

# **ANNUAL REPORT & ACCOUNTS**

**2003-2004**



**CENTRAL MINE PLANNING & DESIGN INSTITUTE LIMITED**  
(A Subsidiary of Coal India Limited)

**GONDWANA PLACE: KANKE ROAD**  
**RANCHI - 834 008**

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**MANAGEMENT DURING 2003-2004**

**FULL - TIME**

|    |                    |   |                             |
|----|--------------------|---|-----------------------------|
| 1. | Shri J. P. Sharma  | : | CMD (Upto 13.05.2003)       |
| 2. | Shri M. N. Jha     | : | CMD (From 19.05.2003)       |
| 3. | Shri J. P. Singh   | : | Director (upto 24.10.2003)  |
| 4. | Shri R. N. Sharma  | : | Director ( upto 31.01.2004) |
| 5. | Shri B. N. Mishra  | : | Director (upto 13.05.2003)  |
| 6. | Shri R. P. Ritolia | : | Director (Upto 13.05.2003)  |
| 7. | Shri S. L. Soni    | : | Director (From 15.01.2004)  |
| 8. | Shri G. S. Chugh   | : | Director (From 11.02.2004)  |
| 9. | Shri S. Chaudhuri  | : | Director (From 05.03.2004)  |

**PART - TIME**

|     |                   |   |                             |
|-----|-------------------|---|-----------------------------|
| 10. | Shri K. P. Varma  | : | Director                    |
| 11. | Shri Abdul Kalam  | : | Director ( From 25.03.2003) |
| 12. | Prof. A. K. Ghose | : | Director                    |
| 13. | Prof. S. K. Bhan  | : | Director ( upto 29.08.2003) |

|                   |   |  |
|-------------------|---|--|
| COMPANY SECRETARY | : | Shri V. Prakasa Rao (upto 30.06.2003)<br>Shri Udayan Chakrabarti (From 01.07.2003) |
|-------------------|---|--|

**BANKERS**

State Bank of India,  
United Bank of India,  
Bank of India,  
Canara Bank  
Bank of Maharastra  
Union Bank of India,  
Oriental Bank of Commerce  
Indian Overseas Bank  
State Bank of Indore  
Central bank of India  
UCO Bank

**AUDITORS**

M/s S. K. Basu & Co.  
Chartered Accountants  
Kolkata.

**REGISTERED OFFICE**

Gondwana Place, Kanke Road,  
Ranchi - 834 008  
Jharkhand, India

## PRESENT MANAGEMENT

### FULL - TIME

- |    |                      |   |                                |
|----|----------------------|---|--------------------------------|
| 1. | Shri M. N. Jha       | : | Chairman cum Managing Director |
| 2. | Shri S. L. Soni      | : | Director                       |
| 3. | Shri G. S. Chugh     | : | Director                       |
| 4. | Shri S. Chaudhuri    | : | Director                       |
| 5. | Shri B. Bhattacharya | : | Director                       |

### PART - TIME

- |    |                   |   |          |
|----|-------------------|---|----------|
| 6. | Shri M. K. Sinha  | : | Director |
| 7. | Shri K. P. Varna  | : | Director |
| 8. | Prof. A. K. Ghose | : | Director |

## NOTICE FOR 29<sup>TH</sup> ANNUAL GENERAL MEETING

Ref. no. CS/AGM-29/2004/5131

Dated : 26.08.2004.

Notice is hereby given to all the shareholders of Central Mine Planning & Design Institute Limited that the 29<sup>th</sup> Annual General Meeting of the Company will be held on Tuesday the 31<sup>st</sup> August, 2004 at 11.00 A.M. at the Registered Office of the Company, Gondwana Place, Kanke Road, Ranchi to transact the following business :-

**1. Adoption of the Annual Accounts :**

To receive and adopt the Balance Sheet as on 31st March 2004, Profit & Loss Account for the year ended on that date along with the schedules attached thereto and the Auditors' Report thereon with the replies given by the management.

**2. Adoption of the Directors' Report :**

To receive and adopt the Report of the Board of Directors for the year 2003-04.

**3. Fixation of remuneration to Auditors for the year 2004-05**

The shareholders may pass the following resolutions with or without modification

"Resolved that the remuneration payable to Statutory Auditors for the financial year 2004-05 is hereby recommended at Rs. 82,500/- plus out of pocket expenses towards travelling, boarding, lodging etc. as recommended by the Board in its 132<sup>nd</sup> Meeting held on 30.06.2004."

**4. Appointment of Part-time Directors**

The shareholders may pass the following resolutions with or without modification

- (i) To appoint a Director in place of Shri M. K. Sinha who retires in terms of Article 34 (1) (e) (iii) of the Articles of Association of the Company and is eligible for re-appointment.
- (ii) To appoint a Director in place of Shri K. P. Varma who retires in terms of Article 34 (1) (e) (iii) of the Articles of Association of the Company and is eligible for re-appointment.
- (iii) To appoint a Director in place of Prof. A. K Ghose who retires in terms of Article 34(1) (e) (iii) of the Articles of Association of the Company and is eligible for re-appointment.

By Order of the Board of Directors

For Central Mine Planning & Design Institute Limited

Sd/-

(Udayan Chakrabarti)

Company Secretary

**N.B.** A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

To

All members and Auditors of the Company.



## DIRECTORS' REPORT

To  
The Shareholders.

Gentlemen,

Your Directors have great pleasure in presenting the 29<sup>th</sup> Annual Report on the working of your Company along with the Accounts for the year ended 31st March, 2004 and Auditors' Report thereon.

The main functional area of your Company is to provide adequate and up-to-date planning, design and technological supports to Coal India Limited and its coal producing subsidiaries to enable them to produce the planned quantity of coal efficiently and economically with due attention to safety, conservation, quality and environment. In addition your company also provides the necessary consultancy services for the clients outside Coal India Limited in India and abroad. The Quality Management System of CMPDI, Ranchi is certified under international standard – ISO 9001: 2000 by BVQI (UK) and now covers the following services :

- (i) Consultancy in Mineral Exploration and Environmental Management:
- (ii) Planning & Design in Mining, Civil & Architectural Engineering, Coal & Mineral Preparation, Electrical & Mechanical Engineering, Mining Electronics, Geomatics and Mine Construction.
- (iii) Laboratory testing facilities for the above.
- (iv) Technical & Management Training in Mineral & Mining Sector.

**Major services offered by your Company are :**

- **Geological exploration & drilling :** Detailed geological exploration of regionally explored

blocks with a view to project adequate and reliable geological and geo-engineering data for preparation of mining project report and choice of projects, geophysical survey through multi-probe geophysical logging, identification of coal bed methane resources, high resolution shallow seismic survey etc., Hydrogeological investigation.

- **Geomatics :** Remote sensing through aerial photos, satellite data & air borne scanner for preparation of Thematic maps, making studies for river pollution, urban sprawl etc. Survey related services: Topographical, contour, Traverse & correlation, OB & coal measurement, GIS, GPS.
- **Project Planning :** Preparation of pre-feasibility reports, bankable feasibility reports and detailed feasibility report, detailed Project Reports and working drawings for mines, coal and mineral beneficiation and utilisation plants, coal handling plants, workshops, captive thermal power stations and other ancillary units and infrastructure facilities including techno-economic evaluation of various schemes and project reports for investment decisions.
- **Detailed Design of System & Sub-system :**  
Detailed design of system and sub-system for mines, beneficiation and utilisation plants, Coal Handling Plants, Power Supply Systems, Workshops and other units.
- **Research & Development :**  
Applied research and development in the field of mining, beneficiation, utilisation, environment, exploration etc. serving as nodal agency for all S&T schemes funded by Ministry of Coal and R&D schemes funded by R&D Board of CIL.

- Laboratory testing and data generation.
  - Environment
  - Human Resource Development
  - Information Technology
- In addition to above following Specialised services are also offered by your company :
- Ventilation & Gas survey
  - Controlled Blasting
  - Performance evaluation of new explosives
  - Mining Electronics
  - Mine capacity Assessment
  - Mine Support Design, Rock Mass Rating (RMR)
  - Non-Destructive Testing

Your Company has been and is actively involved in the identification, critical examination and evaluation of all bilateral projects for transfer of various technologies for coal mining, so as to improve the production, productivity and conservation in CIL mines. Your Company is functioning with seven Regional Institutes located at Asansol, Dhanbad, Ranchi, Nagpur, Bilaspur, Singrauli & Bhubaneswar with its headquarters at Ranchi.

## 1.0 CORPORATE PERFORMANCE

During the year under review your Company incurred a net loss of Rs. 145.20 Lakhs (after tax). The working results of the company are given below :

|                                     | (Rs. In lakhs) |
|-------------------------------------|----------------|
| Sales                               | 14, 230.29     |
| Less: Total Net Expenditure         | 14, 003.98     |
| Gross Profit                        | 226.31         |
| Less : Depreciation                 | 202.28         |
| Interest                            | 42.70          |
| Provision                           | <u>2.37</u>    |
|                                     | 247.35         |
| Loss (-) for the year               | (-) 21.04      |
| Less: Prior Period Adjustment       | (-) 196.63     |
| Profit before Taxation              | 175.59         |
| Less: Provision for Taxation        | 508.19         |
| Add: Provision for deferred Tax     | 187.40         |
| Net Loss (-) for the year after Tax | (-) 145.20     |

## 2.0 PROJECT PLANNING & DESIGN:

During 2003-04, CMPDI was engaged in preparation of project reports for new / expansion / re-organisation mines for building of additional production capacity. In addition to this, the following jobs were undertaken:

- Revision of project reports/ cost estimates
- Special reports for safety, development of infrastructures, operational plans for large OC mine, EMPs etc.
- Detailed design and drawings, drawal of specifications, NIT, tender scrutiny etc.
- Mine capacity assessment of underground & opencast mines of CIL.
- Various technical studies relating to operation of opencast & underground mines.
- Performance analysis of HEMM deployed in OC mines, PSLW of Powered Support Longwall faces and intermediate technology using SDLs and LHDs in CIL mines.

During the year 2003-04, expert consultancy services were also provided to subsidiary companies of Coal India Limited in the field of Environmental Management and Monitoring, Remote Sensing, Energy Audit, Physico mechanical tests on Rock and Coal Samples, Subsidence Studies, Strata Control, Non Destructive Testing (NDT), Controlled Blasting & Vibration Studies and Explosive Utilisation, Ventilation / Gas Survey of UG mines, Mining Electronics, Slope stability, Petrography and Cleat Study on coal samples, Coal Core processing & Analysis, Washability tests etc.

During 2003-04, a total 237 reports have been prepared for CIL and its subsidiary companies.

The break-up of reports prepared has been given below in Table-1 :



Table - 1

| Reports Nos.            | Prepared   |
|-------------------------|------------|
| Geological Reports      | 13         |
| Project Reports         | 24         |
| Revised Project Reports | 6          |
| Revised cost estimates  | 6          |
| Special Reports         | 4          |
| Operational Plan        | 26         |
| Other Studies           | 131        |
| EMPs                    | 27         |
| <b>TOTAL</b>            | <b>237</b> |

### 3.0 OUTSIDE CONSULTANCY:

During the period 2003-04, consultancy services were provided to 23 organisations for 44 jobs. Some of the important clients / organizations to whom services were provided are Uranium Corporation of India Ltd., National Thermal Power Corporation Ltd., Jharkhand State Mineral Development Corporation, National Aluminum Company Ltd., Nayveli Lignite Corporation, Manganese Ore (India) Ltd., Water Resource Division - Govt. of Jharkhand, Indian School of Mines, Steel Authority of India Ltd., HINDALCO, Usha Martin, Indian Bureau of Mines, Central Pollution Control Board, Damodar Valley Corporation etc. Presently, 24 outside consultancy jobs are in hand for 18 organisations like Central Pollution Control Board, Ministry of Environment and Forest, Indian Bureau of Mines, Tata Iron & Steel Company Ltd. (Tata Steel), Singareni Collieries Company Ltd., Jharkhand State Electricity Board, Jharkhand State Mineral Development Corporation, Manganese Ore India Ltd., Central Electricity Authority etc.

During the same period, 43 jobs worth Rs. 500.48 lakhs from 35 organisations were procured by CMPDI.

### 4.0 EXPLORATION :

CMPDI carried its exploration activities in 2003-04 also. The activities were spread in CIL, non-CIL and promotional blocks. In November 2003, Ministry of Coal decided that henceforth all exploration in the captive blocks would be carried out by CMPDI or under its direct supervision. No allocation of a captive block will be done unless the block has been explored enough to base a mining plan on the so available data (including assessment of extractable reserves). Apart from it, the proposal for promotional exploration for coal and lignite in the X<sup>th</sup> Plan was also approved by EFC. The resources of CMPDI were deployed for Exploration in CIL / Non-CIL / Captive blocks and for Promotional (Regional) Exploration in the command area of CIL. Services of MECL and State Govt. of M.P., Chhattisgarh and Orissa were utilized in a limited manner for exploratory drilling on contractual basis.

#### 4.1 Drilling Performance for 2003-2004:

**4.1.1** During the year 2003-2004, drills of CMPDI and its Contractual agencies (i.e. MECL & State Govts.) were deployed in 20 coalfields for exploration of 94 blocks. This includes detailed exploration of 19 Non-CIL blocks (CMPDI -15 and MECL - 4) and promotional exploration of 8 blocks by CMPDI. One more coalfield / block was explored for Jharkhand State Mineral Development Corporation as consultancy work.

**4.1.2** The Exploratory drilling in 19 Non-CIL/Captive blocks was taken up in North Karanpura (3), West Bokaro (1), Sohagpur (3), Man Raigarh (3), Hasdo Arand (1), Singrauli Main Basin



(1), Talcher (6) and Ib Valley (1) coalfields. The promotional drilling of 8 blocks was carried out in North Karanpura (1), Kamptee (1), Wardha Valley (1), Mand Raigarh (2), Talcher (2) and Makum (1) coalfields. Exploration in CIL blocks was funded by subsidiaries of CIL while Ministry of Coal funded the exploration in Non-CIL/Promotional blocks.

**4.1.3 The overall performance of exploratory drilling by CMPDI and its contractual agencies during 2003-2004 is given below :**

| Agency      | Annual<br>Target<br>2003-04<br>(m) | Agency-wise Performance of<br>Exploratory Drilling during<br>2003-04 |                 |              | Achieved<br>2002-03<br>(m) |
|-------------|------------------------------------|--|-----------------|--------------|----------------------------|
|             |                                    | Achieved<br>(m)  | Achieved<br>(%) | + / -<br>(m) |                            |
|             |                                    |  |                 |              |                            |
| CMPDI       | 1,91,500                           | 1,71,638   | 90%             | -19,862      | 1,92,234                   |
| MECL        | -                                  | 21,759   | -               | +21,759      | 0                          |
| State Govts | 10,000                             | 9,768  | 98%             | -232         | 10,267                     |
| Total       | 2,01,500                           | 2,03,165   | 101%            | +1,665       | 2,02,501                   |

Note :- (i) Drilling by CMPDI includes 14,487m of Promotional Drilling, 79,619m of Exploratory Drilling in Non-CIL/Captive Blocks and 106m of drilling for Jharkhand Govt.

(ii) MECL has carried out detailed drilling in 4 identified captive mining blocks.

(iii) Additionally, services of a private party were utilized to complete the on-going work of exploration in Sikni area of JSMD. A total of 177m of drilling have been carried out for consultancy work and geological report submitted.

**4.1.4 Exploration in Non-CIL/Captive Blocks:**

During the year 2003-04, a total of 1,01,378m of exploratory drilling has been carried out in Non-CIL/ Captive Mining blocks. The agency, coalfield and block-wise achieve-

ment of drilling is given below :

| Agency   | Company<br>Command<br>Area | Coalfield    | Blocks          | Meterage<br>Drilled :<br>2003-04 |
|--|----------------------------|--------------|-----------------|----------------------------------|
| CMPDI  | CCL                        | N. Karanpura | Pakri Barwadih* | 15,995                           |
|  |                            |              | Rautpara        | 1,482                            |
|  |                            |              | Kerandari       | 3,177                            |
|  | SECL                       | Sohagpur     | Bodri North     | 2,396                            |
|  |                            |              | Dhanpura        | 3,375                            |
|  |                            |              | Bartara         | 730                              |
|  |                            | Mand Raigarh | Palma           | 10,808                           |
|  |                            |              | Gare-IV/8*      | 2,144                            |
|  |                            |              | Gare-IV/8*      | 3,999                            |
|  | NCL                        | Singrauli    | Chhatrasal      | 3,635                            |
|  | MCL                        | Talcher      | Machhuakuta     | 3,383                            |
|  |                            |              | Konark          | 315                              |
|  |                            |              | Petrupada*      | 2,767                            |
|  |                            |              | Utkal-E*        | 4,674                            |
|  |                            |              | Radhikapur*     | 14,424                           |
| Ib Valley  |                            |              | Jamkani*        | 375                              |
| Total Drilling by CMPDI in Non-CIL blocks :        |                            |              |                 | 79,819                           |
| MECL   | CCL                        | West Bokaro  | Lalgah*         | 1,828                            |
|  |                            |              | Nakliya*        | 4,797                            |
|  | MCL                        | Ib Valley    | Jamkani*        | 10,125                           |
|  |                            |              | Talcher         | Utkal - F*                       |
| Total Drilling by MECL in Non-CIL blocks :         |                            |              |                 | 21,759                           |
| Total Drilling by CMPDI & MECL in Non-CIL blocks : |                            |              |                 | 1,01,378                         |

\* Identified captive mining blocks for priority exploration.

In 2003-04 BE, a total of 37,120m of drilling was targeted for exploration of non-CIL blocks. However, the achievement is 1,01,378m, which is satisfactory.

#### 4.1.5 Promotional Exploration by CMPDI:

CMPDI carried out the Promotional Exploration in Koyad Kishanpur South block of North Karanpura Coalfield, Bharatwada block of Kamptee coalfield, Area between Tirap Colliery & Namchik River of Makum Coalfield and has taken up new blocks viz. Madheri North West in Wardha Valley, Gare-IV/8 & IV - 8 blocks in Mand Raigarh and Radhikapur & Patrapada blocks in Talcher coalfields. During the year 2003-04, CMPDI has carried out 14,487 meter of promotional drilling as detailed below :

| Company Command Area                | Coalfield       | Blocks                                      | Meterage Drilled 2003-04 |
|-------------------------------------|-----------------|---|--------------------------|
| NEC                                 | Makum           | Area between Tirap colliery & Namchik river | 145                      |
| CCL                                 | North Karanpura | Koyad-Kishanpur South                       | 236                      |
| WCL                                 | Kamptee         | Bharatwada                                  | 993                      |
|                                     | Wardha          | Madheri North West                          | 1,029                    |
| SECL                                | Mand Raigarh    | Gare - IV/8                                 | 1,570                    |
|                                     |                 | Gare - IV/8                                 | 1,750                    |
| MECL                                | Talcher         | Patrapada                                   | 694                      |
|                                     |                 | Radhikapur                                  | 8,070                    |
| Total Promotional Drilling by CMPDI |                 |   | 14,487                   |

Promotional drilling in Makum coalfield of Assam could not be continued due to the unfavorable conditions and was suspended.

#### 4.2 Geological Reports :

4.2.1 During the year 2003-04, a total of 13 Geological Reports have been submitted from the regular exploration work of CMPDI. Apart from it, one Geological Report on Sikni Mine Extn. area has been submitted as consultancy work for Jharkhand State Mineral Development Corporation (JSMDC).

4.2.2 The 13 Geological Reports prepared in 2003-04, under regular exploration programme, have estimated 2.55 Billion tones of coal resources. Out of it, 2.06 Bt (0.11 Bt coking) is under Proved category and 0.49 Bt (0.04 Bt coking) is under 'Indicated' category.

#### 4.3 Hydrogeology :

4.3.1 Hydrogeological studies of a number of mining projects in CCL and WCL area, for preparation of EMP according to Xth Plan road map, have been completed. The studies in ECL and BCCL area are under progress.

4.3.2 A study on Hydrogeological investigations on assessment of impact of ash-haul-back from Talcher TPS of NTPC to South Balanda OCP has been completed and another from Singrauli TPS to Gorbi mine is under progress.

4.3.3 Permeability test studies have been carried out in Garhi Reservoir Area of North Karanpura Coalfield for Jharkhand Govt. and final report submitted. Eleven piezometres have been constructed and handed over to SECL in Bhatgaon / Bistrampur area.

#### 4.4 Geophysical Surveys :

4.4.1 Geophysical Logging : A total of 138 nos. of boreholes were subject to multi-parameter geophysical logging by CMPDI in 2003-04. About 27,737m of geophysical logging had been carried out for the purpose in CIL, Non-CIL and Promotional blocks. Apart from it, MECL has also carried out 3,297m of Geophysical Logging in an identified captive mining block.

4.4.2 Surface Geophysical Surveys: Electrical Resistivity and Magnetic surveys have been carried out by CMPDI in CIL, Non-CIL and Promotional blocks for delineation of incrops of coal seams, assessment of its geometry in shallow and deep areas and identification of intrusive / basement formations. A



total of 158 L. Km. of Resistivity Profiling, 76 Vertical Electrical Sounding and 3200 stations of Magnetic Survey have been carried out in 2003-04.

- 4.4.3** A S&T project on "application of Ground penetrating Radar Technique to map the extent of old working around the existing mines and determination of coal working from the surface" was taken up CMPDI by in association with National Institute of Rock Mechanics. The final report has been submitted in 2003-04.

#### **4.5 Geosystem :**

- 4.5.1** Computerized geological models of combined zone comprising Bhurkunda-Lapanga-Chordhara blocks of South Karanpura Coalfield (for CIL R&D Scheme of CCL), Sikni Mine Extension block of Auranga Coalfield (for Jharkhand State Mineral Development Corporation and Amlohri block of Singrauli coalfield, were completed in 2003-04 using MINEX software.

- 4.5.2** A final report on 'Coal Resources in CIL Mines / blocks and production needs' including broad based UNFC type of classification was submitted. Additionally, a brief report on geological resources and production details for different coal companies has been completed.

- 4.5.3** A project on 'Integrated Coal Resources Information System' under Promotional Exploration scheme of Xth plan has been approved in principle by the EFC. The committee of MoC, on screening of project proposals contained in Coal & Lignite Promotional Exploration Programme in Xth plan, has accepted the proposal for approval. Many advance actions, including NIT for borehole data capture, action for Software & Hardware procurement & drawl of specifications, design of database, system and software for seam correlation and collection / compilation of basic data, have been initiated.

#### **5.0 COAL BED METHANE (CBM) :**

- 5.1** The demonstration project "Coalbed Methane Recovery & Commercial Utilisation" has been approved by the Government of India vide 34012/15/96-CRC dated 15.09.1999 under the S&T plan of Ministry of Coal at an estimated cost of Rs. 76.85 Crores and is being funded jointly by the Global Environment Facility (GEF) / United Nations Development Programme (UNDP) and Govt. of India (GoI). The duration of project is 5 years. The project is under implementation with effect from 15.09.1999 jointly by Central Mine Planning & Design Institute Ltd. (CMPDIL) as main implementing agency and Bharat Coking Coal Ltd (BCCL) as co-implementing agency on behalf of the Ministry of Coal. Project sites are Moonidih and Sudamdih mines of BCCL in Jharia coalfield.

Major development in the implementation of the project during 2003-04 are as under:

- (i) Arising out of the bidding process undertaken by UNIDO during March-May, 2002 in which offers were received for 13 out of the 14 equipment packages re-tendered. The UNIDO's Contract Committee recommended on 27. 06. 2003 inviting fresh bids for the Vertical drilling Rig package no. 11. Fresh bids were invited on 17.07.2003 for this package, and the two offers received were evaluated and finalised in September 2003 at Vienna. UNIDO issued the contract for this package at a total cost of US Dollars 2,241,821 (CIF Kolkata), to M/s Crown Energy Technologies, Canada. As per this contract, the equipment is expected to be dispatched in May / June 2004.
- (ii) One other equipment package, namely, Package 18: Casing, had to be re-tendered by UNIDO in May 2003. But



the party has declined to execute the Purchase Order and have requested a substantial price increase.

- (iii) Ten other equipment packages, required confirmation of validity from the respective lowest bidders, as their original offers were more than one year old. But due to various reasons and purchase procedure, out of a total of ten surface and UG equipment packages, the UNIDO has invited fresh bids.

Bids received for the six packages were evaluated during Feb 2004 at UNIDO, Vienna, and orders are expected to be placed by UNIDO shortly. The TORs for the four UG packages and two new packages have been finalised, out of which five packages have been tendered by UNIDO till March 2004. The remaining package is expected to be tendered shortly.

- (iv) Arising out of the earlier bidding process undertaken by UNIDO in October 2001, eight equipment packages ordered by UNIDO, have been supplied and received including one incomplete till May 2003.

The total order value of the above eight packages is US Dollars 5,698,607. This includes the two packages procured under 50:50 cost co-sharing with ONGC.

- (v) A proposal for re-appropriation of funds to the tune of US Dollars 1.097 million, to bridge the gap between the budget provision and the fund requirement for procurement of international equipment, has been cleared by the DEA, Ministry of Finance. A meeting has been held between the MOC and DEA officials on 9.12.03 for the finalisation of the modality for transfer of fund in Rupees (equivalent to

US Dollars 1.049 million) from the GOI (Cash) S&T contribution of the project to UNIDO / UNDP in US Dollars for equipment procurement. As decided in the review meeting at the MoC on 24.2.04, the re-appropriation proposal is under process at the MoC for approval for implementation.

- (vi) The RCE (March 2003) of the project has been approved in the 36<sup>th</sup> SSRC meeting on 27.5.2003, at the revised cost of Rs. 94.999 Crores together with the revised date of completion of February 2006. The updated RCE (Jan 2004) of the project has been sent to the MOC on 6.2.2004 for clearance for submission to EFC.

## 5.2 Collaborative development of CBM prospects by consortium of CIL and ONGC in Jharia and Raniganj coalfields :

Government of India has cleared a proposal for granting joint PEL (Petroleum Exploration License) on nomination basis for development of CBM by consortium of CIL and ONGC in 356 sq. km. area of Raniganj coalfield and 84 sq. km. area of Jharia coalfield. An operating agreement was signed between CIL and ONGC in Oct '03 as per the provision of the contract signed between Government of India and consortium of CIL and ONGC. The consortium applied for grant of PEL to Government of Jharkhand and Government of West Bengal for Jharia and Raniganj coalfields respectively. PEL for Jharia Block has been granted on 28<sup>th</sup> August 2003 by Government of Jharkhand and the operation in this block has started from that day. The implementation of this project is to be carried out by CMPDI on behalf of CIL. The funding for this project is through R&D fund of CIL. The grant of PEL for Raniganj block from Government of West Bengal is awaited.

### 5.3 Delineation of seven prospective CBM blocks and preparation of corresponding data packages:

For 2<sup>nd</sup> round of bidding, the Directorate General of Hydrocarbons and Ministry of Petroleum and natural Gas had entrusted CMPDI to delineate seven (7) prospective CBM blocks in North and South Karanpura, Sonhat, Satpura, Wardha and Godavari coalfields and Mannargudi Lignite basin and preparation of corresponding data packages, which has been completed in May 2003 and the report submitted.

### 6.0 PERSPECTIVE PLANNING & PROJECT APPRAISAL :

Following jobs were carried out during 2003-04 :

- (i) Appraisal of draft PRs / RPRs
- (ii) Monitoring of preparation of PRs / EMPs / AAPs for Xth Plan projects requiring approval at Govt., CIL & Subsidiary level.
- (iii) Assistance in assessment of coal demand on Subsidiaries of CIL as well as in finalisation of long term linkages of coal for various sectors such as Power, Cement and Sponge Iron.
- (iv) Assistance to Ministry of Coal & Coal India in allocation of Coal Mining Blocks.
- (v) Annual Cost Updation of on-going projects costing Rs. 50 Crores & above and report on need for preparation of RCE requiring EFC / PIB / CCEA approval were arranged to be sent to MOC.

### 7.0 COAL & MINERAL PREPARATION

Coal & Mineral Preparation Division offers a broad spectrum Technology Services ranging from concept to commissioning of Coal Washeries Mineral Beneficiation Plants and

Modification / Modernisation of existing plants. The broad technological services encompasses exhaustive laboratory studies, Project Report preparation and Project Planning, Detail Design, Construction management and a wide range of R&D activities.

The major work done during the year 2003-04 in the area of Coal & Mineral Preparation are :

#### 7.1.1 REPORTS / STUDIES

- (i) Development of electrical drawings of Kathara Washery and Sawang Washery
- (ii) Report on laboratory study for possible options to improve yield of Kedla Washery, CCL.
- (iii) Proposal for environmental upgradation of Piparwar washery, CCL.
- (iv) Report on examination of operation & economics of washeries of CIL.
- (v) Washability investigation of Borehole sample of RONHE Block.
- (vi) Draft report on study of Piparwar Coal Preparation Plant, CCL.
- (vii) Formats developed for each washery w.r.t. its process equipment and sent to CIL for submission of data towards development of data bank.
- (viii) Draft report on performance evaluation and suggestions for improvement of Komag jigs of Nandan Washery.
- (ix) Final report on thorough study of Kargali Washery, CCL.
- (x) Draft report on thorough study of Kathara Washery, Sawang Washery and Gidi Washery of CCL.
- (xi) Preparation of tender document for plant "Conservation of fine coal and environmental upgradation of Kedla Washery, CCL".



**7.1.2 S & T PROJECTS**

Fabrication, erection & installation of equipment and Preliminary Acceptance Test (PAT) completed for the project "Installation of coal flotation Tailing Treatment Plant at Rajrappa Washery to improve environment of the existing water bodies and prevent pollution in and around".

**7.1.3 OUTSIDE CONSULTANCY**

- (i) Techno Economic Feasibility Report (TEFR) of Balaghat Manganese Ore Beneficiation Plant.
- (ii) Consultancy for development of washery by NTPC at Amiori mine, NCL
- (iii) Report on assessment of availability of raw coal sources and suggestions of appropriate sites for setting up washery at Talcher Area, MCL by NTPC.
- (iv) Report on assessment of likely capacity of washery to be set up at Talcher Area, MCL by NTPC.

|      |                                    |      |
|------|------------------------------------|------|
| iii) | Projects on-going during 2003-04   | • 60 |
| iv)  | Projects completed during 2003-04  | • 10 |
| v)   | Projects terminated during 2003-04 | - 01 |
| vi)  | Projects on-going as on 01.04.2004 | - 49 |

A budget provision of Rs. 10.04 crore was available in RE 2003-04 for funding research projects under Coal S&T Grant. The total disbursement made during the period was Rs. 9.6 Crore (provisional), indicating 159 % increase over last year's disbursement of Rs. 6.03 crore. An amount of Rs. 9.88 Crore has been approved for BE 2004-05 by the Govt. of India.

Some of the major projects completed last year include development of micro-controller based continuous monitoring system for longwall powered supports for evaluation of strata behaviour during extraction of coal by underground method, development of light weight adjustable height steel props and fly ash supports for use in underground mines, which are likely to bring considerable benefits to the industry.

CMPDI also acts as the Nodal Agency for co-ordination of research activities funded by CIL R&D Board.

The status of CIL R&D Board Projects during 2003-04 was as follows :-

|      |                                   |      |
|------|-----------------------------------|------|
| i)   | Projects on-going as on 1.4.2003  | - 12 |
| ii)  | Projects approved in 2003-04      | - 02 |
| iii) | Projects completed during 2003-04 | - 03 |
| iv)  | Projects on-going as on 1.4.2004  | - 11 |

**8.0 RESEARCH AND DEVELOPMENT:**

CMPDI acts as the Nodal Agency for co-ordination of research activities funded by Coal S&T Grant of the Ministry of Coal and Mines. The work involves identification of thrust areas for research activities, identification of agencies which can take up the research work in the identified fields, processing the proposals for Government approval, monitoring the progress of projects, preparation of budget estimates, disbursement of funds etc.

The status of Coal S&T projects during 2003-04 was as follows :-

|     |                                    |      |
|-----|------------------------------------|------|
| i)  | Projects on-going as on 01.04.2003 | - 44 |
| ii) | Projects approved in 2003-04       | - 16 |



A major project on "Geo-mining statistical database of South Karanpura Coalfield" has been completed during the year. A geological database has been created for the South Karanpura Coalfields. The database includes all the relevant geo-mining data and is stored digitally, and is expected to be helpful for mine planners.

## 9.0 MINING SERVICES :

### 9.1 UNDERGROUND MINING :

9.1.1 Following jobs have been carried out during the year 2003-04 :

- (i) Revision of normative cost of sand stowed / transported in each eligible mine of TISCO, IISCO, SCCL, MCL, CCL, BCCL, WCL and ECL. The job was required as per the recommendation of CCDA Committee.
- (ii) Estimation of normative cost of sand stowed / transported for one mine each of IISCO and WCL and three mines of ECL. (Additional mines)
- (iii) Performance Analysis of PSLW and SDL / LHD faces in CIL mines and related critical appraisal.
- (iv) Assessment of hydraulic stowing for starting depillaring operation at R-VI seam at Ratibati Colliery, Satgram Area, ECL (Part-I)
- (v) Mine Capacity Assessment of U/G Mines as on 1.4.03 of ECL, BCCL, CCL, WCL, SECL, MCL, NEC.
- (vi) Standard Price List.
- (vii) Stability analysis of headframes at Ballarpur Colliery, WCL & at Pit no. 6&7 of Begunia Colliery, BCCL.
- (viii) Design & Drawing for open excavation walling and roofing for incline mouths for Natraj & Talcher mines.
- (ix) Conversion of steam winder to electric winder for Ballarpur Pit no - 3, WCL.
- (x) Scheme for strengthening of existing Headframe of Pit no-3, Ballarpur Area, WCL.
- (xi) Detailed design for support for Natraj incline Nos. 1 & 2.
- (xii) Design for RCC incline mouth of Jagannath incline nos. 1, 2 & 3, MCL.
- (xiii) Tender document, cost estimate and detailed design for Natraj Air Shaft (MCL)
- (xiv) Ventilation Survey of Maori Incline, Mohan Colliery, WCL
- (xv) Gas sample analysis for Jarandih colliery, Kathara Area, CCL (Sample collected from a well and Damodar river side.
- (xvi) Ventilation study of Rajendra UG mines SECL
- (xvii) Gas survey for Hirakhund Bundia Mines of MCL
- (xviii) Gas survey of I seam of Keshalpur Unit of Amalgamated Keshalpur West Mudidih Colliery (AKWMC) BCCL

### 9.1.2 Safety Jobs

CMPDI, as an in-house consultant to CIL and its coal producing subsidiary companies, is responsible for providing safety needs necessary for planning, design and technical inputs while formulating project report for mines of different coal companies and follow up during the actual operation as and when required.

## 9.2 Opencast Mining

During the year following consultancy jobs were taken up :-

### 9.2.1 Outside Consultancy Jobs :

- (i) Conceptual Study on Feasibility of Coal

Availability from the mines/blocks of NCL for Renuagar Power Division, Hindalco.

- (ii) Feasibility report of Sattupalli OCP-II, SCCL

### 9.2.2 Internal Consultancy Jobs :

- (i) Mining Plans for Renewal of Mining Lease of NEC mines for five leasehold areas namely Dilli, Jeypore, Birmalapore I & II, Sheelvata and Koilajan
- (ii) Revival Plan of NEC, CIL
- (iii) Pre-Feasibility Study on Availability of Coal from NEC for Commercial Coal Liquefaction Plant, M/s Oil India Ltd.
- (iv) FR for Lachitkhani OCP, NEC
- (v) FR for Ledo OCP, NEC
- (vi) PR for Rajmahal Expansion OCP (17 Mty)
- (vii) Supplementary Note on Rajmahal Expansion OCP (Incremental 6.5 Mty), ECL
- (viii) PR for Chuperbhita OCP, ECL
- (ix) Advance Action for Chuperbhita OCP, ECL
- (x) PR for Hura - 'C' OCP, ECL
- (xi) Addendum to the PR for Hura - 'C' OCP, ECL (Containing Contractual Options)
- (xii) Assessment of capacity of all the opencast mines of CIL
- (xiii) Performance analysis of HEMM delayed in OC mines of CIL
- (xiv) Study of slope stability of dumps at Sasti OCM, WCL, Ghugus OCM, WCL, Umrer OCM, WCL, Dhanpuri OCM, SECL & Kalinga OCM, MCL

- (xv) Technical scrutiny of project reports.

## 10.0 SPECIALISED SERVICES :

### 10.1 BLASTING :

CMPDI has been rendering specialized technical services to CIL subsidiaries and other companies for solution of blasting related problems, testing of explosives and explosive accessories, performance evaluation of new products, etc.

Following services were rendered to different subsidiaries of Coal India Ltd. & Outside agencies during 2003-04 :

- (i) Controlled blasting and vibration study: A total of 10 such studies were carried out for different mines of CCL, MCL and BCCL for relaxation of danger zone from 300m to 100m with respect to buildings/structures and inhabited localities.
- (ii) Random sampling, testing and analysis of explosives and explosive accessories: This work was carried out in 4 mines of CCL and 6 mines of ECL for assessment of quality of explosives supplied.
- (iii) Vibration study at CHPs: For evaluation of structural stability of CHPs vibration study was carried out for 4 CHPs in NCL and 3 in WCL.
- (iv) Performance evaluation of new explosive products: Performance of 20 new explosive products of different manufacturers was evaluated during the year as per the laid down norms of CIL.
- (v) S&T project: A project titled "Standardization of blast vibration damage threshold for the residential structures in mining areas" is under implementation in collaboration with CMRI. The vibration study on experimental struc-



tures at Sonapur Bazar OCP, ECL, is in progress. The S&T project is likely to be completed in Aug 2005.

## 10.2 LABORATORY SERVICES

The work carried out during the year is as follows :

### 10.2.1 CHEMICAL LABORATORY

- i) Characterization of coal on borehole cores from sixteen blocks was explored by CMPDI covering seven coalfields. During the year 4043.00m of coal cores were processed and 10556 no. of samples were analysed for quality evaluation and its down stream utilization.
- ii) Characterization of beneficiated coal for evaluation of caking properties.
- (iii) Sampling of imported coals at Vizag and Haldia ports and its characterization study was done as per International Standard for SAIL as consultancy job.
- (iv) Coal characterization of Sikni block, Auranga Coalfield was carried out as part of consultancy work for Jharkhand State Mineral Development corporation.

### 10.2.2 PETROGRAPHY LABORATORY

- i) The laboratory has undertaken petrographic study (vitrinite reflectance and macerals analysis) on 260 coal samples from fifteen block / areas covering eight coalfields. The area covered includes working mines and exploration blocks from different coal companies. In addition, petrographic studies were undertaken on clean coal samples from CCL Washeries also. Imported coals samples have been analysed as per International Standard. The studies of cleat samples from different working mines of WCL were also undertaken.

- ii) One CIL R&D funded project titled "Characterization of cleats in coal from Raniganj and Jharia Coalfield" has commenced from the month June 2002. The project will generate data on coal cleats for different applications for CBM industry and mine stability. The progress of the project is as per schedule.

- iii) This is the only laboratory in the country where all the four coal Petrographers are accredited by International Committee of Coal and Organic Petrology (ICCP).

### 10.2.3 WASHERY LABORATORY

The washery laboratory carried out washability studies for ascertaining beneficiation Characteristic and evaluation of performance of existing washeries.

During the period from 1.1.2004 to 31.12.2004 the following studies were completed:

### 10.2.4 Mining Laboratory

- (i) A total of 1730 m rock/coal core samples and rock / coal samples from 35 underground workings were tested for Physico mechanical properties. Rock Mass Rating of roof strata was determined for 35 mines/districts.
- (ii) A CIL R&D sponsored project on "Establishment of Longwall Strata Control Services" has been completed.
- (iii) Subsidence prediction was carried out for 6 underground mines.
- (iv) Non-destructive testing of the following equipment / components was done.
 

|                          |                      |
|--------------------------|----------------------|
| - Mine winder components | - 24 Nos.            |
| - Cage suspension gear   | - 9 sets             |
| - Dragline components    | - 10 Nos.            |
|                          | (2 full & 8 partial) |
| - Shovel                 | - 2 Nos              |



- CHP - 6 Structures
- Coal tub draw bars - 86 Nos
- High pressure shaft pipe range thickness measurement - 3 ranges.

### 10.3 Mining Electronics

Major works carried out during the year are as mentioned below :-

#### 10.3.1 Preparation of Feasibility Reports / Schemes / NIT etc.

- (i) Scheme on integrated Communication Network for BCCL which links all the Area Offices and some important locations to HQ using wireless LAN
- (ii) Draft NIT for Environmental Monitoring System of BCCL (Sudamdih and Amlabad Mines).
- (iii) Draft Scheme on Integrated Communication Network for CCL.
- (iv) Communication chapter for 13 reports prepared at different Regional Institutes.

#### 10.3.2 Repairing / Development of Electronics Cards of Equipment/Gas Monitors

- (i) 292 nos. of Gas Detectors were repaired and calibrated.
- (ii) 122 nos. of HEMM cards were repaired, tested and commissioned at various opencast mines of CIL.

### 10.4 COAL TECHNOLOGY

The following activities were carried out during 2003-04 :

- (i) Report on the possibility of coal liquefaction Plant in India.
- (ii) Report on Washability study on Grade F coals of MCL/SECL for use by Sponge Iron Plants in India.

- (iii) Study of Petrographic and other tests on clean coals of CCL washeries.

### 11.0 GEOMATICS :

Geomatics services include the task of planning, formulation and implementation of projects related to Remote Sensing, GIS, GPS, Topographical Survey, Opencast mine excavation measurement survey, underground mine correlation & check survey and Digital Cartography. Following jobs were carried out during the year:

#### 11.1 Remote Sensing

- (i) Land use / cover mapping of buffer zone of Umrangsho limestone mine, NC Hills, Assam for IBM Nagpur.
- (ii) Hydro-geomorphic mapping for locating the potential ground water zone in and around Darjeeling town based on satellite data for Govt. of West Bengal.
- (iii) Geo-Structural and geo-morphological mapping of 7 CBM blocks viz. North Karanpura, South Karanpura, Wardha Valley, Sonhat, Sohagpur, Neyveli and Manargudi for Directorate General of Hydrocarbon, Ministry of Petroleum and Natural Gas, Govt. of India.
- (iv) Land use / cover mapping of buffer zone of 11 projects of CCL, 9 projects of MCL, 5 projects of NCL & 3 projects of ECL for preparation of EMPs.
- (v) Monitoring the impact of opencast coal mining on land use pattern in Piparwar and Ashoka OCPs of Central Coalfields Limited based on Satellite data of the year 1992-2002.
- (vi) Thematic mapping of Wardha Valley Coalfield based on the Satellite Data of the year 2002 for Western Coalfields Limited.

- (vii) Thematic mapping of Raniganj Coalfield based on the Satellite Data of the year 1992 & 2002 for Eastern Coalfields Limited.

## 11.2 Survey & Drawing

- i) OBR check measurement were carried out on periodic basis in 35 Opencast mines (6 OC projects in SECL, 4 OC projects in CCL, 3 OC projects in ECL, 10 OC projects in MCL, 3 OC projects in WCL, 8 OC projects in NCL, 1 OC project in BCCL) producing 1 m.t. coal and above per annum.
- ii) Check survey in East Bhuggatdih and Bhowrah South underground mines of BCCL and Dalurband underground mines of ECL.
- iii) Quarry patch deposits survey for outsourcing were done (10 nos. for ECL, 4 nos. for BCCL, 3 nos. for CCL, 4 nos. for SECL).
- iv) Correlation survey of 7 pits in different underground mines of BCCL.
- v) Technical evaluation of tenders for total Station and Plotter for CCL.
- vi) Initial survey plan of Madhabpur Colliery for subsidence filling.
- vii) Coal stock verification (measurement) of M/s JSPL, Raigarh.
- viii) Scale conversion (from FPS to CGS system) of 71 nos. mine plans received from different collieries of CCL and BCCL.

## 12.0 INFORMATION TECHNOLOGY:

CMPDI has taken action for establishing infrastructural facilities as per Information Technology implementation scheme in coal industry during the 10<sup>th</sup> five year plan.

### Completed Projects :

- World Bank / MOEF Project Environmental Database for non-coal sectors with international consultants.
- Guidelines for Science & Technology for coal are available on Website using CMPDI Server.
- Two internet servers, LAN implementation at BCCL (HQ), CMPDI, RI-II, Moonidih, Sudamdih under CBM Project completed.
- CCL Land information System envisages building of the Geodatabase of all land acquisition carried out by CCL. Compilation of the Geodatabase has been completed for Piparwar, Ashoka, Parej, Amlo, Govindpur, KDH, Karo, Tetariakhar, Tamri and Pundi project of CCL.
- The integrated Geo Mine Statistical Database for the R&D Project "Geo Mine Statistical Database of South Karanpura Coalfield" Argada Pilot Project was completed and presented at CMPDI & CCL.

### On-going Projects :

- Website for CCL and BCCL.
- Compilation work for the remaining projects of CCL Land information System (LIS).
- The Geodatabase of the CCL Land Information System is being reestablished on the Oracle Platform.
- Work on the Geomine database is being extended to establish its usefulness as an alternative for mine planners.
- "Capacity building for setting up e-information Centre for Coal & Lignite" at CMPDI. CIL R&D Board has approved this project.



- Executive Information System (EIS) for CIL. This job involves Software enhancement, Database Updation & archiving, Report generation for CIL & Subsidiary companies

### 13.0 ENVIRONMENTAL MANAGEMENT :

#### 13.1 EIA / EMPs

During the year, CMPDI formulated 27 EMPs for projects of the Coal Companies.

#### 13.2 Environmental Monitoring for Air, Water and Noise

The details of environmental monitoring work done by CMPDI during 2003-04 is given below :

| Company      | No. of Projects |
|--------------|-----------------|
| ECL          | 16              |
| CCL          | 57              |
| WCL          | 75              |
| SECL         | 46              |
| NCL          | 09              |
| MCL          | 18              |
| <b>TOTAL</b> | <b>221</b>      |

#### 13.3 Co-ordination of EMSC Schemes

CMPDI is the nodal agency for co-ordination and monitoring of ongoing environmental upgradation schemes sanctioned by Ministry of Coal and Mines under the head "Environmental Measures and Subsidence Control". CMPDI undertakes technical scrutiny of new proposals, visits to project sites and disbursement of funds to the implementing agencies. 18 schemes are under implementation including 4 fire control schemes sanctioned in 2002-03.

#### 13.4. Special Studies

- (i) Scheme for "Reclamation of Mined out Areas" for 20 abandoned mines and

old dumps of eight areas of CCL have been prepared.

- (ii) A S&T project titled "Development of Emission Factors for various mining machineries and operation in OC Coal Mines" was approved by Ministry of Coal in April 2002 for an estimated cost of Rs. 78.01 lakhs. This is under implementation.
- (iii) A S&T project titled "Fly Ash Characterization for Mine Void Reclamation" was approved by Ministry of Coal for a duration of 3 (three) years (1<sup>st</sup> Nov. 2003 - 31<sup>st</sup> Oct. 2006), in September 2003. Total cost approved for the project is Rs. 287.684 Lakhs. This is under implementation.
- (iv) A S&T Project on "Development of Suitable Biological Wastewater Treatment Technology through Constructed Wetlands for Treatment of Acid Mine Drainage from Coal Projects" was approved by Ministry of Coal for an estimated value of Rs. 78.62 Lakhs for a duration of 3 (three) years in 37<sup>th</sup> meeting of SSRC held on 23.02.2004. This is under implementation.

#### 13.5 Environmental Management Capacity Building - Technical Assistance Project; Mining Sub-Component

World Bank has funded grants to MoEF for undertaking the above project for non-coal mining sector. CMPDI has been selected as National Consultant, CME of Indian School of Mines, Dhanbad as Executing Agency for Activity-IIA of this Mining Sub-Component and M/s Montgomery Watson Harza is the International Consultant. The Activity-IIA contains Institutional Strengthening of the government agencies at Central and State level who are responsible for policy making, legislating, standards / setting and



enforcement as well as strengthening of counterpart institutions as resource groups / consultants for central and state government agencies including mining companies. CMPDI was also identified as one resource group.

### **13.6 Study of Environmental Problems of Aravali Hills & Preparation of Action Plan for Restoration of Environmental Quality.**

With a quest to solve the problems of environmental degradation and to promote sustainable development in the Aravali Hill range, Central Pollution Control Board assigned the work of study of environmental problems of Aravali Hills and to prepare the action plan for restoration of environmental quality in Alwar district of Rajasthan and Gurgaon district of Haryana which are covered under Aravali Notification, to CMPDI after interaction and deliberation with a number of scientific institutions in India.

The report covering the EIA / EMP and Action Plan has been submitted to Central Pollution Control Board.

### **13.7 Environmental Master Plan of Alwar District.**

In order to promote sustainable development of Alwar district of Rajasthan which is covered under Aravali Notification, Rajasthan State Pollution Control Board assigned the work for preparation of Environmental Master Plan of the district with the objective of study of natural resource base, study of existing environmental scenario, traditional practice of using the resources, stress on the system by industrial, mining, tourist activities etc. and preparing the Environmental Master Plan based on criteria of sustainability.

The draft report has been prepared and submitted to Rajasthan State Pollution Control Board.

### **13.8 Siting of Pithead Coal Based / GAS Based TPS for Central Electricity Authority.**

Central Electricity Authority (CEA), New Delhi awarded this consultancy project to CMPDI for

- (i) Location of 3 suitable TPS sites each in a radius of 50 km from the blocks identified in 8 coalfields viz. Singrauli, Tatapani-Ramkola, Takher, Ib, Mand - Raigarh, Korba, North-Karanpura & Rajmahal coalfields.
- (ii) Location of 3 suitable sites for natural gas / LNG based combined cycle TPS in 75 km radius from Delhi.

Under this project, Environmental screening of the sites identified through Remote Sensing was carried out by CMPDI as per the MOEF guidelines for location of Thermal Power Plants. Preliminary assessment of water availability at the selected sites was also done.

### **13.9 Sewage Treatment Schemes**

- (i) CMPDI has prepared tender document for proposed sewage treatment plant at Central Repair Shop (CRS), Barkakana, CCL.
- (ii) Process design & scheme for sewage treatment plant at Regional Telecom Training Center, BSNL, Ranchi was prepared and submitted to BSNL, which has been approved by Jharkhand State Pollution Control Board. Thereafter the detail estimate, tender drawings and civil structural drawings were prepared and submitted to BSNL.
- (iii) Preparation of schemes for modification of STP at Khadia project NCL and construction of STP for Singrauli and CETI colony, NCL, are under progress.

**13.10 Water Supply Augmentation Scheme**

- (i) A draft scheme on "Water Supply Augmentation Scheme" for Gevra Area was prepared by CMPDI and submitted to SECL in December 2003.
- (ii) A draft scheme for Treatment of acid mine water to make it potable for NCPH colliery, Chrimiri Area of SECL was prepared.

**13.11 Fly Ash Characterization for Mine Void Reclamation**

- (i) NTPC, Talcher awarded work to CMPDI for Fly Ash Characterization of Talcher TPS and Baseline Data Generation for backfilling of fly ash in abandoned mines of MCL in January 2003. The report was presented to the Orissa State Pollution Control Board and they have granted NOC for the same.
- (ii) NTPC, Singrauli has awarded work to CMPDI "Hydrogeological Investigations and Environmental Impact Assessment for backfilling of NTPC-Singrauli fly ash in abandoned Gorbi mine of NCL in January 2003. The job comprises of five Task Reports. Task Report I, II, III & IV have been submitted. Task Report V is in progress.
- (iii) For conductance of Environmental Impact Assessment Study due to filling of mine voids with fly ash for 1000 MW Maithon Right Bank TPS, DVC preliminary site visit has been done.

**14.0 HUMAN RESOURCE DEVELOPMENT:**

Human Resource Development programmes in CMPDI are coordinated by its HRD Division either through its in-house Staff Training College or Reputed Training Institutes in the country including IICM.

During the year 2003-04, Staff Training College (STC) imparted training to 773 persons

through its 49 programmes. These programmes were conducted under five major categories namely (i) Technical, (ii) Managerial, (iii) Computer Application, (iv) Quality Skills and (v) Transformational Programmes.

Internal Quality Auditing Programmes were organized under Quality Skills Training category for the executives of CMPDI, CCL, ECL, NCL, SECL, WCL and ONGC besides organizing awareness programmes on CMPDI's Revised Quality Manual (9001-2000) for CMPDI and NCL executives.

Two Specified programmes, as under, were conducted at STC for the Executives of CMPDI, CIL subsidiaries and different private / Govt. Organizations :

- a) Enhancing Expertise for opening Coal mining project in India for Private & Public Investors in Coal Mining.
- b) Impacts of Mining Projects on biodiversity for CIL Subsidiaries, State PCB and CMPDI.

For the promotion of Rajbhasha in official work, Hindi Karyashala was organized quarterly.

In addition to above programmes organized at STC, 372 executives were sent for different types of training outside the company, out of which 238 executives were sent to IICM and 13 executives were sent abroad eg. Vienna (Austria), U.S.A, Russia and Germany.

CMPDI met its social obligation of extending vocational training facilities to 132 under graduate and post graduate students belonging to institutions spread all over India during 2003-04.

**15.0 MANAGEMENT SYSTEM CONSULTANCY**

CMPDI diversified into management system consultancy in 1998. While continuing to provide consultancy for ISO 9001 Qual-



ity Management System (QMS) and ISO 14001 Environmental Management System (EMS). It also made forays into the consultancy for OHSAS 18001 Occupational Health and Safety Assurance Series, and industry specific translations of ISO 9001 e.g. ISO 17025, ISO 16949 etc. The scope of such consultancy includes;

- (i) Creation of management systems
- (ii) Providing training support and implementation
- (iii) Certification and post certification support.

Management system consultancy worth Rs 19.1 lakhs were completed for various subsidiaries of CIL, ONGC Regional Computer Center, Kolkata, SNL Bearings Limited, Ranchi, and Sigma SG consultants, Ranchi during the year.

#### **Management System Consultancy for CIL and its Subsidiary Companies**

CMPDI is presently providing management system consultancy worth Rs. 1.87 Crores to 38 establishments within CIL. These include some of the prestigious coal mining projects like Gevra, Dipka, Kusmunda (SECL), Rajmahal (ECL), Piparwar, KD Hesalong (CCL), Lakhanpur, Kalinga, Samleswari (MCL), in addition to NCL as a company including all its mines, support establishments and corporate functions. Under CMPDI's consultancy Central Workshop & Nehru Shatabdi Chikitsalaya of NCL, three Regional Workshops (Tapin North, Jarangdih & Dakra) and Central Hospital at Gandhinagar, Ranchi of CCL, Ib Valley Central Workshop & Lingaraj Opencast Project of MCL were certified for ISO 9001 during the year. Nehru Shatabdi Chikitsalaya is the first hospital in Coal India and probably in the public sector to achieve this distinction. Similarly, the Central

Hospital of CCL is the first one in the state of Jharkhand to achieve this feat.

#### **Work done in 2003-04 :**

The details of such ongoing consultancy are as follows :

**ECL :** Workshops : Sonepur-Bazarl OCP  
Mines : Rajmahal OCP for ISO 9001 and ISO 14001 certification

**CCL :** Workshops : HEMM workshops of Piparwar and Kathara, Unit workshops of Parej, KD Hesalong, Urimari, Sel. Dhorl and Pundi for ISO 9001 certification.

Mines : Piparwar and KD Hesalong OCPs for ISO 9001 and ISO 14001 certification.

Central Hospital Gandhinagar and three regional workshops located at Tapin-North, Jarangdih & Dakra have been certified for ISO 9001:2000.

**WCL :** Mines : Padmapur OCP for ISO 14001 certification.

**SECL :** Workshops : Korba for ISO 14001 and Gevra, Bijuri & Korea for ISO 9001 certification

Mines : Gevra, Dipka and Kusmunda OCPs for ISO 14001 certification.

Korba Workshop has been certified for ISO 9001:2000.

**NCL :** NCL - the whole company : for ISO 9001 certification.

Central Workshop, Jayant and Nehru Shatabdi Chikitsalaya of NCL have been certified for ISO 9001:2000.

**MCL :** Mines : Lakhanpur, Kalinga and Samleswari for ISO 9001/14001 certification.

Lingraj OCP and Central Workshop Ib Valley have been certified for ISO 9001:2000.

#### Consultancy outside CIL :

Apart from CIL establishments, efforts have been made to provide consultancy to outside clients. Internal Auditor's Training and Review of ISO 9001 QMS were provided to ONGC Regional Computer Center, Kolkata. Similarly, Internal Auditor's Training was conducted for SNL Bearings Ltd. Ranchi, and Sigma RG Consultants, Ranchi.

#### 16.0 ENGINEERING SERVICES :

Apart from providing consultancy services for CHP, Workshops, Power supply, distribution & control systems, Industrial & residential buildings, Road & Railway siding, Townships, the following major Engineering Services were provided during 2003-04.

##### 16.1 ENERGY AUDIT MANAGEMENT

Petroleum Conservation Research Association under ministry of Petroleum and Natural Gas, Govt. of India has empanelled CMPDI as Energy Auditor on PCRA's Panel.

15 nos. of energy audit / conservation reports (Electrical) and 2 nos. Diesel Audit/ Conservation reports were prepared for OC mines of CIL. 3 nos. of diesel audit report for NCL has been implemented and 915 kl diesel has been saved worth Rs. 185 Lakhs on account of diesel conservation.

##### 16.2 INSPECTION SERVICES

Services towards third party inspection of materials / equipment worth Rs. 150 Crores (approx) purchased by different subsidiary of CIL has been rendered and CMPDI has earned inspection fee of Rs. 60 lakhs.

Inspection of materials/equipment worth Rs. 12 crores (approx.) purchased by Jharkhand State Electricity Board has also been car-

ried and CMPDI has earned inspection fee of Rs. 5 lakhs.

##### 16.3. Captive Power Plants

- (i) Tender document and scrutiny of offers for Leasing of Kathara CPP
- (ii) Feasibility report for captive thermal power plants based on washery rejects at Piparwar, CCL

##### 16.4. Power supply, distribution and control System

- (i) Illumination survey for Gevra and Kusmunda OCP of SECL
- (ii) Design of transportable 2x10MVA, 33/6.6 kV Modular Sub-station for NCL
- (iii) Protection co-ordination for 9 projects of NCL
- (iv) Scheme for power supply and distribution system for Birsia OCP (North Urimari)

##### 16.5 CIVIL SERVICES

Following Civil services were provided during the year under review :

- (i) Structural adequacy study of 30 Nos. CHP of SECL, NCL and WCL.
- (ii) Phase-I work of structural adequacy study of CHP / washery structures of 10 areas of CCL (Quick inspection report)
- (iii) Design of 400 seater Auditorium Building at SECL(HQ).
- (iv) Design of 3 nos. UG bunker / silo at Sitaldhara Project, SECL.
- (v) Design of habitat complex at Gandhinagar.
- (vi) Master Plan and detailed design of welfare buildings for Magadh and Amrapali Project, CCL.



- (vii) Design of Sanskriti Bhawan at Sambalpur, MCL.
- (viii) Scrutiny / approval of drawings for 3 Nos Bridges, one on river Rehar of Bishrampur Area, SECL and two at Rajmahal Area, ECL.
- (ix) Design of STP for Anand Vihar and Jagriti Vihar colony of MCL.
- (x) Report on Architectural works at NCL (HQ) for New VIP guest house, officers' club, recreation centre and beautification of Madwani dam site.
- (xi) Design consultancy for the proposed Jharkhand Bhawan at New Delhi for Govt. of Jharkhand.

**17.0 MANPOWER (AS ON 31.03.2004) :**

|                    |   |             |
|--------------------|---|-------------|
| EXECUTIVE          | - | 863         |
| NON-EXECUTIVE      |   |             |
| Monthly Rated      | - | 1458        |
| Daily Rated        | - | 1045        |
|                    |   | 2503        |
| <b>GRAND TOTAL</b> |   | <b>3366</b> |

**18.0 RAJBHASHA :**

Your Company continued to implement the statutory provisions of the Official Language Act, Official Language Rules and the directives of the Ministry of Home Affairs (Official Language), Ministry of Coal and Coal India Ltd and made multi dimensional efforts to enhance the progressive use of Official Language Hindi in daily official routine work during the period under review.

Besides, documents under Section 3(3) of the Official Language Act, the minutes of the meetings of Board of Directors and other meetings, the monthly and Annual reports of your Company also continued to be prepared bilingually. The publication of "Desh

Kal Sampada" a renowned & National level House Magazine of your Company also continued to enhance the creative writing in Hindi, which fetch laurel all over.

The month of September was organized as Hindi month as per the directive of Ministry of Coal under which several Hindi competitions were organized. A large number of participants participated in all competitions held during the month and winners were awarded suitably. A glorious Akhil Bharatiya Kavi Sammelan was organized to propagate & makes Hindi popular among the employees of the Company during the year under review. The Hindi poets of national & international fame & repute were invited for the same.

Four Hindi workshops were also organized under the aegis's of STC (HRD) to facilitate the use of Official Language Hindi in day-to-day official work. A special Hindi workshop was also organized specially for all HODs to make them aware of all the provisions of the Official Language Act and the recommendations & directives of the Committee of Parliament on Official Language issued from time to time. Four quarterly meetings of Official languages implementation committee were held under the Chairmanship of CMD to review quarterly progress of official languages in different departments of your company as per the directive and annual programme issued by the ministry of Home affairs, department of official languages

**19.0 DIRECTOR'S RESPONSIBILITY STATEMENT :**

- 19.1 In the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures.

- 19.2** The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- 19.3** The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 19.4** The directors had prepared the annual accounts on a going concern basis.

**AUDITORS :**

On the advice of the comptroller and Auditor General of India M/s S. K. Basu & Co., Chartered Accountants, Kolkata were appointed as Auditors of the Company for the financial year 2003-2004. They were also appointed Tax-Auditors for the year U/S 44 (AB) of the Income-Tax Act, 1961.

**ACKNOWLEDGEMENT :**

Your Directors are grateful to the Government of India particularly the Ministry of Coal, Coal India Ltd., and its Subsidiaries, State Governments and other Public Undertakings with whom your Company has to work in close contact for their co-operation and encouragement in fulfilling the tasks of the Company. We are thankful to our esteemed clients, Singareni Collieries Company Limited, Uranium Corporation of India Ltd., Indian school of mines, Jharkhand State Mineral Development Corporation, Ministry of Environment and forest, Indian Bureau of Mines, Tata Iron & Steel Company Limited, National Thermal Power Corporation Limited, Neyveli lignite Corporation Limited for the confidence reposed in us and the patronage extended to us.

**ADDENDUM :**

Particulars of employees required under Section 217(2A) of the Companies Act, 1956 (Nil Report) and Comments of the comptroller & Auditor General of India under section 619 (4) of the Companies Act, 1956 are attached.

For and on behalf of  
the Board of Directors.

Ranchi  
Date : 26. 08. 04

(M. N. Jha)  
Chairman-cum  
Managing Director



**AUDITOR'S REPORT****MANAGEMENTS' REPLY**

The Members,  
Central Mine Planning and Design Institute Limited,  
Ranchi, Jharkhand.

We have audited the attached Balance Sheet of Central Mine Planning and Design Institute Limited as at 31<sup>st</sup> March 2004 and the Profit and Loss Account of the company 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.

The Balance Sheet as at 31<sup>st</sup> March, 2004 and the Profit & Loss Account for the year ended on that date together with the notes thereon approved by the Board of Directors in their meeting held on 30<sup>th</sup> June, 2004 have been amended based on the audit conducted by the Comptroller & Auditor General of India as explained in para 15.0 of the Notes on Accounts ( Schedule - 18) and have been approved by the Board of Directors by way of Circular Resolution on 21<sup>st</sup> August, 2004.

The impact of the amendments are given as under :-

(Rs. in Lakhs)

**1. Profit & Loss Account**

**A. Decrease in Profit**

|   |              |
|---|--------------|
| (i) Increase in expenses<br>[Interest - on Income Tax<br>(Sch. 13)] | 15.30        |
| (ii) Increase in Prior<br>Period - Adjustment<br>(Schedule 15)      | 49.87        |
|   | <u>65.17</u> |

| AUDITOR'S REPORT  | MANAGEMENTS' REPLY |
|---|--------------------|
| <p>B. Increase in Profit</p> <p>Increase in Sales of Services<br/>(Sch. - 1) <u>58.55</u></p> <p>Net decrease in profit <u>6.62</u></p>   |                    |
| <b>2. Balance Sheet</b>   |                    |
| <p>A. (i) Decrease in Reserves &amp;<br/>Surplus (Schedule C) 6.62</p> <p>(ii) Increase in Sundry Debtors<br/>(Schedule J) <u>61.81</u></p> <p><u>68.43</u></p>   |                    |
| <p>B. (i) Increase in Current Liability<br/>&amp; Provision ( Schedule N) 68.43</p> <p>(ii) Decrease in Net Current<br/>Assets 6.62</p>   | No comments.       |
| <p>We report as follows :</p> <p>(1) We conducted our audit in accordance with the accounting 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 from 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.</p> <p>(2) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of The Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.</p> |                    |



| AUDITOR'S REPORT   | MANAGEMENTS' REPLY   |
|--|--|
| (3) Further to our comments in the Annexure referred to in paragraph 2 above , we report that:-  |  |
| (A) Comments on Accounts :-  |  |
| (i) Depreciation has not been provided in the accounts at appropriate rates on plant and machinery included in buildings (Policy no.7.1 in Schedule 17 and Note No. 1.2.2 in Schedule-18).   | This is the Accounting Policy of the Company followed since inception.   |
| (ii) Buildings cost or WDV includes Rs.982.41 lakh standing on land belonging to other CIL subsidiaries which has not been conveyed in favour of the company.(Note no.1.1.3 of Schedule-18).   | No Comments.   |
| (iii) No depreciation has been charged on buildings included in Gondwana land (Note no.1.2.1 in Schedule 18).  | This is the Accounting Policy of the Company followed since inception. The depreciation of the old building purchased along with land could not be charged in absence of separate value of the building. |
| (iv) We are unable to express our opinion to the extent of realisability of old debts due from CIL subsidiaries of Rs.77.34 lakh outstanding since 31.3.1993(Note no.3.1.2 in Schedule 18.).   | The entire amount is recoverable after the reconciliation.   |
| (v) As indicated in Note No.3.1.3 in Schedule 18, balances in debtors are yet to be confirmed. Balances of loans and advances and sundry creditors are also not confirmed.   | Letters have already been issued for confirmation of balance in Debtors (other than CIL Subsidiaries).   |
| (vi) As indicated in Note no.9.2.1 in Schedule 18 there are certain suits pending in courts arising out of industrial and other disputes .The quantum of contingent liability in this regard could not be ascertained by the management. | No comments  |
| (vii) Impact of the above comments (i) to (v) on profit/loss or assets/liabilities is unascertained. There is no impact of the comment (vi) on any of them.  | No comments  |

| AUDITOR'S REPORT  | MANAGEMENTS' REPLY   |
|---|--|
| <p>(viii) Change in accounting policy:</p> <p>(a) In previous years, as per the previous accounting policy of the company, deferred revenue expenditure consisting of the value of tubulars issued to drilling sites and ex gratia paid to employees under voluntary retirement scheme was charged off over a period of three years and four years respectively. In the current year, the expenditure incurred under these two heads have been fully charged off to Profit and Loss Account and effect on profits/losses is given in Note No. 10.1 in Schedule 18.</p> <p>(b) Prior Period Adjustment:- In previous years, the charges or credits in excess of Rs.10,000/- in each case, arising in the current year as a result of errors or omissions in preparation of the financial statements of earlier years were accounted for under this head. In the current year, this limit of Rs.10,000/- has been removed and effect on profits/losses is given in Note No.10.1 in Schedule 18.</p> <p>(ix) Change in profit after tax as per AS-22- Accounting for Taxes on Income- Deferred Tax Asset (Net) stands at Rs.819.58 lakhs(Note No.11.0 in Schedule 18 ) against Rs.632.18 lakhs last year .Necessary book adjustment has been made by crediting Profit and Loss Account with an additional amount of Rs.187.40 lakhs.</p> <p>(x) A provision has been made in the accounts at 50 % of the value of non moving stores items and at 100% for obsolete store items.(Note No.2.2 of Schedule 18).</p> <p>(B) Subject to our comments in paragraph (A) above :</p> | <p>No comments.</p> <p>No comments</p> <p>No comments</p> <p>No comments</p> |



| AUDITOR'S REPORT  | MANAGEMENTS' REPLY |
|---|--------------------|
| <p>(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.</p> <p>(b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books.</p> <p>(c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;</p> <p>(d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the requirements of the applicable Accounting Standards referred to in sub section (3C) of Section 211 of The Companies Act, 1956. However, segment wise assets and liabilities have not been disclosed as per AS-17 (Segment Reporting)</p> <p>(e) As per the records that could be produced before us and on the basis of representation made by the Chairman-cum-Managing Director and the Company secretary we report that the provisions of clause (g) of sub section (1) of section 274 of The Companies Act, 1956, regarding disqualifications of directors are not applicable to a private company.</p> <p>(f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts with schedules thereto and read with significant accounting policies (Schedule 17) and Notes on accounts (Schedule 18), give the information required by The Companies Act, 1956, in the manner so required and give a true and fair view:</p> <p>(i) In the case of the Balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2004</p> |                    |

**AUDITOR'S REPORT**

- (ii) In the case of the Profit and Loss Account, of the loss of the company for the year ended on that date.

Place : Kolkata

Dated: 21<sup>st</sup> August, 2004

For S.K.BASU & Co.  
Chartered  
Accountants

Sd/-  
S.Basu  
Partner

**MANAGEMENTS' REPLY**



**ANNEXURE TO THE AUDITORS REPORT****MANAGEMENTS' REPLY**

(referred to in paragraph 2 of our report of even date on the accounts of Central Mine Planning and Design Institute Limited for the year ended 31<sup>st</sup> March, 2004)

1. In respect of fixed assets :

(a) The Company has generally maintained proper records of fixed assets showing full particulars, including quantitative details and situation of fixed assets.

No comments

(b) A major portion of the high value assets have been physically verified by the management in accordance with a phased programme of verification adopted by the company. As explained to us, no material discrepancies were noticed on such verification.

No comments

(c) In our opinion, the Company has not disposed of a substantial part of the fixed assets during the year and the going concern status of the Company has not been affected.

No comments

2. In respect of its inventories :

(a) The stock of high value stores and spare parts have been physically verified by the management during the year. Some low value items have also been verified on test basis. In our opinion, the frequency of verification is reasonable.

No comments

(b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

No comments

(c) The Company has maintained proper records of its inventories. As explained to us, the discrepancies noticed on physical verification of stock as compared to book records were not material and have been properly dealt with in the books of accounts.

No comments

| ANNEXURE TO THE AUDITORS REPORT  | MANAGEMENTS' REPLY  |
|--|---|
| <p>3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of The Companies Act, 1956 :</p> <p>(a) The Company has not granted or taken any loan, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of The Companies Act, 1956. The Company has taken loan from its holding company, Coal India Limited.</p> <p>(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loan taken from its holding company, Coal India Limited are not prejudicial to the interest of the Company.</p> <p>(c) In respect of loan taken by the Company, interest payments are regular and the principle amount is repayable on demand.</p> <p>(d) In respect of loan taken from Coal India Ltd., these are repayable on demand and therefore the question of overdue amounts does not arise.</p> <p>4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for sale of services. During the course of our audit, we have not observed any major weaknesses in internal control.</p> <p>5. In respect of transactions covered under Section 301 of The Companies Act, 1956 :-</p> <p>(a) In our opinion and according to the information and explanations given to us, there were no transactions made in pursuance of contracts or arrangements that needed to be entered in the register maintained under Section 301 of The Companies Act, 1956.</p> | <p>No comments</p> <p>No comments</p> <p>No comments</p> <p>No comments</p> <p>No comments</p> <p>No comments</p> |



## ANNEXURE TO THE AUDITORS REPORT

## MANAGEMENTS' REPLY

|  |  |
|--|--|
| (b) In our opinion and according to the information and explanations given to us, there were no transactions made in pursuance of contracts and arrangements entered in the register maintained under Section 301 of The Companies Act, 1956 aggregating during the year to Rs.5,00,000/-(Rs.Five Lakh only) or more in respect of each party.   | No comments  |
| 6. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of The Companies Act,1956.   | No comments  |
| 7. The company has appointed outside firms of chartered accountants for internal audit of Headquarters and Regional institutes, except for Regional Institute I and II at Asansol and Dhanbad respectively. In our opinion, the Company has an internal audit system commensurate with its size and nature of business. Locational and functional coverage, however should be increased and RI-I and II should also be covered.  | Functional coverage has already been increased. Locational coverage to include RI-1 & RI-2 at Asansol and Dhanbad respectively has already been taken up with CIL. |
| 8. We have been informed that the Central government has not prescribed the maintenance of cost records under Section 209(1) (d) of The Companies Act, for the Company.  | No comments  |
| 9. In respect of statutory dues:   |  |
| (a) According to the records of the Company, the company is generally regular in depositing undisputed statutory dues such as provident fund, investor education and protection fund, income tax, sales tax, wealth tax, customs duty, excise duty, service tax, cess and any other dues with the appropriate authorities. According to the explanations given to us, Employees State Insurance Scheme is not applicable to the company According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were | No comments  |

## ANNEXURE TO THE AUDITORS REPORT

## MANAGEMENTS' REPLY

outstanding as at 31<sup>st</sup> March, 2004 for a period of more than six months from the date they became payable.

- (b) The disputed statutory dues aggregating to Rs.91.25 Lakhs that have not been deposited on accounts of matters pending before appropriate authorities are as under :

No comments

| Sr. No. | Nature of Statute    | Nature of dues | Amount Rs.lakhs | Forum where dispute is Pending       |
|---------|----------------------|----------------|-----------------|--------------------------------------|
| 1.      | Income tax Act, 1961 | Incometax      | 29.08           | CIT Appeals, Ranchi                  |
|         |                      | Do-interest,   | 2.06            | Income tax Appellate Tribunal Ranchi |
|         |                      | TDS on perks   | 19.23           | Supreme court                        |
| 2.      | Service Tax Act      | Service tax    | 40.24           | Service tax Tribunal Kolkata         |
| 3.      | Sales tax Act        | Sales Tax      | 0.64            | Sales Tax Authority                  |
|         |                      | Total          | Rs. 91.25 Lakhs |                                      |

10. The Company has no accumulated losses and has not incurred any cash losses from operating activities during the financial year covered by our audit or in the immediately preceeding financial year. However, it has incurred a net loss after charging depreciation and interest during the year.

No comments

11. According to the information and explanations given to us, we are of the opinion that the company has no dues to financial institutions, banks or debenture holders.

No comments



| ANNEXURE TO THE AUDITORS REPORT  | MANAGEMENTS' REPLY |
|--|--------------------|
| 12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. | No comments        |
| 13. The Company is not a chit fund, nidhi or mutual benefit fund/society. Therefore, this clause 4 (xiii) of CARO is not applicable to the company.  | No comments        |
| 14. In our opinion the company is not dealing or trading in shares, securities, debentures and other investments.  | No comments        |
| 15. According to the explanations and information given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.                                 | No comments        |
| 16. The company has not raised any term loans during the year.   | No comments        |
| 17. In our opinion and according to the explanations given to us, the company has not raised any short term funds and used it for long term purposes or vice versa.                                    | No comments        |
| 18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of The Companies Act, 1956.           | No comments        |
| 19. The company has not issued any debentures during the year.   | No comments        |
| 20. The company has not raised any money by public issue during the year.  | No comments        |

| ANNEXURE TO THE AUDITORS REPORT  | MANAGEMENTS' REPLY |
|--|--------------------|
| 21. As per information and explanation received from the management, no fraud on or by the company has been noticed or reported during the year. | No comments        |
| Place : Kolkata<br>Dated: 21 <sup>st</sup> August, 2004<br><br>For S.K.BASU & Co<br>Chartered<br>Accountants<br><br>Sd/-<br>S.Basu<br>Partner    |                    |

**Comments of the Comptroller & Auditor General of India under  
section 619 (4) of the Companies Act, 1956 on the accounts of Central  
Mine Planning & Design Institute Limited for the year ended  
31st March, 2004**

In view of the revisions made in the Accounts of the Company as a result of the observations made by the Comptroller & Auditor General of India as indicated in the Auditors' Report to the shareholders and items no. 15.0 of the Notes on Accounts (Sch-18), there are no further comments to offer upon or supplement to the Auditors' Report under section 619 (4) of the Companies Act, 1956 on the Accounts of Central Mine Planning & Design Institute Limited for the year ended 31st March 2004.

Sd/-  
(B. Mazumdar)  
Principal Director of Commercial Audit  
& Ex-officio Member Audit Board-II  
Kolkata



**REVIEW OF ACCOUNTS OF  
CENTRAL MINE PLANNING & DESIGN INSTITUTE LIMITED,  
FOR THE YEAR ENDED 31st MARCH, 2004 BY  
THE COMPTROLLER & AUDITOR GENERAL OF INDIA**

Note : Review of Accounts has been prepared without taking into account comments under section 619 (4) of the Companies Act, 1956 and qualification contained in the Statutory Auditors' Report.

**1. FINANCIAL POSITION**

The table below summarises the financial position of the Company under broad headings for the last three years :

|   | Rs in lakh      |                 |                 |
|---|-----------------|-----------------|-----------------|
|   | 2001-2002       | 2002-2003       | 2003-2004       |
| <b>LIABILITIES</b>  |                 |                 |                 |
| <b>a. Paid up Capital</b>   | 1904.00         | 1904.00         | 1904.00         |
| (i) Government  | 0.00            | 0.00            | 0.00            |
| (ii) Others (All Shares are held by Coal India Limited - Holding Company) | 1904.00         | 1904.00         | 1904.00         |
| <b>b. Reserves &amp; Surplus</b>  |                 |                 |                 |
| (i) Free Reserves & Surplus   | 1978.43         | 2442.82         | 2297.62         |
| (ii) Share Premium Account  | 0.00            | 0.00            | 0.00            |
| (iii) Capital Reserve   | 1974.65         | 1855.17         | 1768.43         |
| <b>c. Borrowing from</b>  |                 |                 |                 |
| (i) Government of India   | 0.00            | 0.00            | 0.00            |
| (ii) Financial Institutions   | 0.00            | 0.00            | 0.00            |
| (iii) Foreign currency loans  | 0.00            | 0.00            | 0.00            |
| (iv) Cash credit  | 0.00            | 0.00            | 0.00            |
| (v) Working Capital Demand Loan   | 0.00            | 0.00            | 0.00            |
| (vi) Interest accrued and due   | 20.87           | 18.06           | 17.36           |
| (vii) Holding company   | 160.57          | 160.57          | 160.57          |
| <b>d. (i) Current Liabilities &amp; Provisions</b>                        | 13876.33        | 11211.22        | 15274.24        |
| (ii) Provision for Gratuity   | 1389.79         | 1875.65         | 2564.07         |
| <b>e. Deferred Tax Liability</b>  | 0.00            | 0.00            | 0.00            |
| <b>Total</b>  | <b>21304.64</b> | <b>19467.49</b> | <b>23986.29</b> |
| <b>ASSETS</b>   |                 |                 |                 |
| <b>f. Gross Block</b>   | 11828.30        | 11872.72        | 12178.74        |
| <b>g. Less : Depreciation</b>   | 5684.47         | 6085.32         | 6492.30         |
| <b>h. Net Block</b>   | 6143.83         | 5787.40         | 5686.44         |
| <b>i. Capital Work-in-Progress</b>  | 426.94          | 449.72          | 539.67          |
| <b>j. Investments</b>   | 0.00            | 0.00            | 0.00            |
| <b>k. Current Assets, Loans &amp; Advances</b>                            | 14379.23        | 12329.56        | 16848.30        |
| <b>l. Deferred Tax Asset</b>  | 0.00            | 632.18          | 819.58          |
| <b>m. Miscellaneous Expenditure not written off</b>                       | 354.64          | 268.63          | 92.30           |
| <b>n. Accumulated Losses</b>  | 0.00            | 0.00            | 0.00            |
| <b>Total</b>  | <b>21304.64</b> | <b>19467.49</b> | <b>23986.29</b> |

|    |  |         |         |         |
|----|--|---------|---------|---------|
| o. | Working Capital [k - d(i) - c(vi)]               | 482.03  | 1100.28 | 1556.70 |
| p. | Capital Employed [ h+o ]                         | 6625.86 | 6887.68 | 7243.14 |
| q. | Net Worth [ a + b(i) +b(ii) -m -n ]              | 3527.79 | 4078.19 | 4100.32 |
| r. | Net worth per Rupee of paid up Capital ( in Rs.) | 1.85    | 2.14    | 2.16    |

## 2. RATIO ANALYSIS :

Some important ratios on the financial health and working of the Company at the end of last three years are as under :

|  | 2001-2002         | 2002-2003 | 2003-2004 |
|--|-------------------|-----------|-----------|
|  | ( In percentage ) |           |           |
| A. Liquidity Ratio   |                   |           |           |
| Current Ratio ( Current Assets to Current Liabilities & Provisions and Interest accrued and due but excluding provisions for gratuity (k/[d(i)+c(vi)]) | 103.47            | 109.80    | 110.18    |
| B. Debt Equity Ratio   |                   |           |           |
| Long term debt to Net Worth [c(i) to c(v) excluding short term loans/q]  | 0.00              | 0.00      | 0.00      |
| C. Profitability Ratios :  |                   |           |           |
| a. Profit before tax to :  |                   |           |           |
| (i) Capital employed   | 4.23              | 2.89      | 2.42      |
| (ii) Net Worth   | 7.95              | 4.88      | 4.27      |
| (iii) Sales  | 2.13              | 1.61      | 1.23      |
| b. Profit after tax to Equity  | - 0.33            | 24.39     | - 7.63    |
| c. Earning per share (in Rupees)   | - 3.26            | 243.90    | - 76.26   |

## 3. WORKING RESULTS

The working results of the Company for the last three years ended 31st March 2004 are as under :

Rs in lakh

|  | 2001-2002 | 2002-2003 | 2003-2004 |
|--|-----------|-----------|-----------|
| (i) Sales  | 13135.04  | 12339.03  | 14230.29  |
| (ii) Less Excise Duty                                  | 0.00      | 0.00      | 0.00      |
| (iii) Net Sales  | 13135.04  | 12339.03  | 14230.29  |
| (iv) Other adjustment and Miscellaneous Income         | 74.42     | 63.03     | 102.20    |
| (v) Profit(+)/Loss(-) before tax and P. P. Adjustments | 220.58    | 14.77     | -21.04    |
| (vi) Prior Period Adjustments                          | -59.77    | -164.44   | -196.63   |
| (vii) Profit (+) /Loss (-) before tax                  | 280.35    | 199.21    | 175.59    |
| (viii) Tax Provisions { debit (+) / credit (-) }       | 286.56    | -265.18*  | 320.79*   |
| (ix) Profit (+) / Loss (-) after tax                   | -6.21     | 464.39    | -145.20   |
| (x) Proposed Dividend                                  | 0.00      | 0.00      | 0.00      |

\* Tax provisions for 2002-03 and 2003-04 includes a credit of Rs 632.18 lakh & Rs 187.40 lakhs respectively against provision for Deferred Tax

**4. SOURCES AND UTILISATION OF FUNDS :**

Funds amounting to Rs. 584.07 lakh were generated and utilised during the year 2003-04 as given below :

|   | (Rs. in lakh) |               |               |
|---|---------------|---------------|---------------|
|   | 2001-2002     | 2002-2003     | 2003-2004     |
| (a) Profit (+) / Loss (-) after tax       | -6.21         | 464.39        | -145.20       |
| (b) Depreciation                          | 398.57        | 400.85        | 406.08        |
| Less : Deprn. Charged to Capital Reserve  | 143.79        | 159.96        | 152.86        |
| (c) Decrease in Working Capital           | 0.00          | 0.00          | 232.70        |
| (d) Decrease in Miscellaneous Expenditure | 0.00          | 86.01         | 176.33        |
| (e) Capital Grants received               | 526.06        | 50.48         | 86.12         |
| <b>Total Sources of Funds</b>             | <b>774.65</b> | <b>831.77</b> | <b>584.07</b> |
| <b>UTILISATION OF FUNDS</b>               |               |               |               |
| (a) Increase in Fixed assets              | 439.48        | 44.42         | 306.02        |
| (b) Increase in Capital Work-in-progress  | 70.29         | 22.78         | 89.95         |
| (c) Increase in Working Capital           | 258.89        | 129.58        | 0.00          |
| (d) Decrease in Borrowings                | 0.00          | 2.81          | 0.70          |
| (e) Deferred Tax Assets                   | 0.00          | 632.18        | 187.40        |
| (f) Increase in Miscellaneous Expenditure | 5.99          | 0.00          | 0.00          |
| <b>Total Utilisation of Funds</b>         | <b>774.65</b> | <b>831.77</b> | <b>584.07</b> |

**5. TREND IN SALES, COST OF SALES AND PROFIT VARIED**

|  | Rs in Lakhs |           |           |
|--|-------------|-----------|-----------|
|  | 2001-2002   | 2002-2003 | 2003-2004 |
| Sales  | 13135.04    | 12339.03  | 14230.29  |
| Less : Profit (+) / Loss (-) for the year<br>(before Taxation and prior period Adj.) | 220.58      | 14.77     | -21.04    |
| Cost of Sales  | 12914.46    | 12324.26  | 14251.33  |
| Percentage of Profit (+) / Loss (-) to Cost of Sales                                 | 1.71        | 0.12      | -0.15     |
| Percentage of Cost of Sales to Sales   | 98.32       | 99.88     | 100.15    |

**6. INVENTORY HOLDINGS**

Closing Stock of stores and spares represented 6.21 months consumption in 2001-02, 4.78 months consumption in 2002-03 and 5.15 months consumption in 2003-04.

Closing Stock of Stores and spares as on 31st March, 2004 valued at Rs 387.98 lakh includes Stores and spares for Rs 88.03 lakh which have not moved for over 3 years.

**7. SUNDRY DEBTORS**

The value of Sundry Debtors and Sales for the last three years are given below :

| As on      | Sundry Debtors | Sales    | Percentage of Debtors to Sales |
|------------|----------------|----------|--------------------------------|
|            |                |          |                                |
| 31.03.2002 | 8659.69        | 13135.04 | 65.93                          |
| 31.03.2003 | 8090.22        | 12339.03 | 65.57                          |
| 31.03.2004 | 10905.47       | 14230.29 | 76.64                          |



The age-wise break-up of Sundry Debtors as at the end of the year 2003-04 is as follows :

| Debtors outstanding for                    | Dues from<br>Govt. Deptt. | Dues from<br>PSUs/Corpo-<br>ration/Board | Dues from<br>Private<br>Parties | (Rs in lakhs)<br>Total |
|--|---------------------------|--|---------------------------------|------------------------|
| Less than 6 months                         | 5.44                      | 6220.29                                  | 52.96                           | 6278.71                |
| More than 6 months<br>but less than 1 year | 48.84                     | 405.79                                   | 2.74                            | 457.37                 |
| More than 1 year<br>but less than 3 years  | 24.66                     | 2670.92                                  | 2.75                            | 2698.33                |
| Above 3 years                              | 2.34                      | 1454.09                                  | 14.63                           | 1471.06                |
| Total                                      | 81.28                     | 10751.09                                 | 73.10                           | 10905.47               |

Sd/-

( B. Mazumdar )

Principal Director of Commercial Audit  
& Ex-officio member Audit Board - II

Kolkata

The 25th August, 2004

**BALANCE SHEET AS AT 31ST MARCH, 2004**

|   | <b>Schedule</b> | <b>As at<br/>31st March 2004<br/>(Rs in Lakh)</b> | <b>As at<br/>31st March 2003<br/>(Rs in Lakh)</b> |
|---|-----------------|---|---|
| <b>SOURCES OF FUNDS</b>   |                 |   |   |
| <b>Shareholders' Funds</b>  |                 |   |   |
| Share Capital   | A               | 1904.00   | 1904.00   |
| Share Money pending allotment                                     | B               | 0.00  | 0.00  |
| Reserves & Surplus  | C               | 4066.06   | 4297.99   |
| <b>Loan Funds</b>   |                 |   |   |
| Secured   | D               | 0.00  | 0.00  |
| Unsecured   | E               | 177.93  | 178.63  |
| <b>Total Funds Employed</b>                                       |                 | <b>6147.98</b>                                    | <b>6380.62</b>                                    |
| <b>APPLICATION OF FUNDS</b>                                       |                 |   |   |
| <b>Fixed Assets</b>   |                 |   |   |
| Gross Block   | F               | 12156.08  | 11850.52  |
| Less : Depreciation   |                 | <u>6492.30</u>                                    | <u>6085.32</u>                                    |
| Net Block   |                 | 5663.78   | 5765.20   |
| Surveyed off Assets   |                 | 22.66   | 22.20   |
| Capital Work in Progress  | G               | 539.67  | 449.72  |
| <b>Investment</b>   | H               | 0.00  | 0.00  |
| <b>Current Assets, Loans &amp; Advances</b>                       |                 |   |   |
| Inventories   | I               | 294.65  | 241.67  |
| Sundry Debtors  | J               | 10866.45  | 8051.42   |
| Cash & Bank Balances  | K               | 3295.84   | 2035.49   |
| Loans & Advances  | L               | 1910.42   | 1531.23   |
| Other Current Asset   | M               | <u>480.94</u>                                     | <u>469.75</u>                                     |
| <b>Total Current Assets, Loans &amp; Advances</b>                 |                 | <b>16848.30</b>                                   | <b>12329.56</b>                                   |
| Less: Current Liabilities & Provisions                            | N               | <u>17838.31</u>                                   | <u>13086.87</u>                                   |
| Net Current Assets  |                 | -990.01   | -757.31   |
| Miscellaneous Expenditure   | O               | 92.30   | 268.63  |
| (To the extent not written off or adjusted)                       |                 |   |   |
| <b>Deferred Tax (net)</b>   |                 | <b>819.58</b>                                     | <b>632.18</b>                                     |
|   |                 | <b>6147.98</b>                                    | <b>6380.62</b>                                    |
| <b>Accounting Policy</b>  | 17              |   |   |
| <b>Notes On Accounts</b>  | 18              |   |   |
| The schedules referred to above form an integral part of Accounts |                 |   |   |

Sd/-  
(Udayan Chakrabarti)  
Company Secretary

Sd/-  
(A. K. Soni)  
H. O. D. ( Finance)

Sd/-  
(S. L. Soni)  
Director

Sd/-  
(M. N. Jha)  
Chairman-cum  
Managing Director

In terms of our report of even date attached  
For S. K. Basu & Co.  
Chartered Accountants

Sd/-  
(S. Basu)  
Partner

Camp : Kolkata  
Dated : 21st Aug., 2004

## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2004

|   |          | Current year<br>Year ending      | Previous Year<br>Year ending     |
|---|----------|----------------------------------|----------------------------------|
|   | Schedule | 31st March 2004<br>(Rs. in Lakh) | 31st March 2003<br>(Rs. in Lakh) |
| <b>INCOME</b>   |          |                                  |                                  |
| Sale of services  | 1        | 14230.20                         | 12535.00                         |
| Coal issued for other purpose                                     | 2        | -                                | -                                |
| Accretion/Decretion(-) in stock                                   | 3        | -                                | -                                |
| Workshop job for own purpose                                      | 4        | -                                | -                                |
| Other income  | 5        | 102.20                           | 63.00                            |
| <b>Total Income</b>   |          | <b>14332.40</b>                  | <b>12602.00</b>                  |
| <b>EXPENDITURE</b>  |          |                                  |                                  |
| Consumption of Stores & Spares                                    | 6        | 687.16                           | 607.17                           |
| Employees Remuneration & Benefits                                 | 7        | 10696.40                         | 8871.49                          |
| Social Overhead   | 8        | 823.31                           | 884.47                           |
| Power & Fuel  | 9        | 188.01                           | 144.64                           |
| Repairs   | 10       | 185.87                           | 201.51                           |
| Contractual Expenses  | 11       | 270.26                           | 306.97                           |
| Miscellaneous Expenses  | 12       | 1255.17                          | 1096.36                          |
| <b>Total Expenditure</b>  |          | <b>14106.18</b>                  | <b>12112.61</b>                  |
| <b>GROSS OPERATING PROFIT(+)/LOSS(-)</b>                          |          | <b>226.31</b>                    | <b>289.45</b>                    |
| Interest  | 13       | 42.70                            | 29.25                            |
| Depreciation  |          | 202.28                           | 209.95                           |
| Provisions  | 14       | 2.37                             | 35.48                            |
| <b>PROFIT(+)/LOSS(-) FOR THE YEAR</b>                             |          |                                  |                                  |
|   |          | -21.04                           | 14.77                            |
| Prior Period Adjustment   | 15       | -196.63                          | -184.44                          |
| Extra Ordinary Items  | 16       | -                                | -                                |
| <b>NET PROFIT(+)/LOSS(-) BEFORE TAXATION</b>                      |          |                                  |                                  |
|   |          | 175.59                           | 199.21                           |
| Provision for Taxation  |          | 508.19                           | 367.00                           |
| Provision for Deferred Tax  |          | -187.40                          | -832.18                          |
| <b>PROFIT(+)/LOSS (-) AFTER TAX</b>                               |          | <b>-145.20</b>                   | <b>464.39</b>                    |
| Transferred to General Reserve                                    |          | 0.00                             | 0.00                             |
| <b>PROFIT(+)/LOSS(-) AFTER TRANS. TO GENERAL RESERVE</b>          |          | <b>-145.20</b>                   | <b>464.39</b>                    |
| <b>PROFIT UPTO THE PREVIOUS YEAR</b>                              |          | <b>2225.28</b>                   | <b>1760.89</b>                   |
| <b>BALANCE CARRIED TO BALANCE SHEET</b>                           |          | <b>2080.08</b>                   | <b>2225.28</b>                   |
| Accounting Policy   | 17       |                                  |                                  |
| Notes On Accounts   | 18       |                                  |                                  |
| The schedules referred to above form an integral part of Accounts |          |                                  |                                  |

Sd/-  
(Udayan Chakrabarti)  
Company Secretary

Sd/-  
(A. K. Soni)  
H. O. D. ( Finance )

Sd/-  
( S. L. Soni )  
Director

Sd/-  
( M.N. Jha )  
Chairman-cum-Managing Director

In terms of our report of even date attached  
For S. K. Basu & Co.  
Chartered Accountants

Sd/-  
( S. Basu )  
Partner

Camp : Kolkata  
Dated : 21st Aug., 2004



| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>SHARE CAPITAL   |                               | SCHEDULE - A                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| <b>Authorized capital</b>  |                               |                                |
| 500000 Equity Shares of Rs 1000/- each   | 5000.00                       | 5000.00                        |
|  | <u>5000.00</u>                | <u>5000.00</u>                 |
| <b>Issued Subscribed &amp; paid up</b>   |                               |                                |
| (Held by Coal India Ltd., the Holding Co. & its nominees)  |                               |                                |
| 8 Equity Shares of Rs 1,000/- each fully paid in Cash (Previous Year 8 Equity shares of Rs 1,000/- each)   | 0.08                          | 0.08                           |
| 85392 Equity Shares of Rs 1,000/- each allotted as fully paid up for consideration received other than cash (Previous Year 85392 Equity Shares of Rs 1,000/- each) | 853.92                        | 853.92                         |
| 105000 Equity Shares of Rs 1000/- each allotted as fully paid for Cash to Holding Company by converting loan in equity   | 1050.00                       | 1050.00                        |
|  | <u>1904.00</u>                | <u>1904.00</u>                 |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>SHARE MONEY PENDING ALLOTMENT |                               | SCHEDULE - B                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
|  | NIL                           | NIL                            |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>RESERVE & SURPLUS |                               | SCHEDULE - C                   |         |
|--|-------------------------------|--------------------------------|---------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |         |
| <b>CAPITAL RESERVE</b>   |                               |                                |         |
| Grants for purchase of capital equipment:                            |                               |                                |         |
| <b>Energy Coal S&amp;T Grants</b>                                    |                               |                                |         |
| As per last Account  | 1455.80                       | 1670.03                        |         |
| Additions during the year  | 12.87                         | 191.85                         |         |
| Less : CIL R&D WIP & CCL   | 0.00                          | -299.63                        |         |
|  | 1468.67                       | 1562.25                        |         |
| Less : Depreciation written-off during the year                      | 103.64                        | 106.45                         | 1455.80 |
| <b>UNDP Grants</b>   |                               |                                |         |
| As per last Account  | 7.93                          | 8.80                           |         |
| Addition during the Year   | 0.00                          | 0.18                           |         |
|  | 7.93                          | 8.98                           |         |
| Less : Depreciation written off                                      | 0.39                          | 1.05                           | 7.93    |
| <b>CCDA Grants</b>   |                               |                                |         |
| As per last Account  | 36.12                         | 53.48                          |         |
| Addition during the Year   | 0.00                          | 0.00                           |         |
|  | 36.12                         | 53.48                          |         |
| Less : Depreciation written off                                      | 16.93                         | 17.36                          | 36.12   |
| <b>EMSC Grants</b>   |                               |                                |         |
| As per last Account  | 0.64                          | 2.17                           |         |
| Addition during the Year   | 0.00                          | 0.00                           |         |
|  | 0.64                          | 2.17                           |         |
| Less : Depreciation written off                                      | 0.17                          | 1.53                           | 0.64    |
| <b>CIL R&amp;D GRANTS</b>  |                               |                                |         |
| As per last Account  | 354.68                        | 240.17                         |         |
| Addition during the Year   | 53.25                         | 158.26                         |         |
|  | 407.93                        | 398.43                         |         |
| Less : Depreciation written off                                      | 31.73                         | 43.75                          | 354.68  |
|  | 1768.43                       | 1855.17                        |         |
| <b>GENERAL RESERVE :</b>   | 217.54                        | 217.54                         |         |
| Balance of Profit transferred from Profit & Loss Account             | 2080.08                       | 2225.28                        |         |
| <b>Total</b>   | <b>4066.05</b>                | <b>4297.99</b>                 |         |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>SECURED LOAN |                               | SCHEDULE - D                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
|   | NIL                           | NIL                            |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>UNSECURED LOAN |                               | SCHEDULE - E                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Due to Coal India Ltd., the Holding Company                       | 160.57                        | 160.57                         |
| Interest accrued & due  | 17.36                         | 18.06                          |
| <b>Total</b>  | <b>177.93</b>                 | <b>178.63</b>                  |



**SCHEDULE TO BALANCE SHEET AS AT 31ST.MARCH,2004  
FIXED ASSETS**

**SCHEDULE-F**

(IN IN LAKH)

|   | PARTICULARS               |                                |  |                                   | DEPRECIATION                      |                                 |  |   | NET BOOK                        |                                 |
|---|---------------------------|--------------------------------|--|-----------------------------------|-----------------------------------|---------------------------------|--|---|---------------------------------|---------------------------------|
|   | COST<br>AS AT<br>1.4.2003 | ADDITION<br>DURING<br>THE YEAR | ADJUSTMENT<br>FOR DISPOSAL<br>DISCARDED OF<br>FIXED ASSETS | TOTAL COST<br>AS AT<br>31.03.2004 | DEPRECIATION<br>AS AT<br>1.4.2003 | DEPRECIATION<br>FOR THE<br>YEAR | ADJUSTMENT<br>FOR DISPOSAL<br>DISCARDED ETC. | TOTAL<br>DEPRECIATION<br>UPTO<br>31.03.2004 | NET BOOK<br>AS AT<br>31.03.2004 | NET BOOK<br>AS AT<br>31.03.2003 |
| <b>A. Fixed Assets :</b>                                      |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| (Excluding S&T, CCDA, EMSC, UNDP & CIL R&D Assets)            |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| Land:   |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| Freehold  | 107.30                    | 0.00                           | 0.00   | 107.30                            | 0.00                              | 0.00                            | 0.00   | 0.00  | 107.30                          | 107.30                          |
| Leasehold   | 117.88                    | 0.00                           | 0.00   | 117.88                            | 45.78                             | 3.13                            |  | 48.88                                       | 69.08                           | 72.22                           |
| Building:   |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| Freehold  | 401251                    | 12.31                          | 0.00   | 4025.82                           | 692.87                            | 74.42                           |  | 967.29                                      | 3098.53                         | 3120.84                         |
| Leasehold   |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| Plant & Machinery   | 2999.15                   | 285.28                         | 7.17   | 3271.60                           | 2409.43                           | 112.48                          | -1.20  | 2521.72                                     | 749.88                          | 599.72                          |
| Furniture, Fittings & Office Equipment                        | 1081.92                   | 19.75                          | -12.93   | 1088.74                           | 670.40                            | 38.29                           | -4.30  | 904.39                                      | 184.35                          | 211.52                          |
| Vehicle   | 993.81                    | 5.53                           | -3.45  | 995.75                            | 502.00                            | 33.80                           | -3.31  | 531.09                                      | 163.86                          | 190.81                          |
| <b>TOTAL (A)</b>  | <b>8013.47</b>            | <b>303.97</b>                  | <b>-3.25</b>   | <b>8308.19</b>                    | <b>4721.26</b>                    | <b>262.93</b>                   | <b>8.91</b>                                  | <b>4975.38</b>                              | <b>4332.81</b>                  | <b>4292.21</b>                  |
| <b>B. S&amp;T, CCDA, EMSC, UNDP &amp; CIL R&amp;D Assets:</b> |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| Building  | 4.18                      | 0.00                           | 0.00   | 4.18                              | 1.24                              | 0.10                            | 0.00   | 1.34  | 2.84                            | 2.94                            |
| Plant & Machinery   | 2820.80                   | 11.51                          | 0.67   | 2833.93                           | 1362.89                           | 151.14                          | -0.63  | 1509.40                                     | 1325.53                         | 1467.20                         |
| Furniture, Fittings & Office Equipment                        | 8.85                      | 0.00                           | 0.00   | 8.85                              | 0.21                              | 0.25                            | 0.00   | 0.46  | 2.39                            | 2.64                            |
| Vehicle   | 3.93                      | 0.00                           | 0.00   | 3.93                              | 3.72                              | 0.00                            | 0.00   | 3.72  | 0.21                            | 0.21                            |
| <b>TOTAL (B)</b>  | <b>2837.95</b>            | <b>11.51</b>                   | <b>0.67</b>  | <b>2847.89</b>                    | <b>1364.86</b>                    | <b>151.49</b>                   | <b>-0.63</b>                                 | <b>1516.82</b>                              | <b>1338.97</b>                  | <b>1472.89</b>                  |
| <b>TOTAL (A + B)</b>  | <b>11850.52</b>           | <b>315.48</b>                  | <b>-6.92</b>   | <b>12156.09</b>                   | <b>6086.32</b>                    | <b>414.42</b>                   | <b>-9.44</b>                                 | <b>6492.30</b>                              | <b>5663.78</b>                  | <b>5765.20</b>                  |
| <b>C. Assets Surveyed Off</b>                                 |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| Previous Year:  |                           |                                |  |                                   |                                   |                                 |  |   | <b>22.88</b>                    | <b>22.30</b>                    |
| (i) Fixed Assets:   |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| (Excluding S&T, CCDA, EMSC & UNDP)                            |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
| (ii) S&T, CCDA, EMSC & UNDP Assets                            | 8998.75                   | 68.38                          | -53.64   | 9013.47                           | 4480.37                           | 264.43                          | -33.54                                       | 4721.26                                     | 4292.21                         | 4508.38                         |
| (iii) S&T, CCDA, EMSC & UNDP Assets                           | 2838.98                   | 28.28                          | -0.10  | 2837.05                           | 1194.10                           | 170.14                          | -0.18  | 1364.06                                     | 1472.99                         | 1614.86                         |
| <b>TOTAL</b>  | <b>11807.73</b>           | <b>96.62</b>                   | <b>-53.83</b>  | <b>11850.52</b>                   | <b>5684.47</b>                    | <b>434.57</b>                   | <b>-33.72</b>                                | <b>6085.32</b>                              | <b>5765.20</b>                  | <b>6123.28</b>                  |
| <b>(ii) Assets Surveyed Off</b>                               |                           |                                |  |                                   |                                   |                                 |  |   |                                 |                                 |
|   |                           |                                |  |                                   |                                   |                                 |  |   | <b>22.30</b>                    | <b>25.37</b>                    |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>FIXED ASSETS   |                                  |                  |   | SCHEDULE - F<br>Annexure - F1 |                  |
|---|----------------------------------|------------------|---|-------------------------------|------------------|
| NOTE 1:<br>ALLOCATION OF DEPRECIATION:  |                                  |                  |   | [RS. IN LAKH]                 |                  |
|   | CURRENT<br>YEAR                  | PREVIOUS<br>YEAR | * Depreciation on Assets<br>purchased against Grants: | CURRENT<br>YEAR               | PREVIOUS<br>YEAR |
| 1. Profit & Loss Account  |                                  |                  | Energy Cost S&T                                       | 104.27                        | 100.45           |
| (a) 100% Depn. on Assets costing<br>below Rs. 5000/-  | 8.54                             | 4.17             | UNDP  | 0.30                          | 1.05             |
| (b) Others  | 195.74                           | 205.78           | CCDA  | 16.93                         | 17.36            |
| 2. Social Overhead  | 59.13                            | 54.06            | EMSC  | 0.17                          | 1.53             |
| 3. Prior Period Adjustment  | 6.46                             | 0.42             | CIL R&D   | 31.73                         | 63.79            |
| 4. Capital Assets against Grants *  | 153.49                           | 170.14           | TOTAL   | 153.49                        | 170.14           |
| TOTAL   | 421.36                           | 434.57           |   |                               |                  |
| NOTE 2:<br>SOCIAL OVERHEAD ASSETS INCLUDED IN THE SCHEDULE EXCLUDING<br>FURNITURE, FITTINGS & OFFICE EQUIPMENTS ARE AS FOLLOWS: |                                  |                  |   |                               |                  |
|   | COST<br>As at 31st<br>March 2004 |                  | COST<br>As at 31st<br>March 2003                      |                               |                  |
| (i) Building  | 2568.20                          |                  | 2584.47   |                               |                  |
| (ii) Vehicles   | 47.20                            |                  | 44.58   |                               |                  |
| TOTAL   | 2635.40                          |                  | 2629.05   |                               |                  |
| NOTE 3:<br>RECONCILIATION OF DISPOSAL OF<br>FIXED ASSETS:   |                                  |                  |   |                               |                  |
|   | CURRENT<br>YEAR                  | PREVIOUS<br>YEAR |   |                               |                  |
| 1. Provision for Depreciation   | 0.43                             | 0.00             |   |                               |                  |
| 2. Bank   | 0.04                             | 0.00             |   |                               |                  |
| 3. Loss (+) / Profit (-) of Fixed assets  | -0.02                            | 0.00             |   |                               |                  |
| Disposal of Fixed Assets (Gross Cost)   | 0.45                             | 0.00             |   |                               |                  |
| NOTE 4:<br>RECONCILIATION OF DISCARDED<br>FIXED ASSETS  |                                  |                  |   |                               |                  |
|   | AS AT 31st<br>MARCH 2004         |                  | AS AT 31st<br>MARCH 2003                              |                               |                  |
| Gross Cost  | 453.92                           |                  | 444.44  |                               |                  |
| Provn. for Depn.  | 431.26                           |                  | 422.24  |                               |                  |
| Machinery held for disposal   | 22.66                            |                  | 22.20   |                               |                  |
| NOTE 5:<br>RECONCILIATION OF<br>DEPRECIATION FUND:  |                                  |                  |   |                               |                  |
|   | CURRENT<br>YEAR                  | PREVIOUS<br>YEAR |   |                               |                  |
| Opening Balance :   | 6085.32                          | 5684.47          |   |                               |                  |
| Add : Depreciation provided<br>during the year  | 416.42                           | 434.57           |   |                               |                  |
|   | 6501.74                          | 6119.04          |   |                               |                  |
| Less : Net Outflow of Fund :<br>for Surveyed/Written off and<br>disposed off Assets   | 9.44                             | 30.93            |   |                               |                  |
| Less : Outflow Fund -<br>Inter Company  | 0.00                             | 2.81             |   |                               |                  |
| Others  | 0.00                             | 0.18             |   |                               |                  |
| Closing balance   | 6492.30                          | 6086.32          |   |                               |                  |

**SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004**  
**CAPITAL WORK IN PROGRESS**

**SCHEDULE - D**

(RS IN LAKH)

| PARTICULARS  | COST                      |                                |   |                                     | PROVISION         |                       |  |                                      | NET ASSETS                        |                                   |
|--|---------------------------|--------------------------------|---|-------------------------------------|-------------------|-----------------------|--|--------------------------------------|-----------------------------------|-----------------------------------|
|  | COST<br>AS ON<br>1/3/2003 | ADDITION<br>DURING<br>THE YEAR | ADJUSTMENT<br>FOR CAPITALISA-<br>TION(DISCARD/<br>DISCARD | COST<br>AS ON<br>31st MARCH<br>2004 | AS ON<br>1/3/2003 | DURING<br>THE<br>YEAR | WITHDRAWAL<br>(ADJUSTMENT)<br>DURING THE<br>YEAR | TOTAL<br>AS ON<br>31st MARCH<br>2004 | NET<br>ASSETS<br>AS ON<br>31/3/04 | NET<br>ASSETS<br>AS ON<br>31/3/03 |
| <b>(A) Capital Work in Progress</b><br><b>(Excluding S&amp;T/R&amp;D Assets)</b> |                           |                                |   |                                     |                   |                       |  |                                      |                                   |                                   |
| Buildings  | 85.52                     | 32.84                          | -0.22   | 88.28                               | 0.00              | 4.84                  | 0.00   | 4.84                                 | 83.22                             | 85.52                             |
| Plant And Machinery And<br>Capital Stores in Stores                              | 2.70                      | 48.80                          | -0.88   | 51.21                               | 0.44              | 0.00                  | 0.00   | 0.44                                 | 50.07                             | 2.28                              |
| <b>TOTAL (A)</b>   | <b>88.22</b>              | <b>82.58</b>                   | <b>-1.21</b>  | <b>149.57</b>                       | <b>0.44</b>       | <b>4.84</b>           | <b>0.00</b>                                      | <b>5.28</b>                          | <b>144.19</b>                     | <b>87.78</b>                      |
| <b>(B) Capital Work in Progress</b><br><b>(For S&amp;T)</b>                      |                           |                                |   |                                     |                   |                       |  |                                      |                                   |                                   |
| Plant and Machinery and<br>Capital Stores in Stores<br>(For S&T)                 | 237.35                    | 13.54                          | -   | 250.89                              | 0.00              | 0.00                  | 0.00   | 0.00                                 | 250.89                            | 237.35                            |
| Cool Tailing Treatment Plant   | 144.58                    | -                              | -   | 144.58                              | -                 | -                     | -  | -                                    | 144.58                            | 144.58                            |
| <b>TOTAL (B)</b>   | <b>381.94</b>             | <b>13.54</b>                   | <b>0.00</b>   | <b>395.48</b>                       | <b>0.00</b>       | <b>0.00</b>           | <b>0.00</b>                                      | <b>0.00</b>                          | <b>395.48</b>                     | <b>381.94</b>                     |
| <b>TOTAL (A + B)</b>   | <b>469.16</b>             | <b>96.10</b>                   | <b>-1.21</b>  | <b>545.05</b>                       | <b>0.44</b>       | <b>4.84</b>           | <b>0.00</b>                                      | <b>5.28</b>                          | <b>539.67</b>                     | <b>449.72</b>                     |
| <b>Previous year</b>   |                           |                                |   |                                     |                   |                       |  |                                      |                                   |                                   |
| <b>(A) Capital Work in Progress</b><br><b>(Excluding S&amp;T/R&amp;D Assets)</b> |                           |                                |   |                                     |                   |                       |  |                                      |                                   |                                   |
|  | 87.87                     | 2.22                           | -1.87   | 88.22                               | 0.44              | 0.00                  | 0.00   | 0.44                                 | 87.78                             | 87.23                             |
| <b>TOTAL (A)</b>   | <b>87.87</b>              | <b>2.22</b>                    | <b>-1.87</b>  | <b>88.22</b>                        | <b>0.44</b>       | <b>0.00</b>           | <b>0.00</b>                                      | <b>0.44</b>                          | <b>87.78</b>                      | <b>87.23</b>                      |
| <b>(B) Capital Work in Progress</b><br><b>(For S&amp;T/R&amp;D Assets)</b>       |                           |                                |   |                                     |                   |                       |  |                                      |                                   |                                   |
|  | 389.71                    | 321.88                         | -288.83   | 381.94                              | 0.00              | 0.00                  | 0.00   | 0.00                                 | 381.94                            | 389.71                            |
| <b>TOTAL (B)</b>   | <b>389.71</b>             | <b>321.88</b>                  | <b>-288.83</b>  | <b>381.94</b>                       | <b>0.00</b>       | <b>0.00</b>           | <b>0.00</b>                                      | <b>0.00</b>                          | <b>381.94</b>                     | <b>389.71</b>                     |
| <b>TOTAL (A + B)</b>   | <b>477.58</b>             | <b>324.10</b>                  | <b>-290.70</b>  | <b>470.16</b>                       | <b>0.44</b>       | <b>0.00</b>           | <b>0.00</b>                                      | <b>0.44</b>                          | <b>469.72</b>                     | <b>476.94</b>                     |

Note: Fixed Overhead assets included in the  
Schedule are as follows:

|                             | AS AT<br>31st MARCH 2004 | AS AT<br>31st MARCH 2003 |
|-----------------------------|--------------------------|--------------------------|
| (i) Buildings               | 88.22                    | 85.31                    |
| (ii) Roads & Concretes      | -                        | -                        |
| (iii) Others (Water Supply) | -                        | -                        |
| <b>TOTAL</b>                | <b>88.22</b>             | <b>85.31</b>             |



| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>INVESTMENT ( AT COST) |                               | SCHEDULE - H                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Trade investment at Cost (Unquoted)                                      | Nil                           | Nil                            |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>INVENTORIES |                               | SCHEDULE - I                   |        |
|--|-------------------------------|--------------------------------|--------|
|  | CURRENT YEAR<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |        |
| (As valued and certified by the Management)                    |                               |                                |        |
| Stock of Stores & Spare Parts at weighted average cost         | 322.81                        | 271.82                         |        |
| Less : Provision for slow moving/non-moving/<br>obsolescence   | 99.33                         | 91.19                          |        |
|  | 229.48                        | 180.63                         |        |
| Other stores at purchase price                                 | 55.58                         | 285.06                         | 51.40  |
|  |                               |                                | 232.03 |
| Add : In Transit/Under Inspection                              |                               | 9.59                           | 9.64   |
| Total  |                               | 294.65                         | 241.67 |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>SUNDRY DEBTORS |                               | SCHEDULE - J                   |  |
|---|-------------------------------|--------------------------------|--|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |  |
| Debts outstanding for a period                                    |                               |                                |  |
| Exceeding Six months  | 4626.76                       | 4909.37                        |  |
| Others  | 6278.71                       | 3180.85                        |  |
| <b>Total</b>  | <b>10905.47</b>               | <b>8090.22</b>                 |  |
| Less: Provisions for doubtful debts                               | 39.02                         | 38.80                          |  |
| <b>Balance</b>  | <b>10866.45</b>               | <b>8051.42</b>                 |  |
| <u>Classification :</u>   |                               |                                |  |
| Unsecured & Considered good                                       | 10866.45                      | 8051.42                        |  |
| Unsecured & Considered doubtful                                   | 39.02                         | 38.80                          |  |
|   | <b>10905.47</b>               | <b>8090.22</b>                 |  |
| <u>Due from the Companies under the same management</u>           |                               |                                |  |
| Eastern Coalfields Limited  | 1521.79                       | 1770.16                        |  |
| Bharat Coking coal Limited  | 686.22                        | 794.86                         |  |
| Central Coalfields Limited  | 2836.54                       | 2719.83                        |  |
| Western Coalfields Limited  | 1249.51                       | 454.96                         |  |
| South Eastern Coalfields Limited                                  | 1521.27                       | 239.40                         |  |
| Northern Coalfields Limited                                       | 525.45                        | 804.13                         |  |
| Mahanadi Coalfields Ltd.  | 949.98                        | 694.03                         |  |
| North East Coalfields   | 48.37                         | 47.97                          |  |
| Indian Institute of Coal Management                               | 0.00                          | 1.39                           |  |
| Kakri CHP (NCL)   | 14.08                         | 14.08                          |  |
| Dankuni Coal Complex (CIL)  | 1.87                          | 1.87                           |  |
| Bharatpur CHP (MCL)   | 0.73                          | 0.73                           |  |
| <b>Total</b>  | <b>9355.81</b>                | <b>7543.41</b>                 |  |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>CASH & BANK BALANCE                     |                               | SCHEDULE - K                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Cash, Cheques, Drafts & Stamps in-hand   | 70.05                         | 248.97                         |
| Remittance in-transit  | 2543.48                       | 595.18                         |
| Balance with Scheduled Bank :  |                               |                                |
| In Current Account   | 618.20                        | 1122.62                        |
| In Deposit Accounts *  | 64.11                         | 68.72                          |
| Total  | 3295.84                       | 2035.49                        |
| * Rs 52.22 lakh encumbered for issue of Bank Guarantee<br>( Previous year Rs. 81.67 lakh ) |                               |                                |



| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>LOANS & ADVANCES   |                               | SCHEDULE - L                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Advance recoverable in Cash or for value to be received :   |                               |                                |
| Advances to Suppliers:  |                               |                                |
| for Capital Works   | 0.00                          | 0.00                           |
| for Other Stores  | 45.36                         | 27.36                          |
| Advances to Contractors   |                               |                                |
| for Capital Works   | 21.84                         | 22.64                          |
| for Other Stores  | 5.86                          | 5.86                           |
| Advances to Employees:  |                               |                                |
| for House Building  | 278.62                        | 318.61                         |
| for Motor Car & Other Conveyances   | 18.40                         | 26.34                          |
| for Others  | 81.95                         | 82.32                          |
| Deposits for P&T, Electricity, Gas etc.   | 44.44                         | 42.56                          |
| Advance payment of statutory Dues   |                               |                                |
| Income-tax  | 1254.15                       | 631.69                         |
| Sales Tax   | 5.22                          | 1.22                           |
| Wealth tax  | 0.09                          | 0.93                           |
| Subsidiaries Suspense Accounts  | 0.00                          | 225.79                         |
| Advance to Bharat Coking Coal Limited on Capital Account  | 0.00                          | 19.54                          |
| Pre paid Expenditure  | 12.89                         | 13.25                          |
| Income Tax deducted at source   | 133.87                        | 92.16                          |
| Advances to Other Government Agencies   | 12.82                         | 26.03                          |
| Total   | 1915.51                       | 1536.32                        |
| Less : Provisions   | 5.09                          | 5.09                           |
| Balance   | 1910.42                       | 1531.23                        |
| Notes :   |                               |                                |
| i) Secured & Considered good  | 297.02                        | 344.95                         |
| Unsecured & Considered good   | 1613.40                       | 1186.28                        |
| Unsecured & Considered doubtful   | 5.09                          | 5.09                           |
|   | 1915.51                       | 1536.32                        |
| ii) Amount due from an Officer of the Company Rs. 0.03 (Prev. year Nil). Maximum balance due at any time during the year Rs 0.83 lakh (Prev. year 0.39 Lakh)  |                               |                                |
| iii) Amount due from directors of the Company Rs. 0.19 (prev. year - Nil). Maximum amount due at any time during the year Rs 2.35 Lakh (Prev. Year 0.73 Lakh) |                               |                                |
| Company Secretary has been considered to be an officer of the company for the above disclosure.   |                               |                                |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>OTHER CURRENT ASSETS |                               | SCHEDULE - M                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| <b>Claims Receivables :</b>   |                               |                                |
| i) Railway  | -                             | -                              |
| ii) Insurance   | -                             | -                              |
| iii) Others   | 18.03                         | 21.20                          |
| <b>Other Receivables</b>  |                               |                                |
| i) Employees  | 442.73                        | 442.39                         |
| ii) Others  | 20.18                         | 6.16                           |
| <b>Total</b>  | <b>480.94</b>                 | <b>469.75</b>                  |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>CURRENT LIABILITIES & PROVISIONS   |                               | SCHEDULE - N                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Creditors for goods (small Scale Industries)  |                               |                                |
| Capital   | -                             | -                              |
| Revenue   | 119.69                        | 53.08                          |
| Creditors for goods (others)  |                               |                                |
| Capital   | 104.36                        | 43.23                          |
| Revenue   | 1.95                          | 1.95                           |
| Sundry Creditors for contractual expenses   |                               |                                |
| Capital   | 89.90                         | 92.05                          |
| Revenue   | 497.10                        | 574.91                         |
| Sundry Creditors for other expenses   |                               |                                |
| Power & Fuels   | 96.33                         | 93.62                          |
| Others  | 550.74                        | 553.32                         |
| Employee Remuneration & Benefits :-   |                               |                                |
| Salaries, Wages & Allowances (gross)  | 1786.29                       | 1040.00                        |
| Gratuity  | 2564.07                       | 1875.65                        |
| Attendance Bonus  | 36.78                         | 34.21                          |
| Exgratia  | 112.71                        | 111.42                         |
| Unpaid Salaries/Wages   | 8.40                          | 8.15                           |
| Leave encashment  | 1432.74                       | 624.95                         |
| Statutory Dues :  |                               |                                |
| Income Tax deducted at source :   |                               |                                |
| from Employees  | 10.65                         | 23.48                          |
| from Contractors  | 1.30                          | 0.36                           |
| Service Tax   | 774.63                        | 515.39                         |
| Advances & Deposits :   |                               |                                |
| from Customers  | 433.93                        | 351.55                         |
| from Ministry of Coal ( Annex. N - 4)   | 0.00                          | 308.03                         |
| from Contractors & others *   | 116.48                        | 139.92                         |
| Government Grants pending disbursement  |                               |                                |
| Energy Coal (S&T) Grants ( Annex N - 1 )  | 177.85                        | 621.87                         |
| Other grants (Annex N - 2)  | 2918.03                       | 429.10                         |
| CIL R&D Fund (Annex N-3)  | 0.28                          | 38.76                          |
| Current Account Balances with Holding co. & its subsidiaries  |                               |                                |
| Coal India Ltd., Holding Co.  | 4563.83                       | 4480.57                        |
| Subsidiaries Suspense Account   | 0.63                          | 0.00                           |
| Other Liabilities :   |                               |                                |
| Retirement Pension Fund dues  | 137.20                        | 144.52                         |
| Provident Fund dues   | 31.44                         | 29.14                          |
| Cooperatives/Benevolent Fund/Recreation Club  | 7.37                          | 6.46                           |
| Provisions :  |                               |                                |
| Provision for Taxation - Income Tax   | 1263.14                       | 689.78                         |
| Provision for Taxation - Wealth Tax   | 0.22                          | 1.15                           |
| Provision for loss of Asset   | 0.25                          | 0.25                           |
| <b>Total</b>  | <b>17838.31</b>               | <b>13086.87</b>                |
| * Clarification:  |                               |                                |
| Deposit includes Rs 8.66 Lakh ( Previous year Rs 8.66 Lakh ) towards Earnest Money & Security Deposit of Energy Coal S&T Grant. |                               |                                |



| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>ENERGY COAL S&T GRANTS                |                               | SCHEDULE - N<br>Annexure N-1   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Opening Balance as on 01/04/2003   | 621.87                        | 367.88                         |
| Less : Cheques in hand as on 31/03/03 for subsequent disbursement                        | 146.00                        | 0.00                           |
| Adjusted Opening Balance as on 01/04/2003  | 475.87                        | 367.88                         |
| Amount received from Ministry of Energy-Coal (S&T) Grant                                 | 675.00                        | 700.00                         |
| Refund from Implementing Agencies  | 1.14                          | 9.19                           |
| Interest   | 0.00                          | 3.56                           |
| Amount received from CIL R&D   | 0.00                          | 30.00                          |
| Amount received from CCL   | 0.00                          | 89.63                          |
| Refund to CCL  | 0.00                          | -169.63                        |
| Refund to CIL R&D  | 0.00                          | -130.00                        |
| Cheques in hand  | 0.00                          | 146.00                         |
| Other Receipts   | 8.02                          | 0.00                           |
|  | 1160.03                       | 1045.64                        |
| <u>Disbursement to various Implementing Agencies :</u>                                   |                               |                                |
| Central Mining Research Institute  | 88.97                         | 85.43                          |
| Central Fuel Research Institute  | 471.50                        | 154.20                         |
| Indian School of Mines   | 4.00                          | 2.25                           |
| Annamalai University Madras  | 15.00                         | 0.00                           |
| Andhra University  | 15.00                         | 23.00                          |
| Banaras Hindu University   | 0.00                          | 5.00                           |
| Coal Bed Methane   | 50.00                         | 20.00                          |
| National Institute of Rock Mechanics   | 22.50                         | 64.50                          |
| Tamil Nadu Agriculture University  | 2.25                          | 10.00                          |
| T.M., Bhagalpur University   | 3.90                          | 2.00                           |
| Nayveli Lignite Corporation  | 40.00                         | 21.00                          |
| Vinoba Bhave University  | 0.00                          | 4.50                           |
| Regional Research Laboratory, Bhubneshwar  | 3.50                          | 2.00                           |
| Regional Research Laboratory, Bhopal   | 2.50                          | 1.00                           |
| Steel Authority of India   | 17.00                         | 0.00                           |
| IIT, Delhi   | 0.00                          | 12.00                          |
| IIT, Madras  | 19.00                         | 21.00                          |
| KREC Karnataka   | 0.80                          | 0.50                           |
| IIT Hyderabad  | 19.00                         | 3.00                           |
| Eastern Coalfields Limited   | 0.00                          | 2.50                           |
| CET Osmania University   | 10.00                         |                                |
| IISC Bangalore   | 7.00                          |                                |
| Regional Research Laboratories, Trivandrum   | 50.00                         |                                |
| CMPDI Limited  | 140.26                        | 289.52                         |
| Total Disbursement   | 982.18                        | 723.40                         |
| Transfer to CIL R&D WIP and CCL  | 0.00                          | 299.63                         |
|  | 982.18                        | 423.77                         |
| Closing Balance *  | 177.85                        | 621.87                         |
| * Closing Balance includes Rs. Nil lakh ( Previous year Rs 146.00 lakh) cheques in hand. |                               |                                |

| SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2004   |            |                 |   |   |                          | Schedule - IV   |                           |                          |
|--|------------|-----------------|---|---|--------------------------|-----------------|---------------------------|--------------------------|
| OTHER GRANTS   |            |                 |   |   |                          | Annexure - IV.2 |                           |                          |
|  |            |                 |   |   |                          | Rs. in Lakhs    |                           |                          |
| Name of Government Grants  |            | Opening Balance | Cheques in hand as on 31/03/03 disbursed subsequently | Adjusted Opening Balance as on 31/03/03 | Addition during the year | Total           | Disbursed during the year | Balance as on 31/03/2004 |
|  |            | A               | B   | C (A+B)                                 | D                        | E (C+D)         | F                         | G (E-F)                  |
| Mining Electronic Grants   | Curr. Year | 0.52            | 0.00  | 0.52                                    | 0.00                     | 0.52            | 0.00                      | 0.52                     |
|  | Prev. Year | 0.52            | 0.00  | 0.52                                    | 0.00                     | 0.52            | 0.00                      | 0.52                     |
| Promotional Regional Exploration Grants (Annex. N.2.1)   | Curr. Year | 96.23           | 60.87   | 157.10                                  | 5739.04                  | 5774.40         | 3152.40                   | 2622.00                  |
|  | Prev. Year | 1760.06         | 0.00  | 1760.06                                 | 1818.03                  | 3578.09         | 3481.86                   | 96.23                    |
| Environmental Measures Subsidence Control and Rehabilitation Control of Fire & Subsidence ( RCPS ) ( Annex. N.2.2) | Curr. Year | 253.78          | 6.85  | 260.63                                  | 0.00                     | 260.63          | 29.99                     | 230.64                   |
|  | Prev. Year | 153.47          | 0.00  | 153.47                                  | 1318.45                  | 1471.92         | 1218.14                   | 253.78                   |
| Testing Laboratory Grants  | Curr. Year | 28.00           | 0.00  | 28.00                                   | 0.00                     | 28.00           | 0.00                      | 28.00                    |
|  | Prev. Year | 28.00           | 0.00  | 28.00                                   | 0.00                     | 28.00           | 0.00                      | 28.00                    |
| United Nations Development Programme Grants  | Curr. Year | 26.82           | 0.00  | 26.82                                   | 0.00                     | 26.82           | 0.00                      | 26.82                    |
|  | Prev. Year | 26.82           | 0.00  | 26.82                                   | 0.00                     | 26.82           | 0.00                      | 26.82                    |
| Coal Conservation Development - Advisory Grants  | Curr. Year | 23.75           | 0.00  | 23.75                                   | 0.00                     | 23.75           | 0.00                      | 23.75                    |
|  | Prev. Year | 23.75           | 0.00  | 23.75                                   | 0.00                     | 23.75           | 0.00                      | 23.75                    |
| Total  |            | 429.10          | 67.72   | 496.82                                  | 5739.04                  | 6100.42         | 3182.39                   | 2918.03                  |
|  |            | 1992.62         | 0.00  | 1992.62                                 | 3136.48                  | 5129.10         | 4700.00                   | 429.10                   |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>Promotional Regional Exploration Grants |                               | SCHEDULE - N<br>Annexure N-2.1 |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Opening Balance as on 01/04/2003   | 96.23                         | 1760.06                        |
| Less : Cheques in hand as on 31/03/2003 for subsequent disbursement                        | 60.87                         | 0.00                           |
| Adjusted Opening Balance as on 01/04/2003  | 35.36                         | 1760.06                        |
| Ministry of Coal   | 5723.00                       | 1750.00                        |
| Interest   | 16.04                         | 7.16                           |
| Cheques in hand  | 0.00                          | 60.97                          |
|  | 5774.40                       | 3578.09                        |
| <u>Disbursement to various Implementing Agencies :</u>                                     |                               |                                |
| Mineral Exploration Corporation Limited  | 2604.87                       | 2734.04                        |
| Geological Survey of India   | 105.06                        | 346.17                         |
| Central Mine Planning & Design Institute Limited   | 442.20                        | 341.56                         |
| Neyveli Lignite Corporation Limited  | 0.00                          | 49.43                          |
| Central Fuel Research Institute, Dhanbad   | 0.27                          | 10.66                          |
| Total disbursement   | 3152.40                       | 3481.86                        |
| Closing Balance  | 2622.00                       | 96.23                          |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>Environmental Measures Subsidence Control &<br>Rehabilitation Control of Fire & Subsidence ( RCFS) Grants |                               | SCHEDULE - N<br>Annexure N-2.2 |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Opening Balance as on 01/04/2003   | 253.78                        | 153.47                         |
| Less : Cheques in hand as on 31/03/03 for subsequent disbursement  | 6.85                          | 0.00                           |
| Adjusted Opening Balance as on 01/04/2003  | 246.93                        | 153.47                         |
| Receipts from Ministry   | 0.00                          | 1311.60                        |
| Cheques in hand  | 0.00                          | 6.85                           |
|  | 246.93                        | 1471.92                        |
| <u>Disbursement to various Implementing Agencies :</u>   |                               |                                |
| Bharat Coking Coal Limited   | 0.00                          | 964.37                         |
| Central Coalfields Limited   | 0.00                          | 55.00                          |
| Eastern Coalfields Limited   | 0.00                          | 173.75                         |
| Central Mine Planning & Design Institute Limited   | 29.99                         | 25.02                          |
| Total disbursement   | 29.99                         | 1218.14                        |
| Closing Balance  | 216.94                        | 253.78                         |



| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>C I L R & D FUND |                               | SCHEDULE - N<br>Annex ure N-3  |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Opening Balance as on 01/04/2003                                    | 38.75                         | 20.05                          |
| Amount received from Coal India                                     | 145.00                        | 173.00                         |
| Refund from S&T   | 0.00                          | 130.00                         |
| Other receipts  | 0.03                          | 0.07                           |
| Total Receipt   | 183.79                        | 323.12                         |
| <u>Disbursement to various Implementing Agencies :</u>              |                               |                                |
| National Environmental Engg. Research Institute - Nagpur            | 0.00                          | 0.00                           |
| Central Mining Research Institute Dhanbad                           | 0.00                          | 0.00                           |
| Central Coalfields Ltd.   | 45.00                         | 64.00                          |
| CMPDI Limited   | 101.51                        | 220.36                         |
| Western Coalfields Ltd.   | 37.00                         | 0.00                           |
|   | 183.51                        | 284.36                         |
| Closing Balance   | 0.28                          | 38.76                          |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>Grants for detailed Drilling work in Non-CIL Blocks |                               | SCHEDULE - N<br>Annex ure N- 4 |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Opening Balance as on 01/04/2003   | 308.03                        | 858.00                         |
| Amount received from Ministry of Coal  | 1506.00                       | 1253.00                        |
| Total Receipt  | 1814.03                       | 2111.00                        |
| <u>Disbursement to various Implementing Agencies :</u>   |                               |                                |
| CMPDI Limited  | 1814.03                       | 1349.32                        |
| Mineral Exploration Corporation Limited  | 0.00                          | 453.65                         |
|  | 1814.03                       | 1802.97                        |
| Closing Balance  | 0.00                          | 308.03                         |

| SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2004<br>MISCELLANEOUS EXPENDITURE<br>(TO THE EXTENT NOT WRITTEN-OFF) |                               | SCHEDULE - O                   |        |
|---|-------------------------------|--------------------------------|--------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |        |
| <b>Deferred Revenue Expenditure</b>   |                               |                                |        |
| <b>1. Tubulars</b>  |                               |                                |        |
| As per last Account   | 213.96                        | 241.22                         |        |
| Addition during the year  | <u>0.00</u> *                 | <u>206.30</u>                  |        |
|   | 213.96                        | 447.52                         |        |
| Less : Written off during the year  | <u>145.19</u>                 | <u>233.56</u>                  | 213.96 |
| <b>2. Voluntary Retirement Scheme</b>   |                               |                                |        |
| As per last Account   | 54.67                         | 113.42                         |        |
| Addition During The Year  | <u>0.00</u> **                | <u>9.88</u>                    |        |
|   | 54.67                         | 123.30                         |        |
| Less : Written off during the year  | <u>31.14</u>                  | <u>68.63</u>                   | 54.67  |
| <b>BALANCE</b>  | <u>92.30</u>                  | <u>268.63</u>                  |        |

\* 100% of the addition of Tubulars during 2003-04 has been charged to P&L A/C under "Consumption of Tubulars" (Sch - 6).

\*\* 100% of VRS paid during the year has been charged to P&L Account. (Note 10.1 of Notes on Accounts - Sch 18)

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>SALE OF SERVICE |                               | SCHEDULE -1                    |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Exploration   | 7255.68                       | 6465.21                        |
| Planning & Design   | 6067.92                       | 5191.00                        |
| Natural Resource Management   | 905.69                        | 681.22                         |
| <b>Total Sales</b>  | <b>14230.29</b>               | <b>12339.03</b>                |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>COAL ISSUED FOR OTHER PURPOSE |                               | SCHEDULE -2                    |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| APPLICABLE TO CIL's OTHER SUBSIDIARIES  |                               |                                |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>ACCRETION/DECRETION IN STOCK |                               | SCHEDULE-3                     |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| APPLICABLE TO CIL's OTHER SUBSIDIARIES   |                               |                                |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>WORKSHOP JOB FOR OWN PURPOSE |                               | SCHEDULE-4                     |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| APPLICABLE TO CIL's OTHER SUBSIDIARIES   |                               |                                |



| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>OTHER INCOME |                               | SCHEDULE -5                    |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Interest received  |                               |                                |
| On Loan to Employees   | 32.74                         | 30.45                          |
| On Bank Deposit  | 3.50                          | 3.85                           |
| Rent received from outsiders   | 49.18                         | 8.34                           |
| Tender fees  | 0.64                          | 1.68                           |
| Liquidated Damage  | 4.13                          | 4.21                           |
| Exchange Fluctuation   | 0.07                          | 0.10                           |
| Rent Vehicles  | 0.89                          | 0.68                           |
| Others   | 11.03                         | 13.72                          |
| Profit on sale of Asset  | 0.02                          | 0.00                           |
| <b>Total</b>   | <b>102.20</b>                 | <b>63.03</b>                   |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>CONSUMPTION OF STORES |                               | SCHEDULE -6                    |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| POL   | 198.86                        | 199.56                         |
| Stores & spares   | 146.84                        | 141.79                         |
| Other stores & consumable   | 33.34                         | 32.26                          |
| Consumption of Tubulars   | 162.93                        |                                |
| Deferred Rev.Exp.written-off  | 145.19                        | 233.56                         |
| <b>Total</b>  | <b>687.16</b>                 | <b>607.17</b>                  |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>EMPLOYEES REMUNERATION AND BENEFITS |                               | SCHEDULE - 7                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Salaries & Wages :  | 6973.87                       | 6122.76                        |
| Overtime  | 60.64                         | 77.28                          |
| Incentives  | 159.82                        | 194.87                         |
| Leave encashments   | 942.94                        | 480.83                         |
| Other allowances  | 226.22                        | 215.90                         |
| Contribution to PF( Annex. 1)   | 890.91                        | 662.69                         |
| Attendance Bonus  | 175.10                        | 169.74                         |
| Exgratia  |                               |                                |
| a) PPLB - Non Executives  | 83.59                         | 72.56                          |
| b) PPLB - Executives  | 28.91                         | 38.88                          |
| LTC/LLTC/RRF  | 264.44                        | 266.00                         |
| Pension   |                               |                                |
| a) Ex NCDC Employees  |                               |                                |
| b) Others   | 6.45                          | 6.63                           |
| Gratuity  | 896.29                        | 647.40                         |
| D.L.I.  | 19.46                         | 16.93                          |
| Life Cover Scheme   | 3.30                          | 5.10                           |
| V R S   | 164.50                        | 68.63                          |
| <b>Total</b>  | <b>10896.44</b>               | <b>9046.00</b>                 |
| Less : Transferred to Social Overhead (Sch - 8 )  | 200.04                        | 174.51                         |
| <b>Balance</b>  | <b>10696.40</b>               | <b>8871.49</b>                 |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>CONTRIBUTION TO PROVIDENT FUNDS |                               | SCHEDULE - 7<br>ANNEXURE - 1   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Coal Mines Provident Fund   | 828.33                        | 577.22                         |
| Coal Mines Family Pension Fund  | 60.64                         | 42.75                          |
| CMAL Provident Fund   | 0.00                          | 8.62                           |
| Other Provident Funds   | 1.94                          | 34.10                          |
| <b>Total</b>  | <b>890.91</b>                 | <b>662.69</b>                  |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004 |                               | SCHEDULE - 8                   |
|--|-------------------------------|--------------------------------|
| SOCIAL OVERHEAD  |                               |                                |
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Salary Wages Allowances (From Schedule - 7)                        | 200.04                        | 174.51                         |
| Free issue of Coal to Employees                                    | 15.54                         | 10.50                          |
| Medical Facilities   |                               |                                |
| Medical Reimbursement  | 147.80                        | 130.14                         |
| Medicines & Hospital Expenses                                      | 90.20                         | 72.83                          |
| Grant to :   |                               |                                |
| a) Schools   | 0.00                          | 0.00                           |
| b) Sports & Recreations  | 11.20                         | 8.07                           |
| Canteen upkeep   | 8.18                          | 7.88                           |
| House Rent   | 0.84                          | 4.73                           |
| Power (from Schedule -9)   | 127.83                        | 168.53                         |
| Repairs & Maintenance (Transferred from Sch. 10)                   |                               |                                |
| a) Township  | 36.24                         | 60.88                          |
| b) Other Welfare Buildings   | 58.78                         | 90.36                          |
| c) Plant & Machinery   | 5.42                          | 3.68                           |
| d) Others (Maintenance of School Bus/Ambulance)                    | 22.40                         | 24.36                          |
| Training Expenses  |                               |                                |
| a) Within Co.  | 8.19                          | 8.04                           |
| b) Outside Co.   | 0.01                          | 0.00                           |
| Depreciation on Social Overhead Assets (Ref : Sch-F/F1)            | 59.13                         | 54.06                          |
| Family Planning Expenses   | 0.03                          | 0.03                           |
| Uniforms / Stitching Charges                                       | 9.19                          | 15.36                          |
| Other Benefits   | 54.37                         | 56.24                          |
| Sub Total  | 855.39                        | 919.14                         |
| <b>Less ; Recoveries</b>   |                               |                                |
| House Rent   | 11.92                         | 13.48                          |
| Electricity  | 18.72                         | 19.81                          |
| School bus Charges   | 1.44                          | 1.38                           |
|  | 32.08                         | 34.67                          |
| <b>Balance :</b>   | <b>823.31</b>                 | <b>884.47</b>                  |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004 |                               | SCHEDULE - 9                   |
|--|-------------------------------|--------------------------------|
| POWER AND FUELS  |                               |                                |
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Purchased  | 315.84                        | 313.17                         |
| Sub Total  | 315.84                        | 313.17                         |
| Less : Transferred to<br>Social Overhead Sch-8                     | 127.83                        | 168.53                         |
| <b>Total</b>   | <b>188.01</b>                 | <b>144.64</b>                  |



| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>REPAIRS |        | SCHEDULE -10                  |                                |
|---|--------|-------------------------------|--------------------------------|
|   |        | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Office Building   |        | 37.09                         | 60.31                          |
| Repair & maintenance Township/Residential Building                            |        | 95.02                         | 151.24                         |
| Plant & Machinery   |        | 98.30                         | 96.94                          |
| Office equipment & Furniture  |        | 38.18                         | 31.60                          |
| Vehicles  |        | 62.68                         | 68.64                          |
| Repair & maintenance School bus/Ambulance                                     |        | 22.40                         | 24.36                          |
| Others  |        | 1.93                          | 1.53                           |
| <b>Sub Total</b>  |        | <b>353.60</b>                 | <b>434.62</b>                  |
| Less : Transferred to Social Overhead Sch-8                                   | 122.84 |                               | 179.28                         |
| Less : Transferred to Misc. Expenses Sch-12                                   | 44.89  | 167.73                        | 53.83                          |
| <b>Total</b>  |        | <b>185.87</b>                 | <b>201.51</b>                  |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>CONTRACTUAL EXPENSES |  | SCHEDULE -11                  |                                |
|--|--|-------------------------------|--------------------------------|
|  |  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Contractual Works  |  |                               |                                |
| Drilling - MECL  |  | 2.31                          | 33.03                          |
| Drilling - Others  |  | 118.04                        | 143.50                         |
| Coal testing   |  | 117.51                        | 95.00                          |
| Remote Sensing etc.  |  | 32.40                         | 35.44                          |
| <b>Total</b>   |  | <b>270.26</b>                 | <b>306.97</b>                  |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>MISCELLANEOUS EXPENSES |                               | SCHEDULE -12                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Traveling  |                               |                                |
| In country   | 345.52                        | 272.56                         |
| Outside country  | 20.44                         | 6.56                           |
| Printing & Stationery  | 79.87                         | 79.56                          |
| Postage  | 4.30                          | 4.53                           |
| Telephone  | 42.12                         | 42.27                          |
| Advertisement & Publicity  |                               |                                |
| i) Advertisement for :   |                               |                                |
| a) Tender  | 7.35                          | 6.76                           |
| b) Others  | 0.13                          | 0.00                           |
| ii) Publicity  | 1.49                          | 0.75                           |
| Freight Charges  | 0.72                          | 0.14                           |
| Subscriptions  | 6.49                          | 5.87                           |
| Security Expenses  | 131.82                        | 136.78                         |
| Hire Charges   |                               |                                |
| a) Computer  | 83.45                         | 75.54                          |
| b) Others  | 67.43                         | 44.45                          |
| Maintenance of Cars & Jeeps :  |                               |                                |
| i) Petrol & Diesels  | 43.68                         | 45.03                          |
| ii) Repairs (From Schedule 10)   | 44.89                         | 53.83                          |
| iv) Road Tax   | 21.34                         | 19.31                          |
| v) Insurance   | 6.41                          | 5.32                           |
| Legal Expenses   | 7.32                          | 9.23                           |
| Bank Charges   | 11.46                         | 11.16                          |
| Consultancy Charges (CIL subsidiaries & Other jobs)  | 178.06                        | 98.24                          |
| Auditor's Remuneration   |                               |                                |
| As Auditor   | 0.89                          | 0.89                           |
| Traveling & Out of Pocket Expenses   | 1.46                          | 2.12                           |
| In other capacity - Tax Audit  | 0.27                          | 0.27                           |
| Internal Audit Expenses  | 5.67                          | 6.58                           |
| Rates & Taxes  | 27.23                         | 38.42                          |
| Rent   | 24.98                         | 25.12                          |
| Insurance  | 1.01                          | 1.23                           |
| Lands/crops compensation   | 0.41                          | 0.24                           |
| Others :   |                               |                                |
| Software Licensing fees  | 9.25                          | 27.73                          |
| Conference & Seminar etc.  | 8.79                          | 7.60                           |
| Tents & Hutments   | 30.12                         | 27.37                          |
| Shifting & Settling Exp.   | 22.30                         | 22.08                          |
| Entertainment  | 0.17                          | 0.65                           |
| R&D Expenses   | 0.52                          | 0.11                           |
| Horticulture   | 3.59                          | 1.98                           |
| Filing Fees  | 0.08                          | 0.03                           |
| Misc. Expenses   | 14.14                         | 15.92                          |
| Wealth Tax   | 0.00                          | 0.13                           |
| <b>Total</b>   | <b>1255.17</b>                | <b>1096.36</b>                 |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>INTEREST |                               | SCHEDULE -13                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Coal India Limited Holding Co.   | 17.36                         | 10.06                          |
| Interest on Retirement Pension Fund  | 10.04                         | 11.19                          |
| Interest on Income Tax   | 15.30                         | 0.00                           |
| <b>Total</b>   | <b>42.70</b>                  | <b>29.25</b>                   |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>PROVISIONS / WRITE - OFF |                               | SCHEDULE -14                   |
|--|-------------------------------|--------------------------------|
|  | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
| Provision :  |                               |                                |
| Doubtful debts   | 0.22                          | 2.03                           |
| Doubtful Advances  | 0.00                          | 0.08                           |
| Obsolescence   | 2.15                          | 33.12                          |
| Reduction in value of assets   | 0.00                          | 0.25                           |
| <b>Total</b>   | <b>2.37</b>                   | <b>35.48</b>                   |



## CENTRAL MINE PLANNING &amp; DESIGN INSTITUTE LIMITED

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2004 |                              | SCHEDULE-15                   |
|--|------------------------------|-------------------------------|
| PRIOR PERIOD ADJUSTMENTS   |                              |                               |
|  | CURRENT YEAR<br>(RS IN LAKH) | PREVIOUS YEAR<br>(RS IN LAKH) |
| <b>DEBIT:</b>  |                              |                               |
| <u>Employees Remuneration &amp; Benefits:</u>                        |                              |                               |
| a) Salary/wages & allowances   | 18.63                        | 0.00                          |
| b) Life Cover Scheme   | 0.00                         | 0.30                          |
| c) Ex-gratia   | 0.00                         | 0.00                          |
| Director's Salary & Allowances                                       | 0.38                         | 0.00                          |
| Repairs  | 0.00                         | 1.92                          |
| Depreciation Expenses  | 6.46                         | 0.42                          |
| Contractual Payments   | 1.54                         | 0.00                          |
|  |                              | 0.00                          |
| <b>TOTAL DEBIT</b>   | <b>27.01</b>                 | <b>2.64</b>                   |
| <b>CREDIT:</b>   |                              |                               |
| <u>Employees Remuneration &amp; Benefits:</u>                        |                              |                               |
| a) Life Cover Scheme   | 0.30                         | 0.00                          |
| b) Salary/wages & allowances   | 0.00                         | 36.77                         |
| Interest on Loan to Employees  | 0.00                         | 2.34                          |
| Repair   | 7.54                         | 0.00                          |
| Misc Expenditure   | 2.79                         | 12.87                         |
| Other Receipts   | 6.58                         | 7.68                          |
| Power & Fuel   | 7.48                         | 3.40                          |
| Consumption of stores & Spares                                       | 0.20                         | 0.08                          |
| Contractual Payments   | 0.00                         | 13.08                         |
| <u>Interest:</u>   |                              |                               |
| a) Income Tax  | 142.35                       | 81.32                         |
| b) Others  | 1.97                         | 0.00                          |
| Sale of Services   | 54.45                        | 29.54                         |
| <b>TOTAL CREDIT</b>  | <b>223.64</b>                | <b>167.08</b>                 |
| <b>NET CREDIT (-)/DEBIT (+)</b>                                      | <b>-196.63</b>               | <b>-164.44</b>                |

| SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MAR 2004<br>EXTRAORDINARY ITEMS |                               | SCHEDULE -18                   |
|---|-------------------------------|--------------------------------|
|   | Current Year<br>(Rs. in Lakh) | Previous Year<br>(Rs. in Lakh) |
|   | Nil                           | Nil                            |

## SCHEDULE - 17

## ACCOUNTING POLICY FOR 2003-04

- |   |   |
|---|---|
| <p><b>1.0 ACCOUNTING CONVENTION</b><br/>Financial statements are prepared on the basis of historical cost and on accrual basis following going concern concept. Accounting Standards and generally accepted accounting principles and practices except otherwise stated elsewhere.</p> <p><b>2.0 BASIS OF ACCOUNTING :</b><br/>All expenses and incomes, if material, are booked initially in natural heads of accounts and then transferred to functional heads of accounts wherever required.</p> <p><b>3.0 SUBSIDIES/GRANTS FROM GOVERNMENT :</b></p> <p>3.1 Subsidies/Grants on Capital Account are deducted from cost of respective asset to which they relate. The unspent amount at the year end, if any, is shown as Current Liability.</p> <p>3.2 Subsidies/Grants on Revenue Account are credited to Profit &amp; Loss Account under the head of other Receipts and the expenses are debited to respective heads.</p> <p>3.3 Grant/Funds received under S&amp;T, EMSC, CCDA etc. are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received.</p> <p>3.4 Grant/Fund received as Nodal/Implementing Agency directly or through CIL are accounted for on the basis of receipts and disbursement.</p> | <p><b>4.0 FIXED ASSET :</b></p> <p>4.1 Land<br/>Land includes cost of acquisition including incidental expenses incurred thereon.</p> <p>4.2 Buildings<br/>Buildings includes cost of lifts, electrical fittings, water supply arrangements, sanitary fittings etc. which were the part of construction contract and could not be segregated. Expenditures like partition, modification etc. and area development in township are being charged to Revenue as Repairs and Maintenance Expenses.</p> <p>4.3 Plant &amp; Machinery</p> <p>4.3.1 Plant &amp; Machinery include cost &amp; expenses incurred for erection / installation and other attributable costs of bringing those assets to working condition for their intended use. Insurance spares supplied alongwith the machine are capitalized alongwith the machine.</p> <p>4.3.2 All software acquired on Annual Licence Fee basis and software costing upto Rs. 10 lakhs each acquired on perpetual license basis are charged as Revenue Expenditure.</p> |
|---|---|



- 5.0 INVESTMENTS :  
Long Term Investments, if any, are valued at cost.
- 6.0 INVENTORIES :  
6.1 Stock of stores & spares including tubulars at Central Drilling Stores, Barkakana are value at cost calculated on the basis of weighted average method. Stores issued to Drilling Camps/Sites are charged off. The year end inventory of stores & spare parts lying at camps/sites/sub-stores initially charged off, are valued at issue prices. Consumables are valued at purchase prices.  
6.2 Stores & spare parts include loose tools.  
6.3 Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and 50% for stores & spares not moved for 5 years except insurance items.  
6.4 Stock of Stationery and Medicine are not considered in Inventory.
- 7.0 DEPRECIATION :  
7.1 Depreciation on Fixed Asset is provided on straight line method at the rates specified in Schedule-XIV to the Companies Act, 1956 (as amended) except in some special cases. Depreciation on the assets added/disposed of during the year is provided on pro-rata basis with reference to the month of addition/disposal.  
7.2 Value of lease-hold land is amortized within the lease period.  
7.3 Assets whose actual cost does not exceed Rs. 5000/- are depreciated at 100% leaving a token value of Rs. 1/- for each of such assets.
- 8.0 BALANCE WITH COAL INDIA LTD. (HOLDING COMPANY):  
Amount due to Coal India Limited on account of Loan after adjustment for conversion to equity or vice-versa from time to time is shown as Unsecured Loan. Amount due/receivable for revenue nature transaction in Current Account is shown under Current Liability/Current Asset.
- 9.0 INTEREST TO HOLDING COMPANY :  
Interest on Loan from Coal India Limited (Holding Company) is accounted for as per advice from them.
- 10.0 RETIREMENT BENEFITS TO EMPLOYEES :  
10.1 The liabilities on account for gratuity and leave encashment benefits payable on retirement to employees is determined and provided for on the basis of actuarial valuation.  
10.2 Provident Fund and Retirement Pension Scheme liabilities are accounted for on accrual basis and transferred to authorities in appropriate cases.
- 11.0 REVENUE RECOGNITION :  
11.1 Services rendered to CIL Subsidiaries for P&D and Exploration are billed on Cost Plus Basis except in cases covered in item 11.4 below. Unit of cost for the purpose is taken as :  
(i) For Exploration Services  
- Drilling Meterage  
(ii) For Planning & Design Services  
- Engineering Days  
11.2 Effects for errors and omissions upto 0.2% of the expenditure/income for the year detected after the accounts

are submitted to the Audit Committee/Board of Directors will be accounted for during the year without revising the selling rate.

- 11.3 Billing on CIL Subsidiaries is done during the year at budgeted rates. Final Bills of differential amounts are raised for that particular year on finalisation of accounts.
- 11.4 Other miscellaneous jobs are billed on cost/cost plus basis or on mutually agreed rates as the case may be.
- 11.5 Sales shown in accounts are exclusive of service tax.
- 11.6 In the case of consultancy contracts with parties other than CIL Subsidiaries, revenue is recognized at proportionate contract value based on the percentage of work done or amount realizable, whichever is lower.

## 12.0 TRANSACTIONS IN FOREIGN EXCHANGE :

- 12.1 Expenses during the year in foreign currencies are converted/translated at the prevailing rate and sales are booked at the rate prevailing at the time of billing. Outstanding items at the end of the year are converted at the year end rate.
- 12.2 Current Assets & Liabilities in Foreign Currencies are converted/translated at year end exchange rates and the loss/gain on conversion/translation, if any, is recognised in the year.

## 13.0 CHANGE IN ACCOUNTING POLICIES

The policies have been redrafted to bring uniformity in Accounting Policy with Coal India Ltd., and is not considered as change in Accounting Policy. Any change in Accounting Policy which has a material effect on financial statements for the current year is disclosed in Notes on Accounts (Schedule - 18).



## SCHEDULE - 18

## NOTES ON ACCOUNTS FOR 2003-04

**1.0 FIXED ASSETS & DEPRECIATION****1.1 Fixed Assets**

1.1.1 Legal transfer of assets and liabilities from the Holding Company, Coal India Limited (CIL) on its reorganisation on 01/11/1975 is yet to be effected.

1.1.2 There are certain assets taken over from erstwhile NCDC/Coal Board, the value of which could not be linked up. An amount of Rs. 4.80 lakh realised on disposal of old assets received from erstwhile NCDC and Coal Board could also not be linked up with the acquisition value. Pending adjustment the amount is lying credited to Sale of Assets Suspense Account.

1.1.3 The Company has got constructed houses and office complex in BCCL Township in Dhanbad (Rs. 444.31 lakh), NCL Township in Singrauli (Rs. 323.66 lakh) and CCL Township in Rajrappa (Rs. 214.44 lakh) on the land belonging to other subsidiaries of the Holding Company.

**1.2 Depreciation**

1.2.1. Land at Gondwana Place (Rs. 32.99 lakh) includes an old building. In absence of separate value for the old building no depreciation could be charged thereon.

1.2.2. Special Rates

1.2.3. High value computer utility software costing more than Rs. 10 lakh individually which are acquired on perpetual license basis, in the absence of any specific rate of depreciation in Schedule XIV to the Companies Act 1956, is depreciated over its useful life as per the technical experts' opinion and the licensing agreement.

1.2.4. The Earth Science Museum : 5.15 percent.

1.2.5. All Plants & Equipment at Drilling sites; Scanner, Equipment and instruments used in the Laboratories for analysis work and all models of photocopiers : 11.31 percent.

1.2.6. High Volume Samplers and Respiratory Dust

Samplers : 33.33 percent

Telecom : 15.83 %

1.2.7 Others :

1.2.8. Lifts etc. forming part of Building at rates prescribed for buildings.

1.2.9. Buildings constructed on leasehold land and land belonging to other subsidiaries of CIL: at the rate applicable to buildings on freehold land

**2.0 STOCK OF STORES & SPARE PARTS**

2.1. As machine-specific spares are capitalized along with the machines there are no spares being machine-specific and of infrequent use which are to be capitalized in terms of Accounting Standard (AS) 2 read with AS 10.

2.2. The value of obsolete and surplus items of stores was last estimated in 1998-99 at Rs. 58.08 lakh against which full provision was made in that Financial Year 1998-99. Out of this material valuing Rs 8.75 Lakhs has been issued/used and the provision has been reduced accordingly. Additional provision of Rs 2.15 Lakhs has been made against non-moving items in the current year at the rate of 50% bringing the total provision to Rs 44.01 lakhs for non-moving items.



**3.0 LOANS & ADVANCES/DEBTORS****3.1. Current Accounts and Sundry Debtors Accounts with CIL Subsidiaries**

1. Reconciliation of inter-company transactions in Current Accounts with other Subsidiaries of CIL has been carried out upto 31/3/2004. The agreed Current Account balances with the CIL Subsidiaries as on 31/3/2004 were transferred to CIL Current Account in the month of April, 2004. Subsequently, if during the course of audit or otherwise any debit/credit advice received/sent from/to the Subsidiaries with respect to the periods upto 31/3/2004 is charged to Subsidiary Suspense Account..
2. Sundry Debtors include Rs. 9355.81 lakh due from CIL Subsidiaries. Since 01/4/1993 the system of acceptances of bills by CIL Subsidiaries has been introduced for adjustment of accounts with CIL. Balances upto 01/4/1993 amounting to Rs. 77.34 lakh in total is under reconciliation. Acceptances of bills are regularly monitored. Bills in the process of acceptance amount to Rs 10905.47 Lacs on 31.03.2004. No provision is considered necessary for outstanding bills of companies under the same management barring a few specific cases.
3. Letters have been issued to other than CIL subsidiaries to obtain confirmation of balances reply to which is awaited.

**3.2. Others**

- 3.2.1 Income tax advance of Rs. 1254.15 lakh includes payments under protest against assessments for the years upto Assessment Year 2000-01. Income tax provisions of Rs 689.78 lakh represents provisions for pending assessments relating to Assessment Years 2001-02 to 2003-04

**4.0 CURRENT LIABILITIES & PROVISIONS****4.1. Current Accounts with CIL and its Offices**

- 4.1.1. Reconciliation of Current Accounts with CIL and its offices as well as of CIL Loan Account is done regularly, but it is not known if all the items appearing in Reconciliation Statement are accounted for by CIL within the year. Loan Account and Current Account balances as on 31.03.2004 have been reconciled.

**4.2. Liabilities under Coal Mines Pension Scheme**

1. Monthly contributions & deductions with respect to CMPF members are being regularly remitted to the authorities. For CCLPF / CMALPF members the monthly contributions / deductions are being regularly remitted w.e.f Oct.'02 after they were included in the Pension scheme.
2. Current Liabilities include Rs. 83.52. lakh deductions which could not be remitted due to certain employees being non-CMPF members.
3. There is also a liability for Rs. 53.69 lakh payable to the Scheme being the additional increments granted by the Company w.e.f. 01/7/1995.
4. The above amounts of liabilities are inclusive of interest at the rate applicable to CMPF.
5. As against these liabilities Rs 51.75 lakh is held in Fixed Deposits with Bank.

**4.3 Others**

- 4.3.1. The liability for contractual drilling is provided on the basis of 100% value of meterage drilled during the year less payments made against such drilling.
- 4.3.2. Provision of Rs 762.30 lakhs has been

made in respect of arrear salary payable to non-executives on account of wages / pay revision w.e.f. 01.07.01 to 31.12.2003 under NCWA VII.

4.3.3 Provision of Rs 306.43 lakhs has been made in respect of arrear HRA payable to executives & non-executives w.e.f. 1.7.1999 to 31.5.2001 vide CIL Order dated 17.05.2004.

4.3.4 Gratuity for the year has been considered at incremental liability plus gratuity actually accruing in the year as per the recommendation of the actuary.

4.3.5. No amount of Rs 1.0 lakh or more was overdue to SSI units for more than 30 days as on 31.03.04.

#### 5.0. THEFT & SNATCHING CASES

Theft cases involving an amount of Rs 0.06 lakh (Previous Year 1.35 lakh) have been reported during the year. These are under investigation of the police department. Most of the items covered under the reported thefts are charged off items and as such provision against such losses in the accounts has not been made. Rs 4.09 lakhs has been looted from Tandwa Drilling Camp of RI-3, Ranchi for which insurance claim has been lodged.

#### 6.0 DIRECTORS' REMUNERATION

| (Rs in lakh)   |              |               |
|--|--------------|---------------|
|  | Current Year | Previous Year |
|  | 2003-2004    | 2002-03       |
| (i) Salary & Allowances including LTC/Leave Encashment | 14.07        | 26.17         |
| (ii) Provident Fund                                    | 1.60         | 3.07          |
| (iii) Medical Expenses                                 | 2.48         | 8.41          |
| (iv) Value of Perquisites                              | 0.02         | 0.06          |
| (v) Gratuity Paid                                      | 3.50         | -             |

#### 7.0 EARNINGS, EXPENDITURE ETC. IN FOREIGN CURRENCY

##### 7.1 Expenditure in Foreign Currency

| (Rs in lakh)                               |              |               |
|--|--------------|---------------|
|  | Current Year | Previous Year |
|  | 2003-2004    | 2002-03       |
| (i) Foreign training /tour, books & others | 7.33         | 9.56          |
| (ii) Consultancy fee                       | 0.00         | 0.00          |
| TOTAL                                      | 7.33         | 9.56          |

##### 7.2 Value of Imports Calculated on CIF Basis.

| (Rs in lakh)             |              |               |
|--------------------------|--------------|---------------|
|                          | Current Year | Previous Year |
|                          | 2003-2004    | 2002-03       |
| (i) Capital Goods        | 31.90        | 7.20          |
| (ii) Spares & Components | 1.43         | 5.43          |
| TOTAL                    | 33.33        | 12.63         |

##### 7.3 Earnings in Foreign Exchange.

| (Rs in lakh)      |              |               |
|-------------------|--------------|---------------|
|                   | Current Year | Previous Year |
|                   | 2003-2004    | 2002-03       |
| Professional Fees | Nil          | NIL           |

##### 7.4 Value of imported and indigenous stores and spare parts consumed and percentage thereof to the total consumption

| Rs. in Lakh |              |            |               |             |
|-------------|--------------|------------|---------------|-------------|
|             | Current Year |            | Previous year |             |
|             | 2003-2004    |            | 2002-2003     |             |
|             | Value        | Percentage | Value         | Per centage |
| Imported    | 8.46         | 1.23       | 0.26          | 0.04        |
| Indigenous  | 678.70       | 98.77      | 606.91        | 99.96       |
| Total       | 687.16       | 100.00     | 607.17        | 100.00      |



**8.0 OFFICE BUILDING (PART) HANDED OVER TO GOVT**

Part of an Office Building at Ranchi has been occupied by the Government of Jharkhand with effect from 04.12.2000. Claim of Rs 46.88 lakhs towards rent receivable has been submitted to Government of Jharkhand on the basis of Draft Agreement.

**9.0 CONTINGENT LIABILITY****9.1 Claims against the Company not acknowledged as debt**

9.1.1 Income tax matters : In respect of completed assessment pending in appeal Rs.442.75 Lakh (Previous Year Rs.274.22 lakh).

9.1.2 Service tax matters : In respect of completed assessment pending in appeal Rs. 40.24 lakh (Previous Year Rs. 40.24 lakh).

9.1.3. Other disputed claims pending in the courts and not provided for amount to Rs.1585.66 lakh (Previous Year Rs. 629.50 lakh).

9.1.4 LC opened during the year Rs 23.20 lakhs (Previous year Rs 1.20 lakh)

**9.2. Other matters**

9.2.1 There are certain suits pending in courts arising out of industrial and other disputes. The quantum of contingent liability in this regard could not be ascertained.

9.2.2. There is counter guarantee of Rs.52.22 Lakh (Previous Year Rs. 81.67 Lakh) issued by the Company in favour of Bank for issuing Bank Guarantee on behalf of the Company.

**10.0 CAPITAL COMMITMENT**

Estimated value of contracts remaining to be executed on capital account and not pro-

vided for amounts to Rs 86.41 lakh (previous year Rs 99.93 lakh).

**10.1 IMPACT ON PROFIT DUE TO CHANGES IN BASIS OF ACCOUNTING**

Profit for the year has been affected to the following extent because of changes in the basis of accounting

|                                |  | Rs. in lakh        |                     |
|--------------------------------|--|--------------------|---------------------|
|                                |  | Amount<br>Involved | Impact<br>on Profit |
| (i)                            | Consumption of Tubular for 2003-04 have not been Treated as Deferred Revenue Expenditure.  | 108.62             | (-) 0.22 *          |
| (ii)                           | VRS Gratuity for 2003-04 have not been Treated as Deferred Revenue Expenditure.  | 100.02             | (-) 11.62 *         |
| (iii)                          | The charges or credits of any amount arising in current Year as a result of errors and omissions of earlier Years has been treated as Prior Period Adjustment. | (-) 23.19          | Nil                 |
| * Increase (+) / Reduction (-) |  |                    |                     |

**11.0 DEFERRED TAX.**

As per Accounting Standard ( AS - 22 ) on Accounting for taxes on Income issued by the Institute of Chartered Accountants of India , the provision for deferred tax assets and liabilities as at 31.03.2004 has been computed at Rs 1519.68 Lakhs and Rs 700.10 lakhs respectively. Net Deferred tax as at 31/03/2004 comprises of the following :



|                                    | (Rs in lakhs)  |         |
|------------------------------------|----------------|---------|
| <b>A. Deferred tax Asset</b>       |                |         |
| Difference in WDV of software      | 3.32           |         |
| Provision for obsolescence         | 33.48          |         |
| Provision for doubtful debts       | 14.00          |         |
| Provision for Leave                |                |         |
| Encashment, Gratuity, VRS          | <u>1468.88</u> | 1519.68 |
| <b>B. Deferred Tax Liability</b>   |                |         |
| Difference in WDV of assets        | 700.10         |         |
| <b>C. Deferred Tax Asset (Net)</b> | <b>819.58</b>  |         |

**12.0 WRITE BACK**

12.1. Stale cheques which are more than three years old at the end of the financial year are written back except in certain cases

12.2. Earnest Money and Security Deposit which are more than five years old at the end of the financial year are written back except certain cases involving Court cases etc.

**13.0 PRIVATE COMPANY**

The Company was incorporated as a Private Limited Company and the word Private was omitted Vide Notification no. GSR 1234, dated December 30, 1958

**14.0 PREVIOUS YEAR'S FIGURES**

Previous Year's figures have been regrouped and rearranged wherever considered necessary.

15.0 Accounts together with notes thereon approved by the Board of Directors on 30th June 2004 and reported upon by the Auditors have been amended based on the audit conducted by the Comptroller and Auditor General of India. These amendments

have resulted in decrease in Profit by Rs 6.62 lakhs due to increase in expenditure involving changes in Sch -1, Sch -13, Sch -15 of P&L A/C and Sch -C, Sch -J & Sch -N of Balance sheet as per details below. Notes on Accounts at para 3.1.2 and para 8.0 above have also been revised.

(Rs. in Lakhs)

**Profit & Loss Account :****A. Decrease in Profit**

|   |              |
|---|--------------|
| (i) Increase in expenses  |              |
| - [ Interest on Income Tax ( Sch. 13) ]                         | 15.30        |
| (ii) Increase in Debit of Prior Period Adjustment (Schedule 15) | <u>49.87</u> |
|   | <u>65.17</u> |

**B. Increase in Profit**

|  |                    |
|--|--------------------|
| Increase in Sales of Services ( Sch. - 1 ) | <u>58.55</u>       |
| <b>Net decrease in Profit ( A - B )</b>    | <b><u>6.62</u></b> |

**Balance Sheet**

|   |              |
|---|--------------|
| A. (i) Decrease in Reserves & Surplus ( Schedule C )      | 6.62         |
| (ii) Increase in Sundry Debtors ( Schedule J )            | <u>61.81</u> |
|   | <u>68.43</u> |
| B. Increase in Current Liability Provision ( Schedule N ) | 68.43        |

Signatures to Schedules A to O for Balance Sheet, Schedules 1 to 16 for Profit & Loss Account and Schedules 17 & 18 for Accounting Policy and Notes on Accounts:

Sd/-  
Udayan Chakrabarti  
Company Secretary

Sd/-  
A. K. Soni  
H.O. D. ( Finance )

Sd/-  
S. L. Soni  
Director

Sd/-  
M.N.Jha  
Chairman-cum-Managing Director

In terms of our report of even date attached

**For S K Basu & Co**  
Chartered Accountants

Sd/-  
( S. Basu )

Place : Kolkata  
Dated :21 Aug., 2004

**Segment-wise Profit / Loss Annexed to Profit & Loss Account  
for the Year ended 31st March 2004**

RS. IN LAKH

| Sl. No.                             | Particulars   | P & D          | Exploration    | Environment   | Common      | Total           |
|-------------------------------------|---|----------------|----------------|---------------|-------------|-----------------|
| <u>Segment-wise Income :-</u>       |   |                |                |               |             |                 |
| 1                                   | Segment-wise sale of services   | 6233.20        | 7230.36        | 766.71        |             | 14230.29        |
| 2                                   | Segment-wise Misc. Income   | 89.79          | 11.05          | 1.36          |             | 102.20          |
| 3                                   | Segmentwise total Income ( 1 + 2 )  | <b>6322.99</b> | <b>7241.43</b> | <b>768.07</b> |             | <b>14332.49</b> |
| <u>Segment-wise Expenditures :-</u> |   |                |                |               |             |                 |
| 4                                   | Salaries & Wages  | 3801.99        | 4057.29        | 394.44        | 2442.68     | 10696.40        |
| 5                                   | Other Expenses  | 1137.79        | 1646.19        | 125.92        | 702.16      | 3612.06         |
| 6                                   | Total Expenditure ( incl Dep. but excl. Interest , PP adj. and Provisions ) ( 4+5 ) | 4939.78        | 5703.48        | 520.36        | 3144.84     | 14308.46        |
| 7                                   | Share of Common cost  | 1441.64        | 1537.92        | 165.28        | -3144.84    | —               |
| 8                                   | Total Expenses with share of Common Cost ( 6 + 7 )                                  | <b>6381.42</b> | <b>7241.40</b> | <b>685.64</b> | <b>0.00</b> | <b>14308.46</b> |
| 9                                   | Segment-wise Profit (+) / Loss ( - ) before Interest , PP Adj. & Tax ( 3 - 8 )      | <b>-58.43</b>  | <b>0.03</b>    | <b>82.43</b>  | <b>0.00</b> | <b>24.03</b>    |
| 10                                  | Interest  | 32.84          | 9.73           | 0.13          | —           | 42.70           |
| 11                                  | PP Adjustments Credit (-)/ Debit (+)  | -164.47        | -12.26         | 0.10          | —           | -196.63         |
| 12                                  | Segment-wise Profit (+) / Loss ( - ) before Tax & Provisions ( 9-10-11 )            | <b>93.20</b>   | <b>2.56</b>    | <b>82.20</b>  | <b>—</b>    | <b>177.96</b>   |
| 13                                  | Provisions  |                |                |               |             | 2.37            |
| 14                                  | Net Profit ( + ) / Loss ( - ) Before Tax (12-13)                                    |                |                |               |             | <b>175.59</b>   |
| 15                                  | Provision For Taxation  |                |                |               |             | 508.19          |
| 16                                  | Provision For Deferred Tax : Debit (+) / Credit (-)                                 |                |                |               |             | -187.40         |
| 17                                  | Net Profit (+) / Loss (-) after Tax ( 14 -15 -16 )                                  |                |                |               |             | <b>-145.29</b>  |

**CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2004**

| PARTICULARS   | Rs. in Lakh    |                  |
|---|----------------|------------------|
|   | 2003-04        | 2002-03          |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>              |                |                  |
| Net Profit/Loss before taxation and extraordinary items | (21.04)        | 14.77            |
| PP Adj (Cr)   | 196.63         | 184.44           |
| Provision for Wealth Tax                                | 0.00           | 0.13             |
| Decrease in Misc Exp not Written off                    | 176.33         | 86.01            |
| <b>Adjusted Net Profit</b>                              | <b>351.92</b>  | <b>285.35</b>    |
| Adjustments for :-                                      |                |                  |
| Depreciation  | 421.36         | 434.57           |
| Profit on Sale of Assets                                | (0.02)         | (0.00)           |
| Foreign Exchange Fluction Gain                          | (0.07)         | (0.10)           |
| Interest Income   | (36.24)        | (34.30)          |
| Interest Expenses                                       | 42.70          | 29.25            |
| Operating Profit before Working Capital Changes         | <b>779.65</b>  | <b>714.77</b>    |
| Increase in Sundry Debtors                              | (2815.03)      | 0.00             |
| Decrease in Sundry Debtors                              | 0.00           | 571.51           |
| Increase in Loans & Advances                            | 0.00           | (224.52)         |
| ( Excl Income Tax & Wealth Tax)                         |                |                  |
| Decrease in Loans & Advances                            | 284.14         | 0.00             |
| ( Excl Income Tax & Wealth Tax)                         |                |                  |
| Increase in Other Current Assets                        | (11.19)        | 0.00             |
| Decrease in Other Current Assets                        | 0.00           | 59.79            |
| Increase in Inventories                                 | (52.98)        | 0.00             |
| Decrease in Inventories                                 | 0.00           | 80.87            |
| Increase in Sundry Creditors                            | 4244.18        | 0.00             |
| (Current Liab & Prov excl. Income Tax & Wealth Tax)     |                |                  |
| Decrease in Sundry Creditors                            | 0.00           | (2426.43)        |
| (Current Liab & Prov excl. Income Tax & Wealth Tax)     |                |                  |
| <b>Cash Generated From Operation</b>                    | <b>2428.77</b> | <b>(1224.01)</b> |

Figures in brackets indicate outflow of Cash

Continued on page 2



## CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2004 ( continued....)

| PARTICULARS  | Rs. in Lakh     |                  |
|--|-----------------|------------------|
|  | 2003-04         | 2002-03          |
| Cash Generated From Operation ( B/F)                                       | 2428.77         | (1224.01)        |
| Income Tax Paid  | (664.17)        | (247.96)         |
| Wealth Tax Paid  | (0.09)          | 0.00             |
| Cash Flow before Extraordinary Items                                       | 1764.51         | (1471.97)        |
| Proceeds from Earthquake disaster settlement                               |                 |                  |
| <b>Net cash from Operating Activities</b>                                  | <b>1764.51</b>  | <b>(1471.97)</b> |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                 |                 |                  |
| Purchase of Fixed Assets ( incl.WIP)                                       | (410.37)        | (400.56)         |
| Proceeds from Sale of Equipments   | 0.04            |                  |
| Interest Received  | 36.24           | 34.30            |
| <b>Net cash from Investing Activities</b>                                  | <b>(374.09)</b> | <b>(366.26)</b>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                 |                 |                  |
| Decrease in Long-term borrowings   | (0.70)          | (2.81)           |
| Govt Grants  | (86.74)         | 180.15           |
| Foreign Exchange Fluctuation Gain  | 0.07            | 0.10             |
| Interest Paid  | (42.70)         | (29.25)          |
| <b>Net cash from Financing Activities</b>                                  | <b>(130.07)</b> | <b>148.19</b>    |
| <b>NET INCREASE / DECREASE IN CASH<br/>&amp; CASH EQUIVALENTS</b>          | <b>1260.35</b>  | <b>(1690.04)</b> |
| <b>ADD : CASH &amp; CASH EQUIVALENTS AT THE<br/>BEGINING OF THE PERIOD</b> | <b>2035.49</b>  | <b>3725.53</b>   |
| <b>CASH &amp; CASH EQUIVALENTS AT THE END<br/>OF THE PERIOD</b>            | <b>3295.84</b>  | <b>2035.49</b>   |

Figures in brackets indicate outflow of Cash

## INFORMATION AS REQUIRED BY PART - IV OF SCHEDULE VI

TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile

03 Jharkhand (State Code)

## I. Registration Details :

Registration No. :-

0 0 1 2 2 3

State Code :-

0 3

Balance Sheet

Date

3 1

0 3

2 0 0 4

Date

Month

Year

## II. Capital Raised during the year ( Amount in Rs '000)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

## III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. '000)

Total Liabilities

6 1 4 7 9 8

Total Assets

6 1 4 7 9 8

Sources of Funds :

Paid-up Capital

1 9 0 4 0 0

Reserve &amp; Surplus

4 0 6 6 0 5

Secured Loans

N I L

Unsecured Loans

1 7 7 9 3

Application of Funds :

Net Fixed Assets

6 2 2 6 1 1

Investments

N I L

Net Current Assets

(-) 9 9 0 0 1

Misc. Expenditure

9 2 3 0

Accumulated losses

N I L

Deferred Tax

8 1 9 5 8





ANNEXURE FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31.3.2004 INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1988.

| Sl. No | Name | Designation/<br>Nature of work | Remuneration during the yr. (Rs.) | Nature of employment permanent/temporary | Qualification | Experience (yrs.) | Date of commencement | Age on 31st Mar 2004 (Yrs.) | Last employment held |
|--------|------|--------------------------------|-----------------------------------|--|---------------|-------------------|----------------------|-----------------------------|----------------------|
| 1      | 2    | 3                              | 4                                 | 5  | 6             | 7                 | 8                    | 9                           | 10                   |

- (a) Employed through out the financial year under review and were in receipt of remuneration for that financial year in the aggregate of not less than Rs. 24,00,000/-.

Nil

- (b) Employed for the part of the financial year under review and were in receipt of remuneration for any part of that financial year at a rate which in the aggregate was not less than Rs. 2,00,000/- per month.

Nil