-20 due to which the sale of lignite has been adversely affected in the year 2019-20.

However, your Company is making best efforts to re-enter in the organised sector of lignite and to make it viable in terms of landed energy cost so as to maximize the sales.

Your Company have also conducted the long term e-auctions at Nagaur and Barmer. A quantity of 8.60 Lac MT was booked at Matasukh lignite mine, Nagaur through e-auction for lifting in two years by the actual consumers and one year by the traders. Further, entire quantities have also been booked at a price higher than the reserve price at Giral and Sonari mines, Barmer.

***c. Strategic Business Unit & Profit Centre – Gypsum***

The production and sales of Gypsum was 3.86 Lac MT and 4.09 Lac MT respectively during the year 2019-20 as against 6.17 Lac MT and 5.90 Lac MT produced and sold in the previous financial year 2018-19. The reduction in production and sale of Gypsum is mainly due to allotment of Gypsum leases and Short Term permissions (STP) by the Government to private khatedars and lesser availability of higher grade of Gypsum in the mines of the Company. However, your Company has taken various measures like price reduction, offering bulk rebates etc to enhance the sale. Further, your Company also proposes to invite Expression of Interest (EOI) for long term supply of ROM Gypsum for captive use by Cement Manufacturers.

***d. Strategic Business Unit & Profit Centre – Limestone***

The production and sales of limestone in the year 2019-20 was 31.43 Lac MT and 30.17 Lac MT respectively as against the production and sales of 33.14 Lac MT and 33.53 Lac MT respectively in the previous year.

To increase the sale of limestone, your Company is in the process to issue Expression of Interest (EOI) extending opportunity to parties for entering into a long-term supply agreement for supply of high quality Limestone fines from Sanu mine, Jaisalmer which shall be used for captive consumption by cement plants. Similarly, your Company is in the process to issue Expression of Interest (EOI) to invite Cement manufacturers for entering into a long term supply agreement for procuring Cement grade Limestone from Nagaur, which shall also be used for their captive consumption only.

Further, the most awaited work of lying down of Broad Gauge Railway Line from Thaiyat Hameera to Sanu Mines has been completed. Due to completion of this work, the transportation cost of limestone of Jaisalmer will be reduced, and also more quantity of Limestone can be dispatched.

*e. New Business Unit*

Your Company is exploring the possibilities of carrying out dredging operations at Bisalpur Dam, Tonk to extract sand from the reservoir with the assistance of M/s. Dredging Corporation India Ltd., (DCIL) Visakhapatnam (Andhra Pradesh) which is an expert agency in dredging activities.

M/s Dredging Corporation of India Ltd (DCIL) have completed the work of Hydrographic surveys and Geo-technical studies at Bisalpur Dam and submitted the draft Detailed Project Report (DPR). On the basis of draft DPR, a presentation of the project is proposed to be held at the level of State Government for final approval.

After issue of M-Sand Policy by State Government, Company is now in process of setting up Manufactured Sand (M-Sand) production units in State as an alternate of River Sand. Company has identified OB Dump areas near village Balesar of Jodhpur and Tehsil-Bijoliya of Bhilwara districts which are suitable for manufacturing of M-Sand based on sandstone waste available. Necessary applications have been submitted by RSMML for grant of permit for use of overburden dump in accordance with the provisions of the M-Sand Policy 2020 of Govt of Rajasthan and Rajasthan Minor Mineral Concession (Amendment) Rules, 2021. An Expression of Interest (EoI) is also being invited by Company for setting up M-sand units based on these areas.

**Projects**

*a. 5 MW Solar Power Plant*

Your Company has generated 43.68 lac units during the year 2019-20 from its 5 MW solar power plant installed near Gajner, Distt. Bikaner.

*b. Wind Power Project at Jaisalmer*

Your company has supplied 1076.54 lac units to State Grid during the financial year 2019-20 from its wind energy farms having power generation capacity of 106.3 MW installed at Jaisalmer.

*c. Renewable Energy Certificate (REC)*

Renewable Energy Certificate (REC) mechanism is a market based instrument to promote the renewable energy and facilitate compliance of renewable purchase obligations (RPO). The company has installed a 5 MW solar power plant in Bikaner district and signed the power purchase agreement (PPA) with DISCOM for sale of solar power under REC mechanism. Therefore, solar RECs are issued against the sale of power from the above plant. During the year 2019-20, your Company has earned revenue of Rs. 139.70 lacs by the sale of RECs.

*d. Secondary Ore/Tailing Dam*

The secondary ore is accumulated at Jhamarkotra Mines in huge quantity and the area where it is stacked needs to be vacated for further mining. Your Company is making

efforts to make optimum use of Secondary Ore by way of beneficiation. Further, Company proposes to sale 50000 MT of secondary ore on trial basis for beneficiation purpose. Further, your Company is also exploring possibilities to convert the overburden into Manufactured Sand (M-Sand) at Jhamarkotra mines.

In addition to the above, your Company is in process to construct the Composite earthen tailing dam at Jhamarkotra mines to accommodate the tailing waste discharge from Industrial Beneficiation Plant. In this regard, work order was awarded for enhancing the capacity of existing Tailing dam by raising its height. The work has been completed including creation of additional pondage capacity by raising the height of the Dam utilising the internal material of the existing tailing dam.

*e. Acquisition of Land in Dhamdhar and Sameta Village near Jhamarkotra*

Land Acquisition Officer had issued an award in favour of RSMML in the year 2004 for acquisition of land in the villages of Dhamdhar, Sameta and Jhamarkotra. Possession of land in Jhamarkotra has been taken but villagers of Dhamdhar & Sameta did not accept the payment and preferred an appeal in Civil Court of Udaipur. Meanwhile, some of the residents of Village Sameta and Dhamdhar have filed a Civil Writ Petition in the Hon'ble High Court of Rajasthan and in the year 2016, Hon'ble High Court, Rajasthan has granted stay on the subject matter, which is continuing till date.

Your Company is making efforts for out of Court settlement with Khatedars of Dhamdhar and Sameta village. In this respect, consents in writing have been obtained from 122 khatedars out of 196 khatedars and continued efforts are being made to settle the matter.

*f. Deep-seated gypsum mining at Badwasi in Nagaur District*

Your Company has decided to explore the possibilities of developing deep seated Gypsum deposit at Badwasi, Nagaur. Mine Plan of Badwasi Deep Seated Gypsum Mines has already been got approved. Public hearing has been successfully conducted. The Proposal for Environment Clearance (EC) is being considered by MoEF. Due to the COVID-19 pandemic, pursuance of EC may be delaying to some extent. Once, company gets the consent to operate, action for starting mining operation at Badwasi Deep Seated Gypsum Mines would be initiated through Mine Developer and Operator (MDO) model.

### **3. Capital Structure**

Authorized and paid up share capitals of the company during the financial year 2019-20 remain unchanged at Rs. 80.00 crores (Rupees Eighty Crores only) and Rs. 77.5515 crores respectively.

#### **4. Dividend**

In view of satisfactory performance of the company, the Board of Directors are pleased to recommend a dividend @ 50% of paid up share capital i.e. Rs. 5/- per share of the company for the financial year 2019-20.

#### **5. Subsidiary Companies**

##### **a. Barmer Lignite Mining Company Limited (BLMCL)**

Barmer Lignite Mining Company Limited (BLMCL) was incorporated with 51% share holding of RSMML and remaining 49% equity with joint venture partner M/s JSW Energy (Barmer) Limited (JSWEBL) for development, operation and extraction of lignite from Jalipa and Kapurdi mines blocks for supplying it to 1080 MW (8x135MW) power plant set up by JSWEBL in Barmer under Fuel Supply Agreement. All the power generation units having a capacity of 135 MW each are generating power at Bhadresh in district Barmer.

BLMCL continues to be engaged in the activities pertaining to the mining of lignite for exclusive supply to JSW Energy (Barmer) Limited (JSWEBL) (formerly Raj WestPower Limited). There was no change in nature of the business of the BLMCL during the year under review. The mining capacity of the Kapurdi Lignite Mine during FY 2019-20 stood at 4.50 MT per annum and for Jalipa Mines stood at 6 MTPA and restricted to combine capacity to 9 MT per annum. BLMCL has achieved production of 4.50 million tonnes of lignite from Kapurdi Mines and 0.90 million tonnes of lignite from Jalipa Mines in the Financial Year 2019-20.

##### **b. Rajasthan State Petroleum Corporation Limited (RSPCL)**

Rajasthan State Petroleum Corporation Limited was 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 and oil field support services for this company.

A Joint venture company viz. Rajasthan State Gas Limited has been incorporated in the year 2013 with 50% equity participation each by RSPCL & GAIL Gas Limited to carry on all or any of the businesses of storage, supply, sale, distribution and marketing of Natural Gas and its derivatives including Compressed Natural Gas (CNG) and Auto Liquefied Petroleum Gas as fuel for transport vehicles and City Gas Distribution in various cities of Rajasthan.

Rajasthan State Gas Limited has also acquired the assets under Kota CGD project of GAIL Gas Limited for setting up retail gas infrastructure to meet the requirements of clear fuel for domestic, commercial, industrial and automotive customers. The RSGL has also succeeded in winning the Geographical Area (GA), Gwalior (except the area

already authorised) and Sheopur districts, MP in 10<sup>th</sup> CGD bidding round. During the year 2019-20, RSGL has earned revenue of Rs. 63.40 crores with a net profit of Rs. 12.63 crores.

## **6. Deposits**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

## **7. Material changes and commitments**

There are no material changes and commitments affecting the financial position of the Company occurred during the financial year to which these financial statements relate on the date of this report.

## **8. Corporate Social Responsibility (CSR) Report**

Your Company seriously believe that CSR is its commitment to operate in economically, socially and environmentally sustainable manner. Social upliftment of the poor and downtrodden class will remain as thrust area of your Company’s CSR activities.

The CSR Policy may be accessed on the Company website link: <http://www.rsmm.com>. In accordance with requirements of the Companies Act 2013, the company has formulated a Corporate Social Responsibility Committee.

The annual report on CSR Activities is provided as annexure – A to the Directors’ Report.

## **9. Human Resource Development & Training**

Your company’s HR philosophy is to build a high performing organization, where everyone is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realise the full potential of our personnel. Your company continues to maintain positive work environment and constructive relationship with its employees with a continuing focus on productivity and efficiency. The manpower employed at the end of financial year 2019-20 was 1041 as against 1172 employees at the end of the financial year 2018-19.

## **10. Industrial Relations**

The overall industrial relations in all mines and offices of the company were peaceful and cordial during the year under review. The industrial relations in the company are based on principles of joint consultation and participating management. There was no strike/lockout against the Company’s policies affecting production and productivity.

**11. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

Your company has 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. Further, your company is having foreign exchange earnings during the year. Company have also incurred foreign exchange expenditure during the year under review.

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure – B and is attached to this report.

**12. Internal Control Systems**

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. This control has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, and compliances with regulations. Company continued its efforts to align all of our processes and controls with best practices. The Audit Committee of the Board of Directors, comprising Independent Directors, reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.

There have been no changes in our internal control over financial reporting that occurred during the period that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**13. Statement concerning Development and Implementation of Risk Management Policy of the Company**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

**14. Particulars of Loans, Guarantees or Investments made Under Section 186 of the Companies Act, 2013**

No Loans, Guarantees given or Investments made during the Financial Year 2019-20.

**15. Particulars of Contracts or Arrangements made with Related Parties**

There was no contract or arrangements made with related parties as defined under Section 188(1) of the Companies Act, 2013 during the year under review. Accordingly, disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## **16. Declaration of Independent Directors**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

## **17. Unpaid / Unclaimed Dividend**

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, due amount of unpaid/unclaimed dividends has been transferred to the Investor Education and Protection Fund.

## **18. Prevention of Sexual Harassment at Workplace**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, your company has constituted Internal Complaints Committees (ICC). During the year 2019-20, no complaint was received by the Company.

## **19. Audit Committee**

In pursuance of the provisions of section 177 of the Companies Act 2013, the Company has constituted an Audit Committee comprising of three directors, Dr. Kunj Bihari Pandya, Chairman of the Committee and Shri Akhilesh Joshi and Shri P.P. Pareek, Independent Directors are the members of the Audit Committee. The role and terms of reference, the authority and powers of the Committee are in conformity with the requirements under section 177 of Companies Act, 2013.

## **20. Directors and Key Managerial Personnel (KMP)**

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. The Governor may from time to time appoint one of the Directors appointed under Article 99(i) as Chairman of the Board and one or more such Directors as Managing Director and/or Executive Director/s. According to Article 100 of the Articles of Association of the Company, Governor appointed Shri Rajeeva Swarup (DIN: 01142865) as Chairman of the Company in place of Shri D. B. Gupta (DIN: 00225916). Thereafter, Shri Niranjana Arya (DIN: 03386987) has been appointed as Chairman in place of Shri Rajeeva Swarup (DIN: 01142865). Shri Kunji Lal Meena (DIN: 08450233) appointed as director on the Board in place of Shri Dinesh Kumar (DIN: 00254801) and Dr. Subodh Agarwal (DIN: 06940604) appointed as director in place of Shri Kunji Lal Meena (DIN: 08450233). Thereafter, Shri Ajitabh Sharma (DIN: 02758682) appointed as director in place of Dr. Subodh Agarwal (DIN: 06940604). Again Dr. Subodh Agarwal appointed as Director in place of Shri Ajitabh Sharma. Shri Akhil Arora (DIN: 02527921) and Dr. Kunj Bihari Pandya (DIN: 08450233) also appointed as Director on

the Board. Shri Vikas Sitaramji Bhale (DIN: 07910346) appointed as Managing Director in place of Somnath Mishra (DIN: 08632611). Shri Om Prakash Kasera (DIN:07387792) appointed as Managing Director in place of Shri Vikas Sitaramji Bhale.

The Board places on record the valuable contribution made by the outgoing Directors in the growth of the Company.

## 21. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors state that:

- a) in the preparation of the annual accounts, the applicable IND AS had been followed along with proper explanation relating to material departures;
- b) the directors had 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 and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 22. Number of Board Meetings conducted during the year under review

The Company had conducted four Board meetings during the financial year under review. The details are as under:

<b>Date of Meeting</b>	<b>Name of the directors who attended meeting</b>	<b>Name of directors to whom leave of absence was granted</b>
05.04.2019	Shri D. B. Gupta - Chairman Shri Sudarsan Sethi- Director Shri Niranjana Arya- Director Shri Bhawani Singh Detha-Managing Director	Shri Jitendra Kumar Upadhyay Shri H. V. Paliwal Shri P.P. Pareek
10.12.2019	Shri D. B. Gupta- Chairman Shri Niranjana Kumar Arya- Director Smt Sreya Guha- Director Shri Dinesh Kumar- Director Shri P.P Pareek-Independent Director Shri Akhilesh Joshi-Independent Director Shri Somnath Mishra-Managing Director	-

### **23. Extracts of annual return**

The extract of annual return as required under section 92(3) of the Companies Act, 2013 in form MGT-9 is annexed herewith for your kind perusal and information (Annexure - C).

### **24. Auditors**

#### **a. Statutory Audit**

The appointment of Statutory Auditors is done by the Comptroller & Auditor General of India, New Delhi. M/s Gopal Sharma & Co., Chartered Accountants, Jaipur has been appointed to audit Annual Accounts for the financial year 2019-20.

Your Directors request you to authorize the Board of Directors to fix the remuneration of the auditors appointed by the Comptroller & Auditor General of India under Section 139 of the Companies Act, 2013 for the financial year 2019-20.

#### **b. Secretarial Audit**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s S. K. Joshi & Associates, Practicing Company Secretaries, Jaipur for conducting secretarial audit of the company for the Financial Year 2019-20. The Secretarial Audit Report issued by the aforesaid Secretarial Auditors is annexed herewith as Annexure - D.

#### **c. Cost Audit**

Pursuant to section 148 of Companies Act, 2013 read with Companies (Cost Record and Audit) Rules, 2014 as amended from time to time, your company has appointed M/s Shashi Ranjan & Associates, Cost Accountants, Jaipur to carry out audit of cost records for the financial year 2019-20. As required under Companies Act, 2013, members are requested to consider the ratification of the remuneration payable to M/s Shashi Ranjan & Associates, Cost Accountants, Jaipur.

### **25. Significant and material orders passed by the regulators or courts or tribunals**

There are no significant and material orders which were passed by the regulators or courts or tribunals during the financial year 2019-20 which impact the going concern status and company's operations in future.

**26. Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors and the Practicing Company Secretary in their Reports**

The qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary are annexed.

**27. Acknowledgement**

The Directors gratefully acknowledge and express their gratitude for valuable co-operation and continued support extended by the various Government Departments, 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 thanks 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**

Place: Jaipur

Date:

**(Niranjan Kumar Arya)**  
**Chairman**  
**DIN: 03386987**

## **ADDENDUM TO THE DIRECTORS' REPORT**

(Under Section 134 of the Companies Act, 2013)

### **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 382<sup>nd</sup> meeting held on 21<sup>st</sup> July, 2011. Accordingly, in our opinion liability has adequately been provided. Further, the matter is sub-judice, necessary accounting adjustments would be done as per the decision of the Hon'ble Court.

**For and on Behalf of the Board**

Place: Jaipur

Date:

**(Niranjan Kumar Arya)**  
**Chairman**  
**DIN: 03386987**

## ANNUAL REPORT ON CSR ACTIVITIES (ANNEXURE – 'A')

RSMML recognizes that its business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders. The Company is committed to continuously improving its social responsibilities, environment and economic practices to make positive impact on the society.

In accordance with the requirements of the Companies Act 2013, the company has a Corporate Social Responsibility Committee. The Committee framed and recommended a CSR Policy to the Board for adoption. The CSR Policy may be assessed on the Company website link: <http://www.rsmm.com>.

The 'headline' objective of the RSMML's CSR policy is to ensure that CSR activities are not performed in isolation but it is skilfully and tied woven into the fabric of the company's business strategy for overall value creation for all stakeholders. RSMML believes that profitability must be complemented by a sense of responsibility towards all stakeholders with a view to make a material, visible and lasting difference to the lives of disadvantaged sections of the people, preferably in the immediate vicinity of the company's offices but at the same time ensure widespread distribution of its CSR activities befitting its status as a conscientious corporate citizen.

To meet out the objectives of the CSR policy of the company the projects proposed to be undertaken may be in the area of Education, Health care, Sustainable livelihood, Infrastructure development, espousing social causes and Environmental protection etc..

Your company is conscious of its duties towards the community and our country and the coming years shall witness your Company in several CSR areas.

### Financial details regarding CSR activities of the Company

As per the Section 135 of the Companies Act, 2013 and Rules made there under, the Company is required to mandatorily spend at least two per cent of the average net profits of the Company made during the three immediately preceding three financial years, on prescribed CSR activities.

S.No.	Particulars	Amount (Rs. in Lacs)
1.	Average net profit of the Company for the last three financial years (from 2016-17 to 2018-19)	19543.97
2.	Prescribed CSR expenditure (2% of average net profits as above)	390.88
3.	<b>Details of CSR expenditure during the financial year (2018-19)</b>	
	Amount spent	194.80
	Amount unspent	196.08

The manner in which the amount was spent during the financial year is detailed as below-

(Rs. in Lac)

CSR project or activity	Sector in which the project is covered	Location of the project/program	Amount outlay (budget)	Amount spent on the projects	Cumulative expenditure	Direct or through implementing agency
Procurement of 150 wheelchairs for patients of medical College & Hospital, Samudaik Swastha Kendra & Prathmik Swastha Kendra of Dungarpur district	Medical & Health Care	Dungarpur	7.00	7.00	7.00	Implementing Agency
Repairing work in the various buildings like Nrikshak Office, Store Building, conference room, Community Bhawan and Misc govt. Bhawan situated at Police Line in Udaipur District	Community at large	Udaipur	20.00	20.00	27.00	Implementing Agency
Procurement of five Sonography Machines, RNT Medial Collage, Udaipur	Medical & Health Care	Udaipur	50.00	50.00	77.00	Implementing Agency
Procurement of Base ambulance in Medical Department, Udaipur	Medical & Health Care	Udaipur	30.00	30.00	107.00	Implementing Agency
Construction of Canteen & Girls common Room at MLSU, Udaipur	Promoting education	Udaipur	20.00	20.00	127.00	Implementing Agency
Procurement of Electronic items & furniture for Anveshan Bhawan, Pratapgarh	Community at large	Pratapgarh	10.00	10.00	137.00	Implementing Agency
Contribution to Swami Vivekanand Seva Nyas, Udaipur for improve the quality and level of education	Promoting education	Udaipur	25.00	25.00	162.00	Implementing Agency
Purchase of automated Endoscope reprocessor at Dr. S. N. Medical College, Jodhpur	Medical & Health Care	Jodhpur	17.00	17.00	179.00	Implementing Agency
Construction of Library hall in Shaheed Raman Lal Meghwal Government Primary School, Ramgarh	Promoting education	Jaisalmer	5.00	5.00	184.00	Implementing Agency
Construction of Class Room, Community Centre, Sulabh Complex at Ramgarh Bus Stand, Sulabh Complex at Government School.	Community at large	Jaisalmer	5.00	5.00	189.00	Implementing Agency
Heightening of Boundary wall of Govt School and contribution for water connection in Govt Girls School, Sanu village.	Promoting education	Jaisalmer	4.26	4.26	193.26	Implementing Agency
Misc Expenditures towards CSR			1.54	1.54	194.80	Implementing Agency

There was a shortfall of Rs. 196.08 Lacs in the expenditures done in CSR activities with regard to the amount mandated as per law. The shortfall in CSR expenditures is due to the Company has not found the suitable proposals in accordance with the CSR provisions. However, the Company is committed to CSR and shall strive to spend the amount as provided in law in the next financial year.

**Responsibility statement of the CSR Committee**

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

## **ANNEXURE – B: TO THE DIRECTORS' REPORT**

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

[Pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

The management of your Company would like to share the highlights of its performance on the conservation of energy, technology absorption, foreign exchange earnings and outgo, as below:

#### **A. Conservation of Energy**

##### **a) Energy Conservation Measures taken :**

The Company is continuously striving towards improving the energy conservation measures in all areas. Company ensures strict compliance with all the statutory requirements and has taken several sustainable steps voluntarily to contribute towards better environment. Few steps are listed below:

- Installation of energy efficient High pressure Grinding Rolls resulted in reduction of energy consumption at Industrial Beneficiation Plant.
- Energy audit is being carried out regularly through in-house engineers in Industrial Beneficiation Plant at Jhamarkotra Mines.
- Replacement of conventional controls with variable speed drives to reduce energy consumption in the plant.
- Replacement of existing low efficiency motors with energy efficient motors in phased manner.
- Luminaries like HPMV/Halogen Lamps are being replaced with high efficacy HPSV/Metal Halide/LED lamps.
- Power factor of electrical system is maintained above 0.95, which results in energy saving and rebate is credited in energy bills by DISCOM.

##### **b) Steps taken by the Company for utilizing alternate sources of energy:**

The Company makes every possible effort to save energy thus secondary sources is being used to reduce daily consumption of electricity.

##### **c) Capital Investment**

The Company has not made any capital investment for energy conservation during the financial year 2019-20. However, following capital investment has been made for energy conservation in the past:

- 106.3 MW wind power plant installed at Jaisalmer
- 5 MW solar power plant installed near Gajner, Dist Bikaner
- Installed roof top solar panels at Corporate Office of the Company as an effort to make building of Corporate Office as eco-friendly building.

## B. Technology Absorption

### Research and Development (R&D)

1. Specific areas in which R&D carried out by the company, in past.  
R&D efforts in the following areas strengthened the company's operation through technology absorption, adaptations & innovation.
  - (a) Productivity studies of HEMM at Jhamarkotra Mines.
  - (b) Beneficiation of secondary rock-phosphate.
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

4. Expenditure on R&D during the year - Nil

## C. Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
  - a) Commissioning of 5MW Solar Energy Plant based on Multi Crystalline Technology at Bikaner.
  - b) Company has developed the low cost organic fertilizer "PROM"
  - c) Two patents have been filed and approved 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."
  - d) Company has introduced 30% crushed Rockphosphate replacing 31.5% CRP, it has improved mineral conservation.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.
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 technology been fully absorbed? - NA
  - d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. - NA

## D. Foreign Exchange Earnings and Outgo

(₹ in Lacs)

Particulars	2019-20	2018-19
Earnings	198.00	-
<b>Expenditure</b>		
Spares	-	9.15
Other Matters	6.02	-

## ANNEXURE - C TO THE DIRECTORS' REPORT

<b>Form No. MGT-9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
As on the financial year ended on 31.03.2020
[Pursuant to section 92 (3) of the Companies Act, 2013 and rules 12(1) of the Companies (Management and Administration Rules, 2014)]

### **I. REGISTRATION AND OTHER DETAILS:**

i) CIN	U14109RJ1949SGC000505
ii) Registration Date	07/05/1947
iii) Name of the Company	Rajasthan State Mines Minerals Limited Ltd.
iv) Category / Sub Category of the Company	Company Limited by Shares / State Government Company
v) Address of the Registered office and contact details	C-89-90, Janpath Lal kothi, Jaipur-302015 Contact No-0141-2743734, 2743934
vi) Whether listed company Yes/ No	No
vii) Name , address and contact details of Registrar and transfer agent, if any	NA

### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**                      **MINING**

S.No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
1.	Mining of Rock phosphate	14212	51.46
2.	Mining of Limestone	14107	21.99
3.	Mining of Lignite	10201	18.24
4.	Mining of Gypsum	14105	2.93
5.	Power-Wind farm	40108	5.03
6.	Carbon/Voluntary Emission Reduction and Renewable Energy Certificate	-	0.35

### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S.NO	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary / Associate	% of shares Held	Applicable Section
1	Barmer Lignite Mining Company Ltd. Khaniz Bhawan, Tilak Marg, C-Scheme, Jaipur-302005	U14109RJ2007S GC023687	Subsidiary	51%	2(87)(ii)
2	Rajasthan State Petroleum Corporation Ltd. Khanij Bhawan, Tilak Marg, C-Scheme, Jaipur-302005	U23201RJ2008S GC026960	Subsidiary	100%	2(87)(ii)



(f) FIIs (g) Foreign Venture Capital Investors (h) Any other (specify)									
Sub- Total (B)(1)									
2. Non- Institutions (a) Bodies Corporate (b) Individuals (c) Any others	-	10022	10022	0.013	-	10022	10022	0.013	NIL
Sub Total (B)(2)									
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	10022	10022	0.013	-	10022	10022	0.013	NIL
Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
<b>Grand Total (A)+(B)+(C)</b>	-	<b>77551500</b>	<b>77551500</b>	<b>100.000</b>	-	<b>77551500</b>	<b>77551500</b>	<b>100.000</b>	<b>NIL</b>

**(ii) Share Holding of Promoters**

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Govt. of Rajasthan	77541478	99.987	NIL	77541478	99.987	NIL	NIL

**(iii) Change in Promoters' Shareholding (specify if there is no change)**

There is no change in promoters' shareholding during the year under review.

- NIL -

**(iv) Share Holding Pattern of Top Ten Shareholders**

**(Other than Directors, Promoters & Holders of GDRs & ADRs)**

- NIL -

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Rajendr Rao, Company Secretary	01.04.2019		1	-	1	-
		31.03.2020				1	

**V. INDEBTEDNESS:**

Indebtedness of the company including interest outstanding/ accrued but not due for payment -NIL-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

(Rs. in Lac)

S No.	Name of Director/KMP	Designation	Annual Remuneration
1.	Shri Somnath Mishra	Managing Director (Oct 2019 to March 2020)	11.59
2.	Dr. Tulsi Ram Agrawal	Chief Financial Officer	21.89
3.	Shri Rajendr Rao	Company Secretary	18.54

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

- NIL-

**For and on Behalf of the Board**

Place: Jaipur

Date:

**(Niranjan Kumar Arya)**  
**Chairman**  
**DIN: 03386987**

Ref. No.

Form No. MR-3

Date.....

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members  
**RAJASTHAN STATE MINES AND MINERALS LIMITED**  
CIN: U14109RJ1949SGC000505  
C-89-90, LAL KOTHI,  
JAIPUR, RAJASTHAN  
302015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAJASTHAN STATE MINES AND MINERALS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit period)**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company during the Audit period being unlisted Company.



We have also examined compliance with the applicable clauses of:

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except constitution of Nomination and Remuneration committees, spending whole required amount toward CSR Activities, holding minimum number of board meetings as prescribed under the Section 173 of the Act and holding annual general meeting on time prescribed under the Act.*

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws:

1. The Mines and Minerals (Development and Regulation) Act, 1957
2. Mines Act, 1952
3. Forest Conservation Act, 1980
4. Maternity Benefit (Mines) Rules, 1963
5. The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and while the dissenting members' views are captured and recorded as part of the minutes, if any.

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

We further report that during the audit period, no specific event has taken place which has major bearing on the Company's affairs.

PLACE: JAIPUR  
DATE: 09.03.2021

For S.K.Joshi & Associates  
Company Secretaries

  
(SANJAY KUMAR JOSHI)

Partner

FCS No. 6745

C.P.No. 7342

UDIN F006745B004035385

This report is to be read in conjunction with our letter of even date which is marked as 'Annexure A' and forms an integral part of this report.

**'Annexure A'**

To,  
The Members  
RAJASTHAN STATE MINES AND MINERALS LTD  
CIN: U14109RJ1949SGC000505  
C-89-90, LAL KOTHI,  
JAIPUR, RAJASTHAN  
302015

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

(1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

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

(3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Where ever required, We have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the Efficacy or effectiveness with which the Management has conducted the affairs of the Company.

PLACE: JAIPUR  
DATE: 09.03.2021



For S.K.Joshi & Associates  
Company Secretaries

(SANJAY KUMAR JOSHI)  
Partner

FCS No. 6745  
C.P.No. 7342  
UDIN F006745B004035385



**Independent Auditor's Report**

**To**  
**The Members of**  
**Rajasthan State Mines and Minerals Limited**

**Report on the Audit of the Standalone Financial Statements**

**Qualified Opinion**

We have audited the accompanying standalone financial statements of **Rajasthan State Mines and Minerals Limited**, ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and the Statement of Cash Flow for the year then ended and notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 of qualified opinion paragraph*, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, its profit (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

- (i) The Development Charges on Gypsum and Limestone of ₹21.31 Crores were refunded 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 for the same has not been provided. The total impact is that the Other Equity has been overstated by a total of ₹ 2.37 Crores, Other Current Financial Liabilities understated by ₹2.37 Crores and Contingent Liabilities overstated by ₹ 2.37 Crores in the head 'Claims against company not acknowledged as debt'.
- (ii) As detailed in Note No. 54 of the Standalone financial statements, the contractor M/s National Construction Company (NCC) had 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 had been provided for at ₹ 19.25 Crores in the financial year 2009-10 instead of ₹ 39.06 Crores resulting into short provisioning of ₹ 19.81 Crores. The total impact is that Other Equity has been overstated by a total of ₹19.81 Crores, Other Current Financial Liabilities understated by ₹ 19.81 Crores and Contingent Liabilities overstated by ₹ 19.81 Crores in the head 'Claims against Company not acknowledged as debt'. Subsequently during the 2019-2020, Commercial Court has decided the case in favour of NCC accepting the claim of ₹ 57.11 Crores. Out of ₹ 57.11 Crore interest @ 9% is payable on ₹ 54.74 Crore only after adjustment of payment already made to M/s NCC by the company as per the court order and no interest is payable on other claims of ₹ 2.37 Crore. The Company has filed an appeal against the order of the court in Hon'ble Rajasthan high Court, Jodhpur and shown the differential amount as liability under Contingent Liabilities, Claims against company not acknowledged as debt and no impact has been taken in the books of account.
- (iii) We further report that had the observations made by us in sub para nos. (i) and (ii) above been considered, Other Equity would have been ₹2,259.22 Crores (as against ₹ 2,281.40 Crores as reported by the Company), Other Current Financial Liabilities would have been ₹164.95 Crores



(as against ₹ 142.77 Crores as reported by the Company), Contingent liabilities, in the head 'Claims against company not acknowledged as debt', would have been ₹ 637.24 Crores (as against ₹ 659.42 Crores as reported by the Company).

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

#### **Emphasis of Matter**

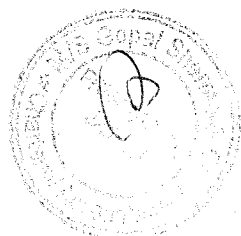
We draw attention to the following matters in the Notes to the financial statements:

- a) Note No. 34.1 to the Standalone Financial Statements regarding the Land Tax Provisioning. Government of Rajasthan vide Notification dated 19.11.2019 has declared new rates of land tax and company has received demand notices regarding the same. The company have filed appeals challenging the demanded amount and have intimated the amount land tax as per its own calculation. Currently, the company so far has not received any communication from the concerned authorities on the appeals so filed and provision of ₹ 19.99 Crore has been made in the accounts for the current year 2019-20 which consists of the amount mentioned in the various appeals against the demand notices and the amount land tax as per calculation of the company for those mines where no demand notices are received. The amount so provided is yet to be deposited.
- b) Note No: 28.2 to the Standalone Financial Statements regarding the Fuel Supply Agreement (FSA) entered into with Rajasthan Vidyut Utpadan Nigam Limited (RVUNL), that in the absence of renewed FSA, revenue has been accounted for on the basis of prevailing rates as defined in existing FSA.
- c) Note No: 29.2 to the Standalone Financial Statements regarding installation of additional solar panel to meet out the deficit in generation of Solar power based on NMGG by providing additional fund to the vendor M/s Ray Power Experts Pvt. Ltd.
- d) Note No: 49 to the Standalone Financial Statements regarding the non-refund of the amount from the State government related to the retrospective increase in MR Cess rate and the final adjustment shall be made on the receipt of same.
- e) Note No: 53 to the Standalone Financial Statements regarding the dispute about the applicability of recovery clause when the Desalination Plant is operated on reduced capacity; still the matter is subjudice.

Our opinion is not modified in respect of these matters.

#### **Information other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for preparation of other information. The other information comprises the Directors' Report, Report on Corporate Governance and other Annexure to the Directors' report but does not include the standalone financial statements and our auditors' report thereon.



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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that if there is a material misstatement of this other information; we are required to report that fact. We have nothing to Report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive Income, changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design

audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transaction and events in a manner that achieves fair presentation.'

Materiality is the magnitude of misstatement in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

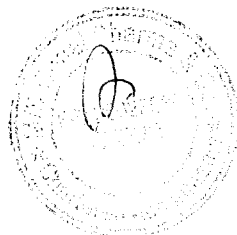
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, in the **"Annexure-B"** on the directions and sub-directions issued by the Comptroller and Audit General of India.



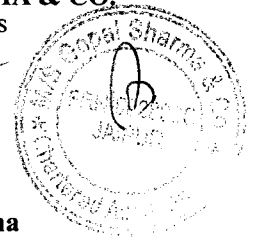
3. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive income), statement of changes in Equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule 15, as amended.
- (e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of section 164 of the Companies Act, 2013 are not applicable to the company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "C"**,
- (g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India and Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements for the year ended 31<sup>st</sup> March, 2020. Refer Note 46 to the standalone financial Statements.
  - b. The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There has been no delay in transferring the amount, required to be transfer the Investor Education and Protection Fund by the company.

Place: Jaipur  
Date : 12.08.2021

**For GOPAL SHARMA & CO.**  
Chartered Accountants  
FRN 002803C

*Abhishek Sharma*



**CA. Abhishek Sharma**  
Partner  
Membership No. 079224  
UDIN: 21079224AAAAKL6972

## Annexure 'A' to the Independent Auditor's Report

**Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Rajasthan State Mines and Minerals Limited on the financial statements for the year ended March 31, 2020**

- (i)
- 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 in a phased periodical manner, which in our opinion is reasonable, having regards to size of the company and nature of its assets. As per Information given to us by the management, No material discrepancies were noticed on such physical verification.
  - c) The title/ lease deeds of the immovable properties are held in the name of the Company except cases of Leasehold Land of 38000 square feet having cost of ₹ 9.62 Lacs, 161.37 Bigha land having cost of ₹ 335.70 Lacs and 258.77 hectare land having value of ₹ 190.99 Lacs, Free hold land of 4.775 hectare having value of ₹ 97.95 Lacs and buildings having cost of ₹ 254.37 Lacs, of which title/ lease deeds are pending for execution in the name of the Company.
- (ii)
- a) As explained to us the inventory has been physically verified during the year by the management/outside agencies, the frequency of such verification is reasonable.
  - b) The discrepancies noticed on physicals verification of the inventory as compared to books records which has been properly dealt with in the books of accounts and were not material.
- (iii) According to the information and explanation given to us, The Company has not granted any loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clause 3 (iii) of the Order are not applicable.
- (iv) According to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of Act, with respect to the loans, investments, guarantees, and security made.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act, and the rules framed there under.
- (vi) We have broadly reviewed the records maintained by the company pursuant to the rules prescribed by Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities **except the following which are outstanding as at March 31,2020 for a period of more than six months from the date they became payable.**

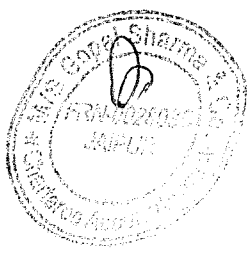


Nature of Dues	Amount (₹ in Lacs)
Development Charges payable to DMG	22.05
Premium Charges payable to DMG	72.21
Royalty including Dead Rent, DMF/NMET payable to DMG	522.79
Interest on late deposition of Royalty Payable to DMG	34.80
M R Cess	2.98
Land Tax	3.80
Contribution to CPF	1.16
<b>TOTAL</b>	<b>659.79</b>

(b) According to the information and explanation given to us, there are no dues in respect of Income Tax , Goods and service tax, duty of customs, Service Tax, Excise duty , Cess and any other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. **However, according to information and explanations given to us, the following statutory dues have not been deposited by the Company on account of disputes:**

Name of the Statute	Nature of the dues	Demand Amount (₹ in Lacs)	Amount deposited under protest (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
MP Sales Tax	Sales Tax	6.22	NIL	Prior to 2001	Commissioner of Sales Tax
Land Tax	Land Tax	94.67	NIL	2011-12	RTB Ajmer
Land Tax	Land Tax	1,999.42	NIL	2019-20	RTB Ajmer
Income Tax	Income Tax	4,508.74	NIL	2014-15	Commissioner of Income Tax, Jaipur
<b>Total</b>		<b>6609.05</b>			

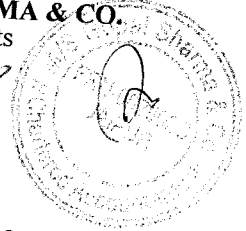
- (viii) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in the repayment of dues to financial institutions, banks, Government and dues to debenture holder.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3(ix) of the Order is not applicable.
- (x) Based on our audit procedure and as per the information and explanations given to us, no fraud by the Company or fraud on the Company by any person including its officers or employees has been noticed or reported during the year;
- (xi) The provisions of Section 197 of the Companies Act 2013 regarding managerial remuneration are not applicable to the Government companies. Accordingly, provisions of the clause 3(xi) of the order are not applicable to the Company.
- (xii) According to the information and explanation given to us by the management, The Company is not a Nidhi Company, hence clause 3 (xii) of the Order is not applicable to the Company.



- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or Private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For GOPAL SHARMA & CO.**  
Chartered Accountants  
FRN 002803C

*Abhishek Sharma*



**CA. Abhishek Sharma**  
Partner  
Membership No. 079224  
UDIN: 21079224AAAAKL6972

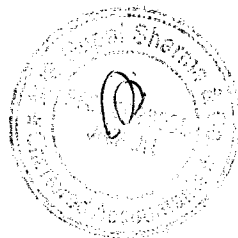
Place: Jaipur  
Date : 12.08.2021

## Annexure "B" to the Independent Auditor's Report

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Rajasthan State Mines and Minerals Limited on the financial statements for the year ended March 31, 2020

### A. General Directions

Sl.	Directions indicating the areas to be examined in terms of sub section (5) of sec 143 of Companies Act, 2013	Auditor's reply on action taken on the directions & Impact on Financial Statements (if any)
1.	Whether the company has system in place to process all the accounting transactions through IT system? If Yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>From 01.04.2019 company has commenced working on Enterprise Resource Planning (ERP) Software in RSMML which is implemented by RajCOMP Info Services Limited (Government of Rajasthan Enterprise).</p> <p>Currently Phase 1 has been implemented in which following areas of company are covered:-</p> <ul style="list-style-type: none"> <li>- Finance and Accounts</li> <li>- Sales and Marketing</li> <li>- Human Resource Management &amp; Administration</li> </ul> <p>There are some issues with current software as follows:-</p> <ul style="list-style-type: none"> <li>- As company is maintaining books in ERP from 01.04.2019, details of old balances are still maintained outside software and needs to verify from physical files.</li> <li>- Details regarding the item wise PPE is maintained outside ERP in excel sheet.</li> <li>- Details regarding Fixed Deposit made by company in Banks are maintained outside IT System.</li> <li>- Sales Module and Store Module is not linked.</li> <li>- Stock Register and Store Consumption is not maintained in ERP Software and Inventory valuation is done outside ERP software.</li> </ul> <p>Financial implication, if any, of above points are not ascertainable.</p>
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As per the information and explanations given by the management, the company has no loan. Therefore there is no restructuring of loan or cases of waiver/write off of debts/loans/interest etc made by a lender to the company due to company's inability to repay the loan.
3.	Whether funds received/receivable for specific schemes from Central / State agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	As per the information and explanations given by the management, no funds were received /receivable by the company for specific schemes from Central/State agencies during the year.



**B. Company/Sector Specific Directions (Sub Directions)**

1. **Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.**

According to the information and explanations given to us, the Company is taking adequate measures to reduce the adverse effects on environment as per the established norms and has taken up adequate measures for the relief and rehabilitation of displaced people. In case of Land acquisition, compensation is paid to land owners as per award of Land Acquisition Officer (LAO) which includes benefit of Relief and Rehabilitation.

2. **Whether the company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?**

According to the information and explanations given to us, the Company had obtained the requisite statutory compliance that was required under mining and environmental rules and regulations.

3. **Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?**

According to the information and explanations given to us, the Company has undertaken mining activities as per approved/prepared/submitted mining plan which specifies removal of overburden and back-filling.

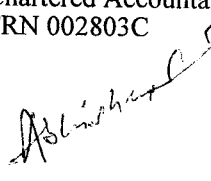
4. **Whether the company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.**

According to the information and explanations given to us, the Dead rent is being paid/provided for disbanded/discontinued mines.

5. **Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**

According to the information and explanations given to us, the Company's financial statements had properly accounted for the effects of Rehabilitation activity and Mine Closure Plan.

**For GOPAL SHARMA & CO.**  
Chartered Accountants  
FRN 002803C

  
**CA. Abhishek Sharma**  
Partner  
Membership No. 079224  
UDIN: 21079224AAAAKL6972

Place: Jaipur  
Date: 12.08.2021

## **Annexure C to the Independent Auditor's Report**

**Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Rajasthan State Mines and Minerals Limited on the financial statements for the year ended March 31, 2020**

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

To The Members of Rajasthan State Mines and Minerals Ltd.

We have audited the internal financial controls over financial reporting of **RAJASTHAN STATE MINES & MINERALS LIMITED** ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone Ind As financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

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

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



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

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

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place: Jaipur  
Date: 12.08.2021

**For GOPAL SHARMA & CO.**  
Chartered Accountants  
FRN 002803C

**CA. Abhishek Sharma**  
Partner  
Membership No. 079224  
UDIN: 21079224AAAAKL6972



**RAJASTHAN STATE MINES & MINERALS LIMITED**

**STANDALONE ANNUAL ACCOUNTS**

**2019-20**

**RAJASTHAN STATE MINES & MINERALS LTD.**  
**(A Govt. of Rajasthan Enterprise)**  
**Regd. Office : C 89-90 Lalkothi, Janpath, Jaipur**

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**RAJASTHAN STATE MINES & MINERALS LIMITED**  
STANDALONE BALANCE SHEET AS AT 31ST MARCH 2020

(₹ in lakh)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>[1] Non-current assets</b>			
(a) Property, Plant and Equipment	6	49515.64	51,053.90
(b) Capital work-in-progress	6	16.36	28.79
(c) Intangible Assets	6	102.63	-
(d) Financial Assets			
(i) Investments	7	11812.80	11,451.41
(ii) Loans	8	503.00	565.76
(iii) Others financial assets	9	16,121.28	17,711.32
(e) Other non-current assets	10	26,920.34	27,330.04
		1,05,292.05	1,08,141.22
<b>[2] Current assets</b>			
(a) Inventories	11	21,013.05	26,698.60
(b) Financial Assets			
(i) Trade receivables	12	14,147.69	14,372.84
(ii) Cash and cash equivalents	13	1,10,036.83	99,941.21
(iii) Bank balances other than (ii) above	14	16129.12	10,149.48
(iv) Loans	15	164.00	165.61
(v) Others current financial assets	16	1241.64	680.16
(c) Current Tax Assets (Net)	17	2622.35	2,341.31
(d) Other current assets	18	85885.78	80,792.37
		2,51,240.46	2,35,141.58
<b>Total Assets [1+2]</b>		<b>356532.51</b>	<b>3,43,282.80</b>
<b>EQUITY AND LIABILITY</b>			
<b>[1] Equity</b>			
(a) Equity Share capital	19	7755.15	7,755.15
(b) Other Equity	20	228140.22	2,19,360.22
		235895.37	2,27,115.37
<b>LIABILITIES</b>			
<b>[2] Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Other financial liabilities	21	1358.16	833.66
(b) Provisions	22	6551.34	6,350.65
(c) Deferred tax liabilities (Net)	23	560.06	1,816.61
		8469.56	9,000.92
<b>[3] Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	24		
(a) Total outstanding dues of Micro, Small and Medium Enterprises		29.09	28.68
(b) Total outstanding dues to creditors other than Micro, Small and Medium Enterprises		5657.14	4,731.83
(ii) Other financial liabilities	25	14276.75	14,550.53
(b) Other current liabilities	26	90099.25	85,029.93
(c) Provisions	27	2105.35	2,825.54
		112167.58	1,07,166.51
<b>Total Equity and Liabilities [1+2+3]</b>		<b>356532.51</b>	<b>3,43,282.80</b>

Significant accounting policies & Notes to Standalone Financial Statements

1 to 64

As our report of even date

For and on behalf of the Board

For Gopal Sharma & Co.  
Chartered Accountants

FRN: 002803C

Abhishek Sharma  
Partner

Membership No. 079224

Place: Jaipur

Date: 12.08.2021

Om Prakash Kasera  
Managing Director  
DIN: 07387792

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Director  
DIN:

Rajendr Rao  
Co. Secretary

Kunji Bilhari Pandya  
Director  
DIN: 08150233

UDIN:- 21079224 AAAAKL6972



**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020**

(₹ in lakh)

Particulars		Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
I	Revenue From Operations	28	90292.50	1,08,874.55
II	Other Income	29	8122.40	7,354.92
III	<b>Total Income (I+II)</b>		<b>98414.90</b>	<b>1,16,229.47</b>
IV	Expenses			
	Purchase of Ore	30	230.52	368.03
	Changes in inventory of finished goods	31	5568.33	5,587.57
	Employee benefits expense	32	15278.76	15,852.96
	Finance costs	33	771.97	685.26
	Depreciation and amortization expense	6	2434.21	2,898.57
	Other expenses	34	56408.17	68,632.83
	<b>Total expenses (IV)</b>		<b>80691.96</b>	<b>94,025.22</b>
V	Profit/(loss) before exceptional items and tax (V-IV)		17722.94	22,204.25
VI	Exceptional Items		0.00	500.00
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>17722.94</b>	<b>21,704.25</b>
VIII	Tax expense:			
	(1) Current tax		5244.34	7,013.46
	(2) Tax of earlier years		0.02	35.19
	(3) Deferred tax		-1256.55	-278.60
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>13735.13</b>	<b>14,934.20</b>
	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss			
	Fair Value Gain/Loss on investments		33.71	6.37
	Remeasurement gain/loss on defined benefit obligation (Gratuity)		-408.55	20.93
X	(ii) Income tax relating to items that will not be reclassified to profit or loss		94.34	-9.54
B	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XI	<b>Total Comprehensive Income for the period (IX+X)</b> [Comprising Profit(Loss) and Other Comprehensive Income for the period]		<b>13454.63</b>	<b>14951.96</b>
XII	Earnings per equity share			
	Basic (In ₹)	42	17.35	19.28
	Diluted (In ₹)		17.35	19.28

Significant accounting policies & Notes to Standalone Financial Statements

1 to 64

As our report of even date

For and on behalf of the Board

For Gopal Sharma & Co.  
Chartered Accountants

FRN: 002803C

Abhishek Sharma

Partner

Membership No. 079224



Om Prakash Kasera  
Managing Director  
DIN:07387792

Dr. Tuksi Ram Agrawal  
Chief Financial Officer

Director  
DIN:

Rajendr Rao  
Co. Secretary

Kunj Bihari Pandya  
Director  
DIN:08450233

Place: Jaipur

Date: 12.08.2021

UDIN:- 21079 224 AAAA KL 6972

**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2020**

Particulars	(₹ in lakh)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>A Cash Flow From Operating Activities</b>		
Net Profit Before Tax & after exceptional item and comprehensive income		17722.94
Adjustments For :		21704.25
Depreciation expense	2434.21	2898.57
Amortization expense	77.66	77.66
Interest Income	-7129.27	-5953.69
Interest Expenses	764.23	676.23
Profit on sale of Property, plant & equipment(PPE)	-19.21	-188.96
Loss on sale of Property, plant & equipment(PPE)	0.01	0.10
Property, Plant & Equipment(PPE) Written off	3.30	2.91
Impaired/obsolescence of Property, plant & equipment(PPE)	1.11	8.53
Remeasurment of defined benefit plan	-408.55	20.93
	-4276.51	-2457.72
<b>Operating Profit Before Working Capital Change</b>		
<b>Change In Working Capital (Excluding Cash &amp; Cash Equivalents)</b>	<b>13446.43</b>	<b>19246.53</b>
Decrease/(Increase) in other current financial assets	-561.48	-184.30
Decrease/(Increase) in other current assets	-5171.07	-7327.16
Decrease/(Increase) in Loans	1.61	51.03
Decrease/(Increase) in inventories	5685.55	5530.45
Decrease/(Increase) in trade receivables	225.15	-2796.32
Decrease/(Increase) in bank balance other than cash and cash equivalent	-5979.64	9522.06
(Decrease)/Increase in Trade payables	925.72	185.78
(Decrease)/Increase in other current financial liabilities	-273.78	299.65
(Decrease)/Increase in other current liabilities	5069.32	598.92
(Decrease)/Increase in Non-Current Provisions	200.69	240.51
(Increase)/Decrease in other non current financial asset	1290.04	-7458.88
(Decrease)/Increase in Current Provisions	-720.19	-955.24
Decrease/(Increase) in other non current assets	409.70	1085.57
	1101.62	-1207.93
<b>Cash Generated From Operation</b>	<b>14548.05</b>	<b>18038.60</b>
Less: Direct Taxes Paid net of refund(including TDS)	-5431.06	-8190.72
<b>Net Cash flow From Operating Activities</b>	<b>9116.99</b>	<b>9847.88</b>



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<b>B</b>	<b>Cash Flow From Investing Activities</b>			
	Repayment of loans received from employees	62.76		26.03
	Addition in Property, plant & equipment (PPE)	-1036.65		-219.20
	Sale of Fixed and Other Assets	65.29		197.03
	Dividend Income	0.00		0.00
	Interest Income	7129.27		5953.69
	(Increase)/Decrease in Investment	-327.68		-334.54
	<b>Net Cash (Used) In/From Investing Activities</b>		<b>5892.99</b>	<b>5623.01</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>			
	Interest paid	-764.23		-676.23
	Dividend Paid	-3877.58		-3877.58
	Dividend Distribution Tax Paid	-797.05		-797.04
	(Decrease)/Increase in other financial liabilities	524.50		209.06
	<b>Net Cash (Used) In/From Financing Activities</b>		<b>-4914.36</b>	<b>-5141.79</b>
<b>D</b>	<b>Net Change In Cash &amp; Cash Equivalents(A+B+C)</b>		<b>10095.62</b>	<b>10329.10</b>
<b>E</b>	<b>Cash &amp; Cash Equivalents at beginning of the year</b>		<b>99941.21</b>	<b>89612.11</b>
<b>F</b>	<b>Cash &amp; Cash Equivalents at end of the year</b>		<b>110036.83</b>	<b>99941.21</b>
<b>G</b>	<b>Cash &amp; Cash Equivalents(refer note no 13) Includes:</b>			
	In Current Account		8779.99	9218.05
	In Deposit Account		8.35	11.35
	Cash in hand		2.29	2.55
	Balances with Treasury in P. D. Account		101246.20	90709.26
			<b>110036.83</b>	<b>99941.21</b>

1 Cash Flow has been prepared under indirect method as set out in IND AS-7

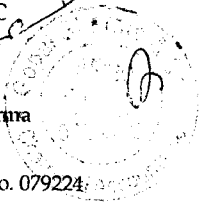
2 Addition of Property, Plant and Equipment includes intangible assets and CWIP during the year.

3 Previous Year's figures have been recasted/regrouped, wherever necessary, to confirm to the current year's.

As our report of even date

For Gopal Sharma & Co.  
Chartered Accountants  
FRN: 002803C

Abhishek Sharma  
Partner  
Membership No. 079224



For and on behalf of the Board

Om Prakash Kasera  
Managing Director  
DIN: 08387792

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Director  
DIN:

Rajendr Rao  
Co. Secretary

Kunj Bihari Pandya  
Director  
DIN: 08450253

Place: Jaipur

Date: 12.08.2021

UDIN - 21079224 AAAA KL 6972

**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2020**

**A. Equity Share Capital**

(₹ in lakh)

Balance at the beginning of the reporting period	Changes in equity share capital during the year 2018-19	Balance at the end of the reporting period
7755.15	0.00	7755.15

Balance at the beginning of the reporting period	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period
7755.15	0.00	7755.15

**B. Other Equity**

(₹ in lakh)

Particulars	Reserves and Surplus			Other comprehensive income		Total
	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Defined benefit obligation	
Balance as at March 31, 2018	1,083.93	1,85,919.88	22,473.00	138.42	-532.34	2,09,082.89
Profits for the year	-	-	14,934.20	-	-	14,934.20
Fair valuation of investments	-	-	-	6.37	-	6.37
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	11.39	11.39
Dividend payment	-	-	-3,877.58	-	-	-3,877.58
Dividend Distribution Tax	-	-	-797.05	-	-	-797.05
Balance as at March 31, 2019	1,083.93	1,85,919.88	32,732.57	144.79	-520.95	2,19,360.22
Profits for the year	0.00	0.00	13,735.13	0.00	0.00	13,735.13
Fair valuation of investments	0.00	0.00	0.00	33.71	0.00	33.71
Remeasurement gain/loss on defined benefit obligation	0.00	0.00	0.00	0.00	-314.21	-314.21
Dividend payment	0.00	0.00	-3,877.58	0.00	0.00	-3,877.58
Dividend Distribution Tax	0.00	0.00	-797.05	0.00	0.00	-797.05
Balance as at March 31, 2020	1,083.93	1,85,919.88	41,793.07	178.50	-835.16	2,28,140.22

As our report of even date

For and on behalf of the Board

For Gopal Sharma & Co.

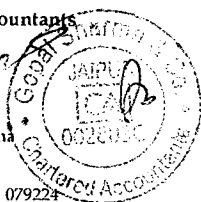
Chartered Accountants

FRN: 002803C

Abhishek Sharma

Partner

Membership No. 079224



Om Prakash Kasera

Managing Director

DIN: 07387792

Dr. Tulsiram Agrawal

Chief Financial Officer

Director

DIN:

Rajendra Rao

Co. Secretary

Kunj Bihari Pandey  
 Director  
 DIN: 084502

Place: Jaipur

Date: 12.08.2021

UDIN<sup>o</sup> 21079224 AAAA KL6972

## Significant Accounting Policies, Assumptions and Notes to Accounts

### 1 Company Overview

Rajasthan State Mines and Minerals Ltd. is a Government of Rajasthan owned enterprise and is engaged in the business of mining & selling of Rock Phosphate, Lignite, Limestone, Gypsum and generation of Wind and Solar power. The Company is a Company limited by shares incorporated on 7th May, 1947. The registered office of the Company is located at C-89-90, Janpath, Lalkothi Scheme, Jaipur.

The standalone financial statements are approved for issue by the Company's Board of Directors in their meeting dated 12.08.2021

### 2 Basis of preparation

2.1 The standalone financial statements have been prepared in accordance and comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Effective date 1st April, 2016 with 1st April 2015 as transition date, the company had adopted all the Ind AS standards and the adoptions was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards including clarification issued by Ind AS Transition Facility (ITFG) on various issues. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2.3 Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.4 All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.5 The significant accounting policies used in preparing the Standalone financial statements are set out in Notes to the Financial Statements.

2.6 The preparation of the Standalone financial statements requires management to make estimates, judgements and assumptions. Actual results could vary from these estimates. The estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Notes on critical accounting estimates, assumptions and judgements). The management believes that the estimates used in preparation of the Standalone financial statements are prudent and reasonable.

2.7 Amounts in these Standalone financial statements have, unless otherwise indicated, have been rounded off to '₹ in Lakh' upto two decimal points.

### 3 Statement of Compliance

The Standalone financial statements comprising of the Balance Sheet, Statement of Profit and Loss, Statement of changes in equity, Statement of Cash Flow together with notes comprising a summary of Significant Accounting Policies and Other Explanatory Information for the year ended 31st March 2020 and comparative information in respect of the preceding period and Balance Sheet as on 31st March 2019 have been prepared in accordance with IND AS as notified and duly approved by the Board of Directors, along with proper explanation for material departures.

### 4 Accounting Policies

#### 4.1 Basis of Measurement

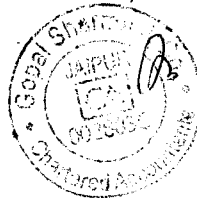
The standalone financial statements have been prepared on accrual basis and under the historical cost convention except:

- a Financial assets and liabilities barring a few assets carried at amortised cost, disclosed separately
- b Assets held for sale - measured at fair value
- c Defined benefit plans - Plan assets measured at fair value
- d The standalone financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

#### 4.2 Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Division II of Schedule III, Companies Act, 2013 (Ind AS compliance schedule III) notified by MCA.



**An asset is classified as current when it is:**

- (a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Expected to be realised within twelve months after the reporting period, or
- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

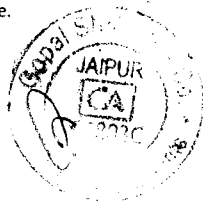
**A liability is classified as current when it is:**

- (a) Expected to be settled in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**4.3 Property, Plant and Equipment**

- Property, plant and equipment are tangible items that:
  - (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
  - (b) are expected to be used during more than one period.
- Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of Property, Plant and Equipment, otherwise, such items are classified as inventory. It is company's policy that spares having a value of more than ₹ 2.00 Lakh are eligible for the definition of property plant & Equipment. Further life of spares have been considered as 18 month and the same is transferred to the statement of profit and loss as and when they are consumed.
- The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.
- Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any.
- Assets are depreciated to their residual values on a written down basis over the estimated useful lives given in schedule II of Companies Act, 2013 except for assets specified in the following paragraphs. Asset's residual values and useful lives are reviewed at the end of each financial year considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life.
- Useful life Solar power plant is considered as 22 Years being Plant and Machinery used in generation, transmission and distribution of power.
  - Useful life of cost additions to tailing dam is considered as 2.5 years based on technical estimates.
- Leasehold lands are amortised over the respective period of lease.
- Freehold land, other than Mining Land, is not depreciated.
- Cost of freehold mining land, remaining unusable after excavation of mineral is amortised on the basis of minerals actually produced during the year to the total estimated minable reserves reckoning from the year in which regular production is commenced.
- PPE costing up to ₹ 5,000 each are fully depreciated in the year of purchase/installation.
- Assets not owned by the Company is amortised in the year of completion.
- An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.



- The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.
- Asset in the course of construction are capitalised in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to appropriate category of Property, Plant and Equipment cost associated with commissioning of an asset are capitalised in CWIP until the period of commissioning has been completed and the asset is ready for its intended use.
- **Intangible assets:**
  - (a) An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.
  - (b) Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.
  - (c) Mining rights and all related cost thereof are amortized on the basis of actual annual quantity delivered to the total estimated mineable reserves as per approved mines closure plan.
  - (d) Other intangible assets are amortised on straight line basis over their useful life.

4.4 **Cash and cash equivalents**

- Cash and cash equivalents include cash in hand and at bank, deposits held at call with banks, PD account with the government, Fixed Deposits and Flexi fixed deposits.
- For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits.

4.5 **Inventories**

a **Finished goods:**

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprise of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Further cost of by product are considered in main poroduct valuation Cost is computed on the Weighted Average basis.

b **Stores & Spares:**

- Stores and Spares are valued at their weighted average cost.
- Obsolete spares, stores are taken at Nil value.
- Stores and spares that do not qualify for the definition of PPE are treated as inventory.
- Shortages found on physical verification of materials are being accounted for, considering the nature of material and the volume of shortages.

c **CER/VER/RECs**

- Certified Emission Reduction certificates, Voluntary Emission Reduction certificates and Renewal Energy Certificates are valued at cost incurred for their certification or their NRV, whichever is lower.

4.6 **Leases**

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

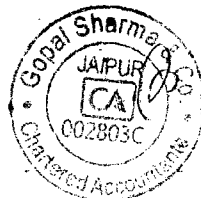
- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently re measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is re measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re measurement normally also adjusts the leased assets.



#### 4.7 Employee benefits

- Short term employee benefits, which are expected to be settled within twelve months after the end of the period in which the employees rendered the related service, are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- Leave encashment being in the nature of other long term benefits is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Statement of Profit and Loss in the period in which they arise.
- Provident Fund & Pension Fund are 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.
- The cost of providing Gratuity, a Defined Benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by an independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss. Gratuity liability is funded with LIC of India.
- Retirement benefit in the form of post-retirement medical benefit is a defined contribution scheme in which the Company contributes annually 25% of the amount contributed by the employees.
- Liability for Sick Leave is accounted for on the basis of actuarial valuation by an independent Actuarial valuer and all re-measurement gains and losses are accounted for in the Statement of Profit and Loss.
- Payments made under the Voluntary Retirement Scheme are charged to the Statement of Profit and Loss as and when incurred.

#### 4.8 Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets identified as held for sale are reclassified as current assets and measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statement of Profit and Loss. On classification as held for sale the assets are no longer depreciated.

#### 4.9 Financial instruments – initial recognition, subsequent measurement and impairment

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

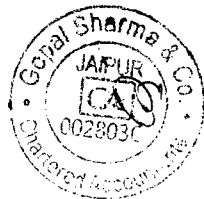
##### a Financial Assets

- Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on the judgment of the management for managing those financial assets and the assets' contractual cash flow characteristics.
- Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes, financial assets are assessed individually.

##### De-recognition of financial Asset

A financial asset is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.



**Impairment of financial assets (other than fair value)**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on the following financial assets:

Financial assets that are debt instruments and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balances.

**Trade receivables:**

- A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.
- Impairment is made for the expected credit losses. The estimated impairment losses are presented as a deduction from the value of trade receivables and the impairment losses are recognised in the Statement of Profit and Loss under "Other expenses".
- Subsequent changes in assessment of impairment are recognised in Expected Credit Loss (ECL) and the change in impairment losses are recognised in the Statement of Profit and Loss under "Other Expenses".
- Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivables and the amount of the loss is recognised in the Statement of Profit and Loss under "Other Expenses".
- Subsequent recoveries of amounts previously written off are credited to "Other Income".

**Investment in equity instruments:**

Investment in equity securities except investment in subsidiaries, associates and joint ventures are initially measured at fair value, irrespective of their current or non current nature. Any subsequent fair value gain or loss is recognised through Other Comprehensive Income, since all the equity instruments are measured at Fair Value through Other Comprehensive Income. There is no recycling of any amount of gain/loss recognised in other comprehensive income due to sale of these investments. Investments in Subsidiaries, Associates and Joint ventures have been recognised at their cost.

**b Financial liabilities**

At initial recognition, all financial liabilities other than those valued at fair value through profit and loss are recognised at fair value less transaction costs that are directly related to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss.

**Financial liabilities measured at amortised cost**

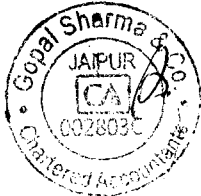
After initial recognition, interest free Security Deposits and other financial liabilities are valued at Amortised cost using Effective Interest Rate method (EIR Method). The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

**Trade and other payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as "Other Income" or "Finance Expense".



**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**4.10 Taxation**

- Income tax expense represents the sum of Current Tax and Deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.
- Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the Income Tax Act 1961. Current tax assets and current tax liabilities are off set and presented as net.
- Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

**4.11 Investment in Subsidiaries, joint ventures and associates:**

- **Subsidiary:** A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.
- **Associate:** Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.  
The Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.
- **Joint arrangement:** A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

**4.12 Earnings per share**

- Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.
- Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

**4.13 Provisions and contingencies****a Provisions**

- Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate.
- Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.



b **Mine restoration or assets retirement obligation**

Mine restoration expenditure is provided for in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of closure of mine. The cost estimates, if required will be reviewed and will be adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The unwinding of the discount on provision is shown as a "Finance expense" in the Statement of Profit and Loss.

c **Contingencies**

- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the Standalone Financial Statements.
- Contingent assets are not recognised in the books of the accounts but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset and the corresponding income is booked in the Statement of Profit and Loss.

4.14 **Revenue recognition and other income**

a **Sale of Goods**

- Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Royalty, DMF/NMET are liability of the Company. Since the recovery of these levies flows to Company on its own account, revenue includes these levies. Revenues from sale of by-products are included in revenue.
- A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Company's future performance.
- A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.
- The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. There is no significant financing component exists in the sale price. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

b **Sale of Energy**

- Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.
- Revenue also includes unbilled revenues accrued up to the end of financial year.
- Customers are billed on the basis of rates specified in the contract which are revised on time to time basis.

4.15 **Other income**

a **Interest**

- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- Interest is accounted on accrual basis on overdue receivables.

b **Dividend**

Dividend income is recognized when the right to receive dividend is established.

c **Lease**

Lease agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lesser are recognized as operating lease. Operating lease rentals are recognized on straight line basis as per the terms of agreement in the statement of profit and loss.



**4.16 Dividend Distribution**

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

**4.17 Forest Plantation & Environment**

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

**4.18 Exploration and Evaluation Asset**

The expenditure incurred on survey, prospecting and development of mines till the feasibility of mine is established is capitalised as Exploration and Evaluation asset. Once the mining operation starts, the same is 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.

**4.19 Mine Closure Liability**

The company's obligation for land reclamation and decommissioning of structures consists of spending in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved or draft Mine Closure Plans. The estimates of expenses discounted at the rate equivalent to the rate considered for contribution in escrow account so that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised at the time of initial recognition. The asset representing the total site restoration cost as per mine closure plan is recognised as a separate asset and amortised over the balance project/mine life. The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

**a Post Mine Closure Liability**

Mine closure liability has been determined on the basis of final/draft mine closure plan and recognised in books of account at the discounted value of liability using the appropriate discount rate and mine life. Corresponding asset is also recognised in books of accounts and amortised on straight line basis over the life of mine.

**b Progressive Mine Closure Liability**

The company accounted for concurrent mine closure expenses, to the extent the expense are incurred in the respective year and the shortfall/ excess expenditure made as compared with the approved progressive mine closure plant if any are recognised as provision/asset in the Standalone financial statements of respective year. However no assets are recongned where ever no further future economic benefit available for the same.

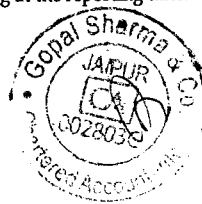
**4.20 Prior Period Items**

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

**5 Critical accounting estimates, assumptions and judgements**

The estimates and judgements used in the preparation of the Standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectation of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events that existed as at the reporting date, or that which occurred after the date but provide additional evidence about the conditions existing at the reporting date.



#### Property, plant and equipment

- Management assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

#### Income taxes

- Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities.
- The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Standalone financial statements.

#### Contingencies

- Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### Impairment of accounts receivable and advances

- Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

#### Employee benefit expenses

- Actuarial valuation for gratuity, sick leave and leave encashment liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

#### Capital spares

- Only those capital spares whose value exceeds ₹ 2.00 Lakh and have a useful life of more than one year have been considered for the purpose of capitalization under property, plant & equipment in the books of account. Further, all such spares are assumed to have a useful life of 18 months.

#### Discounting of Security deposit, retention money and other long term liabilities

- For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Standalone financial statements.

#### Amortised Cost for Employee Loans

- Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Standalone financial statements and involvement of practical difficulties.

#### Inclusion of taxes in revenue

- Excise duty, Royalty, DMF and NMET are liability of the Company. Since the recovery of these taxes flows to Company on its own account, revenue includes these taxes.

#### Market rate of interest

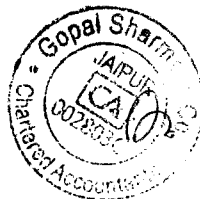
- Rate of interest on PD account has been considered as the market rate of interest for employee loans. All the loans have been given above the rate of interest on PD account and hence none of the loans have been discounted.

#### Investment in Equity Instruments

- Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

#### Restatement of Prior Period Items

- Material prior period items, i.e. items having a value of above ₹ 5.00 Lakh have been restated in the previous year financials.



(₹ in lakh)

Particulars	Mining Land	Free Hold Land	Lease Hold Land	Buildings	Railway Rakes & Sidings	Plant & Machinery	Power Plant & Fittings	Furniture & Fittings	Vehicles	Water Supply Plant & Pipeline	Office & Other Equipment	Electrical Equipment & Inst.	Laboratory Equipments	Wind Power Plant	Dam	Tailing Dam	Road	Solar Power in stores/at Plant site	Machinery Spares	Total PPE	
Gross Block																					
As at March 31, 2019	33440.50	2422.45	666.90	5033.35	2563.41	19660.36	0.00	355.31	596.83	1706.33	702.96	2444.12	67.36	53119.97	546.43	922.14	2614.55	2675.76	11.83	392.14	129942.68
Additions	6.92	0.00	0.00	31.47	0.00	61.21	0.00	12.77	70.63	0.43	63.40	30.36	1.59	0.00	0.00	432.26	80.13	0.00	0.42	95.79	887.38
Deductions	0.00	0.00	0.00	-7.16	0.00	-155.98	0.00	-2.22	-41.64	0.00	-24.95	-1.22	-17.14	0.00	0.00	0.00	0.00	0.00	-11.02	-12.02	-273.39
As at March 31, 2020	33447.42	2422.45	666.90	5057.65	2563.41	19565.59	0.00	365.80	625.82	1706.76	741.41	2473.26	51.83	53119.97	546.43	1354.40	2694.68	2675.76	1.23	475.92	130556.68
Accumulated Depreciation																					
As at 31.03.2019	2116.21	0.00	159.22	3077.54	2435.27	18565.79	0.00	331.10	499.81	1567.17	631.42	2268.08	50.72	41971.56	523.43	896.17	2361.81	1172.06	0.00	309.41	78888.77
Depreciation	219.97	0.00	12.47	150.49	0.00	89.02	0.00	8.19	28.61	17.05	44.93	31.14	3.89	1376.38	0.00	18.73	117.05	191.42	0.00	90.05	2400.00
Other Adjustments	0.00	0.00	0.00	-3.87	0.00	-148.15	0.00	-2.23	-40.29	0.00	-23.85	-1.15	-16.19	0.00	0.00	0.00	0.00	0.00	0.00	-12.02	-287.75
As at 31.03.2020	2336.18	0.00	171.69	3224.17	2435.27	18507.26	0.00	337.06	488.13	1584.22	652.50	2298.08	38.42	43297.95	523.43	916.90	2478.86	1363.48	0.00	387.44	81041.03
Net carrying amount																					
As at 31.03.2019	31324.29	2422.45	507.68	1955.81	128.14	1094.56	0.00	24.21	97.02	139.16	71.54	176.04	16.64	11198.41	21.00	25.97	252.74	1503.70	11.83	82.73	51053.90
As at 31.03.2020	31111.24	2422.45	495.21	1833.49	128.14	1058.33	0.00	28.74	137.70	122.54	88.91	175.18	13.41	9822.03	21.00	439.50	215.82	1312.27	1.23	88.47	49515.65

Intangible Asset (₹ in lakh)

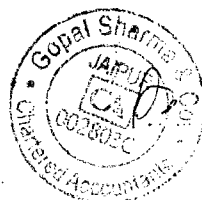
Particulars	Computer Software	Capital work in progress
At cost		
As at April 1, 2018	0	22.93
Additions	0	15.79
Deductions	0	-9.93
As at March 31, 2019	0	28.79
As at April 1, 2019	0	28.79
Additions	136.84	1.82
Deductions	0	-14.25
As at March 31, 2020	136.84	16.36
Accumulated Depreciation		
As at 31.03.2020	0	0
Amortisation	34.21	0
As at 31.03.2020	34.21	0
Net carrying amount		
As at 31.03.2019	0	28.79
As at 31.03.2020	102.63	16.36



- 6.1 Freehold land includes ₹ 62.16 Lakh (Prev Year ₹ 62.16 Lakh) located at Bhatt Ji Ki Bari, Udaipur given on conditional lease of ₹1 P.A. to American International Health Management System for 99 years on 23 Sep 2000. In substance there is no transfer of risk and reward to the lessee as the land has an indefinite useful life and the present value of minimum lease payment does not corresponds to the fair value of the land.
- 6.2 The cost of mining land includes ₹ 1,718.17 Lakh (Prev Year ₹ 1,718.17 Lakh) 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 ₹ 1,648.21 Lakh (Prev year ₹ 1,648.21 Lakh) so far.
- 6.3 In compliance of original award issued by Dy. Collector, Girwa, Udaipur bearing no. ACQ/2012/3999 dated 08/05/2015 for acquisition of mining land 48.29 hectare at Jhamarkotra, Dhamdhar, Parola and Mamadev villages at a compensation of ₹ 2,351.21 Lakh, cheques of ₹ 2,339.51 Lakh ( Prev Year ₹ 2,162.16 Lakh) have been issued to the villagers, out of which mutation of the land worth ₹ 2,046.29 Lakh has been done in favour of the company and the same has been capitalised.
- 6.4 The cost of mining land includes ₹ 152.71 Lakh (Previous year ₹ 152.71 Lakh). 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 ₹ 54.19 Lakh (Previous year ₹ 54.19 Lakh). 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.
- 6.5 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between M/s JSW Energy (Barmer)Limited(erstwhile Raj West Power Limited, Jaipur) and Company, the Joint Venture Company has paid a sum of ₹ 26,869.25 Lakh (Prev Year ₹ 26,869.25 Lakh) 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 ₹ 26,732.42 Lakh (Prev Year ₹ 26,732.42 Lakh) has been paid to Land acquisition Officer for acquisition of land and ₹ 43.48 Lakh (Prev Year ₹ 43.48 Lakh ) has been refunded back to JV Company.

The mutation of Kapurdi land in all the 275 cases has been done in the favour of RSMML. The amount paid towards compensation for 17,323.25 Bigha of Private/Khatedari land @ ₹ 1.50 Lac per Bigha was ₹ 25,984.88 Lac and ₹ 928.00 Lac towards compensation of permanent structures. The total amount paid was ₹ 26,912.88 Lac (Prev Year ₹ 26,912.88 Lac) for Kapurdi Land. 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 of 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 of 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 ₹ 1 in the Balance Sheet.



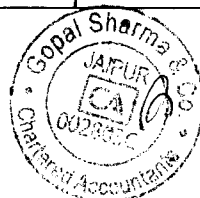
- 6.6 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between M/s JSW Energy (Barmer)Limited (erstwhile Raj West Power Limited, Jaipur) and Company, the Joint Venture Company has paid a sum of ₹ 70,825.55 Lakh (Prev Year ₹ 70,825.55 Lakh) to the Company for purchase/acquisition of Land for Mining of Lignite at Jalipa villages in the state of Rajasthan. The proceedings for purchase/acquisition of Mining Land have been initiated and the amount of ₹ 67798.61 Lakh (Prev year ₹ 67,611.45 Lakh) has been paid to Land acquisition Officer for acquisition of land upto 31.03.2020. The progress of land acquisition and mutation in favour of Company is in process . Since mutation of the entire land in favour of RSMML has not been done and also Company has not received any directions about transfer of land to BLMCL , no accounting adjustments as per note 6.5 is being made. The mining lease has been trasferred to BLMCL on 25.05.2015.
- 6.7 The cost of mining land includes ₹ 4,549.11 Lakh being value of 4215.75 Bigha of land capitalised upto 31.03.2020 at Curah West as per award passed for acquisition of land. Out of 4215.75 Bigha, 4082.36 Bigha of land has already been acquired and remaining 133.39 Bigha of land valuing ₹ 190.99 Lakh is yet to be acquired and payment is to be made.
- 6.8 The cost of mining land includes ₹ 7,863.11 Lakh (Prev Year ₹ 7856.20 Lakh) being value of 2823.85 Bigha of land capitalised upto 31 March, 2020 at Giral phase III as per award passed for acquisition of land. Out of 2823.85 Bigha, 2699.50 Bigha of land has already been acquired and remaining 124.35 Bigha of land valuing ₹ 335.70 Lakh is yet to be acquired and payment is to be made.
- 6.9 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.
- 6.10 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.
- 6.11 The Company has submitted a solvency security dated 25.02.2008 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 ₹ 760.57 Lakh imposed on the Company.As per directions of the Court the Company has deposited a sum of ₹ 321.83 Lakh.



7 NON CURRENT FINANCIAL ASSET  
INVESTMENT

(₹ in Lakh )

Particulars	As at March 31,2020	As at March 31,2019
<b>I Investment in Equity Instruments</b>		
<b>(a) Subsidiary Companies</b>		
(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)  (Valued at ₹ 1)	-	-
(ii) 6,70,75,000 Equity Shares in Rajasthan State Petroleum Corporation Limited of ₹ 10/- each fully paid-up)(Previous Year 6,70,75,000 Equity Shares)	6707.50	6707.50
<b>(b) Associate Companies</b>		
(i) 9,000 Equity Shares in Rajesh Mineral Inds. Ltd. of ₹ 100/- Each Fully Paid up (Previous year 9,000 shares)	9.00	9.00
Less :Diminution in value (Diminution in value to ₹ 1)	-9.00	-9.00
<b>(c) Other</b>		
<b>Under buy back arrangement</b>		
(i) 1,43,000 Equity Shares In Mewar Marbles Ltd of ₹ 10/- Each Fully paid-up. Last quoted ₹ ₹ 7/-Per Share at Mumbai Stock Exchange in 1996-97 (Previous year 1,43,000 shares)  Less :Diminution in value (Diminution in value to ₹ 1)	14.30  -14.30	14.30  -14.30
(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)  Less :Diminution in value (Diminution in value to ₹ 1)	30.00  -30.00	30.00  -30.00
(iii) 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)  Less :Diminution in value (Diminution in value to ₹ 1)	17.25  -17.25	17.25  -17.25
(iv) 10,000 Equity Shares in Mayur Inorganics Ltd. of ₹ 10/- Each Fully Paid-up (Previous year 10,000 shares)	10.50	10.12
(v) 3,00,000 Equity Shares (including 1,50,000 Bonus Shares in Ostwal Phoschem (India) Limited ₹ 10/- Each Fully Paid up) (Previous year 3,00,000 shares (including 1,50,000 Bonus shares) of ₹ 10/- Each Fully Paid up)	184.00	150.67
<b>II Other Investment</b>		
Investment in Employees Leave Encashment Scheme from LIC	4,910.80	4,583.12
<b>Total</b>	<b>11,812.80</b>	<b>11,451.41</b>



7.1 The Company has formed a joint venture company with M/s JSW Energy (Barmer)Limited(JSWBL) (erstwhile Raj West Power Limited) in the name of Barmer Lignite Mining Company Ltd. Jaipur (BLMCL) to undertake the work of Lignite mining in Jallipa & Kapuradi areas of Barmer District and supply the same to jswbl for its Lignite based pit head power plant. As per the terms of the agreement between RSMML & JSWBL, RSMML shall have 51% shares in BLMCL and JSWBL will hold the remaining 49% of the equity of the JV Company. BLMCL has allotted 1,02,00,000 shares (Prev year 1,02,00,000 shares ) to the Company having face value of ₹ 1,020.00 Lakh till 31.03.2020 (Prev year ₹ 1,020.00 Lakh ). 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.

7.2 The Company has taken up the " Rajasthan State Mines & Minerals Limited - Employee Group Leave Encashment Scheme" (RSMML EGLES) from Life Insurance Corporation against the Leave Encashment Liability. A sum of ₹ 4910.80 Lakh (Previous Year ₹ 4583.12 Lakh ) has been invested under this scheme. The intention of holding this investment is of long term.

## 8 LOANS

(₹ in Lakh )

Particulars	As at March 31,2020	As at March 31,2019
<b>Loans to Employees (Unsecured)</b>		
Unsecured and Considered Good	503.00	565.76
Unsecured and Considered doubtful	0.56	0.56
Less: Provision	-0.56	-0.56
<b>Total</b>	<b>503.00</b>	<b>565.76</b>

## 9 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakh )

Particulars	As at March 31,2020	As at March 31,2019
<b>Unsecured and considered Good</b>		
Security deposits	1,099.36	920.14
Interest accrued on FDRs/NSCs	648.62	769.39
Escrow account for Mine Closure Fund	11,295.03	8,026.53
Bank deposit	691.52	1,632.32
Earmarked balances	968.07	4,638.38
Claims recoverable		
Considerd good	1,718.68	1,724.56
<b>Total</b>	<b>16,421.28</b>	<b>17,711.32</b>

- 9.1 Earmarked balances with bank comprises Fixed deposit with maturity of more than twelve months.
- 9.2 The company has also opened Escrow Accounts for both Sonari & Giral Mines with banks and a total sum of ₹ 9424.94 Lakh (Prev year ₹ 6837.66 Lakh ) has been deposited till 31.03.2020 in both the accounts. Besides this, compnay has also deposited an amount ₹ 1870.09 Lakh (Prev year ₹ 1188.87 Lakh) in escrow account for Kasnau Matasuk Lignite Mines . Mine Closure plan of Kasnau and Matasukh mines are yet to be approved. The company is having sufficient funds to meet its obligation towards mine closure expenses
- 9.3 In compliance of directives given by the competent courts in some cases of SBU-PC lignite ,bankers have retained a sum of ₹ 293.67 Lakh (Prev. year ₹ 274.77 Lakh ) in the form of FDRs which are in lien with them to be used for the specified purposes.
- 9.4 Claims recoverable includes an amount of ₹ 1,718.68 Lakh (Prev. Year ₹ 1,724.56 Lakh ) 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.



## 10 OTHER NON CURRENT ASSETS

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Others</b>		
Considerd good	910.75	314.54
Considerd doubtdul	15.76	15.73
Less: Provision	-15.76	-15.73
Mining property	1,707.84	1,785.50
Capital Advance (Considered Good)	12,213.62	12,213.62
Prepaid Expenses	213.27	271.28
Exploration and evaluation asset	915.88	778.28
Income tax deposits	10,958.94	11,966.78
Non Judicial Stamps in hand	0.04	0.04
<b>Total</b>	<b>26,920.34</b>	<b>27,330.04</b>

## 11 INVENTORIES

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Finished Goods</b>		
Rock Phosphate	18,108.83	20,657.61
Beneficiated Rock Phosphate	770.43	3,666.30
Rajphos	95.96	292.22
Gypsum	47.55	163.57
Lime stone	446.29	255.87
Bio Diesel and by products	0.07	1.90
Stores and Spares	1,543.92	1,661.13
(Including in transit ₹ 16.14 Lakh ) (Previous year ₹ 12.50 Lakh )		
<b>Total</b>	<b>21,013.05</b>	<b>26,698.60</b>

11.1 The Company had used a small percentage of secondary ore of Rock Phosphate for beneficiation in its Industrial Beneficiation Plant on trial basis in past. Similary company has also issued Expression of interest for utilizing secondary ore for Beneficiation and has also sold some small quantity for trial purpose. 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 market, usability and economic viability of the secondary ore of Rock Phosphate for beneficiation is yet to be established, the same is being valued at zero as per the prevailing system of valuation of Rock Phosphate from the financial year 2008-09. In Finacial year 20-21 company has received contract for supply of secondary ore on trial basis for 50000MT and recorded the same as sale of by product in other income.

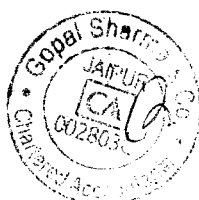
11.2 The Company was having 89342 CERs and 19643 VERs on 31.03.2020 ( Prev. year 112936 CERs and 19643 VERs in hand ) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

11.3 The company was having Nil REC on 31.03.2020 ( 2937 REC on 31.03.2019 ) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

## 12 TRADE RECEIVABLES (UNSECURED)

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Unsecured</b>		
Trade receivable Considered Good	14,147.69	14,372.84
Trade Receivables- Credit impaired	1,450.91	1,408.07
Less: Provision for doubtful trade receivables	-1,450.91	-1,408.07
<b>Total</b>	<b>14,147.69</b>	<b>14,372.84</b>



12  
13 CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Balances with bank</b>		
In Current Account	8,779.99	9,218.05
In Deposit Account- with maturity of less than 3 months	8.35	11.35
<b>Cash in hand</b>	2.29	2.55
<b>Others</b>		
Balances with Treasury in P. D. Account	1,01,246.20	90,709.26
<b>Total</b>	<b>1,10,036.83</b>	<b>99,941.21</b>

13.1 Cash and cash equivalent comprises cash on hand and at bank ,PD account and term deposits held with banks with original maturities of three months or less.

13.2 Cheques amounting to ₹ 1,485.28 Lakh (Prev Year ₹ 1,487.59 Lakh) were issued to respective land acquisition officers but not presented for payment till 31.03.2020 of land compensation. These land owners went to the courts of law against the compensation awarded. The cheques given to such land owners are submitted before the respective Courts in support of documentary evidence of making payment and have been marked as "Exhibit" in the case file. Matter being subjudice hence no adjustment on account of stale cheque liability provided in the books of accounts. These cheques shall be revalidated/cancelled as per the decision of the Courts.

## 14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Deposit Account-with maturity more than 3 months and less than 12 months	3,050.33	595.82
Earmarked balances with banks	13,078.79	9,553.66
<b>Total</b>	<b>16,129.12</b>	<b>10,149.48</b>

14.1 Other bank balance comprises term deposit which are expected to realise in cash within 12 months after the reporting date.

14.2 Earmarked balances with bank includes Fixed deposit of ₹ 3624.24 Lakh (Prev year ₹ 156.40 Lakh ) with maturity of less than twelve months unclaimed dividend ₹ 2.53 Lakh (Prev year ₹ 1.82 Lakh) .

## 15 LOANS

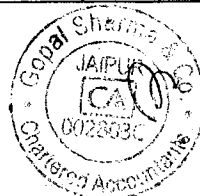
(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Loans to Employees (Unsecured)</b>		
Unsecured and Considered Good	164.00	165.61
Unsecured and Considered doubtful	1.32	1.58
Less: Provision	-1.32	-1.58
<b>Total</b>	<b>164.00</b>	<b>165.61</b>

## 16 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Advances to Subsidiaries	1.58	1.17
Interest accrued on FDRs/NSCs	1,240.06	678.99
<b>Claims Recoverable (Including Duty Drawback Receivables)</b>		
Considered good	-	-
Considered doubtful	97.83	50.86
Less: Provision	-97.83	-50.86
<b>Total</b>	<b>1,241.64</b>	<b>680.16</b>



## 17 CURRENT TAX ASSET (NET)

(₹ in Lakh)

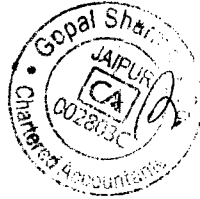
Particulars	As at March 31,2020	As at March 31,2019
Income Tax Deposits	7,772.35	9,364.31
Less: Provision for income tax	5,150.00	7,023.00
<b>Total</b>	<b>2,622.35</b>	<b>2,341.31</b>

## 18 OTHER CURRENT ASSETS

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Other receivables</b>		
Considered good	581.69	776.72
<b>Other short term loans and advances</b>		
Considered good	85,063.87	79,686.56
Considered doubtful	30.99	73.76
Less: Provision	-30.99	-73.76
Prepaid expenses	132.04	186.18
Machinery held for Sale	108.18	142.93
<b>Total</b>	<b>85,885.78</b>	<b>80,792.39</b>

- 18.1 Others short term loans and advances includes advances to others amounting ₹ 67798.61 Lakh (Prev year ₹ 67611.45 Lakh ) being amount paid to Land acquisition officer for acquisition of land at Jalipa Village in state of Rajasthan.
- 18.2 Others short term loans and advances includes ₹ 936.29 Lakh (Previous year ₹ 903.77 Lakh ) being amount recoverable from PHED,Nagaur for distribution of desalinated water by M/s Nagaur Water Supply Company Pvt Ltd.



19 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>AUTHORISED</b> 8,00,00,000 Equity shares of `10/- each (Previous Year 8,00,00,000 Equity Shares of `10/- each)	8,000.00	8,000.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b> 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)	7,755.15	7,755.15
	7,755.15	7,755.15

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

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Name of Shareholder	No. of Shares (% held)	No. of Shares (% held)
Government of Rajasthan through Governor of Rajasthan	775.42 (99.99)	775.42 (99.99)

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

(₹ in Lakh)

Particulars	2019-20	2018-19
Equity shares at the beginning of the year	775.52	775.52
Add: Issued during the year	-	-
Less : Shares cancelled on buy back during the year	-	-
Equity shares at the end of the year	775.52	775.52

19.3 Rights, preferences and restrictions attached to 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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM.

20 OTHER EQUITY

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
<b>Capital Reserve</b>	1,083.93	1,083.93
<b>General Reserve (as per last balance sheet)</b>	1,85,919.88	1,85,919.88
Add: Transferred from Retained Earnings	-	-
	1,85,919.88	1,85,919.88
<b>Retained Earnings</b>		
As per last balance sheet	32,732.57	22,473.00
Add: Profit for the year	13,735.13	14,934.20
<b>Appropriations</b>		
Dividend	-3,877.58	-3,877.58
Dividend Distribution Tax	-797.05	-797.05
	41,793.07	32,732.57
<b>Other Comprehensive Income Reserve</b>		
As per last balance sheet	-376.16	-393.92
Add: Other Comprehensive Income for the year	-280.50	17.76
	-656.66	-376.16
<b>Total</b>	<b>2,28,140.22</b>	<b>2,19,360.22</b>



## 20.1 Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss; and ii). Items that will be reclassified to profit and loss.

General Reserve represents a statutory reserve that is in accordance with Companies Act wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer an amount before the company can declare any dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

Capital Reserve includes the amount arise on account of amalgamation of company with Rajasthan State Mineral Development Corporation Limited.

## 21 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Other payables	1,358.16	833.66
<b>Total</b>	<b>1,358.16</b>	<b>833.66</b>

## 22 PROVISIONS (NON CURRENT)

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Provision for employees benefits		
Provision for Leave Encashment	3,139.49	3,056.82
Provision for Sick Leave	438.12	461.70
Provision for Mine Closure	2,973.73	2,832.13
<b>Total</b>	<b>6,551.34</b>	<b>6,350.65</b>

22.1 Mine closure liability of some mines are immaterial based on the conditions existing on the balance sheet date and accordingly the Company did not recognised the liability of those mines.

## 23 DEFERRED TAX LIABILITY

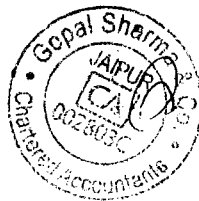
(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Deferred Tax Liabilities	2,304.24	3,636.37
Deferred Tax Assets	1,744.18	1,819.76
<b>Total</b>	<b>560.06</b>	<b>1,816.61</b>

## 24 TRADE PAYABLES

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Unsecured		
Micro, small and Medium Enterprises	29.09	28.68
Others	5,657.14	4,731.83
<b>Total</b>	<b>5,686.23</b>	<b>4,760.51</b>



- 24.1 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" this information has been determined to the extent such parties have been identified on the basis of information available with the company. On the basis of the information received from various supplier/vendor the requisite information is as under-

(₹ in Lakh)		
Particulars	As at March 31,2020	As at March 31,2019
<b>Total outstanding dues of MSMED</b>		
(a) Principal amount due to micro and small enterprises	29.09	28.68
(b) Interest due	1.45	0.91
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible	-	-

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakh)		
Particulars	As at March 31,2020	As at March 31,2019
Unclaimed Dividend*	2.53	1.82
Security Deposits	2,956.47	3,163.94
Retention	2,413.51	2,227.62
Other Payables	8,904.24	9,157.15
<b>Total</b>	<b>14,276.75</b>	<b>14,550.53</b>

\* There is no amount due & outstanding as at balance sheet date to be transferred to Investor Education & Protection Fund as per Section 125 of the Companies Act 2013.

- 25.1 As royalty is chargeable / payable on the mineral taken out from mining areas, the Company is not providing any liabilities towards royalty chargeable / payable on the minerals lying in the mining areas.

- 25.2 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 letters. The court has decided the cases in June 2017, stating that company can demand the amount of Royalty short collected. In compliance of the decision of the Hon'ble High Court the company has initiated necessary action for recovery of amount of royalty in dispute. However against the order of Hon'ble High Court few customers have filed cases in Hon'ble Supreme Court. The accounting treatment would be made based on the outcome of the cases. In the mean time assessment of royalty on rockphosphate has been done by DMG upto the financial year. 2016-17.



## 26 OTHER CURRENT LIABILITIES

(₹ in Lakh)		
Particulars	As at March 31,2020	As at March 31,2019
Statutory Liabilities	9,287.43	6,836.41
Advances from Customers & Others	5,490.98	3,312.36
Subsidiary Companies	75,320.84	74,881.16
<b>Total</b>	<b>90,099.25</b>	<b>85,029.93</b>

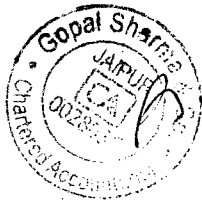
## 27 PROVISIONS

(₹ in Lakh)		
Particulars	As at March 31,2020	As at March 31,2019
Provision for employees benefits		
Leave encashment (transferred from long term)	449.98	454.90
Sick Leave	108.30	115.96
Gratuity	49.33	800.90
Provision for progressive Mine closure	1,497.74	1,453.78
<b>Total</b>	<b>2,105.35</b>	<b>2,825.54</b>

- 27.1 As per the guidelines for preparation of Mine closure Plan issued by Ministry of Coal, Government of India, the company has made a provision of ₹ 1497.74 Lac related to progressive mine closure expense upto 31.03.2020 (Prev year ₹ 1453.78 Lac).
- 27.2 As per the guidelines issued for preparation and approval of Mine Closure Plan, by the Ministry of Coal, Government of India, the company has got the mine closure plan approved for Sonari and Giral mines whereas Draft mine closure plan for Matasukh mines has been prepared but the same is yet to be approved. While preparing the Mine Closure Plans, the expenses to be incurred on various activities related to the mine closure were estimated based on the information and data available at the time of preparation of the Mine Closure Plans. However, with the passage of time and actual requirement of work, the actual expenses are expected to vary from the estimated expenses. As per the system prevailing in the company, some of the activities related to mine closure are being carried out by the mining contractor as per contract conditions and major part of expenses incurred on such activities are being charged in the statement of profit and loss as contractual expenses. In view of the fact that the activity wise expenses considered in approved /draft mine closure plans are only estimations which are varying subsequently due to various reasons, the company has provided concurrent mine closure expenses actually incurred including those expenses which are being charged as contractual expenses, in the statement of profit and loss account as and when incurred and creating provisions for activity wise shortfall in the expenses to be incurred with respect to the estimated expenses as considered in the approved/draft mine closure plan. However no assets is being reconigned as no further future economic benefit available for the same.
- 27.3 As per IND AS 19 "Employees Benefits", the disclosures of Employee benefits as defined in the IND AS is given below:

(₹ in Lakh)		
Particulars	As at March 31,2020	As at March 31,2019
Employer's Contribution to Provident, Pension Funds and Other Funds	1,137.06	1,307.48

- 27.3a 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 of deficiency, if any, incurred by the trust on account of difference in declared rate and income earned or other reasons.



## 27.4 Gratuity (Funded)

## I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lakh)

Amount in Balance Sheet	As at March 31,2020	As at March 31,2019
Defined Benefit Obligation (DBO)	11,639.98	11,717.86
Fair value of Plan Assets	11,590.65	10,916.96
Funded Status- (Surplus)/Deficit	49.33	800.90
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>49.33</b>	<b>800.90</b>

## II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lakh)

Current/ Non Current Benefit obligation/asset	As at March 31,2020	As at March 31,2019
Current Liability	49.33	800.90
Non Current Liability	-	-
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>49.33</b>	<b>800.90</b>

## III Expense recognised during the year in the Statement of Profit and Loss

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Service Cost	760.48	756.60
Interest Cost	779.36	821.75
Expected Return on Plan Assets	-802.40	-743.40
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>737.44</b>	<b>834.95</b>

## IV Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

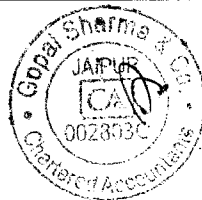
(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Amount recognised in OCI, Beginning of period	808.47	829.40
Remesurements due to:		
Effect of change in financial assumptions	409.27	12.07
Effect of Change in demographic assumptions	-0.78	-
Effect of experience adjustments	-27.43	38.32
Actuarial (Gains)/Losses	381.06	50.39
Return on plan assets (excluding interest)	-27.48	71.32
<b>Total remeasurements recognized in OCI</b>	<b>408.54</b>	<b>-20.93</b>
<b>Amount recognized in OCI, End of Period</b>	<b>1,217.01</b>	<b>808.47</b>

## V Return on Plan Assets

(₹ in Lakh)

Actual Return on Plan Assets	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest Income Plan Asset	802.39	743.40
Actuarial Gains/ (Losses) on Plan Assets	-27.48	71.32
<b>Actual Return on Plan Assets</b>	<b>774.91</b>	<b>814.72</b>



## VI Reconciliation of amounts in Balance Sheet

(₹ in Lakh)

Particulars	As at March 31,2020	As at March 31,2019
Opening Balance Sheet (Asset)/Liability	800.90	1,988.18
Total Expense/(Income) recognised in P&L	737.45	834.95
Actual Employer Contribution	-1,897.56	-2,001.30
(Income)/Loss	408.54	-20.93
Closing Balance Sheet (Asset)/Liability	49.33	800.90

(₹ in Lakh)

## VII

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2020	For the year ended 31st March 2019
Defined Benefit Obligation, Beginning of Period	11,717.86	11,834.58
Current Service Cost	760.48	756.60
Interest Cost	779.36	821.75
Actuarial (Gains)/Losses	381.06	50.39
Actual Benefits Paid	-1,998.78	-1,745.46
Defined Benefit Obligation, End of Period	11,639.98	11,717.87

## V. Reconciliation of Fair Value of Plan Asset

(₹ in Lakh)

Change in fair value of plan assets during the period	For the year ended 31st March 2020	For the year ended 31st March 2019
Fair Value of Plan assets, beginning of the period	10,916.96	9,846.40
Interest income on plan assets	802.39	743.40
Actual Enterprises' contribution	1,897.56	2,001.30
Actual benefits paid	-1,998.78	-1,745.46
Actuarial gains/(losses)	-27.48	71.32
Fair Value of Plan assets, end of the period	11,590.65	10,916.96

(in Lakh)

Other Items	For the year ended 31st March 2020	For the year ended 31st March 2019
Weighted average duration (based on discounted cash flow)	8.61	8.37

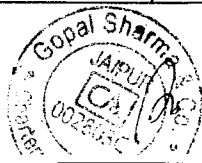
## IX Categorisation of Investments under Plan Assets

Category of Assets	As at March 31,2020	As at March 31,2019
Govt. of India Securities (central and state)	-	-
High Quality corporate bonds (incl PSU Bonds)	-	-
Equity Shares of listed companies	-	-
Real Estate / Property	-	-
Cash (including special deposits)	-	-
Other (including assets under schemes of Ins.)	100.00%	100.00%
Total	100.00%	100.00%

## X History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses

(₹ in Lakh)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31,2020	As at March 31,2019
DBO	11,639.98	11,717.86
Plan Assets	11,590.65	10,916.96
(Surplus)/Deficit	49.33	800.90
Exp Adj- Plan Assets gain/(Loss)	-27.49	71.32
Assumptions Gain/(loss)	408.49	12.07
Exp Adj- Plan Liabilities Gain/(loss)	-27.43	38.32
Total Actuarial Gain/(loss)	381.06	50.39



## XI Reconciliation of Actuarial (Gain)/Losses

(₹ in Lakh)

Recognition of Actuarial gains and losses	For the year ended 31st March 2020	For the year ended 31st March 2019
Actuarial (Gain)/Loss arising on DBO	381.06	50.39
Actuarial (Gain)/Loss arising on Plan Assets	27.49	-71.32
Total (Gain)/Loss recognised during the period	408.55	-20.93

## XII Sensitivity analysis

(₹ in Lakh)

Sensitivity analysis	For the year ended 31st March 2020	
Defined Benefit Obligation(Base)	11639.98	
	Decrease	Increase
Discount rate Impact of increase/decrease in 50 bps on DBO	11,937.45 2.56%	11,357.70 -2.43%
Salary growth rate Impact of increase/decrease in 50 bps on DBO	11,419.68 -1.89%	11,998.37 3.08%

(₹ in Lakh)

Sensitivity analysis	For the year ended 31st March 2019	
Defined Benefit Obligation(Base)	11717.86	
	Decrease	Increase
Discount rate Impact of increase/decrease in 50 bps on DBO	12,001.02 2.42%	11,448.36 -2.30%
Salary growth rate Impact of increase/decrease in 50 bps on DBO	11,544.01 -1.48%	12,098.44 3.25%

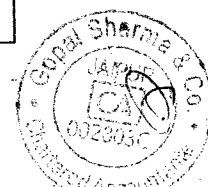
## XIII Expected Undiscounted Cash Flows

(₹ in Lakh)

Expected cash flows	As at March 31,2020	As at March 31,2019
Year 1	1,922.87	2,228.55
Year 2	1,652.83	1,631.89
Year 3	1,565.66	1,565.38
Year 4	1,400.04	1,500.28
Year 5	1,428.99	1,313.27
Year 6 to 10	5,164.95	5,589.21

## XIV Plan provisions considered for carrying out actuarial valuation

	For the year ended 31st March 2020 and 31st March 2019
Eligibility	All employees
Qualifying salary	Monthly Basic Salary
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lumpsum
Retirement benefit	15/26 x Last drawn salary x Service
Withdrawal benefit	15/26 x Last drawn salary x Service
Death benefit	15/26 x Last drawn salary x Service
Vesting Period	5 years on retirement and withdrawal
Maximum Ceiling	For Executive Employees -15 months salary and for workmen- 20 months salary



XV Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2020	For the year ended 31st March 2019
Number of Members	1,037	1,165
Total monthly Salary (₹ in Lakh)	787.07	828.61
Average age (Years)	49.87	50.17
Average Past Service (Years)	24.58	24.72

XVI Actuarial Assumptions

Financial Assumptions	(₹ in Lakh)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Discount Rate	6.50%	7.35%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	6.50%	7.35%

**Discount rate**

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2020, the estimated term of liabilities is 8.61 years, corresponding to which YTM on government bonds is 6.50%, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

**Expected Rate of Return on Assets**

It is the average long term rate of return expected on investments of the Trust Fund.

**Salary escalation rate**

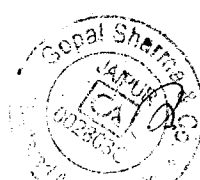
Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Demographic assumptions	For the year ended 31st March 2020	For the year ended 31st March 2019
Mortality Table*	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2020 and 31st March 2019
Time of retirement	retirement
Salary increase frequency	Once a year

\* Mortality Rate : Represents mortality rates from Indian Assured Lives Mortality (2012-14) Ult. are given in the table below.

Age	Rate
20	0.0009240
25	0.0009310
30	0.0009770



35	0.0012020
40	0.0016800
45	0.0025790
50	0.0044360
55	0.0075130
60	0.0111620

#### Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

#### Mortality rate

Indian Assured Lives Mortality (2012-14) Ult. as issued by Institute of Actuaries of India has been used.

#### Projected Unit Credit Method

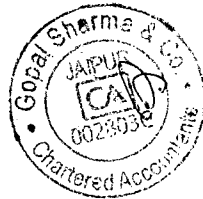
Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

#### Modelling Assumptions

Decrement due to death & resignation are assumed to occur uniformly throughout the year. Members above Normal Retirement Age are assumed to retire immediately after the reporting date.



## 27.5 Leave Encashment (Funded)

## I Liability/(Asset) to be recognised in the Balance Sheet

Amount in Balance Sheet	(₹ in Lakh)	
	As at March 31,2020	As at March 31,2019
Defined Benefit Obligation (DBO)	3,589.47	3,511.72
Fair value of Plan Assets	4,910.80	4,583.12
Funded Status- (Surplus)/Deficit	-1,321.34	-1,071.40
Liability/(Asset) recognised in the Balance Sheet	-1,321.34	-1,071.40

## II Bifurcation of DBO into Current and Non Current Portion

Current/ Non Current Benefit obligation/asset	(₹ in Lakh)	
	As at March 31,2020	As at March 31,2019
Current Liability	-	-
Non Current Liability	-1,321.34	-1,071.40
Liability/(Asset) recognised in the Balance Sheet	-1,321.34	-1,071.40

## III Expense recognised during the year in the Statement of Profit and Loss

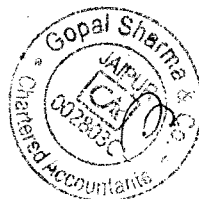
Amount Recognised in Statement of Profit & Loss	(₹ in Lakh)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Service Cost	157.40	147.38
Interest Cost	221.73	217.20
Expected Return on Plan Assets	-336.86	-299.56
Net Actuarial Losses/(Gains)	697.91	718.13
Total Expense/(Income) included in "Employee benefit Expense"	740.18	783.15

## IV Return on Plan Assets

Actual Return on Plan Assets	(₹ in Lakh)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Expected Return on Plan Assets	336.86	299.56
Actuarial Gains/(Losses) on Plan Assets	-9.21	33.97
Actual Return on Plan Assets	327.65	333.53

## V Reconciliation of amounts in Balance Sheet

Reconciliation of amounts in Balance Sheet	(₹ in Lakh)	
	As at March 31,2020	As at March 31,2019
Opening Balance Sheet (Asset)/Liability	-1,071.39	-890.06
Total Expense/(Income) recognised in P&L	740.18	783.15
Actual Employer Contribution	-990.11	-964.49
Closing Balance Sheet (Asset)/Liability	-1,321.32	-1,071.40



(₹ in Lakh)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2020	For the year ended 31st March 2019
Defined Benefit Obligation, Beginning of Period	3,511.72	3,358.53
Current Service Cost	157.40	147.38
Interest Cost	221.72	217.20
Actuarial (Gains)/Losses	688.70	752.10
Actual Benefits Paid	-990.07	-963.49
Defined Benefit Obligation, End of Period	3,589.47	3,511.72

## VI Reconciliation of Fair Value of Plan Asset

(₹ in Lakh)

Change in fair value of plan assets during the period	For the year ended 31st March 2020	For the year ended 31st March 2019
Fair Value of Plan assets, beginning of the period	4,583.11	4,248.59
Interest income on plan assets	336.86	299.56
Actual Enterprises' contribution	990.11	964.49
Actual benefits paid	-990.07	-963.49
Actuarial gains/(losses)	-9.21	33.97
Fair Value of Plan assets, end of the period	4,910.80	4,583.12

Other Items	For the year ended 31st March 2020	For the year ended 31st March 2019
Decrement adjusted estimated tenure of Actuarial liability (years)	8.61	8.37

## VII Categorisation of Investments under Plan Assets

Category of Assets	As at March 31,2020	As at March 31,2019
Govt. of India Securities (central and state)	-	-
High Quality corporate bonds (incl PSU Bonds)	-	-
Equity Shares of listed companies	-	-
Real Estate / Propetry	-	-
Cash (including special deposits)	-	-
Other (inclding assets under schemes of Ins.)	100.00%	100.00%
Total	100.00%	100.00%

## VIII History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses

(₹ in Lakh)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31,2020	As at March 31,2019
DBO	3,589.47	3,511.72
Plan Assets	4,910.80	4,583.12
(Surplus)/Deficit	-1,321.33	-1,071.40
Exp Adj- Plan Assets gain/(Loss)	-9.21	33.97
Assumptions Gain/(loss)	162.65	36.54
Exp Adj- Plan Liabilities Gain/(loss)	526.05	715.56
Total Actuarial Gain/(loss)	688.70	752.10



## IX Reconciliation of Actuarial (Gain)/Losses

(₹ in Lakh)

Recognition of Actuarial gains and losses	For the year ended 31st March 2020	For the year ended 31st March 2019
Actuarial (Gain)/Loss arising on DBO	688.70	752.10
Actuarial (Gain)/Loss arising on Plan Assets	-9.21	33.97
Total (Gain)/Loss recognised during the period	679.49	786.07

## X Sensitivity analysis

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Defined benefit obligation (Base)	3,589.47	3,511.72

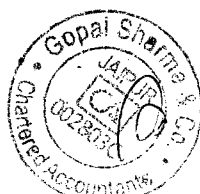
Sensitivity analysis	For the year ended 31st March 2020		For the year ended 31st March 2019	
	Decrease	Increase	Decrease	Increase
<b>Discount rate</b>				
Impact of increase/ decrease of 50 bps on DBO	3,693.42 2.90%	3,491.64 -2.73%	3,606.76 2.71%	3,421.88 -2.56%
<b>Salary growth rate</b>				
Impact of increase/ decrease of 50 bps on DBO	3,491.19 -2.74%	3,692.92 2.88%	3,420.77 -2.59%	3,607.08 2.72%

## XI Expected Undiscounted Cash Flows

Expected cash flows	As at March 31,2020	As at March 31,2019
Year 1	564.70	590.06
Year 2	510.01	482.78
Year 3	382.79	480.82
Year 4	439.65	388.35
Year 5	452.26	403.57
Year 6 to 10	1,557.26	1,594.09

## XII Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2020 and 31st March 2019
Elegibility	All employees
Qualifying salary	Monthly Basic salary
Form of payment	Lumpsum
Retirement benefit	Last drawn salary/30 * Leave Balance
Withdrawal benefit	Last drawn salary/30 * Leave Balance
Death benefit	Last drawn salary/30 * Leave Balance
Vesting Period	None
Maximum Accumulation	300 days
Yearly Entitlement	30 days



## XIII Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2020	For the year ended 31st March 2019
Number of Members	1,037	1,165
Total monthly Salary (₹ in Lakh)	787.07	828.61
Average age (Years)	49.87	50.17
Average Past Service (Years)	24.58	24.72
Total Leave Balance (Days)	1,24,899	1,37,731
Average Leave Balance	120.44	118.22

## XIV Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2020	For the year ended 31st March 2019
Discount Rate	6.50%	7.35%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	6.50%	7.35%

**Discount rate**

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2020 the estimated term of liabilities is 8.61 years, corresponding to which YTM on government bonds is 6.50% after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation.

**Salary escalation rate**

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Demographic assumptions	For the year ended 31st March 2020	For the year ended 31st March 2019
Mortality Table*	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2020 and 31st March 2019
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

\* Mortality Rate : Represents mortality rates from Indian Assured Lives Mortality (2012-14) Ult. are given in the table below:

Age	Rate



20	0.0009240
25	0.0009310
30	0.0009770
35	0.0012020
40	0.0016800
45	0.0025790
50	0.0044360
55	0.0075130
60	0.0111620

#### Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

#### Mortality rate

Indian Assured Lives Mortality (2012-14) Ult. as issued by Institute of Actuaries of India has been used.

#### Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

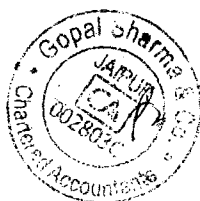
As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

#### Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.



## 27.6 Sick Leave(Unfunded)

## I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lakh)

Amount in Balance Sheet	As at March 31,2020	As at March 31,2019
Defined Benefit Obligation (DBO)	546.42	577.66
Funded Status- (Surplus)/Deficit	546.42	577.66
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>546.42</b>	<b>577.66</b>

## II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lakh)

Current/ Non Current Benefit obligation	As at March 31,2020	As at March 31,2019
Current Liability	108.30	115.95
Non Current Liability	438.12	461.70
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>546.42</b>	<b>577.66</b>

## III Expense recognised during the year

(₹ in Lakh)

Amount Recognised in Statement of Profit & Loss	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Service Cost	28.38	29.28
Interest Cost	42.46	45.85
Net Actuarial Losses/(Gains)	-102.08	-104.67
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>-31.24</b>	<b>-29.54</b>

## IV Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Lakh)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2020	For the year ended 31st March 2019
Opening Balance Sheet (Asset)/Liability	577.66	607.20
Total Expense/(Income) recognised in P&L	-31.24	-29.54
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>546.42</b>	<b>577.66</b>

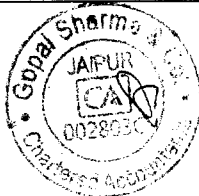
## V Reconciliation of Actuarial (Gain)/ Losses

(₹ in Lakh)

Recognition of Actuarial gains and losses	For the year ended 31st March 2020	For the year ended 31st March 2019
Actuarial (Gain)/Loss arising on DBO	-102.08	-104.67
<b>Total (Gain)/Loss recognised during the period</b>	<b>-102.08</b>	<b>-104.67</b>

(₹ in Lakh)

Other Items	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Decrement adjusted estimated tenure of Actuarial Liability (years)</b>	<b>8.37</b>	<b>8.37</b>



## VI History of DBO, Surplus / Deficit and Experience Gains / Losses

(₹ in Lakh)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31,2020	As at March 31,2019
DBO	546.42	577.66
(Surplus)/Deficit	546.42	577.66
Assumptions Gain/(loss)	17.07	4.06
Exp Adj- Plan Liabilities Gain/(loss)	-119.15	-108.74
Total Actuarial Gain/(loss)	-102.08	-104.67

## VII Sensitivity analysis

(₹ in Lakh)

Particulars	For the year ended 31st March 2020		For the year ended 31st March 2019	
	Decrease	Increase	Decrease	Increase
Defined benefit obligation (Base)			546.42	577.66
Sensitivity analysis	For the year ended 31st March 2020		For the year ended 31st March 2019	
Discount rate				
Impact of increase/ decrease of 50 bps on DBO	556.64 1.87%	536.60 -1.80%	588.10 1.80%	567.61 -1.75%
Salary growth rate				
Impact of increase/ decrease of 50 bps on DBO	536.56 -1.80%	556.59 1.86%	567.49 -1.72%	588.13 1.79%

## VIII Expected Undiscounted Cash Flows

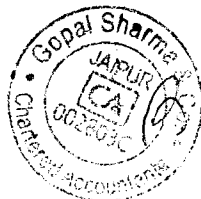
(₹ in Lakh)

Expected cash flows	As at March 31,2020	As at March 31,2019
Year 1	108.29	115.95
Year 2	91.15	10.53
Year 3	78.91	83.97
Year 4	65.90	72.15
Year 5	53.13	60.38
Year 6 to 10	143.18	165.40

## IX Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2020 and 31st March 2019
Elegibility	All eligible employees
Qualifying salary	Monthly Basic
Availment formula	Last Drawn salary /30 * Leave balance
Retirement benefit	Nil
Withdrawal benefit	Nil
Death benefit	Nil
Vesting period	Nil
Maximum Accumulation	180 days
Yearly Entitlement	10 days

As per the prevailing leave policy of the Company, encashment of sick leave is not permitted.



## X Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2020	For the year ended 31st March 2019
Number of Members	1,037	1,165
Total monthly Cost-to-Company (Rs in Lakh)	787.06	828.61
Average Age (years)	49.87	50.17
Average past service (Years)	24.58	24.72
Total Leave Balance (Days)	71.07	71,066
Average Leave Balance	59.17	61.00

## XI Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2020	For the year ended 31st March 2019
Discount Rate	6.50%	7.35%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	0.00%	0.00%

**Discount rate**

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2020 the estimated term of liabilities is 8.61 years, corresponding to which YTM on government bonds is 6.50% respectively, after rounding to nearest 0.05%.

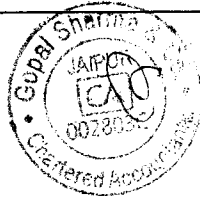
Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation.

**Salary escalation rate**

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Demographic assumptions	For the year ended 31st March 2020	For the year ended 31st March 2019
Mortality Table*	14) Ult.	(2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Availment percentage	7.00%	7.00%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2020
Time of retirement	Immediately on achieving normal
Salary increase frequency	Once a year



the table below:

Age	Rate	Age	Rate
20	0.0009240	45	0.0025790
25	0.0009310	50	0.0044360
30	0.0009770	55	0.0075130
35	0.0012020	60	0.0111620
40	0.0016800		

#### Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

#### Mortality rate

Indian Assured Lives Mortality (2012-14) Ult. as issued by Institute of Actuaries of India has been used.

#### Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

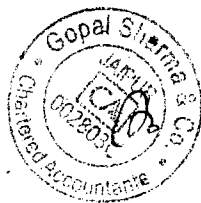
As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

#### Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.



## 28 REVENUE FROM OPERATIONS

(₹ in Lakh)

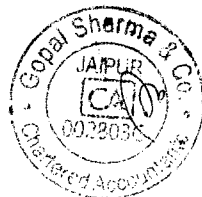
Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Sale of -</b>		
High Grade Rock Phosphate	36,250.39	38,817.19
Beneficiated Rock Phosphate	9,523.04	9,879.28
Rajphos	689.24	967.71
Low Grade Rock Phosphate	1.65	-
Gypsum	2,602.34	4,030.48
Selenite	41.93	47.37
Lignite	16,467.42	28,800.03
Limestone	19,855.68	21,087.85
Wind Power	4,538.07	4,764.35
Solar Power (refer note 28.5)	-	260.14
<b>Other operating revenue</b>		
Sale of Carbon/Voluntary Emission Reduction (CER/VERs)	198.01	-
Sale of Renewable Energy Certificate (REC)	124.73	220.15
<b>Total</b>	<b>90,292.50</b>	<b>1,08,874.55</b>

- 28.1 Lignite & Limestone was 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.
- 28.2 Lignite from Sonari pit is being supplied to RVUNL from November 2012. 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 minutes of meeting held on 01/10/2014 between Company and RVUNL.

Subsequently Energy Department, GoR after due deliberation approved the FSA for Unit-II of GLPL/ RVUNL and transfer price of Lignite supplied from Sonari mine of RSMML. This approved FSA for supply of Lignite from Sonari to Giral Unit-II of RVUNL is yet to be formally signed between RSMML & RVUNL. However RVUNL vide their letter dated 26/03/2019 has informed that since the disinvestment of Giral Lignite Power Ltd. is under consideration, and they have stated that the process for signing of Fuel Supply Agreement (FSA) for GLPL Unit-II may be put on hold.

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

Due to shut down of power plants situated at Giral, RVUNL has not lifted any quantity of Lignite from Sonari and Giral Mines of the company since financial year 2017-18.

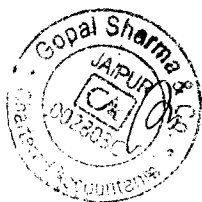


- 28.3 The Company is getting CERs from its wind mill projects and other projects registered with United Nations Framework Convention on Climate Change (UNFCCC) under Clean Development Mechanism (CDM) category which are tradable in the international market. The Company would be receiving CERs on regular basis from its existing registered projects. Similarly the Company has also started getting Voluntary Emission Reduction (VERs).
- 28.4 Renewable Energy Certificate (REC) mechanism is a market based instrument to promote the renewable energy and facilitate compliance of renewable purchase obligations (RPO). There are two categories of RECs viz solar REC & Non solar REC. The company has installed 5 MW solar power plant in Bikaner district and signed the PPA with DISCOM for sale of solar power under REC mechanism. Therefore, solar REC's are issued against the sale of power from the above plant. After fulfilling the eligibility requirement & the procedure for issuance of REC, the central agency i.e. NLDC issues the REC which are traded in the energy exchange.
- 28.5 Company has issued Detailed Letter of Acceptance (DLOA) No. RSMM/ CO/ PROJECTS/ Solar Power/ DLOA/ 2014-15/119 dated 20.06.2014 to M/s Rays Power Experts Pvt. Ltd. (RPEPL), New Delhi for setting up of 5 MW Solar Photo Voltaic Power Plant with all required accessories on turnkey basis along with its comprehensive operation & maintenance to give guaranteed generation for a period of 20 years. In response to the above, the firm has set up the 5 MW Solar Power Plant at village Sarah Bhiyanimani, Tehsil Kolayat near Gajner in district Bikaner.

The above solar plant was commissioned on 31.12.2014. The said plant is under O&M contract with M/s RPEPL for a period of 20 years since its commissioning. The Company had signed the Power Purchase Agreement (PPA) with Jodhpur DISCOM for the 100% sale of generated power from the above solar plant and the initial period of PPA was upto 31.03.2016 since commissioning of the project. Thereafter, the term of the PPA was extended by the DISCOM and the last extended PPA was valid up to 31.03.2019. RUVNL/DISCOM has not signed the PPA for the sale of power generated from 5 mw solar power plant in Bikaner w.e.f 01.04.2019. The power is being fed in the DISCOM grid since 01.04.2019 and Company is not getting any revenue from DISCOM in absence of PPA with DISCOM. The RERC (Rajasthan Electricity Regulatory Commission) has decided the tariff for the sale of power from such solar plants and the DISCOM was supposed to take the generated power from the above plant. In spite of taking up the matter with DISCOM/RUVNL from time to time by us and even after taking up the matter with the Energy Department, GoR, the PPA has still not been signed by DISCOM/RUVNL.

It is to mention that around 750 MW wind/solar projects including RSMML's 5 MW Solar Project in Bikaner district, commissioned in the State of Rajasthan are suffering due to non signing of PPA by the DISCOM and not getting any revenue from such projects since 01.04.2019. The Company has also filed a writ petition against DISCOM in Rajasthan High Court, Jaipur for non-signing of required PPA for sale of power to the DISCOM and the matter is pending in the Hon'ble High Court, Jaipur. In view of the Covid -19 situation, the matter is not further listed in the High Court, Jaipur for hearing in this case. Company is also in the process of filing appeal in APTEL (Appellate Tribunal for Electricity), New Delhi for getting relief in the matter. APTEL deals in the matter of Electricity related cases and therefore, filing of appeal was considered by the Management for appropriate relief in the said case.

The company is of the view that since there are so many solar power producers of the power generated by them is being taken /used by DISCOM but not releasing any purchase consideration to them due to non execution of PPA, the cases filed by them and by RSMML are expected to be decided in favour of such power producers.



## 29 OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest income	7,129.27	5,953.69
<b>Other non operating revenue</b>		
Sundry Credit Balances written back	1.71	29.55
Profit on sale of Obsolete and other PPE	19.21	188.96
Miscellaneous income	928.73	1,157.74
Liability no longer required	43.48	24.98
<b>Total</b>	<b>8,122.40</b>	<b>7,354.92</b>

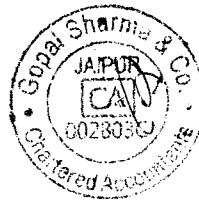
- 29.1 The company has leased out its 181 numbers of Box N wagons to Railways for a period of 20 years, purchased by it in the year 1996-97 under "Own Your Wagon Scheme" through two separate agreements, out of which one agreement has expired in July, 16 and another one in September, 16. After expiry of the agreements, the company approached Railway for Buy Back of these wagons to which Railway responded that no such arrangements exists and offered tertiary extension for another 10 years subsequent to which ownership will be of Railways. A Committee of RSMML officer's was formed to decide the future course of action. The committee recommended to auction off these wagons which is a more profitable option.

Subsequently a communication was sent to Railways to identify the wagons for returning to RSMML at Sanu Railway Siding. Initially railway denied to handover the wagons as according to them no such provision in the OYWS Policy exists. Railway board has further issued clarification on representation of few parties that lesser shall be owner of the wagons and they shall the option to either sale the wagons to railways on mutually agreed price or to take wagons from Railways. The matter is in progress for further course of action in light of the clarification by Railway Board.

## 29.2 Compensation

**Wind power Phase V (15MW) Wind Farm at Jaisalmer**

RSMML had awarded the work of installation, commissioning, operation & maintenance of Phase V wind farm in Jaisalmer (Rajasthan), to M/s RRB Energy Ltd having generation capacity of 15 MW. As per the terms of the contract, compensation at the rates prescribed is recoverable for the shortfall in the generation of power in the respective block periods as prescribed in the contract, based on Power Curve based Guaranteed Generation (PCGG) committed by the M/s RRB Energy Limited. Accordingly, a sum of ₹ 3,39.81 Lakh) is estimated to be recovered from the contractor based on the performance during the third block period from Jan 2013 to Dec 2016. However, the contractor is disputing the levy of compensation and claiming that there is no shortfall in the generation as per the terms of contract and as such no compensation is payable.



For recovery of compensation from M/S RRB Energy Ltd., the company has invoked the Bank Guarantee of ₹ 336.88 Lakh. Consequently, the contractor has filed a court case before the Hon'ble High Court, Jodhpur claiming the refund of the illegally revoked and encashed BG. The contractor has also filed a court case before NCLT, Jaipur claiming the due O&M payments of the wind farm which has been retained by RSMML on account of other leviably claims of RSMML. Further, the contractor suspended its operations and the company has taken over the possession of the wind power plant. The plant was got inspected by Suzlon Global Services Ltd and it was found that machines of the plant require repairing, major or minor as the case may be. The work of minor repairs of Phase V has been already given to Suzlon Global Services Ltd. Since the matter is pending in High Court, the invoked amount of BG amounting to ₹ 336.88 Lakh has been kept under retention account and has not been booked to revenue of the company in the year 2018-19 and thereafter.

### Solar power

M/s Ray Power Experts Pvt. Ltd. was awarded the work of installation, commissioning, operation & maintenance of 5 MW Solar Power Plant for the company in Gajner, Bikaner (Rajasthan). As per the terms of contract, compensation at the rates prescribed is recoverable for the shortfall in generation of power in the respective block periods as prescribed in the contract, based on Net Minimum Guaranteed Generation (NMGG) committed by M/s Rays Power Experts Pvt. Ltd. There is a shortfall of 3679910 units (Subject to revision on furnishing the proof under force majeure) during the first & second block period from Jan 2015 to Dec 2018 and accordingly the compensation was required to be recovered from M/s Rays Power Experts Pvt Ltd at applicable rates as per the contract. However, the contractor has been disputing the levy of compensation and claiming that the rate of compensation is very high in comparison to the revenue realised by RSMML from sale of power from the solar plant & also found disputing the shortfall units. The matter was put up in the 409th board meeting of RSMML held on 05.04.2019 and the board was apprised with the status of the plant as M/s Rays Power Experts Pvt Ltd informed that they will not carry out the further O&M of the solar plant if the dispute of compensation is not resolved. Looking to the investment of ₹ 26.5 Crores in the solar plant by RSMML, a decision was taken in the board meeting that M/s Rays Power Experts Pvt Ltd shall install additional solar panels in the plant to meet out the NMGG on regular basis and to recover the past shortfall in generation also.

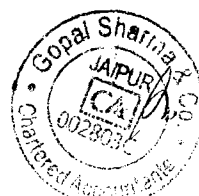
Further, in view of the liquidity problems of M/s Rays Power Experts Pvt Ltd for incurring new expenditure due to invocation of bank BG of ₹ 5.30 Crores by RSMML and turning account of the firm to NPA, it was decided by the board to make the funds available to M/s Rays Power Experts Pvt. Ltd which RSMML has got by en-cashing the BG amounting to ₹ 5.30 Crores. RSMML has released ₹ 4.41 Crores to M/s Mundra Solar PV Ltd (Adani) through ESCROW account for the supply of additional solar panels but still M/s Rays Power Experts Pvt. Ltd has not supplied the new additional solar panels for installation in the 5 MW Solar power plant. A committee has been constituted by the company to review the matter of non supply of additional solar panel etc.

### 30 PURCHASE OF ORE

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Purchases	230.52	368.03
<b>Total</b>	<b>230.52</b>	<b>368.03</b>

### 31 CHANGES IN INVENTORIES OF FINISHED GOODS



(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Closing Stock</b>		
Rock Phosphate	18,108.83	20,657.61
Beneficiated Rock Phosphate	770.43	3,666.31
Rajphos	95.96	292.22
Gypsum	47.55	163.56
Limestone	446.29	255.87
Bio Diesel and by products	0.07	1.90
	<b>19,469.13</b>	<b>25,037.47</b>
<b>Opening Stock</b>		
Rock Phosphate	20,657.61	25,452.14
Beneficiated Rock Phosphate	3,666.30	4,708.09
Rajphos	292.22	188.95
Gypsum	163.56	24.65
Limestone	255.87	249.31
Bio Diesel and by products	1.90	1.90
	<b>25,037.46</b>	<b>30,625.04</b>
<b>(Increase)/Decrease</b>	<b>5,568.33</b>	<b>5,587.57</b>

## 32 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Salaries & Wages	11,058.95	11,310.98
Contribution to Provident/Pension & Other Funds	1,940.68	2,227.48
Leave Encashment	1,071.20	1,091.66
Bonus/Additional Remuneration	91.91	102.24
Employees' Welfare	1,115.64	1,120.42
Employees' Social Security	0.38	0.1
<b>Total</b>	<b>15,278.76</b>	<b>15,852.96</b>

## 33 FINANCE COSTS

(₹ in Lakh)

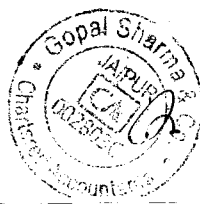
Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest expense ( including bank)	622.62	542.85
Guarantee Commission	7.74	7.54
Decommissioning liability on mine closure expenditure	141.61	134.87
<b>Total</b>	<b>771.97</b>	<b>685.26</b>

## 34 OTHER EXPENSES

(₹ in Lakh)



Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Mining and other operating expenses</b>		
Stores consumed (refer note 34.4)	3,922.42	4,099.37
Payment to Contractors :		
For Removal of Overburden	7,568.96	8,184.44
For Raising, Transportation & Others	19,167.32	21,369.54
For Progressive Mine Closure (refer note 27.2)	2,398.69	3,011.05
Freight Charges	43.72	37.85
Dewatering of Mines	1.66	0.80
Crushing Plant Expenses	18.08	20.35
Power Charges	2,305.32	2,479.17
Royalty & Dead Rent	10,078.62	11,493.19
Contribution to National Mineral Exploration Trust	182.26	202.13
Contribution to District Mineral Foundation	2,817.74	3,070.75
Progrehesive Mine closure expenditure (refer note 27.1)	43.96	214.04
Land tax	1,999.42	-
Repairs to Buildings .	109.64	61.61
Repairs to Machinery	1,143.56	1,294.97
Repairs to Plant	302.99	328.21
Repairs to Road	40.63	11.62
Research & Development	25.85	24.54
Sampling & Analysis	68.01	58.61
Compensation for Mineral	261.05	365.81
Afforestation Plantation & Environment	68.32	69.07
Rural Development Expenses	0.40	29.76
Corporate Social Resposibilty	194.80	254.01
Laboratory Expenses	9.17	8.47
Selling Expenses including commission	169.66	229.41
Packing Charges	66.35	140.12
Mines safety & Insurance expenses	-	0.68
Cash Discounts/Rebate on Sales	2.32	101.14
Business Promotion Expenses	83.40	87.92
<b>Establishment expenses</b>		
Repairs to Others	93.39	185.66
Rent including Plot Rent	110.98	109.64
Rates & Taxes	239.47	160.64
Security service expenses	735.85	725.20
Insurance	31.28	27.73
Travelling & Conveyance	569.68	573.32
Vehicle Up-keep	76.78	108.58
Payment to Auditors:		
Audit Fees	6.30	6.30
Tax Audit Fees	1.50	1.50
For reimbursement of expenditure	3.22	3.17
General Charges	70.91	73.58
Postage, Telephone & Telegraphs	52.11	51.80

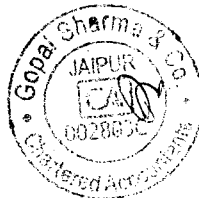


Printing & Stationery	33.98	38.39
Electricity & Water	75.09	72.89
Seminar, Training & Exhibition	18.41	4.69
Legal & Professional Charges	120.67	130.97
Advertisement & Publication	133.19	102.75
Bank Charges	0.80	3.12
Subscription	2.75	5.60
Entertainment	17.76	13.49
Board Meeting Expenses	0.29	0.34
Sundry debit balance written off	1.03	0.25
Provision for Doubtful Debts	42.85	709.65
Consultancy Charges	63.66	88.21
Claims & Settlements	161.97	2.49
Computer Maintenance & Software Exp.	51.97	39.06
Obsolete and Other PPE written off	3.30	2.91
Impaired/Obsolescence loss on PPE	1.11	8.53
Obsolescence/theft loss on Spares	10.88	46.90
Loss on sale/transfer of Obsolete and Other PPE	0.01	0.10
Import Energy Cess -Solar	-	4.08
Donation	505.00	8,005.00
Amortization of minning closure expense	77.66	77.66
<b>Total</b>	<b>56,408.17</b>	<b>68,632.83</b>

34.1 Earlier the Government of Rajasthan (GOR) has imposed land tax under the provisions of the Finance Act 2006 on the mining lands in the year 2006-07 at the rates prescribed rates prevailing from time to time. The company has provided and deposited the amounts of land tax and had also filed appeals with the appellate authority wherever there were mistakes in the assessments and based on the revised assessment orders/ decision on the appeals of the company necessary accounting adjustments were made. However, few appeals are yet to be decided and thus accounting adjustments in those cases are yet to be done.

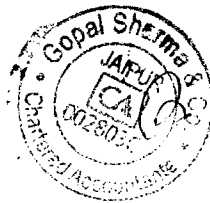
Later the GOR has declared the rate of land tax as "Zero" w. e. f. 01.04.2013. In the mean time some of the effected parties including The Federation of Mining Association of Rajasthan (FMAR) in which RSMML is also a member, went to the Hon'ble High Court, Rajasthan against the levy of Land Tax by the GOR, challenging the validity of the Land Tax and then to the Hon'ble Supreme Court against the order of Hon'ble High Court. The final decision of the Hon'ble Supreme Court on the matter is still awaited.

In the year the GOR vide its notification dated 19.11.2019 has declared the new rates of land tax for the year 2019-20 under the provisions and rules made under the same Finance Act 2006, the validity of which is yet to be decided by the Hon'ble Supreme Court and assessing authorities have also issued demand notices to some of the mining land holders. Accordingly, RSMML has also received demand notices from the respective assessing authorities for its few mines.



On receipt of the demand notices, respective SBU-PCs of the company have filed appeals challenging the demanded amount and have intimated the amount land tax as per its own calculation. Subsequent to the filing of appeals, the company so far has not received any communication from the concerned authorities on the appeals so filed. However, pending any communication/decision on the appeals filed by the company, a provision of ₹ 1999.42 Lakh crores has been made in the accounts for the current year i.e. 2019-20, which consists of the amount mentioned in the various appeals against the demand notices and the amount land tax as per calculation of the company for those mines where no demand notices are received. The amount so provided is yet to be deposited.

- 34.2 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 incurred on Research & Development during the year.
- 34.3 As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the company. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was ₹ 194.80 Lakh . Revenue expenditure charged to Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 194.80 Lakh. No Capital expenditure was incurred during the year in construction of capital assets under CSR projects. Shortfall of Rs.196.07 Lakhs in the CSR expenditure of the year 2019-20 with regard to the amount mandate as per law.
- 34.4 Stores consumed does not include consumption of Stores & spares of ₹ 543.04 Lakh charged under various heads (Prev. Year ₹ 843.09 Lakh ).
- 34.5 Exceptional items of the Financial Year 2018-19 includes ₹ 500.00 Lakh paid by the company towards its contribution for the Phase II construction of Guest house at Vashi, Mumbai. For Phase I company has contributed ₹ 300.00 Lakh in the Financial Year 2013-14, total contribution being ₹ 800.00 Lakh for Phase I and II. The construction of Phase I was completed in year 2013-14, while Phase II was completed in the Financial Year 2018-19. Being the building owned by the State Government and not owned by the company, amount paid of ₹ 500.00 Lakh has been charged to revenue expense ( Current Year Nil ).



## 35 FINANCIAL RISK MANAGEMENT

35.1 Financial risk factors

- The Company's principal financial liabilities comprise of trade and other payables, advance from subsidiary companies, security deposits, retention moneys and other such payables. The Company has not taken any loans or borrowings from any bank or financial institutions. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.
- The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

The Company's activities expose it to a variety of financial risks.

a. Market risk

- Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.
- Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.
- There are no currency rate risk or interest rate risks on the Company since all the transactions are done in the functional currency (INR) and the Company has not taken any loans or borrowings from the market.

b. Credit risk

- Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
- The Company makes major of its sales, either on an advance basis or against a security in the nature of Letter of Credit or Bank Guarantee, and hence the credit risk is minimal. Financial Instruments like trade receivables and loans forwarded to employees are subject to slight credit risk against which the Company has booked Expected Credit Losses.

c. Liquidity risk

- Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
- Being a cash rich company, it does not have any acute liquidity risk and has no lines of credit in the forms of loans payable.

Market RiskCommodity price risk and sensitivity

Being a mining Company, the commodity risk of the Company is bare minimum since there are no raw materials. In case of some commodities sold by the Company, there is a price risk for which no specific arrangements have been made by the Company.

Credit risk

- The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

- The Company extends secured credit to customers of Rock Phosphate in normal course of business of 120 days. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken Bank guarantees and letter of credit from its customers, which mitigate the credit risk to almost full extent. The Company extends unsecured credit to SAIL, a Government of India enterprise which purchases SMS Grade Limestone. It also sales Power to electricity companies of Government of Rajasthan on unsecured credit.



The ageing of trade receivables as on 31st March 2020 is as below :

(₹ in Lakh)			
Particulars	Due upto 36 Months	Due for more than 36 Months	Total
Good	14,147.69		14,147.69
Doubtful		1,450.91	1,450.91
Others			
Gross			
Expected Credit Losses		-1,450.91	-1,450.91

The ageing of trade receivables as on 31st March 2019 is as below:

(₹ in Lakh)			
Particulars	Due upto 36 Months	Due for more than 36 Months	Total
Good	14,372.84		14,372.84
Doubtful		1,408.07	1,408.07
Others			
Gross			
Expected Credit Losses		-1,408.07	-1,408.07

#### Expected Credit Losses

100% Expected Credit losses are recognised for all financial assets which have become due for more than 36 months. Thus, a cumulative amount of ₹ 1450.91 Lakh has been booked as expected credit losses till 31st March 2020.

100% Expected Credit losses are recognised for all financial assets which have become due for more than 36 months. Thus, a cumulative amount of ₹ 1408.07 Lakh has been booked as expected credit losses till 31st March 2019.

#### Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations. The rest amount is deposited in the PD account, with the government, which can be withdrawn as and when required and on which interest, as fixed by government, is being received. This PD account is a risk free deposit.

#### Liquidity risk

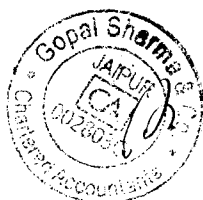
The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash requirements. There are no borrowings by the Company, whether short term or long term. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs and the excess funds are transferred to the PD account as per guidelines of Government of Rajasthan.

Since it a cash rich Company, the liquidity risk faced by the Company is very minute.

35.2

#### Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and also owing to government regulations, because it enjoys monopoly in mining of Rock Phosphate which is the main source of revenue, in the state of Rajasthan, for the Company.



**36 CAPITAL RISK MANAGEMENT****Objective**

The primary objective of the Company's capital management is to maximize the shareholder value. i.e. to provide maximum returns to the State government which is a major shareholder. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns to the Government. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2020 and March 31, 2019.

**Policy**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the rules and regulations framed by the Government under whose control the Company operates.

**Process**

The Company is declaring a dividend of 50% of share capital for the past few years.



37 **FAIR VALUE HEIRARCHY**

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- a Quoted prices/published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.
- b Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, interest free security deposits) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- c Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Fair Value of Financial Assets and Financial Liabilities accounted for in the Standalone Financial Statements as on the reporting date of the entity**

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2020		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investments in Equity Instruments	-	-	194.50
<b>Financial Liabilities</b>			

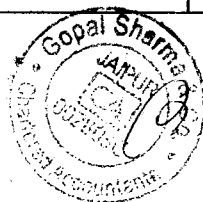
(₹ in Lakh)

	As at 31 <sup>st</sup> March 2019		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investments in Equity Instruments	-	-	160.79
<b>Financial Liabilities</b>			

During the year ended March 31, 2020 and March 31, 2019, there were no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2020 and March 31, 2019, respectively:

Particulars	Fair Value Heirarchy	Valuation Technique	Inputs Used
<b>Financial Assets</b>			
Investments in Equity Shares	Level 3	Net Asset Method	Financial Statements as on the reporting date of the investee entity



## 38 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's Standalone financial instruments that are recognised in the financial statements.

(₹ in Lakh)

Particulars	As at March 31,2020		As at March 31,2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at fair value through profit and loss				
Investment in Employees Leave Encashment Scheme from LIC	4,910.80	4,910.80	4,583.12	4,583.12
Financial assets designated at fair value through other comprehensive income				
Investments in Equity Instruments	194.50	194.50	160.79	160.79
Financial assets designated at amortised cost				
Loans given to employees	667.00	667.00	731.37	731.37
Cash and Bank balances	1,26,165.95	1,26,165.95	1,10,090.69	1,10,090.69
Trade and Other receivables	14,147.69	14,147.69	14,372.84	14,372.84
Other Financial Assets (Including investment in associate, JV and subsidiary)	24,370.42	24,370.42	25,098.98	25,098.98

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2020		As at 31 <sup>st</sup> March 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial liabilities designated at fair value through profit and loss	Nil	Nil	Nil	Nil
Financial liabilities designated at amortised cost				
Trade and Other Payables	5,686.23	5,686.23	4,760.51	4,760.51
Other Financial Liabilities	15,634.91	15,634.91	15,384.19	15,384.19

**Fair valuation techniques**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Interst free security deposits accepted by the Company have been carried at their amortised cost as their discounting will not represent the meaningful and fair information and the contractual term for which they are received is not substantially long.
- The Company can only invest its excess fund in its PD account. So, the principal market for the Company is its PD account. The rate of interest on PD account is considered as the Company market rate of interest which is 3.85% as at end of the year.
- Loans to Employees have been given at above market rate of interest, i.e. 3.85%. Hence, the fair value of such loans is equal to the amount of loans given of ₹ 667.00 Lakh. (Prev year ₹ 731.37 Lakh)
- IND AS 101 allows the Company to fair value its Property, Plant and Equipment. However, on transition to IND AS, the Company has opted for the exemption of deemed cost where the assets are carried forward at their existing carrying amounts as per Indian GAAP.
- IND AS 101 allows the Company to fair value its investment in subsidiary, associates and joint ventures. However, on transition to IND AS, the Company has opted for the exemption where the investments have been carried forward at their existing carrying amounts as per Indian GAAP.
- The investments in equity shares (apart from Subsidiaries, JVs and Associates) made by the Company have been recorded at their fair value using the market price of the share and where market price was not available, using the Net Asset method to value the shares.



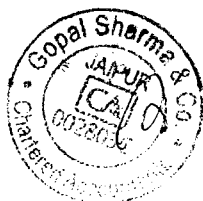
39 EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(₹ in Lakh)

Particulars	Ostwal Phoschem (India) Limited	Mayur Inorganics Ltd.	Total
Fair Value as on 31st March 2019	150.67	10.12	160.79
Change in Fair Value recognised in OCI statement	33.33	0.37	33.70
Fair Value as on 31st March 2020	184.00	10.49	194.49

The Company has chosen to measure investments in Ostwal Phoschem (India) Ltd. and Mayur Inorganics Ltd. at Fair Value through Other Comprehensive Income for better presentation and disclosure of change in carrying amount due to fair valuation.

The Company has fair valued its investment in Ostwal Phoschem (India) Limited and Mayur Inorganics Limited on the basis of net asset value of the Company. Net asstes value of the shares has been derived on the basis of financial statement of companies on the reporting date.



**40 SEGMENT INFORMATION**

**(i) Factors used to identify segments**

The company is primarily engaged in mining activities. Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Chief Operating Officer of the Company time to time for making financial and operating decisions.

**(ii) Following business segments have been identified by the management**

- Rock Phosphate : This segment comprise of revenue derived from mining of rock phosphate
- Limestone : This segment comprise of revenue derived from mining of Limestone
- Lignite : This segment comprise of revenue derived from mining of lignite
- Gypsum : This segment comprise of revenue derived from mining of gypsum
- Wind Power plant : This segment comprise of revenue derived from power generation through Wind Power Plant
- Solar Power Plant : This segment comprise of revenue derived from power generation through Solar power plant

**(iii) Basis of segment measurement:**

The measurement principles for segment reporting are based on IND AS 108. Segment's performance is evaluated based on segment revenue and profit and loss from operating activities. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment. Income tax expense and income earned are not allocated to individual segment and the same has been reflected at the Group level for segment reporting. The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, Property, Plant and Equipment, inventories, operating cash and bank balances.

Segment liabilities comprise operating liabilities and exclude provision for taxes and deferred tax liabilities.

Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

**(iv) Segment reporting as at 31st March 2019**

(₹ in Lakhs)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Others/unallocated	Elimination	Total
Revenue from external customers	49,664.19	21,087.85	28,800.03	4,077.85	4,764.35	480.28	0.00	0.00	1,08,874.55
Revenue from transactions with other operating segments of the entity	-	-	-	-	303.24	-	-	-303.24	0.00
Other revenues	536.55	214.18	1,154.35	173.76	663.29	-	4,612.80	0.00	7,354.93
<b>Total revenue</b>	<b>50,200.74</b>	<b>21,302.03</b>	<b>29,954.38</b>	<b>4,251.61</b>	<b>5,730.88</b>	<b>480.28</b>	<b>4,612.80</b>	<b>-303.24</b>	<b>1,16,229.48</b>
Segment expenses	40,426.50	17,993.11	17,414.05	3,845.32	2,823.85	241.91	11,583.74	-303.24	94,025.24
<b>Segment profit and loss before tax and exceptional item</b>	<b>9,774.24</b>	<b>3,308.92</b>	<b>12,540.33</b>	<b>406.29</b>	<b>2,907.03</b>	<b>238.37</b>	<b>-6,970.94</b>	<b>0.00</b>	<b>22,204.24</b>
<b>Other segment items</b>									
Investment in associate and joint ventures	-	-	-	-	-	-	-	-	-
Additions to PPE	118.73	14.48	27.22	2.06	-	-	44.81	-	207.30
<b>Segment assets</b>	<b>42,405.41</b>	<b>24,162.62</b>	<b>1,24,811.14</b>	<b>4,592.36</b>	<b>12,379.50</b>	<b>1,585.77</b>	<b>1,33,346.00</b>	<b>-</b>	<b>3,43,282.80</b>
<b>Segment liabilities</b>	<b>7,596.36</b>	<b>4,655.46</b>	<b>13,018.19</b>	<b>3,061.97</b>	<b>600.29</b>	<b>4.43</b>	<b>87,230.73</b>	<b>-</b>	<b>1,16,167.43</b>



(v) Segment reporting as at 31st March 2020

Particulars									(₹ in Lakh)
	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Others/unallocated	Elimination	Total
Revenue from external customers	46,464.31	19,855.68	16,467.42	2,644.27	4,538.07	0.00		0.00	89,969.74
other operating segments of the entity	-	-	-	-	218.53	-	-	-218.53	0.00
Other revenues	218.88	262.72	1,496.61	146.70	784.63	124.73	5,410.85	0.00	8,445.12
<b>Total revenue</b>	<b>46,683.19</b>	<b>20,118.40</b>	<b>17,964.03</b>	<b>2,790.97</b>	<b>5,541.23</b>	<b>124.73</b>	<b>5,410.85</b>	<b>-218.53</b>	<b>98,414.87</b>
Segment expenses	38,540.07	16,820.53	15,283.84	3,856.88	2,586.06	210.88	3,612.24	-218.53	80,691.96
Segment profit and loss before tax and exceptional item	8,143.12	3,297.87	2,680.19	-1,065.91	2,955.17	-86.15	1,798.61	0.00	17,722.91
<b>Other segment items</b>									
Segment assets	34,050.22	26,328.41	1,29,002.73	4,476.96	13,687.28	1,313.42	1,47,673.47		3,56,532.49
Investment in associate and joint ventures									
Additions to PPE	676.19	31.54	129.88	2.33			47.44		887.38
Segment liabilities	11,029.72	4,899.01	14,875.57	3,801.12	1,002.61	98.65	84,930.45		1,20,637.13

(vi) Information about geographical areas

The Company is not engaged in any export of minerals extracted. Thus, Company has no business outside the geographical limits of India.

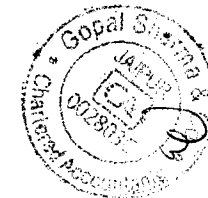
Due to this, the complete customer base of the Company is in India and the Company does not own any assets or owe any liabilities outside India.

(vii) ReconciliationsTotal assets with segment asset

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Segment assets	2,08,859.02	2,09,936.80
Unallocated assets	1,47,673.47	1,33,346.00
<b>Total assets</b>	<b>3,56,532.49</b>	<b>3,43,282.80</b>

Total liability with segment liability

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Segment liabilities	35,706.68	28,936.70
Unallocated liabilities	84,930.45	87,230.73
<b>Total liabilities</b>	<b>1,20,637.13</b>	<b>1,16,167.43</b>



## 41 INCOME TAX EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Current Tax</b>	5,150.00	7,023.60
<b>Deferred Tax</b>		
— Relating to origination & reversal of temporary differences	-1,256.55	-278.60
<b>Adjustments in respect of income tax of previous year</b>		
— Current tax	0.02	35.19
<b>Total tax expense</b>	<b>3,893.47</b>	<b>6,779.59</b>

**Effective Tax Reconciliation**

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Net Income before taxes	17722.94	21704.25
Applicable Tax Rate*	25.168%	34.944%
Computed Tax Expense	4,460.51	7,584.33
Increase/decrease in taxes on account of:		
Non deductible expenses	192.74	3,109.97
Items considered for tax separately	1,420.59	1,700.74
Income not taxable	-4.83	-65.40
Expenses allowed under Income Tax	-764.61	-1,395.68
Other Deductions on which tax benefit is available	-126.47	-3,905.89
Other Provisions	-27.93	-5.07
Computed Income Tax Expense	5,150.00	7,023.00
Income Tax Expense Reported	5,150.00	7,023.00

On 20th September, 2019, vide taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective from 01st April, 2019 subject to certain conditions. The company has already elected to opt the option of lower tax rate in the Financial Statement.

**Deferred Tax Assets (Liabilities)**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Deferred Tax Asset</b>		
Provision for doubtful debts, claims and advances	414.66	560.76
Provision for leave encashment	803.74	1227.13
Survey and Prospecting Charges	0.17	0.47
Bonus	1.34	2.18
Provision for land tax	503.22	-
Others	21.05	29.22
	<b>1744.18</b>	<b>1819.76</b>
<b>Deferred Tax Liability</b>		
Property, Plant and Equipment	2259.32	3585.78
Fair Valuation of Investments	44.92	50.59
	<b>2304.24</b>	<b>3636.37</b>
<b>Net Deferred Tax Asset(Liability)*</b>	<b>-560.06</b>	<b>-1816.61</b>

**Tax Component in OCI**

(₹ in Lakh)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Income Tax on Actuarial Gain (loss)	94.34	-9.54



## 42 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(in number)

Particulars	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
Issued number equity shares	775,51,500	775,51,500
Potential Equity Shares	-	-
<b>Weighted average shares outstanding - Basic and Diluted</b>	<b>775,51,500</b>	<b>775,51,500</b>

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

Particulars	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
Profit and loss after tax (₹ in Lakh)	13,454.63	14,951.96
Profit and loss after tax for EPS (₹ in Lakh)	13,454.63	14,951.96
Basic Earnings per share (in ₹)	17.35	19.28
Diluted Earnings per share (in ₹)	17.35	19.28
Profit and loss before change in accounting policy (₹ in Lakh)	13,454.63	14,951.96
Basic Earnings per share (in ₹)	17.35	19.28
Diluted Earnings per share (in ₹)	17.35	19.28
Change in Basic and Diluted EPS due to change in accounting policy (in ₹)	-	-

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.



## 43 PROVISIONS

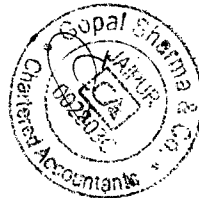
Movement in each class of provision during the financial year are provided below:

(₹ in Lakh)

Particulars	Provision for Leave Encashment	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
As at 31 <sup>st</sup> March 2019	3,511.72	577.66	800.90	2832.13	1453.78
Current Service Cost	157.40	28.38	760.48	-	-
Interest Cost	221.72	42.46	779.36	-	-
Actuarial Gain/Loss	688.70	-102.08	-	-	-
Remeasurement in OCI	-	-	408.55	-	-
Actual Benefits Paid	-990.07	-	-1,897.56	-	-
Expected Return on plan assets	-	-	-802.40	-	-
Interest on Decommissioning Liability	-	-	-	141.61	-
Net Increase / (Decrease) in progressive mine closure liability	-	-	-	-	43.96
As at 31 <sup>st</sup> March 2020	3589.47	546.42	49.33	2973.74	1497.74

(₹ in Lakh)

Particulars	Provision for Leave Encashment	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
As at 31 <sup>st</sup> March 2019					
Current	454.90	115.96	800.90	-	1,453.78
Non Current	3,056.82	461.70	-	2,832.13	-
Total	3,511.72	577.66	800.90	2,832.13	1,453.78
As at 31 <sup>st</sup> March 2020					
Current	449.98	108.30	49.33	-	1,497.74
Non Current	3,139.49	438.12	-	2,973.73	-
Total	3,589.47	546.42	49.33	2,973.73	1,497.74



#### 44 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per Ind AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening reserves.

(₹ in Lakh)

Particulars	Amount	Amount
Prior Period adjustment	2019-20	2018-19
Total Impact on profit/reserve	-	-
Increase in EPS ( in Rs)	0.00	0.00



In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported as under:

## (i) Related party name and relationship

## a Key Managerial Persons

S.No.	Name	Designation	From	Upto
1	Shri Devendra Bhushan Gupta	Chairman	01-04-2019	31-03-2020
2	Shri Sudarsan Sethi	Director	01-04-2019	31-08-2019
3	Shri Niranjn Kumar Arya	Director	01-04-2019	31-03-2020
4	Smt. Sreya Guha	Director	01-04-2019	31-03-2020
5	Shri Kanji Lal Meena	Director	12-03-2020	31-03-2020
6	Shri Naresh Pal Gangwar	Director	05-04-2019	23-09-2019
7	Shri Dinesh Kumar	Director	08-11-2019	12-03-2020
8	Shri Gaurav Goyal	Director	10-12-2019	31-03-2020
9	Shri Jitendra Kumar Upadhyay	Director	01-04-2019	24-11-2019
10	Shri Bhawani Singh Detha	Managing Director	01-04-2019	01-07-2019
11	Shri Somnath Mishra	Managing Director	08-11-2019	31-03-2020
12	Shri Vikas Sita Ramji Bhale	Managing Director	01-07-2019	23-09-2019
13	Shri Akhilesh Joshi	Independent Director	30-09-2019	31-03-2020
14	Shri Harihar Vishnushankar Paliwal	Independent Director	01-04-2019	10-06-2019
15	Shri Prem Prakash Parcek	Independent Director	01-04-2019	10-06-2019
16	Shri Prem Prakash Pareek	Independent Director	30-09-2019	31-03-2020
17	Dr. Tulsi Ram Agrawal	Chief Financial Officer	01-04-2019	31-03-2020
18	Shri Rajendr Rao	Company Secretary	01-04-2019	31-03-2020

## b Entities where control exist - Subsidiaries and indirect subsidiaries

S.No.	Name of the entity in the group	% Shareholding / Voting Power	
		As at March 31, 2020	As at March 31, 2019
1	<b>Direct subsidiaries</b>		
	Barmer Lignite Mining Company Limited (BLMCL)	51%	51%
2	Rajasthan State Petroleum Corporation Limited (RSPCL)	100%	100%
1	<b>Indirect Joint ventures</b>		
	Rajasthan State Gas Limited	50%	50%

## c Other related parties

S.No.	Name	Relation
1	The Trustee of Provident Fund of RSMM Ltd	Employee benefit funds
2	Trustee Gratuity Fund (with LIC)	Employee benefit funds
2	RSMML Retired Employee Medical Relief fund	Employee benefit funds

## (ii) Related party transactions

S.No.	Particulars	As at March 31, 2020		As at March 31, 2019	
1	<b>Short term employee benefits</b>				
	Managing Director (Part of the year)	11.59		7.15	
	Chief Financial Officer	21.89		27.59	
	Company Secretary	18.54		19.10	

S.no.	Transaction type	Subsidiary	
		For the year ended 31st March 2020	For the year ended 31st March 2019
		1	Expenses incurred (BLMCL)
2	Interest paid/payable (BLMCL)	558.92	486.86
3	Expenses incurred (RSPCL)	0.42	1.16

## (iii) Government Related entities

The company is controlled by the Government of Rajasthan (GOR), being a state public sector enterprises with state government holding 99.99% of equity issued and paid up.

The Company has business transactions with other entities controlled by GOI/GOR for procurement of capital equipment, stores and spares and services. Transactions with these entities are carried at market terms on arm's length basis.

The transactions are in the course of normal day to day business operations and are not considered to be significant keeping in view of the size, either individually or collectively.



## 46 CONTINGENT LIABILITIES NOT PROVIDED FOR

(₹ in Lakh)

S.No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
i.	Claims against Company not acknowledged as debt	65942.38	52892.35
ii.	Disputed Income tax liability pending:		
	(a) Company in appeals	7398.63	2898.44
	(b) IT Department in appeals (As per information available with Company)	1290.20	890.47
iii.	Guarantee given by banker on behalf of the Company for which counter guarantee provided by the Company	4640.67	4040.24
iv.	Claims of workmen pending adjudication and of those who have taken Voluntary Retirement amount unascertainable.		
v.	Additional Liabilities, if any, in respect of pending Goods & Service Tax, 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.		
vi.	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.		
vii.	Amount relating to environmental liabilities are unascertainable.		
viii.	Liabilities on account of Rider Agreements with contractor in which amounts are unascertainable.		
ix.	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.		

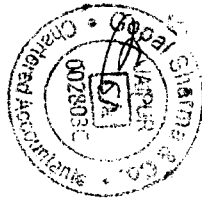
## 47 CAPITAL COMMITMENT

(₹ in Lakh)

S.No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
i.	Estimated amount of contracts remaining to be executed on Capital Account	6201.45	82.92

48 As per the approved Mine Closure plan, prepared in accordance with the Ministry of Coal, GoI, in respect of Sonari & Giral lignite mines the company is required to deposit total sum of ₹ 26,952.75 Lakh during the period 2014-15 to 2042-43 and ₹ 44710.55 Lakh during the period 2014-15 to 2031-32 respectively in the escrow account with schedule bank. Similarly as per draft plan prepared for Kasnau & Matasukh the company is required to deposit total sum of ₹ 14296.48 Lakh during the period of 24 years of mines. Upto the financial year 2019-20, the company has deposited a sum of ₹ 8504.49 Lakh (Prev year ₹ 6837.66 Lakh) in the escrow account, opened for Sonari and Giral mines. The Mine closure plan for Kasnau & Matasukh Lignite Mines is pending for approval with Ministry of Coal, Govt. of India. However in compliance of their directives during the year Escrow Account has been opened in which a sum of ₹ 1828.24 Lakh has been deposited towards Mine Closure expenses.

49 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 Honble ₹ supreme Court which has also been dismissed. Consequently company has requested State Government to refund back the amount of ₹ 4,626.90 Lakh (Prev ₹ 4,626.90 Lakh) paid by it being differential amount of MR Cess. The amount is yet to be received from the state Government. The necessary accounting adjustments would be made on receipt of the amount from Government of Rajasthan in accordance with IND AS 115.



50 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. (AVVNL) while balance is being sold to AVVNL and other DISCOMS. From February 2005, AVVNL had stopped the adjustment of wind power in captive use without assigning any reason thereof. After long persuasion at various levels, AVVNL 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 ₹ 1,15,08,126/- (Prev year ₹ 1,15,08,126/-). RSMML had objected the methodology of AVVNL 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, AVVNL has filed three petitions in Hon'ble High Court of Rajasthan against the order, out of which two petition have been dismissed by the High Court while one is pending for decision. An amount of ₹ 80,63,696/- (Prev Year ₹ 80,63,696/-) has been refunded by AVVNL during the year 2012-13.

51 RSMML had to contest legal case with Service Tax Department for the demand of ₹ 122.30 Crore, which has been raised on RSMML on account of land compensation received from M/s JSW Energy (Barmer) Limited (erstwhile Raj West Power Limited, Jaipur) /BLMCL amounting to ₹ 977.51 Crore. The Service Tax Department has considered this liability on RSMML, only after BLMCL has indicated the amount paid for land as "Surface Right" in its books of accounts. Prior to this BLMCL has requested to transfer the acquired land in its name which was refused by GoR and thereafter the amount paid to RSMML was shown by BLMCL as "Surface Right" in its books. Though the cost of land is to be returned to BLMCL/RWPL (JSW Energy (Barmer) Limited), so far, there is no clarity on the issue, as the tariff determined by RERC is only provisional. It is also to be considered that as per clause 6.22 of IA, the land is to be returned by RWPL (JSW Energy (Barmer) Limited) /BLMCL after the project life. In case project land is required by RWPL then it can be purchased by paying the prevailing marketing price less amount already paid.

The service tax department has raised a demand of ₹ 122.30 crores on RSMML, treating the non transfer of acquired mining lands of Jalipa & Kapurdi Lignite Mines by the Government of Rajasthan if in favour of Barmer Lignite Mining Company Limited (BLMCL) as service under the category of renting of immovable property. The value of land considered by the service tax is ₹ 977.51 crores. Besides, the department has also considered a sum of ₹ 10.20 crores being value of 51% equity given in BLMCL to RSMML free of cost, taxable under the category of business auxiliary service. The department has also considered a sum of ₹ 2.21 crore recovered by RSMML from BLMCL towards expenses incurred by RSMML on the RSMML'S Employees on deputation and other related expenses under the category of Business Auxiliary Services. The company has defended the cases with CESTAT and the CESTAT has decided the case in favour of RSMML vide its order dated 21 Aug 2019 and service tax department has refunded the amount. Against the decision of CESTAT, the department has went in Hon'ble Supreme court and the same is pending.

52 As per the Memorandum of Understanding (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 company has been firm 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.

Further the Board of M/s Binani Industries Limited and GMDC has appointed M/s PWC to resolve the matter regarding valuation of Ambaji mines of GMDC and to carry out new evaluation after removal of errors and flaws pointed out in earlier IBM report. Based on the outcome of it, necessary action would be taken by the company. 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.



53 The company has awarded the work of setting up a desalination plant at Kasnau-Matasukh lignite mines to M/S Doshian Ltd, Ahemdabad, which has set up the plant through its SPV Nagaur Water Supply Company Pvt. Limited (NWSCPL), to supply potable water to PHED for distribution to 120 villages in Nagaur District for a period of 15 years. During the execution of the contract, some issues relating to interpretation of several clauses of the contract agreement between RSMML & NWSCPL have arisen which were referred to an independent Arbitrator and the learned Arbitrator after considering the all the facts made available by both parties, has pronounced its Award on 01.03.2017. As per the interpretation given the Arbitrator, under the contract provisions, certain amount are recoverable from M/s. NWSCPL, which are to be ascertained after revised bills are submitted by NWSCPL. Further it was clarified in the Award that arbitration is restricted to interpretation of the clauses as agreed by the parties and substantive rights shall be determined as per the interpretation of the clauses given in the Award. After passing the award on 01.03.2017, NWSCPL instead of settling the issues, filed an objection application under section 34 of Arbitration Act, challenging certain portions of the award which were not in its favour. These objections are now being contest by Company. Further, NWSCPL has also filed an Execution Application based claiming an amount of ₹ 16.00 Crore approximately and for appointment of chartered accountant for verification of same. The application was objected by the Company and was NWSCPL application was subsequently dismissed by the court accepting the objections raised by RSMML.

Company based on the interpretations given in the award of the Arbitrator has computed the amount recoverable from NWSCPL on account of shortfall in supply of 13 MLD water and penalty leviable as per contract provisions as clarified in the award. Based on the computations made, RSMML has filed Civil Suit against NWSCPL & Doshion Ltd for recovery of ₹ 51,27,06,000/- before Commercial Court, Jaipur on 2nd Nov 2018.

In the mean time, as NWSCPL could not supply water for 30 continuous days, the Company terminated the contract by issuing termination notice as per contractual conditions. After termination of the contract, NWSCPL filed a claim and Injunction Applications before District Court, Jaipur in which NWSCPL has made a prayer that till the Engineer-in-charge issues the required certificate as per the contract agreement and as per terms of award, RSMML may be restrained from taking over of the plant and be restricted to carry out any changes in the plant or to create any third party rights or to disown NWSCPL from the plant etc. Further NWSCPL also filed stay application against encashment of BG amounting to ₹ 6,03,70,635/- furnished by them under the contract. After dismissing the injunction application of NWSCPL seeking stay on invocation of BG by the court, the said BG stands revoked by Company. Further on the acceptance given by RSMML, that till the certificate as per the contract provisions and award is issued to NWSCPL, it will not take over the plant; injunction order has been passed by the court and Company has not taken over the plant.

Thereafter, in the same case, RSMML also filed its counter claim and Injunction application for granting stay against adjusting the three FDRs amounting to ₹ 608.28 Lakh furnished by RSMML under the contract with IDBI, Udaipur which were under lien in favour of IDBI, Ahmdabad. On the above applications of RSMML, after hearing the arguments, interim stay orders against both IDBI branches (Udaipur & Ahmdabad) have been passed, restraining IDBI from carrying out any payment or adjustments of its own or NWSCPL dues from the FDR pledged by RSMML. Since then, all the four applications connected in the cases were being heard by the court. Further, the stay granted on FDR is being extended on every case date.

At present, there is no activity at the plant site and PHED has made its own arrangement for supply of water. Pending various court cases between both the parties, no further accounting adjustments in the accounts of NWSCPL and that of PHED to which company was supplying the water on chargeable basis, are being carried out. A sum of ₹ 936.29 Lac is recoverable from PHED on 31.03.2020 (prev. year ₹ 936.29 Lac), The same is taken to be as difference between amount paid to NWSCPL and to be realized from PHED. However, the actual accounting adjustment would be made when the issues would be settled finally.

54 The company had awarded a contract to M/s National Construction Company (NCC) for "Hiring of Heavy Earth Moving Equipment for Removal of Overburden and Raising of Saleable Lignite" from Matasukh Lignite Mines situated in Nagaur district for a period of seven years - from 16.01.2003 to 16.01.2010. During the course of execution of the contract, due to in-rush of water in the mining pit, the mining operations were affected. As such, based on the technical advice from the Experts and looking to instructions of DGMS some changes were made in the design parameters.

The contractor before closure of the contract has raised a final claim of ₹ 7,309.89 Lakh after adjustment of ₹ 1,400.25 Lakh, given to them as an advance. The claim of the contractor was inclusive of ₹ 5,473.55 Lakh towards remuneration for excess waste handling. The remaining claim amounts were towards diesel escalation, machinery and manpower idling charges, excess outside overburden dumping, excess de-watering charges, re-handling of overburden, reimbursement of service charges etc. Against the gross claim of ₹ 8,710.14 Lakh, the company has accepted claims amounting to ₹ 1,994.64 Lakh, including ₹ 1,925.72 Lakh towards remuneration for excess waste handling charges. The contractor then has filed a court case in the year 2011-12 against the company, raising therein a claim of ₹ 9,259.69 Lakh, including interest after adjusting advance. The Commercial Court udaipur has decided the case vide its judgement dated 24.07.2019, according to which M/s National Construction Company is entitled to receive a sum of ₹ 5710.97 Lakh. Besides NSC is also entitled to receive interest @9% P.A. on a sum of ₹ 5473.55 Lakh less amount already paid to M/s NCC by the company from the date of filing of court case to the date of payment. Since the company has filed an appeal against the judgement of the Commercial Court, no provision for the additional amount has been made in the current financial year 2019-20.



55 The Employees Provident Fund Organisation (EPFO) vide its communication No.Co-ord/3(4)2002/clarifications/2882 dated 16.05.2005 has directed that leave encashment paid on or after 01.10.1994 comes under the ambit of basic wages for payment of PF contributions in conformity with the judgement of various courts in the country. Later on, EPFO has clarified in its subsequent communication dated 09.09.2005 that recovery of PF contribution on leave encashment paid on or after 1st May, 2005 be enforced and action for recovery up to 30.04.2005 be kept in abeyance.

In compliance of the communications of EPFO, on or after 01.05.2005 the company had started deducting PF on leave encashment paid to its employees and equal amount was contributed to the PF Trust of the company. Later on, the Hon'ble Supreme Court in the case of Manipal Academy of Higher Education vs Provident Fund Commissioner has decided that leave encashment is not a part of 'basic wages' under section 2(b) of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 requiring pro-rata employers' contribution.

Subsequently in compliance of the decision of the Hon'ble Supreme Court, EPFO vide its circular dated 05.05.2008 has conveyed for discontinuance of PF deduction on leave encashment with immediate effect and also stated that employer's share received by EPFO will be adjusted against future liabilities. Since this circular was not came to the notice of the company and its PF Trust till the Office of the AG has pointed out during the course of regular audit of SBU-Limestone in the year 2013 and also during conducting supplementary audit of the Balance Sheet for the FY 2012-13, the company continued to deduct PF contribution on leave encashment paid to its employees and made contributions of equal amount to PF Trust of the company. However, when the company became aware of the fact, it has stopped to deduct PF on leave encashment with effect from 01.10.2013.

The amount so deducted and contributed from the year 2008 to September 2013 works out to ₹ 261.38 Lakh (Prev Year ₹ 261.38 Lakh) . On the matter of recovery of amount deposited in PF Trust as per the directives of Board, legal opinion and also opinion from Finance Department , Government of Rajasthan is taken . Based on the opinions, so received, It was decided by the Company to recover /adjust the amount PF on leave encashment from its future liability.It was also decided to issue notices to ex -employees for recovery of amount so paid. The amount so recovered in the year 2018-19 is ₹ 0.25 Lakh on this account and upto 31/03/2020 is ₹ 198.64 Lakh (Prev year ₹ 198.64 Lakh) has been considered as revenue.

56 M/s Suzlon Energy Limited(SEL) was awarded work for installation and Operation & Maintenance of Wind Power generating in Phase I & II commissioned on 10.08.2001 & 27.05.2002 respectively. As per the terms of the contract, the contractor is to give net minimum guaranteed generation(NMGG), failing which liquidated damages at agreed rates are required to be levied. Further the contractor is also required to provide Bank Guarantee (BG) of differential amount towards additional security. As per the correspondence exchanged between RSMML & party, M/s Suzlon Energy Limited has transferred powers to be generated from 2 WTGs of 2.1 MW & 2.25 MW generation capacity along with PPA to the company in lieu of the BG and liquidated damages of for both the phases. Consequently, the bills of sale of power to DISCOM attributable to these two WTGs are being raised in the name of RSMML from the month of January 2016 and onwards. As per the agreement with the party, the unit/revenue generation from these WTGS would be adjusted towards the shortfall units as compared to NMGG of the respective phases during the relevant block. If any shortfall still remains unadjusted, compensation for the same would be recovered from the party . On the other hand, if there remains any excess revenue generation after adjusting the shortfall of the respective phases. such revenue would be pass on to M/s Suzlon Energy Ltd. Accordingly the sales realization of the units generated from 2 WTGs is being kept in retention account to be adjusted against Liquidated damage at the end of block period of respective phases.

57 The company was allotted Sachcha Sauda, Lignite Block spread in 562.50 hectares in Nov 2006 by the Ministry of Coal, GoI for the purpose of open cast mining of Lignite. However, CAIRN India/ONGC has acquired some part of the land falling within the mining land for laying pipeline and construction of road for monitoring, in the middle part and across the Sachcha Sauda Block, due to which the mining of Lignite would be affected adversely. As such to resolve the conflict and to enable to undertake the mining activities in the mining lease, the company has referred the matter to the Ministry of Coal, GoI vide its letter dated 19/20.06.2016, requesting to allow the company to undertake the work of underground Coal Gasification(UCG).

Discussions are also being made with Cairn Energy for further exploring the next course of action. In view of involvement of huge cost on shifting of pipeline corridor, Cairn Energy is reluctant to settle the issue. Now RSMML is trying to utilize the lignite deposit by Under Ground Coal Gasification (UCG) and for which expert organizations has been approached and various correspondences has been made from RSMML. Request for obtaining approval of Ministry of Coal (MoC) GoI for testing the deposit for UCG has been submitted and which pending at MoC.

58 Consequent upon the receipt of demand of service tax from the concerned authority the mining contractor of the company were asking the company to pay the service tax alongwith interest and penalty if any as demanded by the authorities on free supply of diesel to them by the company .The contractor are contesting the cases at various levels.During the year it has been decided by Hon'ble Supreme court in other cases that during the course of execution of contract the free supply made by the service recipient to the service provider is not subjected to service tax . As per information available no such decision has received in cases related to the mining contracts of the company. Since the liability if any on this account is not quantifiable , no liability is being taken in its books on this account and shall be accounted for as and when any demand is arised finally.



## 59 ANALYSIS OF STORES AND SPARES CONSUMED:

Particulars	₹ in Lakh)	
	2019-20	2018-19
Imported	-	9.15 (0.19%)
Indigenous	4465.54 (100%)	4933.32 (99.81 %)

60 There is no raw material imported & consumed during the year .

## 61 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

Particulars	₹ in Lakh)	
	2019-20	2018-19
Earnings	198.00	-
Expenditure	-	-
Spares	-	9.15
Other Matters	6.02	-

## 62 Ind AS 115, Revenue from contract with customers

## Nature of goods

- The Revenue of the company comprises of income from sale of minerals, sale of power and sale of CER/VER and REC. RSMML is operative in only Rajasthan.
- Revenues are measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and clean energy cess.

## i. Revenue from minerals &amp; other sales

The Company recognises revenue at a point in time when the Company transfers control of goods under the contract to the customers. The revenue is determined as per the terms of the contracts. There is no component of variable consideration under the contract. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period.

## ii. Revenue from energy sales

The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable. The amount of revenue recognised for energy sales is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

## Significant Judgements

Royalty, DMF/NMET are liability of the Company. Since the recovery of these levies flows to Company on its own account, revenue includes these levies.

## Practical expedients applied as per Ind AS 115:

- The company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.
- The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company has not adjusted any of the transaction prices for the time value of money.

The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

## Covid-19 impact on business

Due to outbreak of COVID-19 is causing Significant disturbance and slowdown of economic activity in India and across the globe. The company has made initial assessment of likely adverse impact on its business in general and financial risks on account of COVID-19 in particular and believes that the impact is likely to be short term in nature. The company is in the business of mining of minerals and generation of solar & wind power.

The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans, receivables and debt covenants on the basis of internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

Company expects that considering the steps taken by the Central and the State Government for the revival of economy, the impact on the business may be for short duration only. The management does not expect any medium to long term risks at this stage in company's ability to continue as a going concern and meeting its liabilities as and when they fall due.



## 63 QUANTITATIVE DETAILS OF PRODUCTS AND OTHER DISCLOSURES

## (i) Rock Phosphate, Beneficiated Rock Phosphate and Rajphos : (In MT)

Particulars	Rock Phosphate		Beneficiated Rock Phosphate		Rajphos	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Opening Stock	21,71,715	24,45,288	81,920	1,00,515	15,498	12,295
Production	11,50,228	10,97,157	1,46,397	1,95,213	24,200	48,910
Less: Moisture Qty.						
Purchase	24,201	36,430				
Transfer	49,726	30,817	-47,188	-30,817	-2,538	
Sales	7,26,929	8,51,110	1,79,577	1,92,400	32,399	45,540
Less: Moisture			-15,989	-12,192		
Free Sample					4	
Own consumption for Ben. Rock Phosphate Rajphos	4,87,099	5,73,823				
Stock as per Books	21,81,842	21,84,759	17,541	84,703	4,757	15,665
Shortages	10,583	13,044	2,030	2,783	119	167
Closing Stock	21,71,259	21,71,715	15,511	81,920	4,638	15,498

## (ii) Gypsum &amp; Selenite: (In MT)

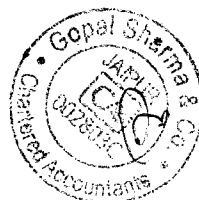
Particulars	Gypsum		Selenite	
	2019-20	2018-19	2019-20	2018-19
Opening Stock	31,319	5,974	-	-
Production	3,83,181	6,15,227	3,015	2,045
Sales	4,07,668	5,88,281	2,214	2,045
Stock as per Books	6,832	32,920	801	-
Shortages/Retrieval	-370	1,601	-82	-
Closing Stock	7,202	31,319	883	-

## (iii) Lime Stone: (In MT)

Particulars	2019-20		2018-19	
	Lime Stone	Sub Grade Lime Stone	Lime Stone	Sub Grade Lime Stone
Opening Stock	8,256	4,60,858	3,470	4,99,108
Production	25,64,893	5,78,078	27,26,691	5,87,637
Sales	24,96,743	5,20,031	27,25,709	6,27,292
Stock as per Books	76,406	5,18,905	4,453	4,59,453
Shortages/Retrieval	26,143	-7,692	-3,803	-1,405
Closing Stock	50,263	5,26,597	8,256	4,60,858

## (iv) Lignite: (In MT)

Particulars	2019-20	2018-19
Opening Stock	-	-
Production	7,90,298	13,16,628
Sales	7,90,298	13,16,628
Stock as per Books	-	-
Shortages	-	-
Closing Stock	-	-



**Multimetal:**

(In MT)

Particulars	2019-20	2018-19
Opening Stock	340	340
Production	-	-
Sales	-	-
Stock as per Books	340	340
Shortages	-	-
Closing Stock	340	340

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

(In units)

Particulars	2019-20	2018-19
Generation	1110,81,819	1171,34,265
Sales	1076,54,325	1124,01,186
Own Consumption	30,84,743	42,59,773
Wheeling units	3,42,750	4,73,306

**Solar Power Plant:(5 MW)**

(In units)

Particulars	2019-20	2018-19
Generation*	43,68,005	70,87,811
Sales	-	70,87,811
Own Consumption	-	-
Wheeling units	-	-

\*refer note number 28.5

**ELLANEOUS:**

Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

Normal Operating Cycle of Company's business has been determined in accordance with the requirement of Schedule III of the Companies Act, 2013.

Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

