

DEEPAK MINING SERVICES PRIVATE LIMITED

ANNUAL REPORT

2011 – 2012

REGISTERED OFFICE

Deepak Complex, Opp. Golf Course, Shastri Nagar,

Yerawada, Pune-411 006

Tel: 020-6645 8000 Fax: 020-2668 3722

DEEPAK MINING SERVICES PRIVATE LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Fourth Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The Summarised financial results for the year are as under:

	(in Rupees)	
	2011-12	2010 - 2011
Gross Revenue	40,21,445	Nil
Profit / (Loss) Before Tax	31,80,863	(424,969)
<i>Less:</i>		
Provision for Income Tax	8,51,630	Nil
Provision for Fringe Benefit Tax	Nil	Nil
Provision for Deferred Tax	Nil	Nil
Net Profit / Loss After Tax	23,29,233	(424,969)
<i>Add:</i>		
Balance Brought Forward	(5,63,617)	(138,647)
Surplus carried to Balance Sheet	17,65,616	(563,617)

CURRENT OPERATIONS AND FUTURE OUTLOOK

During the year under review, your Company entered co-operation agreement with Runge Limited Australia (A global leader in geology and mine consulting).

There is going to be tremendous demand for mining in India. Deepak Fertilisers And Petrochemicals Corporation Limited, your Company's holding company, being the Country's single largest manufacturer of AN prills used for blasting operations in mining sector has a natural tilt towards mining industry with its excellent reputation and availability of mining professionals. In order to capitalize on this strength, your company intends to venture into mine consulting and Mine Development & Operation (MDO) contracts. Your Directors are confident that this would be achieved by creating a strong in-house team of mining professionals and a robust business model through business alliances with capable and reputed domestic and international players.

DEEPAK MINING SERVICES PRIVATE LIMITED

DIRECTORS

Shri S. C. Mehta retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (ii) the accounting policies selected had been applied consistently and judgments and estimates made were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2012 and of the profit of the Company for that period;
- (iii) proper and sufficient care had been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts had been prepared on a 'going concern' basis.

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

Your Company does not fall in the categories of Companies specified in Schedule of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Hence, the provisions of the said Rules are not applicable to your Company.

