

# **74<sup>th</sup> Annual Report**

**2020-21**

**Rajasthan State Mines & Minerals Limited**  
(A Government of Rajasthan Enterprise)



## RAJASTHAN STATE MINES & MINERALS LIMITED

(A Government of Rajasthan Enterprise)

CIN : U14109RJ1949SGC000505

E-mail: info.rsmml@rajasthan.gov.in

www.rsmm.com

### Board of Directors

Shri Sudhansh Pant	Chairman
Shri Akhil Arora	Director
Shri Shikhar Agrawal	Director
Smt Anandhi	Director
Shri Akhilesh Joshi	Independent Director
Shri Rajendra Bhatt	Managing Director

### Financial Advisor & Chief Financial Officer

Shri Suresh Kumar Jain

### Registered Office

C-89-90, Janpath,

Lal Kothi Scheme, Jaipur-302015

### Company Secretary

Shri Rajendr Rao

Tel.: 0141-2743734

Fax: 0141-2743735

### Auditors

M/s Gopal Sharma & Co.

Chartered Accountants, Jaipur

### Bankers

IDBI Bank

ICICI Bank

State Bank of India

### Corporate Office

4, Meera Marg, Udaipur- 313004

Tel.: 0294-2428763-67

Fax: 0294-2428770

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# Rajasthan State Mines & Minerals Limited

( A Government of Rajasthan Enterprise)

Registered Office : C-89-90, Janpath, Lal Kothi Scheme, Jaipur

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Phone : 0294-2428763/64/65/66/67, Fax: 0294-2428770/2428739

e-mail : cs.rsmml@rajasthan.gov.in, Website: www.rsmml.com

CIN - U114109RJ1949SGC000505



Ref: RSMM/CO/CS/74AGM/24/1592 (1-20)

Date: 15/02/2024

## NOTICE OF THE 74<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 74<sup>th</sup> Annual General Meeting of the members of the company scheduled to be held on 04<sup>th</sup> March, 2024 at 04.30 PM at Committee Room no. 1, Secretariate, Jaipur (Rajasthan) to transact the following business :-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (standalone as well as consolidated) of the Company for the year ended 31<sup>st</sup> March, 2021, the Reports of the Board of Directors and the Auditors' thereon;
2. To declare dividend for the Financial Year ended 31<sup>st</sup> March, 2021; and
3. To fix the remuneration of Statutory Auditors for the financial year 2021-22.

### SPECIAL BUSINESS:

4. **Remuneration of the Cost Auditors for the financial year 2021-22**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 and the rules framed thereunder, the payment of the remuneration of ₹ 34500/- (Rupees Thirty Four Thousand Five Hundred Only) plus GST, to M/s Girdhar Choudhary & Co, Cost Accountants who were appointed by the Board of Directors of the Company, as “Cost Auditors” to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2022, be and is hereby ratified and approved.

On behalf of the Board of Directors  
**Rajasthan State Mines and Minerals Limited**

  
**(Rajendr Rao)**  
Company Secretary

Place: Udaipur

NOTES:

1. Relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of resolutions set out under item No. 4 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a Member of the Company.
3. Members/Proxies should bring the attendance slip at the time of meeting.
4. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is enclosed herewith.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

**Item No. 4:**

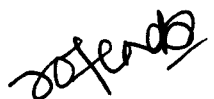
The Board in its 414<sup>th</sup> meeting held on 22<sup>nd</sup> October, 2021 appointed M/s Girdhar Chaudhary & Co, Cost Accountant as Cost Auditors to conduct the audit of the cost records of the company for the financial year ending 2021-22 at a remuneration of ₹ 34500/- plus GST, if applicable and travelling & stay charges at actual as payable to the Statutory Auditors of the Company. Further, the Board recommended that the said appointment of the cost auditors should be included as an agenda item in the general meeting of the shareholders of the Company for ratification of the remuneration payable to the Cost Auditors by the members of the Company.

In accordance with the provisions of section 148 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of cost auditors has to be ratified by the shareholders of the Company. The consent of the members is being sought for passing an Ordinary Resolution.

None of the Directors/ Key managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

By order of the Board of Directors  
**Rajasthan State Mines and Minerals Limited**

Place: Udaipur  
Date: 15/02/2024

  
**(Rajendr Rao)**  
Company Secretary



# Rajasthan State Mines & Minerals Limited

( A Government of Rajasthan Enterprise)

## DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 74<sup>th</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, 2021.

### 1. Financial Highlights:

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

Particulars	(Rs. in Lakh)	
	2020-21	2019-20
Total Revenue	91520.11	98414.90
Total Expenditure	88165.34	80691.96
<b>Profit before Tax</b>	<b>3354.77</b>	<b>17722.94</b>
Provision for current tax	(2150.11)	(5244.34)
Tax adjustment of earlier years	(0.74)	(0.02)
Deferred tax provisions	1205.19	1256.55
<b>Net Profit after Tax</b>	<b>2409.11</b>	<b>13735.13</b>
Other comprehensive income (net of taxes)	(223.34)	(280.50)
<b>Total Comprehensive Income</b>	<b>2185.76</b>	<b>13454.63</b>

Your Company has earned revenue of Rs. 91520.11 Lakh during the financial year 2020-21 which is 7.01 % less than the revenue earned during the financial year 2019-20 at Rs 98414.90 Lakh. Profit before tax for the financial year 2020-21 stood at Rs 3354.77 Lakh as comparison of Rs. 17722.94 Lakh during the year 2019-20. In addition, the profit after tax for the year 2020-21 remained at Rs. 2409.11 Lakh as against Rs. 13735.13 Lakh achieved in the year 2019-20. The profits of the Company have decreased during the year 2020-21 as compared to the year 2019-20. The reasons for reduction in profits are as under:

- 1) The Finance Department, GoR vide its notifications dated 30/03/2020 and 28/03/2022 revised the rates of the land tax on all various lands. Accordingly, the company has booked a liability of Rs. 84.11 crore towards land tax for the year 2020-21, considering the total lease area of various mines of the company.
- 2) In view of the decision of Hon'ble Supreme Court dated 13/09/2021, your Company is not in a position to get the refund of excess input credit under the inverted duty structure from the year 2017-18 to 2020-21 amounting to Rs. 99.05 crore. Looking to the remote chances of its adjustment in near future, the company has created provision for Rs. 99.05 crore in the financial year 2020-21.

- 3) All mining operations remained closed due to lock down in April 2020 which resumed in a phased manner that too with strict COVID protocol restricting man and machine movement which severely affected all the mining activities, due to which the revenue of the Company has affected for the financial year 2020-21.

## 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 2020-21 was of 5.44 Lac MT and 5.41 Lac MT respectively. The corresponding figures for the previous year 2019-20 are 4.81 Lac MT and 6.69 Lac MT respectively.

The total sale of Rock phosphate during the year 2020-21 was 8.68 Lac MT which is 7.58% lower as compared to the sale of 9.23 Lac MT made in the financial year 2019-20. This decline is mainly on account of lockdown and other restrictions imposed due to the Covid-19 pandemic in the first quarter of the year 2020-21.

Further, an improvement is made in the financial year 2021-22 with increase of 4.39% by selling the quantity of 9.07 Lac MT as compared to the sale of previous financial year 2020-21. The same has been continuing in the financial year 2022-23 by selling the total quantity of 12.61 Lac MT.

The increasing trend of sale in FY 21-22 and FY 22-23 is achieved by focusing on sale of low-grade rock phosphate offerings like 18% P2O5 Ground Rock Phosphate, commercially selling Secondary Ore and Tailing waste generated from IBP Plant.

### **Tailing**

To dispose the accumulated Tailing waste generated from IBP Plant, your company floated a short term EOI for immediate disposal of 4 Lakh MT of Tailing. This EOI gave positive results and thus your Company have finalized an Expression of Interest (EOI) for long term agreement for the disposal of the tailing from Jhamarkotra mines. This EOI shall enable your company to profitably dispose of the tailing accumulated in Tailing Dam at Jkt Mines for a period of 20 years.

### **Secondary Ore**

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. In this context, 50000 MT of secondary ore was despatched on trial basis through EOI for beneficiation purpose and in continuation of the same an additional 1.50 Lakh MT was also dispatched during financial year 2021-22.

Your Company has also finalized an EOI for setting up a beneficiation plant of 10 Lakh MT of input capacity to produce Beneficiated Rockphosphate (BRP) of around 3.00 Lakh MT per annum for a period of 20 years with an extension clause of 10 years from Secondary Ore. The agreement with M/s 3S Minerals Pvt. Ltd. has been executed. M/s 3S Minerals Pvt. Ltd. is in process for the setup of IBP plant near the mine.

To maintain continuity of despatch, an additional 3.00 Lakh MT per annum for a period of two years was allowed for lifting till the completion of the installation of beneficiation plant of Secondary Ore by M/s 3S Minerals Pvt. Ltd and the lifting of the same has been started.

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

The production and sales of Lignite during the year 2020-21 stood at 8.30 Lakh MT as compared to 7.90 Lakh MT produced and sold in the year 2019-20. During the year 2021-22, the Indian economy witnessed the upward price trend of imported coal and the scarcity of coal in India due to effect in the international trade by Russian-Ukraine war. This also helped the Company to recover from lower performance of previous two years and double the sale of Lignite during the year 2021-22 to 19.81 Lakh MT.

Your Company is continuously making its 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 sale.

During the financial year 2021-22, long-term e-auctions for sale of Lignite from Giral and Sonari Mines were conducted. In these e-auctions, differential prices were offered for peak and lean season in order to boost sale of Lignite during lean season. The total quantity of 10.00 Lakh MT from Giral Mines and 8.00 Lakh MT from Sonari Mines was booked through these long-term e-auctions in financial year 2020-21 and the lifting of the same continued till financial year 2021-22 and recorded highest sale of 19.81 Lakh MT.

The e-auction conducted for the sale of lignite for a period of 2 years from Matasukh at Nagaur was booked with a quantity of 15.00 Lakh MT by the buyers, but due to agitation of Khatedars demanding, higher land compensation the dispatches were interrupted. Thereafter due to stay orders of Hon'ble High Court, Rajasthan sale of lignite against the decision of Company for price increase and cancellation of auction, the dispatches at Nagaur are still under suspension. Efforts are being made to settle the dispute with buyers.

Your Company is now looking to market about 17.50 Lakh MT lignite per year during the current year.

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

The production and sales of Gypsum was 4.81 Lac MT and 4.87 Lac MT respectively during the year 20210-21 as against 3.83 Lac MT and 4.08 Lac MT produced and sold in the financial year 2019-20. Further, the sales of Gypsum was remained at 3.75 Lac MT during the year 2021-22 and 6.43 Lac MT during the year 2022-23.

For the past few years, the production and sale of Gypsum declined continuously due to allotment of Gypsum leases and Short Term permissions (STP) by the Government to private khatedars. However, efforts were made to increase production and sale of Gypsum by increasing discount/rebate in the sale price of Gypsum.

Further, your Company has adopted new model of mining and selling the Gypsum to improve the production and sale of Gypsum. According to which, your Company has solicited offers from the parties for mining of mineral and selling the same for which party would pay facilitation charges to the Company along with all statutory taxes, duties and levies.

Your company had awarded the work of excavation, utilization & sale of Gypsum from three mines through EOI route. As a result of sincere efforts, the sale and production of Gypsum has remained highest in the financial year 2022-23 during last five years.

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

The production and sales of limestone in the year 2020-21 was 28.07 Lac MT and 27.21 Lac MT respectively as compared with the production and sales of 31.43 Lac MT and 30.17 Lac MT respectively in the previous year. Further, the sale was remained at 41.32 Lac MT and 37.69 Lac MT during the financial year 2021-22 and 2022-23 respectively. The sale during the year 2021-22 and 2022-23 was improved with increase in the sale of one of our product called sub-grade mineral.

The Railway Siding has been shifted from Jaisalmer district to Sonu village Siding. The Sonu Railway Siding (12 Km) is just near to Sanu mines as against the Jaisalmer Railway Siding (around 60 Km), which has resulted into reduction in transportation cost.

The work has awarded for the supply of high-grade fines reject material stacked in the mines since long period. The party is lifting the material through Rake and the continuity of the same has substantially improved the sale in the financial year 2021-22 and 2022-23. Further, your Company have awarded the work for the supply of Chalky limestone for Sanu-I & II mines through EOI. Agreement has been executed and the party is in progress to complete the statutory formalities as required for starting the operations.

The Mines & Petroleum Department, GoR has issued Letter of Intent for grant of three new mining lease of SMS grade Limestone near village Unroi-I, Unroi-II and Khuiyala-I. Mining plan for new areas have been approved by the IBM. "Terms of Reference (ToR)" proposal for obtaining Environmental Clearance was presented before the Ministry of Environment, Forest and Climate Change and the same have been cleared. Efforts are being made to conduct public hearing under Chairmanship of Collector/ADM Jaisalmer.

## **Projects and New Business**

### ***a. 5 MW Solar Power Plant***

Your Company has generated 24.78 lac units during the year 2020-21 from its 5 MW solar power plant installed near Gajner, Distt. Bikaner.

### ***b. Wind Power Project at Jaisalmer***

Your company has supplied 958.76 lac units to State Grid during the financial year 2020-21 from its wind energy farms having power generation capacity of 106.3 MW installed at Jaisalmer.

### ***c. Solar Park Development in Rajasthan***

Your Company is also exploring the possibilities for development of a Solar Park in Rajasthan having capacity of 5000 MW in joint venture with any public sector undertaking. The solar park is proposed to be developed under 'Ultra Mega Renewable Energy Power Parks (UMREPP's) Scheme' of Ministry of New & Renewable Energy (MNRE), Govt. of India. In this respect, your Company have engaged M/s Saurya Urja Company of Rajasthan Limited (SUCRL), Jaipur, (A Joint Venture Company of Govt of Rajasthan) for preparing of Detailed Project Report (DPR) for development of 5000 MW Solar Park in Rajasthan. M/s Saurya Urja Company of Rajasthan Limited has submitted the preliminary DPR of the project and the DPR is being reviewed in-house.

### ***d. Manufactured Sand (M-Sand)***

Your Company has huge stack of Overburden at Jhamarkotra mines. In respect of exploring the possibilities of converting overburden to Manufactured Sand (M-Sand), your Company has envisaged Long Term Supply of Overburden from its Jhamarkotra Mines for Manufacturing of M-Sand/Aggregates for a period of 20 years. The contracts have been awarded to install three M-Sand plants within the lease area of Jhamarkotra mine for producing M-Sand/Aggregates based on suitable overburden. Dispatches of M-Sand/Aggregates from one of the plant has commenced. Other two plants have also been installed and likely to be commissioned shortly.

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

The 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. In the matter, Hon'ble High Court, Rajasthan has granted stay on the subject matter in the year 2016, which is continuing till date.

However, your Company is making efforts for out of Court settlement with Khatedars of Dhamdar and Sameta villages. In this respect, consents in writing have been obtained from many of khatedars and continued efforts are being made to settle the matter.

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

Bhadwasi has deep seated deposits of High-grade Gypsum. Your company RSMML is having its mining lease since last 40 years and paying dead rent. Earlier, the company tried to develop this mine but ultimately could not succeed, due to various constraints like land acquisition, shifting of road & electric lines, approval of Mining Plan, EC, CGWB, DGMS, and marketing of high grade gypsum etc.

Now, looking into the present scenario & to overcome the above-mentioned hurdles, your Company has decided to explore the possibilities of developing deep seated Gypsum deposit at Badwasi, Nagaur on the basis of "single point responsibility with follow up of transparency process adopting MDO procedure". In this respect, your Company has invited EOI for the appointment of MDO for B-Block of Bhadwasi mine and awarded the work to H-1 bidder. Agreement has been executed and party is in process for completion of statutory formalities.

**g. *Sand Stone Mine near village Bansi Paharpur, Bharatpur district***

Your Company was requested to Mines Department, GoR for allotment of area for sand stone mineral near village Bansi Paharpur, Bharatpur district. In response of, the Mines Department, GoR directed to apply for mining lease for sand stone. Accordingly, your Company has applied for mining lease of sand stone mineral. The Mines Department, GoR has reserved the area of 98.9741 hectare in favour of the Company. Now, the issuance of Letter of Intent (LOI) in favour of the Company is under consideration at State Government level. Meanwhile, detailed survey, calculation of estimated reserves, preparation of Mining plan of the proposed mine is being carried out by the Company. An EOI was floated. However, a writ has been filed with Hon'ble High Court, Rajasthan regarding allotment of lease to RSMML, therefore the process of EOI is withheld at present.

**h. *Development of Potash deposits in Rajasthan***

The State Government is looking for development of Potash deposits and feasibility for solution mining for bedded deposit of Potash in Rajasthan. For this purpose, Company has signed MoU with Mineral Exploration Corporation Ltd. (MECL) and Department of Mines & Geology, Rajasthan. In order to explore the feasibility, a senior level delegation in association with MECL, has also visited Solution Mining installations in Germany for

gaining first hand insight about the system & process. It is expected that with the successful implementation of such technologies in India, the State will be able to exploit Potash mineral in future, for which country is fully dependent on imports at present.

MECL has engaged an international consultant to carry out feasibility study for solution mining of potash deposit and develop the concept for setting up a pilot plant for extraction of potash. Your Company has submitted Mining Lease application to Government of Rajasthan for reservation of Lakhasar mineral block in District Bikaner, which is under consideration at Government level.

### **3. Capital Structure**

The authorized and paid up share capitals of the company during the financial year 2020-21 remain unchanged at Rs. 80.00 crore and Rs. 77.5515 crore respectively.

### **4. Dividend**

The Board of Directors are pleased to recommend a dividend @ 25% of paid up share capital i.e. Rs. 2.5/- per share of the company for the financial year 2020-21.

### **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.

The 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 2020-21 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 2020-21.

#### **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. During the year, RSGL has established three CNG stations in Kota, one CNG station in Gwalior (Outer) and one CNG station in Sheopur. Further, RSGL has earned revenue of Rs. 54.36 crores with a net profit after tax of Rs. 11.85 crores during the financial year 2020-21.

#### **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 2020-21 was 946 as against 1041 employees at the end of the financial year 2019-20.

#### **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 2020-21.

**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 2020-21, 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 , 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 Hon'ble 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, Hon'ble Governor appointed Shri Rajeeva Swarup (DIN: 01142865) as Chairman of the Company in place of Shri D. B. Gupta (DIN: 00225916). Thereafter, Shri Niranjan Arya (DIN: 03386987) appointed as Chairman in place of Shri Rajeeva Swarup (DIN: 01142865). After that, Smt Usha Sharma appointed as Chairperson in place of Shri Niranjan Kumar Arya.

Further, 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. Further, Shri Shikhar Agarwal (DIN: 01093773) has been appointed as Director on the Board in place of Smt Sreya Guha (DIN: 02286396). Shri Vikas Sitaramji Bhale (DIN: 07910346) was appointed as Managing Director in place of Shri Somnath Mishra (DIN: 08632611)., Shri Om Prakash Kasera (DIN: 07387792) appointed as Managing Director in place of Shri Vikas Sitaramji Bhale. Thereafter, Dr Kunj Bihari Pandya (DIN: 08450233) appointed as Managing Director in place of Shri Om Prakash Kasera (DIN: 07387792) and Dr Pradeep K Gawande (DIN: 08698812) was appointed as Managing Director in place of Dr Kunj Bihari Pandya (DIN: 08450233). Thereafter, Shri Karan Singh (DIN: 10040800) was appointed as Managing Director in place of Dr Pradeep K Gawande. Shri Sandesh Nayak (DIN: 07694408) was appointed as Managing Director in place of Shri Karan Singh.

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 two Board meetings during the financial year under review. The details are as under:

Date of Meeting	Name of the directors who attended meeting	Name of directors to whom leave of absence was granted
16/10/2020	Shri Rajeeva Swarup - Chairman Dr Subodh Agarwal- Director Smt Sreya Guha - Director Shri P.P Pareek – Independent Director Shri Akhilesh Joshi – Independent Director Shri Vikas S. Bhale -Managing Director	Shri Niranjana Kumar Arya, Director
08/01/2021	Shri Niranjana Kumar Arya - Chairman Shri Akhil Arora -Director Shri Ajitabh Sharma -Director Dr. Kunj Bihari Pandya -Director Shri P.P Pareek -Independent Director Shri Akhilesh Joshi -Independent Director Shri Vikas S. Bhale - Managing Director	Smt Sreya Guha - Director

## 23. Annual Return

The Annual Return as on March 31, 2021 in the prescribed Form No. MGT-7 as required under section 92(3) read with Section 134(3)(a) of the Act, is placed on the website of the Company and is accessible at the web-link: <http://www.rsmm.com>.

## 24. Cost Records

As prescribed under section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Company is being maintained the Cost Accounting records of all the SBU & PC Units, Wind and Solar Farms.

### 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 2020-21.

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 2020-21.

#### 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 ATCS & Associates, Practicing Company Secretaries, Jaipur for conducting secretarial audit of the company for the

Financial Year 2020-21. The Secretarial Audit Report issued by the aforesaid Secretarial Auditors is annexed herewith as Annexure - C.

**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 2020-21. As required under Companies Act, 2013, members are requested to consider the ratification of the remuneration payable to M/s Shashi Ranjan & Associates, cost auditors.

**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 2020-21 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:

sd/-  
**(Usha Sharma)**  
**Chairperson**  
**DIN: 01887245**

## **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.
- (iii) The company has taken an opinion from the consultant on this issue and also the issue has already been settled as return of income of the company has been accepted by the income tax department as it is, without any modification in the income disclosed by the Company. Further time limit of the scrutiny assessment has already been expired on 31/12/2022 for the assessment year 2021-22.
- (iv) Company has taken expert opinions on this issue and as per the opinions the treatment of the company on valuation of share of investment held in BLMCL is in order.

**For and on Behalf of the Board**

Place: Jaipur

Date:

sd/-  
**(Usha Sharma)**  
**Chairperson**  
**DIN: 01887245**

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

### 1. Brief outline on CSR Policy of the Company.

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.

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.. The CSR Policy may be assessed on the Company website link: <http://www.rsmm.com>.

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.

### 2. Composition of CSR Committee:

As on date, the Corporate Social Responsibility comprises of the following Directors:

Shri Karan Singh - Managing Director  
Shri Sandesh Nayak- Director  
Shri Akhilesh Joshi - Independent Director

- **Detail of Meetings of CSR Committee held during the year is as under:**

No meeting of CSR committee held during the year 2020-21

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Web Link to the CSR Policy & Projects or programs- <http://www.rsmm.com>.

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). NIL

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1		NIL	NIL
	<b>Total</b>		

6. Average net profit of the company for the last three financial years as per section 135(5) of companies Act, 2013: - Rs. 20825.92 Lac

7.

a)	Two percent of average net profit of the company as per section 135(5)	<b>416.52 Lac</b>
b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	<b>0.00 Lac</b>
c)	Amount required to be set off for the financial year, if any	<b>Nil</b>
d)	Total CSR obligation for the financial year (7a+7b-7c)	<b>416.52 Lac</b>
e)	CSR amount spent for the financial year	<b>574.27 Lac</b>

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
574.27 Lac	NA	NA	NA	NA	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration. (in year)	Amount allocated for the project (in Rs Lac).	Amount spent in the current financial year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State. District.						Name CSR Registration number.
1.	-----NIL/NA-----									

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (in Rs Lac).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
				State. District.			Name and CSR registration number.
1.	Contribution to Eye Bank Society Of Rajasthan for collection and transplant of corneas in various areas of Rajasthan in order to remove the corneal blindness.	i	Yes	Rajasthan Jaipur	50.00	Yes	NA
2.	Installation of Rooftop Solar Power Plant at Rajasthan Vidhan Sabha Bhawan, Jaipur	iv	Yes	Rajasthan Jaipur	173.00	Yes	NA
3.	Construction of CC Road at Gram Panchyat Lakadwas from Mota Dera to Akadia Circle	x	Yes	Rajasthan Udaipur	10.97	Yes	NA
4.	Constuction of toilet in Government Meera Girls Collage, Udaipur	i	Yes	Rajasthan Udaipur	19.60	Yes	NA
5.	Construction of Principal room & Toilets in Govt. School , Sonu	i & ii	Yes	Rajasthan Jaisalmer	6.00	Yes	NA
6.	Construction of Principal room , Toilets Installation of RO Plant, computer Printer in Govt. School , Serava	i & ii	Yes	Rajasthan Jaisalmer	6.72	Yes	NA
7.	Construction of Library room, Toilets, Installation of RO Plant, computer Printer in Govt. School , Sonu	i & ii	Yes	Rajasthan Jaisalmer	12.565	Yes	NA
8.	Construction of toilets, Primary Govt. School at Meghwalo Ka handpump, Gram Panchayat- Bishala Agour, Barmer	i	Yes	Rajasthan Barmer	1.50	Yes	NA
9.	Construction of room , Primary Govt. School at Meghwalo Ka handpump, Gram Panchayat- Bishala Agour	ii	Yes	Rajasthan Barmer	5.00	Yes	NA
10.	Construction of toilets, Primary Govt. School at Kale Rano Ki Beri, Gram Panchayat- Bishala Agour	i	Yes	Rajasthan Barmer	5.00	Yes	NA
11.	Construction of toilets, Primary Govt. School at Sonri, Barmer	i	Yes	Rajasthan Barmer	5.00	Yes	NA
12.	Construction of toilets, Primary Govt. School at Bhomonía Ki Dhani	i	Yes	Rajasthan Barmer	5.00	Yes	NA
13.	Construction of Girls toilets, Primary Govt. School at Bhomonía Ki Dhani	i	Yes	Rajasthan Barmer	1.50	Yes	NA
14.	Construction of boundary wall at	x	Yes	Rajasthan	7.00	Yes	NA

	Govt. School Sonri, Barmer			Barmer			
15.	Construction of toilets, Primary Govt. School at Sumarghar Ki Kutiya, Barmer	x	Yes	Rajasthan Barmer	1.50	Yes	NA
16.	Construction of hall at Primary Govt. School at Kale Rano Ki Beri, Barmer	ii	Yes	Rajasthan Barmer	5.00	Yes	NA
17.	Construction of hall at Primary Govt. School at Sonri, Barmer	ii	Yes	Rajasthan Barmer	5.00	Yes	NA
18.	Construction of Boundray wall for community hall at Binjraj singh ka Vaas, Jalela panchayat, kotra, Panchayat Samiti- Shiv, Barmer	x	Yes	Rajasthan Barmer	3.00	Yes	NA
19.	Construction of drinking Water tank wall for community hall at Binjraj singh ka Vaas, Jalela panchayat, kotra, Panchayat Samiti- Shiv	i	Yes	Rajasthan Barmer	1.00	Yes	NA
20.	Construction of CC block road from Teja Ji Mandir to anganwari Centre, Gram Panchayat, Deri, Matasukh village, Nagaur	x	Yes	Rajasthan Nagaur	16.00	Yes	NA
21.	Construction of CC block road from Gudaram house to Bavrio ki Dhania, Gram Panchayat, Arwar, Igyer village, Nagaur	x	Yes	Rajasthan Nagaur	10.00	Yes	NA
22.	Water supply work at bhalla k guda, Lakadwas & Jhamarkotra village, Udaipur	i	Yes	Rajasthan Udaipur	223.92	Yes	NA
				<b>TOTAL</b>	<b>574.27</b>		

(d) Amount spent in Administrative Overheads - **NIL**

(e) Amount spent on Impact Assessment, if applicable - **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – **Rs. 574.27 Lac**

(g) Excess amount for set off, if any – **Rs. 157.75 Lac**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2017-18	-----NIL-----					
2.	2018-19						
3.	2019-20						
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

a)	Date of creation or acquisition of the capital asset(s).	NIL
b)	Amount of CSR spent for creation or acquisition of capital asset.	NIL
c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

**For and on Behalf of the Board**

Sd/-  
(Usha Sharma)  
Chairperson  
DIN: 01887245

## **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 2020-21. 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 three 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**

(Rs in Lac)

Particulars	2020-21	2019-20
Earnings	45.31	198.00
<b>Expenditure</b>		
Spares	-	-
Other Matters	0.99	6.02



Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021**  
[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, 2021 ('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 2021 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;





**ATCS & ASSOCIATES**  
*Company Secretaries*

Add: 23 KA 4, Jyoti Nagar  
Jaipur - 302005  
Ph : +91 141-2740960, 9829188834 (M)  
Email: aroracs2@gmail.com

- 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 generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except constitution of Nomination and Remuneration committees, holding minimum number of Board Meetings as prescribed under the Section 173 of the Act, holding Annual General Meeting on time as prescribed under the Act and some of E-forms are not filed as 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 generally 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
6. The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
7. The Payment of Bonus Act, 1965
8. The Payment of Gratuity Act, 1972
9. The Contract Labour (Regulation & Abolition) Act, 1970;
10. The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986
11. Water (Prevention and Control of Pollution) Act, 1974
12. Air (Prevention and Control of Pollution) Act, 1981

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 constitution of Nomination and Remuneration Committee, was not in accordance with the provisions of the Act. 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

*gaur*



'Annexure A'

To,  
The Members  
RAJASTHAN STATE MINES AND MINERALS LIMITED  
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.

for ATCS & ASSOCIATES

Company Secretaries  
ICSI Unique Code P2017RJ063900

  
CS Deepak Arora  
Partner

FCS 5104 | C P No.: 3641  
UDIN: F005104D000754919

PLACE: JAIPUR  
DATE: 06.08.2022

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.

for ATCS & ASSOCIATES

Company Secretaries  
ICSI Unique Code  
P2017RJ063900

*Deepak Arora*  
CS Deepak Arora  
Partner



PLACE: JAIPUR  
DATE: 06.08.2022

FCS 5104 | C P No.: 3641  
UDIN: F005104D000754919

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.



**RAJASTHAN STATE MINES & MINERALS LIMITED**

**STANDALONE ANNUAL ACCOUNTS**

**2020-21**

**RAJASTHAN STATE MINES & MINERALS LTD.**

*(A Govt. of Rajasthan Enterprise)*

**Regd. Office : C 89-90 Lalkothi, Janpath, Jaipur**



**Independent Auditor's Report**

**To**  
**The Members of**  
**Rajasthan State Mines and Minerals Limited**  
**Report on the Audit of the Standalone Financial Statements**

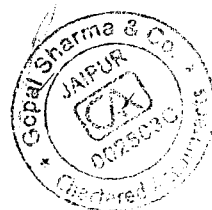
**Qualified Opinion**

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 2021, 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, 2021, 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. 55 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) Refer note no. 19.3 of the Balance Sheet, company has made provision amounting to of ₹ 99.05 Crore against the amount of excess Input Credit lying in Other short term Loans and Advances, on the basis of order of Hon'ble Supreme Court dtd 13.09.2021. However company has not disallowed the provision made while calculating the Taxable Income and in turn overstated the Profit after tax and other equity and understated the provision for Taxes by an amount of ₹ 24.93 Crore.
- (iv) As detailed in Note No. 7.1 of the standalone financial statements, 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 and 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 31.03.2021 (Prev year ₹ 1,020.00 Lakh). These shares are shown as investment at a token value of ₹ 1/- in view of the earlier opinion obtained from the Institute of the Chartered Accountants of India and following the same since 2008 by the company.
- In the light of applicable provisions of AS 13, Ind AS 27, 109, GAAP and others for the valuation of shares of BLMCL, together with the present financial position of the subsidiary company (BLMCL), valuing shares in BLMCL at Re. 1/- does not give a fair and relevant presentation of financial position and in our opinion the shares in BLMCL should be valued at fair market value, in accordance with method prescribed under Ind AS-109. As a result of which there is understatement of Investment and consequently understatement of Other Equity by an amount which is not quantifiable in the absence of valuation done by the company.
- (v) We further report that, had the observations made by us in sub para nos. (i), (ii) and (iii) above been considered, Other Equity would have been ₹ 2,256.15 Crores (as against ₹ 2,303.26 Crores as reported by the Company), Other Current Financial Liabilities would have been ₹ 165.14 Crores (as against ₹ 142.96 Crores as reported by the Company), Current Tax Assets (Net) ₹ would have been 63.21 Crores (as against ₹ 88.14 Crores as reported by the Company), Contingent liabilities, in the head 'Claims against company not acknowledged as debt', would have been ₹ 720.09 Crores (as against ₹ 742.27 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) We draw attention to note no. 19.3 of the standalone financial statements wherein, as per GST tax structure, RSMML falls under inverted tax structure wherein Input tax credit (ITC) is higher than output tax liability. As per Rule 89 of CGST Rules, 2017 RSMML is not eligible to get refund of ITC for services on or after 13<sup>th</sup> June, 2018. In view thereof such amount of ITC of 99.05 Crore has been provided for in the previous year 2020-21.
- b) Refer note no.35.1 of 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 has filed appeals



challenging the demanded amount and has intimated the amount of 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 financial year 2019-20 which consists of the amount mentioned in the various appeals against the demand notices and the amount of 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.

- c) Refer note no.65 (iii) of the accompanying standalone financial statements wherein, Balances under the head Trade Payables and Trade Receivables have not been confirmed as at 31 March, 2021. Consequential Impact upon receipt of such confirmation/ Reconciliation/ Adjustment of such balances, if any is not ascertainable in the absence of required confirmations from parties.
- d) Refer note no. 29.2 of 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.
- e) Refer note no. 30.2 of the Standalone Financial Statements regarding installation of additional solar panel to meet out the deficiency in generation of Solar power based on NMGG by providing additional fund to the vendor M/s Ray Power Experts Pvt. Ltd.
- f) Refer note no. 50 of 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 will be made on the receipt of same.
- g) Refer note no. 54 of 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 sub-judice.

Our opinion is not modified in respect of the above 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.

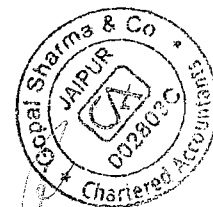
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

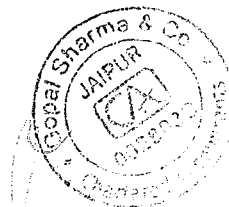
The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **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 compiled 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) Except for the matter described in the basis for Qualified Opinion, 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 2015, as amended.
  - (e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> 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<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, Government of India, 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:
- 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, 2021. Refer Note 47 to the standalone financial Statements.
  - The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses.
  - There has been no delay in transferring the amount, required to be transfer the Investor Education and Protection Fund by the company.

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



**CA. Preetam Sharma**  
Partner  
Membership No. 437669  
UDIN: 23437669BGWURP1006



Place: Jaipur  
Date : 10.07.2023

## 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, 2021

- (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 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, 2021 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	981.56
DMF, NMET Payable to DMG	110.23
Interest on late deposition of Royalty Payable to DMG	34.87
M R Cess	2.98
Land Tax	8418.24
Contribution to CPF	1.16
<b>TOTAL</b>	<b>9643.30</b>

(b) According to the information and explanation given to us, except the statutory dues mentioned below 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.

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
Income Tax	Income Tax	4,508.74	901.75	2014-15	Commissioner of Income Tax, Jaipur
<b>Total</b>		<b>4,609.63</b>	<b>901.75</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



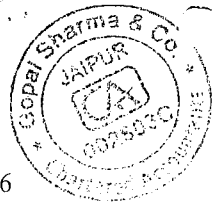
and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;

- (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

Place: Jaipur  
Date : 10.07.2023

*Preetam Sharma*  
**CA. Preetam Sharma**  
Partner  
Membership No. 437669  
UDIN: 23437669BGWURP1006



## 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, 2021

### 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 Raj COMP Info Services Limited (Government of Rajasthan Enterprise).</p> <p>Currently Phase I 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 &amp; 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> <p>The financial implications, if any, are unascertainable.</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.
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## 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.

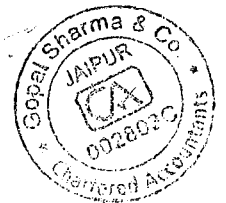
5. **Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**

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. Preetam Sharma  
Partner  
Membership No. 437669  
UDIN: 23437669BGWURP1006



Place: Jaipur  
Date : 10.07.2023

## **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, 2021**

**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, 2021 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**

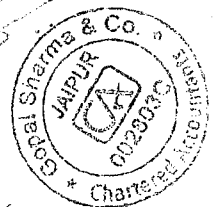
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

*Preetam Sharma*  
**CA. Preetam Sharma**  
Partner  
Membership No. 437669  
UDIN: 23437669BGWURP1006



Place: Jaipur  
Date : 10.07.2023

**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31ST MARCH 2021**

(₹ in lakh)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
[1] Non-current assets			
(a) Property, Plant and Equipment	6	47357.02	49,515.64
(b) Capital work-in-progress	6	38.69	16.36
(c) Intangible Assests	6	68.42	102.63
(d) Financial Assets			
(i) Investments	7	6923.70	6902.00
(ii) Loans	8	462.92	503.00
(iii) Others financial assets	9	23,133.01	16,421.28
(e) Deferred Tax Asset (net)	10	645.13	-
(f) Other non-current assets	11	18,876.52	28,241.67
		<b>97,505.41</b>	<b>1,01,702.58</b>
[2] Current assets			
(a) Inventories	12	20,342.23	21,013.05
(b) Financial Assets			
(i) Trade receivables	13	11,048.27	14,147.69
(ii) Cash and cash equivalents	14	1,29,932.36	1,10,036.83
(iii) Bank balances other than (ii) above	15	12162.07	16,129.12
(iv) Loans	16	128.05	164.00
(v) Others current financial assets	17	1584.13	1,241.64
(c) Current Tax Assets (Net)	18	8814.44	2,622.35
(d) Other current assets	19	82942.67	85,885.78
		<b>2,66,954.22</b>	<b>2,51,240.46</b>
<b>Total Assets [1+2]</b>		<b>364459.63</b>	<b>3,52,943.04</b>
<b>EQUITY AND LIABILITY</b>			
[1] Equity			
(a) Equity Share capital	20	7755.15	7,755.15
(b) Other Equity	21	230325.98	2,28,140.22
		<b>238081.13</b>	<b>2,35,895.37</b>
<b>LIABILITIES</b>			
[2] Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	22	1249.03	1,358.16
(b) Provisions	23	3560.26	3411.85
(c) Deferred tax liabilities (Net)	24	-	560.06
		<b>4809.29</b>	<b>5,330.07</b>
[3] Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	25		
(a) Total outstanding dues of Micro, Small and Medium Enterprises		38.98	29.09
(b) Total outstanding dues to creditors other than Micro, Small and Medium Enterprises		5346.37	5,657.14
(ii) Other financial liabilities	26	14296.25	14,276.75
(b) Other current liabilities	27	100167.26	90,099.25
(c) Provisions	28	1720.35	1655.37
		<b>121569.21</b>	<b>1,11,717.60</b>
<b>Total Equity and Liabilities [1+2+3]</b>		<b>364459.63</b>	<b>3,52,943.04</b>

Significant accounting policies & Notes to Standalone Financial Statements

1 to 65

As our report of even date

For and on behalf of the Board

For Gopal Sharma & Co.  
Chartered Accountants  
ICAI Firm Registration No.: 002803C

Sandesh Nayak  
Managing Director  
DIN: 07694408

Director  
DIN:

**Shikhar Agrawal**  
**Director**  
**(DIN 01093773)**

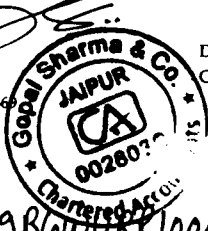
Preetam Sharma  
Partner  
ICAI Membership No.: 437666

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Rajendra Rao  
Co. Secretary  
ICSI Membership No.: 14646

Place: Jaipur  
Date: 10/07/2023

UDIN: 23476698600001006



RAJASTHAN STATE MINES & MINERALS LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in lakh)

Particulars		Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I	Revenue From Operations	29	84050.40	90,292.50
II	Other Income	30	7469.71	8,122.40
III	<b>Total Income (I+II)</b>		<b>91520.11</b>	<b>98,414.90</b>
IV	Expenses			
	Purchase of Ore	31	217.67	230.52
	Changes in inventory of finished goods	32	971.37	5,568.33
	Employee benefits expense	33	14129.73	15,278.76
	Finance costs	34	586.38	771.97
	Depreciation and amortization expense	6	2668.17	2,434.21
	Mining, other operating and establishment expenses	35	69592.02	56,408.17
	<b>Total expenses (IV)</b>		<b>88165.34</b>	<b>80,691.96</b>
V	<b>Profit/(loss) before exceptional items and tax (III- IV)</b>		<b>3354.77</b>	<b>17,722.94</b>
VI	Exceptional Items			
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>3354.77</b>	<b>17,722.94</b>
	Tax expense:			
VIII	(1) Current tax		2150.11	5,244.34
	(2) Tax of earlier years		0.74	0.02
	(3) Deferred tax		-1205.19	-1,256.55
	<b>Total Tax expense</b>		<b>945.66</b>	<b>3987.81</b>
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>2409.11</b>	<b>13735.13</b>
	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss			
	Fair Value Gain/Loss on investments		21.71	33.71
	Remeasurement gain/loss on defined benefit obligation (Gratuity)		-320.16	-408.55
X	(ii) Income tax relating to items that will not be reclassified to profit or loss		75.11	94.34
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>2185.76</b>	<b>13454.63</b>
XII	<b>Earnings per equity share (nominal value of shares ₹ 10 )</b>			
	Basic earning per share (In ₹ )	43	3.11	17.71
	Diluted earning per share (In ₹ )	43	3.11	17.71

Significant accounting policies & Notes to Standalone Financial Statements

1 to 65

As our report of even date

For and on behalf of the Board

For Gopal Sharma & Co.  
Chartered Accountants  
ICAI Firm Registration No.: 002803C

Sandesh Nayak  
Managing Director  
DIN: 07694408

Shikhar Agrawal  
Director  
DIN: (DIN 01093773)

Preetam Sharma  
Partner  
ICAI Membership No. : 437669

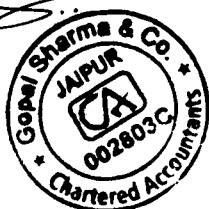
Dr. Tuls Ram Agrawal  
Chief Financial Officer

Rajendr Rao  
Co. Secretary

ICSI Membership No. :14646

Place: Jaipur  
Date: 10/07/2023

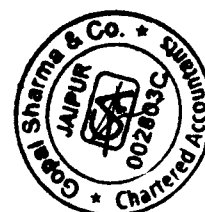
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**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2021**

(₹ in lakh)

Particulars	For the Year ended 31st March 2021		For the Year ended 31st March 2020	
<b>A Cash Flow From Operating Activities</b>				
Net Profit Before Tax & after exceptional item and comprehensive income		3354.77		17722.94
Adjustments For :				
Depreciation expense	2668.17		2434.21	
Amortization expense	77.66		77.66	
Interest Income	-6065.88		-7129.27	
Interest Expenses	579.42		764.23	
Profit on sale of Property, plant & equipment(PPE)	-7.86		-19.21	
Loss on sale of Property, plant & equipment(PPE)	0.18		0.01	
Property, Plant & Equipment(PPE) Written off	0.50		3.30	
Impaired/obsolescence of Property, plant & equipment(PPE)	13.10		1.11	
Remeasurment of defined benefit plan	-320.16		-408.55	
		-3054.87		-4276.51
<b>Operating Profit Before Working Capital Change</b>		299.90		13446.43
<b>Change In Working Capital (Excluding Cash &amp; Cash Equivalents)</b>				
Decrease/(Increase) in other current financial assets	-342.49		-561.48	
Decrease/(Increase) in other current assets	2865.45		-5171.07	
Decrease/(Increase) in Loans	35.95		1.61	
Decrease/(Increase) in inventories	670.82		5685.55	
Decrease/(Increase) in trade receivables	3099.42		225.15	
Decrease/(Increase) in bank balance other than cash and cash equivalent	3967.05		-5979.64	
(Decrease)/Increase in Trade payables	-300.88		925.72	
(Decrease)/Increase in other current financial liabilities	19.50		-273.78	
(Decrease)/Increase in other current liabilities	10068.01		5069.32	
(Decrease)/Increase in Non-Current Provisions	148.41		200.69	
(Increase)/Decrease in other non current financial asset	-6711.73		1290.04	
(Decrease)/Increase in Current Provisions	64.98		-720.19	
Decrease/(Increase) in other non current assets	9365.15		409.70	
		22949.64		1101.62
<b>Cash Generated From Operation</b>		23249.54		14548.05
Less: Direct Taxes Paid net of refund(including TDS)		-8267.83		-5431.06
<b>Net Cash flow From Operating Activities</b>		14981.71		9116.99



<b>B Cash Flow From Investing Activities</b>				
Repayment of loans given employees	40.08		62.76	
Addition in Property, plant & equipment(PPE)	-497.67		-1036.65	
Sale of Fixed and Other Assets	-5.92		65.29	
Interest Income	6065.88		7129.27	
(Increase)/Decrease in Investment	0.01		-327.68	
		5602.38		5892.99
Net Cash (Used) In/From Investing Activities				
<b>C Cash Flow From Financing Activities</b>				
Interest paid	-579.42		-764.23	
Dividend Paid	0.00		-3877.58	
Dividend Distribution Tax Paid	0.00		-797.05	
(Decrease)/Increase in other financial liabilities	-109.13		524.50	
		-688.55		-4914.36
Net Cash (Used) In/From Financing Activities				
<b>D Net Change In Cash &amp; Cash Equivalents(A+B+C)</b>		19895.54		10095.62
<b>E Cash &amp; Cash Equivalents at beginning of the year</b>		110036.83		99941.21
<b>F Cash &amp; Cash Equivalents at end of the year</b>		129932.37		110036.83
<b>G Cash &amp; Cash Equivalents (refer note no 14) Includes:</b>				
In Current Account		16057.41		8779.99
In Deposit Account		49.59		8.35
Cash in hand		1.88		2.29
Balances with Treasury in P. D. Account		113823.48		101246.20
		129932.36		110036.83

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 and on behalf of the Board

For Gopal Sharma & Co.

Chartered Accountants

ICAI Firm Registration No.: 002803C

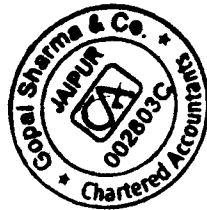
Preetam Sharma

Partner

ICAI Membership No. : 437669

Place: Jaipur

Date: 10/07/2023



Sandesh Nayak

Managing Director

DIN: 07694408

Dr. Tulsi Ram Agrawal

Chief Financial Officer

Director

DIN:

Rajendra Rao

Co. Secretary

ICSI Membership No. :14646

Shikhar Agrawal  
Director  
(DIN 01093773)

UDIN: 23437669 BLWURP1006

**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2021**

**A. Equity Share Capital**

(₹ in lakh)

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

Balance at the beginning of the reporting period	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period
7755.15	0.00	7755.15

**B. Other Equity**

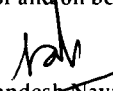
(₹ in lakh)

Particulars	Reserves and Surplus			Other comprehensive income		Total
	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Defined benefit obligation	
<b>Balance as at March 31, 2019</b>	1,083.93	185,919.88	32,732.57	144.79	-520.95	219,360.22
Profits for the year	-	-	13,735.13	-	-	13,735.13
Fair valuation of investments	-	-	-	33.71	-	33.71
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-314.21	-314.21
Dividend payment	-	-	-3,877.58	-	-	-3,877.58
Dividend Distribution Tax	-	-	-797.05	-	-	-797.05
<b>Balance as at March 31, 2020</b>	1,083.93	185,919.88	41,793.07	178.50	-835.16	228,140.22
Profits for the year	0.00	0.00	2,409.11	0.00	0.00	2,409.11
Fair valuation of investments	0.00	0.00	0.00	21.71	0.00	21.71
Remeasurement gain/loss on defined benefit obligation	0.00	0.00	0.00	0.00	245.06	-245.06
<b>Balance as at March 31, 2021</b>	1,083.93	185,919.88	44,202.18	200.21	-1,080.22	230,325.98

As our report of even date


For and on behalf of the Board

For Gopal Sharma & Co.  
Chartered Accountants  
ICAI Firm Registration No.: 002803C

  
Sandesh Nayak  
Managing Director  
DIN: 07694408

  
Shikhar Agrawal  
Director  
DIN: (DIN 01093773)

Preetam Sharma  
Partner  
ICAI Membership No.: 437669

  
Dr. Tulsi Ram Agrawal  
Chief Financial Officer

  
Rajendr Rao  
Co. Secretary  
ICSI Membership No.: 14646

Place: Jaipur  
Date: 10/07/2023



## 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 10/07/2023

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 2021 and comparative information in respect of the preceding period and Balance Sheet as on 31st March 2020 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

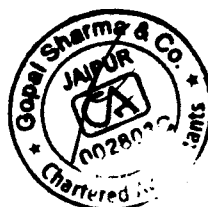
### Accounting Policies

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 assests 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 the valuation of main product. 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**

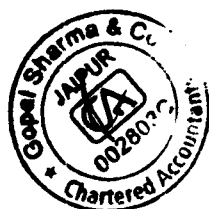
- Income tax expense represents the sum of Current Tax and Deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other comprehensive income, in such cases the tax is also recognised directly in equity or in 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.

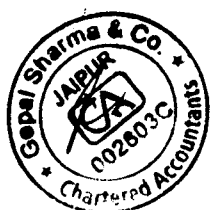
c **Contingencies**

- 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.

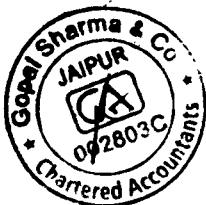
4.14 **Revenue recognition and other income**

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/RSMET 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.
- d **Late Payment Surcharge from DISCOM**
- The company is recovering late Payment Surcharge (LPS) from DISCOMs on account of delay in releasing the payments by them towards sale of wind power. The DISCOMs are not releasing the due LPS amount on regular basis. Looking to the uncertainty involved in the receipt of LPS amount from DISCOMs, the same is being recognized as income in the books of account only upon its actual realization in the bank account of the company.
- 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 recognised 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 NMET and RSMET 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.



6 Property, Plant & Equipment

(₹ in lakh)

Particulars	Mining Land	Free Hold Land	Lease Hold Land	Buildings	Railway Rakes & Sidings	Plant & Machinery	Furniture & Fittings	Vehicles	Water Supply Plant & Pipeline	Office & Other Equipment	Electrical Equipment & Inst.	Laboratory Equipments	Wind Power Plant	Dam	Tailing Dam	Road	Solar Power Plant	Machinery in stores/at site	Machinery Spares	Total PPE	
<b>Gross Block</b>																					
As at March 31, 2020	33447.42	2422.45	666.90	5057.65	2563.41	19565.59	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	
Additions	0.00	0.00	0.00	0.00	0.00	1.04	2.65	0.00	0.92	58.10	70.20	3.45	0.00	0.00	358.08	0.00	0.00	1.72	84.47	580.63	
Deductions	0.00	0.00	0.00	0.00	0.00	-2433.93	-3.89	-15.31	0.00	-25.26	-24.29	-6.90	0.00	0.00	0.00	0.00	0.00	-0.72	0.00	-2510.29	
As at March 31, 2021	33447.42	2422.45	666.90	5057.65	2563.41	17132.70	364.56	610.51	1707.69	774.25	2519.17	48.38	53119.97	546.43	1712.48	2694.68	2675.76	2.23	560.39	128627.01	
<b>Accumulated Depreciation</b>																					
As at 31.03.2020	2336.18	0.00	171.69	3224.17	2435.27	18507.26	337.06	488.13	1584.22	652.50	2298.08	38.42	43297.95	525.43	914.90	2478.86	1363.48	0.00	387.44	81041.02	
Depreciation	211.68	0.00	8.50	136.08	0.00	68.57	6.85	36.10	13.83	51.83	32.29	3.53	1207.78	0.00	538.81	55.54	167.03	0.00	95.50	2633.96	
Other Adjustments	0.00	0.00	0.00	0.00	0.00	-2334.02	-3.73	-14.77	0.00	-23.92	-22.00	0.00	0.00	0.00	-6.57	0.00	0.00	0.00	0.00	-2405.01	
As at 31.03.2021	2547.86	0.00	180.19	3360.25	2435.27	16241.80	340.18	509.46	1598.05	680.42	2308.37	41.98	44505.73	525.43	1447.14	2534.40	1530.54	0.00	482.94	81269.98	
<b>Net carrying amount</b>																					
As at 31.03.2020	31111.24	2422.45	495.21	1833.49	128.14	1058.33	28.74	137.70	122.54	88.91	175.18	13.40	9822.03	21.00	439.50	215.82	1312.27	1.23	88.47	49515.64	
As at 31.03.2021	30899.56	2422.45	486.71	1697.41	128.14	890.89	24.39	101.06	109.63	93.83	210.80	6.39	8614.25	21.00	265.34	160.28	1145.22	2.23	77.45	47357.02	

Intangible Asset

(₹ in lakh)

Particulars	Computer Software
At cost	
As at April 1, 2020	136.84
Additions	0
Deductions	0
As at March 31, 2021	136.84
<b>Accumulated Depreciation</b>	
As at 31.03.2020	34.21
Amortisation	34.21
As at 31.03.2021	68.42
<b>Net carrying amount</b>	
As at 31.03.2020	102.63
As at 31.03.2021	68.42

Capital work in progress

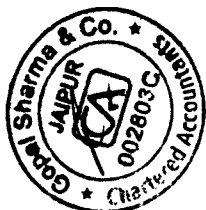
(₹ in lakh)

Particulars	CWIP
At cost	
As at April 1, 2020	16.36
Additions	22.33
Deductions	0
As at March 31, 2021	38.69
<b>Net carrying amount</b>	
As at 31.03.2020	16.36
As at 31.03.2021	38.69



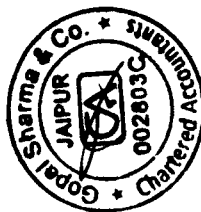
- 6.1 Freehold land includes ₹ 62.16 Lakh (Prev Year ₹ 62.16 Lakh) located at Bhatt Ji Ki Bari, Udaipur given on conditional lease of ₹1 P.A. to American International Health Management System for 99 years on 23 Sep 2000. In substance there is no transfer of risk and reward to the lessee as the land 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.

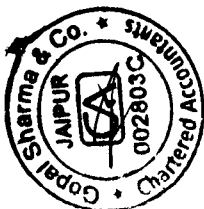
- 6.6 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between M/s JSW Energy (Barmer)Limited (erstwhile Raj West Power Limited, Jaipur) and Company, the Joint Venture Company has paid a sum of ₹ 70,825.55 Lakh (Prev Year ₹ 70,825.55 Lakh) to the Company for purchase/acquisition of 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 ₹ 67929.14 Lakh (Prev year ₹ 67798.61 Lakh) has been paid to Land acquisition Officer for acquisition of land upto 31.03.2021. 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 Gurah 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 ₹ 7,863.11 Lakh) being value of 2823.85 Bigha of land capitalised upto 31 March, 2021 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 31,2021	As at March 31,2020
<b>I Investment in Equity Instruments</b>		
<b>(a) Subsidiary Companies</b>		
(i) 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) Joint Venture Company</b>		
(ii) 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) 51 % holding of the company	-	-
(Valued at ₹ 1)	-	-
<b>(c) 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>(d) 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)	14.30	14.30
Less :Diminution in value (Diminution in value to ₹ 1)	-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)	30.00	30.00
Less :Diminution in value (Diminution in value to ₹ 1)	-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)	17.25	17.25
Less :Diminution in value (Diminution in value to ₹ 1)	-17.25	-17.25
(iv) 10,000 Equity Shares in Mayur Inorganics Ltd. of ₹ 10/- Each Fully Paid-up (Previous year 10,000 shares)	11.23	10.50
(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)	204.97	184.00
<b>Total</b>	<b>6,923.70</b>	<b>6,902.00</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 31.03.2021 (Prev year ₹ 1,020.00 Lakh ). These shares are shown as investment at a token value of ₹ 1/- in view of the opinion obtained from the Institute of the Chartered Accountants of India. Earlier BLMCL was being shown as subsidiary company of RSMML , however now as per the opinion of EAC of ICAI , it is being shown as Joint Venture Company.Refer note 39.6(f)

8 LOANS

(₹ in Lakh )

Particulars	As at March 31,2021	As at March 31,2020
<b>Loans to Employees (Unsecured)</b>		
Unsecured and Considered Good	462.92	503.00
Unsecured and Considered doubtful	0.56	0.56
Less: Provision	-0.56	-0.56
<b>Total</b>	<b>462.92</b>	<b>503.00</b>

9 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakh )

Particulars	As at March 31,2021	As at March 31,2020
<b>Unsecured and considered Good</b>		
Security deposits	1,162.20	1,099.36
Interest accrued on FDRs/NSCs	823.98	648.62
Escrow account for Mine Closure Fund	14,273.51	11,295.03
Bank deposit	1,851.61	691.52
Earmarked balances	3,303.03	968.07
Claims recoverable		
Considered good	1,718.68	1,718.68
<b>Total</b>	<b>23,133.01</b>	<b>16,421.28</b>

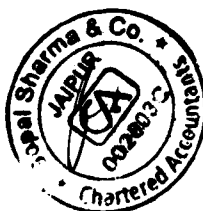
- 9.1 Earmarked balances with bank comprises Fixed deposit with maturity of more than twelve months.
- 9.2 The company has also opened Escrow Accounts for both Sonari & Giral Mines with banks and a total sum of ₹ 11614.68 Lakh (Prev year ₹ 9424.94 Lakh ) has been deposited till 31.03.2021 in both the accounts.Besides this, compnay has also deposited an amount ₹ 2658.83 Lakh (Prev year ₹ 1870.09 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 ₹ 273.71 Lakh (Prev. year ₹ 293.67 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 ₹ 1,718.68 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.

(₹ in Lakh )

10 DEFERRED TAX ASSET

Particulars	As at March 31,2021
Deferred Tax Assets	1,205.19
Deferred Tax Liabilities	560.06
<b>Total</b>	<b>645.13</b>

Refer note no.24 for deferred tax for the year 2019-20



11 OTHER NON CURRENT ASSETS

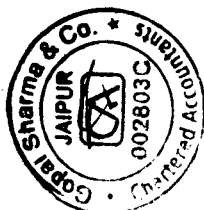
(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Others</b>		
Considerd good	121.79	910.75
Considerd doubtdul	15.76	15.76
Less: Provision	-15.76	-15.76
Rail linkup at Sanu (refer note 11.1)	10,365.69	11,846.50
Mining property	1,630.19	1,707.84
Capital Advance (Considered Good)	74.40	367.12
Prepaid Expenses	153.90	213.27
Exploration and evaluation asset	929.11	915.88
Income tax deposits	3,844.96	10,958.94
Non Judicial Stamps in hand	0.04	0.04
Leave Encashment Fund (refer note 11.2)	1,756.44	1,321.33
<b>Total</b>	<b>18,876.52</b>	<b>28,241.67</b>

11.1 Limestone was being transported from Sanu Mines to Jaisalmer Railway Station till 2020, which is nearly 60 Km away from Mines and then dispatched to various steel plants. Limestone was transported from Mine site to Jaisalmer railway station by road transport. The transportation cost was very high, due to which the cost of limestone was increasing to make it costlier in comparison to imported limestone in terms of landed price at various steel plants. Considering this the Company approached to the railways for inclusion of the broad-gauge rail link up to Sanu Mines in the Rail Budget. A new rail line from Thaiyat - Hamira to Sanu Mines approximating 56 kms was proposed in the year 2008 to reduce the transportation cost and pollution as per R3i Cost Sharing Freight Rebate Model of railway. The project was approved in the Union Rail Budget for 2013-14 at an approximate cost of ₹ 23696.00 Lakh and 50% of the cost i.e. ₹ 11846.50 Lakh was to be borne by RSMML, which was deposited by RSMML on 17.05.2013. The company has disclosed the same as capital advance in the financial Statements.

Railways commenced the construction of the railway siding in the year 2016 and the same has become operational w.e.f. 16 August 2020. In the year 2018, the Company has entered into a long term agreement with Steel Authority of India Limited (SAIL), New Delhi for supplying of limestone approx. 31-36 lac MT per year for a period of 10 years from the financial year 2018-19 to 2027-28. Thus, in the agreement so entered with SAIL, there is a reference of supplying limestone from SONU Railway Station of being operational of the new railway site. The amount paid by company on construction of Railway Sidings is directly related to a contract with its customers like SAIL and has resulted in enhancing its resources used to satisfy the performance obligation with SAIL in the upcoming years. Also the cost incurred is recovered on account of savings in transportation cost with respect to the goods to be sold to SAIL. Accordingly, the company has recognized the cost so incurred amounting to ₹ 11846.50 Lakh as an asset to fulfil its contractual obligations towards contract with its customer SAIL as per Para 95 of Ind AS 115. Further company is amortizing the cost so incurred in the remaining contractual period of 8 years with SAIL as per Para 99 of Ind AS 115. Accordingly the amount of advance payment of ₹ 11846.50 Lakh shown as capital advance in the year 2019-20 is reclassifying as "Rail linkup at Sanu".

11.2 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 and a sum of ₹ 5266.83 Lakh (Previous Year ₹ 4910.80 Lakh ) has been invested under this scheme. As per actuarial valuation total leave encashment liability of the Company of ₹ 3510.39 Lakh (Previous Year ₹ 3589.47 Lakh ) has been adjusted from fair value of plan assets and surplus fund of ₹ 1756.44 Lakh (₹ 1321.33 Lakh ) is shown under other non current asset.



12 INVENTORIES

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Finished Goods</b>		
Rock Phosphate	16,613.41	18,108.83
Beneficiated Rock Phosphate	722.16	770.43
Rajphos	53.54	95.96
Secondary Ore	432.49	-
Gypsum	11.00	47.55
Lime stone	665.09	446.29
Bio Diesel and by products	0.07	0.07
Stores and Spares	1,844.47	1,543.92
(Including in transit ₹ 37.73 Lakh ) (Previous year ₹ 16.14 Lakh )		
<b>Total</b>	<b>20,342.23</b>	<b>21,013.05</b>

- 12.1 During the course of excavation and mining from its Jhamarkotra Mines, Udaipur, to mine out to saleable/marketable Rock Phosphate in addition to over burden, the company is also required to necessarily excavate a material named as Secondary Ore which contains high quantity of silica and other impurities. The material is, however, being stacked separately in the mining area, since inception of its excavation in compliance of relevant provisions of the concerned act/ guidelines as this material contains P2O5 more than 5%. Since Secondary Ore is being stacked separately from inception of its excavation, a huge quantity of around 92.19 lac MT of secondary ore is accumulated at Jhamarkotra Mines upto 31.03.2020.

Earlier the Secondary Ore was not directly usable/ saleable and was also having no intrinsic utility; it was being treated as a waste material. Further, as to mine out the main product i.e. Rock Phosphate Ore, this material is necessarily required to excavate, no extra/separate cost is being incurred by the company on this product and till the financial year 2019-20, the entire mining cost was being apportioned on the usable/ saleable products prior to the year 2019-20, there was no sale of this product because there were no buyers of this material, though the Company was making efforts to use the Secondary Ore by beneficiating the same.

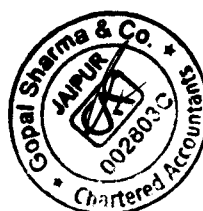
In the process, a small quantity of the secondary ore was despatched on trial basis to one party during the year 2019-20. Later on one party has started the production of Beneficiated Rock phosphate (BRP) from such secondary ore and continued to take the material in the subsequent years . It has lifted around 1.49 lac MT till 31.03.2021 and continuing lifting the material till the balance sheet date.

Company has also given letter of acceptance vide letter dated 24.12.2021 for sale of 5.00 Lac MT @ Rs. 600/- PMT of the Secondary Ore annually for a period of 20 years which is further extendable by another 10 years to another party . As per the terms, the party is required to complete the work of detailed design, erection, testing and commissioning of the plant in all respects within 18 months from the date of issuance of order and to start lifting of material within stipulated time.

From the above facts it appears that in due course of time, company would be able to sell the material in its ordinary course of business and accordingly the product can now be considered having realisable value in the market. Accordingly, company has started valuing the same as inventory w.e.f. 31.03.2021 at lower of cost or net realisable value whichever is less .While valuing the stock of secondary ore as on 31.03.2021, the mining and other related costs incurred by the company during the year 2020-21 have been apportioned on systematic basis on this product also along with on other products.

Further, as the costs incurred on excavation of secondary ore and other related costs in the years prior to the year 2020-21 when this product was not saleable, have already been absorbed by the other products, the cost of the stock accumulated up to 31.03.2020 has been taken as "nil" and the sale proceeds of such stock would be considered as revenue in the relevant years.

- 12.2 The Company was having 89342 CERs and 19643 VERs on 31.03.2021 ( Prev. year 89342 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.



- 12.3 The company was having Nil REC on 31.03.2021 ( Nil REC on 31.03.2020 ) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

13 TRADE RECEIVABLES (UNSECURED)

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Unsecured</b>		
Trade receivable Considered Good	11,048.27	14,147.69
Trade Receivables- Credit impaired	1,494.67	1,450.91
Less: Provision for doubtful trade receivables	-1,494.67	-1,450.91
<b>Total</b>	<b>11,048.27</b>	<b>14,147.69</b>

14 CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Balances with bank</b>		
In Current Account	16,057.41	8,779.99
In Deposit Account- with maturity of less than 3 months	49.59	8.35
<b>Cash in hand</b>	<b>1.88</b>	<b>2.29</b>
<b>Others</b>		
Balances with Treasury in P. D. Account	1,13,823.48	1,01,246.20
<b>Total</b>	<b>1,29,932.36</b>	<b>1,10,036.83</b>

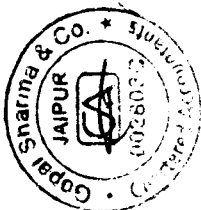
- 14.1 Cash and cash equivalent comprises cash on hand and at bank ,PD account and term deposits held with banks with original maturities of three months or less.
- 14.2 Cheques amounting to ₹ 1,485.28 Lakh (Prev Year ₹ 1,485.28 Lakh) were issued to respective land acquisition officers but not presented for payment till 31.03.2021 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.

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Deposit Account-with maturity more than 3 months and less than 12 months	1,982.87	3,050.33
Earmarked balances with banks	10,179.20	13,078.79
<b>Total</b>	<b>12,162.07</b>	<b>16,129.12</b>

- 15.1 Other bank balance comprises term deposit which are expected to realise in cash within 12 months after the reporting date.
- 15.2 Earmarked balances with bank includes Fixed deposit of ₹ 465.57 Lakh (Prev year ₹ 3624.24 Lakh ) with maturity of less than twelve months unclaimed dividend ₹ 2.21 Lakh (Prev year ₹ 2.53 Lakh) .



## 16 LOANS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Loans to Employees (Unsecured)</b>		
Unsecured and Considered Good	128.05	164.00
Unsecured and Considered doubtful	0.92	1.32
Less: Provision	-0.92	-1.32
<b>Total</b>	<b>128.05</b>	<b>164.00</b>

## 17 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Advances to Subsidiaries	1.90	1.58
Interest accrued on FDRs/NSCs	1,582.23	1,240.06
<b>Claims Recoverable (Including Duty Drawback Receivables)</b>		
Considered good	-	-
Considered doubtful	97.83	97.83
Less: Provision	-97.83	-97.83
<b>Total</b>	<b>1,584.13</b>	<b>1,241.64</b>

## 18 CURRENT TAX ASSET (NET)

(₹ in Lakh)

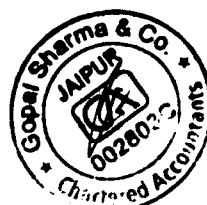
Particulars	As at March 31,2021	As at March 31,2020
Income Tax Deposits	10,889.44	7,772.35
Less: Provision for income tax	2,075.00	5,150.00
<b>Total</b>	<b>8,814.44</b>	<b>2,622.35</b>

## 19 OTHER CURRENT ASSETS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Other short term loans and advances</b>		
Considered good	82,380.15	85,645.56
Considered doubtful	9,936.52	30.99
Less: Provision	-9,936.52	-30.99
Prepaid expenses	428.62	132.04
Machinery held for Sale	133.90	108.18
<b>Total</b>	<b>82,942.67</b>	<b>85,885.78</b>

- 19.1 Others short term loans and advances includes advances to others amounting ₹ 67929.14 Lakh (Prev year ₹ 67798.61 Lakh) being amount paid to Land acquisition officer for acquisition of land at Jalipa Village in state of Rajasthan.
- 19.2 Others short term loans and advances includes ₹ 936.29 Lakh (Previous year ₹ 936.29 Lakh) being amount recoverable from PHED, Nagaur for distribution of desalinated water by M/s Nagaur Water Supply Company Pvt Ltd.
- 19.3 Company is paying GST at higher rates on the input services for mining i.e.12%,18% and 28% , while the output is chargeable GST at lower rates i.e. 5% as a result Company has recognised excess input credit lying with it as an asset under the Inverted duty tax structure. Section 54 (3) of the CGST Act provides for a refund of unutilised ITC and Rule 89 provides the mechanism for claim of refund. On 18 April 2018, the Central Goods and Services Tax (Fourth Amendment) Rules 2018 were notified whereby Rule 89(5) was amended so as to exclude refund of input services from its ambit. The amendment under Rule 89(5) was challenged before different Courts under various cases. Accordingly the company has created provision for ₹ 9905.54 Lakh as per the related provisions of GST Act /Rules in the Financial year 2020-21.



20 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<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
	<b>7,755.15</b>	<b>7,755.15</b>

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

(figures in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Name of Shareholder</b>	<b>No. of Shares (% held)</b>	<b>No. of Shares (% held)</b>
Government of Rajasthan through Governor of Rajasthan .	775.42 (99.99)	775.42 (99.99)

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

(figures in Lakh)

Particulars	2020-21	2019-20
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

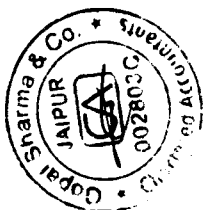
20.3 Rights, preferences and restrictions attached to shares

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.

21 OTHER EQUITY

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Capital Reserve</b>	<b>1,083.93</b>	<b>1,083.93</b>
<b>General Reserve (as per last balance sheet)</b>	<b>1,85,919.88</b>	<b>1,85,919.88</b>
Add: Transferred from Retained Earnings	-	-
	<b>1,85,919.88</b>	<b>1,85,919.88</b>
<b>Retained Earnings</b>		
As per last balance sheet	41,793.07	32,732.57
Add: Profit for the year	2,409.11	13,735.13
<b>Appropriations</b>		
Dividend	-	-3,877.58
Dividend Distribution Tax	-	-797.05
	<b>44,202.18</b>	<b>41,793.07</b>
<b>Other Comprehensive Income Reserve</b>		
As per last balance sheet	-656.66	-376.16
Add: Other Comprehensive Income for the year	-223.34	-280.50
	<b>-880.00</b>	<b>-656.66</b>
<b>Total</b>	<b>2,30,325.98</b>	<b>2,28,140.22</b>



21.1 **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.

22 **OTHER NON-CURRENT FINANCIAL LIABILITIES**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Other payables	1,249.03	1,358.16
<b>Total</b>	<b>1,249.03</b>	<b>1,358.16</b>

23 **PROVISIONS (NON CURRENT)**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Provision for employees benefits</b>		
Provision for Sick Leave	437.84	438.12
Provision for Mine Closure	3,122.42	2,973.73
<b>Total</b>	<b>3,560.26</b>	<b>3,411.85</b>

23.1 Mine closure liability of some mines are immaterial based on the conditions existing on the balance sheet date and accordingly the Company didn't recognised the liability of those mines.

24 **DEFERRED TAX LIABILITY**

(₹ in Lakh)

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

25 **TRADE PAYABLES**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Unsecured</b>		
Micro, small and Medium Enterprises	38.98	29.09
Others	5,346.37	5,657.14
<b>Total</b>	<b>5,385.35</b>	<b>5,686.23</b>

25.1 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 31,2021	As at March 31,2020
<b>Total outstanding dues of MSMED</b>		
(a) Principal amount due to micro and small enterprises	38.98	29.09
(b) Interest due	0.79	1.45
(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	-	-

26. **OTHER CURRENT FINANCIAL LIABILITIES**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Unclaimed Dividend*	2.21	2.53
Security Deposits	2,714.91	2,956.47
Retention	2,629.51	2,413.51
Other Payables	8,949.62	8,904.24
<b>Total</b>	<b>14,296.25</b>	<b>14,276.75</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.

- 26.1 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.
- 26.2 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.



## 27 OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Statutory Liabilities	18,270.50	9,287.43
Advances from Customers & Others	5,123.18	5,490.98
Subsidiary Companies	76,773.58	75,320.84
<b>Total</b>	<b>1,00,167.26</b>	<b>90,099.25</b>

## 28 PROVISIONS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
<b>Provision for employees benefits</b>		
Sick Leave	107.20	108.30
Gratuity	15.36	49.33
Provision for progressive Mine closure	1,597.79	1,497.74
<b>Total</b>	<b>1,720.35</b>	<b>1,655.37</b>

28.1 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 ₹ 1597.78 Lac related to progressive mine closure expense upto 31.03.2021 (Prev year ₹ 1497.74 Lac).

28.2 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.

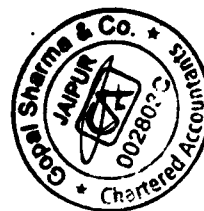
In view of the fact that the activity wise expenses considered in approved /draft mine closure plans are only estimations which are varying subsequently due to various reasons, the company has provided concurrent mine closure expenses actually incurred including those expenses which are being charged 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.

28.3 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 31,2021	As at March 31,2020
Employer's Contribution to Provident, Pension Funds and Other Funds	1,116.15	1,137.06

28.3a 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.



## 29 REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Sale of -</b>		
High Grade Rock Phosphate	33,351.80	36,250.39
Beneficiated Rock Phosphate	10,014.02	9,523.04
Rajphos	1,026.85	689.24
Secondary ore	222.76	1.65
Gypsum	2,774.92	2,602.34
Selenite	8.07	41.93
Lignite	15,350.89	16,467.42
Limestone	17,129.20	19,855.68
Wind Power	4,069.69	4,538.07
Solar Power (refer note 29.5)	-	-
<b>Other operating revenue</b>		
Tailing	56.87	-
Sale of Carbon/Voluntary Emission Reduction (CER/VERs)	45.33	198.01
Sale of Renewable Energy Certificate (REC)	-	124.73
<b>Total</b>	<b>84,050.40</b>	<b>90,292.50</b>

29.1 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.

29.2 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.

29.3 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).



- 29.4 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.
- 29.5 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. The company has also filed appeal in APTEL (Appellate Tribunal for Electricity), New Delhi for getting relief in the matter.

The company has fed around 6800000 unit of power in grid during the year 2019-20 & 2020-21. Therefore, the company has been operating its solar power plant and producing power during these years. Further, the Hon'ble High court has also passed an interim order dated 18.02.2020 & ordered the power producers to continue to feed the power into the grid. Since power/energy is an essential need of the hour and also a large number of power producers are suffering due to non- signing of PPA, the company expects a favourable decision in the court case and the power plant is expected to be used over the expected life of the plant which is around 22 years. As per company's view, since there are so many solar power producers through which the generated power is being taken /used by DISCOM but not releasing any purchase consideration to them due to non execution of PPA. Most of them are filed cases against DISCOM and RSMML expected that such cases are to be decided in favour of such power producers.



## 30 OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest income	6,065.88	7,129.27
Other non operating revenue		
Sundry Credit Balances written back	-	1.71
Profit on sale of Obsolete and other PPE	7.86	19.21
Miscellaneous income	1,348.59	928.73
Liability no longer required	47.38	43.48
<b>Total</b>	<b>7,469.71</b>	<b>8,122.40</b>

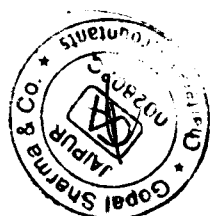
- 30.1 The company has leased out its 181 numbers of Box N wagons to Railways for a period of 20 years, purchased by it in the year 1996-97 under "Own Your Wagon Scheme (OYWS)" through two separate agreements, out of which one agreement has expired in July, 16 and another one in September, 16. After 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. After the receipt of the clarification issued by the railway board, RSMML has been sending communications to Railways, regularly, requesting for providing the procedure for buy back of these wagons along with their expected value. As informed by Dy. Chief Manager /FM, NWR vide their letter dated 14/07/2022, they have requested Railway board for providing detailed procedure and guidelines for determining the value of wagons procured under OWYS which is under process.

## 30.2 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 leviabale 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.(RPEPL' 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 Pvt. 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. Since even after sending many requests , as firm has not yet installed solar panels , RSMML has issued legal notice to M/s RPEPL. M/s RPEPL responded to the above legal notice. Further, the management of RSMML constituted a committee for examining all the aspects of the issue, submit its report and only after that further recourse of action would be initiated.

- 30.3 The company is recovering late Payment Surcharge (LPS) from DISCOMs on account of delay in releasing the payments by them towards sale of wind power. The DISCOMs are not releasing the due LPS amount on regular basis. Looking to the uncertainty involved in the receipt of LPS amount from DISCOMs, the same is being recognized as income in the books of account only upon its actual realization .



## 31 PURCHASE OF ORE

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Purchases	217.67	230.52
<b>Total</b>	<b>217.67</b>	<b>230.52</b>

## 32 CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Closing Stock</b>		
Rock Phosphate	16,613.41	18,108.83
Beneficiated Rock Phosphate	722.16	770.43
Secondary Ore	432.49	-
Rajphos	53.54	95.96
Gypsum	11.00	47.55
Limestone	665.09	446.29
Bio Diesel and by products	0.07	0.07
	<b>18,497.76</b>	<b>19,469.13</b>
<b>Opening Stock</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	163.56
Limestone	446.29	255.87
Bio Diesel and by products	0.07	1.90
	<b>19,469.13</b>	<b>25,037.46</b>
<b>(Increase)/Decrease</b>	<b>971.37</b>	<b>5,568.33</b>

## 33 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Salaries & Wages	10,226.48	11,058.95
Contribution to Provident/Pension & Other Funds	1,967.89	1,940.68
Leave Encashment	848.38	1,071.20
Bonus/ Additional Remuneration	91.86	91.91
Employees' Welfare	991.03	1,115.64
Employees' Social Security	4.09	0.38
<b>Total</b>	<b>14,129.73</b>	<b>15,278.76</b>



## 34 FINANCE COSTS

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest expense ( including bank)	430.73	622.62
Guarantee Commission	6.96	7.74
Decommissioning liability on mine closure expenditure	148.69	141.61
<b>Total</b>	<b>586.38</b>	<b>771.97</b>

## 35 MINING , OTHER OPERATING AND ESTABLISHMENT EXPENSES

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Mining and other operating expenses</b>		
Stores consumed (refer note 35.4)	2,796.29	3,922.42
Payment to Contractors :		
For Removal of Overburden	8,616.92	7,568.96
For Raising, Transportation & Others	14,263.60	19,167.32
For Progressive Mine Closure (refer note 28.2)	3,985.75	2,398.69
Freight Charges	37.48	43.72
Rail linkup expenses ( refer note 11.1)	1,480.81	-
Dewatering of Mines	0.72	1.66
Crushing Plant Expenses	12.70	18.08
Power Charges	2,097.00	2,305.32
Royalty & Dead Rent	10,113.02	10,078.62
Contribution to National Mineral Exploration Trust	176.97	182.26
Contribution to District Mineral Foundation	2,677.07	2,817.74
Contribution to Rajasthan State Mineral Exploration Trust	13.16	-
Gst Input under Inverted Duty (refer note 19.3)	9,905.54	-
Progressive Mine closure expenditure (refer note 28.1)	100.05	43.96
Land tax	8,410.83	1,999.42
Repairs to Buildings	115.85	109.64
Repairs to Machinery	295.56	1,143.56
Repairs to Plant	309.67	302.99
Repairs to Road	48.40	40.63
Research & Development	29.34	25.85
Sampling & Analysis	125.42	68.01
Compensation for Mineral	335.93	261.05
Afforestation Plantation & Environment	72.85	68.32
Rural Development Expenses	-	0.40
Corporate Social Responsibility	574.27	194.80
Laboratory Expenses	9.61	9.17
Amortization of mining closure expense	77.66	77.66
Selling Expenses including commission	179.04	169.66
Packing Charges	99.36	66.35
Cash Discounts/Rebate on Sales	-	2.32
Business Promotion Expenses	8.08	83.40
<b>Total</b>	<b>66,970.06</b>	<b>53,171.98</b>



<b>Establishment expenses</b>		
Repairs to Others	121.13	93.39
Rent including Plot Rent	16.93	110.98
Rates & Taxes	338.54	239.47
Security service expenses	832.10	735.85
Insurance	53.62	31.28
Travelling & Conveyance	439.26	569.68
Vehicle Up-keep	141.33	76.78
Payment to Auditors:		
Audit Fees	6.93	6.30
Tax Audit Fees	1.50	1.50
For reimbursement of expenditure	5.70	3.22
General Charges	50.54	70.91
Postage, Telephone & Telegraphs	47.14	52.11
Printing & Stationery	30.03	33.98
Electricity & Water	68.78	75.09
Seminar, Training & Exhibition	1.47	18.41
Legal & Professional Charges	94.41	120.67
Advertisement & Publication	102.95	133.19
Bank Charges	1.17	0.80
Subscription	2.70	2.75
Entertainment	11.12	17.76
Board Meeting Expenses	0.14	0.29
Sundry debit balance written off	0.18	1.03
Provision for Doubtful Debts	43.75	42.85
Consultancy Charges	89.90	63.66
Claims & Settlements	-	161.97
Computer Maintenance & Software Exp.	100.21	51.97
Obsolete and Other PPE written off	0.50	3.30
Impaired/Obsolescence loss on PPE	13.10	1.11
Obsolescence/theft loss on Spares	1.65	10.88
Loss on sale/transfer of Obsolete and Other PPE	0.18	0.01
Donation	5.00	505.00
<b>Total</b>	<b>2,621.96</b>	<b>3,236.19</b>
<b>Grand total</b>	<b>69,592.02</b>	<b>56,408.17</b>

35.1 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.

Subsequently 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.



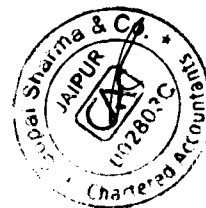
In the year the GOR vide its notification dated 19.11.2019 has declared the new rates of land tax for the year 2019-20 under the provisions and rules made under the same Finance Act 2006, the validity of which is yet to be decided by the Hon'ble Supreme Court and assessing authorities have also issued 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 of 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 was made in the accounts for the financial 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.

The rates of the land tax on various lands were revised by the Rajasthan Finance Act 2020 vide notification dated 30.03.2020 and another notification dated 28/03/2022 vide which land tax for Rock Phosphate was further revised. The revised rates of land tax for Land bearing Rock Phosphate is fixed at ₹ 25/- per Sq. Mtr. whereas the rates of lands bearing other minerals of the company are varying from ₹ 2/- per Sq. Mtr. to ₹ 6/- per Sq. Mtr which are effective from 01.04.2020.

In view of the notifications dated 30.03.2020 read with notification dated 28.03.2022, the company has booked a liability of ₹ 8410.83 Lakh towards land tax for the year 2020-21, considering the total lease area of various mines of the company.

- 35.2 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.
- 35.3 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 ₹ 416.52 Lakh. Revenue expenditure charged to Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 574.27 Lakh (previous year 194.80 Lakh). No Capital expenditure was incurred during the year in construction of capital assets under CSR projects. Shortfall of ₹ Nil (previous year ₹ 196.07 Lakhs) in the CSR expenditure of the year 2020-21 with regard to the amount mandate as per law.
- 35.4 Stores consumed does not include consumption of Stores & spares of ₹ 441.68 Lakh charged under various heads (Prev. Year ₹ 543.04 Lakh).



36 FINANCIAL RISK MANAGEMENT

36.1 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 Risk

Commodity 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 being 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 and few parties which purchases SMS Grade/Cement Limestone. It also sales Power to electricity companies of Government of Rajasthan on unsecured credit.



The ageing of trade receivables as on 31st March 2021 is as below :

(₹ in Lakh)

Particulars	Due upto 36 Months	Due for more than 36 Months	Total
Good	11,048.27		11,048.27
Doubtful		1,494.67	1,494.67
Others			
Gross			
Expected Credit Losses		-1,494.67	-1,494.67

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

#### 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 ₹ 1494.64 Lakh has been booked as expected credit losses till 31st March 2021

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

#### 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

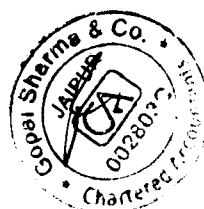
The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash requirements. There are no borrowings by the Company, whether short term or long term. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational 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.

36.2

#### 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.



## 37 CAPITAL RISK MANAGEMENT

### Objective

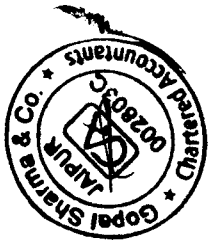
The primary objective of the Company's capital management is to maximize the shareholder value. i.e. to provide maximum returns to the State government which is a major shareholder. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and 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, 2021 and March 31, 2020.

### 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.



38 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 2021		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investments in Equity Instruments	-	-	216.20
<b>Financial Liabilities</b>			

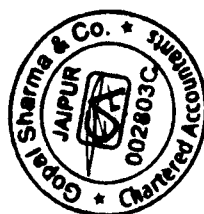
(₹ in Lakh)

	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>			

During the year ended March 31, 2021 and March 31, 2020, 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, 2021 and March 31, 2020, 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



### 39 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 31,2021		As at March 31,2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at fair value through other comprehensive income</b>				
Investments in Equity Instruments	216.20	216.20	194.50	194.50
<b>Financial assets designated at amortised cost</b>				
Loans given to employees	590.97	590.97	667.00	667.00
Cash and Bank balances	1,42,094.43	1,42,094.43	1,26,165.95	1,26,165.95
Trade and Other receivables	11,048.27	11,048.27	14,147.69	14,147.69
Other Financial Assets (Including investment in associate, JV and subsidiary)	31,424.64	31,424.64	24,370.42	24,370.42

(₹ in Lakh)

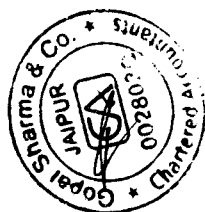
Particulars	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial liabilities designated at fair value through profit and loss</b>	Nil	Nil	Nil	Nil
<b>Financial liabilities designated at amortised cost</b>				
Trade and Other Payables	5,385.35	5,385.35	5,686.23	5,686.23
Other Financial Liabilities	15,545.28	15,545.28	15,634.91	15,634.91

#### 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.
- Interest 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 3.50% as at end of the year.
- Loans to Employees have been given at above market rate of interest, i.e. 3.50% at the end of the year. Hence, the fair value of such loans is equal to the amount of loans given of ₹ 590.97 Lakh. (Prev year ₹ 667.00 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.



40 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 2020	184.00	10.49	194.49
Change in Fair Value recognised in OCI statement	20.97	0.74	21.71
Fair Value as on 31st March 2021	204.97	11.23	216.20

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.



# 41 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. 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 2020

(₹ in Lakh)

Particulars	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	89,969.75
Revenue from transactions with other operating segments of the entity	-	-	-	-	218.53	-	-	-218.53	0.00
Other revenues	218.88	262.73	1,496.62	146.70	784.64	124.73	5,410.85	0.00	8,445.15
<b>Total revenue</b>	<b>46,683.19</b>	<b>20,118.41</b>	<b>17,964.04</b>	<b>2,790.97</b>	<b>5,541.24</b>	<b>124.73</b>	<b>5,410.85</b>	<b>-218.53</b>	<b>98,414.90</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
<b>Segment profit and loss before tax and exceptional item</b>	<b>8,143.12</b>	<b>3,297.88</b>	<b>2,680.19</b>	<b>-1,065.91</b>	<b>2,955.18</b>	<b>-86.15</b>	<b>1,798.62</b>	<b>0.00</b>	<b>17,722.93</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>34,050.22</b>	<b>26,328.41</b>	<b>1,29,002.73</b>	<b>4,476.96</b>	<b>13,687.28</b>	<b>1,313.42</b>	<b>1,44,084.02</b>		<b>3,52,943.04</b>
Investment in associate and joint ventures									
Additions to									
PPE	676.19	31.54	129.88	2.33			47.44		887.38
<b>Segment liabilities</b>	<b>11,029.72</b>	<b>4,899.01</b>	<b>14,875.57</b>	<b>3,801.12</b>	<b>1,002.61</b>	<b>98.65</b>	<b>84,930.45</b>		<b>1,20,637.13</b>



(v) **Segment reporting as at 31st March 2021**

(₹ in Lakh)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Others/unallocated	Elimination	Total
Revenue from external customers	44,672.30	17,129.20	15,350.89	2,782.98	4,115.02	0.00		0.00	84,050.40
Revenue from transactions with other operating segments of the entity	-	-	-	-	304.43	-	-	-304.43	0.00
Other revenues	172.45	386.30	1,434.16	132.74	806.28	0.00	4,537.77	0.00	7,469.71
<b>Total revenue</b>	<b>44,844.76</b>	<b>17,515.51</b>	<b>16,785.05</b>	<b>2,915.73</b>	<b>5,225.73</b>	<b>0.00</b>	<b>4,537.77</b>	<b>-304.43</b>	<b>91,520.11</b>
<b>Segment expenses</b>	<b>36,322.74</b>	<b>15,869.86</b>	<b>15,566.33</b>	<b>4,905.00</b>	<b>2,538.25</b>	<b>187.22</b>	<b>13,080.37</b>	<b>-304.43</b>	<b>88,165.34</b>
<b>Segment profit and loss before tax and exceptional item</b>	<b>8,522.01</b>	<b>1,645.65</b>	<b>1,218.72</b>	<b>-1,989.27</b>	<b>2,687.47</b>	<b>-187.22</b>	<b>-8,542.60</b>	<b>0.00</b>	<b>3,354.77</b>
<b>Other segment items</b>									
<b>Segment assets</b>	<b>30,011.06</b>	<b>28,529.98</b>	<b>1,33,886.25</b>	<b>4,494.68</b>	<b>10,435.48</b>	<b>1,146.37</b>	<b>1,55,955.81</b>		<b>3,64,459.63</b>
Investment in associate and joint ventures									
Additions to									
PPE	421.63	27.05	35.32	0.50			9.92		494.42
<b>Segment liabilities</b>	<b>11,392.23</b>	<b>7,497.74</b>	<b>15,116.27</b>	<b>5,422.50</b>	<b>768.26</b>	<b>104.08</b>	<b>86,077.42</b>		<b>1,26,378.50</b>

(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) **Reconciliations**

**Total assets with segment asset**

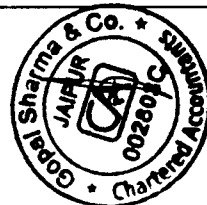
(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Segment assets	2,08,503.82	2,08,859.02
Unallocated assets	1,55,955.81	1,47,673.47
<b>Total assets</b>	<b>3,64,459.63</b>	<b>3,56,532.49</b>

**Total liability with segment liability**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Segment liabilities	40,301.09	35,706.68
Unallocated liabilities	86,077.42	84,930.45
<b>Total liabilities</b>	<b>1,26,378.51</b>	<b>1,20,637.13</b>



(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Current Tax</b>	2,075.00	5,150.00
<b>Deferred Tax</b>		
-- Relating to origination & reversal of temporary differences	-1,205.19	-1,256.55
<b>Adjustments in respect of income tax of previous year</b>		
--Current tax	0.74	0.02
<b>Total tax expense</b>	<b>870.55</b>	<b>3,893.47</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 2021	For the year ended 31st March 2020
Net Income before taxes	3354.77	17722.94
Applicable Tax Rate*	25.168%	25.168%
Computed Tax Expense	844.33	4,460.51
Increase/decrease in taxes on account of :		
Non deductible expenses	161.31	192.74
Items considered for tax separately	3,054.00	1,420.59
Income not taxable	-1.98	-4.83
Expenses allowed under Income Tax	-335.63	-764.61
Other Deductions on which tax benefit is available	-1,643.79	-126.47
Other Provisions	-3.24	-27.93
Computed Income Tax Expense	2,075.00	5,150.00
Income Tax Expense Reported	2,075.00	5,150.00

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:

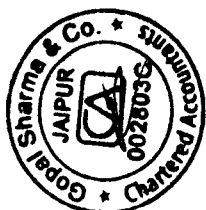
(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Deferred Tax Asset</b>		
Provision for doubtful debts, claims and advances	412.93	414.66
Provision for leave encashment	750.26	803.74
Land tax	1366.00	503.22
Others	28.60	22.56
	2557.79	1744.18
<b>Deferred Tax Liability</b>		
Property, Plant and Equipment	1867.93	2259.32
Fair Valuation of Investments	44.73	44.92
	1912.66	2304.24
<b>Net Deferred Tax Asset(Liability)</b>	<b>645.13</b>	<b>(560.06)</b>

**Tax Component in OCI**

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Income Tax on Actuarial Gain and Investment (loss)	75.11	94.34



### 43 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)

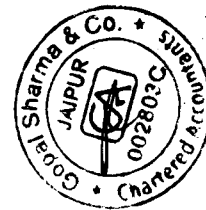
Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Issued number equity shares	77,551,500	77,551,500
Potential Equity Shares	-	-
<b>Weighted average shares outstanding - Basic and Diluted</b>	<b>77,551,500</b>	<b>77,551,500</b>

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 2021	For the year ended 31 <sup>st</sup> March 2020
Profit and loss after tax (₹ in Lakh)	2,409.11	13,735.13
Profit and loss after tax for EPS (₹ in Lakh)	2,409.11	13,735.13
Basic Earnings per share (in ₹)	3.11	17.71
Diluted Earnings per share (in ₹)	3.11	17.71
Profit and loss before change in accounting policy (₹ in Lakh)	2,409.11	13,735.13
Basic Earnings per share (in ₹)	3.11	17.71
Diluted Earnings per share (in ₹)	3.11	17.71
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.

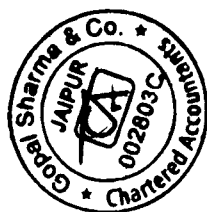


#### 44 PROVISIONS

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

Particulars	(₹ in Lakh)			
	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
<b>As at 31<sup>st</sup> March 2020</b>				
Current Service Cost	546.42	49.33	2973.74	1497.74
Interest Cost	27.11	789.33	-	-
Actuarial Gain/Loss	35.51	694.10	-	-
Remeasurement in OCI	-64.00	-	-	-
Actual Benefits Paid	-	320.16	-	-
Expected Return on plan assets	-	-1,146.66	-	-
Interest on Decommissioning Liability	-	-690.90	-	-
Net Increase / (Decrease) in progressive mine closure liability	-	-	148.69	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>545.04</b>	<b>15.36</b>	<b>3122.43</b>	<b>1597.79</b>

Particulars	(₹ in Lakh)			
	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
<b>As at 31<sup>st</sup> March 2020</b>				
Current	108.30	49.33	-	1,497.74
Non Current	438.12	-	2,973.73	-
<b>Total</b>	<b>546.42</b>	<b>49.33</b>	<b>2,973.73</b>	<b>1,497.74</b>
<b>As at 31<sup>st</sup> March 2021</b>				
Current	107.20	15.36	-	1,597.79
Non Current	437.84	-	3,122.42	-
<b>Total</b>	<b>545.04</b>	<b>15.36</b>	<b>3,122.42</b>	<b>1,597.79</b>

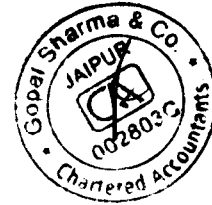


**45 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS**

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	
	2020-21	2019-20
Prior Period adjustment		
Total Impact on profit/reserve	-	-
Increase in EPS ( in Rs)	0.00	0.00



46 RELATED PARTY TRANSACTIONS

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	01-04-2020	24-07-2020
2	Shri Rajeeva Swarup	Chairman	24-07-2020	31-10-2020
3	Shri Niranjan Kumar Arya	Chairman	31-10-2020	31-03-2021
4	Shri Niranjan Kumar Arya	Director	01-04-2020	31-10-2020
5	Shri Subodh Agrawal	Director	20-07-2020	14-12-2020
6	Shri Ajitabh Sharma	Director	14-12-2020	31-03-2021
7	Shri Akhil Arora	Director	30-12-2020	31-03-2021
8	Smt. Sreya Guha	Director	01-04-2020	31-03-2021
9	Shri Kunji Lal Meena	Director	01-04-2020	31-03-2021
10	Shri Vikas Sitaramji Bhale	Managing Director	02-07-2020	31-03-2021
11	Shri Somnath Mishra	Managing Director	01-04-2020	02-07-2020
12	Shri Gaurav Goyal	Director	01-04-2020	02-07-2020
13	Shri Kunj Bihari Pandya	Director	16-10-2020	31-03-2021
14	Shri Akhilesh Joshi	Independent Director	01-04-2020	31-03-2021
15	Shri Prem Prakash Pareek	Independent Director	01-04-2020	31-03-2021
16	Dr. Tulsi Ram Agrawal	Chief Financial Officer	01-04-2020	31-03-2021
17	Shri Rajendr Rao	Company Secretary	01-04-2020	31-03-2021

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, 2021	As at March 31, 2020
	<b>Direct subsidiaries</b>		
	Rajasthan State Petroleum Corporation Limited(RSPCL)	100%	100%
	<b>Joint Venture Company</b>		
	Barmer Lignite Mining Company Limited(BLMCL)	51%	51%
	<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	RSMM Retired Employee Medical Relief fund	Employee benefit funds

(ii) Related party transactions

S.No.	Particulars	(₹ in Lakh)	
		As at March 31, 2021	As at March 31, 2020
1	<b>Short term employee benefits</b>		
	Managing Director (Part of the year)	9.09	11.59
	Chief Financial Officer	26.91	21.89
	Company Secretary	26.88	18.54

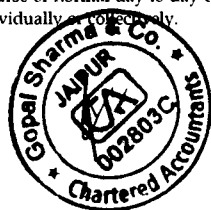
S.no.	Transaction type	(₹ in Lakh)	
		For the year ended 31st March 2021	For the year ended 31st March 2020
1	Expenses incurred (BLMCL)	114.97	119.24
2	Interest paid/payable (BLMCL)	428.49	558.92
3	Expenses incurred (RSPCL)	0.32	0.42

(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 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.



47 CONTINGENT LIABILITIES NOT PROVIDED FOR

(₹ in Lakh)

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i.	Claims against Company not acknowledged as debt	74226.68	65942.38
ii.	<b>Disputed Income tax liability pending:</b>		
	(a) Company in appeals *	7396.94	7398.63
	(b) IT Department in appeals (As per information available with Company)	1347.49	1290.20
iii.	Guarantee given by banker on behalf of the Company for which counter guarantee provided by the Company	3768.6	4640.67
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.		

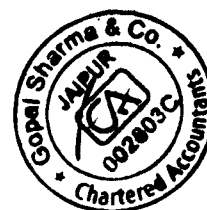
\* Contingent liability in respect of income-tax demands, net of amounts provided for and disputed by the Company, amounting to ₹ 7396.94 Lakh (Previous Year ₹ 7398.63 Lakh). The said amount has been paid/ adjusted in respect of various financial years of 2005-06 to 2016-17 with various authorities. As in most of the cases are decided in favour of Company in earlier years therefore it is expected that Company will be avail to received as refund if the matters are decided in favour of the Company.

48 CAPITAL COMMITMENT

(₹ in Lakh)

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i.	Estimated amount of contracts remaining to be executed on Capital Account	160.32	6201.45

49 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 2020-21, the company has deposited a sum of ₹ 11614.68 Lakh (Prev year ₹ 8504.49 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 ₹ 2658.83 Lakh (Prev year ₹ 1828.24 Lakh) Lakh has been deposited towards Mine Closure expenses.



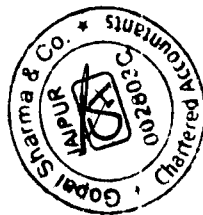
50 The Government of Rajasthan vide its notification dated 23.01.2009, had enhanced the rate of M. R. Cess on Rock phosphate from ₹ 35/- PMT to ₹ 500/-PMT with effect from 01.04.2008. Since the rate of M. R. Cess was enhanced retrospectively the Company has issued demand letters to its customers of Rock 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 ₹ 4,336.44 Lakh (Prev ₹ 4626.90 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.

51 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.

52 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(JSW Energy (Barmer) Limited/BLMCL 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.

53 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.

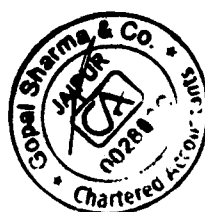
Though, the various activities are in progress at the project sight but no significant development has taken place. The transfer price of the assets of the company has been firmed up and agreed by Joint Venture Company. The Company has given No objection to Director, Mines & Geology to transfer the lease of Deri mines to the Joint Venture Company M/s RBG Minerals but the lease is yet to be transferred.

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.

54 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, Ahmadabad. On the above applications of RSMML, after hearing the arguments, interim stay orders against both IDBI branches (Udaipur & Ahmadabad) 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 Lakh is recoverable from PHED on 31.03.2021 (prev. year ₹ 936.29 Lakh), 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.

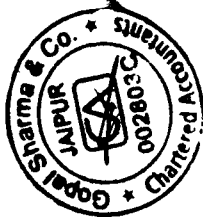
55 The company had awarded a contract to M/s National Construction Company (NCC) for "Hiring of Heavy Earth Moving Equipment for Removal of Overburden and Raising of Saleable Lignite" from Matasukh Lignite Mines situated in Nagaur district for a period of seven years - from 16.01.2003 to 16.01.2010. 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 2020-21.

56 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 Manipl 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 31/03/2021 is ₹ 198.64 Lakh (Prev year ₹ 198.64 Lakh) has been considered as revenue.

57 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.

58 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).

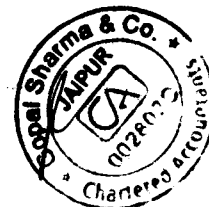
Discussions are also being made with Cairn Energy for further exploring the next course of action. In view of involvement of huge cost on shifting of pipeline corridor, Cairn Energy is reluctant to settle the issue. Now RSMML is trying to utilize the lignite deposit by Under Ground Coal Gasification (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.

59 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 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.

**60 ANALYSIS OF STORES AND SPARES CONSUMED:**

Particulars	(₹ in Lakh)	
	2020-21	2019-20
Imported	-	-
Indigenous	3237.98 (100%)	4465.54 (100%)

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



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

(₹ in Lakh)

Particulars	2020-21	2019-20
Earnings	45.31	198.00
Expenditure		
Spares		
Other Matters	0.99	6.02

63 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 & 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/RSMET etc 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.

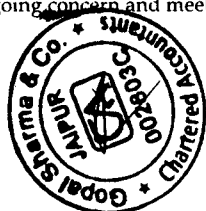
The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

**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.



64 QUANTITATIVE DETAILS OF PRODUCTS AND OTHER DISCLOSURES

(i) Rock Phosphate, Beneficiated Rock Phosphate and Rajphos :

(In MT)

Particulars	Rock Phosphate		Beneficiated Rock Phosphate		Rajphos		Secondary ore	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Opening Stock	21,71,259	21,71,715	15,511	81,920	4,638	15,498	9218947	90,07,118
Production	10,85,355	11,50,228	1,96,694	1,46,397	43,650	24,200	1,59,160	2,12,084
Less: Moisture Qty.								
Purchase	20,800	24,201						
Transfer	29,247	49,726	-31,785	-47,188	2,538	-2,538	-	-
Sales	6,04,054	7,26,929	1,76,400	1,79,577	47,826	32,399	29,279.00	255
Less: Moisture			-12,961	-15,989				
Free Sample						4		
Own consumption for Ben. Rock Phosphate Rajphos	6,41,553	4,87,099						
Stock as per Books	20,61,054	21,81,842	16,981	17,541	3,000	4,757	93,48,828	92,18,947
Shortages	13,476	10,583	400	2,030	119	119	-	-
Closing Stock	20,47,578	21,71,259	16,581	15,511	2,881	4,638	93,48,828	92,18,947

(ii) Gypsum & Selenite:

(In MT)

Particulars	Gypsum		Selenite	
	2020-21	2019-20	2020-21	2019-20
Opening Stock	6,462	31,319	883	-
Production	4,80,869	3,83,181	402	3,015
Sales	4,87,349	4,07,668	464	2,214
Stock as per Books	-18	6,832	821	801
Shortages/Retrieval	-18	370	6	-82
Closing Stock	-	6,462	815	883

(iii) Lime Stone:

(In MT)

Particulars	Lime Stone		Sub Grade Lime Stone	
	2020-21	2019-20	2020-21	2019-20
Opening Stock	50,263	8,256	5,26,597	4,60,858
Production	22,17,801	25,64,893	5,89,311	5,78,078
Sales	20,62,255	24,96,743	6,58,916	5,20,031
Stock as per Books	2,05,809	76,406	4,56,992	5,18,905
Shortages/Retrieval	-27,708	26,143	2,232	-7,692
Closing Stock	2,33,517	50,263	4,54,760	5,26,597

(iv) Lignite:

(In MT)

Particulars	2020-21	2019-20
Opening Stock	-	-
Production	8,30,051	7,90,298
Sales	8,30,051	7,90,298
Stock as per Books	-	-
Shortages	-	-
Closing Stock	-	-



(v) **Multimetal:** (In MT)

Particulars	2020-21	2019-20
Opening Stock	340	340
Production	-	-
Sales	-	-
Stock as per Books	340	340
Shortages	-	-
Closing Stock	340	340

(vi) **Wind Power Plant : (106.3 MW)** (In units)

Particulars	2020-21	2019-20
Generation	10,16,74,321	11,10,81,819
Sales	9,58,75,765	10,76,54,325
Own Consumption	52,18,700	30,84,743
Wheeling units	5,79,855	3,42,750

(vii) **Solar Power Plant:(5 MW)** (In units)

Particulars	2020-21	2019-20
Generation*	24,78,362	43,68,005
Sales	-	-
Own Consumption	-	-
Wheeling units	-	-

\*refer note number 29.5

65 **MISCELLANEOUS:**

- 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.

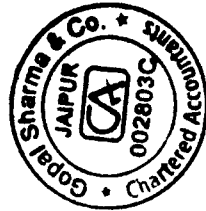
As our report of even date

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

Preetam Sharma  
Partner  
ICAI Membership No. : 437669

Place: Jaipur

Date: 10/07/2023



For and on Behalf of the Board

Sandesh Nayak  
Managing Director  
DIN: 07694408

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Director  
DIN:

Rajendra Rao  
Co. Secretary  
ICSI Membership No. :14646

Shikhar Agrawal  
Director  
(DIN 01093773)

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF RAJASTHAN STATE MINES AND MINERALS LIMITED FOR  
THE YEAR ENDED 31 MARCH 2021.**


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The preparation of financial statements of Rajasthan State Mines and Minerals Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 July 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Rajasthan State Mines and Minerals Limited for the year ended 31 March 2021 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

  
**( Archana Gurjar )**  
**Accountant General (Audit-II)**  
**Rajasthan, Jaipur**

**Place:-Jaipur**  
**Date:-**

**RAJASTHAN STATE MINES & MINERALS LIMITED**

**CONSOLIDATED ANNUAL ACCOUNTS**

**2020-21**

**RAJASTHAN STATE MINES & MINERALS LTD.**

*(A Govt. of Rajasthan Enterprise)*

**Regd. Office : C 89-90 Lalkothi, Janpath, Jaipur**



**Independent Auditor's Report**

**To**  
**The Members of**  
**Rajasthan State Mines and Minerals Limited**  
**Report on the Consolidated Financial Statements**

**Qualified Opinion**

We have audited the accompanying Consolidated financial statements of **Rajasthan State Mines and Minerals Limited**, (hereinafter referred to as 'the Holding Company') and its subsidiary, joint venture (the Holding Company and its subsidiary and Joint venture together referred to the 'the Group') comprising of the consolidated Balance Sheet as at 31<sup>st</sup> March 2021, the consolidated Statement of Profit and Loss( including other Comprehensive Income), the consolidated statement of Changes in Equity and the consolidated Cash Flow statement for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis of qualified opinion paragraph, the aforesaid Consolidated Financial Statement 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 Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2021, the consolidated profit and total consolidated comprehensive Income, consolidated Changes in Equity and its consolidated cash flows for the year ended on that date.

**Basis of Qualified Opinion**

- (i) In the matter of Holding company audited by us, the Development Charges on Gypsum and Limestone of ₹ 21.31 crores were refunded by the government to the Holding 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 Holding Company had received certain claims from the buyers, as informed by the Holding 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. 57 of the consolidated financial statements, the contractor M/s National Construction Company (NCC) had raised a claim based on the terms of contract between the Holding 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 of holding company.

- (iii) Refer note no. 20.3 of the Consolidated financial statements, Holding Company has made provision amounting to of ₹99.05 Crore against the amount of excess Input Credit lying in Other short term Loans and Advances, on the basis of order of Hon'ble Supreme Court dtd 13.09.2021. However Holding Company has not disallowed the provision made while calculating the Taxable Income and in turn overstated the Profit after tax and other equity and understated the provision for Taxes by an amount of ₹ 24.93 Crore.
- (iv) As detailed in Note No. 8.1 of the consolidated financial statements, 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 and 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 31.03.2021 (Prev year ₹ 1,020.00 Lakh). These shares are shown as investment at a token value of ₹ 1/- in view of the earlier opinion obtained from the Institute of the Chartered Accountants of India and following the same since 2008 by the company.
- In the light of applicable provisions of AS 13, Ind AS 27, 109, GAAP and others for the valuation of shares of BLMCL, together with the present financial position of the subsidiary company (BLMCL), valuing shares in BLMCL at Re. 1/- does not give a fair and relevant presentation of financial position and in our opinion the shares in BLMCL should be valued at fair market value, in accordance with method prescribed under Ind AS-109. As a result of which there is understatement of Investment and consequently understatement of Other Equity by an amount which is not quantifiable in the absence of valuation done by the company.
- (v) We further report that had the observations made by us in sub para nos. (i) and (ii) above been considered following impacts would have been in consolidated financial statements. Other Equity would have been ₹ 2,285.43 Crores (as against ₹ 2,332.54 Crores as reported by the Company), Other Current Financial Liabilities would have been ₹ 165.17 Crores (as against ₹ 142.99 Crores as reported by the Company), Current Tax Assets (Net) ₹ would have been 63.23 Crores (as against ₹ 88.16 Crores as reported by the Company), Contingent liabilities, in the head 'Claims against company not acknowledged as debt', would have been ₹ 720.09 Crores (as against ₹ 742.27 Crores as reported by the Company).

We conducted our audit of the consolidated 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 Consolidated 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 Consolidated 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 consolidated financial statements.

#### Emphasis of Matter

- a) We draw attention to note no. 20.3 of the consolidated financial statements wherein, as per GST tax structure, Holding Company falls under inverted tax structure wherein Input tax credit (ITC) is higher than output tax liability. As per Rule 89 of CGST Rules, 2017 Holding Company is not eligible to get refund of ITC for services on or after 13<sup>th</sup> June, 2018. In view thereof such amount of ITC of 99.05 Crore has been provided for in the financial year 2020-21.



- b) Refer note no.36.1 of the consolidated 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. Holding Company has filed appeals challenging the demanded amount and has intimated the amount of land tax as per its own calculation. Currently, the Holding 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 financial year 2019-20 which consists of the amount mentioned in the various appeals against the demand notices and the amount of 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.
- c) Refer note no.67 (iii) of the accompanying consolidated financial statements wherein, Balances under the head Trade Payables and Trade Receivables have not been confirmed as at 31 March, 2021. Consequential Impact upon receipt of such confirmation/ Reconciliation/ Adjustment of such balances, if any is not ascertainable in the absence of required confirmations from parties.
- d) Refer note no. 30.1 of the consolidated 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.
- e) Refer note no. 31.2 of the consolidated financial statements regarding installation of additional solar panel to meet out the deficiency in generation of Solar power based on NMGG by providing additional fund to the vendor M/s Ray Power Experts Pvt. Ltd.
- f) Refer note no. 52 of the consolidated 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 will be made on the receipt of same.
- g) Refer note no. 56 of the consolidated financial statements regarding the dispute about the applicability of recovery clause when the Desalination Plant is operated on reduced capacity; still the matter is sub-judice.

Our opinion is not modified in respect of the above matters.

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

The Holding 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 consolidated financial statements and our auditors' report thereon.

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

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

If, based on the work we have performed, we conclude that 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 Consolidated Financial Statements**

The Holding 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 consolidated financial



statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive Income, consolidated changes in Equity and consolidated cash flows of the group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the Group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

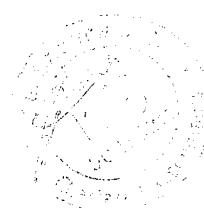
The respective board of directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Group 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transaction and events in a manner that achieves fair presentation.’

Materiality is the magnitude of misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 statement that we have compiled 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.

Form the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial Statements of the current period and are therefore the key audit matters. We describe 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.

#### **Other Matters**

- a) We did not audit the financial statements / financial information of the subsidiary, whose financial statements / financial information reflect total assets of ₹ 75.48 crores (P.Y. ₹ 69.54 crores) as at 31<sup>st</sup> March 2021, total revenue of ₹ 0.025 crores (P.Y. ₹ 0.039 crores) and net cash flows of ₹0.002 crores (P.Y. ₹0 ) for the year ended 31st March 2021, as considered in the consolidated financial statements. The consolidated financial statements also include group’s share of Net profit after tax of Rs 5.93 crores (P.Y. ₹ 6.34 crores) for the year ended 31<sup>st</sup> March 2021. These financial statements of the subsidiary have been audited by other auditors whose reports have been furnished to us by the management.
- b) The Consolidated financial statements also include net profit after tax ₹ 20.06 crores for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have been audited by other auditors and whose report has been furnish to us by management .
- c) Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of that subsidiary, and our report in terms of subsection (3) and (11) of section 143 of the Companies Act 2013, in so far as it relates to the aforesaid subsidiary and joint venture, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory requirements mentioned below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements/financial information certified by the management.

Our opinion is not modified in respect of these matters.

#### **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, is not applicable on the consolidated financial statement as referred in proviso to para 2 of the said order.



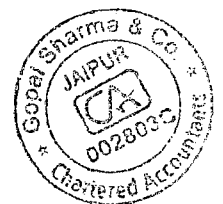
2. As required under Section 143(5) of the Companies Act, 2013, we give in the “Annexure-A”, a Statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of audit, the action taken thereon and its impact on the accounts and financial statements of the company.

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 of the aforesaid consolidated financial Statements.
- (b) In our opinion proper books of account as required by law relating to preparation of the of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) Except for the matter described in the basis for Qualified Opinion, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule 2015, 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) In terms of notification no. G.S.R. 463(E) dt 05-06-2015 issued by ministry of Corporate Affairs, the provision of section 164(2) of the Companies Act 2013 in respect of \*disqualification of directors are not applicable to the Government Company.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company, its subsidiary and joint venture company and the operating effectiveness of such controls, refer to our separate Report in **Annexure “B”**
- (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 and based on the consideration of reports of the other auditors in case of subsidiary and joint venture as noted in the “Other Matters”:
  - a. The consolidated financial statements has disclosed the impact of pending litigations on its financial position in its consolidated financial statements refer note no. 49 to the consolidated financial statements.
  - b. The Group 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 Holding Company, its Subsidiary company and joint venture.

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

**CA. Preetam Sharma**  
Partner  
Membership No. 437669  
UDIN: 23437669BGWURQ2498



Place: Jaipur  
Date : 10.07.2023

## Annexure "A" 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, 2021

### GENERAL DIRECTIONS ISSUED U/s 143(5) OF THE COMPANIES ACT, 2013 FOR THE FINANCIAL YEAR 2020-2021

Sl.	DETAILS/DIRECTIONS	AUDITOR'S REPLY
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 Raj COMP Info Services Limited (Government of Rajasthan Enterprise).</p> <p>Currently Phase I 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 be verified 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 &amp; 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> <p>The financial implications, if any, are unascertainable.</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.



**SUB DIRECTIONS ISSUED U/s 143(5) OF THE COMPANIES ACT, 2013 FOR THE  
FINANCIAL YEAR 2020-2021**

- 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 Holding Company and as reported by the Auditors of the Joint venture are 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 by the Holding Company and as reported by the Auditors of the Joint venture, the requisite statutory compliance that was required under mining and environmental rules and regulations had obtained.

- 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 by the Holding Company and as reported by the Auditors of the Joint venture, mining activities has been undertaken as per approved mining closer 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 by the Holding Company and as reported by the Auditors of the Joint venture, in case of RSMML, the Dead rent is being paid/provided for disbanded discontinued mines and in case of Joint venture, the company has not disbanded nor discontinued any of its mines during the year.

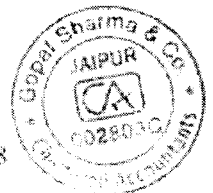
- 5. Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**

According to the information and explanations given to us by the Holding Company and as reported by the Auditors of the Subsidiary company and Joint venture, financial statements had properly accounted for the effects of Rehabilitation activity and Mine Closure Plan.

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



**CA. Preetam Sharma**  
Partner  
Membership No. 079224  
UDIN : 23437669BGWURO2498



Place: Jaipur  
Date : 10.07.2023

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

**Referred to in paragraph 3(g) 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, 2021**

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

To The Members of Rajasthan State Mines and Minerals Ltd.

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2021 We have audited the internal financial controls over financial reporting of **RAJASTHAN STATE MINES & MINERALS LIMITED** (hereinafter referred to as "the Holding Company" and its subsidiary and joint venture, which are companies incorporated in India, as on that date.

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

The respective board of Directors of the Holding Company" and its subsidiary and joint venture, which are companies incorporated in India , are 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 the 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.

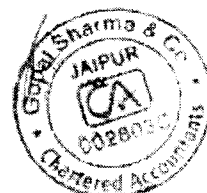
### **Auditors' Responsibility**

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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below 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 Holding Company, its subsidiary company and joint venture, which are companies incorporated in India, have, 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, 2021, based on "the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

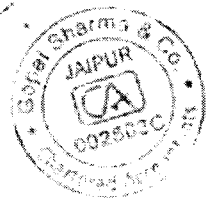
### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and joint venture incorporated in India.

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



**CA. Preetam Sharma**  
Partner  
Membership No. 437669



Place: Jaipur  
Date: 10.07.2023

UDIN: 23437669BQWURQ2498

**RAJASTHAN STATE MINES & MINERALS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021**

	Particulars	Note No.	As at March 31,2021	As at March 31,2020	As at April 01,2019
	<b>ASSETS</b>				
[1]	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	6	47,357.03	49,515.65	51,053.90
	(b) Capital work-in-progress	6	38.69	16.36	28.79
	(c) Other intangible assets	7	68.42	102.63	-
	(d) Financial Assets				
	(i) Investments	8	9,810.12	7,189.87	6,439.03
	(ii) Loans	9	462.92	503.00	565.76
	(iii) Others financial assets	10	23,133.01	16,460.32	17,711.33
	(f) Deferred tax assets (Net)	11	645.13	-	-
	(e) Other non-current assets	12	18,876.52	28,241.67	28,401.44
			<b>1,00,391.84</b>	<b>1,02,029.50</b>	<b>1,04,200.25</b>
[2]	<b>Current assets</b>				
	(a) Inventories	13	20,342.23	21,013.05	26,698.60
	(b) Financial Assets				
	(i) Trade receivables	14	11,048.26	14,147.69	14,372.84
	(ii) Cash and cash equivalents	15	1,29,932.98	1,10,037.19	99,941.56
	(iii) Bank balances other than (ii) above	16	12,162.07	16,129.12	10,188.52
	(iv) Loans	17	128.05	164.00	165.61
	(v) Others current financial assets	18	1,626.20	1,242.68	679.04
	(c) Current Tax Assets (Net)	19	8,815.81	2,623.94	2,341.96
	(d) Other current assets	20	82,942.67	85,885.78	80,792.37
			<b>2,66,998.27</b>	<b>2,51,243.45</b>	<b>2,35,180.50</b>
	<b>Total Assets [1+2]</b>		<b>3,67,390.11</b>	<b>3,53,272.95</b>	<b>3,39,380.75</b>
	<b>EQUITY AND LIABILITIES</b>				
[1]	<b>Equity</b>				
	(a) Equity Share capital	21	7,755.15	7,755.15	7,755.15
	(b) Other Equity	22	2,33,254.14	2,28,468.60	2,18,969.55
	(c) Non Controlling Interest				
			<b>2,41,009.29</b>	<b>2,36,223.75</b>	<b>2,26,724.70</b>
[2]	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Other financial liabilities	23	1,249.03	1,358.16	833.66
	(ii) Borrowings				
	(b) Provisions	24	3,560.26	3,411.85	3,293.83
	(c) Deferred tax liabilities (Net)	25		560.06	1,816.61
			<b>4,809.29</b>	<b>5,330.07</b>	<b>5,944.10</b>
[3]	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Trade payables				4,761
	(a) Total outstanding dues of Micro, Small and Medium Enterprises	26	38.98	29.09	
	(b) Total outstanding dues to creditors other than Micro, Small and Medium Enterprises	26	5,346.37	5,657.14	
	(ii) Other financial liabilities	27	14,298.56	14,278.27	14,550.87
	(b) Other current liabilities	28	1,00,167.27	90,099.26	85,029.93
	(c) Provisions	29	1,720.35	1,655.37	2,370.64
	(d) Current Tax Liabilities (Net)				
			<b>1,21,571.53</b>	<b>1,11,719.13</b>	<b>1,06,711.95</b>
	<b>Total Equity and Liabilities [1+2+3]</b>		<b>3,67,390.11</b>	<b>3,53,272.95</b>	<b>3,39,380.75</b>

Significant accounting policies & Notes to Consolidated Financial Statements

As our report of even date

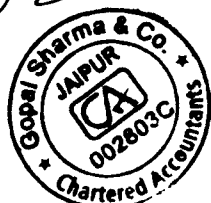
For and on behalf of the Board

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

*San*  
Sandesh Nayak  
Managing Director  
DIN: 07694408

*Shikhar*  
Shikhar Agrawal  
Director  
DIN: (DIN 01093773)

Preetam Sharma  
Partner  
ICAI Membership No. : 437669



*Tulsi*  
Dr. Tulsi Ram Agrawal  
Chief Financial Officer

*Rajendr*  
Rajendr Rao  
Company Secretary  
ICSI Membership No. : 14646

Place: Jaipur  
Date: 10/07/2023

UDIN: 23437669B4WURQ2498

RAJASTHAN STATE MINES & MINERALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Lakh)

	Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I	Revenue From Operations	30	84,050.40	90,292.50
II	Other Income	31	7,472.22	8,126.26
III	<b>Total Income (I+II)</b>		<b>91,522.62</b>	<b>98,418.76</b>
IV	Expenses			
	Purchase of Ore	32	217.67	230.52
	Changes in inventory of finished goods	32	971.37	5,568.33
	Employee benefits expense	34	14,129.73	15,278.76
	Finance costs	35	586.38	771.97
	Depreciation and amortization expense	6 & 7	2,668.17	2,434.21
	Mining, other operating and establishment expenses	36	69,593.05	56,409.76
	<b>Total expenses (IV)</b>		<b>88,166.37</b>	<b>80,693.55</b>
V	<b>Profit/(loss) before exceptional items and tax (I- IV)</b>		<b>3,356.25</b>	<b>17,725.21</b>
	<b>Share of profit/(loss) of joint venture</b>		<b>2,598.53</b>	<b>717.14</b>
VI	Less: Exceptional Items		-	-
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>5,954.78</b>	<b>18,442.35</b>
VIII	<b>Tax expense:</b>	37		
	(1) Current tax		2,150.35	5,244.70
	(2) Tax of earlier years		0.74	0.02
	(3) Deferred tax		-1,205.19	-1,256.55
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>5,008.89</b>	<b>14,454.18</b>
	<b>Profit/(loss) from continuing operations attributable to:</b>			
	Owners of the parent		5,008.89	14,454.18
	Non-controlling interest		-	-
XI	<b>Other Comprehensive Income</b>			
	<b>A (i) Items that will not be reclassified to profit or loss</b>			
	Fair Value Gain/Loss on investments		21.71	33.71
	Remeasurement gain/loss on defined benefit obligation (Gratuity)		-320.16	-408.55
	<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		<b>75.11</b>	<b>94.34</b>
	<b>B (i) Items that will be reclassified to profit or loss</b>			
	<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>			
	<b>Other Comprehensive Income for the year attributable to:</b>			
	Owners of the parent		-223.34	-280.50
	Non-controlling interest		-	-
XII	<b>Total Comprehensive Income for the period (IX+XI)</b> (Comprising Profit(Loss) and Other Comprehensive Income for the period)		<b>4,785.55</b>	<b>14,173.68</b>
	<b>Total Comprehensive Income for the year attributable to:</b>			
	Owners of the parent		4,785.55	14,173.68
	Non-controlling interest		-	-
XIII	<b>Earnings per equity share</b>			
	Basic	45	6.46	18.64
	Diluted		6.46	18.64

Significant accounting policies & Notes to Consolidated Financial Statements

As our report of even date

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

Preetam Sharma  
Partner  
ICAI Membership No. : 437669

Place: Jaipur  
Date: 10/07/2023

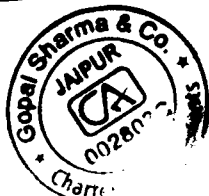
For and on behalf of the Board

Sandesh Nayak  
Managing Director  
DIN: 07694408

Dr. Tushi Ram Agrawal  
Chief Financial Officer  
ICSI Membership No. : 14656

Shikhar Agrawal  
Director  
DIN: (DIN 01093773)

Rajendra Rao  
Company Secretary  
ICSI Membership No. : 14656



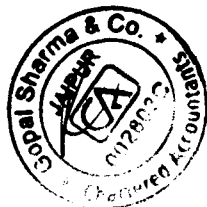
UDZN: 23437669BHWURQ2498

**RAJASTHAN STATE MINES & MINERALS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2021**

(₹ in Lakh)

A	Particulars	For the Year ended 31st March 2021		For the Year ended 31st March 2020	
	<b>Cash Flow From Operating Activities</b>				
	Net Profit Before Tax & after exceptional item and comprehensive income		5,954.78		18,442.35
	<b>Adjustments For :</b>				
	Depreciation Expense	2,668.17	2,434.21	2,434.21	
	Amortization Expense	77.66		77.66	
	Interest Income	-6,068.39		-7,132.24	
	Interest Expenses	579.42		764.23	
	Profit on sale of Property, plant & equipment(PPE)	-7.86		-19.21	
	Loss on sale of Property, plant & equipment(PPE)	0.18		0.01	
	Property, plant & equipment(PPE) Written off	0.50		3.30	
	Impaired/obsolescence of assets	13.10		1.11	
	Remeasurment of defined benefit plan	-320.16	-	-408.55	-
			<b>-3,057.38</b>		<b>-4,279.48</b>
	<b>Operating Profit Before Working Capital Change</b>		<b>2,897.41</b>		<b>14,162.87</b>
	<b>Change In Working Capital (Excluding Cash &amp; Cash Equivalents)</b>				
	Decrease/(Increase) in other current financial assets	-383.52		-563.64	
	Decrease/(Increase) in other current assets	2,865.45		-5,171.07	
	Decrease/(Increase) in Loans	35.95		1.61	
	Decrease/(Increase) in inventories	670.82		5,685.55	
	Decrease/(Increase) in trade receivables	3,099.43		225.15	
	Decrease/(Increase) in bank balance other than cash and cash equivalent	3,967.05		-5,940.60	
	(Decrease)/Increase in Trade payables	-300.88		925.72	
	(Decrease)/Increase in other current financial liabilities	20.29		-272.60	
	(Decrease)/Increase in other current liabilities	10,068.01		5,069.33	
	(Decrease)/Increase in Non-Current Provisions	148.41		118.02	
	(Increase)/Decrease in other non current financial asset	-6,672.69		1,251.01	
	(Decrease)/Increase in Current Provisions	64.98		-715.27	
	Decrease/(Increase) in other non current assets	9,365.15		159.77	
			<b>22,948.45</b>		<b>772.98</b>
	<b>Cash Generated From Operation</b>		<b>25,845.86</b>		<b>14,935.85</b>
	Less: Direct Taxes Paid net of refund(including TDS)		-8,267.85		-5,432.36
	<b>Net Cash flow From Operating Activities</b>		<b>17,578.01</b>		<b>9,503.49</b>



<b>B</b>	<b>Cash Flow From Investing Activities</b>				
	Repayment of loans received from employees	40.08		62.76	
	Addition in Property, plant & equipment(PPE)	-497.67		-1,036.65	
	Sale of Fixed and Other Assets	-5.93		65.29	
	Interest Income	6,068.39		7,132.24	
	(Increase)/Decrease in Investment	-2,598.53		-717.13	
	<b>Net Cash (Used) In/From Investing Activities</b>		<b>3,006.33</b>		<b>5,506.51</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>				
	Interest paid	-579.42		-764.23	
	Dividend Paid	-		-3,877.58	
	Dividend Distribution Tax Paid	-		-797.05	
	Repayment of long term borrowings	-		-	
	(Decrease)/Increase in other financial liabilities	-109.13		524.50	
	<b>Net Cash (Used) In/From Financing Activities</b>		<b>-688.55</b>		<b>-4,914.36</b>
<b>D</b>	<b>Net Change In Cash &amp; Cash Equivalents(A+B+C)</b>		<b>19,895.79</b>		<b>10,095.6</b>
<b>E</b>	<b>Cash &amp; Cash Equivalents at beginning of the year</b>		<b>1,10,037.19</b>		<b>99,941.56</b>
<b>F</b>	<b>Cash &amp; Cash Equivalents at end of the year</b>		<b>1,29,932.98</b>		<b>1,10,037.20</b>
<b>G</b>	<b>Cash &amp; Cash Equivalents(refer note no 15) Includes:</b>				
	In Current Account		16,058.03		8,780.35
	In Deposit Account		49.59		8.35
	Cash in hand		1.88		2.29
	Balances with Treasury in P. D. Account		1,13,823.48		1,01,246.20
			<b>1,29,932.98</b>		<b>1,10,037.19</b>

**Notes:**

- 1 Cash Flow has been prepared under indirect method as set out in IND AS-7
- 2 Addition/Purchase of Property, plant & equipment(PPE) excludes movement of Capital Works in Progress & Capital Advances during the year.
- 3 Previous Year's figures have been recasted/ regrouped, wherever necessary, to confirm to the current years'

As our report of even date

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

Preetam Sharma  
Partner  
ICAI Membership No. : 437669



Place: Jaipur

Date: 10/07/2023

UDIN: 23437669 BLWURQ 2498

For and on behalf of the Board

Sandesh Nayak  
Managing Director  
DIN: 07694408

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Shikhar Agrawal  
Director  
(DIN 01093773)

Rajendr Rao  
Company Secretary  
ICSI Membership No. :14646

**RAJASTHAN STATE MINES & MINERALS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2021**

**A. Equity Share Capital**

(₹ in Lakh)

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

Balance at the beginning of the reporting period	Changes in equity share capital during the year 2020-21	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		
	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Defined benefit obligation	Total
<b>Balance as at March 31, 2018</b>	1,083.93	185,919.88	21,811.91	138.42	-532.34	208,421.80
Profits for the year			15,204.62			15,204.62
Fair valuation of investments				6.38		6.38
Remeasurement gain/loss on defined benefit obligation					11.39	11.39
Dividend payment for FY 16-17			-3,877.58			-3,877.58
Dividend Distribution Tax			-797.05			-797.05
IndAS Adjustments						-
<b>Balance as at March 31, 2019</b>	1,083.93	185,919.88	32,341.90	144.79	-520.95	218,969.55
Profits for the year	-	-	14,454.18	-	-	14,454.18
Fair valuation of investments	-	-	-	33.71	-	33.71
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-314.21	-314.21
Dividend payment	-	-	-3,877.58	-	-	-3,877.58
Dividend Distribution Tax	-	-	-797.05	-	-	-797.05
<b>Balance as at March 31, 2020</b>	1,083.93	185,919.88	42,121.45	178.50	-835.16	228,468.59
Profits for the year	-	-	5,008.89	-	-	5,008.89
Fair valuation of investments	-	-	-	21.71	-	21.71
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-245.06	-245.06
Dividend payment	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	1,083.93	185,919.88	47,130.34	200.21	-1,080.22	233,254.14

As our report of even date

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



**Preetam Sharma**  
Partner  
ICAI Membership No. : 437669



Place: Jaipur  
Date: 10/07/2023

For and on behalf of the Board



**Sandesh Nayak**  
Managing Director  
DIN: 07694408



**Dr. Tulsiram Agrawal**  
Chief Financial Officer



**Shikhar Agrawal**  
Director  
DIN: (DIN 01093773)



**Rajendra Rao**  
Company Secretary  
ICSI Membership No. :14646

## Significant Accounting Policies, Assumptions and Notes to Accounts

### 1 Group Overview

Rajasthan State Mines and Minerals Ltd (Parent company) is a Government of Rajasthan owned enterprise. The Group along with its subsidiary is engaged in the business of mining of Rock Phosphate, Lignite, Limestone, Gypsum, exploration, Production of petroleum gas and generation of power through Wind and Solar farms. The Parent is a company limited by shares incorporated on 7th May 1947. The registered office of the Parent is located at C-89,90, Janpath, Lalkothi scheme, Jaipur.

The Consolidated Financial Statement(CFS) related to parent company, Rajasthan State Mines & Minerals Limited (RSMML), its subsidiary companies, in the form of jointly controlled entities (collectively referred to as " the Group")

The consolidated financial statements are approved for issue by the Company's Board of Directors in their meeting dated 10/07/2023

### 2 Basis of preparation

2.1 The Consolidated 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 Group'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 Consolidated financial statements are set out in Notes to the Financial Statements.

2.6 The preparation of the Consolidated 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 Consolidated financial statements are prudent and reasonable.

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

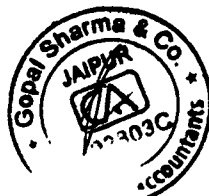
### 3 Statement of Compliance

The Consolidated 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 2021 and comparative information in respect of the preceding period 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 Consolidation

The financial statements of subsidiary companies and joint venture companies are drawn up to the same reporting date as of the Company for the purpose of consolidation.



- a **Subsidiaries** Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the investee. Subsidiaries are fully consolidated from the date on which control is acquired by the Group and are continued to be consolidated until the date that such control ceases.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in statement of profit and loss. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets and liabilities of the subsidiary i.e. reclassified to consolidated statement of profit and loss or transferred to equity as specified by applicable Ind AS. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

**Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions**

- b **Joint Venture**

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.

Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income (OCI) of the investee in OCI. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, which includes any long term interest that, in substance, forms part of Group investment in joint venture, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture. Losses recognized using the equity method in excess of the entity's investment in ordinary shares are applied to the other components of the entity's interest in an associate or a joint venture in the reverse order of their seniority i.e. priority in liquidation.

The statement of profit and loss reflects the Group's share of results of operations of the joint venture. Any change in the OCI of those investee is presented as part of the Group OCI. Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. When necessary, adjustments are made to the financial statements of joint ventures to bring their accounting policies into line with the Group's accounting policies.

4.2 **Basis of Measurement**

The Consolidated 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 Consolidated financial statements are presented in Indian Rupees (₹), which is the Group's functional and presentation currency.

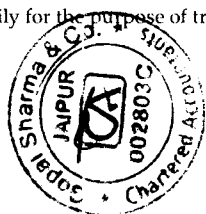
4.3 **Current and non-current classification**

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

The group 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.

#### 4.4 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.



- 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.

#### 4.5 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.

#### 4.6 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 product valuation. Cost is computed on the Weighted Average basis.

##### b Stores & Spares:

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

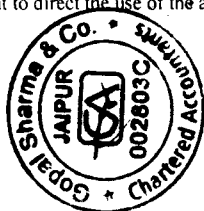
##### c CER/VER/RECs

- 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.

#### 4.7 Leases

The Group 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 Group assesses whether:

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



At the date of commencement of the lease, the Group 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 Group 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.

#### 4.8 **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 are 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.

#### 4.9 **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.

#### 4.10 **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)



- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group 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 Group 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. Their 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**

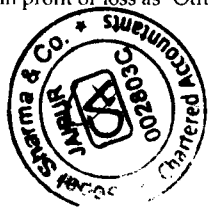
After initial recognition, interest free Security Deposits and other financial liabilities are valued at Amortised cost using Effective Interest Rate method (EIR Method). The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of 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 Consolidated 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.

#### **4.11 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.

#### **4.12 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 group 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**

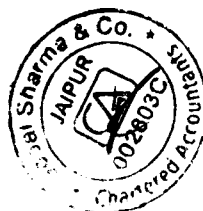
Mine restoration expenditure is provided for in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of closure of mine. The cost estimates, if required will be reviewed and will be adjusted to reflect 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 Group 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 Consolidated 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/RSMET 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.

**d Late Payment Surcharge from DISCOM**

The company is recognising the late Payment Surcharge (LPS) from DISCOMs on account of delay in releasing the payments by them towards sale of wind power. The DISCOMs are not releasing the due LPS amount on regular basis. Looking to the uncertainty involved in the receipt of LPS amount from DISCOMs, the same is being recognized as income in the books of account only upon its actual realization in the bank account of the company.



**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 Group'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 group 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 group 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 Consolidated financial statements of respective year. However no assets are recognised 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.

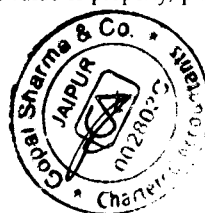
**5 Critical accounting estimates, assumptions and judgements**

The estimates and judgements used in the preparation of the Consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectation of future events) that the Group 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 group 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 Consolidated financial statements.

**Contingencies**

- Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the group 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 group has been done by an independent actuarial valuer on the basis of data provided by the management 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 Consolidated 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 Consolidated financial statements and involvement of practical difficulties.

**Inclusion of taxes in revenue**

- Excise duty, Royalty, DMF, NMET and RSMET are liability of the group. Since the recovery of these taxes flows to group 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.



## 6 Property, Plant &amp; Equipment

(₹ in Lakh)

(₹ in Lakh)

Particulars	Mining Land	Free Hold Land	Lease Hold Land	Buildings	Railway Rakes & Sidings	Plant & Machinery	Power Plant	Furniture & Fittings	Vehicles	Water Supply Plant & Pipeline	Office & Other Equipment	Electrical Equipment & Inst.	Laboratory Equipments	Wind Power Plant	Dam	Tailing Dam	Road	Solar Power Plant	Machinery in stores/at site	Machinery Spares	Total PPE	
<b>Gross Block</b>																						
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	1,30,556.68	
Additions	0.00	0.00	0.00	0.00	0.00	1.04	0.00	2.65	0.00	0.92	58.10	70.20	3.45	0.00	0.00	358.08	0.00	0.00	1.72	84.47	580.63	
Deductions	0.00	0.00	0.00	0.00	0.00	-2433.93	0.00	-3.89	-15.31	0.00	-25.26	-24.29	-6.90	0.00	0.00	0.00	0.00	0.00	-0.72	0.00	-2,510.29	
As at March 31, 2021	33,447.42	2,422.45	666.90	5,057.65	2,563.41	17,132.70	-	364.56	610.51	1,707.69	774.25	2,519.17	48.38	53,119.97	546.43	1,712.48	2,694.68	2,675.76	2.23	560.39	1,28,627.01	
<b>Accumulated Depreciation</b>																						
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	525.43	914.90	2478.86	1363.48	0.00	387.44	81,041.03	
Depreciation	211.68	0.00	8.50	136.08	0.00	68.57	0.00	6.85	36.10	13.83	51.83	32.29	3.55	1,207.78	0.00	538.81	55.54	167.05	0.00	95.50	2,633.96	
Other Adjustments	0.00	0.00	0.00	0.00	0.00	-2334.02	0.00	-3.73	-14.77	0.00	-23.92	-22.00	0.00	0.00	0.00	-6.57	0.00	0.00	0.00	0.00	-2405.01	
As at 31.03.2021	2547.86	0.00	180.19	3360.25	2435.27	16241.80	0.00	340.18	509.46	1598.05	680.42	2308.37	41.98	44505.73	525.43	1447.14	2534.40	1530.54	0.00	482.94	81,269.98	
<b>Net carrying amount</b>																						
As at 31.03.2020	31,111.24	2,422.45	495.21	1,833.49	128.14	1,058.33	-	28.74	137.70	122.54	88.91	175.18	13.41	9,822.03	21.00	439.50	215.82	1,312.27	1.23	88.47	49,515.65	
As at 31.03.2021	30,899.56	2,422.45	486.71	1,697.41	128.14	890.89	-	24.39	101.06	109.63	93.83	210.80	6.40	8,614.25	21.00	265.34	160.28	1,145.22	2.23	77.45	47,357.03	

## Capital work in progress

(₹ in lakh)

Particulars	CWIP
<b>At cost</b>	
As at April 1, 2020	16.36
Additions	22.33
Deductions	0
As at March 31, 2021	38.69
As at April 1, 2020	38.69
Additions	0
Deductions	0
As at March 31, 2021	38.69
<b>Net carrying amount</b>	
	0
As at 31.03.2020	16.36
As at 31.03.2021	38.69

## 7 Intangible Assets

(₹ in lakh)

Particulars	Computer Software
<b>At cost</b>	
As at April 1, 2020	136.84
Additions	0
Deductions	0
As at March 31, 2021	136.84
<b>Accumulated Depreciation</b>	
As at 31.03.2019	0
As at 31.03.2020	34.21
Amortisation	34.21
As at 31.03.2021	68.42
<b>Net carrying amount</b>	
As at 31.03.2020	102.63
As at 31.03.2021	68.42



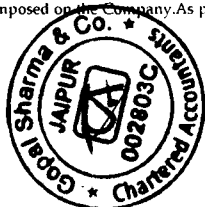
**With respect to RSMML**

- 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.

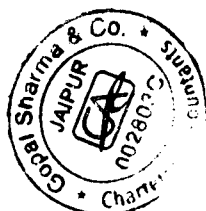
- 6.6 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between M/s JSW Energy (Barmer)Limited (erstwhile Raj West Power Limited, Jaipur) and Company, the Joint Venture Company has paid a sum of ₹ 70,825.55 Lakh (Prev Year ₹ 70,825.55 Lakh) to the Company for purchase/acquisition of 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 ₹ 67929.14 Lakh (Prev year ₹ 67798.61 Lakh) has been paid to Land acquisition Officer for acquisition of land upto 31.03.2021. 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 Gurah 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 ₹ 7,863.11 Lakh) being value of 2823.85 Bigha of land capitalised upto 31 March, 2021 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.



**NON CURRENT FINANCIAL ASSET**  
**INVESTMENT- USING EQUITY METHOD**

The entity listed below has share capital consisting solely of equity shares which are held directly by the company. The country of incorporation or registration is also their principal place of business. The interests in the joint venture company are accounted for using equity method as per Ind AS 28. The investment is adjusted for the post-acquisition change in the investors's share of the investee's net assets.

Particulars	(₹ in Lakh)		
	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Investment oin Equity Instruments</b>			
<b>(a) Joint Venture</b>			
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)	2,091.73	85.48	-
<b>(a) Associate Companies</b>			
(i) 9,000 Equity Shares in Rajesh Mineral Inds. Ltd Ltd. of ₹ 100/- Each Fully Paid up (Previous year 9,000 shares)	9.00	9.00	18.00
Less :Diminution in value (Diminution in value to Rs 1)	-9.00	-9.00	-18.00
(ii) 65000000 equity shares of Rajasthan State Gas Limited( formerly known as RSPCL-GAIL Gas Limited) of ₹ 10/- each fully paid up (Previous year 65000000 equity shares of ₹ 10/- each fully paid up)	7,502.19	6,909.90	6,278.25
<b>(b) Others</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)	14.30	14.30	14.30
Less :Diminution in value (Diminution in value to ₹ 1)	-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)	30.00	30.00	30.00
Less :Diminution in value (Diminution in value to ₹ 1)	-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)	17.25	17.25	17.25
Less :Diminution in value (Diminution in value to ₹ 1)	-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)	11.23	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)	204.97	184.00	150.67
<b>Total</b>	<b>9,810.12</b>	<b>7,189.88</b>	<b>6,439.04</b>

**With respect to RSMML**

8.1 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 31.03.2021 (Prev year ₹ 1,020.00 Lakh ). These shares are shown as investment at a token value of ₹ 1/- in view of the opinion obtained from the Institute of the Chartered Accountants of India. Earlier BLMCL was being shown as subsidiary company of RSMML , however now as per the opinion of EAC of ICAI , it is being shown as Joint Venture Company. (refer note 5 Exemption Claimed, "First-time adoption of Indian Accounting Standards" from accounting policies & assumptions for the year 2016-17)

**Summarised Financial Information for Joint Venture**

8.2 The table below provide summarised financial information for joint venture **Barmer Lignite Mining Company Limited**. The information disclosed reflects the amounts presented in the financial statements of the joint venture.

(₹ in Lakh)

Particulars		As at March 31, 2021	As at March 31, 2020
1	Total Non-Current Assets	225644.40	229067.48
2	Current Assets		
	Financial Assets	41504.80	45858.15
	Other Current Assets	4040.39	5456.77
	Total Current Assets	45545.19	51314.92
3	<b>Total Assets (1+2)</b>	<b>271189.59</b>	<b>280382.40</b>
4	Total Non-Current Liabilities	201161.77	194390.48
5	Current Liabilities		
	Financial Liabilities	48766.86	55857.64
	Other Current Liabilities	15159.55	27966.67
	Total Current Liabilities	63926.40	83824.32
6	<b>Total Liabilities (4+5)</b>	<b>265088.17</b>	<b>278214.80</b>
	<b>Net Assets (3-6)</b>	<b>6101.42</b>	<b>2167.60</b>



8.3 Reconciliation to Carrying Amounts

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Net Assets of BLMCL	2167.60	1965.94
Profit/loss for the year	3933.82	201.66
Other Comprehensive Income		
Equity Contribution (net of cost of issue of shares)		
Closing Net Assets of BLMCL	6101.42	2167.60
Share of RSSML (in %)	0.51	0.51
Share of RSSML (Carrying Amount)	3111.72	1105.48

9 LOANS

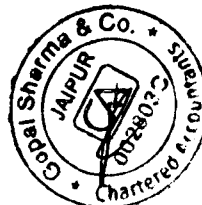
(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Loans to Employees (Unsecured)</b>			
Unsecured and Considered Good	462.92	503.00	565.76
Unsecured and Considered doubtful	0.56	0.56	0.56
Less: Provision	-0.56	-0.56	-0.56
<b>Total</b>	<b>462.92</b>	<b>503.00</b>	<b>565.76</b>

10 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Unsecured and considered Good</b>			
Security deposits	1,162.20	1,099.36	920.14
Interest accrued on FDRs/NSCs	823.98	648.62	769.39
		-	-
<b>Northern Western Railway</b>			
Considered good		-	-
Considerd doubtful	-	-	-
Less: Provision	-	-	-
Escrow Account for Mine Closure Fund	14,273.51	11,295.03	8026.53
Bank Deposit	1,851.61	730.56	1632.32
Earmarked Balances	3,303.03	968.07	4638.39
		-	-
<b>Claims recoverable*</b>			
Considerd good	1,718.68	1,718.68	1724.56
<b>Total</b>	<b>23,133.01</b>	<b>16,460.32</b>	<b>17,711.33</b>



**With respect to RSMML**

- 10.1 Earmarked balances with bank comprises Fixed deposit with maturity of more than twelve months.
- 10.2 The company has also opened Escrow Accounts for both Sonari & Giral Mines with banks and a total sum of ₹ 11614.68 Lakh (Prev year ₹ 9424.94 Lakh ) has been deposited till 31.03.2021 in both the accounts. Besides this, company has also deposited an amount ₹ 2658.83 Lakh (Prev year ₹ 1870.09 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
- 10.3 In compliance of directives given by the competent courts in some cases of SBU-PC lignite ,bankers have retained a sum of ₹ 273.71 Lakh (Prev. year ₹ 293.67 Lakh ) in the form of FDRs which are in lien with them to be used for the specified purposes.
- 10.4 Claims recoverable includes an amount of ₹ 1,718.68 Lakh (Prev. Year ₹ 1,718.68 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.

**11 DEFERRED TAX ASSET/LIABILITY**

(₹ in Lakh)

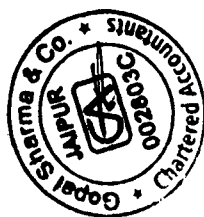
Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Deferred Tax Assets	1,205.19		
Deferred Tax Liabilities	560.06		
<b>Total</b>	<b>645.13</b>		

Refer note no.25 for deferred tax for the year 2019-20

**12 OTHER NON CURRENT ASSETS**

(₹ in Lakh)

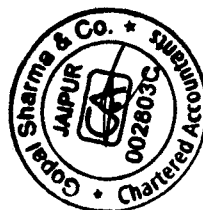
Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Others</b>			
Considerd good	121.79	910.75	314.54
Considerd doubtful	15.76	15.76	15.73
Less: Provision	-15.76	-15.76	-15.73
Rail Link	10,365.69	11,846.50	-
Minning property	1,630.19	1,707.84	1785.5
Capital Advance (Considered Good)	74.40	367.12	12213.62
Prepaid Expenses	153.90	213.27	271.28
Exploration and evaluation asset	929.11	915.88	778.28129
Income tax deposits	3,844.96	10,958.94	11966.78
Non Judicial Stamps in hand	0.04	0.04	0.04
Leave Encashment Fund	1,756.44	1,321.33	1,071.40
	-		-
<b>Total</b>	<b>18,876.52</b>	<b>28,241.67</b>	<b>28,401.44</b>



- 12.1 Limestone was being transported from Sanu Mines to Jaisalmer Railway Station till 2020, which is nearly 60 Km away from Mines and then dispatched to various steel plants. Limestone was transported from Mine site to Jaisalmer railway station by road transport. The transportation cost was very high, due to which the cost of limestone was increasing to make it costlier in comparison to imported limestone in terms of landed price at various steel plants. Considering this the Company approached to the railways for inclusion of the broad-gauge rail link up to Sanu Mines in the Rail Budget. A new rail line from Thaiyat - Hamira to Sanu Mines approximating 56 kms was proposed in the year 2008 to reduce the transportation cost and pollution as per R3i Cost Sharing Freight Rebate Model of railway. The project was approved in the Union Rail Budget for 2013-14 at an approximate cost of ₹ 23696.00 Lakh and 50% of the cost i.e. ₹ 11846.50 Lakh was to be borne by RSMML, which was deposited by RSMML on 17.05.2013. The company has disclosed the same as capital advance in the financial Statements.

Railways commenced the construction of the railway siding in the year 2016 and the same has become operational w.e.f. 16 August 2020. In the year 2018, the Company has entered into a long term agreement with Steel Authority of India Limited (SAIL), New Delhi for supplying of limestone approx. 31-36 lac MT per year for a period of 10 years from the financial year 2018-19 to 2027-28. Thus, in the agreement so entered with SAIL, there is a reference of supplying limestone from SONU Railway Station of being operational of the new railway site. The amount paid by company on construction of Railway Sidings is directly related to a contract with its customers like SAIL and has resulted in enhancing its resources used to satisfy the performance obligation with SAIL in the upcoming years. Also the cost incurred is recovered on account of savings in transportation cost with respect to the goods to be sold to SAIL. Accordingly, the company has recognized the cost so incurred amounting to ₹ 11846.50 Lakh as an asset to fulfil its contractual obligations towards contract with its customer SAIL as per Para 95 of Ind AS 115. Further company is amortizing the cost so incurred in the remaining contractual period of 8 years with SAIL as per Para 99 of Ind AS 115. Accordingly the amount of advance payment of ₹ 11846.50 Lakh shown as capital advance in the year 2019-20 is reclassifying as "Rail linkup at Sanu".

- 12.2 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 and a sum of ₹ 5266.83 Lakh (Previous Year ₹ 4910.80 Lakh ) has been invested under this scheme. As per actuarial valuation total leave encashment liability of the Company of ₹ 3510.39 Lakh (Previous Year ₹ 3589.47 Lakh ) has been adjusted from fair value of plan assets and surplus fund of ₹ 1756.44 Lakh (₹ 1321.33 Lakh ) is shown under other non current asset.



## 13 INVENTORIES

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Finished Goods</b>			
Rock Phosphate	16,613.41	18,108.83	20657.61
Beneficiated Rock Phosphate	722.16	770.43	3666.3
Rajphos	53.54	95.96	292.22
Secondary Ore	432.49	47.55	163.57
Gypsum	11.00	446.29	255.87
Lime stone	665.09	0.07	1.9
Bio Diesel and by products	0.07		
<b>Stores and Spares</b> (Including in transit ₹ 37.73 Lakh ) (Previous year ₹ 16.14 Lakh )	1,844.47	1,543.92	1661.13
<b>Total</b>	<b>20,342.23</b>	<b>21,013.05</b>	<b>26,698.60</b>

**With respect to RSMML**

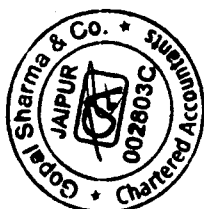
13.1 During the course of excavation and mining from its Jhamarkotra Mines, Udaipur, to mine out to saleable/marketable Rock Phosphate in addition to over burden, the company is also required to necessarily excavate a material named as Secondary Ore which contains high quantity of silica and other impurities. The material is, however, being stacked separately in the mining area, since inception of its excavation in compliance of relevant provisions of the concerned act/ guidelines as this material contains P2O5 more than 5%. Since Secondary Ore is being stacked separately from inception of its excavation, a huge quantity of around 92.19 lac MT of secondary ore is accumulated at Jhamarkotra Mines upto 31.03.2020.

Earlier the Secondary Ore was not directly usable/ saleable and was also having no intrinsic utility it was being treated as a waste material. Further, as to mine out the main product i.e. Rock Phosphate Ore, this material is necessarily required to excavate, no extra/separate cost is being incurred by the company on this product and till the financial year 2019-20, the entire mining cost was being apportioned on the usable/ saleable products prior to the year 2019-20, there was no sale of this product because there were no buyers of this material, though the Company was making efforts to use the Secondary Ore by beneficiating the same.

In the process, a small quantity of the secondary ore was despatched on trial basis to one party during the year 2019-20. Later on one party has started the production of Beneficiated Rock phosphate (BRP) from such secondary ore and continued to take the material in the subsequent years . It has lifted around 1.49 lac MT till 31.03.2021 and continuing lifting the material till the balance sheet date.

Company has also given letter of acceptance vide letter dated 24.12.2021 for sale of 5.00 Lac MT @ Rs. 600/- PMT of the Secondary Ore annually for a period of 20 years which is further extendable by another 10 years to another party . As per the terms, the party is required to complete the work of detailed design, erection, testing and commissioning of the plant in all respects within 18 months from the date of issuance of order and to start lifting of material within stipulated time.

From the above facts it appears that in due course of time, company would be able to sell the material in its ordinary course of business and accordingly the product can now be considered having realisable value in the market. Accordingly, company has started valuing the same as inventory w.e.f. 31.03.2021 at lower of cost or net realisable value whichever is less .While valuing the stock of secondary ore as on 31.03.2021, the mining and other related costs incurred by the company during the year 2020-21 have been apportioned on systematic basis on this product also along with on other products. Further, as the costs incurred on excavation of secondary ore and other related costs in the years prior to the year 2020-21 when this product was not saleable, have already been absorbed by the other products, the cost of the stock accumulated up to 31.03.2020 has been taken as "nil" and the sale proceeds of such stock would be considered as revenue in the relevant years.



13.2 The Company was having 89342 CERs and 19643 VERs on 31.03.2021 ( Prev. year 89342 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.

13.3 The company was having Nil REC on 31.03.2021 ( Nil REC on 31.03.2020 ) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

**TRADE RECEIVABLES**

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Trade receivable Considered Good	11,048.26	14,147.69	14611.37
Trade Receivables- Credit impaired	1,494.67	1,450.91	1169.54
Less: Provision for doubtful trade receivables	-1,494.67	-1,450.91	-1408.07
<b>Total</b>	<b>11,048.26</b>	<b>14,147.69</b>	<b>14,372.84</b>

**CASH AND CASH EQUIVALENTS**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Balances with bank</b>			
In Current Account	16,058.03	8,780.35	9218.41
In Deposit Account- with maturity of less than 3 months	49.59	8.35	11.35
<b>Cash in hand</b>	1.88	2.29	2.55
<b>Others</b>			
Balances with Treasury in P. D. Account	1,13,823.48	1,01,246.20	90709.25
<b>Total</b>	<b>1,29,932.98</b>	<b>1,10,037.19</b>	<b>99,941.56</b>

**With respect to RSMML**

15.1 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.

15.2 Cheques amounting to ₹ 1,485.28 Lakh (Prev Year ₹ 1,485.28 Lakh) were issued to respective land acquisition officers but not presented for payment till 31.03.2021 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.

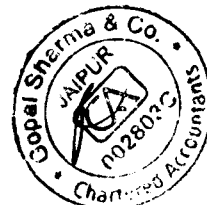
**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Unpaid dividends			1.82
Earmarked balances with banks	10,179.20	3,050.33	9551.84
Deposit Account-with maturity more than 3 months and less than 12 months	1,982.87	13,078.79	634.86
<b>Total</b>	<b>12,162.07</b>	<b>16,129.12</b>	<b>10,188.52</b>

**With respect to RSMML**

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



16.2 Earmarked balances with bank includes Fixed deposit of ₹ 465.57 Lakh (Prev year ₹ 3624.24 Lakh ) with maturity of less than twelve months unclaimed dividend ₹ 2.21 Lakh (Prev year ₹ 2.53 Lakh ) .

17 LOANS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Loans to Employees (Unsecured)</b>			
Unsecured and Considered Good	128.05	164.00	165.61
Unsecured and Considered doubtful	0.92	1.32	1.58
Less: Provision	-0.92	-1.32	-1.58
<b>Total</b>	<b>128.05</b>	<b>164.00</b>	<b>165.61</b>

18 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Advances to Subsidiaries	-	-	
Interest accrued on FDRs/NSCs	1,584.41	1,242.68	679.04
FDR with bank	41.79		
<b>Claims Recoverable (Including Duty Drawback Receiv</b>			
Considered good	-		
Considered doubtful	97.83	97.83	50.86
Less: Provision	-97.83	-97.83	-50.86
<b>Total</b>	<b>1,626.20</b>	<b>1,242.68</b>	<b>679.04</b>

19 CURRENT TAX ASSETS (NET)

Particulars	Elimination	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
Advance tax		10,890.85	7,774.30	9,365.23
Provision for tax		2,075.04	5,150.36	7023.27
<b>Total</b>	<b>-</b>	<b>8,815.81</b>	<b>2,623.94</b>	<b>2,341.96</b>

20 OTHER CURRENT ASSETS

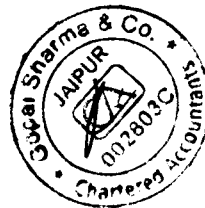
(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Advance to Suppliers			776.72
<b>Others short term loans and advances</b>			
Considered good	82,380.15	85,645.56	79686.56
Considered doubtful	9,936.52	30.99	73.76
Less: Provision for doubt full debts	-9,936.52	-30.99	-73.76
Prepaid expenses	428.62	132.04	186.16
Machinery Held for Sale	133.90	108.18	142.93
<b>Total</b>	<b>82,942.67</b>	<b>85,885.78</b>	<b>80,792.37</b>



**With respect to RSMML**

- 20.1 Others short term loans and advances includes advances to others amounting ₹ 67929.14 Lakh (Prev year ₹ 67798.61 Lakh ) being amount paid to Land acquisition officer for acquisition of land at Jalipa Village in state of Rajasthan.
- 20.2 Others short term loans and advances includes ₹ 936.29 Lakh (Previous year ₹ 936.29 Lakh ) being amount recoverable from PHED,Nagaur for distribution of desalinated water by M/s Nagaur Water Supply Company Pvt Ltd.
- 20.3 Company is paying GST at higher rates on the input services for mining i.e.12%,18% and 28% , while the output is chargeable GST at lower rates i.e. 5% as a result Company has recognised excess input credit lying with it as an asset under the Inverted duty tax structure. Section 54 (3) of the CGST Act provides for a refund of unutilised ITC and Rule 89 provides the mechanism for claim of refund. On 18 April 2018, the Central Goods and Services Tax (Fourth Amendment) Rules 2018 were notified whereby Rule 89(5) was amended so as to exclude refund of input services from its ambit. The amendment under Rule 89(5) was challenged before different Courts under various cases. Accordingly the company has created provision for ₹ 9905.54 Lakh as per the related provisions of GST Act /Rules in the Financial year 2020-21.



21 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at March 31,2021	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	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
	<b>7,755.15</b>	<b>7,755.15</b>	<b>7,755.15</b>

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

(figures in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Name of Shareholder</b>	<b>No. of Shares (% held)</b>	<b>No. of Shares (% held)</b>	<b>No. of Shares (% held)</b>
Government of Rajasthan through Governor of Rajasthan	775.42 (99.99)	775.42 (99.99)	775.42

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

(figures in Lakh)

Particulars	2020-21	2019-20	2018-19
Equity shares at the beginning of the year	775.52	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	775.52

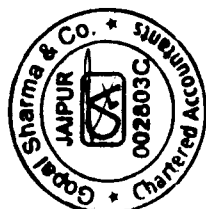
21.3 Rights, preferences and restrictions attached to shares

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.

22 OTHER EQUITY

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31, 2019
<b>Capital Reserve</b>	1,083.93	1,083.93	1083.93
<b>General Reserve (as per last balance sheet)</b>	1,85,919.88	1,85,919.88	1,85,919.88
Add: Transferred from Retained Earnings	-	-	-
<b>Retained Earnings</b>			
As per last balance sheet	42,121.45	32,341.90	21,819.96
Add: Profit for the year	5,008.89	14,454.18	15,204.62



<b>Appropriations</b>	-	-	
Transferred to General Reserves	-	-	
Dividend	-	-3,877.58	-3,877.58
Dividend Distribution Tax	-	-797.05	-797.05
Other Adjustments	-	-	
	<b>47,130.34</b>	<b>42,121.45</b>	<b>32,349.95</b>
<b>Other Comprehensive Income Reserve</b>			
As per last balance sheet	-656.66	-376.16	-393.92
Add: Other Comprehensive Income for the year	-223.34	-280.50	17.76
	<b>-880.00</b>	<b>-656.66</b>	<b>-376.16</b>
<b>Total</b>	<b>2,33,254.15</b>	<b>2,28,468.60</b>	<b>2,18,977.60</b>

#### 22.1 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.

#### 23 OTHER NON-CURRENT FINANCIAL LIABILITIES

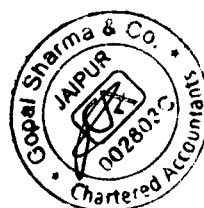
(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Other payables	1,249.03	1,358.16	833.66
Liabilities for Interest on Subordinated Loan from Raj West Power Limited	-	-	-
Liability for Mine Closure Charges	-	-	-
<b>Total</b>	<b>1,249.03</b>	<b>1,358.16</b>	<b>833.66</b>

#### 24 PROVISIONS (NON CURRENT)

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Provision for employees benefits</b>			
Provision for Sick Leave	437.84	438.12	461.7
<b>Provision for Mine Closure</b>	<b>3,122.42</b>	<b>2,973.73</b>	<b>2832.13</b>
<b>Total</b>	<b>3,560.26</b>	<b>3,411.85</b>	<b>3,293.83</b>



With respect to RSMML

- 24.1 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.

25 DEFERRED TAX ASSET/LIABILITY

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Deferred Tax Liabilities	-	1,744.18	3,636.37
Deferred Tax Assets	-	2,304.24	1,819.76
<b>Total</b>	-	<b>560.06</b>	<b>1,816.61</b>

26 TRADE PAYABLES

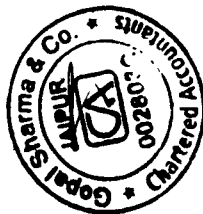
(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Unsecured</b>			
Micro, small and Medium Enterprises	38.98	29.09	28.68
Others	5,346.37	5,657.14	4731.83
<b>Total</b>	<b>5,385.35</b>	<b>5,686.23</b>	<b>4,760.51</b>

- 26.1 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 31,2021	As at March 31,2020	As at March 31,2019
(a) Principal amount due to micro and small enterprises	38.98	29.09	28.68
(b) Interest due on above	0.79	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	-	-	0.91
(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	-	-	-

**With respect to RSPCL**

26.2 There are no amounts due to Micro, Small and Medium Enterprises suppliers on account of principal and/or interest on suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 .

**27 OTHER CURRENT FINANCIAL LIABILITIES**

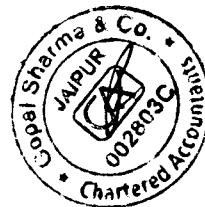
Particulars	(₹ in Lakh)		
	As at March 31,2021	As at March 31,2020	As at March 31,2019
Unclaimed Dividend*	2.21	2.53	1.82
Security Deposits	2,714.91	2,956.47	3163.94
Retention	2,629.51	2,413.51	2227.22
Other Payables	8,949.62	8,904.24	915.71
Liability for expenses	2.16	1.53	0.35
<b>Total</b>	<b>14,298.56</b>	<b>14,278.27</b>	<b>14,550.87</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.

**With respect to RSMML**

27.1 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.

27.2 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 benchmark 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.



## 28 OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
Statutory Liabilities	18,270.51	9,287.44	6836.41
Advances from Customes & Others	5,123.18	5,490.98	3312.36
Lignite Extraction charges payable	-	-	0
Other Payables	-	-	0
Subsidiary Companies	76,773.58	75,320.84	74881.16
<b>Total</b>	<b>1,00,167.27</b>	<b>90,099.26</b>	<b>85,029.93</b>

## 29 PROVISIONS

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020	As at March 31,2019
<b>Provision for employees benefits</b>			
Leave encashment (transferred from long term)	-	-	-
Sick Leave	107.20	108.30	115.96
Gratuity	15.36	49.33	800.9
<b>Provision for progressive Mine closure</b>	<b>1,597.79</b>	<b>1,497.74</b>	<b>1453.78</b>
<b>Total</b>	<b>1,720.35</b>	<b>1,655.37</b>	<b>2,370.64</b>

## With respect to RSMML

29.1 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 ₹ 1597.78 Lac related to progressive mine closure expense upto 31.03.2021 (Prev year ₹ 1497.74 Lac).

29.2 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.

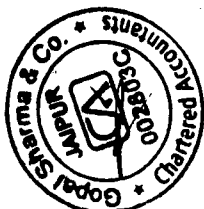
In view of the fact that the activity wise expenses considered in approved /draft mine closure plans are only estimations which are varying subsequently due to various reasons, the company has provided concurrent mine closure expenses actually incurred including those expenses which are being charged 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 recongned as no further future economic benefit available for the same.

29.3 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 31,2021	As at March 31,2020	As at March 31, 2019
Employer's Contribution to Provident, Pension Funds and Other Funds	1,116.15	1,137.06	1307.48

29.4 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.



29.5 Gratuity (Funded)

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

(₹ in Lakh)

Amount in Balance Sheet	As at March 31,2021	As at March 31,2020
Defined Benefit Obligation (DBO)	10,778.64	11,639.98
Fair value of Plan Assets	10,763.28	11,590.65
Funded Status- (Surplus)/Deficit	15.36	49.33
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>15.36</b>	<b>49.33</b>

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lakh)

Current/ Non Current Benefit obligation/asset	As at March 31,2021	As at March 31,2020
Current Liability	15.36	49.33
Non Current Liability	-	-
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>15.36</b>	<b>49.33</b>

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

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Service Cost	789.33	760.48
Interest Cost	694.10	779.36
Expected Return on Plan Assets	-690.90	-802.40
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>792.53</b>	<b>737.44</b>

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

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Amount recognised in OCI, Beginning of period	1,217.01	808.47
Remeasurements due to:	-	-
Effect of change in financial assumptions	-66.90	409.27
Effect of Change in demographic assumptions	-	-0.78
Effect of experience adjustments	455.04	-27.43
Actuarial (Gains)/Losses	388.14	381.06
Return on plan assets (excluding interest)	67.97	-27.48
<b>Total remeasurements recognized in OCI</b>	<b>320.17</b>	<b>408.54</b>
<b>Amount recognized in OCI, End of Period</b>	<b>1,537.18</b>	<b>1,217.01</b>



V Return on Plan Assets

(₹ in Lakh)

Actual Return on Plan Assets	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest Income Plan Asset	690.90	802.39
Actuarial Gains/(Losses) on Plan Assets	67.97	-27.48
Actual Return on Plan Assets	758.87	774.91

VI Reconciliation of amounts in Balance Sheet

(₹ in Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Opening Balance Sheet (Asset)/Liability	49.33	800.90
Total Expense/(Income) recognised in P&L	792.53	737.45
Actual Employer Contribution	-1,146.66	-1,897.56
Total Remeasurements Recognised in Other Comprehensive (Income)/Loss	320.16	408.54
Closing Balance Sheet (Asset)/Liability	15.36	49.33

(₹ in Lakh)

VII

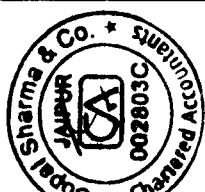
Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined Benefit Obligation, Beginning of Period	11,639.98	11,717.86
Current Service Cost	789.33	760.48
Interest Cost	694.10	779.36
Actuarial (Gains)/Losses	388.14	381.06
Acquisition/ Business Combination/ Divestiture	-	-
Actual Benefits Paid	-2,732.90	-1,998.78
Defined Benefit Obligation, End of Period	10,778.65	11,639.98

VIII 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 2021	For the year ended 31st March 2020
Fair Value of Plan assets, beginning of the period	11,590.65	10,916.96
Interest income on plan assets	690.90	802.39
Actual Enterprises' contribution	1,146.66	1,897.56
Actual benefits paid	-2,732.90	-1,998.78
Actuarial gains/(losses)	67.97	-27.48
Fair Value of Plan assets, end of the period	10,763.28	11,590.65

Other Items	For the year ended 31st March 2021	For the year ended 31st March 2020
Weighted average duration (based on discounted cash flow)	8.65	8.61



IX **Categorisation of Investments under Plan Assets**

Category of Assets	As at March 31,2021	As at March 31,2020
Govt. of India Securities (central and state)	0.00%	0.00%
High Quality corporate bonds (inch PSU Bonds)	0.00%	0.00%
Equity Shares of listed companies	0.00%	0.00%
Real Estate / Property	0.00%	0.00%
Cash (including special deposits)	0.00%	0.00%
Other (including assets under schemes of Ins.)	100.00%	100.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

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 31,2021	As at March 31,2020
DBO	10,778.64	11,639.98
Plan Assets	10,763.28	11,590.65
<b>(Surplus)/Deficit</b>	<b>15.36</b>	<b>49.33</b>
Exp Adj- Plan Assets gain/(Loss)	67.97	-27.49
Assumptions Gain/(loss)	-66.91	408.49
Exp Adj- Plan Liabilities Gain/(loss)	455.04	-27.43
<b>Total Actuarial Gain/(loss)</b>	<b>388.13</b>	<b>381.06</b>

XI **Reconciliation of Actuarial (Gain)/Losses**

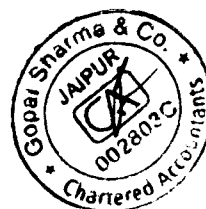
(₹ in Lakh)

	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Recognition of Actuarial gains and losses</b>		
Actuarial (Gain)/Loss arising on DBO	388.13	381.06
Actuarial (Gain)/Loss arising on Plan Assets	67.97	27.49
<b>Total (Gain)/Loss recognised during the period</b>	<b>456.10</b>	<b>408.55</b>

XII **Sensitivity analysis**

(₹ in Lakh)

Sensitivity analysis	For the year ended 31st March 2021	
	Decrease	Increase
Defined Benefit Obligation(Base)	10778.65	
<b>Discount rate</b>	11,029.17	10,493.45
Impact of increase/decrease in 50 bps on DBO	2.32%	-2.65%
<b>Salary growth rate</b>	10,532.57	11,067.81
Impact of increase/decrease in 50 bps on DBO	-2.28%	2.68%



(₹ in Lakh)

Sensitivity analysis	For the year ended 31st March 2021	
Defined Benefit Obligation(Base)	11639.98	
	Decrease	Increase
Discount rate	11937.45	11357.70
Impact of increase/ decrease in 50 bps on DBO	2.56%	-2.43%
Salary growth rate	11419.68	11998.37
Impact of increase/ decrease in 50 bps on DBO	-1.89%	3.08%

## XIII Expected Undiscounted Cash Flows

(₹ in Lakh)

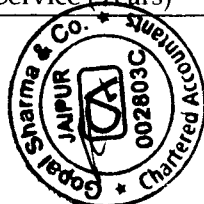
Expected cash flows	As at March 31,2021	As at March 31,2020
Year 1	1705.35	1922.87
Year 2	1582.74	1652.83
Year 3	1445.64	1565.66
Year 4	1473.35	1400.04
Year 5	1159.81	1428.99
Year 6 to 10	4703.28	5164.95

## XIV Plan provisions considered for carrying out actuarial valuation

	For the year ended 31st March 2021 and 31st March 2020
Eligibility	All employees
Qualifying salary	Monthly Basic
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lumpsum
Retirement benefit	$15/26 \times \text{Last drawn salary} \times \text{Service}$
Withdrawal benefit	$15/26 \times \text{Last drawn salary} \times \text{Service}$
Death benefit	$15/26 \times \text{Last drawn salary} \times \text{Service}$
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 2021	For the year ended 31st March 2020
Number of Members	945.00	1,037.00
Total monthly Salary (Rs in Lakh)	730.28	787.07
Average age (Years)	49.82	49.87
Average Past Service (Years)	24.61	24.58



XVI Actuarial Assumptions

(₹ in Lakh)

Financial Assumptions	For the year ended 31st March 2021	For the year ended 31st March 2020
Discount Rate	6.55%	6.50%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	6.55%	6.50%

Demographic assumptions	For the year ended 31st March 2021	For the year ended 31st March 2020
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
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	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.001680
45	0.002579
50	0.004436
55	0.007513
60	0.011162



**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 2021, the estimated term of liabilities is 8.65 years, corresponding to which YTM on government bonds is 6.55%, 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.

**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**

Gratuity 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.

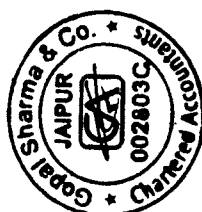
As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation 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.



29.6 Leave Encashment (Funded)

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

(₹ in Lakh)		
Amount in Balance Sheet	As at March 31,2021	As at March 31,2020
Defined Benefit Obligation (DBO)	3,510.39	3,589.47
Fair value of Plan Assets	5,266.83	4,910.80
Funded Status- (Surplus)/Deficit	-1,756.44	-1,321.34
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>-1,756.44</b>	<b>-1,321.34</b>

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lakh)		
Current/ Non Current Benefit obligation/asset	As at March 31,2021	As at March 31,2020
Current Liability	-	-
Non Current Liability	-1,756.44	-1,321.34
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>-1,756.44</b>	<b>-1,321.34</b>

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

(₹ in Lakh)		
Amount Recognised in Statement of Profit & Loss	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Service Cost	164.05	157.40
Interest Cost	203.09	221.73
Expected Return on Plan Assets	-319.20	-336.86
Net Actuarial Losses/(Gains)	446.94	697.91
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>494.88</b>	<b>740.18</b>

IV Return on Plan Assets

(₹ in Lakh)		
Actual Return on Plan Assets	For the year ended 31st March 2021	For the year ended 31st March 2020
Expected Return on Plan Assets	319.20	336.86
Actuarial Gains/(Losses) on Plan Assets	36.78	-9.21
<b>Actual Return on Plan Assets</b>	<b>355.98</b>	<b>327.65</b>

V Reconciliation of amounts in Balance Sheet

(₹ in Lakh)		
Reconciliation of amounts in Balance Sheet	As at March 31,2021	As at March 31,2020
Opening Balance Sheet (Asset)/Liability	-1,321.34	-1,071.39
Total Expense/(Income) recognised in P&L	494.88	740.18
Actual Employer Contribution	-929.98	-990.11
Acquisition/ Business Combination/ Divestiture	-	-
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>-1,756.44</b>	<b>-1,321.32</b>



(₹ in Lakh)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined Benefit Obligation, Beginning of Period	3,589.47	3,511.72
Current Service Cost	164.06	157.40
Interest Cost	203.09	221.72
Actuarial (Gains)/Losses	483.71	688.70
Actual Benefits Paid	-929.94	-990.07
<b>Defined Benefit Obligation, End of Period</b>	<b>3,510.39</b>	<b>3,589.47</b>

## VI Reconciliation of Fair Value of Plan Asset

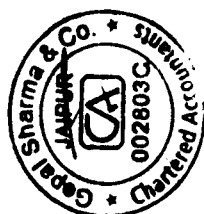
(₹ in Lakh)

Change in fair value of plan assets during the period	For the year ended 31st March 2021	For the year ended 31st March 2020
Fair Value of Plan assets, beginning of the period	4,910.80	4,583.11
Interest income on plan assets	319.20	336.86
Actual Enterprises' contribution	929.99	990.11
Actual benefits paid	-929.94	-990.07
Actuarial gains/(losses)	36.77	-9.21
<b>Fair Value of Plan assets, end of the period</b>	<b>5,266.82</b>	<b>4,910.80</b>

Other Items	For the year ended 31st March 2021	For the year ended 31st March 2020
Decrement adjusted estimated tenure of Actuarial liability (years)	8.65	8.61

## VII Categorisation of Investments under Plan Assets

Category of Assets	As at March 31,2021	As at March 31,2020
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 (including assets under schemes of Ins.)	100.00%	100.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>



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 31,2021	As at March 31,2020
DBO	3,510.39	3,589.47
Plan Assets	5,266.83	4,910.80
(Surplus)/Deficit	-1,756.44	-1,321.33
Exp Adj- Plan Assets gain/(Loss)	36.77	-9.21
Assumptions Gain/(loss)	-9.87	162.65
Exp Adj- Plan Liabilities Gain/(loss)	493.58	526.05
Total Actuarial Gain/(loss)	483.71	688.70

IX Reconciliation of Actuarial (Gain)/Losses

(₹ in Lakh)

Recognition of Actuarial gains and losses	For the year ended 31st March 2021	For the year ended 31st March 2020
Actuarial (Gain)/Loss arising on DBO	483.70	688.70
Actuarial (Gain)/Loss arising on Plan Assets	36.77	-9
Total (Gain)/Loss recognised during the period	520.47	679.49

X Sensitivity analysis

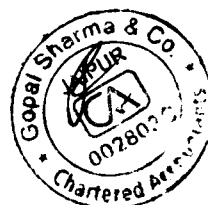
(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined benefit obligation (Base)	3,510.39	3,589.47

Sensitivity analysis	For the year ended 31st March 2021		For the year ended 31st March 2020	
	Decrease	Increase	Decrease	Increase
Discount rate Impact of increase/ decrease of 50 bps on DBO	3,611.87	3,414.97	3,606.76	3,421.88
	2.89%	-2.73%	2.71%	-2.56%
Salary growth rate Impact of increase/ decrease of 50 bps on DBO	3,414.49	3,611.43	3,420.77	3,607.08
	-2.73%	2.88%	-2.59%	2.72%

XI Expected Undiscounted Cash Flows

Expected cash flows	As at March 31,2021	As at March 31,2020
Year 1	570.71	564.70
Year 2	441.55	510.01
Year 3	459.80	382.79
Year 4	474.30	439.65
Year 5	369.61	452.26
Year 6 to 10	1,479.99	1,557.26



XII Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2021 and 31st March 2020
Elegibility	All employees
Qualifying salary	Monthly Basic
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 2021	For the year ended 31st March 2020
Number of Members	945.00	1,037.00
Total monthly Salary (₹ in Lakh)	730.28	787.07
Average age (Years)	49.82	49.87
Average Past Service (Years)	24.61	24.58
Total Leave Balance (Days)	1,21,885.00	1,24,899.00
Average Leave Balance	128.98	120.44

XIV Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2021	For the year ended 31st March 2020
Discount Rate	6.55%	6.50%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	6.55%	6.50%

Demographic assumptions	For the year ended 31st March 2021	For the year ended 31st March 2020
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	0.000924
25	0.000931
30	0.000977
35	0.001202
40	0.00168
45	0.002579
50	0.004436
55	0.007513
60	0.011162

#### 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 2021 the estimated term of liabilities is 7 years, corresponding to which YTM on government bonds is 6.55% 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.

#### 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

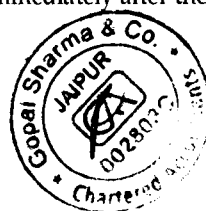
Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to members. Actuarial & Investment risks are borne by the Company.

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.



29.7 Sick Leave(Unfunded)

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

(₹ in Lakh)

Amount in Balance Sheet	As at March 31,2021	As at March 31,2020
Defined Benefit Obligation (DBO)	545.04	546.42
Funded Status- (Surplus)/Deficit	545.04	546.42
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>545.04</b>	<b>546.42</b>

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lakh)

Current/ Non Current Benefit obligation	As at March 31,2021	As at March 31,2020
Current Liability	107.20	108.30
Non Current Liability	437.84	438.12
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>545.04</b>	<b>546.42</b>

III Expense recognised during the year

(₹ in Lakh)

Amount Recognised in Statement of Profit & Loss	As at March 31,2021	As at March 31,2020
Current Service Cost	27.11	28.38
Interest Cost	35.51	42.46
Net Actuarial Losses/(Gains)	-64.00	-102.08
<b>Total Expense/(Income) included in "Employee benefit Expense"</b>	<b>-1.38</b>	<b>-31.24</b>

IV Reconciliation of opening and closing balances of Defined Benefit Obligation

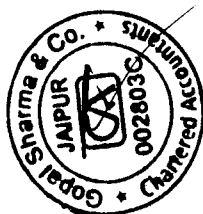
(₹ in Lakh)

Change in Present Value of Benefit Obligation during the Period	As at March 31,2021	As at March 31,2020
Opening Balance Sheet (Asset)/Liability	546.42	577.66
Total Expense/ (Income) recognised in P&L	-1.38	-31.24
Actual Benefits Paid	-	-
Acuisition/ Business Combination/ Divestiture	-	-
<b>Closing Balance Sheet (Asset)/Liability</b>	<b>545.04</b>	<b>546.42</b>

V Reconciliation of Actuarial (Gain)/Losses

(₹ in Lakh)

Recognition of Actuarial gains and losses	For the year ended 31st March 2021	For the year ended 31st March 2020
Actuarial (Gain)/Loss arising on DBO	-64.00	-102.08
<b>Total (Gain)/Loss recognised during the period</b>	<b>-64.00</b>	<b>-102.08</b>



(₹ in Lakh)		
Other Items	For the year ended 31st March 2021	For the year ended 31st March 2020
Decrement adjusted estimated tenure of Actuarial Liability (years)	8.65	8.61

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

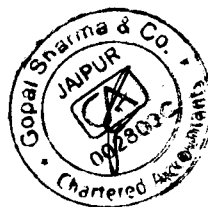
(₹ in Lakh)		
History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31,2021	As at March 31,2020
DBO	545.04	546.42
(Surplus)/ Deficit	545.04	546.42
Assumptions Gain/(loss)	-0.85	17.07
Exp Adj- Plan Liabilities Gain/(loss)	-63.15	-119.15
Total Actuarial Gain/(loss)	-64.00	-102.08

VII Sensitivity analysis

(₹ in Lakh)				
Particulars		For the year ended 31st March 2021	For the year ended 31st March 2020	
Defined benefit obligation (Base)		545.04	546.42	
Sensitivity analysis	For the year ended 31st March 2021		For the year ended 31st March 2020	
	Decrease	Increase	Decrease	Increase
<b>Discount rate</b>				
Impact of increase/ decrease of 50 bps on DBO		555.29	535.20	556.64
		1.88%	-1.80%	1.87%
<b>Salary growth rate</b>				
Impact of increase/ decrease of 50 bps on DBO		535.16	555.25	536.56
		-1.81%	1.87%	-1.80%

VIII Expected Undiscounted Cash Flows

(₹ in Lakh)		
Expected cash flows	As at March 31,2021	As at March 31,2020
Year 1	107.21	108.29
Year 2	93.47	91.15
Year 3	78.77	78.91
Year 4	64.05	65.90
Year 5	53.98	53.13
Year 6 to 10	138.57	143.18



IX Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2021 and 31st March 2020
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:

Data used for Actuarial Valuation

Membership data	As at March 31,2021	As at March 31,2020
Number of Members	945.00	1,037.00
Total monthly Cost-to-Company (Rs in Lakh)	730.28	787.06
Average Age (years)	49.82	49.87
Average past service (Years)	24.61	24.58
Total Leave Balance (Days)	61.28	61.36
Average Leave Balance	64.85	59.17

XI Actuarial Assumptions

Financial Assumptions	As at March 31,2021	As at March 31,2020
Discount Rate	6.50%	6.55%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	0.00%	0.00%

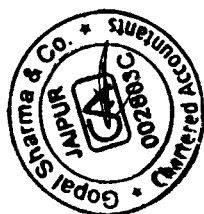
**Discount rate**

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 2021 the estimated term of liabilities is 8.65 years, corresponding to which YTM on government bonds is 6.55% 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 2021	For the year ended 31st March 2020
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%
Availment percentage	7.00%	7.00%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2021 and 31st March 2020
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	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

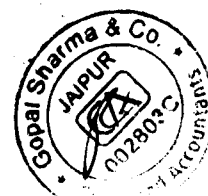
Sick Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

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.



Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Sale of -</b>		
High Grade Rock Phosphate	33,351.80	36,250.39
Beneficiated Rock Phosphate	10,014.02	9,523.04
Rajphos	1,026.85	689.24
Secondary ore	222.76	1.65
Gypsum	2,774.92	2,602.34
Selenite	8.07	41.93
Lignite	15,350.89	16,467.42
Limestone	17,129.20	19,855.68
Wind plant	4,069.69	4,538.07
Solar Power(Refer note 30.5)	-	-
<b>Other operating revenue</b>	-	-
Tailing	56.87	-
Sale of Carbon/Voluntary Emission Reduction (CER/VERs)*	45.33	198.00
Sale of Renewable Energy Certificate (REC)	-	124.75
<b>Total</b>	<b>84,050.40</b>	<b>90,292.50</b>

**With respect to RSMML.**

30.1 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.

30.2 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.

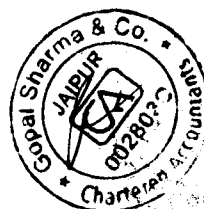
Due to shut down of power plants situated at Giral, RVUNL has not lifted any quantity of Lignite from Sonari and Giral Mines of the company since financial year 2017-18.



- 30.3 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)
- 30.4 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.
- 30.5 Company has issued Detailed Letter of Acceptance (DLOA) No. RSMM/ CO/ PROJECTS/ Solar Power/ DLO., 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. The company has also filed appeal in APTEL (Appellate Tribunal for Electricity), New Delhi for getting relief in the matter.



The company has fed around 6800000 unit of power in grid during the year 2019-20 & 2020-21. Therefore, the company has been operating its solar power plant and producing power during these years. Further, the Hon'ble High court has also passed an interim order dated 18.02.2020 & ordered the power producers to continue to feed the power into the grid. Since power/energy is an essential need of the hour and also a large number of power producers are suffering due to non- signing of PPA, the company expects a favourable decision in the court case and the power plant is expected to be used over the expected life of the plant which is around 22 years. As per company's view, since there are so many solar power producers through which the generated power is being taken /used by DISCOM but not releasing any purchase consideration to them due to non execution of PPA . Most of them are filed cases against DISCOM and RSMML expected that such cases are to be decided in favour of such power producers.

### 31 OTHER INCOME

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Interest income</b>	6,068.39	7,132.24
<b>Other non operating revenue</b>		
Sundry Credit Balances written back	-	1.71
Lease Rent on Railway rakes	-	-
Profit on sale of Obsolete and other PPE	7.86	19.21
Miscellaneous income	1,348.59	929.60
Liability no longer required*	47.38	43.50
<b>Total</b>	<b>7,472.22</b>	<b>8,126.26</b>

#### With respect to RSMML

31.1 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 (OYWS) " 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. After the receipt of the clarification issued by the railway board, RSMML has been sending communications to Railways, regularly, requesting for providing the procedure for buy back of these wagons along with their expected value. As informed by Dy. Chief Manager /FM, NWR vide their letter dated 14/07/2022, they have requested Railway board for providing detailed procedure and guidelines for determining the value of wagons procured under OWYS which is under process.



## 31.2 Compensation

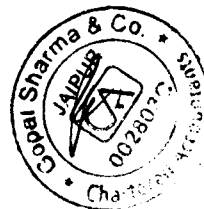
### Wind power Phase V (15MW) Wind Farm at Jaisalmer

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 leviable 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 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 Pvt. 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. Since even after sending many requests , as firm has not yet installed solar panels , RSMML has issued legal notice to M/s RPEPL. M/s RPEPL responded to the above legal notice. Further, the management of RSMML constituted a committee for examining all the aspects of the issue, submit its report and only after that further recourse of action would be initiated.

- 31.3 The company is recovering late Payment Surcharge (LPS) from DISCOMs on account of delay in releasing the payments by them towards sale of wind power. The DISCOMs are not releasing the due LPS amount on regular basis. Looking to the uncertainty involved in the receipt of LPS amount from DISCOMs, the same is being recognized as income in the books of account only upon its actual realization .

### 32 PURCHASE OF ORE

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Ore (Indegenous)	-	-
Purchases	217.67	230.52
<b>Total</b>	<b>217.67</b>	<b>230.52</b>

### 33 CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Closing Stock</b>		
Rock Phosphate	16,613.41	18,108.83
Beneficiated Rock Phosphate	722.16	770.43
Secondary ore	432.49	-
Rajphos	53.54	95.96
Gypsum	11.00	47.55
Limestone	665.09	446.29
Lignite	-	-
Bio Diesel and by products	0.07	0.07
	<b>18,497.76</b>	<b>19,469.13</b>



<b>Opening Stock</b>		
Rock Phosphate	-	20,657.61
Beneficiated Rock Phosphate	18,108.83	3,666.30
Secondary ore	770.43	-
Rajphos	95.96	292.22
Gypsum	47.55	163.56
Limestone	446.29	255.87
Lignite	-	-
Bio Diesel and by products	0.07	1.90
	<b>19,469.13</b>	<b>25,037.46</b>
<b>(Increase)/Decrease</b>	<b>971.37</b>	<b>5,568.33</b>

### 34 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Salaries & Wages	10,226.48	11,058.95
Contribution to Provident/Pension & Other Funds	1,967.89	1,940.68
Leave Encashment	848.38	1,071.20
Bonus/Additional Remuneration	91.86	91.91
Employees' Welfare	991.03	1,115.64
Employees' Social Security	4.09	0.38
<b>Total</b>	<b>14,129.73</b>	<b>15,278.76</b>

### 35 FINANCE COSTS

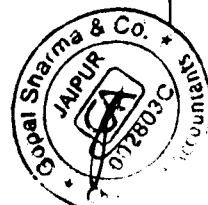
(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest expense (others including bank)	430.73	622.62
Guarantee Commission	6.96	7.74
Interest on decommissioning liabilities on mine closure expenditure	148.69	141.00
Other Finance Charges	-	-
<b>Total</b>	<b>586.38</b>	<b>771.97</b>

### 36 MINING, OTHER OPERATING AND ESTABLISHMENT EXPENSES

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Mining and other operating expenses</b>		
Stores consumed (refer note : 36.4)	2,796.29	3,922.42
Payment to Contractors :		
For Removal of Overburden	8,616.92	7,568.96
For Raising, Transportation & Others	14,263.60	19,167.32
For Progressive Mine Closure	3,985.75	2,398.69
Freight Charges	37.48	43.72
Dewatering of Mines	0.72	1.66



Crushing Plant Expenses	12.70	18.08
Power Charges	2,097.00	2,305.32
Survey & Prospecting Charges	1.11	-
Royalty & Dead Rent	10,113.02	10,078.62
Contribution to National Mineral Exploration Trust	176.97	182.26
Contribution to District Mineral Foundation	2,677.07	2,817.74
Contribution to Rajasthan State Mineral Exploration Trust	13.16	-
Gst Input under Inverted Duty	9,905.54	-
Rail linkup expenses	1,480.81	-
Progressive Mine closure expenditure	100.05	43.96
Land tax	8,410.83	1,999.42
Repairs to Buildings	115.85	109.64
Repairs to Machinery	295.56	1,143.56
Repairs to Plant	309.67	302.99
Repairs to Road	48.40	40.63
Research & Development	29.34	25.85
Sampling & Analysis	125.42	68.01
Compensation for Mineral	335.93	261.05
Afforestation Plantation & Environment	72.85	68.32
Rural Development Expenses	-	0.40
Corporate Social Responsibility	574.27	194.80
Laboratory Expenses	9.61	9.17
Mines safety expenses	-	-
Selling and distribution expenses	-	-
Cash Discounts/Rebate on Sales	-	-
Selling Expenses including commission	179.04	169.66
Packing Charges	99.36	66.35
Mines safety & Insurance expenses	-	-
Cash Discounts/Rebate on Sales	-	2.32
Business Promotion Expenses	8.08	83.40
<b>Total</b>	<b>66,892.40</b>	<b>53,094.32</b>
<b>Establishment expenses</b>	-	-
Repairs to Others	121.13	93.39
Rent including Plot Rent	16.93	110.98
Rates & Taxes	338.54	239.47
Security service expenses	832.10	735.85
Insurance	53.62	31.28
Travelling & Conveyance	439.26	569.68
Vehicle Up-keep	141.33	76.78
Payment to Auditors:	-	-
Audit Fees	7.58	6.95
Tax Audit Fees	1.50	1.50
For reimbursement of expenditure	5.70	3.22



General Charges	50.54	70.91
Postage, Telephone & Telegraphs	47.14	52.11
Printing & Stationery	30.05	34.02
Electricity & Water	68.78	75.09
Seminar, Training & Exhibition	1.47	18.41
Legal & Professional Charges	94.76	121.57
Advertisement & Publication	102.95	133.19
Bank Charges	1.17	0.80
Subscription	2.70	2.75
Entertainment	11.12	17.76
Board Meeting Expenses	0.14	0.29
Sundry debit balance written off	0.18	1.03
Provision for Doubtful Debts	43.75	42.85
Consultancy Charges	89.90	63.66
Claims & Settlements	-	161.97
Computer Maintenance & Software Exp.	100.21	51.97
Obsolete and Other PPE written off	0.50	3.
Impaired/Obsolescence loss on PPE	13.10	1.11
Obsolescence/theft loss on Spares	1.65	10.88
Loss on sale/transfer of Obsolete and Other PPE	0.18	0.01
Excise duty	-	-
Import Energy Cess -Solar	-	-
Donation	5.00	505.00
Amortization of mining closure expense	77.66	77.66
<b>Total</b>	<b>2,700.64</b>	<b>3,315.44</b>
<b>Grand total</b>	<b>69,593.05</b>	<b>56,409.76</b>

#### With respect to RSMML

36.1 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.

Subsequently 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 of 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 was made in the accounts for the financial 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.

The rates of the land tax on various lands were revised by the Rajasthan Finance Act 2020 vide notification dated 30.03.2020 and another notification dated 28/03/2022 vide which land tax for RockPhosphate was further revised . The revised rates of land tax for Land bearing Rock Phosphate is fixed at ₹ 25/- per Sq. Mtr. whereas the rates of lands bearing other minerals of the company are varying from ₹ 2/- per Sq. Mtr. to ₹ 6/- per Sq. Mtr which are effective from 01.04.2020.

In view of the notifications dated 30.03.2020 read with notification dated 28.03.2022, the company has booked a liability of ₹ 8410.83 Lakh towards land tax for the year 2020-21, considering the total lease area of various mines of the company.

36.2 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.

36.3 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 ₹ 416.52 Lakh . Revenue expenditure charged to Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 574.27 Lakh (previous year 194.80 Lakh ). No Capital expenditure was incurred during the year in construction of capital assets under CSR projects. Shortfall of ₹ Nil (previous year ₹ 196.07 Lakhs) in the CSR expenditure of the year 2020-21 with regard to the amount mandate as per law.

36.4 Stores consumed does not include consumption of Stores & spares of ₹ 441.68 Lakh charged under various heads (Prev. Year ₹ 543.04 Lakh ).

37 Tax Expense

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Current tax	2,150.35	5,244.70
Tax of earlier years	0.74	0.02
Deferred tax	-1,205.19	-1,256.55
<b>Total</b>	<b>945.90</b>	<b>3,988.17</b>



### 38 **SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS MADE FOR CONSOLIDATION**

For the purpose of consolidation, RSMML has identified entities on the basis of following judgements and assumption:

a. **Subsidiaries**

The entities over which RSMML has power to control are considered as a subsidiary of the Company. Control is where RSMML has directly or indirectly, interest in more than 50% of the voting power so as to obtain economic benefits from the activities of the other Company.

b. **Associates**

Associate entities are identified as those over which RSMML can exercise significant influence but not control. For this purpose a reputable assumption has been taken that wherever RSMML is holding 20% or more of the voting power of the other entity (whether directly or indirectly), it gives rise to significant influence, unless there exists other contrary evidences to show that there is no significant influence.

c. **Joint Venture**

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.

#### **Composition of Group**

On the basis of above significant judgements and assumptions RSMML has identified following entities which are required to be consolidated in RSMML:

S.No.	Name of the entity	Type of Entity	Principal place of operation	Principal Activities	% of share holding		Functional currency
					2021	2020	
1	BLMCL	JV	India	Mining of lignite	51.00%	51.00%	INR
2	RSPCL	Subsidiary	India	Exploration, Production, of petroleum gas	100.00%	100.00%	INR

#### **Basis of consolidation**

The consolidated financial statements relate to the Group and its subsidiaries. The consolidated financial statements have been prepared on the following basis:-

- a. The financial statements of the subsidiaries are combined on a line-by-line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with IND AS 110 - 'Consolidated Financial Statements'.
- b. Non-controlling Interest (NCI) in the net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity attributable to the Parent's shareholders. NCI in the net assets of the consolidated subsidiaries consists of: - The amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and - The NCI share of movement in the equity since the date the parent subsidiary relationship came into existence.
- c. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet. Under the equity method of accounting, the investments are initially recognized at cost and adjusted there after to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income (OCI) of the investee in OCI. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, which includes any long term interest that, in substance, form part of Group investment in joint venture, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture. Losses recognized using the equity method in excess of the entity's investment in ordinary shares are applied to the other components of the entity's interest in an associate or a joint venture in the reverse order of their seniority i.e. priority in liquidation.

- d. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.



## 39 FINANCIAL RISK MANAGEMENT

### 39.1 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 Risk**

#### Commodity 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

#### With Respect to RSMML

- 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 being 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 and few parties which purchases SMS Grade/Cement Limestone. It also sales Power to electricity companies of Government of Rajasthan on unsecured credit..

The ageing of trade receivables as on 31st March 2021 is as below :

(₹ in Lakh)			
Particulars	Due upto 36 Months	Due for more than 36 Months	Total
<b>Financial Assets</b>			
Good	11,048.26		11,048.26
Doubtful		1,494.67	1,494.67
<b>Gross</b>	<b>11,048.26</b>	<b>1,494.67</b>	<b>12,542.93</b>
Expected Credit Losses		-1,494.67	
<b>Net Total</b>	<b>11,048.26</b>	<b>-</b>	<b>12,542.93</b>

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

Particulars	Due upto 36 Months	Due for more than 36 Months	Total
<b>Financial Assets</b>			
Good	14,147.69		14,147.69
Doubtful		1,450.91	1,450.91
<b>Gross</b>	<b>14,147.69</b>	<b>1,450.91</b>	<b>15,598.60</b>
Expected Credit Losses		-1,450.91	
<b>Net Total</b>	<b>14,147.69</b>	<b>-</b>	<b>15,598.60</b>

### 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 ₹ 1494.67 Lakh has been booked as expected credit losses till 31st March 2021

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



**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**

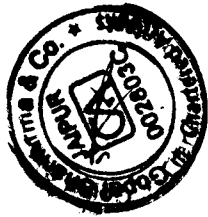
**With Respect to RSMML**

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.

39.2 **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.



## 40 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, 2021 and March 31, 2020.

### 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.



41 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 Consolidated financial instruments that  
(₹ in Lakh)

Particulars	As at March 31,2021		As at March 31,2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at fair value through profit and loss</b>				
<b>Financial assets designated at fair value through other comprehensive income</b>				
Investments in Equity Instruments	216.20	216.20	194.50	194.50
<b>Financial assets designated at amortised cost</b>				
Loans given to employees	590.97	590.97	667.00	667.00
Cash and Bank balances	1,42,095.05	1,42,095.05	1,26,166.31	1,12,250.16
Trade and Other receivables	11,048.26	11,048.26	14,147.69	14,147.69
Other Current Assets	82,942.67	82,942.67	85,885.78	85,885.78
Other Non Current Assets	18,876.52	18,876.52	28,241.67	28,241.67
Other Financial Assets (Including investment in associate, jv and subsidiary)	34,353.13	34,353.13	24,698.38	24,698.3

(₹ in Lakh)

Particulars	As at March 31,2021		As at March 31,2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial liabilities designated at fair value through profit and loss</b>	Nil	Nil	Nil	Nil
<b>Financial liabilities designated at amortised cost</b>				
Trade and Other Payables	5,385.35	5,385.35	5,686.23	5,686.23
Borrowings	0.00	0.00	0.00	0.00
Other Financial Liabilities	15,547.59	15,547.59	15,636.43	15,636.43

**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

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.
- Interest 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 3.50% as at end of the year.
- Loans to Employees have been given at above market rate of interest, i.e. 3.50%. Hence, the fair value of such loans is equal to the amount of loans given of ₹ 590.97 Lakh. (Prev year ₹ 667.00 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.



#### 42 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)

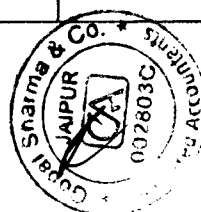
	As at 31 <sup>st</sup> March 2021		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investments in Equity Instruments	-	-	216.20
<b>Financial Liabilities</b>			

	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>			

During the year ended March 31, 2021 and March 31, 2020, 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, 2021 and March 31, 2020, 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



## 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 2020	184.00	10.49	194.49
Change in Fair Value recognised in OCI statement	20.97	0.74	21.71
Fair Value as on 31st March 2021	204.97	11.23	216.20

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.



**INCOME TAX EXPENSE**

With respect to RSMML

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Tax	2,075.00	5,150.00
Deferred Tax		
--- Relating to origination & reversal of temporary differences	-1,205.19	-1,256.55
Adjustments in respect of income tax of previous year		
---Current tax	0.74	0.02
<b>Total tax expense</b>	<b>870.55</b>	<b>3,893.47</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:

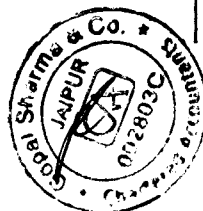
Particulars	(₹ in Lakh)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Net Income before taxes	3,354.77	17,722.94
Applicable Tax Rate	0.25	0.25
Computed Tax Expense	844.33	4,460.51
Increase/decrease in taxes on account of :	-	-
Non deductible expenses	161.31	192.74
Items considered for tax separately	3,054.00	1,420.59
Income not taxable	-1.98	-4.83
Expenses allowed under Income Tax	-335.63	-764.61
Other Deductions on which tax benefit is available	-1,643.79	-126.47
Other Provisions	-3.24	-27.93
Computed Income Tax Expense	<b>2,075.00</b>	<b>5,150.00</b>
Income Tax Expense Reported	2,075.00	5,150.00

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:

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
<u>Deferred Tax Asset</u>		



Provision for doubtful debts, claims and advances	412.93	414.66
Provision for Gratuity	0.00	0.00
Provision for leave encashment	750.26	803.74
Provision for Land Tax	1366.00	503.22
Others	28.60	22.56
	<b>2557.79</b>	<b>1744.18</b>
<b>Deferred Tax Liability</b>		
Property, Plant and Equipment	1867.93	2259.32
Fair Valuation of Investments	44.73	44.92
	<b>1912.66</b>	<b>2304.24</b>
<b>Net Deferred Tax Asset(Liability)*</b>	<b>645.13</b>	<b>-560.06</b>

#### Tax Component in OCI

(₹ in Lakh)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Income Tax on Actuarial Gain (loss)	75.11	94.34

#### With respect to RSPCL

(₹ in Lakh)

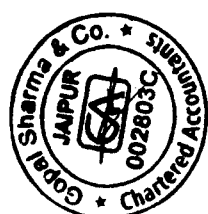
Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Tax	0.23	0.36
Deferred Tax	0.00	0.00
Adjustments in respect of income tax of previous year	0.00	0.00
--- Current Tax	0.00	0.00

#### 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 2021	For the year ended 31st March 2020
Net income before tax as per Ind AS	1.49	2.27
Applicable Tax Rate (%)	15.60	15.60
Computed income tax expense	0.23	0.36
Income Tax Expense Reported	0.23	0.36



45 EARNINGS PER SHARE

diluted earnings per equity share:

(in number)

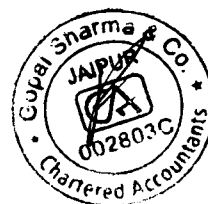
Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Issued number equity shares	77,551,500	77,551,500
Potential Equity Shares	0	-
<b>Weighted average shares outstanding Basic and Diluted</b>	77,551,500	77,551,500

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

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020
Profit and loss after tax (₹ in Lakh)	5,008.89	14,454.18
Profit and loss after tax for EPS (₹ in Lakh)	5,008.89	14,454.18
Basic Earnings per share (in ₹)	6.46	18.64
Diluted Earnings per share (in ₹)	6.46	18.64
Profit and loss before change in accounting policy (₹ in Lakh)	5,008.89	14,454.18
Basic Earnings per share (in ₹)	6.46	18.64
Diluted Earnings per share (in ₹)	6.46	18.64
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 The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.



46 PROVISIONS

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

(₹ in Lakh)

Particulars	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
<b>As at 31<sup>st</sup> March 2020</b>	546.42	49.33	2,973.74	1,497.74
Current Service Cost	27.11	789.33	0	0
Interest Cost	35.51	694.10	0	0
Actuarial Gain/Loss	-64.00	0	0	0
Remeasurement in OCI	0	320.16	0	0
Actual Benefits Paid	0	-1,146.66	0	0
Expected Return on plan assets	0	-690.90	0	0
Interest on Decommissioning Liability	0	0	148.69	0.00
Net Increase / (Decrease) in progressive mine closure liability	0	0	0	100.05
<b>As at 31<sup>st</sup> March 2021</b>	<b>545.04</b>	<b>15.36</b>	<b>3122.43</b>	<b>1597.79</b>

(₹ in Lakh)

Particulars	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
<b>As at 31<sup>st</sup> March 2020</b>				
Current	108.30	49.33	-	1,497.74
Non Current	438.12	-	2,973.73	-
	<b>546.42</b>	<b>49.33</b>	<b>2,973.73</b>	<b>1,497.74</b>
<b>As at 31<sup>st</sup> March 2021</b>				
Current	107.20	15.36	-	1,597.79
Non Current	437.84	-	3,122.42	-
<b>Total</b>	<b>545.04</b>	<b>15.36</b>	<b>3,122.42</b>	<b>1,597.79</b>



**47 Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'**

**Restatement for the year ended 31st March 2020 and as at 1st April 2019**

In accordance with Ind As 8- "Accounting Policies, Changes in Accounting Estimates and Errors" and Ind As 1, "Presentation of Financial Statements", the company has retrospectively restated its Consolidated Financial statements which comprises Balance Sheet as on March 31st 2020 and April 1st 2019 (beginning of the preceding period), the statement of Profit & Loss(Including Comprehensive Income) for the year ended March 31st 2020, the statement of change in equity for the year ended March 31st 2020 and as on April 1st 2019 and the statement of Cash flow for the year ended March 31st 2020, for the reasons as stated in the notes below.

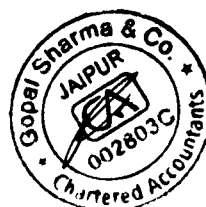
- 47.1 The Company entered into a joint venture company with M/s JSW Energy (Barmer)Limited(JSWBL) (erstwhile Raj West Power Limited) in the name of Barmer Lignite Mining Company Ltd. Jaipur (BLMCL) to undertake the work of Lignite mining in Jallipa & Kapuradi areas of Barmer District and supply the same to JSWBL for its Lignite based pit head power plant. As per the terms of the agreement between RSMML & JSWBL, RSMML acquired 51% shares in BLMCL and JSWBL hold the remaining 49% of the equity of the JV Company.
- 47.2 Based on the shareholding pattern BLMCL was considered as subsidiary and was consolidated with the RSMML on Line by Line basis. However during the supplementary audit AG on the basis of JV Agreement observed that since RSMML does not have full control over BLMCL, hence BLMCL cannot be considered as a subsidiary of RSMML and it is a Joint arrangement and consolidation of BLMCL cannot be done as Subsidiary company of RSMML.
- 47.3 EAC opinion was obtained from the ICAI and EAC opinion also confirms that BLMCL is not a subsidiary of RSMML but a Joint arrangement
- 47.4 Hence consolidation of BLMCL is done as per IND-AS 111 and not as subsidiary. Accordingly consolidated financials of FY 2019-20 and the financials as on 01st April 2019 have been restated.
- 47.5 The above adjustments having following impact on the Consolidated Balance Sheet, Consolidated Statement of Profit & Loss statement, Other Equity and Cash flows.

**Reconciliation of restated items of Financial Statements as at 31 March 2020 and 1st April 2019**

**A Consolidated Balance sheet**

Particulars	Original	Adjustments	Adjusted
	As at 31st March 2020		As at 31st March 2020
<b>Assets</b>	561734.74	2,08,461.79	353272.95
<b>Equity</b>	240319.71	4,095.97	236223.75
<b>Liabilities</b>	321415.02	2,04,365.82	117049.20

Particulars	Original	Adjustments	Adjusted
	As at 1st April 2019		As at 1st April 2019
<b>Assets</b>	546477.01	2,07,096	3,39,380.75
<b>Equity</b>	228697.13	1,972	2,26,724.70
<b>Liabilities</b>	317779.88	2,05,124	1,12,656.05



**B Consolidated statement of Profit & Loss**

Particulars	For the year ended 31st March 2020	Adjustments	For the year ended 31st March 2020
Total Income	193183.66	94,765	98418.76
Total Expenses	172960.94	92,267.39	80693.55
Share of profit/(loss) of joint venture	631.66	85.48	717.14
Tax Expenses	5469.11	1,480.94	3988.17
Net profit	15385.26	931.08	14454.18

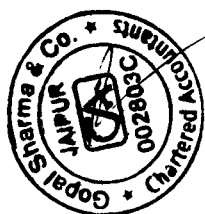
**C Statement of Other Equity**

Particulars	Original As at 31st March 2020	Adjustments	Adjusted As at 31st March 2020
Equity Share Capital	7,755.15	-	7,755.15
Other Equity	232564.56	4,095.96	2,28,468.60

Particulars	Original As at 1st April 2019	Adjustments	Adjusted As at 1st April 2019
Equity Share Capital	7,755.15	-	7,755.15
Other Equity	2,20,941.98	-1,972.43	218969.55

**D Statement of Cash flow**

Particulars	Original As at 31st March 2020	Adjustments	Adjusted As at 31st March 2020
Cash Flow From Operating Activities	32699.00	23195.51	9503.49
Cash Flow From Investing Activities	16347.83	10841.32	5506.51
Cash Flow From Financing Activities	-39198.01	-34283.65	-4914.36



## 48 RELATED PARTY TRANSACTIONS

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

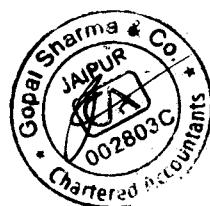
#### a Key Managerial Persons

##### With Respect to RSMML

S.No.	Name	Designation	From	Upto
1	Shri Devendra Bhushan Gupta	Chairman	01-04-2020	24-07-2020
2	Shri Rajeeva Swarup	Chairman	24-07-2020	31-10-2020
3	Shri Niranjn Kumar Arya	Chairman	31-10-2020	31-03-2021
4	Shri Niranjn Kumar Arya	Director	01-04-2020	31-10-2020
5	Shri Subodh Agrawal	Director	20-07-2020	14-12-2020
6	Shri Ajitabh Sharma	Director	14-12-2020	31-03-2021
7	Shri Akhil Arora	Director	30-12-2020	31-03-2021
8	Smt. Sreya Guha	Director	01-04-2020	31-03-2021
9	Shri Kunji Lal Meena	Director	01-04-2020	31-03-2021
10	Shri Vikas Sitaramji Bhale	Managing Director	02-07-2020	31-03-2021
11	Shri Somnath Mishra	Managing Director	01-04-2020	02-07-2020
12	Shri Gaurav Goyal	Director	01-04-2020	02-07-2020
13	Shri Kunj Bihari Pandya	Director	16-10-2020	31-03-2021
14	Shri Akhilesh Joshi	Independent Director	01-04-2020	31-03-2021
15	Shri Prem Prakash Pareek	Independent Director	01-04-2020	31-03-2021
16	Dr. Tulsi Ram Agrawal	Chief Financial Officer	01-04-2020	31-03-2021
17	Shri Rajendr Rao	Company Secretary	01-04-2020	31-03-2021

##### With Respect to RSPCL

S.No.	Name	Designation	From	Upto
1	Shri Akhil Arora	Director & Chairman	07.01.2021	31.03.2021
2	Shri Niranjn Kumar Arya	Director & Chairman	01.04.2020	06.01.2021
3	Shri Vikas Sitaramji Bhale	Managing Director	08.09.2020	31.03.2021
4	Shri Somnath Mishra	Managing Director	01.04.2020	07.09.2020
5	Shri T. Ravikanth	Director	07.01.2021	31.03.2021
6	Dr. Prithvi Raj	Director	01.04.2020	06.01.2021
7	Shri Ajitabh Sharma	Director	07.01.2021	31.03.2021
8	Shri Subodh Agarwal	Director	08.09.2020	06.01.2021
9	Shri Kunji Lal Meena	Director	01.04.2020	07.09.2020
10	Dr. T.R. Agrawal	Chief Financial Officer	22.03.2021	31.03.2021
11	Shri Rajendr Rao	Company Secretary	22.03.2021	31.03.2021



**With Respect to BLMCL**

1	Kunji Lal Meena	Chairman	01-04-2020	08-09-2020
2	Dr. Subhodh Agarwal	Chairman	08-09-2020	07-01-2021
3	Mr. Ajitabh Sharma	Chairman	07-01-2021	31-03-2021
4	Mr. Ajitabh Sharma	Director	01-04-2020	06-01-2021
5	Mr. Dinesh Kumar	Director	07-01-2021	31-03-2021
6	Mr. Hemant Kumar Gera	Director	01-04-2020	17-08-2021
7	Mr. T Ravinkanth	Director	17-08-2020	06-01-2020
8	Dr. Prithvi Raj	Director	07-01-2021	31-03-2021
9	Mr. Umesh Gupta	Managing Director	01-04-2020	17-08-2020
10	Mr. Umesh Gupta	Director	06-10-2020	07-01-2021
11	Mr. Jyoti Kumar Agarwal	Director	01-04-2020	31-03-2021
12	Mr. Prashant Jain	Director	04-09-2020	05-10-2020
13	Mr. Lalit Kumar Gupta	Managing Director	05-10-2020	31-03-2021
14	Mr. Sattiraju Sheshagiri Rao	Independent Director	28-10-2020	31-03-2021
15	Mr. Sunil Dutt Vyas	Independent Director	28-10-2020	31-03-2021
16	Ms. Rupa Devi Singh	Independent Director	11-06-2020	31-03-2021
17	Mr. Sharad Mahendra	Director	10-06-2020	31-03-2021
18	Mr. Veeresh Devaramani	Director	17-06-2020	05-10-2020
19	Mr. Somnath Mishra	Director	01-04-2020	08-09-2020
20	Mr. Vikas Sitaramji Bhale	Director	08-09-2020	31-03-2021
21	Mr. Nitesh Gangwal	Company Secretary	01-04-2020	31-03-2021
22	Mr. Sanjay Soni	CFO	01-04-2020	31-03-2021

b Enterprises over which key management personnel and relatives of such personnel exercise significant influence for the year

S.No.	Name of the entity in the group	Designation
1	JSW Energy (Barmer) Limited (JSWEBL) (formerly known as Raj WestPower Limited)	Related Enterprise
2	JSW Energy Limited (JSWEL)	Related Enterprise

c Other related parties

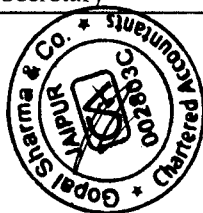
S.No.	Name	Relation
1	The Trustee of Provident Fund of RSMML Ltd	Employee benefit funds
2	Trustee Gratuity Fund (with LIC)	Employee benefit funds
2	RSMML Retired Employee Medical Relief fund	Employee benefit funds

(ii) Related party transactions

a With Respect to RSMML

(₹ in Lakh)

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Short term employee benefits		
	Managing Director	9.09	11.59
	Chief financial officer	26.91	21.89
	Company Secretary	26.88	18.54



## b With Respect to BLMCL

(₹ in Lakh)

i

S.No.	Transaction type	Joint Arrangement	
		For the year ended 31st March 2021	For the year ended 31st March 2020
1	<b>Sale of Lignite (Net of Taxes)</b>		
	JSW Energy (Barmer) Limited	153916.00	84614.00
2	<b>Reimbursement booked/Paid to</b>		
	JSW Energy (Barmer) Limited	238.00	350.00
	Rajasthan State Mines and Minerals Limited	153.00	119.24
3	<b>Subordinate Loan taken</b>		
	JSW Energy (Barmer) Limited	-	-
4	<b>Interest on Subordinate Loan taken</b>		
	JSW Energy (Barmer) Limited	5676.00	5676.00
5	<b>Payment of Interest on subordinate loan</b>		
	JSW Energy (Barmer) Limited	11892.00	7739.00
6	<b>Director Sitting Fees (Excluding Taxes)</b>		
	Ms. Sheila Sangwan - Independent Director	1.00	1.00
	Mr. Sunil Dutt Vyas - Independent Director	1.00	1.00
	Mr. Sattiraju Seshagiri Rao - Independent Director	1.00	1.00

## (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 armlength 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.



## 49 CONTINGENT LIABILITIES NOT PROVIDED FOR

(₹ in Lakh)

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i.	Claims against Company not acknowledged as debt	74,226.68	65,942.38
ii.	<b>Disputed Income tax liability pending:</b>		
	(a) Company in appeals	7,396.94	7,398.63
	(b) IT Department in appeals (As per information available with Company)	1,347.49	1,290.20
iii.	Guarantee given by banker on behalf of the Company for which counter guarantee provided by the Company	3,768.60	4,640.67
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.		

\* Contingent liability in respect of income-tax demands, net of amounts provided for and disputed by the Company, amounting to ₹ 7396.94 Lakh (Previous Year ₹ 7398.63 Lakh). The said amount has been paid/ adjusted in respect of various financial years of 2005-06 to 2016-17 with various authorities. As in most of the cases are decided in favour of Company in earlier years therefore it is expected that Company will be avail to received as refund if the matters are decided in favour of the Company.

## 50 CAPITAL COMMITMENT

(₹ in Lakh)

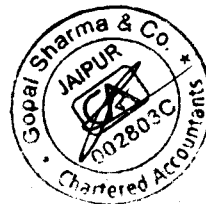
S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i.	Estimated amount of contracts remaining to be executed on Capital Account	160.32	6201.45

51 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 2020-21, the company has deposited a sum of ₹ 11614.68 Lakh (Prev year ₹ 8504.49 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 ₹ 2658.83 Lakh (Prev year ₹ 1828.24 Lakh) Lakh has been deposited towards Mine Closure expenses.



- 52 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 ₹ 4,336.44 Lakh (Prev ₹ 4626.90 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.
- 53 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.
- 54 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(JSW Energy (Barmer) Limited/BLMCL 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.



55 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 firmed up and agreed by Joint Venture Company. The Company has given No objection to Director, Mines & Geology to transfer the lease of Deri mines to the Joint Venture Company M/s RBG Minerals but the lease is yet to be transferred.

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.

56 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, Ahmadabad. On the above applications of RSMML, after hearing the arguments, interim stay orders against both IDBI branches (Udaipur & Ahmadabad) 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 Lakh is recoverable from PHED on 31.03.2021 (prev. year ₹ 936.29 Lakh), 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.

57 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 2020-21.

58 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 31/03/2021 is ₹ 198.64 Lakh (Prev year ₹ 198.64 Lakh) has been considered as revenue.

59 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.

60 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.

61 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 of execution of contract the free supply made by the service receipt 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.



**62 ANALYSIS OF STORES AND SPARES CONSUMED:**

(₹ in Lakh)

	Particulars	2020-21	2019-20
	Imported	-	-
	Indigenous	3237.98 (100%)	4465.54 (100%)

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

**64 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):**

(₹ in Lakh)

	Particulars	2020-21	2019-20
	Earnings	45.31	198.00
	Expenditure		
	Spares		
	Other Matters	0.99	6.02

**65 Ind AS 115, Revenue from contract with customers**

**Nature of goods**

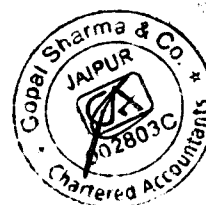
- The Revenue of the company comprises of income from sale of minerals, sale of power and sale of CER/VER and REC. RSMML is operative in only Rajasthan.
- Revenues are measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and clean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

**i. Revenue from minerals & 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/RSMET etc 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.

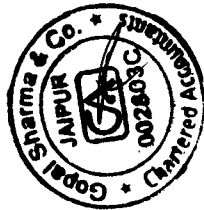
The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

### 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.



66 QUANTITATIVE DETAILS OF PRODUCTS AND OTHER DISCLOSURES

(i) Rock Phosphate, Beneficiated Rock Phosphate and Rajphos :

(In MT)

Particulars	Rock Phosphate		Beneficiated Rock Phosphate		Rajphos		Secondary ore	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Opening Stock	21,71,259	21,71,715	15,511	81,920	4,638	15,498	92,18,947	90,07,118
Production	10,85,355	11,50,228	1,96,694	1,46,397	43,650	24,200	1,59,160	2,12,084
Less: Moisture Qty.								
Purchase	52,585	24,201	-	-	-	-	-	-
Transfer	-2,538	49,726	-31,785	-47,188	2,538	-2,538	-	-
Sales	6,04,054	7,26,929	1,76,400	1,79,577	47,826	32,399	29,279	255
Less: Moisture	-	-	-12,961	-15,989	-	-	-	-
Free Sample	-	-	-	-	-	4	-	-
Own consumption for Ben. Rock Phosphate Rajphos	6,41,553	4,87,099	-	-	-	-	-	-
Stock as per Books	20,61,054	21,81,842	16,981	17,541	3,000	4,757	93,48,828	92,18,947
Shortages	13,476	10,583	400	2,030	119	119	-	-
Closing Stock	20,47,578	21,71,259	16,581	15,511	2,881	4,638	93,48,828	92,18,947

(ii) Gypsum & Selenite:

(In MT)

Particulars	Gypsum		Selenite	
	2020-21	2019-20	2020-21	2019-20
Opening Stock	6,462	31,319	883	-
Purchases	-	-	-	-
Production	4,80,869	3,83,181	402	3,015
Sales	4,87,349	4,07,668	464	2,214
Stock as per Books	-18	6,832	821	801
Shortages/Retrieval	-18	370	6	-82
Closing Stock	-	6,462	815	883

(iii) Lime Stone:

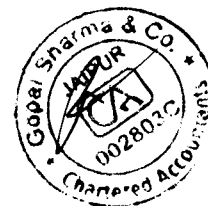
(In MT)

Particulars	2020-21		2019-20	
	Lime Stone	Sub Grade Lime Stone	Lime Stone	Sub Grade Lime Stone
Opening Stock	50,263	8,256	5,26,597	4,60,858
Production	22,17,801	25,64,893	5,89,311	5,78,078
Sales	20,62,255	24,96,743	6,58,916	5,20,031
Stock as per Books	2,05,809	76,406	4,56,992	5,18,905
Shortages/Retrieval	-27,708	26,143	2,232	-7,692
Closing Stock	2,33,517	50,263	4,54,760	5,26,597

(iv) Lignite:

(In MT)

Particulars	2020-21	2019-20
Opening Stock	-	-
Production	8,30,051	7,90,298
Sales	8,30,051	7,90,298
Stock as per Books	-	-
Shortages	-	-
Closing Stock	-	-



(v) **Multimetal:** (In MT)

Particulars	2020-21	2019-20
Opening Stock	340	340
Production	-	-
Sales	-	-
Stock as per Books	340	340
Shortages	-	-
Closing Stock	340	340

(vi) **Wind Power Plant : (106.3 MW)** (In units)

Particulars	2020-21	2019-20
Generation	10,16,74,321	11,10,81,819
Sales	9,58,75,765	10,76,54,325
Own Consumption	52,18,700	30,84,743
Wheeling units	5,79,855	3,42,750

(vii) **Solar Power Plant:(5 MW)** (In units)

Particulars	2020-21	2019-20
Generation	24,78,362	43,68,005
Sales	-	-
Own Consumption	-	-
Wheeling units	-	-

67 **MISCELLANEOUS:**

- (i) 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.
- (ii) Normal Operating Cycle of Company's business has been determined in accordance with the requirement of Schedule III of the Companies Act, 2013.
- (iii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.



# 68 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.

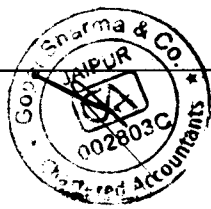
Segment liabilities comprise operating liabilities and exclude provision for taxes and deferred tax liabilities.

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 2020

(₹ in Lakh)

Particulars	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
Revenue from transactions with other operating segments of the entity	-	-	-	-	218.53	-	-	-218.53	-
Other revenues	218.88	262.73	1,496.62	146.70	784.64	124.73	5,410.85	0.00	8,445.15
<b>Total revenue</b>	<b>46,683.19</b>	<b>20,118.41</b>	<b>17,964.04</b>	<b>2,790.97</b>	<b>5,541.24</b>	<b>124.73</b>	<b>5,410.85</b>	<b>-218.53</b>	<b>98,414.89</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
<b>Segment profit and loss before tax and exceptional item</b>	<b>8,143.12</b>	<b>3,297.88</b>	<b>2,680.19</b>	<b>-1,065.91</b>	<b>2,955.18</b>	<b>-86.15</b>	<b>1,798.61</b>	<b>0.00</b>	<b>17,722.93</b>
Exceptional Items									-
<b>Segment profit and loss before tax but after exceptional item</b>	<b>8,143.12</b>	<b>3,297.88</b>	<b>2,680.19</b>	<b>-1,065.91</b>	<b>2,955.18</b>	<b>-86.15</b>	<b>1,798.61</b>	<b>0.00</b>	<b>17,722.93</b>
<u>Other segment items</u>									-
<u>PPE</u>	118.73	14.48	27.22	2.06			44.81		207.30
<b>Segment assets</b>	<b>34,050.22</b>	<b>26,328.41</b>	<b>1,29,002.73</b>	<b>4,476.96</b>	<b>13,687.28</b>	<b>1,313.42</b>	<b>1,44,084.02</b>		<b>3,52,943.04</b>
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



(v) Segment reporting as at 31st March 2021

(₹ in Lakh)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Others/unallocated	Elimination	Total
Revenue from external customers	44,672.30	17,129.20	15,350.89	2,782.98	4,115.02	-	-	-	84,050.40
Revenue from transactions with other operating segments of the entity	-	-	-	-	304.43	-	-	-304.43	-
Other revenues	172.45	386.30	1,434.16	132.74	806.28	-	4,537.77	-	7,469.71
<b>Total revenue</b>	<b>44,844.76</b>	<b>17,515.51</b>	<b>16,785.05</b>	<b>2,915.73</b>	<b>5,225.73</b>	<b>0.00</b>	<b>4,537.77</b>	<b>-304.43</b>	<b>91,520.11</b>
Segment expenses	36,529.10	15,869.86	15,566.33	4,905.00	2,538.25	187.22	13,080.41	-304.43	88,371.73
<b>Segment profit and loss before tax and exceptional item</b>	<b>8,315.66</b>	<b>1,645.65</b>	<b>1,218.72</b>	<b>-1,989.27</b>	<b>2,687.47</b>	<b>-187.22</b>	<b>-8,542.64</b>	<b>-</b>	<b>3,148.37</b>
<u>Other segment items</u>									
Segment assets	30,011.06	28,529.97	1,33,886.25	4,494.68	10,435.48	1,146.37	1,55,955.81	-	3,64,459.62
Additions to									
PPE	421.63	27.05	35.32	0.50			9.92		494.42
Segment liabilities	11,392.23	7,497.74	15,116.27	5,422.50	768.26	104.08	86,077.42	-	1,26,378.50

(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

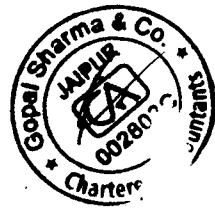
(₹ in Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Segment assets	2,08,503.81	2,08,859.02
Unallocated assets	1,55,955.81	1,47,673.47
<b>Total assets</b>	<b>3,64,459.62</b>	<b>3,56,532.49</b>

Total liability with segment liability

(₹ in Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Segment liabilities	40,301.08	35,706.68
Unallocated liabilities	86,077.42	84,930.45
<b>Total liabilities</b>	<b>1,26,378.50</b>	<b>1,20,637.13</b>



69 ADDITIONAL INFORMATION RELATING TO SUBSIDIARIES (AS PER SCHEDULE III OF COMPANIES ACT 2013) FOR THE FINANCIAL YEAR 2020-21 AND 2019-20

Name of Entity	Proportion of ownership interest as on 31st March 2021	Net Assets i.e. Total Assets minus Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		as % of consolidated net assets	Amount (Rs. In Lac)	as % of consolidated profit or loss	Amount (Rs. In Lac)	as % of consolidated other comprehensive income	Amount (Rs. In Lac)	as % of consolidated total comprehensive income	Amount (Rs. In Lac)
<b><u>Parent Company</u></b>									
<b>Rajasthan State Mines &amp; Minerals Limited</b>									
31.03.2021		96.87%	2,33,463.46	88.15%	4,415.34	100%	-223.34	87.60%	4,192.00
31.03.2020		97.06%	2,29,271.77	95.62%	13,820.61	100%	-280.50	95.53%	13,540.11
<b><u>Subsidiaries</u></b>									
<b>Rajasthan State Petroleum Corporation Limited</b>									
31.03.2021	100%	3.13%	7,545.85	11.85%	593.54			12.40%	593.54
31.03.2020	100%	2.94%	6,951.98	4.38%	633.57			4.47%	633.57
<b><u>Total</u></b>									
31.03.2021		100%	2,41,009.29	100.00%	5,008.89	100%	-223.34	100%	4,785.55
31.03.2020		100%	2,36,223.75	100.00%	14,454.18	100%	-280.50	100%	14,173.68

Significant accounting policies & Notes to Consolidated Financial Statements

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

Preetam Sharma  
Partner  
ICAI Membership No. : 437669

Place: Jaipur  
Date: 10/07/2023



For and on behalf of the Board

Sandesh Nayak  
Managing Director  
DIN:

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Shikhar Agrawal  
Director  
DIN: (DIN 01093773)

Rajendr Rao  
Company Secretary  
ICSI Membership No. :14646

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiaries

(₹ in Lakh)

1.	Name of the subsidiary	Rajasthan State Petroleum Corporation Limited
2.	The date since when subsidiary was acquired	10-07-2008
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2020 to 31-03-2021
4.	Reporting currency	INR
5.	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6.	Share Capital	6,707.50
7.	Reserves & Surplus	836.45
8.	Total Assets	7,548.19
9.	Total Liabilities	4.25
10.	Investments	7,502.19
11.	Turnover	-
12.	Profit before taxation	593.78
13.	Tax Expenses	-0.23
14.	Profit after taxation	593.55
15.	Proposed Dividend	-
16.	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations - NIL  
2. Names of subsidiaries which have been liquidated or sold during the year - NIL.

**Part B : Joint Venture**

Statement pursuant to section 129(3) of the Companies Act 2013 relating to joint venture

1.	Name of the Jointventure	Barmer Lignite Mining Company limited
	Last audited Balancesheet Date	31-03-2021
2.	The date on which joint venture was associated	19-01-2007
3.	Number of shares	10,20,00,000
4.	Amount of investment in Joint venture	1
5.	Extent of Holding %	51
	Description of how there is significant influence	Shareholding more than 50%
6.	Reason why JV not consolidated	NA
7.	Networth attributable to shareholding as per last audited balancesheet	3111.51 Lakh
6	Profit /loss for the year	
	1. Considered in Consolidation	2005.83 Lakh
	2. Not considered in Consolidation	NA

1. Names of Joint Venture which are yet to commence operations - NIL.  
2. Names of Joint Venture which have been liquidated or sold during the year - NIL.

As our report of even date  
For Gopal Sharma & Co.  
Chartered Accountants  
FRN: 002803C

Preetam Sharma  
Partner  
ICAI Membership No. : 437669



Place: Jaipur  
Date: 10/07/2023

Sandesh Nayak  
Managing Director  
DIN: 07694408

Dr. Tulsi Ram Agrawal  
Chief Financial Officer

Director  
DIN:

Shikhar Agrawal  
Director  
(DIN 01093773)

Udendra Rao  
Co. Secretary  
ICSI Membership No. :14646

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAJASTHAN STATE MINES AND MINERALS LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

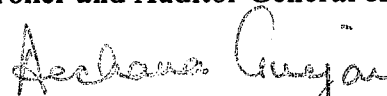
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The preparation of consolidated financial statements of Rajasthan State Mines and Minerals Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 July 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Rajasthan State Mines and Minerals Limited for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Rajasthan State Mines and Minerals Limited, Barmer Lignite Mining Company Limited and Rajasthan State Petroleum Corporation Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act

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



**( Archana Gurjar )  
Accountant General (Audit-II)  
Rajasthan, Jaipur**

**Place: Jaipur  
Date:**

**Form No. MGT-11  
PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]*

Name of the member (s):  
Registered address:  
E-mail Id:  
Folio No/ Client Id :  
DP ID :

I/We, being the member(s) of \_\_\_\_\_ shares of the Rajasthan State Mines & Minerals Limited,  
hereby appoint;

1. Name: \_\_\_\_\_, E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ ; Signature: \_\_\_\_\_

Or failing him.

2. Name: \_\_\_\_\_, E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ ; Signature: \_\_\_\_\_

Or failing him.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 74<sup>th</sup> Annual  
General Meeting of the Company at C-89-90, Lal Kothi, Janpath, Jaipur – 302015 (Rajasthan) and at  
any adjournment(s) thereof, in respect of the resolutions, as indicated below:

1. To receive, consider and adopt the Audited Financial Statements (standalone as well as consolidated)  
of the Company for the year ended 31st March, 2021.
2. To declare dividend for the financial year ended March 31, 2021.
3. To fix the remuneration of the Statutory Auditors for the Financial Year 2021-22.
4. Ratification of Cost Auditors' remuneration for the financial year 2021-22.

Signed: this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature of Shareholder: \_\_\_\_\_

Signature of the Proxy holder: \_\_\_\_\_

Affix Revenue Stamp
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Note: This form of proxy in order to be effective should be duly completed and deposited at the  
Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

# Raiasthan State Mines & Minerals Ltd.

C-89-90, Lal Kothi Scheme,  
Janpath, Jaipur

  
Rajasthan State Mines &  
Minerals Ltd.

