

MAHARASHTRA STATE MINING CORPORATION LIMITED

CIN: U10100MH1973SGC017008

Reg. Office: PLOT NO. 7, AJNI CHOWK, WARDHA ROAD, NAGPUR- 440015

Email id: info@msmc.gov.in, Phone No.: 0712-2253204 to 06

Board Report

To the Members,

The Directors have pleasure in submitting their Annual Report of the Corporation together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS-

The Corporation's financial performance for the year under review alongwith previous year figures are given hereunder:

Particulars	31/03/2017 (In 'Lakhs)	31/03/2016 (In Lakhs)
Total Income	897.90	1202.97
Profit/Loss before depreciation and amortization	422.73	756.78
Depreciation and amortization for the year	34.69	39.73
Net Profit/Loss after depreciation and amortization	388.04	717.05
Exceptional Items	0	0
Prior Prior Income	-2.19	-29.65
Profit before extraordinary items and tax	390.24	746.70
Extraordinary Items	0.00	0.00
Profit before tax	390.24	746.70
Income Tax earlier years	14.20	14.07
Current tax expense	150.00	246.92
Deferred tax expense	6.43	19.79
Profit/Loss for the period from continuing operations	219.60	465.92
Profit/Loss from discontinuing operations	0	0
Tax expense of discontinuing operations		0
Profit/Loss from discontinuing operations (after tax)		0
Profit/Loss transferred/adjusted to General Reserve	219.60	465.92
Basic earnings per equity share	Rs.106.25	Rs.225.42
Diluted earnings per equity share	Rs.106.25	Rs.225.42

2. DIVIDEND

As per Article No. 91 of Articles of Association, declaration of Dividend requires prior approval of Governor of Maharashtra. In view of non-receipt of Hon'ble Governor's approval for the previous year's Dividend, the Board does not recommend any dividend for the Current year.

3. REVIEW OF BUSINESS OPERATIONS:

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	(Subject to Audit & Income Tax Provision)	
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Profit/Loss for the period from continuing operations	219.60	465.92
Profit/Loss from discontinuing operations	0	0
Tax expense of discontinuing operations		0
Profit/Loss from discontinuing operations (after tax)		0
Profit/Loss transferred/adjusted to General Reserve	219.60	465.92
Basic earnings per equity share	Rs.187.75	Rs.225.42
Diluted earnings per equity share	Rs.187.75	Rs.225.42

2. DIVIDEND

As per Article No. 91 of Articles of Association, declaration of Dividend requires prior approval of Governor of Maharashtra. In view of non-receipt of Hon'ble Governor's approval for the previous year's Dividend, the Board does not recommend any dividend for the Current year.

3. REVIEW OF BUSINESS OPERATIONS:

Your Directors wish to present the details of Business Operations done during the year under review:

- a) **Production and Sales :** The mineral production and sales during the year 2016-17 as compare to those of the preceding year 2015-16 are as under:

Minerals	Open. Stock (in M.T.)	Production (in M.T.)	Sales Qty. & Value Received	
			Qty. (in M.T.)	(Rs. In Lakh)
Sillimanite	142.020	109.710	74.000	2.06
Prev. Year	(142.020)	(0.000)	(0.000)	(0.000)
Corundum	0.490	0.000	0.000	0.000
Prev. Year	(0.490)	(0.000)	(0.000)	(0.000)
Pyrophyllite	1643.460	856.990	900.000	7.42
Prev. Year	(566.420)	(1677.040)	(600.000)	(4.950)
Fluorite(Graded)	12,247.450	1,175.320	0.000	0.000
Prev. Year	(9913.990)	(2333.460)	(0.000)	(0.000)
Fluorite(Waste)	0.000	0.000	0.000	0.000
Prev. Year	(0.000)	(0.000)	(0.000)	(0.000)
Dolomite(Graded)	5018.360	311.680	1208.000	4.90
Prev. Year	(5464.180)	(1387.420)	(1833.240)	(7.880)
Dolomite (Min. Waste)	0.000	0.000	0.000	0.000
Prev. Year	(0.000)	(0.000)	(0.000)	(0.000)
Limestone	67.920	0.000	0.000	0.000
Prev. Year	(67.920)	(0.000)	(0.000)	(0.000)
Kyanite	546.552	975.972	925.440	----
Prev. Year	(10.590)	(201.2660)	(33.635)	----
Pyrophyllite	204.130	164.564	0.000	----
Prev. Year	(123.890)	(80.240)	(0.000)	----
Iron Ore Lumps	8810.007	4332.400	2,034.900	----
Prev. Year	(5299.237)	(6262.900)	(2752.130)	(62.75)
Iron Ore Fines	0.000	1,170.090	1,170.090	----
Prev. Year	(0.000)	(0.000)	(0.000)	(0.000)
Silica Sand	11975.930	----	----	----
Prev. Year	(6846.040)	(44510.000)	(39380.110)	----
Total	40,656.319	9,096.726	6,3,12.43	65.75
Previous Year	(28434.780)	(56452.330)	(44599.120)	(75.58)

Note: Figures mentioned in brackets are of Preceding years i.e. F. Y. (2015-16).

MINERALS PRODUCTION AND SALE:

The mine-wise production and sale value of the minerals during the financial year: 2016-17 are as under:

S. N.	Name of Mine	Production (MT)	Sale (MT)	Sale Value (Rs. in Laacs)
1.	Khursipar Iron Ore Mine	5,502.490	3,204.990	51.37
2.	Patgowari Dolomite Mine	311.680	1,208.000	4.90
3.	Pohara Sillimanite Mine	966.700	974.000	9.48
4.	Nawargaon-Chowa Kyanite Mine	1,140.536	925.440	Nil
5.	Dongargaon Fluorite Mine	1,175.320	Nil	Nil
6.	Phondaghat Silica Sand Mine	Nil	Nil	Nil

b) ABOUT ONGOING PROJECTS:

- a) **KHURSIPAR IRON ORE MINE** :- Due to low Fe content, the iron ore of Khursipar Iron Ore Mine could not get regular market. During the current year Iron Ore produced is 5,502.490 M.T. and sold 3,204.990M.T. iron ore to various consumers. The revenue generation by sale of iron ore during the year is about Rs. 51,36,862/-.
- b) **DONGARGAON FLUORITE MINE**:- The production of fluorite ore during the year is 1,175.320 M.T. which is marginal less than that of last year. However, there was no sale of fluorite mineral for the current year. Production hampered due to non-availability of space for stocking.
- c) **POHARA SILLIMANITE MINE** :- During the year, the production of Sillimanite was 109.710 M. T. & that of Pyrophyllite is 856.990 M.T. The revenue generation from the sale of 974.000 M.T. of Pyrophyllite is Rs.9,48,411/-.
- d) **PATGOWARI DOLOMITE MINE** :- The production of dolomite during the current financial year is 311.680M.T. and the revenue generation from the sale of 1,208.000 M.T. Dolomite is Rs.4,90,230/-.
- e) **GAURALA LIMESTONE MINE** :- Due to non-receipt of Environment and Forest Clearance the mine is non-operative during this financial year. Tender for deployment of manpower and machineries and sale of minerals has been finalised. Party selected.
- f) **NAVARGAON CHOWA KYANITE MINE** :- The matter was in dispute which was settled mutually and a revised agreement was continued for a further period of thirty-eight months. The mining operation was resumed on 22.02.2016. Amount received against the facilitation charge for the year is Rs. 6,64,457/-.

- g) **PHONDAGHAT SILICA SAND MINE** :- This mine was run by M/s Chirag Sanditext Private Limited through sub-lease agreement w.e.f. 1999 to October-2015. The mining lease and subsequently the sub-lease agreement expired on 16.10.2016. Applied for the renewal of Mining Lease as per rules. Renewal awaited.
- h) **KADAVAL FELDSPAR MINE** :- Since the mining area is covered under forest and as MSMC could not get 'No Objection Certificate' under Forest Conservation Act, the mine is non-operative.

PARTICIPATION IN MINES ENVIRONMENT AND MINERAL CONSERVATION WEEK 2016-17.

The corporation took active participation in celebrating 'Mines Environment and Conservation Week : 2016-17'. This annual event was organized by Indian Bureau of Mine, Nagpur. Participation of Corporation's mines and prizes are as follows:-

<u>Name of Mine</u>	<u>Prize</u>
Dongargaon Fluorite Mine :	One Prize.
Khursipar Iron Ore Mine :	One prizes

PARTICIPATION IN MINES SAFETY WEEK – 2016.

The corporation's mine also took participation in celebrating 'Metalliferous Mines Safety Week: 2016' organized by Nagpur Regional Office of Directorate General of Mines Safety. Participation of Corporation's mines and prizes are as follows:-

<u>Name of Mine</u>	<u>Prizes</u>
Patgowari Dolomite Mine :	2 nd Prize in House Keeping, Publicity & Propoganda
Khursipar Iron Ore Mine :	1 st Prize in Overall Working
	1 st Prize in Mine Working
	2 nd Prize in Statutory Plans
Dongargaon Fluorite Mine :	1 st Prize in House Keeping, Publicity & Propoganda
and	3 rd Prize in Mine Working

MINERAL DEVELOPMENT FUND: - Your Corporation has been appointed as "Shell Agency" by the Government under State Mineral Policy 1999 to perform various functions as defined in the State Mineral Policy. Accordingly addendum to the "Primary Objectives" of Memorandum & Articles of Association has been incorporated to perform functions of Shell Agency. Government has enacted Maharashtra Mineral Development (Creation & Utilization) Fund Act and framed Rules there under for making special provision for its utilization towards mineral exploration and development of mining activities in the State, and for matters connected there with or incidental thereto.

This fund is to be utilized for carrying out on-going activities of Corporation as well as for working as Shell Agency and for providing infrastructure facilities like, road, water, electricity or for maintaining the ecological and environmental balance in the areas affected

by mining. Your Corporation received an amount of Rs. 679.67 Crore from Mineral Development Fund (MDF) upto financial year 2016-17, out of which Rs. 97.47 Crore were allocated to Directorate of Geology and Mining and Rs.27.71 Crore were allocated to MSMC which will be utilized for various ongoing projects specially development of Pohara Mine and new projects. Your Corporation has utilized an amount of Rs.9.89 Crore up to 31/03/2017.

MSMC Shell Agency has received amount of Rs. 558.38 Crore towards Mineral Development Fund for various district since from the period 1999-2000 to 2016-17. Government of Maharashtra has provided Administrative approvals for Rs.709.66 Crore for works out of which MSMC has distributed Rs. 501.74 Crore to various districts up to 31/03/2017.

4. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE CORPORATION-

The following has been accomplishments in the year under review:

Distribution of Coal: Maharashtra State Government has nominated MSMC as a Nodal Agency for distribution of 7.2 lacs MT p.a. of Coal to Small Scale Industries (SSI units). Further, MSMC has called up applications from the consumer/SSI units registered with DIC i.e. District Industry Center, Government of Maharashtra. FSA (Fuel Supply Agreement) was signed with WCL (Western Coalfields Limited). Coal allocation was started to those units who had submitted the required documents and were approved by District.

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

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 I** and is attached to this report.

6. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE CORPORATION ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company's vision is to be a State benchmark in value creation and corporate citizenship and the Company's long-term Corporate Social Responsibility (CSR) objective, is to improve the quality of life of the communities through its 'Learn for Tomorrow' initiatives.

The Corporation with due recommendation of the Corporate Social Responsibility (CSR) Committee has coined its CSR policy which has been duly approved by the Board of Directors in their 203rd Board Meeting held on 22nd June 2016. In furtherance to the finalization of the CSR policy the Board has also looked up for avenues whereof it can undertake the CSR initiatives. The Corporation shall undertake the construction of the public libraries in and near the Mine's areas as its CSR Activity and shall look up for other options wherein the Corporation can spend its CSR budget.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Corporation under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 are not applicable to Government Companies.

9. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING CORPORATION SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report in not applicable to the Corporation.

10. CORPORATION'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the corporation and hence the Company has not devised any

policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

11. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure II** and attached to this Report.

12. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Corporation had four Board meetings respectively on 22nd June 2016, 29th August, 2016, 29th December, 2016 and 27th February, 2017 during the financial year under review. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

13. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- a. in the preparation of the annual accounts, the applicable accounting standards 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 corporation at the end of the financial year and of the profit and loss of the corporation 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 corporation and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- 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.

14. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Corporation is having two Subsidiary Companies i.e. MSMC ADKOLI NATURAL RESOURCES LIMITED and MSMC WARORA COLLIERIES LIMITED.

The Corporation is also having Joint Venture i.e. MAHA TAMIL COLLIERIES LIMITED.

15. DEPOSITS

The Corporation has neither accepted nor renewed any deposits during the year under review.

16. STATUTORY AUDITORS

The Comptroller and Auditor General of India, New Delhi re-appointed M/s Gupta Sarda Bagadia & Co., Chartered Accountants, Nagpur as Statutory Auditors in accordance with Sec. 139(1) of the Companies Act, 2013.

17. SHARES

a. BUY BACK OF SECURITIES

The Corporation has not bought back any shares during the year under review.

b. SWEAT EQUITY

The Corporation has not issued any Sweat Equity shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Corporation has not provided any Stock Option scheme to the employees.

18. ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company maintains comprehensive internal control system, commensurate with the size of its operations and monitoring procedure for all the major processes to ensure reliability of financial reporting and timely feedback on compliance with policies, procedure, laws and regulations.

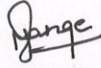
19. CHANGES IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS

During the year under review, there have been no material orders passed by the Regulators/Courts impacting materially the going concern status or future operations of the Company.

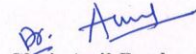
ACKNOWLEDGEMENTS

Your Directors are grateful to the Government of Maharashtra for its esteemed counsel, valued guidance and financial support and take this opportunity to thank all the workers and employees for the co-operation rendered by them during the year under report.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Dr. Nirupama Dange, IAS
Managing Director (07498248)



Shri. Anil Pophare
Director(01186221)

Date : **8 DEC 2017**
Place: Nagpur

Annexure 1

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

(A) Conservation of energy-

- Power supply systems have been organized suitably to reduce power losses.
- Various energy conservation measures like procurement of energy efficient lights and fittings, higher star rated energy meters/power factor meters/ demand controllers etc for monitoring and control of energy, elimination or reduction of stage pumping as far as practicable, energy conservation measures have been taken and general awareness propagated among all concerned for efficient use of energy.
- Ecology conservation is crucial in today's era. It is imperative that the development process in a community is compatible with its environment as well as with the particular culture of that community. Your company, with a goal of achieving sustainable development has taken various proactive measures to reduce global warming. The Company is conscious of its responsibility towards Conservation of Energy and in turn Humanity

(B) Technology absorption-

(i) the efforts made towards technology absorption;

The technology used for the existing project is fully indigenous. The works departments of the Company are always in pursuit of finding ways and means to improve the performance, quality and cost effectiveness of its products. The consistent efforts are made for the updation of technology being used by the Company as a continuous exercise.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

Continuous value engineering activities is currently being undertaken for improving profitability.

(iii) As per the guidelines of Government of India for Sustainable Development Framework (SDF), Scientific evaluation of Mine Closure Plan for all the Mines being with Corporation have been prepared as per the guidelines issued by Mineral Conservation Development Regulation, 1988 and Mineral Concession Rules, 1960.

(vi) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- } NIL

(iv) the expenditure incurred on Research and Development: Nil

(C) Foreign exchange earnings and Outgo- Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Dr. Nirupama Dange, IAS
Managing Director (07498248)

Shri. Anil Pophare
Director(01186221)

Date: 8 DEC 2017
Place: Nagpur

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN	Holding/Subsidiary /Associate	% of Shares held	Applicable Section
1	MSMC ADKOLI NATURAL RESOURCES LIMITED Plot no. 7, Ajni Square Wardha Road Nagpur-440015	U10200MH2010SGC200221	Subsidiary	51	Sec 2 (87)
2	MSMC WARORA COLLIERIES LIMITED Plot no. 7, Ajni Square Wardha Road Nagpur-440015	U14100MH2010SGC205717	Subsidiary	51	Sec 2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	3	3	0.0015	-	3	3	0.0015	0
b) Central Govt.	-	0	0	0	-	0	0	0	0
c) State Govt(s)	-	206684	206684	99.99	-	206684	206684	99.99	0
d) Bodies Corp.	-	0	0	0	-	0	0	0	0
e) Banks / FI	-	0	0	0	-	0	0	0	0
f) Any Other	-	0	0	0	-	0	0	0	0
Sub Total (A) (1) :-	-	206687	206687	100	-	206687	206687	100	0
(2) Foreign									
a) NRIs - Individuals	-	0	0	0	-	0	0	0	0
b) Other Individuals	-	0	0	0	-	0	0	0	0
c) Bodies Corp	-	0	0	0	-	0	0	0	0
d) Banks / FI	-	0	0	0	-	0	0	0	0
f) Any Other	-	0	0	0	-	0	0	0	0
Sub Total (A) (2)	-	0	0	0	-	0	0	0	0
Total shareholding of promoter (A) = (A)(1) + (A)(2)	-	206687	206687	100	-	206687	206687	100	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	0	0	0	-	0	0	0	0
b) Banks/FI	-	0	0	0	-	0	0	0	0
c) Central Govt	-	0	0	0	-	0	0	0	0
d) State Govt(s)	-	0	0	0	-	0	0	0	0
e) Venture Capital Funds	-	0	0	0	-	0	0	0	0
f) Insurance Companies	-	0	0	0	-	0	0	0	0
g) FIs	-	0	0	0	-	0	0	0	0
h) Foreign Venture Capital Funds	-	0	0	0	-	0	0	0	0
Others (Specify)	-	0	0	0	-	0	0	0	0
Sub Total (B) (1) :-	-	0	0	0	-	0	0	0	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	-	0	0	0	-	0	0	0	0

ii) Overseas	-	0	0	0	0	0	0	0
b) Individuals								
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	0	0	0	0	0	0	0
c) Others	-	0	0	0	0	0	0	0
Sub Total (B) (2) :-	-	0	0	0	0	0	0	0
Total Public Shareholding (B) = (B)(1) + (B)(2) :-	-	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	-	0	0	0	0	0	0	0
Grand Total (A) + (B) + (C)	-	206687	206687	100	206687	206687	100	100

(ii) Shareholding of Promoters

Sl. No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. Of Shares	% of total Shares of the company	% of shares Pledged / encumbered to total shares	No. Of Shares	% of total Shares of the company	% of shares Pledged / encumbered to total shares	
1	Government of Maharashtra	206684	99.99		206684	99.99		0
2	Dr. Nirupama Dange, IAS	1	0.0005		1	0.0005		0
3	Shri V S Swawkhande	1	0.0005		1	0.0005		0
4	Shri P Y Tembhare	1	0.0005		1	0.0005		0
	Total	206687	100		206687	100		0.00

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

Sl. No.	Date	Remarks	No. of Shares	Cumulative shareholding during the year	
				Total no. of Shares	% of total shares of Company
1	01/04/2016	Shareholding at the beginning of the year		206687	100
2	31/03/2017	Shareholding at the end of the year		206687	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	Date	Remarks	No. of Shares	Cumulative shareholding during the year	
				Total no. of shares	% of total shares of Company
--- NIL ---					

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Date	Remarks	No. of Shares	Cumulative shareholding during the year	
				Total No. of shares	% of total shares of Company
ANIL MAHADEO POPHARE					
1	01/04/2016	Shareholding at the beginning of the year		0	0
2	31/03/2017	Shareholding at the end of the year		0	0
VIKAS KAPOORCHAND JAIN					
1	01/04/2016	Shareholding at the beginning of the year		0	0
2	31/03/2017	Shareholding at the end of the year		0	0
SANJAY SHANKARRAO INGLE					
1	01/04/2016	Shareholding at the beginning of the year		0	0
2	31/03/2017	Shareholding at the end of the year		0	0
NIRUPAMA JAGANNATH DANGE					
1	01/04/2016	Shareholding at the beginning of the year		1	0.0005
2	31/03/2017	Shareholding at the end of the year		1	0.0005

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	Nil	Nil	Nil	Nil
ii. Interest due but not paid	Nil	Nil	Nil	Nil
iii. Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	Nil	Nil	Nil	78,70,000
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i. Principal Amount	Nil	Nil	Nil	Nil
ii. Interest due but not paid	Nil	Nil	Nil	Nil
iii. Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	Nil	Nil	Nil	78,70,000

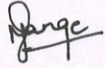
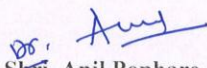
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors/ Executive Director and/or Manager:**

Sl. No	Particulars of remuneration	Name of MD/WTD/ED/ Manager	Total Amount
		NIRUPAMA JAGANNATH DANGE	
1	Gross salary: a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income tax Act, 1961	10,63,615 Nil Nil	10,63,615 Nil Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify	Nil	Nil
4	Others, please specify	Nil	Nil
	Total (A)	10,63,615	10,63,615
	Ceiling as per the Act	NA	NA

B. REMUNERATION TO OTHER DIRECTORS: NIL**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NIL****VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


Dr. Nirupama Dange, IAS
Managing Director (07498248)
Shri. Anil Pophare
Director(01186221)Date: **8 DEC 2017**
Place: Nagpur

Purushottam Sarda, B.Com, FCA
Ph. (O): 2426771 (R): 2546780
Omprakash Bagdia, B.Com, FCA, FCS,
Ph. (O): 2426645 (R): 2238917
Nitin Agrawal, B.Com, FCA, DISA
Ph No. 9822572295
Amit Lukka, B.Com, FCA, LL.B, CCA
Ph No. 9422866501

GUPTA SARDA & BAGDIA
CHARTERED ACCOUNTANTS
Business Plaza, U.G. Floor, 6 Farmland
Central Bazar Road, Near Lokmat Square,
NAGPUR-440010. Phone: 2437195, 2438181
FAX: 0712 – 2435068
E Mail: cagsb@yahoo.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S. MAHARASHTRA STATE MINING CORPORATION LIMITED,
NAGPUR

I. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/S. **MAHARASHTRA STATE MINING CORPORATION LIMITED, NAGPUR** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

II. 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 and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendments Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

III. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing, issued by The Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements and adequacy of Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting includes obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

IV. Basis for Qualified Opinion

- a) Refer to Note 8.2, 8.3 and 26a. As on year end Sweat Money of Rs.4987.57 lacs is shown outstanding from Gupta Coal (India) Ltd. & Sunil hi-tech Energy Private Ltd. Consequent to deallocation of coal blocks to the company, sweat money received from these companies is due to be refunded after making necessary forfeiture & deductions. Company had referred the matter to Law & Judiciary department of Government of Maharashtra who had given its opinion on 17/06/2016. According to it, forfeiture amount is to be calculated as 10% of the sweat money paid by the Joint venture Partners. However company has not made the forfeiture. Considering the reply from Law & Judiciary department of Government of Maharashtra at least, 10% of the sweat money paid by JV Partner i.e. Rs.498.76 lacs should have been forfeited & taken to income. Due to non-accounting of this income profit of the company has been understated & liability has been overstated to this extent.

V. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

VI. Emphasis of Matter

- a) Refer note no. 16.1, 17.1 & 26(b), Balance Confirmation are not received towards the following amounts receivable from the Joint venture partners as at 31st March 2017 :
1. Gupta Coal (India) Ltd.: Rs.343.67 lacs (Towards expenses made for Joint Venture Company, to be recovered from them as per the JV agreement).
 2. Gupta Coal (India) Ltd.: Rs.560.11 lacs (Towards interest receivable on deferred sweat money).
 3. Sunil HI-tech Energy Private Ltd.: Rs.88.62 lacs (Towards interest receivable on deferred sweat money).

Company has treated this amount as good & recoverable, considering that these amount will be adjusted from the Sweat Money payable to the above mentioned companies.

b) During the year company has made provision for Mine Closure expenses of Rs16.68 lacs (rs.194.29 lacs till 31.03.2017) as required by mines & minerals (development & regulation) Act, 1957 & Mineral Conservation & Department Rules, 1988 as amended from time to time. Company has made this provision on the basis of estimation. As per explanation given to us Mine Closure expenses are estimated on the basis of activity to be carried out at the time of final mine closure and these activities may differ from the activities mentioned in progressive mine closure plan.

Our opinion is not qualified on the above matters.

VII. **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 the terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and except for the matter referred to in para g (iv) below, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) **Company has not made segment reporting as required by AS -17 and disclosure of amount of interest in JV companies as required by AS-28 are not made.** Subject to this, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendments Rules, 2016.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to adequacy of Internal Financial Control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in 'Annexure B' and;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 25 to the financial statements.

- ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.
- iii. There was no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided disclosures in Note 36 in the standalone financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 31, 2016 as well as dealings in Specified Bank Notes during the period from November 9, 2016 to December 31, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including those in Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

Place : NAGPUR
Date : 08/12/2017



FOR GUPTA SARDA & BAGDIA
Chartered Accountants
(Registration No. 103447W)

Amit Lukka

(AMIT LUKKA)
(Partner)

Membership No. : 126323

ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph VII (1) of our Report of even date on the Account for the year ended on 31st March 2017 of M/S MAHARASHTRA STATE MINING CORPORATION LIMITED)

- (i) (a) As per information and explanation provided to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As per information and explanation provided to us, fixed assets have not been physically verified by the management during the year.
- (c) As per information and explanation provided to us, the title deeds of immovable properties are held in the name of the company
- (ii) As per information and explanation provided to us, the inventory has been physically verified at reasonable intervals during the year by the management. No material discrepancies were noticed on such verification.
- (iii) Apart from opening balances, The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus the sub clauses (a), (b) & (c) of clause (iii) of the Companies (Auditor's Report) Order, 2016 is not applicable to it.
- (iv) In our opinion and according to the information and explanations given to us, Section 185 and 186 of the Companies Act, 2013 have been duly complied with.
- (v) According to information and explanations given to us, the Company has not accepted any deposit from the public. Accordingly clause (v) of the Companies (Auditor's Report) Order, 2016 is not applicable to it.
- (vi) Central Government has prescribed maintenance of cost records under clause (d) of subsection (1) of section 148 of the Companies Act, 2013, however company has not maintained the same.
- (vii) (a) According to the information and explanation provided to us, no undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory due were in arrears as at 31st March, 2017 for a period of more than six month from the date they become payable.
- (b) On the basis of our examination of documents and records of the company and as per the information and explanations given to us & upon our inquiries in this regard we are of the opinion that except as mentioned below there are no other dues of sales tax, customs duty, service tax, wealth tax, excise duty, Value Added Tax and cess which have not been deposited on account of any dispute.

Name of Statute	Nature of the dues	Amount	Amount paid under protest	Period to which amount relates	Forum were pending
Income Tax	Income Tax demand as per assessment	585973.00	585973.00	F.Y. 2006-07	Company has gone in appeal to Assistant Commissioner of Income Tax against demand

However the appeal was allowed as per Order dated 22/08/2017.

- (viii) The company has unsecured loan from Government of Maharashtra. Repayment is not made towards this loan in absence of repayment condition in GR copies received from GOM. The company do not have any other borrowings from financial institutions, bank or debenture holders.
- (ix) The company has not raised moneys by way of initial public offer (including debt instruments) neither company has obtained any term loan.
- (x) According to the information and explanations given to us, no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) As per information & explanation given to us, and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) As the company is not a Nidhi company clause (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to it
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by Accounting Standard 18.
- (xiv) According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) As informed the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore section 192 of the companies act is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

PLACE: NAGPUR
Date: 08/12/2017



FOR GUPTA SARDA & BAGDIA
CHARTERED ACCOUNTANTS

(AMFF LUKKA)
PARTNER
M.NO. 126323
F.R.NO.103447W

ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph VII (2) (f) of our Report of even date on the Account for the year ended on 31st March 2017 of
M/S MAHARASHTRA STATE MINING CORPORATION LIMITED)

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (' the Act)

We have audited the internal financial controls over financial reporting of M/S MAHARASHTRA STATE MINING CORPORATION LIMITED as of 31 March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on the 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls over 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.

..Cont 2

Opinion

Management needs to perform an evaluation and make an assessment of adequacy and effectiveness of the company's internal financial controls based on the control criteria established by it, however management has not provided us the details of its evaluation and the conclusion regarding adequacy of internal financial control system that was operating effectively as at 31 March, 2017. However based on our verification of test of controls and considering nature of business, size of operation and organizational structure of the entity, the company has, in all material respects, except in the areas mentioned below, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting was operating effectively as at 31 March 2017.

- 1) Physical verification of Fixed assets is not conducted during the year and thus there is inadequate internal control over safe guarding of assets.
- 2) Many of the advances received from the customers were outstanding since long time. Balance confirmations were not called from parties. It is observed there is no proper review system in place to ensure the obligation towards long outstanding advances and credit balances outstanding as at the year end.
- 3) Many of the advances given to the parties were outstanding since long time. It is observed there is no proper review system in place to ensure the rights and obligation towards long outstanding advances and debit balances outstanding as at the year end.

PLACE: NAGPUR
Date: 08/12/2017



FOR GUPTA SARDA & BAGDIA
CHARTERED ACCOUNTANTS

Amit Lukka
(AMIT LUKKA)
PARTNER
M.NO. 126323
F.R.NO.103447W

Directions under Section 143(5) of Companies Act, 2013
For the year ended 31st March 2017

Sr. No.	Query	Reply
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of assets(including intangible assets and land) and liabilities (including committed and general reserve) may be examined including the mode and present stage of disinvestment process.	Company is not selected for Disinvestment.
2	Please report where there are any cases of waiver/write off of debts/loans/interest etc., if yes reasons there for and the amount involved.	As per the information and explanation given to us, there are no cases of waiver/write off of debts/interest/loans.
3	Whether proper records are maintained for the inventories lying with the third parties and assets received as gift from the Government or other authorities.	As per information given to us there are no inventories lying with third party. Proper records of assets received from Government or other authorities are maintained.
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases(foreign and local) may be given.	Details of pending legal/arbitration cases as per Annexure -I. Age-wise bifercation not provided to us.

FOR GUPTA SARDA & BAGDIA
CHARTERED ACCOUNTANTS



(AMIT LUKKA)
PARTNER
M.NO. 126323
F.R.NO.103447W



Place: NAGPUR
Date: 08/12/2017

Details of Pending Legal / Arbitration cases

S.No	Particulars	31.03.2017
1)	Claims by employees for salary & other benefits (claims of all the cases are not ascertainable)	1169836.00
2)	Claims under Arbitration award appealed by the company	67200000.00

Sub Directions Section 143(5) of Companies Act, 2013
For the year ended March 2017

Sr. No.	Query	Reply
1	Whether Profit/Loss mentioned in Audit Report is as per Profit and loss account of the Company?	Yes
2	Whether the Company's Financial Statement had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?	Company has made provision of Rs.16.68 lacs towards Mine Closure expenses during the year. Total till date Rs.194.29 lacs has been provided for the year.
3	Whether the Company had obtained requisite statutory compliances that was required under mining and environmental rules and regulations?	As per the information and representation given to us requisite statutory compliances that was required under mining and environmental rules and regulations are obtained.
4	Whether the Company has disbanded or discontinued mines, if so, the payment of corresponding dead rent there against may be verified.	There are several discontinued mines towards which dead rent is paid by the company.

FOR GUPTA SARDA & BAGDIA
CHARTERED ACCOUNTANTS



Amit Lukka

(AMIT LUKKA)
PARTNER
M.NO. 126323
F.R.NO.103447W

Place: NAGPUR
Date: 08/12/2017

MAHARASHTRA STATE MINING CORPORATION LIMITED
Cash Flow Statement for the year ended 31st March 2017

	<u>For the year</u> 2016 - 17	<u>For the year</u> 2015 - 16
A CASH FLOW FROM OPERATING ACTIVITY		
Profit Before Tax	39,024,135.17	74,670,220.69
Adjusted for :		
Depreciation and amortisation expense	5,136,896.52	5,068,322.05
Provision for diminution in value of investment	-	396,500.00
Profit on Sale of Assets	(70,095.00)	-
Interest Income	(61,788,508.58)	(105,751,092.70)
Rent Income	(3,529,074.00)	(4,026,828.00)
Operating profit before working Capital changes	(21,226,645.88)	(29,642,877.97)
Adjusted for :		
Increase in Inventories	(30,131,258.23)	(20,390,503.41)
Increase in Accounts Receivables	(399,403.00)	6,490,844.00
Increase in Short term Loans and advances	(39,404,287.25)	1,799,074.55
Decrease in Other Current Asset	11,771,188.53	(38,454,098.70)
Decrease in Provision for Employee Benefit	(434,027.00)	(1,606,746.00)
Decrease in trade payable, Other Long term Liabilities	-	46,330.00
Increase in Short term Provisions	958,165.00	975,832.00
Increase in other Current Liabilities, trade payable	54,877,884.53	(2,947,558.00)
Cash generated from operations	(23,988,383.30)	(83,729,703.53)
Less: Taxes paid (Net of refund)	831,452.78	(9,386,359.00)
Net cash (Utilized) from operating activities (A)	(23,156,930.52)	(93,116,062.53)
B CASH FLOW FORM INVESTING ACTIVITY		
Receipt from loans and advances	-	7,870,000.00
Interest income	61,788,508.58	105,751,092.70
Purchase of fixed Assets	(601,275.00)	(1,175,531.00)
Sale of Fixed Assets	70,100.00	-
Rent Income	3,529,074.00	4,026,828.00
Net cash generated from investing activities (B)	64,786,407.58	116,472,389.70
C CASH FLOW FORM FINANCING ACTIVITY		
Receipts from Govt Of Maha.		459,000,000
Payment to DGM	(455,000,000.00)	
Long Term Advance	(10,000.00)	-
Cash generated from financing activities (C)	(455,010,000.00)	459,000,000.00
Net increase/ (decrease) in cash and cash equivalent (A+B+C)	(413,380,522.99)	482,356,327.17
Cash and Cash equivalent at the beginning of the year	1,179,163,602.17	696,807,275.00
Cash and cash equivalent at the end of the year	765,783,079.18	1,179,163,602.17
Cash & Cash Equivalents Comprise		
Cash on Hand	181,408.03	243,620.90
Bank Balances with Scheduled Banks		
In Current Accounts	29,350,574.14	12,490,758.27
In fixed Deposit	736,251,097.00	1,166,429,223.00
Cash and cash equivalent as per note 15 to financial statements	765,783,079.17	1,179,163,602.17
Restricted cash		
Fixed deposits pledged with bank (in lacs)	62.51	800.15999

Notes :

- 1] The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard- 3 on "
- 2] Figures in brackets represent outflows

For and on behalf of the Board of Directors
For Maharashtra State Mining Corporation Limited

Shri. Aditya Rathore
General Manager (F & CS)

Shri A.M. Pophare
Director
(DIN: 01186221)

Dr. Nirupama Dange, IAS
Managing Director
(DIN: 07498248)

Place: Nagpur

18 DEC 2017



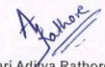
MAHARASHTRA STATE MINING CORPORATION LIMITED

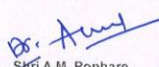
BALANCE SHEET AS ON 31ST MARCH 2017

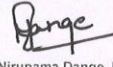
Sr. No.	PARTICULARS	Note No.	31-03-17		31-03-16	
			(In Rs.)	(In Rs.)	(In Rs.)	(In Rs.)
(I) EQUITY AND LIABILITIES						
1. Shareholder's funds						
	(a) Share Capital	2	20668700.00		20668700.00	
	(b) Reserves and Surplus	3	620987023.66		599571814.38	
				641655723.66		620240514.38
2. Share application money pending allotment						
				0.00		0.00
3. Non-current liabilities						
	(a) Long-term borrowings	4	45746000.00		45746000.00	
	(b) Deferred Tax liabilities (Net)	5	5830640.89		5187630.00	
	(c) Other Long term liabilities	6	2425885.00		2425885.00	
	(d) Long-term Provisions	7	25251561.39	79254087.28	24017838.39	77377353.39
4. Current Liabilities						
	(a) Short term borrowings		0.00		0.00	
	(a) Trade payables		0.00		0.00	
	(c) Other current liabilities	8	2950727349.17		3314526880.14	
	(b) Short term provisions	9	17720235.00	2968447584.17	26453960.00	3340980840.14
	TOTAL (I)			3689357395.11		4038598707.91
(II) ASSETS						
5. Non-current assets						
	(a) Fixed assets	10				
	(i) Tangible assets		253709128.41		257122255.92	
	(ii) Intangible assets				0.00	
	(iii) Capital work-in-progress		0.00		0.00	
	(iv) Intangible assets under development		0.00		0.00	
	(b) Non-current investments	11	131970.00		131970.00	
	(c) Deferred tax assets (net)		0.00		0.00	
	(d) Long-term loans and advances	12	339724.00		329724.00	
	(e) Other non-current assets		0.00	254180822.41	0.00	257583949.92
6. Current assets						
	(a) Current investments		0.00		0.00	
	(b) Inventories	13	93340344.19		63209085.96	
	(c) Trade receivables	14	1790496.27		1391093.27	
	(d) Cash and Cash Equivalents	15	765783079.17		1179163602.17	
	(e) Short-term loans and advances	16	2466270255.93		2417487390.91	
	(f) Other current assets	17	107992397.14	3435176572.70	119763585.67	3781014757.98
	TOTAL (II)			3689357395.11		4038598707.91
	Significant Accounting Policies Followed by Company	1				

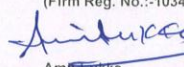
For and on behalf of the Board of Directors

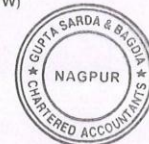
As per our report of even date
For Gupta Sarda & Bagdia
Chartered Accountants
(Firm Reg. No.: 103447W)


Shri. Aditya Rathore
General Manager (F & CS)



Shri A.M. Pophare
Director
(DIN: 01186221)


Dr. Nirupama Dange, IAS
Managing Director
(DIN: 07498248)


Amr Lurka
Partner
M. No. 126323
Nagpur
Date:




8 DEC 2017


 MAHARASHTRA STATE MINING CORPORATION LIMITED Statement Of Profit And Loss For The Period Ended 31st March 2017						
Sr. No.	PARTICULARS	Note No.	31-03-17		31-03-16	
			(In Rs.)	(In Rs.)	(In Rs.)	(In Rs.)
1	Revenue from operations	18	24368482.77		9108998.00	
2	Other Income	19	65422425.58		111188208.70	
3	Total Revenue (1 + 2)			89790908.35		120297206.70
4	Expenses					
	Cost of Materials Consumed	20	9304066.21		7339379.88	
	Purchases of Stock in Trade		12924411.00		0.00	
	Changes in inventories of finished goods, work in progress and Stock-in- trade	21	(30090484.10)		(20349720.30)	
	Employee benefits expense	22	43881124.08		46686685.66	
	Finance Costs		0.00		0.00	
	Depreciation and amortization expense	23	3469146.52		3972822.05	
	Other expense	24	11498071.46		10943082.73	
	Total Expense			50986335.18		48592250.02
5	Profit before exceptional and extraordinary items and tax (3-4)			38804573.17		71704956.69
6	(Add) Prior Period (Income)/Expense (Net)			(219562.00)		(2965264.00)
7	Profit before extraordinary items and tax (5-6)			39024135.17		74670220.69
8	Extraordinary & Exceptional Items			0.00		0.00
9	Profit before tax (7-8)			39024135.17		74670220.69
10	Tax expense:					
	(1) Income Tax Earlier Years		1420663.00		1407242.41	
	(2) Current tax		15000000.00		24691890.00	
	(3) Deferred tax		643010.89		1979431.00	
				17063673.89		28078563.41
11	Profit/(Loss) for the period from continuing operations (10-11)			21960461.28		46591657.28
12	Profit/(Loss) for the period from discontinuing operations			0.00		0.00
13	Tax expense of discontinuing operations			0.00		0.00
14	Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			0.00		0.00
15	Profit/(Loss) for the period (XI + XIV)			21960461.28		46591657.28
16	Earnings per equity share:					
	(1) Basic	28		106.25		225.42
	(2) Diluted					

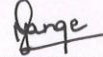
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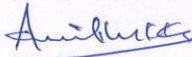
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For Gupta Sarda & Bagdia
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Shri. Aditya Rathore
General Manager (F & CS)


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Director
(DIN: 01186221)


Dr. Nirupama Dange, IAS
Managing Director
(DIN: 07498248)


Amit Lukka
Partner
M. No. 126323
Nagpur



Date: 8 DEC 2017

M/s MAHARASHTRA STATE MINING CORPORATION LIMITED

1A) SIGNIFICANT ACCOUNTING POLICIES

A Basis of Preparation of Financial Statements

- (i) These financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with accounting principles generally accepted in India, including the accounting standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies(Accounts) Rules, 2014. the financial statements have been prepared on an accrual basis under the historical cost convention.
- (ii) As required by Revised Schedule VI, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents.

B Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

C Fixed Assets

All fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost of acquisition or construction is inclusive of all cost including financial cost till commencement of commercial production, but excluding MODVAT/CENVAT/ VAT in so far as this is available for set-off. Fixed Assets acquired from Government Grant are stated at nominal value and no depreciation is charged on such assets.

D Depreciation

Depreciation for the year has been provided on W.D.V. method based on useful life of various assets as specified in Schedule II of the Companies Act 2013.

E Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impaired loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

F Investment

Long term investments are stated at cost and provision for diminution is made if decline in value is other than temporary in nature. Cost includes brokerage, stamp duty and other financial charges directly attributable to their acquisition. Current investment are carried at the lower of cost and fair value. Market value of investment at balance sheet date is assessed and any diminution in the value of investments is provided for.

G Inventories

Items of inventories are measured at lower of cost or net realisable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, trading and other products are determined on FIFO method. No value has been assigned to certain stock of minerals produce, which are substandard in quality and/or having no market value and sales of which is uncertain.

H Sales

Sales is stated net of returns. Gross turnover includes excise duty and cess. Net turnover excludes excise duty and cess. Value Added Tax is not treated as part of the turnover.

I Revenue Recognition

- i) Sales are recognized on invoicing and delivery of goods to the customers.
- ii) Interest on Kisan Vikas Patra is recognized on cash basis.
- iii) Government Grant is recognized in the year in which it is actually received.
- iv) Interest on capital grant in aid and unutilized balance of Mineral Development Fund has been temporarily invested in fixed deposits. Interest Income thereon has been considered as income of the Company.
- v) Interest income on fixed deposits is recognized on accrual basis.
- vi) Interest income from others, income from forfeiture and other such incomes are recognized where there is reasonable certainty regarding its realization and reasonableness of amount to be recognized

J Employee Benefits

a) Defined Contribution Plan

Provident fund & Pension Fund is considered as defined contribution plan, under which company pays fixed contributions into separate funds. The company's contribution to defined contribution plan is recognized in the statement of Profit & Loss in the year to which it relates.

b) Defined Benefit Plans

Retirement Benefit in the form of gratuity is recognized as an expense in the statement of Profit & Loss on present value of amounts payable, determined by using actuarial valuation techniques. Actuarial gains and losses in respect of gratuity is charged to the statement of profit & loss.

The Corporation has taken a Group Gratuity Policy from Life Insurance Corporation of India and considers the actuarial valuation provided by LIC for the purpose of recognition of expense.

c) Leave Encashment

Provision for Leave Encashment benefit has been calculated at undiscounted rate considering all the employees are retiring on year end.

Provision for Leave Encashment benefit has been made on basis of earned leave outstanding as on 31st March 2017 multiplied by sum total on basic salary including Grade Pay and dearness allowance for the month of March 2017. No Actuarial valuation has been considered for the same.

K Government Grants

- a) Government Grants related to specific fixed assets are shown as a deduction from the gross value of the assets concerned and the said fixed assets are shown in the balance sheet at nominal value.
- b) Government Grants received being capital in nature towards development of mining activities not utilized by the Corporation is shown under the head of capital Reserve as Capital grant from Maharashtra Mineral Development Fund.
- c) Interest received on balance MSMC share of Mineral Development Fund and Reserve Fund has been taken as income of the Company.

L Mine Closure Expenses

Progressive mine closure expenses are accounted for as and when expensed. Financial implication towards mine closure plans under relevant acts and rules technically estimated based on total availability of ore reserves of all mines. Total expenses towards mine closure expenses are charged off over the remaining life of mines.

M Tax on Income

a) **Current Tax** : Provision for Income Tax is made on the basis of estimated taxable income for the year, in accordance with the provisions of Income Tax Act, 1961.

b) **Deferred Tax** : Deferred Tax resulting from timing difference between the books & the tax profit is accounted for, at the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date, to the extent that timing difference are expected to crystallise. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future, however where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and are written down or written up to reflect the amount that is reasonably/virtually certain, as the case may be, to be realized.

N Provision, Contingent Liabilities & Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 2 Share Capital

Particulars	As at 31 st March 2017 (In Rs.)		As at 31 st March 2016 (In Rs.)		
Authorised share capital					
5,00,000 Equity Shares of Rs.100/- each (5,00,000 Equity Shares of Rs.100/- each as at 31st March 2015)		50000000.00		50000000.00	
Issued and Subscribed and Fully paid up Shares					
2,06,687 Equity Shares of Rs. 100/- each (2,06,687 Equity Shares of Rs. 100/- each as at 31st March 2016)		20668700.00		20668700.00	
Grand Total of Issued, Subscribed & Fully Paid Up Equity Shares		20668700.00		20668700.00	
a) Reconciliation of the shares outstanding at the beginning and at the end of the year					
		As at March 31, 2017		As at March 31, 2016	
Equity Shares		No of Shares held	Rs.	No of Shares held	Rs.
At the beginning of the period		206687	0.00	206687	20668700.00
Issued during the period		0	0.00	0	0.00
Outstanding at the end of the period		206687	0.00	206687	20668700.00
b) Share Holding more than 5% of the Ordinary Shares in the Company					
		As at March 31, 2017		As at March 31, 2016	
Details of the Shareholders holding with voting rights		No of Shares held	Rs.	No of Shares held	Rs.
Government of Maharashtra 100% (including 3 shares held by 3 nominees)		2,06,687	20668700.00	2,06,687	20668700.00
% of holding in the class of shares		100%		100%	
c) Rights, Preference and restrictions attached to equity shares					
The company has only one class of shares referred to as equity shares having a per value of Rs.100 per share. Each holder equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the net assets of the Company. The distribution will be in proportion to the number of equity shares held by the share holders.					

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 3 Reserve & Surplus		
Particulars	As at 31st March 2017 (In Rs.)	As at 31st March 2016 (In Rs.)
a) Capital Reserves :-		
Capital Grant from Mineral Development Fund		
Opening Balance	178853816.84	178853816.84
Add: Additions during the year	0.00	0.00
Less: Utilized during the year (Pursuant to capital expenditure for Building at Mine)	545252.00	0.00
Closing Balance (A)	178308564.84	178853816.84
b) Surplus in Statement of Profit & Loss Accounts		
Opening Balance	420717997.54	374126340.26
Add:- Profit for the year	21960461.28	46591657.28
Add/Less :- Appropriations (See Note 3.1)	0.00	0.00
Closing Balance (B)	442678458.82	420717997.54
c) Nominal Value of Assets received from Government	0.00	0.00
Closing Balance of Nominal Value (C)	0.00	0.00
Total Reserve & Surplus (A + B + C)	620987023.66	599571814.38
3.1 No appropriations has been proposed from the accumulated profit of the company and thus appropriation is Nil.		

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 4 Long term Borrowings		
Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
Unsecured Loan		
a) From Government of Maharashtra (4.1)	45746000.00	45746000.00
Total	45746000.00	45746000.00
<p>4.1 This Amount was received from Government of Maharashtra from time to time . Advance was given as assistance for payment of salary/ wages/bonus / voluntary retirements etc. In the absence of any information regarding duration of the loan the same has been classified as Long Term Borrowings and further in absence of terms of interest , no provision for interest has been made.</p>		

Note - 5 Deffered Tax Liability (Net)		
Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Deffered Tax Liability Related to Fixed Assets	5956774.37	5511118.00
b) Deffered Tax Assets Disallowances under the Income Tax Act	126133.47	323488.00
Total	5830640.89	5187630.00

Note - 6 Other Long term Liabilities		
Particulars	As at 31 st March 2017	As at 31 st March 2016
a) Earnest Money Deposits From Contractors / Tenderers	620000.00	620000.00
b) Security Deposits From Contractors /Tenderers/others	1805885.00	1805885.00
Total	2425885.00	2425885.00

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 7 Long Term Provisions

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Provision for employees benefits:-		
Leave encashment unfunded	5822962.00	6256989.00
b) Other Provisions:-		
Provision for Mine Closure Expenses	19428599.39	17760849.39
Total	25251561.39	24017838.39

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 8 Other Current Liabilities

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Maharashtra Mineral Development Fund (Regular) (8.1)	2370281792.09	2333959207.59
b) Sweat Money		
Gupta Coal (India) Ltd (8.2)	312257500.00	312257500.00
Sunil Hitech Energy Pvt. Ltd. (8.3)	186500000.00	186500000.00
c) Advances Received from Customers	41777293.24	1811077.55
d) Others		
Statutory Remittances Payable	908477.96	1538065.00
Earnest Money Deposit (From Contractors/Tenderers)	11177100.00	13667100.00
Security Deposits (From Contractors/Tenderers)	788182.00	712938.00
Security Deposits (From Contractors Coal) (8.4)	17186931.00	0.00
MSMC Reserve A/c	0.00	45500000.00
Other Payable (8.5)	9850072.88	9080992.00
Total (A to G)	2950727349.17	3314526880.14

8.1 Represents the amount received from Government of Maharashtra in the capacity of shell agency. This fund is earmarked for utilisation as per the government directives and till that date it has been invested in fixed deposit in the name of Maharashtra Mineral Development Fund account.

8.2 Coal block under JV with Gupta Coal India Pvt. Ltd is de-allocated during the year 14 - 15 and as per the decision of BOD this amount is due to be refunded after making necessary forfeiture and deductions. The matter was referred to Law & Judiciary department of Government of Maharashtra who had given its opinion on 17/06/2016. According to it, forfeiture amount is to be calculated as 10% of the sweat money paid by the Joint venture Partners. However, no action is taken.

8.3 Coal block under JV with Sunil Hitech Energy Pvt. Ltd is de-allocated during the year 14 - 15 and as per the decision of BOD this amount is due to be refunded after making necessary forfeiture and deductions. The matter was referred to Law & Judiciary department of Government of Maharashtra who had given its opinion on 17/06/2016. According to it, forfeiture amount is to be calculated as 10% of the sweat money paid by the Joint venture Partners. However, no action is taken.

8.4 Represents the amount received from various coal purchasers as security deposits as per Fuel Supply Agreement.

8.5 Other Payables includes provision for expenses, staff dues and amount refundable & also includes Rs1000000 payable to MSMC Shell Agency.

8.6 As per information available with the company, there are no suppliers covered under Micro, Small & Medium Enterprise Development Act, 2006. As a result, no interest provision/payment have been made by the company to such creditors if any and no disclosure thereof is made in these accounts.

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 9 Short Term Provisions

	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Provision for employee benefits		
Leave Encashment Payable (unfunded)	1153945.00	1762070.00
b) Others:		
Provision for Taxation	15000000.00	24691890.00
Provision for Damages Payable to Landlord (Court)	1566290.00	0.00
Total (1 to 3)	17720235.00	26453960.00

MAHARASHTRA STATE MINING CORPORATION LIMITED
FOR THE F.Y 2016-17

Note 10- Fixed Assets

Name of the Asset	Depreciation As Per Companies Act											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 01.04.2016	Additions during the year	Delitions/Adjustment	As on 31.3.2017	As on 01.04.2016	For the year 2016-17	Delitions/Adjustment	As on 31.03.2017	Balance as on 31.03.17	Balance as on 31.03.16		
Freehold Land	706,027.92	-	-	706,027.92	-	-	-	-	706,027.92	706,027.92		
Land	193,822,579.00	-	-	193,822,579.00	-	-	-	-	193,822,579.00	193,822,579.00		
Plant & Machinery	3,731,006.64	21,283.00	-	3,752,289.64	3,573,178.17	65,498.79	-	3,638,676.96	113,612.68	157,828.47		
Earth Moving Equipment	3,016,239.48	-	-	3,016,239.48	3,016,224.43	-	-	3,016,224.43	15.05	15.05		
Motor Vehicle	2,037,523.23	-	422,878.52	1,614,644.71	1,486,456.24	171,828.17	422,873.52	1,235,410.90	379,233.81	551,066.99		
Furniture & Fixtures	717,096.51	8,090.00	-	725,186.51	606,571.63	30,927.36	-	637,498.98	87,687.53	110,524.88		
Office Equipments	1,551,654.78	26,650.00	-	1,578,304.78	1,349,271.96	81,928.35	-	1,431,200.32	147,104.46	202,382.82		
Survey Equipments	371,779.54	-	-	371,779.54	343,228.12	15,113.24	-	358,341.36	13,438.18	28,551.42		
Workshop Equipments	44,499.00	-	-	44,499.00	44,452.88	-	-	44,452.88	46.12	46.12		
Laboratory Equipments	49,210.86	-	-	49,210.86	49,170.10	-	-	49,170.10	40.76	40.76		
Building	86,350,287.90	545,252.00	545,251.00	86,350,288.90	25,067,091.65	2,998,239.51	-	28,065,331.16	58,284,957.74	61,283,196.25		
Well	228,364.28	-	-	228,364.28	220,648.10	-	-	220,648.10	7,716.18	7,716.18		
Slab Curvert	61,587.22	-	-	61,587.22	60,450.18	-	-	60,450.18	1,137.04	1,137.04		
Electrical Installation	344,056.00	-	-	344,056.00	259,339.65	27,476.92	-	286,816.57	57,239.43	84,716.35		
Magazine Shed	66,521.18	-	-	66,521.18	28,599.56	4,201.97	-	32,801.53	33,719.65	37,921.62		
Computer & Software	2,131,739.12	-	-	2,131,739.12	2,003,254.51	73,932.21	-	2,077,186.72	54,552.40	128,484.61		
Cycle	2,000.00	-	-	2,000.00	1,979.55	-	-	1,979.55	20.45	20.45		
TOTAL	295,232,172.66	601,275.00	968,129.52	296,865,918.14	38,109,916.73	3,469,146.52	422,873.52	41,156,189.73	253,709,128.41	257,122,255.92		
Previous Year	294,056,641.66	1,175,531.00	-	295,232,172.66	34,137,094.69	3,972,822.05	-	38,109,916.73	257,122,255.92	-		

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 11 Non current Investments (Non Current Assets)

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Trade Investments		
In Equity Shares-Joint Venture Company		
<u>Unquoted, Fully paid up</u>		
Mahatamil Collieries Ltd. (11.1)	129970.00	129970.00
(12997 (P.Y. 12997) Equity Shares of Rs.10/- each)		
b) Non Trade Investments		
i In Equity Shares		
<u>Unquoted, Fully paid up</u>		
Maharashtra Mineral Corporation Ltd. (11.5)	396,500.00	396500.00
(P.Y. 3965) Equity Shares of Rs.100/- each)		
Less : Provison made for Dimunition in value of Investment.	<u>(396,500.00)</u>	<u>-396500.00</u>
	0.00	0.00
ii Kisan Vikas Patra (11.4)	2000.00	2000.00
Total	131970.00	131970.00
a) <u>Aggregate Value</u>		
i Unquoted Investment	526470.00	526470.00
ii Government Securities	2000.00	2000.00
Total	528470.00	528470.00

11.1 Company holds 26% equity shares in Mahatamil Collieries Ltd.. For this 26% stake in mining rights of Gare Pelma-II Coal Block has been assigned to this SPV company.

11.2 Company holds 51% cashless equity shares (No.5100) in MSMC Adkoli Natural Resources Ltd (A Joint Venture Company of MSMC and Sunil Hightech Engineers Ltd.) received towards consideration of mining rights of Adkoli Coal Block.

11.3 Company holds 51% cashless equity shares (No.5100) in MSMC Warora Collieris Ltd (A Joint Venture Company of MSMC and Gupta Coal (India) Ltd.) received towards consideration of mining rights of Warora Coal Block.

11.4 Government securities (Kisan Vikas Patra) of the face value of Rs. 2000/- are assigned in favour of the collector Ratnagiri & Sindhudurg. The proceed have not yet been received by corporation.

11.5 Provision has been made for dimunition in value of investment of Rs. 3,96,500/- in shares of M/s Maharashtra Mineral Corporation Limited. The current book value which was assessed by the State's Industrial Investment Corporation of Maharashtra Limited was negative and this reduction in value of investment is considered as other than temporary.

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 12 Long Term Loans & Advances (Non Current Assets)

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Capital Advances (12.1)	20000.00	20000.00
b) Loans and Advances to Related parties	0.00	0.00
c) Security Deposits (12.2)	319724.00	309724.00
Total (A to C)	339724.00	329724.00
Sub Classification:-		
Secured, Considered Goods	0.00	0.00
Unsecured, Considered Goods	339724.00	329724.00
Doubtful	0.00	0.00
Total	339724.00	329724.00

12.1 The Amount of Rs. 20000/- was paid for the purchase of 1 acre land at Dongergaon Mine and the same land is under possession of the MSMC. The adjustment cannot be made due to pendency of Sale deed. The matter is pending before SDO Warora for transfer of land in in name of

12.2 Includes various security deposits given towards Electricity, Telephone and same has been considered good & recoverable by management

Note - 13 Inventories

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Stores & Spare parts	472590.52	170533.13
b) Loose Tools (at cost)	271041.30	532324.56
c) Stock	0.00	0
d) Stock (Minerals at various mines)	92596712.37	62506228.27
Total (A to C)	93340344.19	63209085.96

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Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 14 Trade Receivables

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Outstanding exceeding for a period of Six Months		
Unsecured, Considered good	0.00	24828.50
Unsecured, Considered doubtful	0.00	0.00
	<u>0.00</u>	<u>24828.50</u>
Provision for Doubtful Receivables	0.00	0.00
Total (A)	<u><u>0.00</u></u>	<u><u>24828.50</u></u>
b) Outstanding for a period of less than Six Months		
Unsecured Considered good	1790496.27	1366264.77
Unsecured, Considered doubtful		
	<u>1790496.27</u>	<u>1366264.77</u>
Provision for Doubtful Receivables	0.00	0.00
Total (B)	<u><u>1790496.27</u></u>	<u><u>1366264.77</u></u>
TOTAL (A + B)	<u><u>1790496.27</u></u>	<u><u>1391093.27</u></u>

14.1 Trade receivables are subject to reconciliation and confirmation.

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 15 Cash & Bank Balances		
Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Cash and Cash Equivalents		
Cash in Hand	181408.03	243620.90
<u>Balance with Banks</u>		
In Current Accounts	29350574.14	12490758.27
b) Other Bank Balances		
In Deposit Accounts (FDR) (15.1 & 15.2)	736251097.00	1166429223.00
TOTAL (A + B)	765783079.17	1179163602.17
15.1 Includes deposits amounting to Rs. 19,23,840/- with maturity of more than 12 months.		
15.2 Includes FDR of Rs 62,51,097/- pledged to various bank for issuing Bank guarantee to DGM, Indian Beurae of Mines & Maharashtra Pollution control Board		

Note - 16 Short Term Loans & Advances		
Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
Unsecured, Considered good		
a) Maharashtra Mineral Development Fund (Regular)	2370281792.09	2333959207.59
b) MSMC Shell Agency	0.00	0.00
c) Loans and Advances to Related parties	0.00	0.00
d) Trade Advances (16.1)	73220113.75	35824233.45
e) Loans & Advances to Employees	716857.50	1019284.50
f) Balance with Govt. Authorities		
Refund & Balances with Income Tax	16246841.22	43190847.00
GST Refund Receivable	12780.00	
Advance to Sales Tax Appealate Authority	25000.00	25000.00
Advance to P.F. Authority	131867.37	131867.37
Advance to Joint Chief Contoller of Explosive	5000.00	0.00
Deposit with Courts	1769836.00	600000.00
Deposit with Land Acquisition Officer	1875500.00	1875500.00
Advance to Collector on Royalty A/c	1775263.00	861451.00
g) District Mineral Fund	209405.00	0.00
Total	2466270255.93	2417487390.91
16.1 Includes Rs. 343.67 lacs being expenses made on behalf of the JV Partner M/s. Gupta Coal (India) Ltd. Confirmation for this balance has not been received from the party. Company considers this balance as good and recoverable. Also includes Rs. 375.11 lacs of advance paid to Western Coalfield Limited as per Fuel Supply Agreement.		

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Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 17 Other Current Assets

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Interest Accrued on FDR	41984347.78	53694298.31
b) Interest Receivable on Deffered Sweat Money (17.1)	64872936.36	64872936.36
c) Prepaid Expenses	1135113.00	1196351.00
Total (A to C)	107992397.14	119763585.67

17.1 Includes interest due on Deffered Sweat Money towards JV agreement for coal block from M/s. Gupta Coal (India) Ltd. Rs. 560.11 Lacs and from Sunil Hightech Energy Pvt. Ltd Rs.88.62 Lacs. Company has not received the confirmation regarding these outstanding balances but considers the same as good and recoverable.

Note - 18 Revenue from Operations

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Sale of Minerals	6575503.00	7558102.00
b) Sale of Coal	13365876.77	
c) Other Operating Revenue:		
Premium & Facilitation Charges	905880.00	1166937.00
Registration Fees (Coal)	3511500.00	0.00
Liquidated Damages	9723.00	383959.00
Total	24368482.77	9108998.00

Note - 19 Other Income

Particulars	As at 31 st March 2017	As at 31 st March 2016
a) Interest Income	61788508.58	105751092.70
b) Rent Receipt	3529074.00	4026828.00
c) Excess Provision Written Back	0.00	689247.00
d) Other Non Operating Income	34748.00	721041.00
e) Profit on sale of assets	70095.00	0.00
Total	65422425.58	111188208.70

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 20 Ore Raising Expenses at Mines

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Power Fuel & Water Expenses	2659664.00	2086723.00
b) Explosive , Drilling and Earth cutting	55719.00	49983.00
c) Sampling & Processing Charges	93709.00	77380.00
d) Repairs & Maintenance	1043915.25	948197.00
d) Rent	100303.00	146203.00
e) Rates & Taxes	147443.00	72673.00
f) Stores , Spares & Tool Consumed	70383.47	49986.23
g) Travelling Expenses	122691.00	56001.00
h) Insurance Premium	121455.00	102391.00
i) Mining Plan Preparation Expenses	410000.00	1350000.00
j) Royalty Expenses	1035411.00	1177721.00
k) Dead Rent & Surface Rent	664387.00	643594.00
l) Machinery Hiring Charges	149500.00	180000.00
m) Janshree Bima Yojana (Premium)	15300.00	16034.00
n) Stationery & Printing	48336.00	33022.00
o) Bank Charges & Commission	2909.75	2565.65
p) Other Expenses	459549.74	333591.00
q) Environmental Expenses	26730.00	13315.00
r) Survey Expenses	143000.00	0.00
s) Mining Lease Expenses	1933660.00	0.00
Total	9304066.21	7339379.88

Note - 21 Changes in Inventories of Stock in Trade

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
Opening Stock of Mineral	62506228.27	42156507.97
Less :- Closing Stock	92596712.37	62506228.27
Total	(30090484.10)	(20349720.30)

Note - 22 Employees Benefit Expenses

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Salary & Bonus (Including remuneration of Managing Director)	30427682.00	35794278.00
b) Contributions to Provident and Other Funds	11500808.93	10101935.00
c) Staff Welfare Expenses	1952633.15	790472.66
Total	43881124.08	46686685.66

Maharashtra State Mining Corporation Ltd. Notes to Financial Statements for the year ended 31st March 2017

Note - 23 Depreciation and Amortizing Expenses

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Depreciation of Tangible Assets (As per Note 9)	3469146.52	3972822.05
b) Amortization of Tangible Assets	0.00	0.00
Total	3469146.52	3972822.05

Note - 24 Other Expenses (Administrative)

Particulars	As at 31 st March 2017 (In Rs.)	As at 31 st March 2016 (In Rs.)
a) Travelling Expenses	503591.00	284001.00
b) Repairs & Maintenance		
-To Plant and Machinery	405839.00	233299.00
-To Building	863239.00	315803.00
c) Petrol Oil & Lubricants	570743.50	369565.00
d) Rates & Taxes	126483.00	454678.00
e) Rent	0.00	102000.00
g) Stationery & Printing	82168.00	109999.00
h) Postage, Telegram & Telephone	274939.00	279726.00
i) Legal & Professional Fees	1541278.00	318143.00
j) Surface & Dead Rent	185040.00	58520.00
k) Electricity Charges	476520.00	479280.00
l) Insurance Premium	83297.00	45288.00
m) Advertisement	262623.00	204681.00
n) Mining Lease Expenses	2450.00	380000.00
o) Other Expenses	1507104.00	401993.73
p) Payment to Auditor		
i) For Audit Fees	56000.00	57820.00
ii) For Tax Audit	15000.00	28746.00
iii) For Internal Auditors	147000.00	0.00
q) Security Guard Expenses	842598.00	1139817.00
r) Bank charges	8079.96	11176.00
s) Service Tax Expense	264720.00	26948.00
t) Manpower Consulting Charges	0.00	466027.00
u) Mine Closure Expenses	1667750.00	1095500.00
v) Provision for diminution in value of long term investment	0.00	396500.00
w) Facilitation charges Written off	0.00	3656311.00
x) Audit Exp	22419.00	0.00
x) VAT Audit fees	22900.00	27261.00
xi) Damages for rent payable as per court	1566290.00	0.00
Total	11498071.46	10943082.73

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MAHARASHTRA STATE MINING CORPORATION LTD. NAGPUR

ADDITIONAL NOTES TO THE ACCOUNTS

Note No. 25: Contingent Liabilities & Commitments:

Sr.No.	Particulars	31.03.2017	31.03.2016
a)	Claims against the Company / Disputed Liabilities not acknowledged as debts		
1	Claim by Employees & Ex-employees for Salary & other benefits	1169 836.00 (All the amounts are not ascertainable)	1169836.00 (All the amounts are not ascertainable)
2	Claims for the arrears of 6th Pay Arrears to the Employees of the Corporation (Point-25.1)	6908760.00	6908760.00
3	Claims under Arbitration award appealed by the company	67200000.00	67200000.00
4	Interest on Government Loan	Interest rate not stipulated	Interest rate not stipulated
5	Claims on de-allocation of Coal Blocks and termination of JV agreements. (Point-25.2)	Amount not yet ascertained	Amount not yet ascertained
b)	Guarantees:		
1	Guarantees issued by Company's Bankers on behalf of the Company	6251097.00	80015999.00
c)	Commitments:		
1	Estimated amount of contracts remaining to be executed on capital accounts and not provided for during the year	Nil	Nil
2	Uncalled liability on shares and other investment which are partly paid up during the year	Nil	Nil

25.1 The Government of Maharashtra implemented Sixth Pay Commission with effect from July 2010, however Company has not paid arrears towards 6th Pay for the earlier period. Company has not made provision towards the arrears liability as it is unsure about the applicability of Government GR and Companies obligation towards payment of arrears. The matter has been referred to Government of Maharashtra.

25.2 Company had entered into JV agreements with Gupta Coal (India) Pvt. Ltd. and Sunil Hi-tech Energies Ltd. for development of Coal blocks allotted to it. These Coal blocks were de-allocated in the year 2014 and consequently Sweat money is refundable to the JV partners. JV Partners had demanded the refunds of Sweat Money and Interest thereupon. Sweat money received from the JV partners of Rs.4987.58 lacs is yet to be refunded after necessary deductions and adjustments. The matter was referred to Law & Judiciary department of Government of Maharashtra who had given its opinion on 17/06/2016. According to it, forfeiture amount is to be calculated as 10% of the sweat money paid by the Joint venture Partners. However, no action is taken.

Note no. 26: Defferment of income recognition/ non recognition of income

As per the accounting policy of the company on Revenue recognition, Interest income from others and/or income from forfeiture or any such income is recognized only when there is reasonable certainty and regarding its realization and reasonableness of amount to be recognized. Considering this policy company has not recognized or deferred the recognition of income in the following cases.

a) Company had entered into JV agreements with Gupta Coal (India) Pvt. Ltd. and Sunil Hi-tech Energies Ltd. for development of Coal blocks allotted to it and for the purpose had formed the Joint Venture Company. As per the terms of JV agreement, Sweat money was received from these JV Partners. As on 31st March 2017, Rs. 3122.58 lacs is outstanding towards Sweat money received from Guptal Coal (India) Ltd. and Rs. 1865.00 lacs is outstanding towards Sweat money received from Sunil Hitech Engineers Ltd. Coal blocks allotted to the company were de-allocated and consequently sweat money received from these companies is due to be refunded. As per the terms of JV agreement, consequent to de-allocation of coal blocks due to non adherence to time line, company has to make forfeiture from the sweat money received. The matter was referred to Law & Judiciary department of Government of Maharashtra who had given its opinion on 17/06/2016. According to it, forfeiture amount is to be calculated as 10% of the sweat money paid by the Joint venture Partners. However, no action is taken. Income on account of forfeiture has been deferred till the necessary action is taken.

b) As on 31.03.2017, Interest receivable of Rs. 5,60,11,170 is outstanding to be receivable from Gupta Coal (India) Ltd. Company has recognised the income till the date of deferment allowed as per the JV agreement i.e.17.08.2013 although deferred sweat money was not received from the said company. Interest for the period 18.08.13 to the 06.01.2014 (date of coal block de-allocation) is not recognised and accounted for as coal block is de-allocated and there is uncertainty regarding receiving the same.

Note No. 27 Employee Benefit Expenses

As per Accounting Standard 15 'Employee Benefits' the disclosure of Employee Benefits as defined in the Accounting Standard are given here under:

Employee Benefits Expenses	Year Ended 31-Mar -2017 (Fig. in Rs.)	Year Ended 31-Mar -2016 (Fig. in Rs.)
Salaries, Wages and Bonus	30,427,682.00	35,794,278.00
Contribution to Provident Fund and Other Funds	10,986,035.00	5,511,508.00
Gratuity	514,774.00	4,590,427.00
Staff Welfare Expenses	713,535.00	790,473.00
As per P&L	42,642,026.00	46,686,686.00

1 Employee Benefits

a) **The disclosures required as per Accounting Standard 15 - "Employee Benefits" (Revised 2005) are as under :**

The Company has various schemes for employee benefits such as provident fund, employees' state insurance scheme, Defined contribution pension scheme (DCPS), Group Insurance scheme (GIS), Group Provident Fund (GPF) Janshree Bima Yojna (JBY) and Gratuity. In case of funded schemes, the funds are administered through appropriate authorities. The Company's defined contribution plans are Provident fund , GIS Scheme and DCPS Scheme and Janshree Bima Yojna (JBY). The Company has no further obligation beyond making the contributions. The Company's defined benefit plan is Gratuity. The employees of the Company are entitled to compensated absences as per the Company's policy.

b) **Defined Contribution Plan**

The Company has recognised the following amounts in the Statement of Profit and Loss during the year:

	Year Ended 31-Mar -2017 (Fig. in Rs.)	Year Ended 31-Mar -2016 (Fig. in Rs.)
Employer's Contribution to Group Provident Fund (GPF)	3,654,054.00	3,681,363.00
Employer's Contribution to DCPS	117,312.00	48,161.00

* Included in the Note 30 Employee Benefit Expenses

c) **Defined Benefit Plan**

The employee's gratuity fund scheme managed by a trust is a defined benefit plan. The present value of obligation is determined based on Statement received from LIC using the Projected Unit Credit Method, which recognizes each period of service to build up the final obligation. No Actuarial Valuation Is Done For The Same.

Assumptions Used	Year Ended 31-Mar -2017 (Fig. in Rs.)	Year Ended 31-Mar -2016 (Fig. in Rs.)
(a) Discount Rate (Per Annum)	8.00%	8.00%
(b) Salary Escalation Rate (Per Annum)	5.00%	5.00%
(c) Attrition rate (Per Annum)	NA	NA
(d) Expected Rate of Return on Plan Assets (Per Annum)	NA	NA

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(i) **Changes in Present Value of Defined Benefit Obligation :**

Opening Present value of defined benefit obligation	14,503,021.00	12,133,915.00
Prior Period Liability Recognised in Current Period	-	-
Interest Cost	1,160,242.00	970,713.00
Current Service Cost	841,019.00	777,168.00
Benefit Paid	(4693280.00)	(3537210.00)
Actuarial (Gains)/Losses on Obligations - As per Statement	705,696.00	4,158,435.00
Closing Present Value of Defined Benefit Obligation	12,516,698.00	14,503,021.00

(ii) Changes in Fair Value of Plan Assets :

Opening Fair Value of Plan Assets	15,563,530.00	15,981,434.00
Prior Period Assets Recognized in Current Period	-	-
Expected return on plan assets	1,089,436.00	1,315,889.00
Contributions	1,659,759.00	1,803,417.00
Benefits Paid	(469,328.00)	(353,721.00)
Actuarial gain/(loss) on Plan assets	Nil	Nil
Closing Fair Value of Plan Assets	13,619,445.00	15,563,530.00

(iii) Actual return on plan assets

Return on Plan Assets	1,089,436.00	1,315,889.00
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	-	-
Actual Return on Plan Assets	1,089,436.00	1,315,889.00

(iv) The amounts to be recognised in the Balance Sheet

Present value of obligations as at the end of year	12,516,698.00	14,503,021.00
Fair value of plan assets as at the end of the year	13,619,445.00	15,563,530.00
Net (asset)/ liability recognized in balancesheet	(1102747.00)	(1060509.00)

Recognised under:

Short Term Provision [Refer Note 12]	(1102747.00)	(1060509.00)
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(v) Expenses recognised in Statement of Profit & loss A/c

Current service cost	841,019.00	777,168.00
Interest cost	1,160,242.00	970,713.00
Expected Return on Plan Assets	(1,089,436.00)	(1,315,889.00)
Net actuarial (gain) / loss recognised in the year	705,696.00	4,158,435.00
Total Expenses [Note 21 - 'Employee Benefits Expenses']	2,706,957.00	4,590,427.00

(vi) Asset Information :

The Plan Asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the Investment Pattern stipulated for Group Schemes Fund by Insurance Regulatory and Development Authority regulations.

vii) Expected Employer's contribution for the next year 53,34,708

viii)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Present Value of Defined Benefit Obligation at the end of year	12,516,698.00	14,503,021.00
Fair Value of Defined Benefit Obligation at the end of year	13,619,445.00	15,563,530.00
Surplus/ (Deficit)	1,102,747.00	1,060,509.00
Experience adjustments on plan liabilities - gain / (loss)		
Experience adjustments on plan assets - gain / (loss)		

Leave Encashment:

Leave encashment payable at the time of retirement is charged to profit & loss account based on the assumption that such benefits are payable to all the employees at the end of accounting year. Valuation of Leave encashment payable is not on the basis of actuarial valuation. Difference in amount payable as the year end and at the beginning of the year less actual paid during the year is recognized as expense of the year. At the year present value of leave encashment payable is Rs. 69.77 lakhs. (P.Y. Rs.80.19 lakhs)

Note No 28: Earning Per Share

Basic Earning Per Share	Year Ended 31.03.2017	Year Ended 31.03.2016
Profit/(Loss) after Tax (Rs in Lacs) from continuing operations	21960461.28	46591657.28
Number of Equity Shares (Outstanding at the end of the year)	2,06,687	2,06,687
Basic Earnings Rs. per Share	106.25	225.42

Note No. 29: Related Party Disclosures:

Disclosures as required by the Accounting Standard 18 'Related Party Disclosures' are given below:

List of the related parties where control exists & Key Managerial persons & Transactions with them:

Sr. No.	Name of the Related Party	Nature of Transactions	Transaction during the year		Outstanding as on year end	
			31.03.17	31.03.16	31.03.17	31.03.16
A	Joint Venture Companies					
1	Mahatamil Collieries Ltd.	Unsecured Loan received back	0.00	7870000.00	Nil	Nil
2	Mahatamil Collieries Ltd.	Rent Received	540034.00	9950000.00	229234.00	Nil
3	MSMC Adkoli Natural Resources Ltd.	Cash less Equity investment	Nil	Nil	Nil	Nil
4	MSMC Warora Collieries Ltd.	Cash less Equity investment	Nil	Nil	Nil	Nil
B	Key Managerial Persons & Directors					
1	Dr. Nirupama Dange, IAS (MD)	Remuneration	1063615.00	504000.00	Nil	Nil
2	Dr. Mahendra P. Kalyankar, IAS (Ex- MD)	Remuneration	0.00	219000.00	Nil	Nil
3	Shri Vikas Jain (Director)	Director Sitting Fees	0.00	1000.00	-	-
4	Shri.Sanjay Ingale (Director)	Director Sitting Fees	3000.00	4000.00	-	-
5	Shri R.S. Kalamkar (Director)	Director Sitting Fees	2000.00	0.00	-	-
6	Shri A.M. Pophare (Director)	Director Sitting Fees	3000.00	4000.00	-	-

Note No. 30: Deferred tax assets/liability

Disclosure as per Accounting Standard 22 are as under:

S.No.	Particulars	31st March 2017	31st March 2016
1	Deferred Tax Liability Related to Depreciation	5,956,774.37	5,511,117.84
2	Deferred Tax Assets Disallowances under the Income Tax Act (Net)	126,133.47	3,23,487
3	Net Deferred Tax liability/(-)asset	5,830,640.89	51,87,631
4	Deferred tax recognized in Profit & Loss A/c.	643,010.00	19,79,431

Note No. 31: Interest in Joint Ventures:

Sr. No.	Name	Percentage of Ownership as on March 2017	Percentage of Ownership as on March 2016
1	Mahatamil Collieries Ltd.	26%	26%
2	MSMC Adkoli Natural Resources Ltd.	51%	51%
		(Cash Less)	(Cash Less)
3	MSMC Warora Collieries Ltd. (30.1)	51%	51%
		(Cash Less)	(Cash Less)

31.1 Financial Statements of Joint Venture companies are not available.

31.2 All the 3 coal blocks allotted to the company were deallocated by Ministry of Coal. Company has entered into joint venture agreement with M/s. Gupta Coal (India) Ltd., M/s. Sunil Engineers Private Ltd. And Tamil Nadu Electricity Generation Company Ltd for exploration and production of coal from this block and formed the joint venture company MSMC Warora Collieries Ltd., MSMC Adkoli Natural Resources Ltd. And Mahatamil Collieries Ltd. Company hold 51% cash less equity in MSMC Warora Collieries Ltd., MSMC Adkoli Natural Resources Ltd and 26% Cash Equity in Mahatamil Collieries Ltd. Company has neither provided for any contingencies nor recognized any amount towards diminution in the value of the investments made in this company.

Note No. 32: Disclosure of particulars as per Accounting Standard 29:

Particulars of Provision	Opening Balance as on 01.04.2016	Provision	Provision written back	Closing Balance as on 31.03.2017
Final Mine Closure Expenses	17760849.39	1667750	0	19428599.39
	(16665349.39)	(1095500)	0	(17760849.39)

In respect of provision for final mine closure expenses, cash outflow is expected at the time of closure of mines.

Note No. 33: Imports of Capital Goods during the year Rs. Nil (P.Y. Rs. Nil)

Note No. 34: Expenditure in foreign currency during the year Rs. Nil (P.Y. Rs. Nil)

Note No. 35: Corporate Social Responsibility Policy & Expenses during the year :

The Company's vision is to be a State benchmark in value creation and corporate citizenship and the Company's long-term Corporate Social Responsibility (CSR) objective, is to improve the quality of life of the communities through its 'Learn for Tomorrow' initiatives.

The Corporation with due recommendation of the Corporate Social Responsibility (CSR) Committee has coined its CSR policy which has been duly approved by the Board of Directors in their 203rd Board Meeting. In furtherance to the finalization of the CSR policy the Board has also looked up for avenues whereof it can undertake the CSR initiatives. The Corporation shall undertake the construction of the public libraries in and near the Mine's areas as its CSR Activity.

However, due to deallocation of the Coal Block and the obligation to refund the sweat money that was lying with the Corporation and due to the financial crunch that the Corporation is going through as the operations are stagnant and the administrative cost is on pace, the Corporation did not undertake any CSR expenditure for the year under review. Company has not spent or provided for CSR Expenses during the year. (Prev. Year Nil)

Nonetheless, the Corporation is confident that in the years to come it would stabilize its fiscal state and would undertake its CSR activities as approved by the Board.

Note No. 36: Specified Banking Notes

Particulars	SBNs Amount (Rs.)	Other Denomination	Total (Rs.)
Total Closing cash in hand as on 08.11.2016	0	42212	42212
(+) Permitted receipts	0	0	0
(-) Permitted payments	0	34977	34977
(-) Amount deposited in Banks	0		0
Total Closing cash in hand as on 30.12.2016	0	7235	7235

Note No :- 37: Additional information to statement of profit & loss:

Particulars in respect of opening stock, production, sales and closing stock.

Minerals	Opening Stock (In MT)	Production (In MT)	Sales		Shortage/ Excess MT	as certified by Management (M.T)
			(In MT)	(Rs. In lakh)		
Sillimanite	133.810	109.710	74.000	2.050	(-) 0.8	168.720
	(133.810)	(0.000)	(0.000)	(0.000)	0	(133.810)
Corundum	0.600	0.000	0.000	0.000	0.000	0.600
	(0.600)	(0)	(0)	(0)	(0)	(0.600)
Pyrophyllite	1717.580	856.990	900.000	7.430	(-) 5.7	1668.870
	(634.630)	(1677.040)	(600.00)	(4.950)	(+) (5.91)	(1717.580)
Fluorite (Graded)	12146.290	1175.320	0.000	0.000	(+) (3.77)	13325.380
	(9800.430)	(2333.460)	(0)	(0)	(+) (12.40)	(12146.290)
Dolomite (Graded)	5041.830	311.680	1208.000	4.900	(-) 16.04	4129.470
	(5539.19)	(1387.420)	(1833.24)	(7.88)	(-) (51.54)	(5041.83)
Lime stone	67.920	0.000	0.000	0.000	0.000	67.920
	(67.920)	(0)	(0)	(0)	(0)	(67.920)
Kyanite	10.590	0.000	0.000	0.000	0.000	10.590
	(10.590)	(0)	(0)	(0)	(0)	(10.590)
Iron Ore (Lumps)	6928.03	4332.4	2034.900	46.400	(-) 295.03	8930.5
	(3472.37)	(6262.900)	(2752.130)	(62.750)	(-) (55.11)	(6928.03)
Iron Ore (Fines)	0.000	1170.09	1170.090	4.970	0.000	0.000
	(0)	(0)	(0)	(0)	(0)	(0)
Total	26046.65	7956.190	5386.990	65.750	(-) 277.65	28302.050
	(19659.54)	(11660.820)	(5185.370)	(75.580)	(-) (88.34)	(26046.650)

Note No. 38: Disclosure regarding Shell Agency Operation:

In pursuance of the Maharashtra Mineral Development (Creation and Utilisation) Fund Act 2000 company is appointed as shell agency for mineral development fund. As per Section 9 (i) of the said act the separate account for the amounts credited, withdrawn and spent from the fund during the year in the prescribed manner is to be maintained. A statement on utilization of fund and balance outstanding shown in Form 'B'.

Note no. 39: The balance of accounts under the head debtors and creditors are subject to confirmation.

Note no. 40: Figure of previous year have been rearranged, regrouped and recast whenever necessary to make it comparable with current year figures.



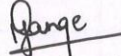
Shri. Aditya Rathore

General Manager (F & CS)



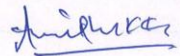
Shri A.M. Pophare

Director
(DIN: 01186221)



Dr. Nirupama Dange, IAS

Managing Director
(DIN: 07498248)



Amit Lukka

Partner
M. No. 126323

Nagpur

Date: 8 DEC 2017





FORM "B"

[Sec. Rule 11]

Form for Maintaining Credits, Withdrawal And Expenditure of

MINERAL DEVELOPMENT FUND

Financial Year	Credit	Withdrawals For			Total (3+4+5)	Balance	Signature	Remarks
		DGM	MSMC	District				
1	2	3	4	5	6	7	8	9
2015-16 Opening Balance	2,333,959,207.59	-	-	-	-	-		
Amount Recd From Govt Of Maharashtra	545,917,686.00	84,428,661.00	91,000,000.00	538,762,965.00	714,191,626.00	-		
Bank Charges	-	-	-	1,544.50	1,544.50	-		
Amount Deposited By MSMC	-	-	-	-	-	-		
Interest Recd During the Year	204,598,069.00	-	-	-	-	-		
Total	3,084,474,962.59	84,428,661.00	91,000,000.00	538,764,509.50	714,193,170.50	2,370,281,792.09		