

BOARD OF DIRECTORS

CHAIRMAN

Shri M. Sahu, IAS

MANAGING DIRECTOR

Shri V. S. Gadhavi, IAS

COMPANY SECRETARY

Shri Joel Evans

AUDITORSM/s. P. Singhvi & Associates
Chartered Accountants**REGISTERED OFFICE**Khanij Bhavan
132 Feet Ring Road
Near University Ground
Vastrapur, Ahmedabad – 380 052Phone : 2791 3200 / 3501 / 1662 / 1680 / 0665 /
0096 / 0465 / 2416 / 2457 / 2443 / 1340

FAX : (079) 2791 3038 / 1151 / 1454 / 1822 / 0969

E-Mail : contact@gmdcltd.com

Website : www.gmdcltd.com

DIRECTORSMs. S. Aparna, IAS
Shri Vinay Vyasa, IAS
Shri Bhadresh Mehta**BANKERS**Bank of Baroda
Dena Bank
Vijaya Bank
Axis Bank Ltd.
HDFC Bank Ltd.
State Bank of India
Union Bank of India
IDBI Bank Ltd.**PROJECTS:****Lignite Projects**Panandhro (Dist. Kutch)
Rajpardi (Dist. Bharuch)
Tadkeshwar (Dist. Surat)
Mata-No-Madh (Dist. Kutch)
Bhavnagar (Dist. Bhavnagar)**Fluorspar Project**

Kadipani (Dist. Baroda)

Bauxite ProjectsGadhsisa (Dist. Kutch)
Bhatia (Dist. Jamnagar)**Calcination Project**

Gadhsisa (Dist. Kutch)

Multi-Metal Project

Ambaji (Dist. Banaskantha)

Manganese Project

Shivrajpur (Dist. Panchmahal)

Power Project

Nani Chher (Dist. Kutch)

Wind Farm ProjectsMaliya (Dist. Rajkot)
Jodia (Dist. Jamnagar)
Gorsar (Dist. Porbandar)
Bada (Dist. Kutch)
Varvala (Dist. Jamnagar)**Solar Project**

Panandhro (Dist. Kutch)

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AGM DATE, DAY, TIME & VENUE

Date of AGM : 28-9-2012**Day : Friday****Time : 11.00 A.M.****Venue : Registered Office of the Company
Khanij Bhavan,
132 Ft. Ring Road,
Near University Ground,
Vastrapur, Ahmedabad-380 052****Registrar & Share Transfer Agent for physical & D-mat Shares :**M/s. MCS Limited
101, Shatdal Complex, 1st floor
Opp: Bata Show Room
Ashram Road
Ahmedabad – 380 009
Tel. 26582878
Fax: (079) 26581296

FINANCIAL HIGHLIGHTS

Sr.	Particulars	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
(C in Lakhs)											
(A) Profitability Analysis											
1.	Total Turnover	169,599.76	142,752.68	106,608.05	98,121.21	98,105.54	58,895.65	43,374.08	36,925.50	27,295.60	29,275.01
2.	Profit before tax	71,771.93	58,461.07	40,608.25	36,990.48	40,839.48	16,775.22	6,669.12	16,799.15	12,046.25	13,052.92
3.	Interest	784.89	1,528.32	2,611.22	5,390.84	7,024.77	7,370.52	5,054.94	20.34	88.56	113.93
4.	Depreciation	10,833.29	9,295.55	8,615.31	7,777.77	9,553.69	12,932.05	13,034.02	804.22	1,133.37	1,262.56
5.	Provision for tax	23,088.65	20,984.72	12,621.37	13,359.87	14,446.38	5,907.38	2,494.48	6,478.03	3,950.57	4,561.87
6.	Profit after tax	48,683.28	37,476.35	27,986.88	23,630.61	26,393.10	10,867.85	4,174.64	10,321.13	8,095.59	8,473.39
7.	Short/Excess provision of tax of earlier years	-	30.70	1.17	488.85	-	1,420.48	649.31	20.33	0.08	17.66
8.	Net Profit after short/excess tax prov of earlier years	48,683.28	37,507.05	27,988.05	23,141.76	26,393.10	9,447.37	3,525.33	10,341.46	8,095.51	8,491.05
9.	Balance of profit of last year	13,046.36	11,626.94	12,939.98	4,739.10	2,066.44	1,339.52	2,989.78	1,461.33	1,980.17	2,103.47
10.	Profit available for appropriation	61,729.64	49,133.99	40,928.03	27,880.86	28,459.54	10,786.89	6,515.11	11,802.79	10,075.68	10,594.52
11.	Dividend in %	150.00	150.00	125.00	100.00	100.00	100.00	60.00	50.00	45.00	45.00
12.	Dividend in Rupees	9,540.00	9,540.00	7,950.00	6,360.00	3,180.00	3,180.00	1,908.00	1,590.00	1,431.00	1,431.00
(B) Net Worth / Capital Employed											
1.	Share Capital	6,360.00	6,360.00	6,360.00	6,360.00	3,180.00	3,180.00	3,180.00	3,180.00	3,180.00	3,180.00
2.	Reserves & Surplus	198,212.64	160,616.99	134,197.57	115,510.61	102,989.73	80,693.28	74,966.36	73,616.63	65,088.77	58,607.00
3.	Gross Fixed Assets	255,743.34	223,619.18	197,608.33	188,640.64	184,653.41	179,178.43	171,358.45	92,749.45	37,249.35	36,937.07
4.	Net Fixed Assets	175,778.06	151,739.13	134,143.07	130,820.45	134,283.09	137,135.55	136,496.96	70,877.57	7,055.98	7,825.87
5.	Capital Employed	220,610.83	191,260.84	171,092.32	185,736.39	187,945.97	188,169.08	186,376.29	180,521.34	137,391.26	105,200.96
6.	Net worth	204,572.64	165,852.01	138,755.83	120,769.80	105,847.65	80,319.15	74,446.76	73,713.62	66,141.06	60,558.49
(C) Financial Ratios											
1.	% of Net Profit										
	On Sales	28.70	26.25	26.25	24.08	26.90	18.45	9.57	27.95	29.66	28.94
	On Gross Fixed Assets	19.04	16.76	14.16	12.53	14.29	6.07	2.44	11.13	21.73	23.31
	On Capital Employed	22.07	19.59	16.36	12.72	14.04	5.78	2.24	5.72	5.89	8.06
	On net worth	23.80	22.60	20.17	19.57	24.93	13.53	5.61	14.00	12.24	13.99
	On Share Capital	765.46	589.25	440.05	371.55	829.97	341.76	131.28	324.56	254.58	266.45
2.	Debt/Equity Ratio	Nil	0.08	0.15	0.39	0.63	1.14	1.39	1.45	1.16	0.84

NOTICE

Notice is hereby given that the 49th Annual General Meeting of the Shareholders of 'Gujarat Mineral Development Corporation Limited' will be held on Friday, 28-9-2012 at 11.00am at the Registered Office of the Company, at Khanij Bhavan, Off:132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad – 380 052 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the 'Profit & Loss Account' of the Corporation for the year ended 31st March, 2012 and the 'Balance Sheet' as on that date and the Report of the Board-of-Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2012.
3. To appoint a Director in place of Shri Bhadrash Mehta, who retires from office by rotation and being eligible , offers himself for re-appointment.
4. To fix up the remuneration of Statutory Auditors for the year 2012-13 to be appointed by the Comptroller & Auditor General of India.

By Order of the Board-of-Directors
Joel Evans
Company Secretary

Date : 25-05-2012
Place : Ahmedabad.

Registered Office :

Gujarat Mineral Development Corporation Limited
'Khanij Bhavan' Vastrapur, Ahmedabad-380 052

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective shall be deposited at the Registered Office of the Corporation, not less than 48 hours before the commencement of the meeting.
2. The 'Members Register' and the 'Share Transfer Book' of the Company shall remain closed from 19-9-2012 to 28-9-2012 (both dates inclusive).
3. The Dividend declared by the Company will be paid within 30 days from the date of the meeting to those Shareholders whose names appear on the 'Members Register' of the Company on 28-9-2012. The Shareholders are advised to encash their Dividend Warrants during their original validity period. Thereafter, payment of the dividend shall be made by cheques payable on the Company's Bankers at Ahmedabad. The Shareholders are advised to get merged/consolidated their multiple folios held in the same names and in the same order.

4. Relevancy of questions and the order of speaker at the meeting will be decided by the Chairman.
5. Members are requested to give full particulars of their Bank Account details for safe payment of dividend.
6. Facility of payment of dividend through ECS / NECS is available. Though shareholders who are holding shares in electronic mode should register their ECS mandate with their respective depository participants directly, for those shareholders who are holding equity shares in physical mode, they are requested to deposit ECS mandate form with the office of the Companies Share Transfer and Registrar Agent M/s MCS Limited, 101, Shatdal Complex, Opp. Bata Show Room, Ahmedabad-9. ECS mandate form for physical holding is attached to this notice which may be filled up by the shareholders and sent to the Registrar and Share Transger Agent.
7. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to M/s. MCS Limited, 101, Shatdal Complex, Opp. Bata Show Room, Ahmedabad in respect of their physical share folios, if any.
8. Members desiring any information about accounts at the meeting, are requested to write to the Company at least seven days in advance of the Annual General Meeting.
9. Members / Proxies are requested to bring a copy of their Annual Report and are also requested to produce the Attendance Slip at the entrance of the Meeting Hall.
10. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 dividends for the financial year ended 31st March, 2005 which had remained unclaimed for a period of seven years from the date of transfer of the same will have to be transferred to the 'Investor Education and Protection Fund' established by the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 2005 or any subsequent financial years are requested to make their claim to M/s. MCS Limited, Ahmedabad,. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

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

Sr No.	Year	Date of declaration	Due Date of transfer
1	2004-2005	30.09.2005	30.09.2012
2	2005-2006	22.12.2006	22.12.2013
3	2006-2007	29.09.2007	29.09.2014
4	2007-2008	11.09.2008	11.09.2015
5	2008-2009	29.09.2009	29.09.2016
6	2009-1010	28.09.2010	28.09.2017
7	2010-2011	30.09.2011	30.09.2018

By Order of the Board-of-Directors
Joel Evans
 Company Secretary

Date : 25-05-2012

Place : Ahmedabad.

Registered Office :

Gujarat Mineral Development Corporation Limited
 'Khanij Bhavan' Vastrapur, Ahmedabad-380 052

Details of the Directors seeking re-appointment in the this Annual General Meeting pursuant to Clause 40 of the Listing Agreement of Stock Exchanges

Name of Director	Shri Bhadresh Mehta
Date of Birth	23.02.1960
Relationships with other Directors inter-se	N.A.
Date of Appointment	21.10.2008
Expertise in specific functional areas	He holds professionally qualified senior managerial experience with proven success of over 20 years in steering finance and audit functions of reputed Business groups. His areas of specialization are strategic planning, financial management, auditing, risk assessment and management.
Qualification	Chartered Accountant Company Secretary Cost Accountant
No. of Equity Shares held in the Company	NIL
List of other companies in which Directorships are held	NIL
List of committees of the Board of Directors (across all companies) in which Chairmanship/Membership is held	GMDC 1. Audit Committee - Chairman 2. Shareholders' Grievance Committee - Chairman

Note :

1. The Directorships held by Directors as mentioned above, do not include Directorships of Foreign companies, Section 25 companies and Private Limited Companies.
2. Pursuant to Clause 49 of the Listing Agreement, only two committees viz. Audit Committee and Shareholders' Grievance Committee have been considered.

DIRECTORS' REPORT 2011-2012

To
The Shareholders,
Gujarat Mineral Development Corporation Limited

Your Directors have pleasure in presenting 49th Annual Report along with the audited accounts of your Corporation for the financial year 2011-2012. Our profit for the year is ₹ 48683.28 lakhs as against ₹ 37507.05 lakhs last year.

Financial Results	2011-12 (₹ in lakhs)	2010-11 (₹ in lakhs)
Operating profit	83390.11	69284.94
Less: Interest	784.89	1528.32
Profit after interest, but Before depreciation	82605.22	67756.62
Less: Depreciation/Depletion	10833.29	9295.55
Profit before Tax	71771.93	58461.07
Less: Provision for Tax Expenses	23088.65	20984.72
Profit after Tax	48683.28	37476.35
Add : Excess provision of dividend tax of earlier year	—	30.70
Profit for the year	48683.28	37507.05
Appropriation :		
(i) Proposed Dividend	9540.00	9540.00
(ii) Corporate tax on dividend	1547.63	1547.63
(iii) General Reserve	35000.00	25000.00

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (1) in the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (2) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- (3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and

for preventing and detecting fraud and other irregularities.

- (4) the Directors have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

DIVIDEND

Your Directors have pleasure to recommend a dividend of 150% including special dividend of 25% on account of fiftieth year of GMDC's establishment, i.e. ₹ 3 per share on equity shares. An amount of ₹ 9540 Lakhs on equity share capital of ₹ 6360 lakhs shall be paid as dividend.

CONTRIBUTION TO STATE EXCHEQUER:

The Corporation has contributed to the State Exchequer an amount of ₹ 40485.89 lakhs including Royalty of ₹ 9038.75 lakhs and Sales Tax of ₹ 31447.14 lakhs.

SHARE CAPITAL

During the year under review the issued, subscribed and paid-up share capital remained constant at ₹ 63.60 Crores divided into 31,80,00,000 equity shares of ₹ 2 each.

FINANCE AND TAXATION

Income Tax assessment of the Corporation has been completed up to the Financial Year 2008-09 and the Sales Tax assessment has been completed up to the Financial Year 2007-08.

INTERNAL AUDIT

M/s. Pipara & Co. and M/s R S Patel & Co. Chartered Accountants were appointed as Internal Auditor of the Corporation for the year 2011-12.

STATUTORY AUDIT

M/s. P. Singhvi & Co., Chartered Accountants were appointed Statutory Auditors of the Corporation by the Comptroller & Auditor General of India for the year 2011-12.

COST AUDIT

M/s Manish Analkat were appointed as Cost Auditors in respect of Akrimota Thermal Power Station for the year 2011-12.

REVIEW OF THE OPERATIONS

LIGNITE PROJECTS

During the year, your Corporation operated five lignite mines, namely, Panandhro, Mata-No-Madh, Rajpardi, Tadkeshwar and Bhavnagar Lignite Mines. In spite of stiff competition from alternate fuels such as petcoke and imported coal, the total lignite sales were sustained and during the year, 113.42 lakhs MT of lignite were produced from these mines. The mine-wise production figures are as follows :



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Sr. No.	Name of mine	Lignite production in lakhs MT
1	Panandhro	25.99
2	Mata-No-Madh	35.75
3	Tadkeshwar	22.11
4	Rajpardi	8.54
5	Bhavnagar	21.03
	Total	113.42

FLOURSPAR PROJECT, KADIPANI (DIST. VADODARA)

The efforts are being made to find out some solution for removal of tailing solid waste lying at Kadipani to restart the plant operation and 2965 MT of tailing solids already sold.

A Joint Venture company with M/s Gujarat Fluorochemicals and M/s Navin Fluorine International Ltd. and GMDC was formed.

In the meantime, efforts were also being made to recover the met. Grade filter cake from the old sumps and the same was dried and considered in production and sale Total 1310 MT of MFC "A" grade produced and sold although the plant was stopped during the year.

BAUXITE

During the year under review, the Gadhsisa Group of Mines produced 74897 M.T. of (+) 52% Al_2O_3 bauxite and 5,54,207 MT of (-) 52% Al_2O_3 bauxite and 60,000 MT of bauxite mine dust was produced.

During the year under review, the Gadhsisa group of mines sold 95,511 MT of (+) 52% Al_2O_3 bauxite and 7,65,024 MT of (-) 52% Al_2O_3 bauxite.

Bauxite was provided to captive users of Gujarat and outside State.

MANGANESE

During the period 2011-12, the Corporation disposed off 0.04 Lakh MT of manganese Ore Waste dump lying at Shivrajpur area. The lifting of manganese ore waste dump was stopped due to Forest Order.

MEWASA BAUXITE PROJECT, MEWASA

During 2011-12, the mining operations were closed for want of clearance from National Wildlife Board, New Delhi. The efforts are being made to receive such clearance. In the meantime, from Mewasa mine 9062 MT of non plant grade bauxite sold to the captive users.

POWER PROJECT – NANI CHHER

During the year under review, the total generation of Akrimota Thermal Power Station was 871 MUs. The power project generated the revenue of ₹ 141 Crores.

WIND FARM

Your directors are pleased to inform you that Wind Farms with a capacity of 40.5 MW were progressively commissioned by 31.03.2012. The total Wind farm capacity as on date is 100.5 MW and it earned revenue of ₹ 52 Crores. LOI has been issued for additional 50.4 MW Wind farm at Bhanvad to be Commissioned in current financial year 2012-13.

SOLAR POWER

Your Directors are happy to inform you that Corporation recently has set up a 5 MW Solar Power Plant in Kutch region to harness the solar energy with mine reclaimed land.

CDM BENEFITS

19.5 MW first wind farm project at Varsamedi has been registered and approved at UNFCCC for CDM.

ENTERPRISE RESOURCE PLANNING PROJECT – iMine

The project iMine go-live date was 11.04.2011. It was a big bang approach. All the applications were started at a time on ERP at all the mining locations and Corporate Office. We have completed one year in utilizing ERP. ERP is almost stabilized. Implementation of ERP has brought about a sea change in the functioning of the Corporation infusing total transparency in all its operations. Integration of applications, workflow management and e-mail facility has resulted in speeding up of processes and has increased the efficiency.

Gujarat Foundation for Entrepreneurial Excellence (GFEE)

During the year under review, your corporation has entered into an MoU with M/s Gujarat Entrepreneurship and Venture Promotion Foundation as approved by Government of Gujarat for equity investment in GFEE, a section 25 Company set up for the purpose of promoting entrepreneurship amongst youth. As part of the arrangement, your Corporation has invested 50% of the paid up capital of GFEE.

NEW PROJECTS AND SCHEMES OF THE CORPORATION

1. Gujarat Jaypee Cement & Infrastructure Limited

GMDC formed Joint Venture with M/s. Jaypee Associates Limited for setting up of 2.4 million TPA of Cement project based on limestone supply from GMDC. The land required for the project has been identified and application made to concerned department for allocation. Allocation order is awaited. Further progress will take only after allocation of land is made.

2. Gujarat Gokul Power Company Limited

GMDC formed J.V. with M/s. Gujarat Refoils & Solvents Limited for setting up of 125 MW Power Project based on lignite supply from GMDC. The land required for the project has been acquired. Project related activities have started and some of Govt. clearances have also been received.

3. Bhavnagar Energy Company Limited

GMDC along with seven other PSUs formed a JV Company for setting up of 500 MW Power Generation plant based on the lignite to be supplied from 3 lignite mines of GPCL. A tripartite agreement between GMDC, GPCL and BECL has been executed on 31/3/2012. As per the terms of this Agreement, GMDC has been entrusted the work of MDO to develop the project.

4. Gujarat State Mining & Resources Corporation Limited

GMDC along with M/s. Sunflag Iron & Steel Company Limited, has formed a JVC to acquire coking coal blocks to be allocated under Govt. dispensation route for setting up of Coke Oven Plant in Gujarat. We have applied to Govt. of India for allocation of coal blocks. List of coal blocks to be allocated by Govt. of India, has been notified. Application shall be made for identified blocks for allocation. Further progress in the project for setting up of Coke Oven plant depends on coal blocks allocation.

5. Naini Coal Company Limited

GMDC alongwith Pondicherry Industrial Promotion Development & Investment Corporation Limited (PIDICL) set up a JVC to develop the Naini Coal Block allocated jointly to GMDC and PIDICL by Govt. of India, in the ratio of 50:50 coal reserves of the block. Geological report has been prepared by CMPDIL and work for preparation of Mine Planning, Mine Closure, Environment Impact Assessment (EIA) and Environment Management Plan (EMP) is to be awarded to them.

6. RBG Mineral Industries Limited

GMDC, Rajasthan State Mines & Minerals Development Corporation and M/s. Binani Industries Limited have formed a JVC to set up a 2000 TPD Beneficiation plant for lead, zinc and copper based on lease of Ambaji, Deri and Basantgadh. As per the detailed Project Report prepared by M/s. SRK Consultants of USA, the project is economically viable. The valuation of mineral assets of Ambaji was carried out through IBM Nagpur and the draft valuation report received from them is under our scrutiny.

7. Gujarat Credo Mineral Industries Limited

GMDC along with M/s. Credo Mineral Industries Limited formed a JV to set up Zeolite, Proppants and low grade bauxite beneficiation project based on bauxite supply from GMDC. The land required for the project has been purchased near our Naredi mines and all Govt. clearances required for implementation of the project have been obtained. The project for Beneficiation of low grade bauxite (phase-I) is in commissioning stage.

8. Alumina & Aluminium Smelter

GMDC identified M/s. National Aluminium Company Limited (NALCO), a Govt. of India Navratna Company to set up Alumina and Aluminium Smelter plant in Kutch District based on the bauxite to be supplied by GMDC. The proposal for 26% equity participation by GMDC in the JVC has been approved by Govt. of Gujarat.

9. Speciality Alumina Chemicals

GMDC along with M/s. Alumina Refinery Pvt. Ltd. is setting up a project for Speciality Aluminium Chemicals plant in Kutch based on the bauxite to be supplied by GMDC from Kutch. Land required for the project has already been obtained and most of Govt. clearances have also been obtained. Commissioning of the project is in advanced stage and project is expected to start working shortly.

10. Fluorspar Beneficiation plant

GMDC along with M/s. Gujarat Fluorochemicals Limited and M/s. Navin Fluorine International Limited is setting up Fluorspar Beneficiation project, a single largest plant of 40,000 MTPA capacity at Kadipani. For selection of suitable technology, ore sample has been sent to China for lab test which will take about a month or so. On receipt of analytical report, further course of action for selection of technology shall be taken.

Environment Programme

There is a responsibility on every citizen of the globe to contribute to the efforts to ensure the health & diversity of the planet as well as protect and conserve its natural resources for their selves as well as for future generations. GMDC is committed to contribute, in accordance with its capacity, to the global endeavor to deal with climate change. Along with sustainable mining we are involved in thermal power generation as well as environment friendly Solar and Wind Energy generation. GMDC believes that to save the future generations, we have to save the environment otherwise they will perish.

For better growth of Gujarat State GMDC is doing all by the balancing of operation and environmental management in mining. GMDC has planned for capacity expansion of its Mata No Madh project - Kutch from 2.4 to 4.8 MTPA, and Surkha (N), Lignite Mines, Bhavnagar for capacity expansion from 3 to 5 MTPA. Ministry of Environment & Forests, New Delhi already has issued Terms of Reference (ToR) for capacity expansion of Surkha (N), Lignite Project Bhavnagar. At the same project of Surkha (N) we are also planning to install Pyrite Separation Plant of 3 MTPA capacity. This separation plant will help in reduction of Sulphur Content in atmosphere at user end. Being closer to sanctuary, Mata No Madh, Umarsar lignite mines; Mevasa-1 bauxite mine and Shivarajpur Manganese Mine proposal are being recommended by State Wild Life Board and further submitted for the approval to National Wild Life Board - New Delhi. For wild life clearance of Ambaji Metal Mines, application has filed with State Wild Life Board, Gujarat.

In addition to above, our company has intensified environmental protection measures by way of reclamation of mined out area by backfilling and afforestation, plantation on overburden dump, virgin area and roadside through in house sources as well as through Forest department. GMDC has planted total 2.25 Lakhs plants through Forest department and departmentally on 130.55 ha. area in the year 2011-12, which contributes for environmental protection and conservation and restoration of mined out areas.



GUJARAT MINERAL DEVELOPMENT CORPORATION LTD.

Your Corporation is well concerned with the environmental protection and takes appropriate preventive and curative measures to maintained environment. For control of pollution and environmental protection, we are following an effective environment management system at all projects with regular water sprinkling for dust suppression, electrostatic precipitator for stack emission control, Sewage and Effluent Treatment Plants for the control of water pollution and regular noise / vibration measurement for controlling noise pollution from machines. GMDC has its own Environmental Department with qualified staff at Corporate Office headed by Chief General Manager (IFS) and at projects headed by GM (Projects).

To maintain the environmental control measures and standards very effectively, a third party contract has been awarded to Gujarat Pollution Control Board approved laboratory for monthly environmental monitoring of all GMDC Projects. It helps your Corporation to maintain all regulatory parameters as per regulatory requirements. These reports are submitted periodically to GPCB.

Under the directives of Hon'ble High Court of Gujarat, Environmental audit of all operational GMDC Projects is essential. To comply with the same GMDC is awarding Annual Environmental Auditing work to Gujarat Pollution Control Board approved Schedule I Auditor and submitted this report to Gujarat Pollution Control Board, Gandhinagar along with the compliance of Observation & Recommendations. Compliance of Environmental clearance is submitting once in six months to Ministry of Environment & Forest, New Delhi as well as compliance of Consent to Operate is submitting to Gujarat Pollution Control Board twice in a year along with all necessary documents and reports.

INDUSTRIAL RELATIONS, HEALTH AND SAFETY

The relations between Corporation and its employees continued to be cordial throughout the year. Corporation continued to take care of the health and safety of project staff and inhabitants within the surrounding areas of mines by providing :

1. Well equipped and staffed dispensaries at Panandhro, Rajpardi, Kadipani and at Akrimota Power Projects. There is a facility of telemedicine at select hospitals which provide state of the art techno-medical intervention.
2. Ambulance Vans to Taluka Panchayats of Kutchh.
3. Uniform, ISI & DGMS approved safety shoes helmets and all safety devices as per the provisions of the Mines Act.

SOCIALLY RESPONSIBLE AND INCLUSIVE DEVELOPMENT

GMDC is conscious towards need to have an inclusive approach for development. Your Corporation operates its projects in some of the remotest and arid regions of the State. In order to bring these rural regions into mainstream of development concentrated efforts are made to assess the developmental needs at the grass root level and then provide the much needed rural infrastructure. The sectors catered are health, education, water, micro irrigation and livelihoods. Your Corporation has sponsored girl students belonging to

weaker sections of the society in Lakhpat region for education. Under a special Micro Irrigation System implemented in collaboration with State model agency, 46% beneficiary are marginal farmers in Kutch region. This drip irrigation has increased the crop yield and enhanced standard of living of these rural people. A mobile medical van caters to 49 villages in Kutch and provides a very crucial medical facilities. Hospitals situated at various projects of your corporation, provide medical services to villages surrounding these projects. Your Corporation has also completed a gap analysis exercise in 54 villages in Lakhpat taluka of Kutch Society of which your Corporation is a part, thus forms a core in continuous development.

PARTICULARS OF EMPLOYEES

No employee was in receipt of emoluments in excess of ₹2,00,000 per month or ₹24,00,000 per annum during the year under review.

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

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required by the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed at Annexure-I and forms part of this report.

BOARD-OF-DIRECTORS

During the year under review, Ms S Aparna, IAS was appointed as Director in place of Shri Atanu Chakraborty, IAS.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the various Stock Exchanges, the detailed report on the Corporate Governance is given in Annexure-II.

ACKNOWLEDGEMENT

Your Directors are pleased to place on record their deep appreciation for the sincere services and co-operation extended by the officers, employees and workmen of the Corporation at all levels. They also wish to place on record their gratitude for the confidence placed in them by financial institutions and investors. Further, your Directors wish to thank various departments of the Central Government viz. the Ministry of Environment and Forest, Ministry of Coal, Ministry of Mines and various bodies of State Government of Gujarat viz. Industries & Mines Department, the Finance Department, Commissionerate of Geology and Mining and Gujarat State Pollution Control Board. The Directors also extend their heartiest thanks to the esteemed customers and shareholders of the Corporation for their valued co-operation.

For and on behalf of the Board-of-Directors

Sd/-

M Sahu
Chairman

Place : Gandhinagar
Date : 25-05-2012

ANNEXURE : I

FORM – A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, POWER AND FUEL CONSUMPTION.

A. Conservation of Energy**(a) Energy Conservation Measures taken**

- (i) Set up 2 x 10 KW roof top solar plant at Bhavnagar and at Corporate Office

(b) Additional Investments and Proposal for Reduction of Consumption of Energy

- (i) Proposal to set up roof top solar power plants at various other project offices of the Corporation

(c) Impact of the above measures

- (i) Alternative non conventional energy source will result in saving of traditional energy

B. Technology absorption

The disclosure is made in the prescribed Form B.

C. Foreign Exchange Earnings and outgo

Total foreign exchange used : Euro 127680,
JPY 29359000,

Total foreign exchange earned : NIL

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT

Research and Development

Particular fields in which Research and Development carried out by the Corporation are as follows :

Research & Development (R&D)**1. Specific Areas in which R & D carried out by Company**
NIL**2. Benefits derived as a result of above R & D**
NIL**3. Future Plan of Action**

1. Value addition of low grade manganese mineral.
2. Development of Deep seated lignite and coal deposit thorough Underground Coal Gasification method.
3. Laterite and low alumina content bauxite value addition for use in proposed Alumina projects.
4. Value addition of Silica Sand of Rajpardi mine
5. Exploration of lignite, bauxite, limestone and manganese.
6. Setting up 50.4 MW Wind Farm project.

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

1. Installation of wind power farms with a capacity of 100.5 MW.
2. Set up 5 MW solar power plant
3. Latest Fluorspar beneficiation technology.
4. Dry beneficiation of Lignite to reduce moisture and sulphur content.

2. Benefits derived as a result of the above efforts :

Generation of clean and sustainable energy.

1. Recovery of ore will improve and process cost will be reduced.
2. Dry beneficiation will improve Calorific value of Lignite from 3000 to 4000 Kcal and dry beneficiated Lignite will be eco friendly fuel.

CORPORATE GOVERNANCE REPORT

(Pursuant to clause 49 of the Listing Agreement)

Company's philosophy on Code of Governance

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

BOARD-OF-DIRECTORS

Composition

The present strength of the Board is five Directors, The Board of Directors of the Company comprises of mix of both Executive and Non-executive Directors with independent Directors. The Board members consist of persons with professional expertise and experience in various fields of Finance, Accounts, Management, Law, Labour Welfare etc. Further, Being a Government Public Sector Undertaking, majority Directors are IAS Officers who have possessed professional expertise and experience in various fields of finance, accounts, management, laws etc. and are appointed by the Government of Gujarat except Shri Bhadresh Mehta.

Category and Designation of Directors:

Sr. No.	Name of the Directors	Category	Designation	No. of Directorship in other (Excluding Pvt. Limited Companies)	No. of Specified Committees (Other than (GMDC) in which Chairman/Member	
					Chairman	Member
1	Maheshwar Sahu, IAS	NED/PD	Chairman/ Director	06	-	-
2	Vasantbhai Shaktidan Gadhi, IAS	ED/PD	Managing Director	10	-	01
3	Vinaykumar Yogesh chandra Vyasa, IAS	NED/PD	Director	Nil	-	02
4	Bhadresh Vinay chandra Mehta	NED/ID	Director	Nil	01	-
5	*Ms. S Aparna, IAS	NED/PD	Director	10	-	02
6	**Atanu Chakraborty IAS	NED/PD	Director	13	-	-

Notes:

1. None of the Directors is related to any other Director.
2. None of the Directors has any business relationship with the Company.
3. None of the Directors received any loans and advances from the Company during the year.
4. Outside directorship do not include alternate directorship, directorship of Private Ltd. Companies, Section 25 Company and of Companies incorporated outside India. The Number of outside Committee position held includes Audit Committee and Investor Grievance Committee only.
5. *Ms. Aparna Subramani has been appointed by GOG on 20th September 2011 and Shri Atanu Chakraborty has resigned from the Directorship on 8th July 2011 due to his transfer.
6. **PD-Promoter Director, NED-Non Executive Director, ED-Executive Director

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

Eight meetings of the Board-of-Directors were held during the year i.e. on 30.5.2011, 5.8.2011, 2.9.2011, 19.10.2011, 14.11.2011, 12.01.2012, 30.1.2012 & 29.3.2012.

The attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting held on 30th September, 2011 is as under :

Sr. No.	Name of the Directors	Meeting held during the tenure of Directors	No. of meetings attended	Attendance at the last AGM
1	Shri M S Sahu, IAS Chairman	8	8	No
2.	Shri V S Gadhi, IAS, Managing Director	8	8	YES
3.	Ms. S Aparna,, IAS	5	4	NO
4.	Shri Vinay Vyasa, IAS	8	5	Yes
5.	Shri Bhadresh Mehta	8	7	Yes
6.	Shri Atanu Chakraborty, IAS	2	1	No

Board's Procedure

Apart from the matters which are to be decided by the Board as per relevant statutes and rules, all major decisions involving large capital expenditure, award of major contracts,