

Resurgere.

We extended from one mine in 2003 to four operational mines today.

We extended from iron ore mining to bauxite mining and soapstone mining in five years.

To make our business profitable and sustainable across all market cycles.

Business

- Engaged in the extraction, processing and sale of mineral products as well as the exploration and development of mining assets
- Continues merchant exports of iron ore fines to China

IPO	Listed on	Promoter's stake as on 31.03.09	Market capitalisation as on 31.3.09
August, 2008	BSE,NSE	56%	Rs. 131 cr

Products

- Lump ore (LO) (>40mm) was used in calibrated lump ore (CLO) manufacture
- Size ore (SO) (10-40 mm) was used in pig iron plants
- Calibrated lump ore (5-18 mm) was used in sponge iron plants
- Iron ore fines (<10 mm) were used in the sintering process in steel plants
- Bauxite was used in making aluminium products
- Soapstone was used for DDT, talc and paper, among others

Presence

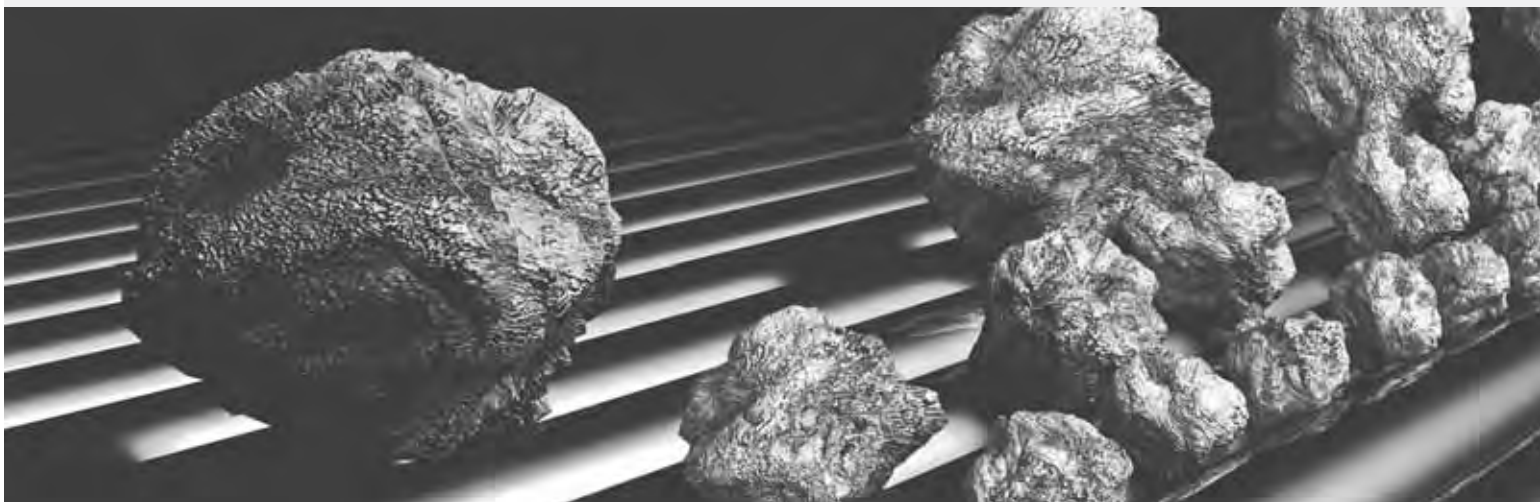
- Headquartered in Mumbai, India
- Possesses exclusive raising and purchasing rights in Nuagaon, Maharajpur and Mahalmiriya

Product lines	Location	Reserves (million tons)
Iron ore	• Nuagaon in Orissa	7.37
	• Maharajpur in Orissa	39.75
Bauxite	• Mahalmiriya mine in Maharashtra	2.00
	• Yelwan Jugai in Maharashtra	4.92
Soapstone	Dhelana in Rajasthan	2.00

Note: The Company has stopped raising/mining activities at Tatiba in Jharkhand state comprising 320 acres, consequent to the state government claiming the land back from the lease holder.

Achievements

- Among the handful companies in India's mining sector to possess ISO 9001:2008 and ISO 14001:2004 and OHSAS 18001:2007 certifications from UKAS, United Kingdom.
- A recognised Star Trading House of India.
- Member of various business councils like CAPEXIL, FIEO and FIMI, among others



Mining our own business has been a profitable engagement over the last few years

The Company's net sales increased from Rs. 67.88 cr in FY 2004-05 to Rs. 433.97 cr in a span of four years at CAGR of 59%. Profit after tax increased from Rs. 0.22 cr during FY 2004-05 to Rs. 64.36 cr in FY 2007-08 but dipped to Rs. 21.66 cr in FY 2008-09 owing to the economic slowdown.



India's iron ore reserves:

25 billion tonnes

India's annual ore production:

210 million tonnes

Resurgere's iron ore reserves:

47.02 million tonnes

India's bauxite reserves:

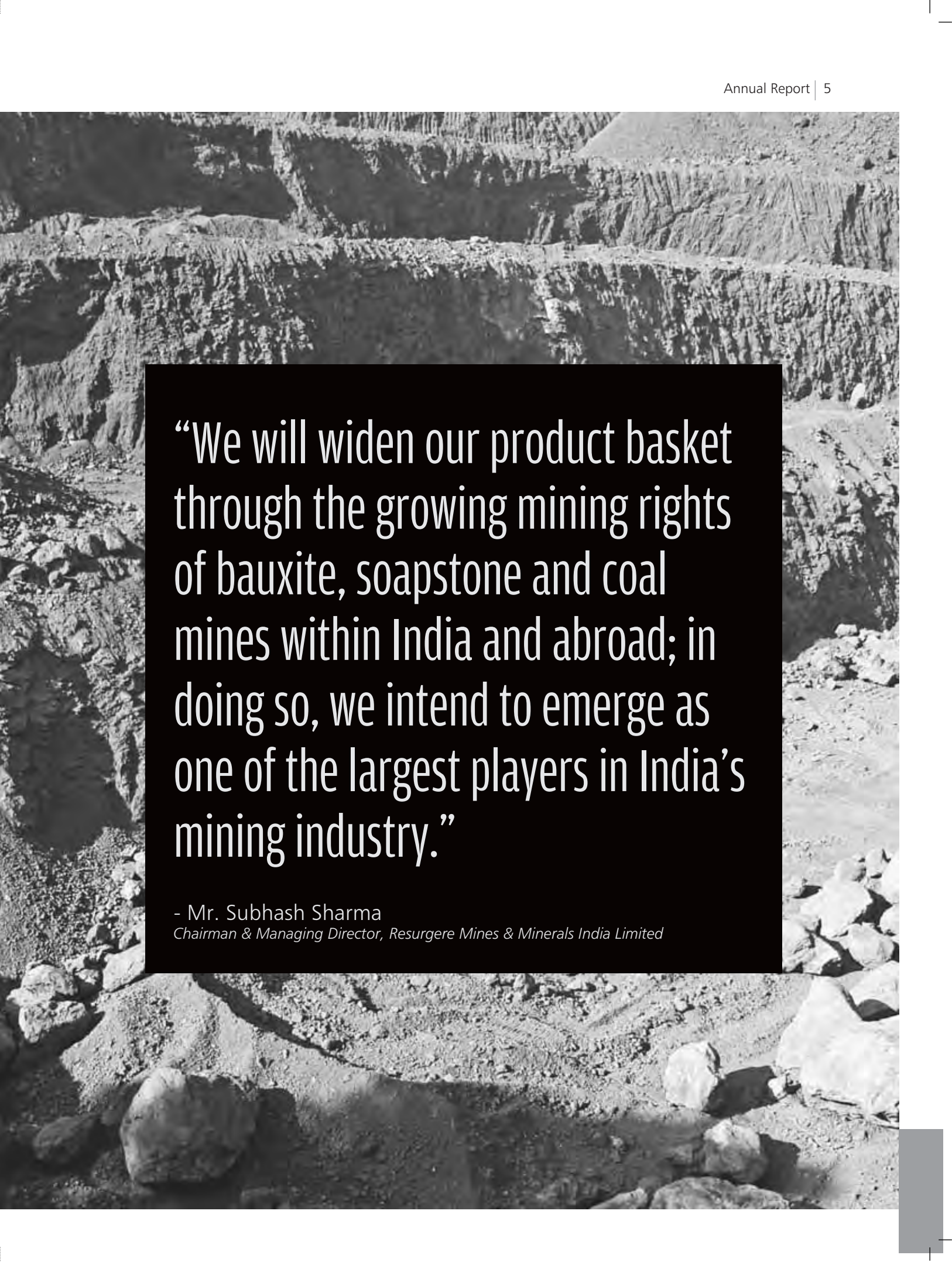
7.5% of global deposits

India's aluminium production:

3% of global output

Resurgere's bauxite reserves:

6.92 million tonnes



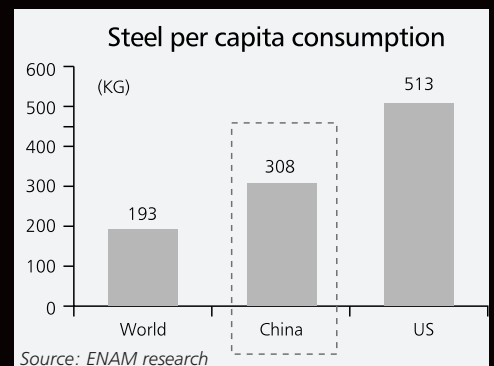
“We will widen our product basket through the growing mining rights of bauxite, soapstone and coal mines within India and abroad; in doing so, we intend to emerge as one of the largest players in India’s mining industry.”

- Mr. Subhash Sharma

Chairman & Managing Director, Resurgere Mines & Minerals India Limited



**IRON ORE.
FINISHED STEEL.
STANDARD OF LIVING.**





At a time when a number of analysts are questioning the business viability of iron ore as a business, it is time to remind ourselves of the obvious connect between iron ore and man's need for an enhanced living standard.



The argument: China accounts for 30% of global raw materials consumption and with fixed asset investment in that country continuing to be materials-intensive, there is every likelihood that the bullishness in materials will inevitably translate into a higher resources demand. As an extension of this argument, with a third of the world's population – China and India – headed for urbanisation and industrialisation with their respective metal consumption levels being lower than the global average, the appetite for raw materials will always be higher than the ability of producers to deliver.

According to WSA, the worldwide apparent steel use is expected to decline 14.9% to a little more than one billion tonnes in 2009, after declining 1.4% in 2008.

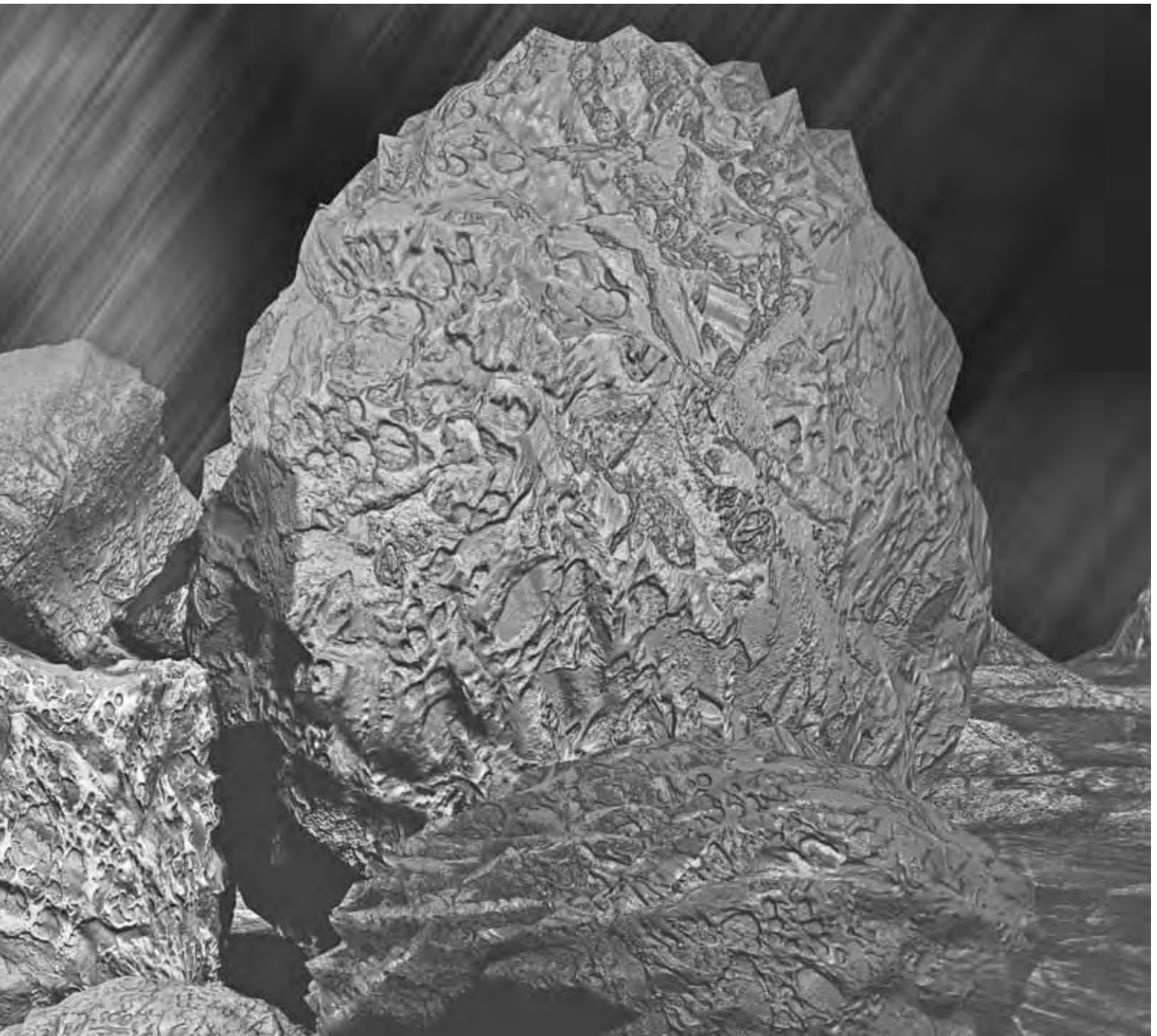
Industry observers say that it is not surprising that India will grow despite the world predominantly suffering a decline as domestic per capita consumption is meagre at 38 kg as compared to the world average.

According to Fitch Ratings, margins for steel makers would remain under pressure in calendar year 2009 though falling input cost is likely to provide some downside protection. The rating agency pointed out that despite the slowdown, none of the steel majors had cancelled their existing capex plans in India. While brownfield expansion was on track, delays in greenfield projects could actually mitigate the demand-supply mismatch, reinforcing the health of the industry.



IRON ORE. DEMAND GROWTH. RISING REALISATIONS.

The cost of resources is rising when seen from a long-term perspective. For instance, the long-term price assumption for commodities for 1975-2000 would have been roughly double the trailing 25 year average (1950-1975), prompting the conclusion that we are in the middle of a structural upward correction marked by occasional downswings.



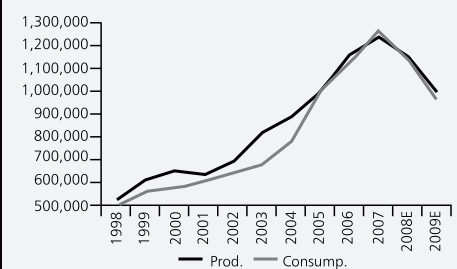
Relevantly, in today's macro-economic circumstances and in an environment where steel production in the US fell by over 50% in 1Q2009 (vs pcg) and output in Europe and Japan fell by over 40%, Hamersley Iron's contract iron ore prices with Nippon Steel for 2009-10 is the second best contract price settlement in history.

In line with this trend, Resurgere entered into long-term contracts with large steel companies resulting in stable offtake commitments.



**BAUXITE RESERVES.
GLOBALLY LOCALISED.
INDIA ADVANTAGE.**

Production and consumption scenario
in Indian Aluminium Industry



Source: ENAM research

India's aluminium industry is characterised by captive power, ample bauxite reserves and cheap labour costs, making Indian companies among the most competitive aluminium producers globally.



Indian bauxite reserves at 3 bn tonnes, are the fifth largest in the world and account for 6% of global reserves. India's share in world aluminium capacity rests at about 3%. India's per capita aluminium consumption continues to remain abysmally low at under 1 kg as against nearly 25-30 kg in the US and Europe, 15 kg in Japan, 10 kg in Taiwan and 3 kg in China, implying significant potential for the sector. The key consumer industries for aluminium in India are power, transportation, consumer durables, packaging and construction. Of this, power is the biggest consumer (about 44% of total) followed by infrastructure (17%) and transportation (about 10%-12%).

Domestic aluminium demand is estimated to grow at 6%-8% annually in view of India's low per capita consumption. Also, demand is expected to pick up as the scenario improves for user industries like power, infrastructure and transportation.

Total Indian aluminium industry production increased by 8%, while sales volume grew 12% as compared with the previous year.

Outlook

India's per capita aluminium consumption is less than 1 kg compared with about 3 kg in China and 30 kg in the US. In India, there are about 300 applications for the metal while globally, there are an established 3,000 applications, implying an enormous domestic growth potential. Globally, newer packaging applications and increased usage in automobiles is expected to maintain demand growth for aluminium at over 5% in the long-term. Asia will continue to be the high-consumption growth area led by China, which is expected to continue registering double-digit growth rates in aluminium consumption in the medium-term.

Although India has historically been a net exporter, albeit in small quantities, it is expected to continue as net exporter of aluminium at an increased growth rate from FY 09 (E) onwards with export of as high as 1 mn tonne by FY2013.

Aluminium metal balance for India

Capacity(KT)	2006-07	2007-08E	2008-09E	2009-10P	2010-11P	2011-12P	2012-13P
Nalco	345	357	370	460	470	470	585
Malco	40	40	40	40	40	40	40
Balco	345	350	600	850	850	850	850
Vedanta Aluminium	-	-	-	250	500	500	500
Hindalco	461	471	539	539	539	864	1223
Total capacity	1191	1218	1549	2139	2399	2724	3198
Total production	1150.07	1234.54	1421.10	1833.00	2174.00	2511.50	2953.50
Total demand	1118.73	1261.41	1374.9	1498.68	1633.56	1780.57	1940.83
Net exportable surplus	31.5	(26.85)	46.18	334.33	540.44	730.9	1012.67

(Source: Crisil/Reliance Money Research)



High-grade iron ore products:

Resurgere's mines comprise hematite ore with an iron (Fe) content of more than 62%. Higher reducibility allows greater customer productivity. Low moisture facilitates lower transportation costs. Low impurities (silica, phosphorus, alumina and sulphur) facilitate premium pricing.

Proximity to national highways:

The Maharajpur iron ore mine is 5 km from the National Highway 6, facilitating expedient product transportation.

OUR STRENGTHS

Diverse product portfolio and reserves:

Product portfolio includes iron ore variants like LO, SO, CLO and fines. Iron ore mines comprise 47.02 million tonnes of quality reserves. Bauxite is extracted as size ore of (-) 100 mm and the Company's mines have 6.92 million tonnes of reserve as certified by the Central Mining Research Institute.

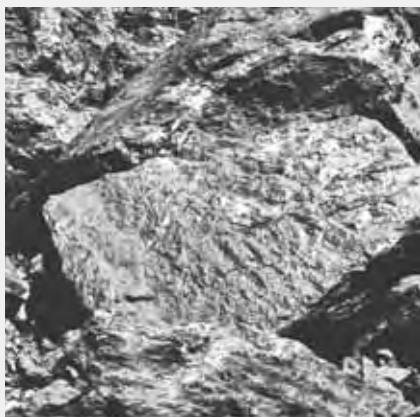
Asset accretion and development:

Resurgere applied for five mining leases of bauxite in Maharashtra, five mining leases of iron ore and manganese ore in Orissa, one mining lease of iron ore in Rajasthan and one mining lease of manganese ore in Rajasthan.

Proximity to China: China is the largest consumer of iron ore fines and India is its nearest – and preferred – supplier.

Customer proximity: The Company's mining assets in Orissa are proximate to steel manufacturers, a significant advantage in a logistics-sensitive business

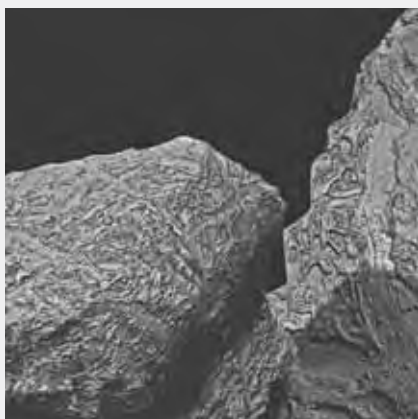
Low debt-equity ratio: The Company's low debt-equity ratio of 0.34 is a perfect hedge in a cyclical business, making it possible to raise debt resources whenever needed.



Volume-driven growth: Driven by the mechanised open cast mining methods at all our mining locations, we expect to achieve sustainable growth in production volumes.



OUR BUSINESS STRATEGY



Acquiring and developing mineral assets: We have applied for prospecting and mining leases for iron ore and other minerals.

Operation driven by customer satisfaction: We prioritise quality over quantity, satisfying and retaining customers. The high-grade iron ore produced at the Nuagaon and Maharajpur mines reinforces this quality focus.

Focus on new market: Besides targeting more customers in China – our principal export market – we are also looking to diversify and develop a customer base in Japan and South Korea.

Product line diversification: We intend to leverage our mining competence to diversify our product portfolio to cover coal, copper, manganese and zinc, among others.

Business driver



Nuagaon mine: The Company acquired long-term (10 years) raising and purchase rights at the iron ore-rich Nuagaon mine in Orissa in 2004. Spread across 30 acres, the mine, as estimated in 2004, has reserves of 12.37 million tonnes with an iron content of over 64.5%. The Company began mining activities in 2004-05 and processed 2.48 million tonnes of iron ore till 31st March 2009.

Rich reserves



Maharajpur mine: The Company acquired long-term exclusive raising and purchase rights for the Maharajpur mine in Orissa which expire in 2014. Spread across 477.48 acres, the mine, as estimated in 2004, has reserves of 42.08 million tonne with an iron content of over 64.5%. It is connected to the National Highway (within 5 km) and the ports (445 km). The Company began mining activities in 2005-06 and processed 2.33 million tonnes of iron ore till 31st March 2009.

Dhelana soapstone mine (Udaipur): The Company recently acquired mining rights (till 2030) for a soapstone mine at Dhelana in Udaipur, Rajasthan. Spread across 52.03 hectares, the mine has estimated reserves of 2 million tonnes with different grades such as DDT, talc and paper. The mine is expected to add to the topline growth owing to

its rich deposits and proximity to end users and the National Highway.

Mahalmiriya mine: The Company acquired the exclusive raising and purchase rights for bauxite with a 20-year tenure. The mine is spread across 79.98 hectares and contains around 2 million tonnes of reserves with rich aluminium oxide (Al_2O_3) content (47%-48%) in the ore.

Yelwan Jugai mine: The Company acquired extraction rights for another bauxite mine in Maharashtra with a 30-year tenure. It covers 661 acres and contains estimated reserves of 4.92 million tonnes.

Going ahead, the Company, in expectation of increased demand for domestic iron ore and other products, plans to acquire mines to enhance reserves and address growing demand.

Business driver



Resurgere has a diverse product range: lump ore, size ore, calibrated lump ore and iron ore fines with iron content of more than 62%. Considering the increasing demand of bauxite owing to increasing demand of aluminium and soapstone, the Company ventured into bauxite and soapstone mining. With this, it expects to improve revenues and profits.

Product variants



Lump ore: The most basic form of iron ore found in various shapes and sizes (> 40 mm) with rich iron content; used in calibrated lump ore manufacture.

Size ore: Form of iron ore which comes in the range of (10 mm – 40 mm); demand stems primarily from iron plants.

Calibrated lump ore: The purest form of iron ore (5 mm-18 mm) which can be further classified into high-grade ore (iron content more than 64%) and medium-grade ore (iron content less than 64%); used as a raw material in sponge iron plants.

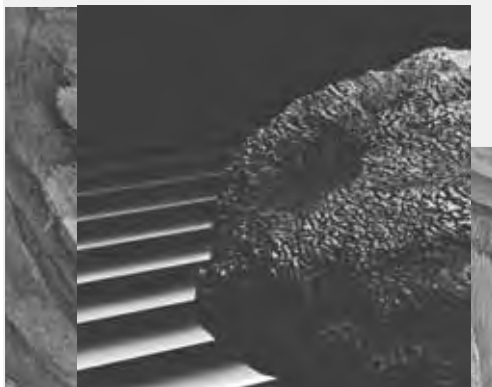
Iron ore fines: The smallest iron ore (<10 mm); iron content is within the range of 54-64%. When extracted from lumpy ore mines, the iron ore fines are produced as a by product of CLO during crushing with a purity of 62-63% iron content.

The iron content of around 62-64% in the Company's mines is at par with the international benchmark. The Company extracted 1.60 million tonnes of processed ore from various mines in 2008-09, a 16% increase compared with the 1.38 million tonnes extracted in 2007-08.

Bauxite: A clay-like mineral; the chief ore of aluminium; composed of aluminium oxides and aluminium hydroxides; used as an abrasive and a catalyst.

Soapstone: Essentially composed of mineral massive talc containing 50-80% talc; mainly used in paper, insecticides, cosmetics, fertilisers and the ceramic industry, among others. The Company extracted 4,700 tonnes in the first year of its mining.

Business driver



Proximity to the largest customer: The Company leverages its geographical proximity to China, the world's largest iron ore fines consumer. Consequently, Resurgere became a preferred supplier and gained better price negotiating power than competitors in other countries.

Locational advantage



- **Proximity to railways and ports:** The Nuagaon mines are situated within a distance of around 1 km and 400 km from national highway and port respectively, enabling the Company to accelerate product transportation cheaper.

- **Proximity to end consumers:** With mines mainly located in Orissa, the Company enjoys proximity to major steel manufacturers. The mines are within 50 to 100 km of the steel / sponge companies and can promptly meet their demand.

Business driver



The Company embarked on establishing plant and machinery and other material sources at the mine locations with a revised proposition to reduce operational costs and increase volumes. The Company proposes to invest around Rs. 1,671 million to enhance its mine capacity.

Building on assets



- **Nuagaon mine:** The Company will install additional crushing machine equivalent to 150 tonnes run-of-mine (ROM) per hour.

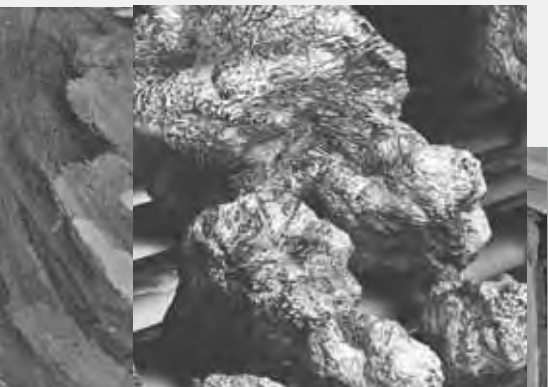
- **Maharajpur mine:** The Company will install crushing machines equivalent to 1,000 tonnes run-of-mine (ROM) per hour.

The Company will not only invest in plant and machineries

at other mines to increase its operational efficiency but will also look for opportunities for inorganic growth, within India and outside it.

Result: The owned equipment and acquisitions will assist in achieving higher economies of scale and improved productivity.

Business driver



Mining, employees and the environment

At Resurgere, we have reconciled the interests of the environment, community and shareholders through responsible SHE processes and practices.

Corporate social responsibility



Safety: The Company abides by the safety legislation and standards of the Directorate-General of Mines. The DGMS, a labour ministry wing, oversees that the management complies with the statutory provisions relating to occupational safety and health in mines.

The Company is committed to provide a safe and healthy workplace for its employees (including contract workmen) through a strict emphasis on the use of safety equipment (like protective shoes, helmets and hand gloves, among others), continuous training on safety practices,

investigation of all accidents (including near misses) and initiating actions for their non-recurrence. It undertook several measures – 24X7 ambulance and fully equipped first-aid facilities – to accelerate medical help.

Health: The Company periodically participates in organising health camps for health check-up of employees.

Environment: As part of our environment commitment, we try to restrict related threats by rationalising water consumption, investing in storage infrastructure and making arrangements for sprinklers.



Review of the financial performance

The Company's performance declined during 2008-09 following a depressed global industry environment. However, the Company reported a positive PAT and continued to invest in mine development and acquisition.

Finance review

Accounting policy

The Company's accounts were prepared as per Accounting Standards issued by the Institute of Chartered Accountants of India and the applicable accounting requirements of the Companies Act, 1956. The Company followed the accrual system of accounting, recognising income as soon as it was earned irrespective of the time of receipt.

2008-09 vs 2007-08

- Net sales grew 7.69% from Rs. 40,300.41 lacs in 2007-08 to Rs. 43,397.53 lacs in 2008-09
- EBITDA declined 50% from Rs. 10,885.05 lacs in 2007-08 to Rs. 5,441.50 lacs in 2008-09
- PAT declined 66.34% from Rs. 6,436.03 lacs in 2007-08 to Rs. 2,166.13 lacs in 2008-09
- Cash profit declined 52.45% from Rs. 6,967.83 lacs in 2007-08 to Rs. 3,312.97 lacs in 2008-09
- Earning per share (diluted) declined 74.80% from Rs. 32.05 in 2007-08 to Rs. 8.08 in 2008-09

Revenue analysis

Net sales increased 7.69% from Rs. 40,300.41 lacs in 2007-08 to Rs. 43,397.53 lacs in 2008-09. Nearly 95.11% of sales were derived from within India, while 4.89% was derived from exports to China. The Company's export turnover declined 82.58% from Rs. 12,169.96 lacs in 2007-08 to Rs. 2,120.27 lacs in 2008-09 owing to a decline in demand from China and lower realisations. Other income

(comprising interest, dividend and forex gain) increased 283.85% from Rs. 113.92 lacs in 2007-08 to Rs. 437.29 lacs in 2008-09; as a proportion of total income, it increased from 0.27% in 2007-08 to 1.05% in 2008-09 and contributed 20.19% of the net profit in 2008-09.

Margins

EBITDA margin on net sales declined by 1,447 bps from 27.01% in 2007-08 to 12.54% in 2008-09. PAT margin declined 1,097 bps from 15.97% in 2007-08 to 5% in 2008-09.

Cost analysis

Total operating cost increased 30% from Rs. 29,529.28 lacs in 2007-08 to Rs. 38,393.32 lacs in 2008-09 mainly owing to increased extraction/crushing rates with mine owners/contractors with effect from December 2007 the full impact of which was reflected during FY 2008-09. Total operating cost, as a proportion to total net sales, increased from 73.27% in 2007-08 to 88.47% in 2008-09. Going ahead, the Company aims to account for around 60% of mining operations in-house by investing in crushing machines and other equipment.

Material consumed: Material consumption, as a proportion of the total operating cost, increased 381 basis points to 92.64% in 2008-09.

Extraction charges: Extraction expenses, as a proportion of total operating expenses, increased from 6.11% in 2007-08

to 6.79% in 2008-09 owing to increased extraction rates.

Crushing charges: Crushing charges, as a proportion of operating expenses, decreased 127 basis points to 10.76% in 2008-09.

Screening charges: Screening charges, as a proportion of operating expenses, increased from 4.39% in 2007-08 to 8.51% in 2008-09.

Employee cost: Employee cost, as a proportion of total operating expenses, was flat at 0.65% at Rs 192.97 lacs in 2007-08 and Rs. 245.42 lacs in 2008-09 owing to increase in employee base, which will progressively enhance productivity.

Administrative and selling expenses: The Company's administrative and selling expenses constituted 6.72% of its total operating expenses. This cost declined 3.79% from Rs. 3,104.86 lacs in 2007-08 to Rs. 2,578.88 lacs in 2008-09 primarily owing to a decline in the incidence of ocean freight due to lower exports.

Capital employed

The Company enhanced the total capital invested in business by 46.44% from Rs. 28,161.63 lacs in 2007-08 to Rs. 41,239.40 lacs in 2008-09 owing to an increase in net worth and loan funds to fund the acquisition of mineral assets and enhanced capacities. The Company reported 12% return-on-average capital employed during 2008-09 as against 64.57% in 2007-08 owing to lower sales realisation and profitability. The Company shall progressively reap the benefit of increased investment in mine development.

Net worth: Net worth comprises equity capital, reserves and unadjusted miscellaneous expenditure. Reserves constituted the major portion of the shareholders' funds at 95.08% (previous year 94.10%). The Company's total net worth (share capital + reserves and surplus - miscellaneous expenditure) stood at Rs. 34,721.36 lacs on 31st March 2009, a 63.57% growth over the previous year's Rs. 21,448.23 lacs, the increase mainly on account of shares

issue and profits. Return on average net worth stood at 7.70% in 2008-09 (45.74% in 2007-08).

Share capital: The Company's equity capital increased from Rs. 2,409.16 lacs as at 31st March 2008 to Rs. 2,854.16 lacs as at 31st March 2009. This increase was owing to infusion of additional capital of Rs. 120.15 crore through the IPO of 44.50 lakh shares. The promoters held a 56.17% stake in the Company's equity.

Deployment of the proceeds of the IPO as on 31st March'09

Particulars	Amount (Rs. lacs)	% of the total IPO proceeds
Purchase / Advance for plant and machineries for mines including Railway rakes	4,025.55	34%
Pre-operative and IPO expenses	1,215.85	10%
Working capital margin and general corporate purpose	1,826.95	15%
Balance lying in bank fixed deposits, ICDs, mutual funds, and current account with bank	4,946.65	41%
Total IPO proceeds	1,20,15.00	100%

Reserves: The Company's reserves and surplus stood at Rs. 33,014.42 lacs in 2008-09, an increase of 63.57% over the previous year. The increase in reserves was mainly owing to an increase in securities premium account and plough back policy by Rs.11,570 lacs to be used for the expansion of business activity. Also, 99.77% of the PAT was ploughed back into the business. Free reserves comprised 100% of the reserves balance as on the year-end, reflecting the company's financial strength to fund future expansions through internal sources.

External funds

The Company's external funds comprised secured and unsecured loans. The Company's debt increased by 111.05% from Rs. 5,517.20 lacs in 2007-08 to Rs. 11,643.99 lacs in 2008-09. The increased reliance on borrowed funds increased the debt-equity ratio in 2008-09. The Company's debt equity ratio stood at 0.34 in 2008-09 compared with 0.26 in 2007-08

Year	2006-07	2007-08	2008-09
D/E ratio	0.12	0.26	0.34

Secured loans: This increased 111.22% in 2008-09 from Rs. 4,423.81 lacs to Rs. 9,343.99 during the year under review. Secured loans comprised 80.25% of the total external debt of which 43.54% was term loans and 36.71% was working capital loans.

Unsecured loans: This constituted 19.75% of the loan portfolio which primarily comprised inter corporate deposits. Unsecured loans increased to 110.35% from Rs. 1,093.39 lacs in 2007-08 to Rs. 2,300 lacs in 2008-09.

Interest: The Company's interest expense increased 150.02% from Rs. 374.16 lacs in 2007-08 to Rs. 935.48 lacs in 2008-09 owing to an increase in total debt and increase in the coupon rate. Despite this increase, the Company enjoyed a strong interest cover of 5.82. The average cost of debt declined from 12.83% in 2007-08 to 11.97% in 2008-09.

Application of funds

Gross block

The Company increased its gross block from Rs. 260.04 lacs in 2007-08 to Rs. 1,432.36 lacs in 2008-09 owing to the installation of extraction and crushing facilities at Nuagaon mines. Return on gross block is expected to increase as commercial production begins at the new acquired mines and optimum utilisation of enhanced capacity commences at the existing mines.

The Company's capital-work-in-progress increased 204.57%

from Rs. 6,013.04 lacs as on 31st March, 2008 to Rs. 18,313.88 lacs as on 31st March, 2009 owing to the establishment of plant and machineries for the development of new mining assets. Nearly 80% of the capital work-in-progress is slated to commercialise in 2009-10.

Depreciation: The Company consistently provided depreciation on the Straight Line method. Depreciation increased by 57.05% from Rs. 24.36 lacs in 2007-08 to Rs. 38.26 lacs in 2008-09 following an increase in gross block.

Investment

The Company's investments increased 36.79% from Rs. 1,910.69 lacs in 2007-08 to 2,613.64 lacs in 2008-09, primarily owing to investments of unutilised balance IPO funds, raised during the year.

Net current assets

Net current assets increased from Rs. 19,181.96 lacs in 2007-08 to Rs. 24,316.36 lacs in 2008-09, mainly as a result of an increase in debtors and loans and advances. Net current assets, as a proportion of capital employed, stood at 58.96% in 2008-09 compared with 68.11% in 2007-08. The current ratio stood at 2.08 and quick ratio at 1.93 in 2008-09, indicating sound liquidity.

Inventory: The Company's inventory decreased 54.86% from Rs. 5,739.51 lacs in 2007-08 to Rs. 2,590.64 lacs in 2008-09 even as sales increased 7.69%. Of the total inventory, raw materials constituted 21.90%, while finished goods constituted 78.10%. The Company's inventory cycle declined from 80 days in 2007-08 to 27 days, indicating better materials management.

Sundry debtors: Increase in trading resulted in rising debtors from Rs. 7,424.23 lacs in 2007-08 to Rs. 12,941.80 lacs in 2008-09 and a corresponding increase in the debtors' cycle from 65 days of gross turnover in 2007-08 to 104 days in 2008-09. Some 99.9% of the Company's total debtors were less than six months old.

Cash and bank balances: The Company's cash and bank balance increased from Rs. 1,242.57 lacs as on 31st March

2008 to Rs. 1,947.06 lacs as on 31st March 2009 to meet contingencies. About 62.24% of the cash and bank balances were held in fixed deposit accounts.

Loans and advances: Loans and advances, which constituted 70.85% of the Company's net current assets, increased 40% from Rs 12,304.95 lacs in 2007-08 to Rs. 17,227.28 lacs in 2008-09, including lease advances to the mine owners.

Current liabilities and provisions: The Company's current liabilities and provisions increased 49.69% from Rs. 11,131.97 lacs in 2007-08 to Rs. 16,663.58 lacs in 2008-09. The increase is mainly for tax provisions and others.

Taxation

The Company made a tax provision of Rs 1,065.38 lacs for 2008-09 at an effective rate of 32.97%. The provision for

fringe benefit tax was Rs. 20 lacs in 2008-09. The Company also recognised deferred tax asset of Rs. 127.67 lacs for 2008-09.

Foreign exchange

The Company earned Rs. 2,117.12 lacs from exports and made expenditure in foreign currency of equivalent Rs. 522.73 lacs owing to freight and others. The company enjoyed a forex gain of Rs. 36.17 lacs during the financial year under review.

(Rs in lacs)

Particular	2008-09	2007-08
Expenditure in foreign currency	522.73	1,959.17
Earning in foreign currency	2,117.12	10,214.43



Every business is exposed to external and internal risks. At Resurgere, all business risks are analysed and proper measures are taken to mitigate the same. The key risks identified for 2008-09 and mitigation measures has been substantially adopted by the management to counter its effects.

Risks and their management



Directors' Report

Dear Shareowners,

Your Directors take great pleasure in presenting their report on the business and operations of the Company along with the 22nd Annual Report to the Members with the audited financial statements for the year ended 31st March, 2009.

Financial Results

The performance of the Company for the financial year 2008-09 is summarized below:

(Rs. in Lakhs)		
Particulars	FY 2008-09	FY 2007-08
Total Income	41,042.74	42,428.39
Gross Profit before depreciation & amortization	4,506.02	10,510.89
Depreciation	38.69	24.36
Amortization	1,235.82	147.79
Profit before tax	3,231.51	10,338.74
Provision for taxation	1,065.38	3,902.71
Profit after tax	2,166.13	6,436.03
Balance of Profit from last year	9,569.81	3,136.17
Profit available for appropriation	2,161.15	6,433.64
Appropriations		
Transfer to General Reserve		
Proposed Dividend		
Tax on Dividend	-	-
Balance Carried forward to Balance Sheet	2,161.15	6433.64

Consolidated financial statements are being attached with this Report.

Review of Performance

The global meltdown has drastically impacted all the economies including India whereby GDP has been revised downwards to 7.1% for the current fiscal. International steel prices had steadily climbed in the first half of last year, rallying up to USD 1,250 a ton. China's demand for steel, until Olympics concluded in August, was largely behind the surgical prices until they crashed by almost half to about USD 550 to USD 600 levels as world markets froze. China has almost 55 to 60 mil. tons of inventory presently at their ports. It is

expected that world economy will continue to struggle to recover and the mineral and mining industry will be sluggish till such time the economy is up and running.

It is in this backdrop that the company's export turnover for FY 2008-09 has been drastically hit and has reduced to 5% at Rs. 21.20 cr. in the total sales of Rs. 433.97 cr. from 30% at Rs. 121.69 cr. in the total sales of Rs. 403.00 cr in the last year. The GP margin has also declined by 44% at Rs. 78.28 cr. from Rs. 140.69 cr last year. The same would have been still better in the current year by approx 5% had the export

goods were not valued at net realizable value and it would have been higher to this extent. EBITDA margin has also declined by 50% at Rs. 54.41 cr as compared to Rs. 108.85 cr. last year. The main reason for all the decline is decrease in sales realization both for exports and domestic.

Dividend

To conserve the financial resources, no dividend has been recommended for the year under review and no amount are proposed to be transferred to reserves.

Subsidiary Companies

The company has following two subsidiaries as on March 31, 2009:

- a) Warana Minerals Private Limited
- b) Shri Warana Minerals (India) Private Limited

During the year, Shri Warana Minerals, a partnership firm, in which Warana Minerals Private Limited had 60% holding, was converted into a Private Limited Company. This company was incorporated on February 16, 2009 and as on March 31, 2009, Warana Minerals Private Limited has 60% shareholding in Shri Warana Minerals (India) Private Limited.

There has been no material change in the nature of the business of the subsidiaries. As required under the listing agreements with the Stock Exchanges, a Consolidated Financial Statement has been prepared in accordance with the Accounting Standards. The statement pursuant to Section 212 of the Companies Act, 1956 containing the prescribed details of subsidiaries is attached to this report.

Initial Public Offer (IPO)

To augment the capital base for future growth plans, Resurgere entered into the capital market with an Initial Public Offer (IPO) through 100% book building process during the financial year 2008 – 09. The IPO of 44.50 lakh equity shares of Rs. 10/- each comprising 15.59% of fresh issue of post issue paid-up equity share capital with a price band of Rs. 263 – Rs. 272 per equity share was floated.

As per schedule, the issue was opened on August 11, 2008 and closed on August 13, 2008. The total issue of 44.50 lakh equity shares was fully subscribed. The issue price was fixed at Rs. 270/- per equity share.

After necessary approvals from the Stock Exchanges and other authorities, the allotment was made on August 26, 2008 and

got listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited on 1st September, 2008.

Human Resource Development

Company encourages a culture that develops and empowers people, promotes team building and nurtures new ideas. The Company's recruitment practice ensures that suitable candidates with merit are recruited and provided with the right opportunities to grow within the organization. The percentage of employee turnover is almost nil in the Company.

Environment and Social Concern

Your Company continues its efforts for the betterment of the environment and conservation of scarce natural resources.

Depository System

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2009, 98.32% of the equity shares of your Company were held in demat form.

Buy-back of Shares

During the financial year under review, Company has not announced any Buy-back of its shares.

Corporate Governance Report and Management Discussion and Analysis Statement

A report on Corporate Governance is attached to this Report as also a Management Discussion and Analysis statement. The Chairman and Managing Director's declaration regarding compliance with Company's Code of Conduct for Directors and Senior Management personnel forms part of report on Corporate Governance. The certificate from the company's auditors confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the listing agreement with the stock exchanges is included in this annual report.

Directors

Mr. Nitin Sethi was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 in the Board of Directors meeting held on 17th June, 2009. In terms of the provisions of Section 260 of the Companies Act, 1956, Mr. Nitin Sethi holds office up to the conclusion of the

forthcoming Annual General Meeting (AGM) of the Company and is eligible for appointment. The Company has received notice from a member of the Company pursuant to section 257 of the Companies Act, 1956, proposing his candidature for the office of Director. Mr. Nitin Sethi shall be liable to retirement by rotation. The Board recommends his appointment as Director.

Mr. Burzin Somandy, Director of the Company retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. The Board recommends his re-appointment at the ensuing Annual General Meeting.

Mr. Pradeep Bishnoi, Director of the Company who was appointed as Whole-time Director of the Company, resigned as director with effect from June 17, 2009. The approval of the Shareholders for his appointment and remuneration for a period from October 16, 2008 to June 17, 2009 is being sought at the Annual General Meeting. The Board places on record its appreciation to the contribution by Mr. Bishnoi during his tenure as Director of the Company.

Mr. Aditya Ranjan Singh and Mr. Suresh Kumar Singh who were appointed as an Additional Directors of the Company, with effect from October 16, 2008, under Section 260 of the Companies Act, 1956, have resigned with effect from May 8, 2009 and May 16, 2009 respectively. The Board places on record its appreciation to the contribution of the said directors during their tenure as Director of the company.

Mr. Amit Sharma, Whole-time Director of the Company, has been re-appointed as Whole-time Director with effect from June 23, 2009.

Auditors

M/s. Churiwala & Co., Chartered Accountants, Mumbai, who were appointed as the Joint Statutory Auditors of the Company by the Shareholders through Postal Ballot, of which results were declared on April 24, 2009, shall be retiring at the conclusion of the forthcoming AGM and are eligible for re-appointment. Members are requested to consider their re-appointment as Statutory Auditors of the Company from the conclusion of this AGM until the conclusion of next AGM of the Company, at a remuneration to be decided by the Board of Directors of the Company in consultation with the Auditors. The Company received confirmation from M/s Churiwala & Co., to the effect that their appointment if made, would be

within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956. M/s Singrodia Goyal & Co., Chartered Accountants resigned as Joint Statutory Auditors of the Company during the current financial year.

Auditor's Report

The Notes forming part of Accounts, which are specifically referred to by the auditors in their report are self-explanatory and therefore, do not call for any further comments.

Internal Control System

The Company's present Internal Control Systems are commensurate with its size. However, looking at the growth in the size of the Company and its operations it is strengthening these systems further. The Company places great emphasis on the maintenance of effective internal controls, both from the point of view of compliance with statutory requirements as well as supporting the smooth and efficient running of the business.

In an effort to improve the reliability and efficiency of business processes that have an impact on financial reporting, the company embarked on an Internal Control Systems project to standardize and properly document the major processes and associated key controls.

Directors Responsibility Statement

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956 ("Act"), as amended, with respect to Directors' Responsibility Statement, the Directors hereby confirm that:

- (i) in the preparation of Annual Accounts for the year 2008-09, the applicable Accounting Standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies in consultation with the statutory auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009, and of the profit and cash flow of the Company for the year ended 31st March, 2009;
- (iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate

accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the Annual Accounts on a going concern basis.

Transfer of unpaid /unclaimed amounts to Investor Education Protection Fund (IEPF)

During the year there were no amounts which remained unpaid / unclaimed for a period of 7 years and which were required to be transferred by the company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

Shares in suspense account:

No equity share of the Company in suspense account as on 31st March, 2009.

Fixed Deposits

The Company had neither invited nor accepted any public deposits, during the year, under Section 58A of the Companies Act, 1956 and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

Particulars of employees

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the name and other particulars of employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219 (1) (b) (iv) of the Act, the Annual Report is being sent to all the members of the company excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Conservation of Energy, Technology Absorption

The provisions of Section 217(1) (a) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption are not

applicable to the Company.

However, the company has put into implementation effective measures to reduce energy consumption by purchasing and using energy efficient equipment. The company endeavors to use modern technology to carry out its operations.

Foreign Exchange Earnings and Outgo

During the year under review, Company has made following transactions in Foreign Currency.

(Rs. In Lakh)

Particular	2008-09	2007-08
Expenditure in Foreign Currency	522.73	1,959.17
Earning in Foreign Currency	2117.12	10,214.43

Details of activities relating to export, initiatives taken to increase exports, development of new export markets for products and services and export plans are mentioned in this Report.

Acknowledgement

The Directors of the Company take this opportunity to express their grateful sincere appreciation for the co – operation and support received from Company's Shareholders, Vendors, Financial Institutions, Bankers, Government of India, Department of Mines, State Governments, Regulatory Bodies, Customers, society and other business constituents during the year under review. Directors also take on record the appreciation for the contribution, commitment displayed and hard work of every employee of the Company resulting in successful performance during the year under review. The path to further growth is very exciting and your continued patronage would enable us to scale greater heights at a faster pace.

On Behalf of the Board of Directors,

Mr. Subhash Sharma

Chairman & Managing Director

Place: Mumbai

Date: 28th July, 2009

Mr. Amit Sharma

Whole-time Director

Corporate Governance Report For The Year 2008-09

(As required under Clause 49 of the Listing Agreements entered into with Stock Exchanges)

The Company's Shares were listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited on 1st September, 2009.

1. Company's Philosophy on Corporate Governance

The Company believes in transparency, empowerment, accountability, safety of people and environment, motivation, respect for law and fair business practices with all its stakeholders. The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. It is believed that adherence to business ethics and commitment to corporate social responsibility would help the Company to achieve its goal of maximizing value for all its stakeholders. By combining ethical values with business acumen, globalization with national interests and core business with emerging business, the Company aims to be amongst the largest and most respected global corporations. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a truly global mineral company, while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamental to the Resurgere.

We believe that sound corporate governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to attain the best practices in the corporate governance. We also endeavor enhance long-term shareholder value and respect minority rights in all our business decisions.

The Board of Directors is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and

independent Board is necessary to ensure highest standards of corporate governance.

The majority of our Board, 3 out of 5, are independent members. Further, we have Audit, Remuneration and Investor Grievance Committees, which comprise majority of independent directors.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels. When in doubts, disclose.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Comply with all the applicable laws.
- Management is the trustee of the shareholders' capital and not the owners.

2. Board of Directors

a) The Company has five Directors on the Board of Directors of the Company with Executive Chairman. Of the five Directors, three (i.e. 60%) are Non Executive and Independent Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges and exceeds the percentages prescribed in the said Agreements.

b) None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five committees across all the Companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2009 have been made by the Directors.

c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given herein below. Other directorship does not include alternate

directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanships / Memberships of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Name of the Director	Category	Number of Board Meetings during the year 2008-09		Attendance at the last AGM	Number of Directorships in other public companies	Number of Committee position held in other public companies	
		Held	Attended			Chairman	Member
Mr. Subhash Sharma (Chairman & Managing Director & CEO)	Promoter, Executive	5	5	Yes	—	—	—
Mr. Amit Sharma (Whole-time Director)	Non Independent, Executive	5	5	No	—	—	—
Mr. I. D. Agarwal	Independent, Non-Executive	5	5	Yes	2	—	—
Mr. Burzin Somandy	Independent, Non-Executive	5	4	Yes	1	—	—
Mr. Pradeep Bishnoi (Whole-time Director) \$\$	Non Independent, Executive	5	3	No	—	—	—
Mr. Aditya Ranjan Singh \$	Independent, Non-Executive	5	2	No	2	—	—
Mr. Suresh Kumar Singh \$	Independent, Non-Executive	5	2	No	—	—	—
Prof. D. P. Singh #	Independent, Non-Executive	5	NIL	No	—	—	—
Mr. Siddharth Bhargava (Nominee – Merrill Lynch International) ##	Independent, Non-Executive	5	1	No	1	—	—

\$ appointed on 16th October, 2008. \$\$ appointed as whole-time director on 6th June, 2008, resigned on 20th June, 2008 as director and re-appointed as whole-time director on 16th October, 2008. # appointed on 6th June, 2008 and resigned on 20th June, 2008. ## resigned on 17th June, 2008.

d) Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

June 6, 2008, August 26, 2008, October 31, 2008, January 30, 2009, March 14, 2009.

e) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

3. Audit Committee

(i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with section 292A of the Companies Act, 1956.

(ii) The terms of reference of the Audit Committee are broadly as under:

a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed.

b) Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditors, fixation of audit fees and also approval for payment for any other services.

c) Reviewing the financial statements and draft audit report, including the quarterly / half-yearly financial information.

d) Reviewing with management the annual financial statements before submission to the Board for approval, with particular reference to:

- Any changes in accounting policies and practices, with reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment of management.
- Significant adjustments in financial statements arising out of audit findings.
- Compliance with listing and other legal requirement relating to financial statements.
- Disclosure of any related party transactions.

■ Qualifications in the draft audit report.

■ Compliance with accounting standards.

e) Reviewing the quarterly financial statements before submission to Board for approval.

f) Disclosure of contingent liabilities.

g) Reviewing performance of Statutory and Internal auditors and adequacy of internal control systems.

h) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

i) Discussion with internal auditors any significant findings and follow up there on.

j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to Board.

k) Discussion with statutory auditor before audit commences, about the nature, and scope of audit as well as post audit discussion to ascertain any area of concern.

l) To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

m) Reviewing the functioning of Whistle Blower mechanism, in case the same is existing.

n) Carrying out any other function as is mentioned in the terms of reference of the Committee.

(iii) The Audit Committee meetings are usually held at the Registered Office of the Company and are normally attended by the Chief Financial Officer, representatives of the Statutory Auditors and representatives of the Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the audit committee briefs the Board members about significant discussions at Audit Committee meetings. The committee relies on the expertise and knowledge of the management, the internal auditors and

the independent statutory auditors in carrying out its oversight responsibilities.

(iv) The previous Annual General Meeting of the Company was held on July 16, 2008 and was attended by Mr. I. D. Agarwal,

Chairman of the Audit Committee.

(v) The Composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category	Number of Meetings during the year 2008-09	
		Held	Attended
Mr. I. D. Agarwal, Chairman	Independent, Non-Executive	5	5
Mr. Burzin Somandy	Independent, Non-Executive	5	5
Mr. Siddharth Bhargava #	Nominee of Merrill Lynch, International	5	1
Mr. Suresh Kumar Singh \$	Independent, Non-Executive	5	1
Mr. Subhash Sharma	Managing Director & CEO	5	3
Mr. Amit Sharma	Whole-time Director	5	2
Mr. Pradeep Bishnoi \$\$	Whole-time Director	5	1

\$ appointed on 16th October, 2008.

\$\$ appointed as whole-time director on 6th June, 2008, resigned on 20th June, 2008 as director and re-appointed as whole-time director on 16th October, 2008.

resigned on 17th June, 2008.

The Committee comprises of directors all of whom are financially literate and have relevant finance and/or audit exposure. Mr. I. D. Agarwal is the financial expert. The quorum of the committee is two members or one third of its members, whichever is higher.

(vi) Five Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:

June 6, 2008, August 26, 2008, October 30, 2008, January 30, 2009, March 14, 2009.

The necessary quorum was present for all the meetings.

4. Remuneration Committee

(i) The Company has constituted a Remuneration Committee of Directors.

(ii) The Broad terms of reference of the Remuneration Committee are as under:

- To approve the remuneration, service agreement, commission/incentive remuneration payable to the Managing Director, Whole-time Director (s).
- To approve the commission payable to the Non-Executive Directors of the Company.
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve.

(iii) The Composition of the Remuneration Committee and the details of the meetings attended by the members of the Remuneration Committee are given below:

Name	Category	Number of Meetings during the year 2008-09	
		Held	Attended
Mr. I. D. Agarwal	Independent, Non-Executive	2	2
Mr. Burzin Somandy, Chairman	Independent, Non-Executive	2	2
Mr. Siddharth Bhargava #	Nominee of Merrill Lynch, International	2	1
Mr. Suresh Kumar Singh \$	Independent, Non-Executive	2	0
Mr. Subhash Sharma	Managing Director & CEO	2	1
Mr. Amit Sharma	Whole-time Director	2	1
Mr. Pradeep Bishnoi \$\$	Whole-time Director	2	1

\$ appointed on 16th October, 2008.

\$\$ appointed as whole-time director on 6th June, 2008, resigned on 20th June, 2008 as director and re-appointed as whole-time director on 16th October, 2008.

resigned on 17th June, 2008.

(iv) Two Remuneration Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:

June 06, 2008, March 14, 2009.

(v) The Chairman of the Remuneration Committee, Mr. Burzin Somandy, was present at the last Annual General Meeting of the Company held on July 16, 2008.

(vi) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and variable pay. The individual performance pay is determined by business performance.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and

Executive Directors as per the service agreements entered into by the Company with them.

During the year, the Company paid Sitting Fees per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of Committees of the Board. The Remuneration Committee and the Board of Directors of the Company have approved of payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 1956. The said commission shall be paid from 1st April, 2009 each financial year for a period of five years subject to the approval by the Shareholders in the ensuing annual general meeting. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending meetings.

(vii) Details of the Remuneration for the year ended March 31, 2009:

a) Non-Executive Directors:

Name	Sitting Fees (in Rupees)
Mr. I. D. Agarwal	2,50,000.00
Mr. Burzin Somandy	2,20,000.00
Mr. Suresh Kumar Singh	40,000.00
Mr. Aditya Ranjan Singh	30,000.00

b) Managing Director and Whole-time Directors:

Name of Director and period of appointment	Salary (Rs. in lakh)	Leave Salary (Rs.in lakh)	Employer's Contribution to Provident Fund (Rs.in lakh)	Total (Rs.in lakh)
Mr. Subhash Sharma <i>Chairman, Managing Director & CEO</i> (w.e.f. 1st April, 2007 for a period of 5 years)	60.00	3.45	5.19	68.64
Mr. Amit Sharma Whole-time Director (w.e.f. 23rd June, 2004 for a period of 5 years)	15.00	0.86	1.26	17.12
Mr. Pradeep Bishnoi Whole-time Director (w.e.f. 6th June, 2008 to 20th June, 2008 and 16th October 2008 for a period of 3 years with 2years extension powers with Board)	12.37	-	0.65	13.02

The above figures do not include provisions for gratuity, bonus for the Managing Director and Whole-time Directors.

The Company does not have any Employee Stock Option Scheme.

Notice period for Managing Director is six months and for Whole-time Directors is three months. Services may be terminated by either party giving the other party six / three months' notice or the Company paying six / three months' salary in lieu thereof.

(viii) Details of Shares of the Company held by the Directors as on March 31, 2009 are as follows:

Name of the Director	Number of Shares
Mr. Subhash Sharma	5,366,363
Mr. Amit Sharma	180,360
Mr. Burzin Somandy	4,950

5. Shareholders / Investor Grievance Committee

(i) The Company has constituted a Shareholders / Investors Grievance Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non receipts of dividend / notices / annual reports, etc.

(ii) Two Shareholders / Investors Grievance Committee

Meetings were held during the year. The dates on which the said meetings were held are as follows:

December 12, 2008, January 30, 2009.

(iii) The Composition of the Shareholders / Investors Grievance Committee and the details of the meetings attended by the members of the Shareholders / Investors Grievance Committee are given below:

Name	Category	Number of Meetings during the year 2008-09	
		Held	Attended
Mr. I. D. Agarwal	Independent, Non-Executive	2	2
Mr. Burzin Somandy, Chairman	Independent, Non-Executive	2	2
Mr. Aditya Ranjan Singh \$	Independent, Non-Executive	2	1
Mr. Amit Sharma	Whole-time Director	2	2

\$ appointed on 16th October, 2008.

(iv) Name, designation and address of Compliance Office:

Mr. Rakesh Gupta

Company Secretary and Compliance Officer

Resurgere Mines & Minerals India Limited

156, Maker Chamber – III,

Nariman Point, Mumbai – 400021

Tel: 022-66582500

Fax: 022-66582511

(v) Details of investor Complaints received and redressed during the year:

Opening Balance	Received	Resolved	Closing Balance
0	0	0	0

6. Other Committees

(i) Initial Public Offer and Share Allotment Committee

The Company had constituted a Committee of Directors for

the decisions to be taken on the matters of the Initial Public Offer of the Company and to allot shares. The Committee was empowered to take decisions on Initial Public Offer of the company. Since, the Initial Public Offer was completed; the committee was merged with the Management Committee of the Company with effect from 30th January, 2009.

Four meetings of Initial Public Offer and Share Allotment Committee were held during the year. The dates on which the said meetings were held are as follows:

May 08, 2008, August 14, 2008, August 22, 2008, December 04, 2008.

The Composition of the Initial Public Offer and Share Allotment Committee and the details of the meetings attended by the members of the Initial Public Offer and Share Allotment Committee are given below:

Name	Category	Number of Meetings during the year 2008-09	
		Held	Attended
Mr. Burzin Somandy	Independent, Non-Executive	4	4
Mr. Subhash Sharma	Managing Director	4	4
Mr. Amit Sharma	Whole-time Director	4	4

(ii) Management Committee

A Management Committee was constituted by the Board of Directors on October 04, 2007 to decide on the matters as delegated by the Board. The Powers of this Committee includes allotment of Shares, Transfer of Shares, Corporate Governance Compliances, Bank Accounts opening and closing etc. As on March 31, 2009 the committee comprising Mr. Subhash Sharma (Managing Director), Mr. Amit Sharma (Whole-time Director), Mr. Burzin Somandy (Independent, Non-Executive) and Mr. Aditya Ranjan Singh (Independent, Non-Executive). Two meetings of the Committee were held during the year on July 27, 2008, February 21, 2009.

(iii) Corporate Governance Committee

A Corporate Governance Committee was constituted by the Board of Directors on March 14, 2008. The Committee was constituted to look into the matters of Corporate Governances

of the Company. Thereafter, the Board of Directors, in their meeting held on January 30, 2009, had merged this Committee with the Management Committee of the Company. The Corporate Governance Committee met two times during the year on December 12, 2008, January 30, 2009.

7. Subsidiary Companies :

During the year under review, Company does not have any material non listed subsidiary company as per the listing agreement entered into with the Stock Exchanges.

8. General Body Meetings

(i) Annual General Meetings

Details of the last three Annual General Meetings are given as follows:

Financial year ended	Date and Time	Venue	Special Resolution passed
March 31, 2006	Friday, September 29, 2006 at 2pm.	307, D. R. Chambers, 12/56, Desh Bandhu Gupta Road, Karol Bagh, New Delhi - 110005	To increase the Managerial Remuneration payable to Managing Director and Whole-time Directors.
March 31, 2007	Thursday, September 27, 2007 at 2pm.	156, Maker Chamber – III, Nariman Point, Mumbai – 400021	- Appointment of Mr. Subhash Sharma as Managing Director. - Further issue of Shares u/s 81 (1A).
March 31, 2008	Wednesday, July 16, 2008 at 11am.	Indian Merchant Chamber, 2nd Floor, Kilachand Conference Room, Churchgate, Mumbai – 400021	NIL

(ii) Postal Ballot

During the year, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, three ordinary and one special resolutions were passed by shareholders through Postal Ballot notice dated 14th March, 2009. The notice of postal ballot along with self addressed pre-paid envelopes, were dispatched to all shareholders. Mr. R. N. Gupta, Practising Company Secretary had been appointed as scrutinizer for conducting the Postal Ballots voting in a fair and transparent manner. The following resolutions as set out in the Postal Ballot Notice dated 14th March, 2009, were approved by the members / shareholders with an overwhelming majority by more than 99%:

- a) Ordinary Resolution for the appointment of M/s Churiwala & Co., Chartered Accountants, as Joint Statutory Auditors of the Company.
- b) Ordinary Resolution for the increase the borrowing limits under section 293 (1) (d) of the Companies Act, 1956.
- c) Ordinary Resolution for the creation of charge, mortgage etc. under section 293 (1) (a) of the Companies Act, 1956.
- d) Special Resolution to authorize to the Board of Directors of the Company for the use of the Initial Public Offer funds.

The result of the Postal Ballot was declared on April 24, 2009 and the same was displayed at the registered office and website of the Company besides being communicated to the Stock Exchanges where the securities of the Company are listed.

The Company has followed the procedure as prescribed under Companies (Passing of the Resolution by Postal Ballot), Rules, 2001.

At present, no special resolution is proposed to be passed through postal ballot.

9. Disclosures

(a) Materially significant related party transactions that

may have potential conflict with the interests of company at large.

During the year 2008-09, there were no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Company's Interest at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in the Notes on Accounts forming part of the Annual Report.

(b) Details of non-compliance by the company, penalties, imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Company has complied with all the requirements of regulatory authorities. No penalties were imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital market during the last three years.

(c) Whistle Blower Policy

With a view to establish a mechanism for protecting the employees reporting unethical behavior, fraud etc., the Board of Directors has adopted a Whistle Blower Policy. During the year 2008-09, no personnel has been denied access to the Audit Committee.

(d) Code for prevention of Insider – Trading practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading, for its Management and staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautioning them of the consequences of violations.

(e) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure ID to the Clause 49 of the Listing Agreements with the Stock Exchanges:

i) The Company has set up a Remuneration Committee details of which have been given earlier in this Report.

ii) The statutory financial statements of the Company are unqualified.

iii) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior.

(f) Secretarial Audit

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Pursuant to clause 47 (c) of the listing agreement with the stock exchanges, certificates, on a half yearly basis, have been issued by the company secretary in practice for due compliance of share transfer formalities by the company.

10. Means of Communications

The quarterly, half-yearly and annual results of the Company are regularly submitted to the stock exchanges in accordance with the listing agreement and are generally published in Free Press Journal and Nav Shakti. The results are also displayed on the Company's website at www.resurgere.in.

11. General Shareholders Information

(i) Annual General Meeting

Date	September 30, 2009
Time	11.30 a.m.
Venue	"GMS Banquet Hall" Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, on Link Road, Andheri (West), Mumbai – 400 053

As required under Clause 49 (IV)(G)(i) of the Listing Agreement with the Stock Exchanges, particulars of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on September 30, 2009.

(ii) Financial Calendar

Year Ending	March 31
Annual General Meeting in	September 30, 2009
Dividend Payment	No dividend has been recommended.

(iii) Date of Book Closure / Record Date

Date of Book Closure / Record Date As mentioned in the Notice of Annual General Meeting to be held on September 30, 2009.

(iv) Listing on Stock Exchange

The National Stock Exchange of India Ltd.	Bombay Stock Exchange Limited
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	Floor 25, P. J. Towers, Dalal Street, Mumbai - 400001

(v) Stock codes / Symbol

Bombay Stock Exchange Limited	533017
The National Stock Exchange of India Ltd.	RESURGERE

Listing fees as applicable have been paid for the financial year 2009-10.

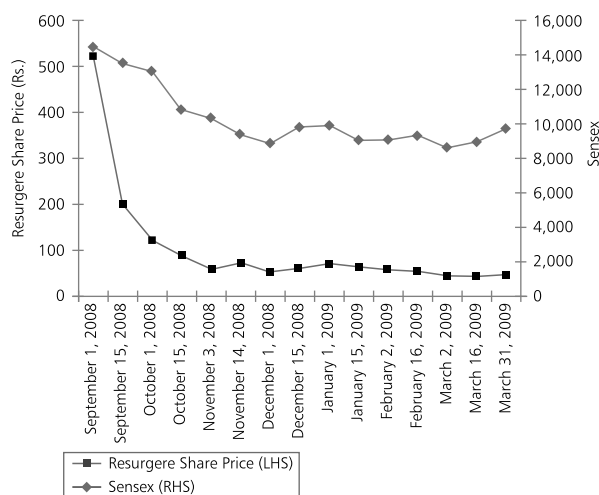
(vi) Market Price Data

High, Low (based on the closing prices) and number of shares traded during each month in the financial year 2008-09 on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited:

Month	National Stock Exchange of India Limited			Bombay Stock Exchange Limited			Total Volume (NSE and BSE) (Nos.)
	High (Rs.)	Low (Rs.)	Total Number of Shares Traded	High (Rs.)	Low (Rs.)	Total Number of Shares Traded	
September 08	727.85	127.40	95,236,201	740.00	127.65	84,645,325	179,881,526
October 08	129.35	49.55	2,326,156	127.35	50.15	2,014,861	4,341,017
November 08	81.15	51.25	1,015,877	80.70	51.00	713,556	1,729,433
December 08	70.85	49.70	795,393	70.80	49.55	839,012	1,634,405
January 09	78.50	55.00	569,554	79.00	56.05	531,334	1,100,888
February 09	59.80	44.80	266,853	59.20	45.00	179,948	446,801
March 09	51.70	36.20	393,903	51.90	36.00	308,392	702,295

The shares of the Company were listed with effect from 1st September, 2008.

(vii) Performance of the share price of the Company in comparison to the BSE Sensex:



(viii) Registrar and Transfer Agents:

Link Intime India Private Limited,
C-13, Pannalal Silk Mill Compound,
L B S Marg, Bhandup (west)
Mumbai - 400 078
Telephone: +91 22 25946970 – 78
Fax Number: +91 22 2596 0328/29
Email: rnt.helpline@linkintime.co.in
Website: linkintime.co.in

(ix) Share Transfer System:

98.32% of the shares of the Company are in electric form as on March 31, 2009. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with Registrar and Transfer Agent of the Company at the above given address.

Transfer of shares in physical form is normally processed within ten to fifteen days from the date of receipt if the documents are complete in all respects. The Management Committee of the Company is empowered to approve transfers.

(x) Shareholding as on March 31, 2009:

a) Distribution of equity shareholding as on March 31, 2009:

Number of Shares	Number of Shares	Percentage to Capital	Number of shareholders	Percentage to total accounts
1 – 500	1,139,174	3.99	16,758	94.95
501 – 1000	304,325	1.06	390	2.20
1001 – 5000	819,266	2.87	338	1.92
5001 – 10000	447,251	1.57	56	0.32
10001 – above	25,831,534	90.51	107	0.61
Grand Total	28,541,550	100	17,649	100.00

b) Categories of Equity Shareholders as on March 31, 2009:

Category	Shareholders (Nos.)	Number of Shares	Percentage
Promoter & Promoter Group	12	16,032,543	56.17
Public Shareholding			
Foreign Institutional Investors	1	3,000,000	10.51
Foreign Company	1	910,000	3.19
Bodies Corporate	634	3,464,580	12.14
Indian Public	16,956	5,110,408	17.91
NRIs / NRN	45	24,019	0.08
Grand Total	17,649	28,541,550	100.00

(xi) Dematerialization of Shares and liquidity:

The Company's shares are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 98.32% of the Company's share capital are dematerialized as on March 31, 2009.

The Company's Shares are regularly traded on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE774I01015.

The Company has come out with an Initial Public Offer which

opened on August 11, 2008 and closed on August 13, 2008. Pursuant to the provisions Guideline 4.14 of Securities And Exchange Board of India (Disclosure And Investor Protection) Guidelines, 2000, the entire pre-issue capital, other than that locked-in as minimum promoters' contribution, shall be locked-in for a period of one year from the date of allotment in the proposed public issue. The Company allotted shares on 26th August, 2008 and the lock in is open from August 26, 2009.

(xii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: As on March 31, 2009, the Company did not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

(xiii) Mines Locations:

(a) Iron Ore Mines:

- Nuagaon, Orissa
- Maharajpur, Orissa

(b) Bauxite Mines:

- Yelwan Jugai, Maharashtra
- Mahalmiriya, Maharashtra

(c) Soapstone Mine:

- Dhelana, Rajasthan

(xiv) Address for correspondence:

Resurgere Mines & Minerals India Limited

156, Maker Chamber – III,

Nariman Point, Mumbai – 400021

Telephone: 022 66582500

Fax: 022 66582511

Designated E-mail address for investor Services:

cosec@resurgere.in

Website: www.resurgere.in

Declaration by Managing Director

I, Subhash Sharma, Chairman Managing Director of Resurgere Mines & Minerals India Limited, hereby confirm pursuant to Clause 49 (1) (D) of the listing agreement that:

The Board of Directors of Resurgere Mines & Minerals India Limited has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted on the Company's website viz. www.resurgere.in. All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2009.

Mumbai, July 28, 2009

Subhash Sharma
Chairman & Managing Director

Auditors' Certificate on Corporate Governance

To,
The Members
Resurgere Mines & Minerals India Limited
156, Maker Chamber – III,
Nariman Point, Mumbai – 400021

We have examined the compliance of conditions of Corporate Governance by Resurgere Mines & Minerals India Limited, for the period from 1st September, 2008 to 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the said Agreement of the said Company with stock exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the

Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Churiwala & Co.**,
Chartered Accountants,

(**Sunil Churiwala**)
(*Proprietor*)

Date: 23.07.2009

Membership No. 106590

Financial Section

Auditors' Report

To,
The Members,
Resurgere Mines & Minerals India Limited.

We have audited the attached Balance Sheet of Resurgere Mines & Minerals India Limited as at 31st March 2009 and also the annexed Profit and Loss Account and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.

- d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
- e) On the basis of written representation received from the Directors as on 31st March, 2009 and taken approval by the Board, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Directors in terms of Clause (g) of Subsection (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon give the information required by the Companies Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and
 - ii) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date.
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Churiwala & Co.
Chartered Accountants

Sunil Churiwala

Proprietor

Place : Mumbai

Date : 28th June 2009

Membership No. 106590

Annexure to Auditors Report

Annexure referred to in Paragraph 2 of the Auditors Report to the members of Resurgere Mines & Minerals India Limited for the year ended 31st March 2009.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- i) a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all the assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- c) The Company has not disposed off any substantial part of its fixed assets during the year.
- ii) a) As explained to us, the management has conducted physical verification of inventories during the year at reasonable intervals.
- b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records were not material.
- iii) a) The Company has granted unsecured loans to three parties covered in the register maintained under Section 301 of the Companies Act 1956 . The maximum amount outstanding during the year was Rs.652.09 Lacs and the year end balance was Rs. 205.09 Lacs
- b) The interest rate and other terms & conditions on which the loans have been taken are prima facie, not prejudicial to the interest of the Company.
- c) The payment of the principal amount and interest are also regular of the said loan.
- d) In view of our comments in Para (iii) (c) above, clauses 4 (iii) (d) of the said Order are not applicable to the Company.
- e) The Company has taken unsecured loans from one party covered in the register maintained under section 301 of the Companies Act, 1956 on call basis. The maximum amount outstanding during the year was Rs.869.21 Lacs and the year end balance was Rs. Nil.
- f) The interest rate and other terms & conditions on which the loans have been taken are prima facie, not prejudicial to the interest of the Company.
- g) In view of our comments in para (iii) (e) above , clause 4(iii) (g) of the said order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control systems.
- v) a) Based on the audit procedures performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits from the Public.
- vii) In our opinion, the Company has an internal audit system however considering the growth in the size of the Company and the nature of its business, the same needs

to be strengthened.

- viii) We are informed by the management that the Central Government has not prescribed for maintenance of Cost Records under section 209(1) (d) of the Companies Act, 1956 for the products of the Company.
- ix) a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, and Cess have generally been regularly deposited with the appropriate authorities except for a delay in few cases of deposit of TDS . However, according to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2009 for a period more than six months from the date they became payable.

b) According to the information and explanations given to us, the Company has no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes with the related authorities.
- x) The Company has no accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of its dues to banks and financial institutions.
- xii) The Company has not granted any loans or advances on the basis of security by way of pledge of Shares, Debentures or Other Securities.
- xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not

applicable to the Company.

- xiv) According to the information and explanation given to us the Company is not dealing or trading in shares, securities, debentures or other Investments.
- xv) The Company has not given any guarantees for loans taken by others from banks and financial institutions.
- xvi) The Company has applied all the amounts obtained as term loans during the year for the purpose they were obtained.
- xvii) On an overall examination of the balance sheet of the Company, we report that no funds raised on Short-term basis have been used for Long term investment.
- xviii) The Company has not made any preferential allotment of Equity Shares during the year to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debentures during the year
- xx) The Company has made an Initial Public Offer during the year which was closed 13th August 2008 and shares have been allotted on 26th August 2008. The end use of public issue proceeds has been verified and disclosed in Note no. C (1) of Schedule "T" of the Financial Statement.
- xxi) On the basis of our examination and according to the information and explanation given to us, no fraud, on or by the Company, has been noticed or reported during the year.

For **Churiwala & Co.**
Chartered Accountants

Sunil Churiwala

Proprietor

Membership No. 106590

Place : Mumbai

Date : 28th June 2009

Balance Sheet

(Rs. in lacs)

	Schedules	As at 31 March 2009	As at 31 March 2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	2,854.16	2,409.16
Reserves & Surplus	B	33,014.42	20,182.79
		35,868.58	22,591.95
Loan Funds			
Secured Loans	C	9,343.99	4,423.81
Unsecured Loans	D	2,300.00	1,093.39
Deferred Tax Liabilities		223.91	351.58
		47,736.48	28,460.73
APPLICATIONS OF FUNDS			
Fixed Assets			
	E		
Gross Block		1,432.36	260.04
Less: Depreciation		86.98	48.72
Net Block		1,345.38	211.32
Capital Work In Progress (Including advances)		18,313.88	6,013.04
		19,659.26	6,224.36
Investments	F	2,613.64	1,910.69
Current Assets, Loans & Advances			
Inventories	G	2,590.64	5,739.51
Sundry Debtors	H	12,941.80	7,424.23
Cash & Bank Balances	I	1,947.06	1,242.57
Loans & Advances	J	17,227.28	12,304.95
		34,706.78	26,711.26
Less: Current Liabilities & Provisions	K		
Current Liabilities		3,308.59	1,637.11
Provisions		7,081.83	5,892.19
		10,390.42	7,529.30
Net Current Assets		24,316.36	19,181.96
Miscellaneous Expenditure	L	1,147.22	1,143.72
		47,736.48	28,460.73
Significant Accounting Policies & Notes to Accounts	T		

As per our Report of even date attached

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Profit And Loss Account

(Rs. in lacs)

	Schedules	Year ended 31 March 2009	Year ended 31 March 2008
INCOME			
Income from Operations	M	43,397.53	40,300.41
Other Income	N	437.29	113.92
Increase / (Decrease) in Stocks	O	(2,792.08)	2,014.06
		41,042.74	42,428.39
EXPENDITURE			
Materials, Production and Operational Expenses	P	32,776.94	28,245.51
Employee Costs	Q	245.42	192.97
Administration & Selling Expenses	R	2,578.88	3,104.86
Financial Charges	S	935.48	374.16
Depreciation & Amortisation	E & L	1,274.51	172.15
		37,811.23	32,089.65
Profit before Tax		3,231.51	10,338.74
Provision for Tax	– Income Tax	919.38	3,316.00
	– Deferred Tax Liabilities/(Assets)	(127.67)	359.65
	– Fringe Benefit Tax	20.00	6.75
	– Tax of Earlier Years	253.67	220.31
		1,065.38	3,902.71
Profit after Tax		2,166.13	6,436.03
Prior Period Items		4.98	2.39
Profit available for Appropriations		2,161.15	6,433.64
Appropriations		–	–
Surplus carried forward to Balance Sheet		2,161.15	6,433.64
Basic Earnings per Share of face value of Rs. 10 each (in Rs.)		8.08	32.05
Diluted Earnings per Share of face value of Rs. 10 each (in Rs.)		8.08	32.05
Significant Accounting Policies & Notes to Accounts	T		

As per our Report of even date attached

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Cash Flow Statement

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	3,231.51	10,338.74
Adjustment for		
Depreciation	1,274.51	172.15
Dividends	(60.89)	(4.69)
Interest Income	(409.69)	(21.59)
Interest Expenses	942.09	332.38
Mine Development Activities	(1,366.14)	(1,291.50)
Loss on Sale of Assets	–	23.27
Income Tax written off	–	0.08
Direct Taxes Paid	(3,237.26)	(1,929.34)
Operating Profit before Extraordinary Items	374.13	7,619.50
Prior Period Items	4.98	2.39
Operating Profit before Working Capital Change	369.15	7,617.11
Adjustment for:		
Trade and Other Receivables	(5,517.58)	(4,054.45)
Inventories	3,148.87	(2,363.66)
Trade Payables	1,668.11	1,098.93
Loans and Advances	(1,685.53)	(7,420.57)
Net Cash used in Operating Activities (Total A)	(2,016.98)	(5,122.64)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(1,172.32)	(46.10)
Capital Work in Progress	(12,300.84)	(6,013.04)
Sale of Fixed Assets	–	19.28
Interest Income	409.69	21.59
Dividends	60.89	4.69
Sale of Investments	10,076.47	3,500.00
Purchase of Investments	(10,779.42)	(5,410.69)
Net Cash used in Investing Activities (Total B)	(13,705.53)	(7,924.27)

Cash Flow Statement (Contd.)

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Loans (Net of Repayment)	4,920.18	3,772.42
Proceeds from Unsecured Loans (Net of Repayment)	1,206.61	1,093.39
Interest Paid	(942.09)	(332.38)
Dividend Paid (including tax thereon)	–	(28.06)
Share Capital	445.00	657.98
Share Application Money	–	(1,469.79)
Securities Premium Received	11,570.00	10,859.62
Share Issue Expenses	(772.70)	(574.94)
Net Cash from Financing Activities (Total C)	16,427.00	13,978.24
Net Increase in Cash & Cash Equivalents (Total A+B+C)	704.49	931.33
Cash & Cash Equivalents (Opening Balance)	1,242.57	311.24
Cash & Cash Equivalents (Closing Balance)	1,947.06	1,242.57

Note:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India
2. Cash and Cash Equivalents at the end of the period/ year consists of Cash in Hand and Balances with Banks and are net of Short Terms Loans and Advances from Banks as follows

Cash in Hand	11.18	17.03
Balances with Banks	1,935.88	1,225.54
	1,947.06	1,242.57

As per our Report of even date attached

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Schedules to the Balance Sheet

(Rs. in lacs)

	As at 31 March 2009	As at 31 March 2008
Schedule "A" SHARE CAPITAL		
Authorised		
30,000,000 Equity Shares of Rs.10/- each.	3,000.00	3,000.00
	3,000.00	3,000.00
Issued, Subscribed & Paid up		
2,85,41,550 (Previous year 2,40,91,550) Equity Shares of Rs. 10/- each fully paid up)	2,854.16	2,409.16
(Out of the above, 97,28,750 (Previous year 97,28,750) Equity Shares of Rs.10/-each are allotted as fully paid up Bonus Shares by capitalization of reserves)		
	2,854.16	2,409.16

Schedule "B" RESERVES & SURPLUS		
Securities Premium Account		
Opening Balance	10,612.98	328.30
Additions during the year	11,570.00	10,859.62
	22,182.98	11,187.92
Less : Share issue expenses	899.52	574.94
Closing Balance	21,283.46	10,612.98
Profit and Loss Account		
Opening Balance	9,569.81	3,136.17
Profit for the year	2,161.15	6,433.64
Closing Balance	11,730.96	9,569.81
	33,014.42	20,182.79

Schedule "C" SECURED LOANS [See Note no C(6) of Schedule "T"]		
From Banks		
Term Loan [Due within one year Rs.1,413.25 Lacs (Previous year Rs.131.10 Lacs)]	5,042.95	798.61
Working Capital Facility	1,722.45	779.15
Export Packing Credit	2,550.71	2,823.52
Vehicle Loans	27.88	22.53
	9,343.99	4,423.81

Schedule "D" UNSECURED LOANS		
From Bank	2,000.00	–
Inter-Corporate Deposits	300.00	1,093.39
	2,300.00	1,093.39

Schedules to the Balance Sheet

(Rs. in lacs)

Schedule "E" FIXED ASSETS (At Cost Less Depreciation)

Description	Gross Block				Depreciation				Net Block	
	As at	Additions	Deductions	As at	Upto	For the	Adjustments	Upto	As at	As at
	01.04.2008	During the period		31.03.2009	31.03.2008	period		31.03.2009	31.03.2009	31.03.2008
Plant and Machinery	53.42	1,025.42	–	1,078.84	7.48	9.47	–	16.95	1,061.89	45.94
Electrical Installations	9.53	–	–	9.53	1.75	0.45	–	2.20	7.33	7.78
Furnitures & Fittings	44.80	0.33	–	45.13	7.88	2.84	–	10.72	34.41	36.92
Office Equipments	38.46	2.39	–	40.85	4.89	1.89	–	6.78	34.07	33.57
Motor Vehicles	99.49	142.76	–	242.25	22.70	21.20	–	43.90	198.35	76.79
Computers	14.34	1.42	–	15.76	4.02	2.41	–	6.43	9.33	10.32
Total	260.04	1,172.32	–	1,432.36	48.72	38.26	–	86.98	1,345.38	211.32
Previous Period	285.76	46.10	71.82	260.04	53.63	24.36	29.27	48.72	211.32	232.13

Capital work in progress (including advances)

(Rs. in lacs)

Description	Gross CWIP				Capitalisation				Net CWIP	
	As at	Additions	Deductions	As at	Upto	During the	Adjustments	Upto	As at	As at
	01.04.2008	During the period		31.03.2009	31.03.2008	period		31.03.2009	31.03.2009	31.03.2008
Plant and Machinery	6,013.04	13,452.85	–	19,465.89	–	1,152.01	–	1,152.01	18,313.88	6,013.04
Total	6,013.04	13,452.85	–	19,465.89	–	1,152.01	–	1,152.01	18,313.88	6,013.04
Previous Period	–	6,013.04	–	6,013.04	–	–	–	–	6,013.04	–

Note: Capital Work In Progress is abbreviated by CWIP

	As at 31 March 2009	As at 31 March 2008
Schedule "F" INVESTMENTS		
Long Term, Non Trade		
Unquoted		
The City Co-operative Bank Limited [6,010 Equity Shares of Rs. 25 each, fully paid up (Previous Year 6,010 Equity Shares of Rs.25 each fully paid)]	1.50	1.50
Investment in Subsidiary [See Note no C(18) of Schedule "T"]		
Warna Minerals Private Limited		
Equity Shares [85,000 Shares (Previous Year 85,000 shares) of Rs. 10 each fully paid up]	85.00	85.00
0% Redeemable Optionally Convertible Preference Shares [12,13,000 Shares (Previous Year 12,13,000 shares) of Rs.10/- each fully paid up with option to be redeemed within 3 years from the date of investment.]	1,819.50	1,819.50
[Aggregate of Unquoted Investments at Book Value Rs. 1,906.01 Lacs (Previous Year Rs. 1,906.01 Lacs)]		

Schedules to the Balance Sheet

(Rs. in lacs)

	As at 31 March 2009	As at 31 March 2008
Schedule "F" INVESTMENTS (Contd.)		
Current Investments		
Quoted		
SBI Mutual Fund		
Magnum Insta Cash Fund - Daily Dividend Option [65,226 units (Previous Year 27,984 units)] [Market value Rs. 10.93 Lacs (Previous Year Rs. 4.69 Lacs)]	10.93	4.69
Birla Sun Life Mutual Fund	31.66	–
Short Term Fund - Institutional Scheme - Daily Dividend Option [3,16,376 units (Previous Year Nil units)] [Market value Rs. 31.66 Lacs (Previous Year Rs. Nil)]		
Birla Sun Life Mutual Fund	512.81	–
Dynamic Bond Fund - Retail Quarterly Dividend [46,92,419 units (Previous Year Nil units)] [Market value Rs. 512.81 Lacs (Previous Year Rs. Nil)]		
ICICI Prudential Mutual Fund	152.24	–
Flexible Income Plan - Daily Dividend Option [14,39,854 units (Previous Year Nil units)] [Market value Rs. 152.25 Lacs (Previous Year Rs. Nil)] [Aggregate of Quoted Current Investments at Book Value Rs. 707.65 Lacs (Previous Year Rs. 4.69 Lacs) and Market Value Rs. 707.65 Lacs (Previous Year Rs. 4.69 Lacs)]		
	2,613.64	1,910.69
Schedule "G" INVENTORIES [As taken, valued and certified by the Management]		
Raw Material	567.54	924.33
Finished Goods	2,023.10	4,815.18
	2,590.64	5,739.51
Schedule "H" SUNDRY DEBTORS [Unsecured, considered good]		
For a period exceeding six months	13.32	19.23
Other Debts	12,928.48	7,405.00
	12,941.80	7,424.23
Schedule "I" CASH & BANK BALANCES		
Cash in hand	11.18	17.03
Balances with Scheduled Banks		
In Current Accounts	723.92	759.57
In Fixed Deposit Accounts	1,211.96	465.97
	1,947.06	1,242.57
Schedule "J" LOANS & ADVANCES [Unsecured, Considered good]		
Advance recoverable in cash or in kind or for value to be received.	58.35	794.64
Advances to Suppliers	4,812.59	6,858.53
Advance to subsidiary	5.69	–
Inter – Corporate Deposits	4,015.12	–
Advance Tax & TDS	5,736.29	2,499.03
Deposits	2,599.24	2,152.75
	17,227.28	12,304.95

Schedules to the Balance Sheet

(Rs. in lacs)

	As at 31 March 2009	As at 31 March 2008
Schedule "K" CURRENT LIABILITIES & PROVISIONS		
i) Current Liabilities		
Sundry Creditors	2,780.22	1,306.80
Other Liabilities	528.37	330.31
	3,308.59	1,637.11
ii) Provisions		
Retirement Benefits	11.05	14.42
Provision for Taxation	7,030.65	5,857.64
Provision for Fringe Benefit Tax	40.13	20.13
	7,081.83	5,892.19
	10,390.42	7,529.30
Schedule "L" MISCELLANEOUS EXPENDITURE (To the extent not written - off or adjusted)		
i) IPO Expenses		
Opening Balance	126.82	–
Addition during the period	772.70	126.82
Less: Written – off during the period	899.52	–
	–	126.82
ii) Mine Development Expenses		
Opening Balance	1,016.90	–
Addition during the period	1,366.14	1,164.69
Less : Written - off during the year	1,235.82	147.79
	1,147.22	1,016.90
	1,147.22	1,143.72

Schedules to the Profit and Loss Account

	Year ended 31 March 2009	Year ended 31 March 2008
Schedule "M" INCOME FROM OPERATIONS		
Sales		
Export Sales	2,120.27	12,169.96
Local Sales	41,277.26	28,130.45
	43,397.53	40,300.41
Schedule "N" OTHER INCOME		
Dividends	60.89	4.69
Interest Income [Tax Deducted at Source Rs. 4.73 Lacs (Previous Year Rs.Nil)]	318.15	–
Foreign Exchange Fluctuation (Net)	36.17	103.89
Premium on Forward Exchange Contracts	–	5.34
Other Income	22.08	–
	437.29	113.92

Schedules to the Profit and Loss Account

(Rs. in lacs)

		Year ended 31 March 2009	Year ended 31 March 2008
Schedule "O" INCREASE / (DECREASE) IN STOCKS			
Finished Goods			
Closing Stocks	2,023.10		4,815.18
Less: Opening Stocks	4,815.18		2,801.12
		(2,792.08)	2,014.06
Schedule "P" MATERIALS, PRODUCTION AND OPERATIONAL EXPENSES			
Materials Consumed			
Opening Stocks	924.33		574.73
Add: Purchases	10,774.02		10,344.47
	11,698.35		10,919.20
Less: Closing Stocks	567.54		924.33
		11,130.81	9,994.87
Direct Expenses			
Extraction Charges		2,607.19	1,805.79
Labour Charges		150.70	137.46
Screening Charges		3,269.11	1,294.99
Crushing Charges		4,133.32	3,553.82
Freight & Transportation Charges		440.26	3,504.65
Mining Restitution Charges		745.63	825.40
Haulage, Siding, Terminal Charges		8.50	90.20
Loading/Unloading Charges		57.25	444.99
Purchases of Ore for Sale		10,234.17	6,593.34
		32,776.94	28,245.51
Schedule "Q" EMPLOYEE COSTS			
Salaries & Bonus		131.18	83.38
Contribution to Provident Fund and Other Funds		14.43	9.79
Directors' Remuneration		91.68	81.71
Staff Welfare Expenses & Other Benefits		8.13	18.09
		245.42	192.97
Schedule "R" ADMINISTRATION & SELLING EXPENSES			
Rent		13.32	14.74
Travelling & Conveyance		117.81	82.96
Communication Costs		13.80	14.05
Repairs & Maintenance (Others)		6.26	5.69
Professional Fees		215.68	138.75
Auditors' Remuneration		16.55	16.85
Commission on Sales		35.83	6.88
Stevedoring, Wharfage, Handling & Other Expenses		1,284.42	699.82
Advertisement & Sales Promotion Expenses		50.71	17.49
Ocean Freight		518.66	1,955.53
Directors Sitting Fees		5.40	1.20
Balances Written - Off		208.04	88.43
Loss on Sale of Fixed Assets		–	23.27
Insurance		12.43	0.22
Miscellaneous Expenses		79.97	38.98
		2,578.88	3,104.86

Schedules to the Profit and Loss Account

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
Schedule "S" FINANCIAL CHARGES		
Bank Charges	84.93	63.37
Bank Interest	823.18	304.40
Other Interest	118.91	27.98
	1,027.02	395.75
Less: Interest on Fixed Deposits [Tax Deducted at Source Rs. 17.30 Lacs (Previous Year Rs. 2.98 Lacs)]	91.54	21.59
	935.48	374.16

Schedule "T" **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

A) Company Overview

Resurgere Mines & Minerals India Limited is a Public Limited Company engaged in the business of extraction, processing & sale of Ore and exploration & development of mining assets. Presently the Company is enjoying long term exclusive raising and purchasing rights at two Iron Ore Mines situated in the State of Orissa, one in the State of Jharkhand and has also entered similar arrangement during the current financial year for a Bauxite Mine in the State of Maharashtra. The Company has also acquired mining rights for Soapstone in the State of Rajasthan during the current financial year.

The Company also has 60 % equity holding in another bauxite mine in the State of Maharashtra through its wholly owned subsidiary i.e. Warana Minerals Private Limited.

B) Significant Accounting Policies

i. Basis of Accounting

The financial statements are prepared under the historical cost convention, on a going concern concept and in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India. The Company follows mercantile system of accounting and recognises Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

ii. Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of incidental expenses related thereto and are net of CENVAT/VAT credit, if any.

Expenditure during project implementation period:

All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in-progress until the assets are ready for commercial use. Assets under implementation are not depreciated.

iii. Impairment of Fixed Assets

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference

iv. Depreciation

Depreciation on Fixed Assets is provided on 'Straight Line Method' in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956. Depreciation has been claimed 100% on newly acquired individual capital items upto a value of Rs. 5,000/-.

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

v. Investments

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

vi. Inventories

Raw materials are valued at cost.

Finished goods are valued at lower of cost or net realisable value.

vii. Borrowing Costs

Interest and other borrowing costs on specific borrowing relatable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

viii. Retirement Benefits

i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Profit & Loss Account for the year.

ii) The liability of Gratuity is determined and provided for based on actuarial valuation made by an independent actuary as at the Balance Sheet date.

ix. Miscellaneous Expenditure

a) Initial Public Offer Expenses

Initial public offer related expenses incurred during current financial year along with brought forward un-adjusted expenses has been written-off against the credit balance available in securities premium account.

b) Initial Mine Development Expenses

Expenses on initial development of "Tatibha Mines" are being amortised over a period of 5 years from the year in which the expenditure is incurred as estimated by the management.

x. Foreign Currency Transactions

a) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.

b) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realisation is treated as revenue.

c) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognised in the Profit and Loss Account.

d) The premium or discount in respect of forward exchange contract is amortised over the life of contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts are recognised in the Profit & Loss Account in the reporting period.

xi. Revenue Recognition

Revenue from sale of goods is recognised when significant risks and rewards of ownership are transferred to the customers. Sales are net of trade discounts and sales tax.

xii. Accounting for Taxation on Income

Current Taxes

Provision for current income-tax is recognised in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. The effect of a change in tax rates on deferred tax and assets or liabilities are recognised in the period that

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

includes the enactment date. Deferred tax Assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Fringe Benefits

Provisions for Fringe Benefits Tax (FBT) have been recognised on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

xii. Treatment of Contingent Liabilities

Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payments in respect of such demands, if any, are shown as advances. Contingent Liabilities are disclosed by way of notes.

C) Notes to Accounts

- 1) The Company has made an Initial Public Issue ("IPO") for 44,50,000 Equity Shares of Rs. 10/- each including employee reservation portion of 2,50,000 Equity Shares which opened on 11th August 2008 and closed on 13th August 2008. The Company in consultation with the Book Running Lead Manager for the IPO fixed the price per share at Rs. 270/- and allotted the shares on 26th August 2008 as per the terms of allotment given in the prospectus filed with the Registrar of Companies. Out of the IPO proceeds of Rs. 12,015 Lacs, the Company has as per the object set out in the prospectus utilised Rs 7068 Lacs towards advances for acquisition of plant and machinery, advance for purchase of railway rakes, working capital margin, pre operative expenses, meeting IPO expenses and general corporate purposes. Pending utilisation the balance funds of Rs. 4,947 Lacs as on 31st March 2009 has been temporarily invested in Bank Fixed Deposits, Mutual Funds, ICD's and Current Account Bank Balances.
- 2) The Company has obtained approval of the shareholders through the postal ballot for amending/altering/varying/modifying the main object of raising funds and the manner of use of funds as stated in the heading "Objects of the Issue" which is approved by the shareholders on 24th April 2009 through postal ballot under section 192A of The Companies Act, 1956.
- 3) In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realisable in the ordinary course of business. The provision for all known liabilities is adequate.
- 4) Confirmation letters have been sent by the Company in respect of balances reflected under Sundry Debtors, Sundry Creditors and Loans and Advances. In view of confirmations having been received from only some of the parties, the balance under these heads have been shown as per books of accounts and are subject to reconciliation and adjustment if any.
- 5) The names of the Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" could not be identified, as the necessary evidence is not in the possession of the Company.
- 6) **Secured Loans are as under:**
 - i) Term Loans outstanding.
 - a) ICICI Bank - Rs. 2,652.43 Lacs (Previous year Rs.798.61 Lacs)
[Aggregate Rs. 2,852.97 Lacs (Previous Year Rs. 798.61 Lacs)] – Secured by:
 - Exclusive charge on the proposed plant & machineries to be purchased.
 - Collateral security by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis, pledge of shares of the Company owned by the director/s and lien on fixed deposit.
 - The Loan is further secured by personal guarantee of one of the Director, a relative of director and a partnership firm in which a director is partner.
 - b) Union Bank of India - Rs. 2,390.51 Lacs (Previous year – Rs. Nil)
[Aggregate Rs. 2,598.70 Lacs (Previous Year Rs. Nil)] – Secured by :
 - Exclusive charge on the underlying plant & machineries.
 - Collateral security by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis, pledge of shares of the Company owned by the director/s and lien on fixed deposit.

Schedules Forming Part of the Accounts

Schedule	"T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)
	<ul style="list-style-type: none"> Personal guarantee of one of the Director, a relative of director and a partnership firm in which a director is partner
	ii) Working Capital Loans from Banks:
	a) Union Bank of India – Rs. 1,433.98 Lacs (Previous year. Rs. 720.80 Lacs) – Secured by:
	<ul style="list-style-type: none"> Hypothecation charge on the entire current assets of the Company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. Collateral security by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis. Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.
	b) ICICI Bank Limited– Rs. 198.55 Lacs (Previous year 58.35 Lacs) – Secured by :
	<ul style="list-style-type: none"> Collateral securities by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis. Personal Guarantee of one of the directors, a relative of director and a partnership firm in which director is partner.
	c) The City Co. Operative Bank Limited – Rs. 89.92 Lacs (Previous year Rs. NIL) secured by lien on Fixed Deposit.
	iii) Export Packing Credit
	a) State Bank of India – Rs. 2,550.71 Lacs (Previous year Rs. 2,823.52 Lacs) – Secured by :
	<ul style="list-style-type: none"> Hypothecation charge on the entire current assets of the Company consisting of raw materials, Stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. Collateral security by way of charge on the entire fixed assets of the Company on the pari passu basis. Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership in which director is partner respectively on pari passu basis. Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.
	iv) Vehicle Loans
	a) HDFC Bank – Rs. 1.70 Lacs (Previous year Rs. 5.53 Lacs) – secured by
	<ul style="list-style-type: none"> Against vehicle financed
	b) ICICI Bank – Rs. 18.01 Lacs (Previous year Rs. 17.00 Lacs) – secured by
	<ul style="list-style-type: none"> Against vehicle financed
	c) Kotak Mahindra Prime Ltd. – Rs. 8.18Lacs (Previous year Rs.NIL) – secured by
	<ul style="list-style-type: none"> Against vehicle financed
7)	Contingent liabilities not provided for
	a) Guarantee given by Bank on behalf of the Company Rs.47.14 Lacs (Previous year Rs. 170.00 Lacs).
	b) Claims against the Company not acknowledged as debts Rs.121.85 Lacs, including interest (Previous Year Rs.116.51 Lacs).
	c) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 3,929.67 Lacs (Previous Year Rs. 11,117.90 Lacs)

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

8) A. Auditors Remuneration:

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Audit Fees	13.24	13.48
Tax Audit Fees	3.31	3.37
Total	16.55	16.85

B. Initial Public Offer Expenses includes Rs. Nil (Previous Year Rs. 8.43 Lacs) paid to the auditors of the Company.

9) A.) Directors' Remuneration

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Directors' Remuneration	91.68	81.71
Company's Contribution to PF	7.10	5.49
Total	98.78	87.20

B. Professional fees includes Rs. 5.00 Lacs (Previous year Rs.3.50 Lacs) paid to an independent director of the Company.

10) a) Other Liabilities shown in Schedule "K"

- Includes Rs.127.38 Lacs (Previous year Rs.111.52 Lacs) being share application money refundable to an Overseas Corporate Body. Necessary approval is awaited from Reserve Bank of India to refund this amount .
- Includes unpaid dividend amounting to Rs.NIL (Previous year Rs. 0.60 Lacs)

b) Local Sales shown in Schedule "M" is net of sales tax of Rs. 2,222.80 Lacs (Previous year Rs. 1,556.65 Lacs)

c) Foreign exchange fluctuation gain shown in Schedule "N" includes Rs.NIL (Previous year Rs. 146. 94 Lacs) being exchange gain on account of refund of shares application money to a overseas body corporate.

d) Miscellaneous expenses shown in Schedule "R" includes key man insurance premium Rs. 1.22 Lacs (Previous Year Rs. 0.22 Lacs)

11) Mining Restitution Charges Rs. 745.63 Lacs (Previous Year Rs. 825.40 Lacs) shown in Schedule "P" represents expenses incurred during the year for reformation of some benches at the mines at "Nuagaon".

12) During the financial year the Company during the course of excavation activity at the Nuagaon mine situated in the State of Orissa has found soft ore (popularly known as blue dust) in the said mine. Soft Ore has significantly lesser economic value and the Company after considering all commercial implications has decided to discontinue excavation activity on the said mine. The earlier accounting policy followed by the Company has changed for the unamortised mine development expenses amounting to Rs 937.18 Lacs incurred for extension of benches in the said mine now have been fully written off during the financial year as no economic benefit is likely to be derived from it. Consequently the Company has commenced excavation activity on an adjacent mine site comprising an extended portion of the said mine.

13) Additional Information Pursuant to the provisions of Part II of the Schedule VI of the Companies Act 1956

i) Quantitative Information:

a) Installed Capacity N.A.

b) Purchase/Production, Consumption/Sales/Stock

i) Opening Stock, Production/Purchases, Sales & Closing Stock of Finished Goods:

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

(Rs. in lacs)

	Opening Stocks		Production/ Purchases*		Sales		Closing Stocks	
	Quantity (Mts)	Amt	Quantity (Mts)	Amt	Quantity (Mts)	Amt	Quantity (Mts)*	Amt
Current Year	2,96,612	4,815.18	21,35,859	10,234.17	20,83,890	43,397.53	3,48,581	2,023.10
Previous Year	2,73,372	2,801.12	18,62,753	6,593.34	18,39,513	40,300.41	2,96,612	4,815.18

Above mentioned quantity and value includes :

1. Purchase/Production includes trading purchases of 5,13,322 MTS of Rs. 10,234.17 Lacs (Previous Year 4,46,458 MTS Rs. 6,593.34 Lacs).
2. Sales include trading sales of 5,23,069 MTS Rs. 12,875.75 Lacs (Previous Year 3,17,840 MTS Rs.12,169.96 Lacs).
3. * net of shortage

ii) Raw Materials consumed:

(Rs. in lacs)

Particulars	Quantity (Mts)	Amount
Opening Stocks	2,26,000	924.33
	(1,80,000)	(574.73)
Purchases	26,78,202	10,774.02
	(24,32,986)	(10,344.47)
Closing Stocks	1,23,300	567.54
	(2,26,000)	(924.33)
Consumption*	2,780,902	11,130.81
	(23,86,986)	(9,994.87)

* including spoilage

iii) Value of Imported and Indigenous Raw Materials consumed during the year.

(Rs. in lacs)

Description	2008-2009		2007-2008	
	in %	Amount	in %	Amount
Imported	—	—	—	—
Indigenous	100%	11,130.81	100%	9,994.87

iv) Expenditure and Earnings in Foreign Exchange

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
a) Expenditure in Foreign Exchange		
Foreign Travelling Expenses	7.36	Nil
Commission	Nil	Nil
Freight	513.66	1,955.53
Other expenses	1.71	3.64
b) Earnings in Foreign Exchange		
Export Sales –(FOB)	2,117.12	10,214.43

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

v) CIF Value of Imports (Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Capital Goods	908.04	Nil

14) Disclosure as per AS 15 Revised

The principal assumptions used in the actuarial valuation of Gratuity are as follows.

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Discount rate	8.00%	8.00%
Expected rate of return on assets	0.00%	0.00%
Expected rate of future salary increase	7.00%	7.00%

Changes in present value of obligations

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Opening Balance of present value of obligation	14.42	3.59
Interest Cost	1.67	0.42
Current Service Cost	6.54	1.58
Benefits paid	0.00	0.00
Actuarial (gain)/loss on obligations	(11.58)	8.83
Closing Balance of present value of obligation	11.05	14.42

Liability recognised in the Balance Sheet

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Opening Balance of present value of obligation	11.05	14.42
Fair Value of plan assets as at the end of the year	0.00	0.00
Unfunded status	11.05	14.42
Unrecognised Actuarial (Gain)/ loss	0.00	0.00
Closing Net (Assets)/ Liability recognised in the Balance Sheet	11.05	14.42

Expenses recognised in the Profit and Loss Account

(Rs. in lacs)

Current Service Cost	2008-2009 Amount	2007-2008 Amount
Past Service Cost	6.54	1.58
Interest Cost	0.00	0.00
Expected return on plan assets	1.67	0.42
Net Actuarial (Gain)/ loss recognised during the year	0.00	0.0
Excess provided in earlier year	(11.58)	8.83
Total Expenses recognised in the Profit and Loss account	0.00	(1.79)
	(3.37)	9.04

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

15) Earning Per Share

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
A Weighted average number of Equity Shares of Rs. 10/- each		
i Number of shares at the end of the year	2,85,41,550	2,40,91,550
ii Weighted average number of Equity Shares outstanding during the year	2,67,37,166	2,00,71,347
iii Weighted average number of Potential Equity Shares outstanding during the year	–	–
iv Total number of Potential Equity share for calculating Diluted Earning Per Share	–	–
B Net Profit after Tax available for Equity shareholders (Rs. In Lacs)	2,161.16	6,433.64
C Basic Earning Per Share (in Rs.) {B/A (ii)}	8.08	32.05
D Diluted Earning Per Share (in Rs.) {B/A (iv)}	8.08	32.05

16) Taxes on Income:

- Provision for Taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961
- In terms of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India the Company has recognised Deferred Tax Assets amounting to Rs.127.67 Lacs (Previous Year Deferred Tax Liability of Rs. 359.65 Lacs) for the year ended 31st March 2009 in the Profit & Loss Account.

- The accumulated balance in Net Deferred Tax Assets comprises of:

(Rs. in lacs)

Particulars	Opening Balance Deferred Tax Liability / (Assets) Amount	Current Year Change Liability/ (Assets) Amount	Closing Balance Deferred Tax Liability/(Assets) Amount
Deferred Tax Liability / (Assets)			
Depreciation	11.08	71.24	82.32
Disallowance under Income Tax Act	(0.24)	0.24	Nil
Provision for Gratuity	(4.90)	1.14	(3.76)
Pre-operative Expenses	Nil	(244.60)	(244.60)
Miscellaneous Expenditure allowed as deduction in Income Tax	345.64	44.31	389.95
Deferred Tax Liability/(Assets) [Net]	351.58	(127.67)	223.91

17) Segment Information:

a) Primary (Business) Segment

In accordance with the requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business constitutes only one reportable business segment being Mining & Trading of Ore and hence no separate disclosure to attributable Revenues, Profits, Assets, Liabilities, and Capital Employed are given.

b) Secondary (Geographical Segment)

Secondary Segment Reporting is on the basis of geographical location of the customers. The operation of the Company comprises local sales and export sales. The management views the Indian Market and Export Market are distinct geographical segments. The following is the distribution of the Company's sale by geographical markets.

(Rs. in lacs)

Sales	2008-2009	2007-2008
India	4,12,77.26	2,81,30.45
Exports	2,120.27	1,21,69.96
Total	4,33,97.53	4,03,00.41

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

The following are the carrying amount of segment assets by geographical area in which the assets are located
(Rs. in lacs)

Carrying amount of business segment	2008-2009	2007-2008
India	5,69,72.37	3,46,55.18
Outside India*	7.33	191.13
Total	5,69,79.70	3,48,46.31

• Carrying amount of segment assets outside India represents receivables from Export Sales.

- 18) Warana Minerals Private Limited, a wholly owned subsidiary of the Company was one of the partner in erstwhile partnership firm ie. Shri Warana Minerals with 60% interest and has been subsequently converted into Shri Warana Minerals (India) Pvt. Ltd. under Part IX of Companies Act, 1956 w.e.f. 16th February 2009 with 60% equity share holding.

19) **Related Party Disclosures:**

i) For the year ended 31st March 2009

a) Key Management Personnel

Mr. Subhash Sharma	Director
Mr. Amit Sharma	Director
Mr. I.D. Agarwal	Director
Mr. Burzin Somandy	Director
Mr. Aditya Singh*	Director
Mr. Suresh Kumar Singh*	Director
Mr. D. P. Singh**	Director
Mr. Pradeep Bishnoi***	Director
Mr. Siddharth Bhargava**	Director

* Appointed during the year.

** Appointed and Resigned during the year

*** Appointed resigned and again reappointed during the year

**** Resigned during the year

b) Associates

Exfin Shipping (India)	Partnership Firm
Victory Sponge Private Limited	Company
Spear Petroleum Private Limited	Company
Eminent Steel Private Limited	Company
Runwell Steel Private Limited	Company

c) Subsidiary

Warana Minerals Pvt. Ltd.	Company
Shri Warana Minerals (India) Pvt. Ltd.	Company

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

(Rs. in lacs)

Nature of Transaction	In relation to (a) above	In relation to (b) above	In relation to (c) above
Rent	–	1.20 (1.20)	–
Directors Remuneration	98.78 (81.71)	–	–
Professional Fees	5.00 (5.50)		
Director Sitting Fees	5.40 (1.20)	–	–
Loans Taken	– (124.96)	100.00 (3,307.19)	–
Loans Repayment	– (124.96)	1,228.56 (2,233.51)	–
Loan Granted	2.20 (–)	810.00 (–)	5.59 (–)

(Rs. in lacs)

Nature of Transaction	In relation to (a) above	In relation to (b) above	In relation to (c) above
Loan Returned Back	2.20 (–)	610.00 (–)	0.03 (–)
Advance Granted	6.63 (–)	5.56 (–)	0.19 (–)
Advance Returned Back	6.63 (–)	5.66 (–)	0.07 (–)
Interest on Loans Taken	–	55.48 (24.82)	–
Interest on Loans Given		15.28 (–)	
Share Application Money Received	–	– (1,500.00)	–
Shares Allotted	–	– (1,500.00)	–
Investments	–	–	–
	–	–	(1,904.50)

Schedules Forming Part of the Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

Amount Outstanding as at 31st March 2009

(Rs. in lacs)

Nature of Transaction	In relation to (a) above	In relation to (b) above	In relation to (c) above
Current Liabilities	5.11 (3.60)	– (0.10)	– –
Current Assets	–	205.09 (–)	5.69 (–)
Unsecured Loans	–	– (1,093.39)	– –
Deposits Given	–	202.68 (202.68)	– –
Investments	–	–	1,904.50 (1,904.50)

Previous year figures are given in brackets.

- 20) Preoperative expenses net of capitalisation of Rs.592.25 Lacs (Previous Year Rs. 297.11 Lacs) are included in capital work in progress.
- 21) The Company has during the year purchased 10,04, 95,370 (Previous year 2,09, 23,132) units of Mutual Fund amounting to Rs.10,779.42 Lacs (Previous year Rs. 3,504.68 Lacs) and out of the same redeemed 9,40,09,480 (Previous year 2, 08, 95,148) units amounting to Rs. 10,076.47 Lacs (Previous year Rs. 3,500.00 Lacs).

Investment in Mutual Fund

(Rs. in lacs)

Particulars	Purchase		Redemption	
	Units	Amount	Units	Amount
Birla Sun Life Mutual Fund	36,097,356	3,692.58	31,088,561	3,148.11
DSP Blackrock Mutual Fund	5,081,569.	508.30	5,081,569	508.30
HDFC Mutual Fund	15,009,777	1,506.08	15,009,777	1,506.08
ICICI Prudential Mutual Fund	1,439,853	152.24	–	–
LIC Mutual Fund	39,217,258	4,011.01	39,217,258	4,011.01
SBI Mutual Fund	3,619,267	606.24	3,582,025	600.00
UTI Mutual Fund	30,290	302.97	30,290	302.97
Total	100,495,370	10,779.42	94,009,480	10,076.47

- 22) Figures less than Rs. 500/- has been shown at actual wherever statutory required to be disclosed since figures have been rounded off to the nearest Rs. 000s.
- 23) Figures of the previous year have been regrouped, reclassified and / or rearranged wherever necessary to compare with the figures of the current year.

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.

1	1	-	0	7	4	1	4	0
---	---	---	---	---	---	---	---	---

 State Code

		1	1
--	--	---	---

Balance Sheet Date

3	1
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0	3
---	---

2	0	0	9
---	---	---	---

Date Month Year

II. Capital Raised during the year (Rs. in lacs)

Public Issue (inclusive of Security Premium)

		1	2	0	1	5
--	--	---	---	---	---	---

 Rights Issue

				N	I	L
--	--	--	--	---	---	---

Bonus Issue

				N	I	L
--	--	--	--	---	---	---

 Private Placement

				N	I	L
--	--	--	--	---	---	---

III. Position of Mobilisation and Deployment of Funds (Rs. in lacs)

Total Liabilities

		4	7	7	3	6
--	--	---	---	---	---	---

 Total Assets

		4	7	7	3	6
--	--	---	---	---	---	---

Sources of Funds

Paid-up Capital

			2	8	5	4
--	--	--	---	---	---	---

 Reserves & Surplus

		3	3	0	1	4
--	--	---	---	---	---	---

Unsecured Loans

			2	3	0	0
--	--	--	---	---	---	---

 Secured Loans

			9	3	4	4
--	--	--	---	---	---	---

Deferred Tax Liabilities

				2	2	4
--	--	--	--	---	---	---

Application of Funds

Net Fixed Assets

		1	9	6	5	9
--	--	---	---	---	---	---

 Investments

			2	6	1	4
--	--	--	---	---	---	---

Net Current Assets

		2	4	3	1	6
--	--	---	---	---	---	---

 Misc. Expenditure

			1	1	4	7
--	--	--	---	---	---	---

Accumulated Losses

				N	I	L
--	--	--	--	---	---	---

IV. Performance of Company (Rs. in lacs)

Turnover and Income

		4	1	0	4	3
--	--	---	---	---	---	---

 Total Expenditure

		3	7	8	1	1
--	--	---	---	---	---	---

Profit/Loss Before Tax

			3	2	3	2
--	--	--	---	---	---	---

 Profit/Loss After Tax

			2	1	6	1
--	--	--	---	---	---	---

(Please tick appropriate box, + for Profit, - for Loss)

Earnings Per Share in (Rs.)

			8	.	0	8
--	--	--	---	---	---	---

 Dividend Rate (%)

				N	I	L
--	--	--	--	---	---	---

V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)

Item Code No.	Product Description																						
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>6</td><td>0</td><td>1</td><td>1</td><td>1</td><td>4</td><td>0</td></tr></table>	2	6	0	1	1	1	4	0	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>I</td><td>R</td><td>O</td><td>N</td><td></td><td>O</td><td>R</td><td>E</td><td></td><td>F</td><td>I</td><td>N</td><td>E</td><td>S</td></tr></table>	I	R	O	N		O	R	E		F	I	N	E	S
2	6	0	1	1	1	4	0																
I	R	O	N		O	R	E		F	I	N	E	S										
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>6</td><td>0</td><td>6</td><td>0</td><td>0</td><td>9</td><td>0</td></tr></table>	2	6	0	6	0	0	9	0	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>B</td><td>A</td><td>U</td><td>X</td><td>I</td><td>T</td><td>E</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	B	A	U	X	I	T	E							
2	6	0	6	0	0	9	0																
B	A	U	X	I	T	E																	
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>6</td><td>0</td><td>1</td><td>1</td><td>1</td><td>1</td><td>0</td></tr></table>	2	6	0	1	1	1	1	0	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>I</td><td>R</td><td>O</td><td>N</td><td></td><td>O</td><td>R</td><td>E</td><td></td><td>L</td><td>U</td><td>M</td><td>P</td><td>S</td></tr></table>	I	R	O	N		O	R	E		L	U	M	P	S
2	6	0	1	1	1	1	0																
I	R	O	N		O	R	E		L	U	M	P	S										
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>									<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>S</td><td>O</td><td>A</td><td>P</td><td></td><td>S</td><td>T</td><td>O</td><td>N</td><td>E</td><td></td><td></td><td></td><td></td></tr></table>	S	O	A	P		S	T	O	N	E				
S	O	A	P		S	T	O	N	E														

Signatories to Schedule "A" to "T"

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Section 212

Statement pursuant to Section 212 of the Companies act, 1956, relating to Subsidiary Company

Name of the Subsidiary	Number of shares in the Subsidiary Company held by Resurgere Mines & Minerals India Limited at the financial year ending date		The net aggregate of profits/ (losses) of the Subsidiary Companies so far as they concern the members of Resurger Mines & Minerals India Ltd.			
			For Current Financial Year Amount (Rs. Lacs)		For Previous Financial Year Amount (Rs. Lacs)	
	Equity	Extent of holding	Dealt with in the account of the Resurgere Mines & Minerals India Ltd for the year ended 31st March 2009	Not dealt with in the account of the Resurgere Mines & Minerals India Ltd for the year ended 31st March 2009	Dealt with in the account of the Resurgere Mines & Minerals India Ltd for the year ended 31st March 2008	Not dealt with in the account of the Resurgere Mines & Minerals India Ltd for the year ended 31st March 2008
Warana Minerals Private Limited (WMPL)	85,000 Equity Shares,	100%	NIL	N.A.	NIL	N.A.
Shri Warana Minerals (India) Private Limited	27,000 Equity Shares held by WMPL	60%	NIL	N.A.	N.A.	N.A.

- Notes:**
1. The financial year ending of the Resurgere Mines & Minerals India Limited and its subsidiary companies are 31st March 2009.
 2. Shri Warana Minerals (India) Private Limited was formed on 16th February 2009 under Part IX of the Companies Act, 1956.

As per our Report of even date attached

For and on behalf of the Board

For **Churiwala & Co.**
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Directors' Report

To,
The Members,
Warana Minerals Private Limited.

The Directors are pleased to present their 9th Annual Report and Audited Statement of Accounts for the year ended 31st March 2009.

Financial Result

The Company has not yet started its business operation.

Dividend

Since the business operations have not yet been started, your Directors do not recommend any dividend.

Fixed Deposit

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

Subsidiary and Holding Company

During the year under review, your company has acquired 60% equity shares of Shri Warana Minerals (India) Private Limited and pursuant to this acquisition; Shri Warana Minerals (India) Private Limited has become Subsidiary Company of the Company.

Further, 100% Share Capital of the Company is held by the Resurgere Mines and Mineral India Limited, the holding company of the Company.

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the companies Act, 1956, with respect to Directors' Responsibility Statement, your directors confirm that:

- In the preparation of Annual Accounts, the applicable Accounting Standard had been followed;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2009 and profit or loss of the Company for the year ended on that date;
- The Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provision of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- The Directors had prepared the Annual Accounts on a "going concern" basis.

Particulars of Employees

The Company does not have any employees who were in the receipt of remuneration aggregating to the sum prescribed under Section

217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Conservation of Energy

In terms of Section 217 (1) (e) of the Companies Act, 1956, information relating to Conservation of Energy, Technology absorption, Foreign Exchange earning and outgo is not required as the Company is not engaged in manufacturing activities.

Directors

Mr. Amit Sharma, Director retire by rotation and being eligible offers himself for re-appointment.

Auditors

M/s. Dargar & Co., Chartered Accountant, Mumbai, Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and being eligible offered themselves for reappointment.

The Company has received letter from M/s. Dargar & Co., Chartered Accountant, Mumbai to the effect that their reappointment if made would be within prescribed limits under section 224 (1B) of the Companies Act, 1956. Members are requested to re-appoint M/s. Dargar & Co., Chartered Accountant, Mumbai, as the Statutory Auditors of the Company and authorised the Board of Directors to fix their remuneration.

Auditors' Report

All observation made by the Auditors in their reports are self explanatory by way of Notes on Accounts and does not require any further clarification.

Acknowledgement

Yours Directors place on record their appreciation of co-operation and support extended by the Bankers, Client, Government agencies and other institution and look forward to their continued support. Yours Directors wish to place on record their deep sense of appreciation for the committed services of Executives, Staff and Workers of the Company.

By order of the Board of Directors
For Warana Minerals Private Limited

Chairman

Place: Mumbai
Date : 19th June 2009

Auditors' Report

To,
The Members,
Warana Minerals Private Limited.

We have audited the attached Balance Sheet of Warana Minerals Private Limited as at 31st March, 2009 for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit..

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we do not annex any statement on the matters specified in the paragraphs 4 and 5 of the said Order as it is not applicable to the Company.
3. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from

our examination of such books.

- c) The Balance Sheet dealt with by this report are in agreement with the books of accounts.
- d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
- e) On the basis of written representation received from the Directors as on 31st March 2009 and taken approval by the Board, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as Directors in terms of Clause (g) of Subsection (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon give the information required by the Companies Act in the manner so required and give a true and fair view:
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009

For M/s Dargar & Co.
Chartered Accountants

Place : Mumbai
Date : 19th June 2009

Vijay Dargar
Proprietor
Mem. No. : 76191

Balance Sheet

(Rs.)

	Schedules	As at 31 March 2009	As at 31 March 2008
I. SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	1,29,80,000	1,29,80,000
Share Application Money		2,50,000	-
Reserves & Surplus	2	18,14,45,612	18,14,45,612
		19,46,75,612	19,44,25,612
		19,46,75,612	19,44,25,612
II. APPLICATION OF FUNDS			
Investments	3	2,70,000	-
Current Assets, Loans & Advances			
Cash & Bank Balances	4	1,28,093	1,87,281
Loans & Advances	5	19,42,63,500	19,40,88,000
		19,43,91,593	19,42,75,281
Less : Current Liabilities & Provisions	6	16,90,796	88,236
Net Current Assets		19,27,00,797	19,41,87,045
Miscellaneous Expenditure	7	17,04,816	2,38,568
		19,46,75,612	19,44,25,612
Significant Accounting Policies & Notes on Accounts	8		

As per our Report of even date attached

For M/s. Dargar & Co.
Chartered Accountants

For and on behalf of the Board

Vijay Dargar
Proprietor
Membership No. 76191

Place: Mumbai
Date : 19th June 2009

Director

Director

Schedule to the Balance Sheet

(Rs.)

	As at 31 March 2009	As at 31 March 2008
Schedule "1" SHARE CAPITAL		
Authorised		
1,00,000 Equity Shares of Rs.10/- each	10,00,000	10,00,000
19,00,000 0% Redeemable Preference Shares (Optionally Convertible into Equity Shares) of Rs. 10/- each.	1,90,00,000	1,90,00,000
	2,00,00,000	2,00,00,000
Issued, Subscribed and Paid up		
85,000 Equity Shares of Rs.10/- each fully paid up	8,50,000	8,50,000
[Previous Year 85,000 Equity Shares of Rs.10 each fully paid up.]		
[All the above Equity Shares are held by the Holding Company viz. Resurgere Mines & Minerals India Limited and its nominee.]		
12,13,000 Preference Share of Rs. 10/- each fully paid up	1,21,30,000	1,21,30,000
[Previous Year 12,13,000 Pref. Shares of Rs. 10 each fully paid up.]		
[All the above Preference Shares are held by the Holding Company viz. Resurgere Mines & Minerals India Limited]		
	1,29,80,000	1,29,80,000
Schedule "2" RESERVES AND SURPLUS		
Security Premium Account		
Opening Balance	16,94,45,612	-
Additions during the period	-	16,98,20,000
	16,94,45,612	16,98,20,000
Less : Share issue expenses write off	-	3,74,388
Closing Balance	16,94,45,612	16,94,45,612
Capital Reserve Account		
Opening Balance	1,20,00,000	-
Additions during the period	-	1,20,00,000
Closing Balance	1,20,00,000	1,20,00,000
	18,14,45,612	18,14,45,612
Schedule "3" INVESTMENTS		
In Equity shares of subsidiary,		
Shri Warana Minerals (India) Pvt. Ltd.	2,70,000	-
[27000 (Previous Year NIL)Equity Shares of Rs.10 each fully paid up.]		
	2,70,000	-
Schedule "4" CASH & BANK BALANCES		
Cash in hand	31,258	1,04,513
Balances with Scheduled Banks		
In Current Accounts	96,835	82,768
	1,28,093	1,87,281

Schedule to the Balance Sheet

(Rs.)

	As at 31 March 2009	As at 31 March 2008
Schedule "5" LOANS & ADVANCES		
Advance to Subsidiary		
Shri Warana Minerals (India) Pvt. Ltd.	19,42,63,500	19,40,88,000
(Maximum amount o/s Rs.194297000/- (Previous Year NIL)		
	19,42,63,500	19,40,88,000
Schedule "6" CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors for Expenses	10,06,953	88,236
Duties & Taxes	1,27,883	-
Advance from holding Company	5,55,960	-
(Resurgere Mines & Minerals India Limited)		
[Maximum amount outstanding Rs.5,55,960/- (Previous year Rs.Nil)]		
	16,90,796	88,236
Schedule "7" MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Pre-operative Expenses		
Opening Balance	2,38,568	1,65,080
Add: Addition during the year	14,66,248	73,488
Less: Written off during the year	-	-
	17,04,816	2,38,568
Schedule "8" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS		

I) SIGNIFICANT ACCOUNTING POLICIES

1. Method of Accounting

The financial statements are prepared under the historical cost convention and as per mercantile system of accounting.

2. Fixed Assets

The Company has not acquired any fixed assets during the period under report.

3. Depreciation

No depreciation has been provided.

4. Investments

Long term investments are stated at cost, less any provision for permanent diminution in value, Current investments are stated at lower of cost or market value.

5. Inventories

There are no inventories at the date of Balance sheet.

Schedule to the Balance Sheet

Schedule "8" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

6. Retirement Benefits

The Company has not provided any retirement benefits since it is not applicable to the Company.

7. The Company has not done any business during the period under report so question of payment of, Income Tax, Wealth Tax, Sales Tax, Purchase Tax, Custom Duty, Excise Duty, Cess, and Entry Tax & Service Tax does not arise. The Company also has not paid professional tax during the period under report. There are no undisputed statutory dues as referred to above as at March 31 2009 outstanding for a period of more than six month from the date they become payable.
8. In our opinion and according to the information and explanation given to us, there is no default in repayment of dues to financial institutions and banks as on 31st March 2009.
9. The provision of Employees provident Fund Act and Employees State Insurance Act does not apply to the Company.
10. The Company's registered office has been shifted from Kolhapur to Mumbai. The necessary approval of Registrar of Companies has been received on 24th November 2008 .
11. The Company has not accepted any deposits under the provisions of Section 58A and 58AA of the Act and the Rules framed there under
12. As Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4(xii) of the Order is not applicable
13. As the Company is not chit fund/ nidhi / mutual benefit funds / society to which the provisions of special statute relating to chit fund are applicable, paragraph 4(xiii) of the Order is not applicable.
14. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
15. The Company has become a wholly owned subsidiary of Resurgere Mines & Minerals India Limited during the period.
16. The Company was one of the partner in erstwhile partnership firm ie. Shri Warana Minerals with 60% interest and was subsequently converted into Shri Warana Minerals (India) Pvt. Ltd. under Part IX of Companies Act, 1956 w.e.f. 16th February 2009 with 60% equity share holding.
17. The Company has not prepared Profit & Loss account since it has not commenced business as per our report of even date attached.

As per my Report of even date

For M/s. Dargar & Co.
Chartered Accountants

Vijay Dargar
Proprietor
Membership No. 76191
Place: Mumbai
Date : 19th June 2009

For and on behalf of the Board

Director

Director

Directors' Report

To,
The Members,
Shri Warana Minerals (India) Private Limited.

The Directors are pleased to present their 1st Annual Report and Audited Statement of Accounts for the year ended 31st March 2009.

Financial Result

The Company has not yet started its business operation.

Dividend

Since the business operations have not yet been started, your Directors do not recommend any dividend.

Fixed Deposit

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

Holding Company

During the year under review, 60% of the equity share capital of the Company is held by Warana Minerals Private Limited. Warana Minerals Private Limited is Holding Company of the Company.

Further, 100% Share Capital of Warana Minerals Private Limited is held by the Resurgere Mines and Mineral India Limited.

Pursuant to the provision of Section 4(1) (c) of the Companies Act, 1956 Shri Warana Minerals (India) Private Limited becomes the Subsidiary Company of Resurgere Mines and Minerals India Limited.

Formation of the Company

The Company was formed on 16th February 2009 under Part IX of the Companies Act, 1956.

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the companies Act, 1956, with respect to Directors' Responsibility Statement, your directors confirm that:

- a) In the preparation of Annual Accounts, the applicable Accounting Standard had been followed;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2009 and profit or loss of the Company for the year ended on that date;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provision of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The Directors had prepared the Annual Accounts on a "going concern" basis.

Particulars of Employees

The Company does not have any employees who were in the receipt of remuneration aggregating to the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Conservation of Energy

In terms of Section 217 (1) (e) of the Companies Act, 1956, information relating to Conservation of Energy, Technology absorption, Foreign Exchange earning and outgo is not required as the Company is not engaged in manufacturing activities.

Directors

Mr. Amit Sharma and Mr. Jayant Patil, Directors retires by rotation and being eligible offers themselves for re-appointment.

Auditors

M/s. Dargar & Co., Chartered Accountant, Mumbai, Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and being eligible offered themselves for reappointment.

The Company has received letter from M/s. Dargar & Co., Chartered Accountant, Mumbai to the effect that their reappointment if made would be within prescribed limits under section 224 (1B) of the Companies Act, 1956. Members are requested to re-appoint M/s. Dargar & Co., Chartered Accountant, Mumbai, as the Statutory Auditors of the Company and authorised the Board of Directors to fix their remuneration.

Auditors' Report

All observation made by the Auditors in their reports are self explanatory by way of Notes on Accounts and does not require any further clarification.

Acknowledgement

Yours Directors place on record their appreciation of co-operation and support extended by the Bankers, Client, Government agencies and other institution and look forward to their continued support. Yours Directors wish to place on record their deep sense of appreciation for the committed services of Executives, Staff and Workers of the Company.

By order of the Board of Directors
For **Shri Warana Minerals (India) Pvt Ltd**

Place: Mumbai
Date : 19th June 2009

Chairman

Auditors' Report

To,
The Members,
Shri Warana Minerals (India) Private Limited.

We have audited the attached Balance Sheet of Shri Warana Minerals (India) Private Limited as at 31st March 2009 for the period ended on that date, covering period from 16th February 2009 to 31st March 2009. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we do not annex any statement on the matters specified in the paragraphs 4 and 5 of the said Order as it is not applicable to the Company.
3. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from our examination of such books.

- c) The Balance Sheet dealt with by this report are in agreement with the books of accounts.
- d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
- e) On the basis of written representation received from the Directors as on 31st March 2009 and taken approval by the Board, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as Directors in terms of Clause (g) of Subsection (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon give the information required by the Companies Act in the manner so required and give a true and fair view:
- g) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009

For M/s Dargar & Co.
Chartered Accountants

Vijay Dargar
Proprietor

Place: Mumbai
Date : 19th June 2009

Mem. No.: 76191

Balance Sheet

(Rs.)

	Schedules	As at 31 March 2009
SOURCES OF FUNDS		
Shareholders' Funds		
Share Capital	1	4,50,000
Reserve and Surplus		—
		4,50,000
Unsecured Loan	2	20,45,13,500
		20,49,63,500
APPLICATION OF FUNDS		
Fixed Assets	3	20,04,70,000
Current Assets, Loans & Advances		
Cash & Bank Balances	4	4,45,890
Loans & Advances	5	50,000
		4,95,890
Less : Current Liabilities & Provisions	6	20,623
Net Current Assets		4,75,267
Miscellaneous Expenditure	7	40,18,234
		20,49,63,500
Significant Accounting Policies & Notes on Accounts	8	—

As per our Report of even date attached

For M/s. Dargar & Co.
Chartered Accountants

For and on behalf of the Board

Vijay Dargar
Proprietor
Membership No. 76191

Director

Director

Place: Mumbai
Date : 19th June 2009

Schedule to the Balance Sheet

(Rs.)

		As at 31 March 2009
Schedule "1" SHARE CAPITAL		
Authorised		
20,00,000 Equity Shares of Rs.10/- each		2,00,00,000
		2,00,00,000
Issued, Subscribed and Paid up		
45,000 (Previous year NIL) Equity Shares of Rs.10/- each fully paid up		4,50,000
(All the above Equity Shares are allotted to the Partner's of erstwhile M/s Shri Warana Minerals on conversion of partnership firm into Private Limited Company under Part IX of the Companies Act, 1956 for the consideration other than cash)		
(Out of the above Rs. 4,50,000/- paid up Equity Share Capital comprising of 45000 Equity Shares of face value of Rs.10/- each, 27,000 shares are held by the holding Company ie. Warana Minerals Pvt. Ltd.)		
[See Note No. 16 & 17]		
		4,50,000

Schedule "2" UNSECURED LOAN	
From Holding Company	19,42,63,500
[Maximum amount of O/s.Rs. 19,42,63,500/-(Previous Year NIL)]	
From Company under same management	1,00,00,000
[Maximum amount of O/s.Rs. 1,00,00,000/-(Previous Year NIL)]	
From Director	2,50,000
[Maximum amount of O/s.Rs. 2,50,000/-(Previous Year NIL)] [See Note No. 15]	
	20,45,13,500

Schedule "3" FIXED ASSETS					
Particulars	WDV			Depreciation fo the year	Closing W.D.V. As at 31.03.2009
	As at 16.02.2009	Addition (Deduction)	As at 31.03.2009		
Goodwill	20,00,00,000	-	20,00,00,000	-	20,00,00,000
Land Development	4,70,000	-	4,70,000	-	4,70,000
Current Year Total	20,04,70,000	-	20,04,70,000	-	20,04,70,000

Schedule to the Balance Sheet

(Rs.)

	As at 31 March 2009
Schedule "4" CASH & BANK BALANCES	
Cash in hand	2,74,846
Balances with Scheduled Banks	
In Current Accounts	1,71,044
	4,45,890

Schedule "5" LOANS & ADVANCES	
Other Advances	50,000
	50,000

Schedule "6" CURRENT LIABILITIES & PROVISIONS	
Creditors for expenses	20,623
	20,623

Schedule "7" MISCELLANEOUS EXPENDITURE	
(To the extent not written off or adjusted)	
Pre-operative Expenses	
Opening Balance	39,82,183
Add: Addition during the year	36,051
Less: Written off during the year	-
	40,18,234

Schedule to the Balance Sheet

Schedule "8" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

I) SIGNIFICANT ACCOUNTING POLICIES

1. Background

The Company has been formed under Part IX of Companies Act, 1956 vide certificate of Incorporation dated 16th February 2009 by virtue of which all the assets and liabilities including current capital account has been assumed from the erstwhile partnership firm M/s. Shri Warana Minerals. The main object of the Company is to carry any mineral business related to all kind of metallic, non-metallic, precious, semi - precious etc.

2. Method of Accounting

The financial statements are prepared under the historical cost convention and as per mercantile system of accounting

3. Fixed Assets

The Company has not acquired any fixed assets during the period under report

4. Depreciation

No depreciation has been provided.

5. Investments

Long term investments are stated at cost, less any provision for permanent diminution in value, Current investments are stated at lower of cost or market value.

6. Inventories

There are no inventories at the date of Balance sheet.

7. Retirement Benefits

The Company has not provided any retirement benefits since it is not applicable to the Company.

8. The Company has not done any business during the period under report so question of payment of, Income Tax, Wealth Tax, Sales Tax, Purchase Tax, Custom Duty, Excise Duty, Cess, and Entry Tax & Service Tax does not arise. There are no undisputed statutory dues as referred to above as at March 31 2009 outstanding for a period of more than six month from the date they become payable.

9. In our opinion and according to the information and explanation given to us, there is no default in repayment of dues to financial institutions and banks as on 31st March 2009.

10. The Company has not accepted any deposits under the provisions of Section 58A and 58AA of the Act and the Rules framed there under

11. As Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4(xii) of the Order is not applicable

12. As the Company is not chit fund/ nidhi / mutual benefit funds / society to which the provisions of special statute relating to chit fund are applicable, paragraph 4(xiii) of the Order is not applicable.

13. The Company has not given any guarantee for loans taken by others from banks or financial institutions.

14. The Company has become a subsidiary of Warana Mineral Private Limited during the period.

15. Unsecured loan from holding Company ie. Warana Minerals Private Limited of Rs.19,42,63,500/- is outstanding as at the end of the financial year. Unsecured loan from Company under same management ie. Runwell Steel Private Limited of Rs.1,00,00,000/- is outstanding as at the end of the financial year.

Schedule to the Balance Sheet

Schedule "8" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

16. Out of the paid up equity share capital of Rs. 8,50,000/- comprising of 85,000 equity shares of face value of Rs.10/- each of Warana Minerals Private Limited, Rs. 8,50,000/- paid up capital comprising of 85,000 equity shares of face value of Rs.10/- each is held by holding company Resurgere Mines & Minerals India Limited.
17. Out of the paid up preference share capital of Rs.1,21,30,000/- comprising of 12,13,000 preference shares of face value of Rs.10/- each of Warana Minerals Private Limited, Rs.1,21,30,000/- paid up capital comprising of 12,13,000 preference shares of face value of Rs.10/- each is held by holding company Resurgere Mines & Minerals India Limited.
18. The Company has not prepared Profit & Loss account since it has not commenced business as per our report of even date attached.
19. This being the first year of the Company, therefore comparative figures of previous years is not given.

As per my report of even date

For M/s. Dargar & Co.
Chartered Accountants

For and on behalf of the Board

Vijay Dargar
Proprietor
Membership No. 76191

Director

Director

Place: Mumbai
Date : 19th June 2009

Consolidated Auditors' Report

To,

The Board of Directors of

Resurgere Mines & Minerals India Limited on the Consolidated Financial Statements of Resurgere Mines & Minerals India Limited and its subsidiaries.

We have audited the attached Consolidated Balance Sheet of Resurgere Mines & Minerals India Limited (hereinafter referred as "the Company"), the holding company, and Warana Minerals Private Limited & Shri Warana Minerals (India) Private Limited its subsidiaries (hereinafter collectively referred to as "the Group") as at 31st March 2009, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date prepared in accordance with the accounting principles generally accepted in India.

1. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on basis of the separate audited financial statements of the Company, and of its subsidiaries included in the consolidated financial statements.

3. We did not audit the financial statement of the subsidiaries for the financial year ended on 31st March 2009, whose Financial Statements reflects total assets (net) of Rs. 2010.94 Lacs and total revenue of Rs.Nil. This financial statement has been audited M/s Dargar & Co., Chartered Accountants and for the purpose of our examination we have placed reliance on their report.
4. In our opinion and to the best of our information and according to the explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Resurgere Mines & Minerals India Limited and its aforesaid subsidiaries, the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) In case of the consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March 2009;
 - b) In case of the consolidated Profit and Loss Account, of the consolidated results of operations of the Group for the year then ended; and
 - c) In case of the consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For **Churiwala & Co.**
Chartered Accountants

Sunil Churiwala
Proprietor

Place : Mumbai
Date : 28th June 2009

Membership No. 106590

Consolidated Balance Sheet

(Rs. in lacs)

	Schedules	As at 31 March 2009	As at 31 March 2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	2,854.16	2,409.16
Share Application Money (Pending allotment / refund)		2.50	–
Reserves & Surplus	B	33,130.68	20,299.05
		35,987.34	22,708.21
Minority Interest		1.80	–
Loan Funds			
Secured Loans	C	9,343.99	4,423.81
Unsecured Loans	D	2,402.50	1,093.39
Deferred Tax Liabilities		223.91	351.58
		47,959.54	28,576.98
APPLICATIONS OF FUNDS			
Goodwill on Consolidation		76.50	76.50
Fixed Assets	E		
Gross Block		3,437.06	260.04
Less: Depreciation		86.98	48.72
Net Block		3,350.08	211.32
Capital Work In Progress (Including advances)		18,313.88	6,013.04
		21,663.96	6,224.36
Investments	F	709.14	1,947.07
Current Assets, Loans & Advances			
Inventories	G	2,590.64	5,739.51
Sundry Debtors	H	12,941.80	7,424.23
Cash & Bank Balances	I	1,952.80	1,244.45
Loans & Advances	J	17,222.09	12,304.95
		34,707.33	26,713.14
Less: Current Liabilities & Provisions	K		
Current Liabilities		3,320.01	1,638.00
Provisions		7,081.83	5,892.19
		10,401.84	7,530.19
Net Current Assets		24,305.49	19,182.95
Miscellaneous Expenditure	L	1,204.45	1,146.10
		47,959.54	28,576.98
Significant Accounting Policies & Notes to Accounts	T		

As per our Report of even date attached

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai

Date: 28th June 2009

80 | Resurgere Mines & Minerals India Limited

Consolidated Profit And Loss Account

(Rs. in lacs)

	Schedules	Year ended 31 March 2009	Year ended 31 March 2008
INCOME			
Income from Operations	M	43,397.53	40,300.41
Other Income	N	437.29	113.92
Increase / (Decrease) in Stocks	O	(2,792.08)	2,014.06
		41,042.74	42,428.39
EXPENDITURE			
Materials, Production and Operational Expenses	P	32,776.94	28,245.51
Employee Costs	Q	245.42	192.97
Administration & Selling Expenses	R	2,578.88	3,104.86
Financial Charges	S	935.48	374.16
Depreciation & Amortisation	E & L	1,274.51	172.15
		37,811.23	32,089.65
Profit before Tax		3,231.51	10,338.74
Provision for Tax	- Income Tax	919.38	3,316.00
	- Deferred Tax Liabilities/(Assets)	(127.67)	359.65
	- Fringe Benefit Tax	20.00	6.75
	- Tax of Earlier Years	253.67	220.31
		1,065.38	3,902.71
Profit after Tax		2,166.13	6,436.03
Prior Period Items		4.98	2.39
Profit available for Appropriations		2,161.15	6,433.64
Appropriations		-	-
Surplus carried forward to Balance Sheet		2,161.15	6,433.64
Basic Earnings per Share of face value of Rs. 10 each (in Rs.)		8.08	32.05
Diluted Earnings per Share of face value of Rs. 10 each (in Rs.)		8.08	32.05
Significant Accounting Policies & Notes to Accounts	T		

As per our Report of even date attached

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Consolidated Cash Flow Statement

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	3,231.51	10,338.74
Adjustment for:		
Depreciation	1,274.51	172.15
Dividends	(60.89)	(4.69)
Interest Income	(409.69)	(21.59)
Interest Expenses	942.09	332.38
Mine Development Activities	(1,366.14)	(1,291.93)
Pre-Operative Expenses	(15.02)	–
Loss on Sale of Assets	–	23.27
Income Tax written off	–	0.08
Direct Taxes Paid	(3,237.26)	(1,929.34)
Operating Profit before Extraordinary Items	359.12	7,619.07
Prior Period Items	4.98	2.39
Operating Profit before Working Capital Change	354.14	7,616.69
Adjustment for:		
Trade and Other Receivables	(5,517.58)	(4,054.45)
Inventories	3,148.87	(2,363.66)
Trade Payables	1,678.65	1,099.04
Loans and Advances	(1,679.68)	(7,420.57)
Net Cash used in Operating Activities (Total A)	(2,015.61)	(5,122.95)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(1,172.32)	(46.10)
Capital Work in Progress	(12,300.84)	(6,013.04)
Sale of Fixed Assets	–	19.28
Interest Income	409.69	21.59
Dividends	60.89	4.69
Sale of Investments	10,076.47	3,500.00
Purchase of Investments	(10,779.42)	(5,396.20)
Net Cash used in Investing Activities (Total B)	(13,705.54)	(7,909.78)

Consolidated Cash Flow Statement (Contd.)

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Loans (Net of Repayment)	4,920.18	3,772.42
Proceeds from Unsecured Loans (Net of Repayment)	1,206.61	1,093.39
Interest Paid	(942.09)	(332.38)
Dividend Paid (including tax thereon)	–	(28.06)
Share Capital	445.00	657.98
Share Application Money	2.50	(1,479.80)
Securities Premium Received	11,570.00	10,859.62
Share Issue Expenses	(772.70)	(578.68)
Net Cash from Financing Activities (Total C)	16,429.50	13,964.49
Net Increase in Cash & Cash Equivalents (Total A+B+C)	708.35	931.76
Cash & Cash Equivalents (Opening Balance)	1,244.45	312.68
Cash & Cash Equivalents (Closing Balance)	1,952.80	1,244.45

Note:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards – 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India
2. Cash and Cash Equivalents at the end of the period/ year consists of Cash in Hand and Balances with Banks and are net of Short Terms Loans and Advances from Banks as follows

Cash in Hand	14.24	18.08
Balances with Banks	1,938.56	1,226.37
	1,952.80	1,244.45

As per our Report of even date attached

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants

Subhash Sharma
Managing Director

Amit Sharma
Director

Sunil Churiwala
Proprietor
Membership No. 106590

Harish Khetan
Chief Financial Officer

Rakesh Gupta
Company Secretary

Place: Mumbai
Date: 28th June 2009

Schedules to the Consolidated Balance Sheet

(Rs. in lacs)

	As at 31 March 2009	As at 31 March 2008
Schedule "A" SHARE CAPITAL		
Authorised		
3,00,00,000 Equity Shares of Rs.10/- each.	3,000.00	3,000.00
	3,000.00	3,000.00
Issued, Subscribed & Paid up		
2,85,41,550 (Previous year 2,40,91,550) Equity Shares of Rs. 10/- each fully paid up)	2,854.16	2,409.16
(Out of the above, 97,28,750 (Previous year 97,28,750) Equity Shares of Rs.10/-each are allotted as fully paid up Bonus Shares by capitalisation of reserves)		
	2,854.16	2,409.16

Schedule "B" RESERVES & SURPLUS		
Securities Premium Account		
Opening Balance	10,609.24	328.30
Additions during the year	11,570.00	10,859.62
	22,179.24	11,187.92
Less : Share issue expenses	899.52	578.68
Closing Balance	21,279.72	10,609.24
Capital Reserve		
Opening Balance	120.00	–
Additions during the year	–	120.00
Closing Balance	120.00	120.00
Profit and Loss Account		
Opening Balance	9,569.81	3,136.17
Profit for the year	2,161.15	6,433.64
Closing Balance	11,730.96	9,569.81
	33,130.68	20,299.05

Schedule "C" SECURED LOANS [See Note no C(6) of Schedule "T" of standalone balance sheet]		
From Banks		
Term Loan [Due within one year Rs.1413.25 lacs (Previous year Rs. 131.10 Lacs)]	5,042.95	798.61
Working Capital Facility	1,722.45	779.15
Export Packing Credit	2,550.71	2,823.52
Vehicle Loans	27.88	22.53
	9,343.99	4,423.81

Schedule "D" UNSECURED LOANS		
From Bank	2,000.00	–
Company under same Management	100.00	–
From Directors	2.50	–
Inter Corporate Deposits	300.00	1,093.39
	2,402.50	1,093.39

Schedules to the Consolidated Balance Sheet

(Rs. in lacs)

Schedule "E" FIXED ASSETS (At Cost Less Depreciation)

Description	Gross CWIP				Capitalisation				Net CWIP	
	As at 01.04.2008	Additions During the period	Deductions	As at 31.03.2009	Upto 31.03.2008	For the period	Adjustments	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Goodwill	–	2,000.00	–	2,000.00	–	–	–	–	2,000.00	0.00
Land Development	–	4.70	–	4.70	–	–	–	–	4.70	0.00
Plant and Machinery	53.42	1,025.42	–	1,078.84	7.48	9.47	–	16.95	1,061.89	45.94
Electrical Installations	9.53	–	–	9.53	1.75	0.45	–	2.20	7.33	7.78
Furnitures & Fittings	44.80	0.33	–	45.13	7.88	2.84	–	10.72	34.41	36.92
Office Equipments	38.46	2.39	–	40.85	4.89	1.89	–	6.78	34.07	33.57
Motor Vehicles	99.49	142.76	–	242.25	22.70	21.20	–	43.90	198.35	76.79
Computers	14.34	1.42	–	15.76	4.02	2.41	–	6.43	9.33	10.32
Total	260.04	3,177.02	–	3,437.06	48.72	38.26	–	86.98	3,350.09	211.32
Previous Period	285.76	46.10	71.82	260.04	53.63	24.36	29.27	48.72	211.32	–

Capital work in progress (including advances)

(Rs. in lacs)

Description	Gross CWIP				Capitalisation				Net CWIP	
	As at 01.04.2008	Additions During the period	Deductions	As at 31.03.2009	Upto 31.03.2008	During the period	Adjustments	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Plant and Machinery	6,013.04	13,452.85	–	19,465.89	–	1,152.01	–	1,152.01	18,313.88	6,013.04
Total	6,013.04	13,452.85	–	19,465.89	–	1,152.01	–	1,152.01	18,313.88	6,013.04
Previous Period	–	6,013.04	–	6,013.04	–	–	–	–	6,013.04	–

Note: Capital Work In Progress is abbreviated by CWIP

Capital work in progress (including advances)		As at 31 March 2009	As at 31 March 2008
Schedule "F" INVESTMENTS			
Long Term, Non Trade			
Unquoted			
The City Co-operative Bank Limited			
[6,010 Equity Shares of Rs. 25 each, fully paid up (Previous Year 6,010 Equity Shares of Rs.25 each fully paid)]		1.50	1.50
Investment in Subsidiary			
In Partnership Firm (Shri Warana Minerals) through Subsidiary Company			
M/s Warana Minerals Private Limited		–	1,940.88
[Aggregate of Unquoted Investments at Book Value Rs. 1.50 Lacs (Previous Year Rs. 1,942.38 Lacs)]			
Current Investments			
Quoted			
SBI Mutual Fund			
Magnum Insta Cash Fund - Daily Dividend Option		10.93	4.69
[65,226 units (Previous Year 27,984 units)] [Market value Rs. 10.93 Lacs (Previous Year Rs. 4.69 Lacs)]			
Birla Sun Life Mutual Fund		31.66	–
Short Term Fund – Institutional Scheme – Daily Dividend Option			
[3,16,376 units (Previous Year Nil units)] [Market value Rs. 31.66 Lacs (Previous Year Rs. Nil)]			
Birla Sun Life Mutual Fund		512.81	–
Dynamic Bond Fund - Retail Quarterly Dividend			
[46,92,419 units (Previous Year Nil units)] [Market value Rs. 512.81 Lacs (Previous Year Rs. Nil)]			
ICICI Prudential Mutual Fund		152.24	–
Flexible Income Plan - Daily Dividend Option			
[14,39,854 units (Previous Year Nil units)] [Market value Rs. 152.25 Lacs (Previous Year Rs. Nil)]			
[Aggregate of Quoted Current Investments at Book Value Rs. 707.65 Lacs (Previous Year Rs. 4.69 Lacs) and Market Value Rs. 707.65 Lacs (Previous Year Rs. 4.69 Lacs)]			
		709.14	1,947.07

Schedules to the Consolidated Balance Sheet

(Rs. in lacs)

	As at 31 March 2009	As at 31 March 2008
Schedule "G" INVENTORIES [As taken, valued and certified by the Management]		
Raw Material	567.54	924.33
Finished Goods	2,023.10	4,815.18
	2,590.64	5,739.51

Schedule "H" SUNDRY DEBTORS [Unsecured, considered good]		
For a period exceeding six months	13.32	19.23
Other Debts	12,928.48	7,405.00
	12,941.80	7,424.23

Schedule "I" CASH & BANK BALANCES		
Cash in hand	14.24	18.08
Balances with Scheduled Banks		
In Current Accounts	726.60	760.40
In Fixed Deposit Accounts	1,211.96	465.97
	1,952.80	1,244.45

Schedule "J" LOANS & ADVANCES [Unsecured, Considered good]		
Advance recoverable in cash or in kind or for value to be received.	58.85	794.64
Advances to Suppliers	4,812.59	6,858.53
Inter-Corporate Deposits	4,015.12	–
Advance Tax & TDS	5,736.29	2,499.03
Deposits	2,599.24	2,152.75
	17,222.09	12,304.95

Schedule "K" CURRENT LIABILITIES & PROVISIONS		
i) Current Liabilities		
Sundry Creditors	2,790.37	1,307.69
Other Liabilities	529.65	330.31
	3,320.01	1,638.00
ii) Provisions		
Retirement Benefits	11.05	14.42
Provision for Taxation	7,030.65	5,857.64
Provision for Fringe Benefit Tax	40.13	20.13
	7,081.83	5,892.19
	10,401.85	7,530.19

Schedules to the Consolidated Balance Sheet

(Rs. in lacs)

	As at 31 March 2009	As at 31 March 2008
Schedule "L" MISCELLANEOUS EXPENDITURE (To the extent not written - off or adjusted)		
i) IPO Expenses		
Opening Balance	126.82	–
Addition during the period	772.70	126.82
Less: Written - off during the period	899.52	–
	–	126.82
ii) Mine Development Expenses		
Opening Balance	1,016.90	–
Addition during the period	1,366.14	1,164.69
Less: Written – off during the period	1,235.82	147.79
	1,147.22	1,016.90
iii) Pre-Operative Expenses (See Note no. B (9) of Schedule "T")		
Opening Balance	42.21	
Add: Addition during the year	15.02	2.38
Less: Written off during the year	–	
	57.23	2.38
	1,204.45	1,146.10

Schedules to the Consolidated Profit and Loss Account

	Year ended 31 March 2009	Year ended 31 March 2008
Schedule "M" INCOME FROM OPERATIONS		
Sales		
Export Sales	2,120.27	12,169.96
Local Sales	41,277.26	28,130.45
	43,397.53	40,300.41
Schedule "N" OTHER INCOME		
Dividends	60.89	4.69
Interest Income [Tax Deducted at Source Rs. 4.73 Lacs (Previous Year Rs.Nil)]	318.15	–
Foreign Exchange Fluctuation (Net)	36.17	103.89
Premium on Forward Exchange Contracts	–	5.34
Other Income	22.08	–
	437.29	113.92
Schedule "O" INCREASE / (DECREASE) IN STOCKS		
Finished Goods		
Closing Stocks	2,023.10	4,815.18
Less: Opening Stocks	4,815.18	2,801.12
	(2,792.08)	2,014.06

Schedules to the Consolidated Profit and Loss Account

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
Schedule "P" MATERIALS, PRODUCTION AND OPERATIONAL EXPENSES		
Materials Consumed		
Opening Stocks	924.33	574.73
Add: Purchases	10,774.02	10,344.47
	11,698.35	10,919.20
Less: Closing Stocks	567.54	924.33
	11,130.81	9,994.87
Direct Expenses		
Extraction Charges	2,607.19	1,805.79
Labour Charges	150.70	137.46
Screening Charges	3,269.11	1,294.99
Crushing Charges	4,133.32	3,553.82
Freight & Transportation Charges	440.26	3,504.65
Mining Restitution Charges	745.63	825.40
Haulage, Siding, Terminal Charges	8.50	90.20
Loading/Unloading Charges	57.25	444.99
Purchases of Ore for Sale	10,234.17	6,593.34
	32,776.94	28,245.51

Schedule "Q" EMPLOYEE COSTS		
Salaries & Bonus	131.18	83.38
Contribution to Provident Fund and Other Funds	14.43	9.79
Directors' Remuneration	91.68	81.71
Staff Welfare Expenses & Other Benefits	8.13	18.09
	245.42	192.97

Schedule "R" ADMINISTRATION & SELLING EXPENSES		
Rent	13.32	14.74
Travelling & Conveyance	117.81	82.96
Communication Costs	13.80	14.05
Repairs & Maintenance (Others)	6.26	5.69
Professional Fees	215.68	138.75
Auditors' Remuneration	16.55	16.85
Commission on Sales	35.83	6.88
Stevedoring, Wharfage, Handling & Other Expenses	1,284.42	699.82
Advertisement & Sales Promotion Expenses	50.71	17.49
Ocean Freight	518.66	1,955.53
Director Sitting Fees	5.40	1.20
Balances Written Off	208.04	88.43
Loss on Sale of Fixed Assets	–	23.27
Insurance	12.43	0.22
Miscellaneous Expenses	79.97	38.98
	2,578.88	3,104.86

Schedules to the Consolidated Profit and Loss Account

(Rs. in lacs)

	Year ended 31 March 2009	Year ended 31 March 2008
Schedule "S" FINANCIAL CHARGES		
Bank Charges	84.93	63.37
Bank Interest	823.18	304.40
Other Interest	118.91	27.98
	1,027.02	395.75
Less: Interest on Fixed Deposits [Tax Deducted at Source Rs. 17.30 Lacs (Previous Year Rs. 2.98 Lacs)]	91.54	21.59
	935.48	374.16

Schedule "T" **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

A) Significant Accounting Policies

a) Basis of Consolidation:

The Consolidated financials results comprise the results of Resurgere Mines & Minerals (India) Limited (the Company) and its subsidiaries Warana Minerals Private Limited and Shri Warana Minerals (India) Private Limited (the subsidiaries), which are consolidated in accordance with Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI).

The financial statements of the Company and its subsidiaries has been combined on a line-by-line basis by adding together the balances of like items of assets, liabilities, income and expenditure after fully eliminating the intra- group balances and intra-group transactions resulting in unrealised profit or loss.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates it become subsidiaries is recognised in the financial statements as goodwill.

The excess of Company's portion of equity of the subsidiaries over to the cost to the Company of its investment at the dates it become subsidiaries is recognised in the financial statement as capital reserve.

b) Other Significant Accounting Policies

These are set out in the notes to accounts under significant accounting policies for financial statements of respective companies – Resurgere Mines & Minerals India Limited, Warana Minerals Private Limited and Shri Warana Minerals (India) Private Limited.

B) Notes to Accounts

- Warana Minerals Private Limited, a wholly owned subsidiaries of the Company was one of the partner in erstwhile partnership firm i.e. Shri Warana Minerals with 60% interest and has been subsequently converted into Shri Warana Minerals (India) Pvt. Ltd. under Part IX of Companies Act, 1956 w.e.f. 16th February 2009 with 60% equity share holding.
- Companies considered in the consolidated financial statement are Subsidiaries

(Rs. in lacs)

Name of the Company	Country of Incorporation	% voting power held	
		As on 31.03.2009	As on 31.03.2008
a) Warana Minerals Private Limited	India	100	100
b) Shri Warana Minerals (India) Pvt. Ltd.	India	60	–

Schedules Forming Part of the Consolidated Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

3) Contingent liabilities not provided for :

- Guarantee given by Bank on behalf of the Company Rs.47.14 Lacs (Previous year Rs. 170.00 Lacs).
- Claims against the Company not acknowledged as debts Rs.121.85 Lacs, including interest (Previous Year Rs.116.51 Lacs).
- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 3,929.67 Lacs (Previous Year Rs. 11,117.90 lacs)

4) a) Auditors Remuneration

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
Audit Fees	13.24	13.48
Tax Audit Fees	3.31	3.37
Total	16.55	16.85

- Initial Public Offer Expenses includes Rs.Nil (Previous Year Rs. 8.43 Lacs) paid to the auditors of the Company..
- Preoperative expense includes Rs.0.25 Lacs (Previous Year Rs.0.11 Lacs) paid to the auditor of Subsidiaries Company.

5) Earning Per Share

(Rs. in lacs)

Particulars	2008-2009 Amount	2007-2008 Amount
A. Weighted average number of Equity Shares of Rs. 10/- each		
i Number of shares at the end of the year	2,85,41,550	2,40,91,550
ii Weighted average number of Equity Shares outstanding during the year	2,67,37,166	2,00,71,347
iii Weighted average number of Potential Equity Shares outstanding during the year	–	–
iv Total number of Potential Equity share for calculating Diluted Earning Per Share	–	–
B. Net Profit after Tax available for Equity shareholders (Rs. In Lacs)	2,161.16	6,433.64
C. Basic Earning Per Share (in Rs.) {B/A (ii)}	8.08	32.05
D. Diluted Earning Per Share (in Rs.) {B/A (iv)}	8.08	32.05

6) Taxes on Income

- Provision for Taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961
- In terms of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India the Company has recognised Deferred Tax Assets amounting to Rs.127.67 Lacs (Previous Year Deferred Tax Liability of Rs. 359.65 Lacs) for the year ended 31st March 2009 in the Profit & Loss Account.

The accumulated balance in Net Deferred Tax Assets comprises of:

(Rs. in lacs)

Particulars	Opening Balance Deferred Tax Liability / (Asset) Amount	Current Year Change Liability/ (Assets) Amount	Closing Balance Deferred Tax Liability/(Assets) Amount
Deferred Tax Liability / (Assets)			
Depreciation	11.08	71.24	82.32
Disallowance under Income Tax Act	(0.24)	0.24	Nil
Provision for Gratuity	(4.90)	1.14	(3.76)
Pre-operative Expenses	Nil	(244.60)	(244.60)
Miscellaneous Expenditure allowed as deduction in Income Tax	345.64	44.31	389.95
Deferred Tax Liability/(Assets) [Net]	351.58	(127.67)	223.91

Schedules Forming Part of the Consolidated Accounts

Schedule "T" SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

7) Segment Information:

a) Primary (Business) Segment

In accordance with the requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business constitutes only one reportable business segment being Mining & Trading of Ore and hence no separate disclosure to attributable Revenues, Profits, Assets, Liabilities, and Capital Employed are given.

b) Secondary (Geographical Segment)

Secondary Segment Reporting is on the basis of geographical location of the customers. The operation of the Company comprises local sales and export sales. The management views the Indian Market and Export Market are distinct geographical segments. The following is the distribution of the Company's sale by geographical markets.

(Rs. in lacs)

Sales	2008-2009	2007-2008
India	4,12,77.26	2,81,30.45
Exports	2,120.27	1,21,69.96
Total	4,33,97.53	4,03,00.41

The following are the carrying amount of segment assets by geographical area in which the assets are located

(Rs. in lacs)

Carrying amount of business segment	2008-2009	2007-2008
India	5,69,72.37	3,46,55.18
Outside India*	7.33	191.13
Total	5,69,79.70	3,48,46.31

* Carrying amount of segment assets outside India represents receivables from Export Sales.

8) Related Party Disclosures:

i) For the year ended 31st March 2009

a) Key Management Personnel

Mr. Subhash Sharma	Director
Mr. Amit Sharma	Director
Mr. I.D. Agarwal	Director
Mr. Burzin Somandy	Director
Mr. Aditya Singh*	Director
Mr. Suresh Kumar Singh*	Director
Mr. Jayant Patil*	Director of Subsidiaries
Mr. Shivkumar Sawant*	Director of Subsidiaries
Mr. D. P. Singh**	Director
Mr. Pradeep Bishnoi***	Director
Mr. Siddharth Bhargava****	Director

* Appointed during the year.

** Appointed and Resigned during the year

*** Appointed resigned and again reappointed during the year

**** Resigned during the year

Schedules Forming Part of the Consolidated Accounts

Schedule **"T"** SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

b) Associates

Exfin Shipping (India)	Partnership Firm
Victory Sponge Private Limited	Company
Spear Petroleum Private Limited	Company
Eminent Steel Private Limited	Company
Runwell Steel Private Limited	Company

(Rs. in lacs)

Rent	–	1.20
		(1.20)
Directors Remuneration	98.78	–
	(81.71)	
Professional Fees	5.00	–
	(5.50)	
Director Sitting Fees	5.40	
	(1.20)	–
Loans Taken	2.50	200.00
	(124.96)	(3307.19)
Loans Repayment	–	1228.56
	(124.96)	(2233.51)
Loan Granted	2.20	810.00
	(–)	(–)
Loan Returned Back	2.20	610.00
	(–)	(–)
Advance Granted	6.63	5.56
	(–)	(–)
Advance Returned Back	6.63	5.66
	(–)	(–)
Interest on Loans Taken	–	55.48
	–	(24.82)
Interest on Loans Given	–	15.28
	(–)	–
Share Application Money Received	–	–
	–	(1,500.00)
Refund of Share Application Money	–	–
	(2)	–
Shares Allotted	–	–
	–	(1,500.00)
Investments	–	–
	–	(192.50)

Schedules Forming Part of the Consolidated Accounts

Schedule **"T"** SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

(Rs. in lacs)

Current Liabilities	5.11	–
	(3.60)	(0.10)
Current Assets	–	205.09
		(–)
Unsecured Loans	2.50	100.00
	(–)	(1,093.39)
Deposits Given	–	202.68
		(202.68)
Investments	–	–

Previous year figures are given in brackets.

- 9) Opening balances of pre-operative expenses of Rs. 42.21 Lacs is inclusive of Rs. 39.83 Lacs incurred by erstwhile Partnership Firm i.e. Shri Warana Minerals .
- 10) Preoperative expenses of Rs. 592.25 Lacs (Previous Year Rs. 297.11 Lacs) are included in capital work in progress.
- 11) Figures less than Rs. 500/- has been shown at actual wherever statutory required to be disclosed since figures have been rounded off to the nearest Rs.000s.
- 12) Figures of the previous year have been regrouped, reclassified and / or rearranged wherever necessary to compare with the figures of the current year.

“Leadership at all levels in the organisation as much as leadership at the top. It is about plugging in to the minds and hearts of people. It is about rallying them around to a compelling and exciting vision of the future. It is about upping the quality of imagination of the organisation. So the first lesson for us has been that the process of change is perhaps 90% about leadership and only 10% about managing.”

– *Kumar Mangalam Birla*

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