



यूरेनियम कॉर्पोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का एक उपक्रम)

Uranium Corporation of India Limited

(A Government of India Enterprise)

कम्पनी ISO 9001 : 2008, 14001 : 2004 एवं IS 18001 : 2007

An ISO 9001 : 2008, 14001 : 2004 & IS 18001 : 2007 Company



४३वां वार्षिक प्रतिवेदन - २००९-२०१०

43rd Annual Report - 2009-2010



URANIUM CORPORATION OF INDIA LIMITED
(A Government of India Enterprise)

Regd. Office : P.O. Jaduguda Mines, Dist. : Singhbhum (East)

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BOARD OF DIRECTORS

Shri R. Gupta
Chairman & Managing Director

Shri D. Acharya
Director (Technical)

Shri R. P. Gupta
Director (Finance)

Ms. Revathy Iyer
(up to 22.07.2010)

Dr. C. B. S. Venkataramana
(from 23.07.2010)

Shri V. R. Sadasivam

Shri M. L. Majumdar
(up to 12.08.2010)

Prof. S. P. Mehrotra
(up to 12.08.2010)

Shri R. N. Jayaraj

Dr. Anjan Chaki

Dr. A. K. Singh
(From 01.06.2010)

Shri P. V. Dubey
Company Secretary

AUDITORS

M/s. S Ganguli And Associates
Chartered Accountants
"TASI HOUSE"
1st Floor, 74/2A
Golf Club Road
Kolkata – 700 033

EXECUTIVES

C&MD	:	Shri R. Gupta
Director (Technical)	:	Shri D. Acharya
Director (Finance)	:	Shri R. P. Gupta
Executive Director (Projects-East)	:	Shri Pinaki Roy
Executive Director (Projects-South)	:	Shri N. M. Bahl
General Manager (Pers)	:	Shri K. Mahali
General Manager (Mines)	:	Shri S. C. Bhowmik
General Manager (Tech. Services)	:	Shri S. Siddique
General Manager (Mill)	:	Shri S. K. Shrivastava
General Manager (Mech)	:	Shri Niranjan Mishra
General Manager (ISO)	:	Shri G. S. Ghosh Hazra
Dy. General Manager (Elect)	:	Shri Rajan Prasad
Dy. General Manager (Elect)	:	Shri P. K. Dhar
Dy. General Manager (Mech)	:	Shri A. Madhusudana Rao
Dy. General Manager (Elect)	:	Shri U. C. Mallik
Dy. General Manager (P&S)	:	Shri A. K. Sinha
Dy. General Manager (Mines)	:	Shri Ajay Ghade
Dy. General Manager (Mines)	:	Shri P. N. Sarkar
Dy. General Manager (Mech)	:	Shri S. K. Guhaniyogi
Dy. General Manager (Strategic Planning)	:	Shri A. K. Sarangi
Dy. General Manager (Accounts)	:	Shri T. K. Bag
Dy. General Manager (Civil)	:	Shri B. Sanyal
Dy. General Manager (Civil)	:	Shri S. N. Prasad
Dy. General Manager (Mill)	:	Shri R. G. Mukhopadhyay
Dy. General Manager (Geology)	:	Shri P. P. Sharma
Dy. General Manager (IE)/(Pers.) IRs	:	Shri C. H. Sharma
Company Secretary	:	Shri P. V. Dubey

FROM THE CHAIRMAN'S DESK



Dear members,

My heartiest welcome to all on this 43rd Annual General Meeting of your Company. The audited statement of accounts of the company for the year 2009-10 along with the Directors' Report is already presented to you and with your permission, I take them as read.

It gives me immense satisfaction to emphasize the excellent performance of your Company for the year 2009-10. Jaduguda and Bhatin, two of the old mines of Company have been steadily contributing towards the production. Capacity of Narwapahar Mine is being augmented from 1000 TPD to 1500 TPD. Turamdih mine has also recorded improved capacity utilisation. Banduhurang openpit mine, commissioned in January 2009, has been progressively improving its performance. Bagjata underground mine commissioned in Dec. 2008 has recorded 93.55% capacity utilisation.

I am glad to inform you that the capacity augmentation of Jaduguda mill has been completed in January 2010. During the year, capacity utilization of Jaduguda plant was more than 100%.

The performance of the newly commissioned plant at Turamdih with capacity to process 3000 tonnes per day has been steadily improving. The initial feed of weathered ore from Banduhurang Mine led to delay in process stabilization in Turamdih Mill. However, the plant performance is gradually improving and expansion to process 4500 tpd ore is being undertaken.

The performance of your Company is expected to be rated as "Very Good" in accordance with the MoU signed with the Department of Atomic Energy for the year 2009 – 10. Your company has reaffirmed its strength in quality of operations, environmental responsibility and safety consciousness by retaining all the three accreditations – ISO 9001:2008, ISO 14001:2004 and IS 18001:2007 respectively during the year 2009-10.

Dear members, I am delighted to inform you that your Company's growth is maintained with commissioning of Bagjata underground mine, Banduhurang openpit mine and Turamdih plant during 2008-09, stabilization during 2009-10 and expansion of Jaduguda plant processing capacity from 2090 tonnes per day to 2500 tonnes per day in January 2010. The combined effect of commissioning of the above projects in terms of production of U_3O_8 is expected to be felt during 2010-11. Construction of Mohuldih and Tummalapalle underground mine and plant are progressing well. Your Company has also initiated activities for expansion of Tummalapalle project from 3000 tonnes per day to 4500 tonnes per day. Work on this front shall start after obtaining the MoEF and other regulatory clearances and approval of Govt. of India. After successful exploratory mining and finalisation of flowsheet, pre-project activities for the development of Gogi project has also been taken up by your Company. Subject to MoEF clearance and approval of Govt. of India, the work at site is expected to start during last quarter of 2010-11.

After favorable verdict of National Environment Appellate Authority on grant of environmental clearance for Lambapur mine, your Company has re-estimated the cost of Lambapur Project. Approval for implementation of this project has already been obtained by AEC. Work on Stage -1 activities (land acquisition and others) have been taken up. Your Company awaits the approval of Govt. of India for KPM Project. However, the welfare activities around the project site is continuing, generating the good-will of the people and facilitating general acceptance of uranium mining in the area.

Your Company continues its strategic growth initiatives to participate in acquisition of uranium resources in other countries. Your Company along with NPCIL is vigorously exploring possibility of development of resources in Mongolia, Russia, South Africa, Namibia and Kazakhstan. Steps have been initiated for equity participation of your Company along with NPCIL in the new Joint venture to facilitate acquisition of uranium assets and fuel related services abroad.

Neighbourhood development is the hallmark of your Company's operation around all its units with Corporate Social Responsibility always being high on priority. CSR initiatives in the areas of infrastructural development work, vocational training to the local unemployed youths, free medical services to the local people, free education to the children belonging to socially and economically disadvantaged section of the population have received wide support from neighbouring communities around the units in Jharkhand and Andhra Pradesh. The neighbourhood of the proposed project site at KPM in Meghalaya also shares the benefit of your Company's such CSR activities.

Your Company's commitment towards inclusive growth is further exemplified by the successful operation of the Rural Medical Centre at Narwapahar providing free medical treatment to the BPL card holders and Industrial Training Centre at Turamdih to equip local youths with employable skills.

Successful implementation of on-going programme of your company necessitates significant efforts towards development of human resources. Employees undergo on-site skill up-gradation training. During the year, your Company has recruited 36 officers and management trainees and specialised training is imparted to them inviting faculty from NML Jamshedpur, IIT Kharagpur, ISM Dhanbad, XLRI Jamshedpur etc. During the year, an excellent lecture hall "Bhabha Auditorium" has been constructed in Narwapahar complex which will be used for large conference / symposium.

Dear members, the days ahead are full of excitement and opportunities for all of us to deliver the best maintaining the growth projectile of your Company. I earnestly look forward to your suggestion, guidance and co-operation as a collective endeavour to attain excellence.

I take this opportunity to express my sincere thanks to the Department of Atomic Energy and its various constituents BARC, AMD, NFC, NPCIL and others for their assistance in all possible ways. I would also like to place on record the contributions of all the employees of the company and my colleagues in Board for their untiring efforts and dedicated commitment at all occasions. My special thanks to the retiring members of the Board of the Company for their support and valuable suggestions during their tenures.

Now, I move the Directors' Report, Balance Sheet as on 31st March 2010 and Profit & Loss Accounts for the year ended on 31st March 2010 for your consideration, approval and adoption.

Thanking you,

Hyderabad
September 24, 2010

R. Gupta
Chairman & Managing Director



NOTICE

Notice is hereby given that the Forty-third Annual General Meeting of the Uranium Corporation of India Limited will be held in the "Office of UCIL at Plot No.37, Road No.3, Sun Rise homes, Upparpally, P.O.Hyderguda, R.R.District, Hyderabad – 500 048" on Friday, the 24th September, 2010 at 1300 hours to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the financial year 2009-2010.

By Order of the Board of Directors

No.UCIL/CS-2(43)/2009-2010
August 31, 2010

(P. V. Dubey)
Company Secretary

To
All Members :

1. Shri R. Gupta, C&MD, UCIL, Jaduguda.
 2. Ms. Revathy Iyer, Jt. Secy. (I&M), DAE, Mumbai-400 001.
 3. Shri V. R. Sadasivam, Jt. Secy. (Finance), DAE, Mumbai-400 001.
 4. Ms. Lathika Goel, D.S (I&M), DAE, Mumbai-400 001 - President's representative,
- } By Regd. Post

Copy to: M/s D. K. Chhajer & Company
Chartered Accountants
5, Old Court House Street
Kolkata - 700 001.

Copy to: M/s S. Ganguli and Associates
Chartered Accountants
Tasi House, 1st Floor,
74/2A, Golf Club Road
Kolkata – 700 033.

Note: 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company (Proxy Form in duplicate is enclosed).

DIRECTORS' REPORT

To
The Member

Gentlemen,

On behalf of the Board of Directors, it is my privilege to present the 43rd Annual Report of your Company, together with the Statutory Auditors report and Audited Accounts, for the year ended 31 March 2010 and the report thereon by the Comptroller and Auditor General of India.

1.0 Performance Highlights :

1.1 Financial Performance :

	Rupees in Lakh	
	Current Year 2009-2010	Previous Year 2008-2009
Income	54,305.55	41,462.48
Profit Before Depreciation & Prior Period Adjustment	14,674.52	8,867.53
Less: (a) Deprecation	6,660.61	2,754.55
(b) Prior Period Adjustment	229.13	108.58
Profit Before Tax	77,784.78	6,004.40
Less: (a) Provision for Tax	2,220.00	681.00
(b) For Earlier Year	6.89	(13.60)
(c) Provision for Deferred Tax	932.05	3,507.19
(d) Fringe Benefit Tax	—	28.83
Profit After Tax	4,625.84	1,800.98
Add: Brought Forward from Last Year	9,940.21	9,159.11
Amount available for Appropriation	14,566.05	10,960.09
<u>Appropriation :</u>		
General Reserve	1,160.00	470.00
Proposed Dividend	1,160.00	470.00
Tax on Dividend	192.66	79.88
Balance Carried to Balance Sheet	12,053.39	9,940.21

During the year, your company contributed Rs. 3659.83 Lakh to the exchequer on account of Income Tax, Fringe Benefit Tax, Central Sales Tax, VAT, Entry Tax, Excise Duty, Customs Duty (Import) and Royalty.

1.2 Operating Performance :

- Jaduguda Mine

Jaduguda uranium mine, in operation since 1968, is now 905 m deep making it the second deepest uranium mine of the world. It continues to maintain steady production in spite of shrinking strike length, depletion of reserves in upper levels and problems of mining in deeper horizons.

- Bhatin Mine

Bhatin uranium mine, adjacent to Jaduguda deposit has limited reserve and is in operation since 1987. Present mining operations are gradually shifting towards the eastern section and the mine continues to provide steady production.

- Narwapahar Mine



Narwapahar mine in operation since 1995, is accessed by a 355 meter deep vertical shaft and a 7° access decline from the surface. The layout of the mines facilitated deployment of trackless equipment. The production capacity of the mine is being augmented to 1500 tonnes per day.

- Turamdih Mine

Turamdih mine was commissioned in 2003 and has two producing levels. Deeper levels are under development. The mine is accessed by a 8 degree decline from surface. A vertical shaft is being commissioned to provide access to

deeper levels. Production capacity of this mine is being augmented to 1000 tonnes per day.

- Banduhurang Opencast Mine



The first opencast uranium mine of the country at Banduhurang was commissioned in Jan. '09. Low grade mineralisation in this deposit continues to draw regular attention towards optimization of production and feed to the plant. The production capacity of this mine was augmented to 3500 tonnes per day.

- Bagjata Underground Mine

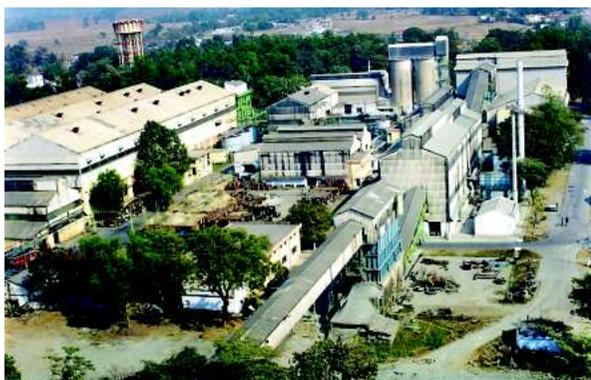


The Bagjata Mine with 8° decline as access was commissioned in 2008 with 70% capacity production. Deeper levels are under development. The vertical shaft to provide access to deeper levels is being equipped.

DIRECTORS' REPORT

- Jaduguda Mill

Uranium ore produced from Jaduguda, Bhatin, Narwapahar and Bagjata Mines are being processed in the mill located at Jaduguda. The mill is in operation since 1968. Capacity augmentation of this plant from 2090 tonnes per day to 2500 tonnes per day has been



completed in January '10. During the year 2009-10, capacity utilization of the mill was more than 100%

- Turamdih Mill

Commissioning of Turamdih mill is a significant milestone in company's journey in the ambitious growth track. The mill has a capacity to process 3000 tpd ore produced from Turamdih and Banduhurang Mines. The plant follows the acid leaching route and is equipped with many advance equipment and modern control and monitoring facilities. The plant



operation has been stabilized and capacity augmentation of this plant to process 4500 tonnes per day is under progress.

- By-product Recovery Plant

The by-product recovery plant at Jaduguda plant complex has been producing magnetite adding financial strength to the company.

1.3 New Projects and Expansion Schemes:

- Mohuldih Underground Mine



The uranium deposit located at Mohuldih in Seraikela - Kharswan district, Jharkhand, is under development as an underground mine with decline as entry. This deposit is about 2.5 km west of Banduhurang. The ore of the mine shall be treated in Turamdih plant. This underground mine is expected to be commissioned during the year 2012.

- Tummalapalle Uranium Project



Construction of this uranium deposit in carbonate hosted rock at Tummalapalle in YSR (former name Kadapa) district of Andhra Pradesh with a capacity to produce 3000 tpd ore is progressing satisfactorily. Three declines along the apparent dip of the ore body in the central part of the deposit are under development. The central decline will be equipped with conveyor for ore transport and other two declines shall be used for men and material movement. The ore will be hoisted through conveyor and treated in an Alkali leaching (under pressure) plant under construction near the mine. The project is expected to be commissioned during the year 2011.

Approval for expansion of this project to mine and process additional 1500 tpd is under process. Application is being made to the Ministry of Environment & Forest for environmental clearance.

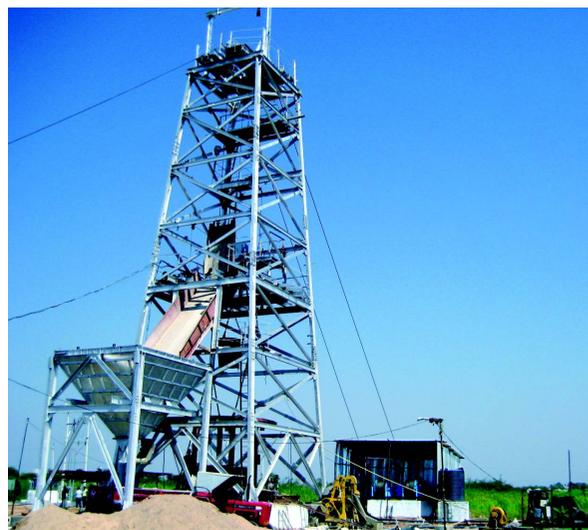
- Lambapur-Peddagattu Project
The Lambapur uranium project has been approved to be implemented in two stages. Approval for Stage – 1 activities (land acquisition and others) has been obtained and your Company has already initiated the steps in this regard.
- Kylleng-Pendengsohiong Project, Meghalaya



The project at Kylleng-Pendengsohiong Project, Mawthabah would be implemented in

two stages. Stage – 1 (pre-project activities) and Stage-2 (mining and milling activities) are now awaiting Govt. of India approval. Your Company is continuing with the welfare activities at site and has been successful in generating positive response from the local inhabitants/people.

- Gogi Project, Karnataka
The exploratory mining at Gogi in Yadgiri (previously in Gulbarga) district, Karnataka, is progressing as per the schedule. Your Company has already initiated steps to obtain environmental clearance from MoEF. The project is expected to be approved by Govt. of India during the year 2010-11.
- Rohil Uranium Deposit



Your Company has signed an MoU with AMD to undertake exploratory mining in this area. The mining scheme has already been finalized. However, the work shall be carried out only after establishing the source of water in the area. AMD is in the process of exploring the water source in the area.

1.4 MOU Performance :

Performance of your company, in terms of the Memorandum of Understanding signed with the Department of Atomic Energy, Government of India, is expected to be rated as “Very Good” for the year 2009-10.

DIRECTORS' REPORT

2.0 Dividend and Transfer to Reserve :

Your Directors are pleased to recommend a dividend of Rs.1160.00 Lakh on the paid up capital of Rs.134792.78 lakh as against Rs.470.00 Lakh in the previous year on the paid up capital of Rs. 99714.78 lakh. Accordingly, an amount of Rs.1160.00 lakh has been transferred from the profit of the year to the General Reserve and a provision of Rs.192.66 lakh has been made towards tax on dividend for the year 2009-10.

3.0 Share Capital :

During the year, the authorized share capital of the company was Rs.1500.00 Crore and the subscribed share capital stood at Rs.1253.43 Crore as on 31.03.2010.

4.0 Conservation of Energy/Technology Absorption, Adaptation, Innovation and Foreign Exchange used and earned :

Information in accordance with the provision of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, regarding the conservation of energy, technology absorption and foreign exchange used and earned are given in the Annexure-I to this Report.

5.0 Industrial Relations :

Industrial relations at all the units of your Company remained satisfactory and industrial peace was maintained except a 23 days strike by union on the issue of wage revision. The strike was called off after an amicable settlement was reached on wage and other associated issues with the unions.

6.0 Manpower :

Total manpower strength of your company as on 31st March 2010 was 4539. During the year, 138 persons were recruited. The overall representation of Scheduled Castes & Schedules Tribes in your company was 430 and 1745 respectively, which constituted about 47.92% of the total strength of the company. There were 41 Ex-Servicemen and 16 Physically Handicapped persons on the rolls of the company as on 31.03.2010. Continuous efforts were made to fill up the quota for different reserved categories as per guidelines laid by Govt. of India.

7.0 Workers' Participation in Management :

Your company maintained healthy, cordial and

harmonious relations at all levels. As a part of this, meetings of Shop Councils were held regularly. During the year 2009-10, 24 meetings of Shop Council were held. Employees have been given representations on the Board of Trustees on Provident Fund, Gratuity Fund, Death Benefit Fund, Karmachari Pariwarik Sahayata Yojana, Welfare Fund Scheme, Co-operative Credit Society etc. They also participated as members of Safety Committee, Canteen Managing Committee and Sports Council etc. Joint Council meetings chaired by the Chairman & Managing Director were also conducted periodically to address various issues related to the employees.

8.0 Particulars of Employees :

Pursuant to the Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, remuneration paid to Shri R. Gupta, Chairman & Managing Director during the year is Rs. 29.85 lakhs.

9.0 Human Resource Development and Training :

Your Company continued its efforts with various HRD initiatives in developing human resources to successfully meet the challenges towards achieving excellence in all fronts. During the year 2009-10, 140 officers & supervisors attended the in-house training in the Management Training Centre at Narwapahar. Twenty employees in workmen category were given training under Gol's Worker's Education Programme and 1371 workmen were imparted vocational training as required under the Metaliferrous mines Regulation (MMR). A total of 48 persons were trained under the Apprenticeship Act and 111 employees were sponsored to various institutions for attending seminar, workshop and training to acquire necessary skill and sharpen their professional acumen. Two officers were also deputed abroad for attending international seminars and conferences etc.

10.0 Safety :

Your company gives utmost importance to safety of its workforce and also of its machinery and equipments. Special emphasis to ensure safety in the mines and its processing plants to reduce the accidents by introduction of latest mining technologies and mechanization is the hallmark of your company. Safety status is periodically reviewed

by the Internal Safety Organisation with various studies and analysis of data. During the year, Safety Week Campaign was also organized in all units of your company in order to increase safety consciousness amongst the employees.

11.0 Employees Welfare and Social Amenities :

Your Company stands committed to its Corporate Social Responsibilities. It continued several welfare and community development programmes in villages located around its units. Your Company provides infrastructural and financial support for development of health, educational, cultural and sports activities in the nearby villages. A committee comprising of senior company officials was provided with required fund in the annual budget for this purpose.

During the year, your Company continued its programme of imparting training to the local unemployed youth, in collaboration with Jan Sikhshan Sansthan (an organization under the Ministry of Human Resource Development), on various vocational trades suitable for self-employment.

The Rural Medical Centre at Narwapahar set up to provide free medical treatment to the people living Below Poverty Line in nearby villages is performing its service to neighbourhood communities. Periodic medical camps and distribution of medicines to the surrounding villagers free of cost are being pursued. The Industrial Training Centre of your Company at Turamdih shall produce the first batch of trained local youths with employable skills. Xavier Institute of Social Science is engaged in conducting a survey around your Company's



operating units to understand the needs and expectation of the inhabitants. This need based study has made it possible to focus on Company's CSR efforts.

In Andhra Pradesh, the welfare activities around Tummalapalle project are continuing on high priority. Solar lights have been installed in surrounding villages by your Company. Every year 10 meritorious students from surrounding villages are selected for monthly stipend for higher studies. Medical camps were regularly organized around the villages with free distribution of medicines.

Your Company is also continuing the welfare activities around the KPM project site in Meghalaya which includes construction of road, school, running of primary health centre etc. The 20 km road connecting Wahkaji and the project site has been completed with several culverts and three main bridges. This has facilitated awareness about the social commitment of the company and is expected to create an asset of goodwill among the local people even before the work starts.

12.0 Corporate Governance :

A report on Corporate Governance is given in Annexure-II.

13.0 Public Deposit :

Your company has not accepted "deposits" from the public during the period under review.

14.0 Ecology & Environmental Protection :

Your company is conscious of its responsibility towards Environmental protection around all its units. Environmental Survey Laboratories managed by Bhabha Atomic Research Centre (BARC) at Jaduguda, Narwapahar and Turamdih undertake surveillance of all operations and surrounding areas regularly. External gamma radiation, Radon concentration, suspended particulate matters, airborne long lived Alpha activity and concentration of radio nuclides - uranium and radium in surface and groundwater, soil and food items etc are monitored regularly.

For maintaining healthy ecology and pollution free environment in the plant and colony areas of the company, your Company has undertaken plantation programme from time to time. Free saplings were also distributed among the villagers

DIRECTORS' REPORT



through the company's nursery at different units for encouraging plantation in neighbouring villages.

15.0 ISO Certification:

Your company has been awarded with ISO 9001:2008 certification for Quality Assurance, ISO 14001:2004 certification for Environmental Management System and IS-18001:2007 certification for Occupational Health and Safety Management System.

16.0 Small Scale Industries:

During the year your company has continued to support various small-scale industries in the adjoining areas by purchasing their products to the maximum possible extent. This has generated significant goodwill amongst the local people in addition to generating self-employment.

17.0 Foreign Travel:

The expenditure on foreign travel during the year was Rs.16.46 lakh as against Rs.12.49 lakh in the previous year.

18.0 Advertisement & Publicity:

During the year, expenditure on advertisement and publicity was Rs.266.22 lakh as against Rs.103.31 lakh in the previous year. The expenditure was mostly for advertisements in connection with new appointments, tender notices etc.

19.0 Guest House Expenditure:

The total expenditure under this head (including depreciation, repairs and maintenance, etc.) during

the year was Rs.54.28 lakh as against Rs.51.23 lakh in the previous year.

20.0 Progressive use of Hindi:

Your Company continues its meticulous efforts to implement various provisions of the Official Language Act and Rules, including guidelines issued by the Government of India. A series of significant initiatives have been undertaken for promotion and propagation of Rajbhasha. Rajbhasha Karyanvayan Samiti meets periodically to review the progress of implementation of the above Act. Employees actively participated in various programmes and were rewarded with cash incentives through competitions. Hindi workshops were also held from time to time.

21.0 Appointment of Auditors:

M/s S. Ganguli & Associates, C/o Mr. H.N. Jha, Flat No.3, N. Road Shrestha Apartment, 1st Floor, Bistupur, Jamshedpur – 831001 is appointed as Auditor of the company by the Comptroller & Auditor General of India for the financial year 2010-11.

22.0 Vigilance:

Emphasis was given on preventive vigilance by ensuring strict adherence to the laid down rules and regulations of the organisation. Notice Inviting Tenders(NITs) of all types are being uploaded on the website of the Company as well as published in the news papers. The Chief Vigilance Officer of your Company reports to the Chairman and Managing Director and seven senior officers of different divisions have been authorized to conduct surprise checks, verify stores and other related premises. During the year, reports/returns were submitted to the Central Vigilance Commission periodically. The Vigilance Awareness Week was observed by your company from 3rd – 7th November 2009. CVC guidelines as and when received are being strictly implemented in the organisation.

23.0 Directors (Appointment/Cessation):

Dr. A. K. Singh, IAS, Chief Secretary, Government of Jharkhand, and Dr. C. B. S. Venkataramana, Joint Secretary (I&M), DAE, Mumbai, were appointed as Directors of the Company w.e.f. 01.06.2010 and 23.07.2010 respectively.



Ms. Revathy Iyer, Joint Secretary (I&M), DAE, Shri M. L. Majumdar (Retired Secretary to the Govt. of India) and Shri S.P. Mehrotra were ceased to be Directors of the Company w.e.f. 22.07.2010, 12.08.2010 and 12.08.2010 respectively. The Directors wish to place on record their appreciation of the valuable services rendered by them.

24.0 Outlook :

Your Directors are pleased to inform that the Company is on an exemplary growth track with several expansion programmes taking shape resulting in increasing trend in uranium production. Commissioning of Bagjata underground mine, Banduhurang openpit mine and Turamdih plant during the year 2008-09 and expansion of Jaduguda plant during 2009-10 are the significant milestones towards meeting the indigenous uranium requirement. Construction of Mohuldih and Tummalapalle project are progressing satisfactorily. Expansion of Tummalapalle project and construction of mining and milling projects at Gogi, Lambapur and KPM shall substantially contribute in coming years easing the gap between supply and demand of indigenous uranium.

In line with developments in the international co-operation in civil nuclear field, UCIL is making efforts to identify suitable opportunities overseas. Your Company is now ready to be an equity partner in newly proposed joint venture under the Department with a mandate to facilitate acquisition of uranium assets and fuel related services abroad.

With all the above activities, your Directors are confident that the Company will be able to expand in-line with the mandate to meet uranium requirement of the nuclear power programme of the country.

25.0 Directors responsibility statement :

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) That your Directors have selected such accounting policies based on generally accepted accounting principles and applied them consistently and made judgment 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

- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities
- (iv) That your Directors have prepared the annual accounts on a "going concern" basis.

26.0 Acknowledgement

Your directors gratefully acknowledge the assistance, continuous support and guidance received from the Department of Atomic Energy, Atomic Minerals Directorate of Exploration & Research, Nuclear Fuel Complex, Bhabha Atomic Research Centre, Govt. of Jharkhand, Govt. of Andhra Pradesh, Govt. of Meghalaya, Govt. of Karnataka, Ministry of Corporate Affairs, Department of Public Enterprises and other ministries and the Comptroller & Auditor General of India, Statutory Auditors and office of the Principal Director of Commercial Audit & Ex-officio Member, Audit Board-II, Kolkata, Bankers and all other agencies who are directly or indirectly associated with your company.

Your Directors also wish to place on record their deep sense of appreciation for the sincere efforts and hard work put in by all the employees of the Company and co-operation extended by Employees' Unions and the Officers' Association as well.

For and on behalf of the Board of Directors

R. Gupta
Chairman &
Managing Director

Hyderabad
Date : 24th September 2010

ANNEXURE-I TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY:

- a) Following measures are taken for conservation of energy
 - i. Gradual replacement of pneumatic machines with more energy efficient electric machines
 - ii. Installation of solar heaters in mines changeroom
 - iii. Provision of VVFD in newly installed disc filter thus reducing the current of drive for optimum speed
 - iv. Installation of automatic switching of street lights in residential area
- b) Following proposals with additional investment are being implemented for reduction of consumption of energy.
 - i) Replacement of Triple Deck Screen (TDS) with Double Deck Screen (DDS) thus increasing the throughput in crushing plant of Jaduguda mill
 - ii) Provision of agitator in leaching tanks replacing compressed air agitation in Jaduguda mill
- c) Impact of measures at (a) and (b)
Consequent to implementation of above measures taken at (a) & (b), it is envisaged that power consumption in relevant areas would progressively be reduced.

FOREIGN EXCHANGE EARNED AND USED:

Your company is not engaged in any export business. However, the foreign exchange used for purchase of

spares, capital items etc. during the year was Rs.753.14 lakh.

FORM-B

Form for disclosure of particulars with respect to Research & Development and technology absorption:

RESEARCH & DEVELOPMENT (R&D):

Special areas where R&D activities were carried out:

- a) Leaching characteristics of ores of different mines of UCIL in Jharkhand to optimise the mix in the feed to plants for better recovery under standard leaching conditions.
- b) Studies on ore of Gogi uranium deposit in association with BARC and AMD towards establishing the flowsheet and process parameters.
- c) Experiments on the removal of iron and sulphate from strong uranium liquor of Turamdih plant at different pH using burnt lime slurry.
- d) Studies on recovery of magnetite from the tailings of Turamdih plant.
- e) Studies on support pattern and stoping parameters in complex geo-technical rock mass of Tummalapalle mine.

Benefits derived as a result of the above R&D work:

- a) Improvements in the leaching characteristics of ore in Jaduguda and Turamdih plants.
- b) Development of process flowsheet of Gogi uranium ore (limestone and granite host rock).
- c) Finalisation of details towards production of uranium peroxide – upgraded product in place of magnesium di-uranate (MDU).
- d) Finalisation of details for establishing the magnetite recovery plant (by-product recovery) at Turamdih.



Future Plan of Action:

- a) To continue experiments on Gogi Uranium ore for further fine-tuning of the details.
- b) Development of modified analytical procedures for the analysis of uranium and other elements using ICP-AES.
- c) To study on various parameters to optimise leaching of Mohuldih ore.
- d) To continue R&D work for production of purer uranium peroxide.

Expenditure on R&D:

(a) Capital	Rs. 5.19 lakh
(b) Revenue	Rs. 104.33 lakh
Total	Rs. 109.52 lakh

Technology Absorption, Adaptation and Innovation:

The company has taken strides in progressive absorption of global technology and implementation of the same with innovative approaches. Some significant measures are –

- a) Introduction of EURO – III compliant dumpers in Banduhurang openpit mine
- b) Proposal for installation of cage/skip changeover system in shaft for men / ore hoisting in place of separate hoisting arrangement
- c) Development of alkali leaching flowsheet optimising the uranium recovery from limestone and granite host rock of Gogi deposit.
- d) Improvement of ventilation standard in long development headings of Tummalapalle mine through the bore holes.

ANNEXURE-II TO DIRECTORS' REPORT

Corporate Governance

Your Company believes in practicing good Corporate Governance attaining maximum level of transparency, accountability and integrity in all facets of its operations and continued its efforts in this direction.

Board of Directors :

In terms of Section 617 of the Companies Act, 1956, UCIL is a Government Company. The entire paid up capital of the company is held by the President of India, including 3 shares held by his nominees.

The Board has optimum combination of executive and non-executive Directors. The Board, as on 31.03.2010, comprised of ten Directors which included (i) three whole-time Functional Directors viz., Chairman & Managing Director, Director (Technical) & Director (Finance) and (ii) seven part-time Non-Executive Directors. The Board meets at regular intervals and is responsible for the proper direction and management of the company.

During the financial year ended March 2010, four meetings of the Board of Directors were held on 29.06.2009, 21.09.2009, 29.12.2009, 27.03.2010. The composition of the Board of Directors, their attendance at the Board Meetings and Annual General Meeting/Extra-ordinary General Meeting are as follows:

Name & Position as on 31.03.2010	Category	Board Meetings		Attendance at the AGM held on 22.09.2009	No. of other Directorships
		Held during the tenure	Attended		
Executive Directors					
Shri R. Gupta, Chairman & Managing Director	Functional	04	04	Yes	—
Shri D. Acharya, Director (Technical)	Functional	04	04	NA	—
Shri R. P. Gupta, Director (Finance)	Functional	04	04	NA	—
Non-Executive Directors					
Ms. Revathy Iyer, Joint Secy (I&M), DAE (up to 22.07.2010)	Part-time ex-officio	04	03	No	02
Shri V. R. Sadasivam, Joint Secy. (Finance)	Part-time ex-officio	04	04	No	04
Shri A. K. Basu, Chief Secretary Govt. of Jharkhand (up to 31.08.2009)	Part-time Ex-officio	01	0	NA	03
Prof. S. P. Mehrotra, Director, NML	Part-time	04	03	NA	01
Shri M. L. Majumdar Retd. Secy. to Govt. of India	Part-time	04	04	NA	03
Shri R. N. Jayaraj, Chief Executive, NFC	Part-time	04	03	NA	01
Dr. Anjan Chaki, Director, AMD	Part-time	04	04	NA	—

The remuneration of the whole-time Directors is fixed by the Government of India as the company is a Government company in terms of Section-617 of the Companies Act, 1956. As regards part-time Directors, the Government officials or officials from other PSUs, are not eligible for sitting fee for the meetings attended by them.



Audit Committee :

The composition of the Audit Committee as on 31.03.2010 was as follows:

1. Ms. Revathy Iyer : Chairman
Joint Secretary (I&M)
Department of Atomic Energy
2. Shri V. R. Sadasivam : Member
Joint Secretary (Finance)
Department of Atomic Energy
3. Shri D. Acharya, : Member
Director (Technical)
Uranium Corporation of India Limited
4. Shri R. N. Jayaraj : Member
Chief Executive
Nuclear Fuel Complex
5. Dr. Anjan Chaki : Member
Director, AMD

During the year, four meetings of the Committee were held on 29.06.2009, 21.09.2009, 29.12.2009, 27.03.2010. The Committee reviewed the annual accounts of the company for the year 2009-10 and also reviewed the report of the internal auditor and statutory auditor.

General Body Meetings :

The Annual General Meetings/Extra-ordinary General Meetings held during last three years are given below :

Year	Date	Time	Venue
2006-07 (AGM)	25.09.2007	1300 Hours	DAE, Mumbai
2007-08 (AGM)	25.09.2008	1300 Hours.	DAE Guest House, New Delhi
2008-09 (AGM)	22.09.2009	1300 Hours.	Jaduguda

HIGHLIGHTS

ANNEXURE - I

(Rs. In lakh)

	PARTICULARS	2009-2010	2008-2009	Change over 2008-09 Increase/ (Decrease)
A.	OPERATING RESULTS			
	Turnover	52,159.09	37,429.95	14,729.14
	Gross Income	54,305.55	41,462.48	12,843.08
	Gross Expenditure	46,291.64	35,349.49	10,942.15
	Gross Profit	8,013.91	6,112.98	1,900.92
	Profit before Tax and prior period adjustment	7,784.78	6,004.40	1,780.37
	Net Profit After Tax	4,625.84	1,800.98	2,824.86
B.	YEAR END FINANCIAL POSITION			
	Share Capital	134,792.78	107,764.78	27,028.00
	Reserve and Surplus	16,957.43	13,684.25	3,273.18
	Capital Employed	84,927.40	91,618.01	(6,690.62)
	Net Worth	151,750.21	121,449.03	30,301.18
	Gross Block	123,149.63	117,101.32	6,048.31
	Depreciation	40,842.06	33,914.00	6,928.07
	Net Block	82,307.57	83,187.32	(879.75)
	Inventory	6,907.40	7,531.80	(624.42)
C.	PROFITABILITY AND OTHER RATIOS			
	(i) PERCENTAGE OF :			
	Gross Profit/(Loss) to Sales	15.36	16.33	
	Net Profit/(Loss) to Sales	8.87	4.81	
	Gross Profit/(Loss) to Net Worth	5.28	5.03	
	Net Profit/(Loss) to Net Worth	3.05	1.48	
	Gross Profit/(Loss) to Capital Employed	9.44	6.67	
	Net Profit/(Loss) to Capital Employed	5.45	1.97	
	Gross Profit/(Loss) to Equity Capital	5.95	5.67	
	Inventory to Sales	13.24	20.12	
	Sales to Capital Employed	61.42	40.85	
	(ii) RATIO OF :			
	Current Assets to Current Liabilities	1.01 : 1	1.16 : 1	
	Quick Assets to Current Liabilities	0.82 : 1	0.94 : 1	



COMPANY'S FINANCIAL POSITION

ANNEXURE - II

Summarised Balance Sheet as at 31st March 2010 & 2009

				(Rs. In lakh)
	PARTICULARS	2009-2010	2008-2009	Change over 2008-09 Increase/ (Decrease)
1.	WHAT THE COMPANY OWNED			
(A)	FIXED ASSETS			
	Gross Block	123,149.63	117,101.32	6,048.31
	Less: Depreciation	40,842.06	33,914.00	6,928.07
	Net Block	82,307.57	83,187.32	(879.75)
	Capital Works-in-progress/Stock	74,611.47	36,687.63	37,923.84
	Sub-Total (A)	156,919.04	119,874.95	37,044.09
(B)	CURRENT ASSETS			
(I)	Stock-in-trade, Stores, Direct Material, Sundry Debtors, Accrued Interest	11,342.91	12,818.34	(1,475.42)
(II)	Advance recoverable in cash or in kind or for value to be received	5,963.77	4,457.62	1,506.14
(III)	Cash and Bank Balances	25,377.65	26,456.81	(1,079.18)
	Sub-Total (B)	42,684.33	43,732.77	(1,048.44)
	TOTAL {1(A+B)}	199,603.37	163,607.72	35,995.65
2.	WHAT THE COMPANY OWED			
(A)	For Goods, Services, Current Liabilities and other Provisions	40,064.50	35,302.08	4,762.42
(B)	THE COMPANY'S NET WORTH			
	Share Capital	134,792.78	107,764.78	27,028.00
	Reserve and Surplus	16,957.43	13,684.25	3,273.19
	Sub-Total (B)	151,750.21	121,449.03	30,301.19
(C)	DEFERRED TAX LIABILITY (C)	7,788.66	6,856.61	932.05
	TOTAL {2 (A+B+C)}	199,603.37	163,607.72	35,995.65

WHAT THE COMPANY EARNED AND SPENT

ANNEXURE - III

Summarised Profit and Loss Account for the Two
Years ended 31st March, 2010 & 2009

(Rs. In lakh)

	PARTICULARS	2009-2010	2008-2009	Change over 2008-09 Increase/ (Decrease)
1.	THE COMPANY EARNED			
	a) From acquisition of Uranium Concentrate by Department of Atomic Energy	51,844.78	37,044.88	14,799.90
	b) From Sale of By-Products(Excl. Excise Duty)	292.86	345.28	(52.42)
	c) From Other Receipts	2,400.93	2,338.89	62.04
	Sub - Total	54,538.57	39,729.06	14,809.51
	d) Increase/(Decrease) in closing stock	(233.02)	1,733.43	(1,966.44)
	TOTAL(1)	54,305.55	41,462.48	12,843.07
2.	THE COMPANY PAID AND PROVIDED FOR			
	a) Manufacturing & Administrative Expenses	39,260.66	33,851.69	5,408.97
	b) Other Expenses	370.37	205.33	165.04
	c) Depreciation	6,660.61	2,754.55	3,906.06
	d) Expenditure Transfer to Capital Account (Related to Turamdih Mill under Trial Run)	—	(1,462.08)	1,462.08
	TOTAL(2)	46,291.64	35,349.49	10,942.15



WHAT THE COMPANY EARNED AND SPENT

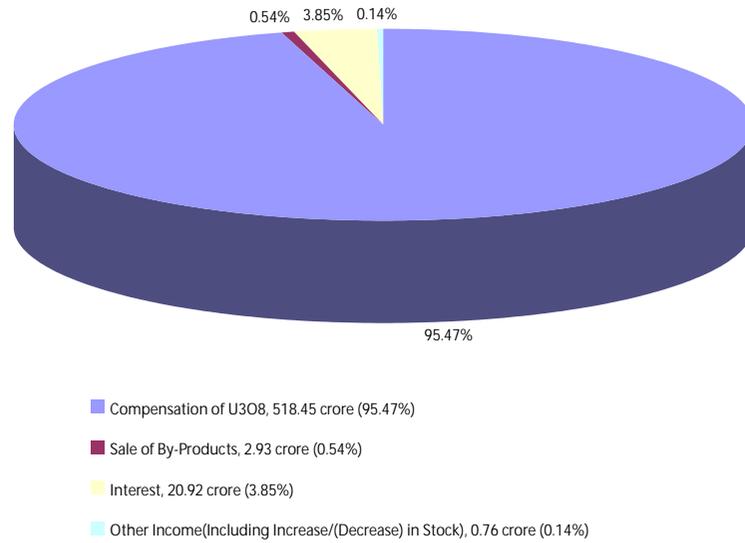
ANNEXURE - III (Contd..)

Summarised Profit and Loss Account for the Two
Years ended 31st March, 2010 & 2009

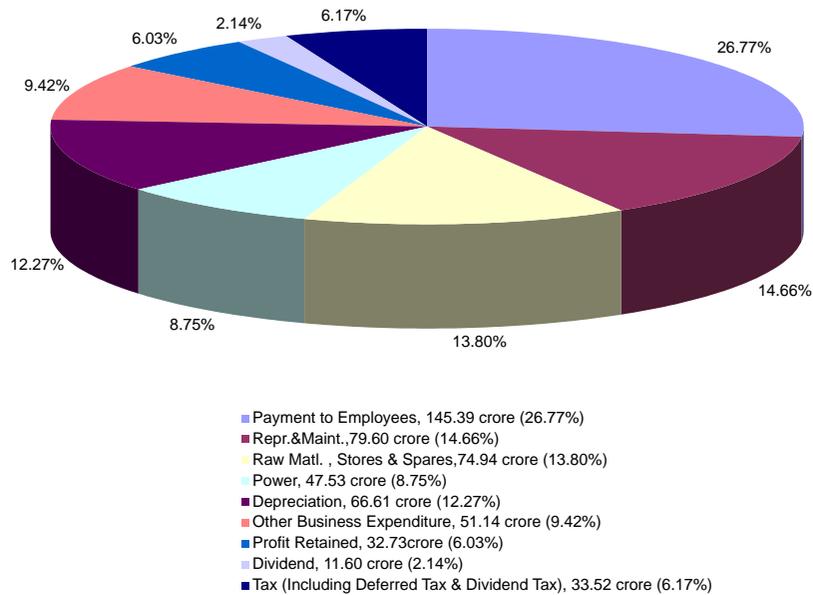
(Rs. In lakh)

	PARTICULARS	2009-2010	2008-2009	Change over 2008-09 Increase/ (Decrease)
3.	THE COMPANY'S GROSS PROFIT BEFORE ADJUSTMENT (1 - 2)	8,013.91	6,112.99	1,900.92
4.	WHICH WAS ADJUSTED AS FOLLOWS			
	Prior Period Adjustment	(229.13)	(108.58)	(120.55)
	Profit Before Tax	7,784.78	6,004.41	1,780.37
	Less: Provision for Income Tax (Incl. Deferred Tax)	3,158.95	4,203.42	(1,044.48)
	Profit After Tax	4,625.84	1,800.98	2,824.86
	Surplus brought forward from previous year	9,940.21	9,159.11	781.10
	Surplus before Appropriation (4a)	14,566.05	10,960.09	3,605.96
	APPROPRIATION			
	Proposed General Reserve	1,160.00	470.00	690.00
	Proposed Dividend	1,160.00	470.00	690.00
	Tax on Porposed Dividend	192.66	79.88	112.79
	Sub- Total (4b)	2,512.66	1,019.88	1,492.79
	Surplus carried to Balance Sheet (4a - 4b)	12,053.39	9,940.21	2,113.18

BREAK UP OF INCOME

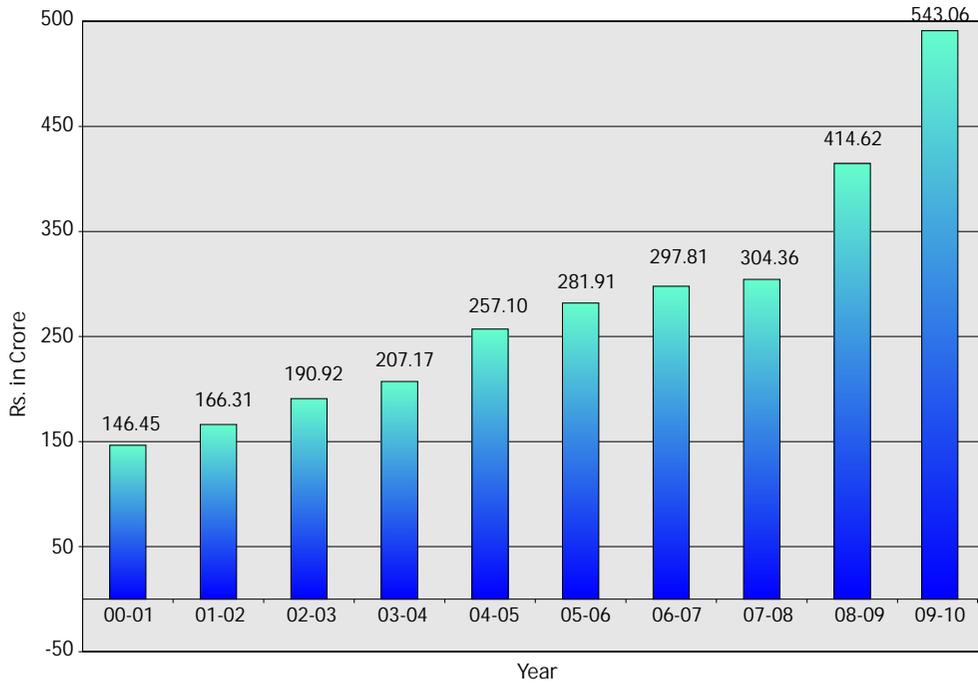


DISTRIBUTION OF EXPENSES

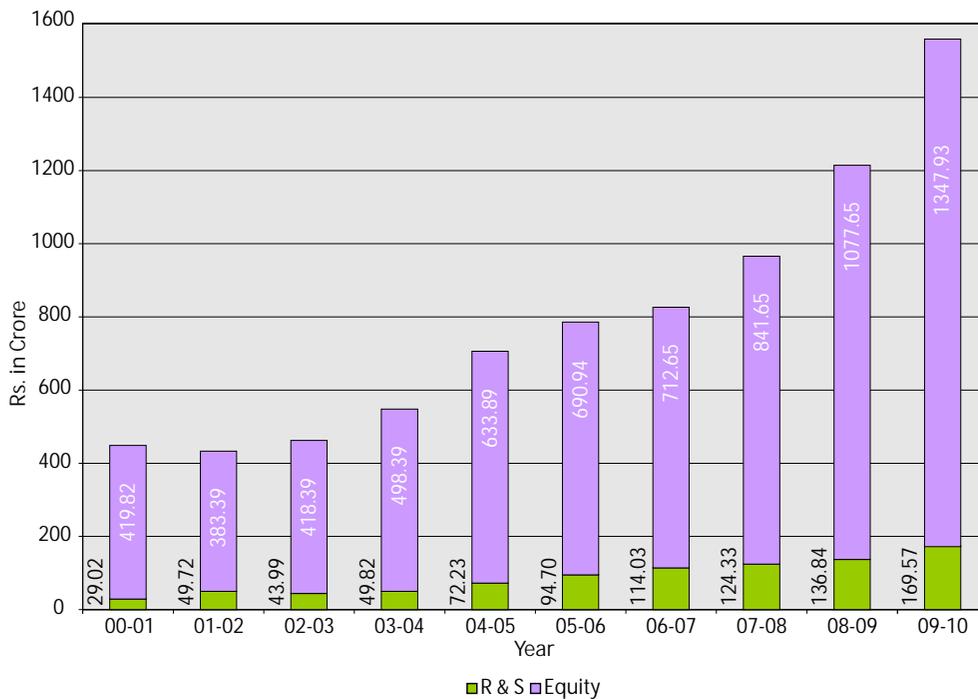




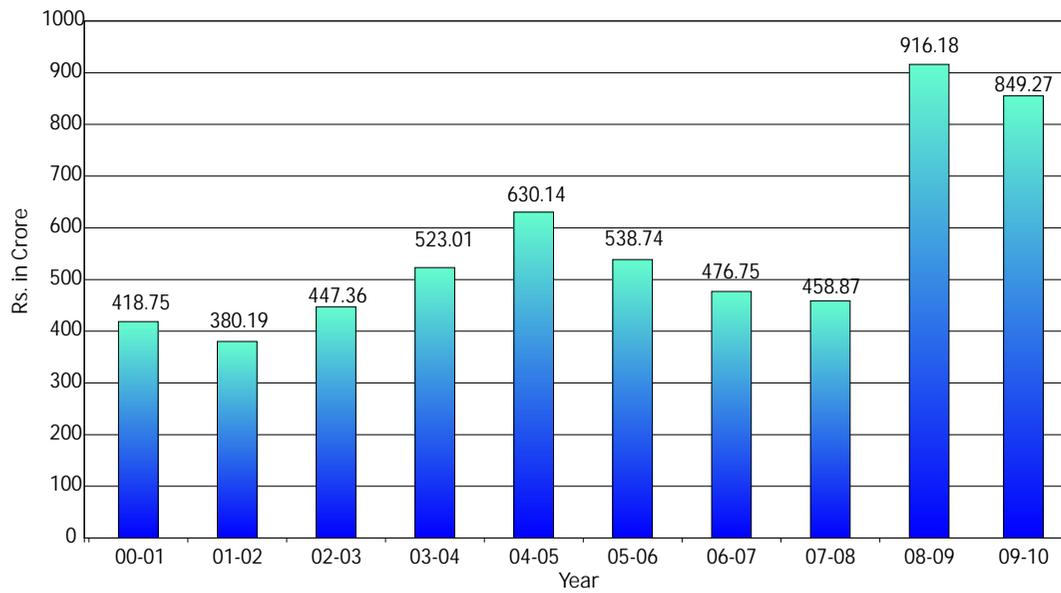
GROWTH OF INCOME



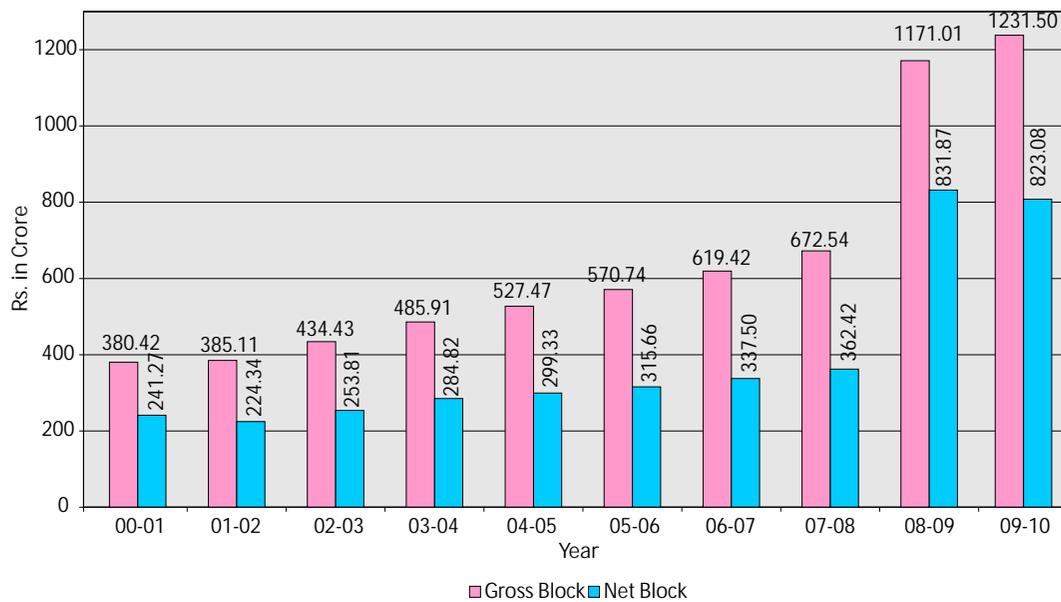
GROWTH OF NET WORTH



GROWTH OF CAPITAL EMPLOYED



GROSS & NET BLOCK





AUDITORS' REPORT

To,
The Members of
Uranium Corporation of India Limited,
Jaduguda.

Energy's order No. 10/8(12)/2004-PSU/448 dated 09 July, 2004 with the condition that the above information shall not specifically figure in the Audit Report.

1. We have audited the attached Balance Sheet of URANIUM CORPORATION OF INDIA LIMITED (the Company) as at 31st March 2010, the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. 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.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles practised and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3.
 - a) In terms of the Department of Atomic Energy, Govt. of India's order (as referred in Note No. 1 of Notes on Accounts in Schedule- 15), the Company is prohibited from disclosure of information relating to the following:-
 - i) the licensed capacity,
 - ii) the installed capacity,
 - iii) the actual production,
 - iv) the raw materials purchased or acquired,
 - v) the opening and closing stocks of goods produced

and the quantitative information relating to turnover and consumption of raw materials in the Company. Accordingly the above information has not been given by the Company in Financial Statements.
 - b) However, we have been given access to the above information relating to the operation of the Company vide Department of Atomic Energy's order No. 10/8(12)/2004-PSU/448 dated 09 July, 2004 with the condition that the above information shall not specifically figure in the Audit Report.
4. As required by the Companies (Auditor's Report) order, 2003 as amended by Companies (Auditor's Report) (Amendment) order 2004 (together with "the order") 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 a statement on the matters specified in paragraphs 4 and 5 of the said order.
5. Further to our comments in the Annexure referred to in paragraph 4 above, we report that:-
 - a) Mining leases for 1312.62 acres of land at Jaduguda including Bhatin to be renewed and 288.20 acres of land at Mohuldih is yet to be obtained. Further, for additional land of 31.77 acres at Turamdih, 290.45 hectares land at KPM and for 1301.38 acres of land at Lambapur, the Company is in correspondence with appropriate authority. (Refer Note No.2a in Schedule 15).
 - b) Deed of Conveyance in respect of 1548.09 acres of land, costing Rs.1517.59 lakh, acquired from State Government / Private parties is pending (Refer Note No.2b in Schedule 15).
 - c) In absence of any formal agreement for use of 3 acres of land of Hindustan Copper Ltd. (ICC) at Mosaboni no consideration has been paid to them. Therefore, no provision has been made in the accounts for such usage (Refer Note No.2c in schedule 15).
 - d) No provision in the accounts or disclosure under contingent liability has been made in respect of some cases pending at various courts as the same is not ascertainable at this stage (Refer Note No. 6 of schedule 15).
 - e) Although letters for balance confirmation were issued to various parties under 'Debtors', 'Creditors' and 'Advances', very few responded. Even the same remains unreconciled.
 - f) The Company will issue shares to the Govt. of India to the extent of assets taken on account of closed Turamdih Project amounting to Rs.1110.60 lakh as per latter's direction in June, 2003 (Refer Note No. 9b of schedule 15).
 - g) Due to change in method for charging

- depreciation (Refer Clause 5b of Schedule 14) the company provided additional depreciation in current year and previous year Rs.35.10 lakh and Rs.250.32 lakh respectively. (Refer Note No. 13 in Schedule 15).
- h) Service Tax claim of Rs. 626.22 lakhs on company's contractor for removal of overburden at Banduhurang mine may thrust upon the company as per terms of work order, in case the Tribunal order goes against the company. Neither any provision has been made in the books, nor shown under Contingent liability for the amount. (Refer Note No. 15 in Schedule 15).
- i) There are some delay in implementation of various projects undertaken by the Company.
6. Subject to our comments in paragraphs 4 and 5 above and read with Notes on Accounts (Schedule – 15) we report that:
- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section – 211 of the Companies Act, 1956.
- e) In view of Notification No. GSR 829(E) dated 21.10.2003 issued by the Central Government, the provisions of Section 274(1)(g) of the Companies Act, 1956 are not applicable to a Government Company.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes appearing in schedule 15 and the Accounting Policies, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010.
- ii) In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For S. Ganguli & Associates
Chartered Accountants
FRN 302192E

Place : New Delhi
Date : 30th June 2010

D. P. Saha
Partner
Membership No. 003935



ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 4 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF URANIUM CORPORATION OF INDIA LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH 2010)

- | | | | |
|-------|-----|--|---|
| (i) | (a) | The Company is maintaining Fixed Asset records in electronic form for current year. However, it requires further improvements. In similar manner the past record be updated. | taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956 during the year. |
| | (b) | The Company has a phased programme of physical verification of its Fixed Assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification. It is advisable that the assets are marked with 'distinctive numbers' especially where assets are moveable in nature and where verification of all assets is not being conducted at the same time. | (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weakness in the internal control system of the Company. However, in the area of works contracts internal control needs to be reviewed. |
| | (c) | In our opinion and according to the information and explanations given to us, the Company has not disposed off a substantial part of its fixed assets during the year. As such the going concern concept of the Company has not been affected. | (v) According to the information and explanations given to us, there is no transaction during the year that needs to be entered into the register maintained in pursuance of section 301 of the Act. |
| (ii) | (a) | As explained to us, inventory has been physically verified by the outside professionals during the year at reasonable intervals. | (vi) The Company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under and the directives issued by the Reserve Bank of India. |
| | (b) | In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable in relation to the size of the Company and nature of its business. However, opening of projects in new locations, specially like Tummalapalle, needs wider coverage. | (vii) The Company has an Internal Audit Department. Internal Audit of the Company is carried out both by the Internal Audit Department as well as by firms of Chartered Accountants. In our opinion, the Internal Audit System of the Company is required to be strengthened enlarging the scope and frequency of coverage in the audit plan particularly in view of various new projects spreading out in different parts of the country. |
| | (c) | In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification were dealt with in the books of accounts. | (viii) The Central Government has prescribed the maintenance of cost records by the Company u/s 209(1)(d) of the Companies Act, 1956. We have broadly reviewed the above records and are of the opinion that prima-facie the prescribed accounts and records have been made and maintained. |
| (iii) | | According to the information and explanations given to us, the Company has neither granted nor | (ix) (a) According to the information and explanations given to us, the Company has generally been regular in depositing |

undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities. We are informed that Employees' State Insurance is not applicable to the Company.

(b) According to the information and explanations given to us, the dues of sales tax, which have not been deposited on account of dispute are as follows: -

Nature of the Statute	Nature of the dues	Amount (Rs.)	Forum where dispute is Pending	Year
Sales Tax Act	Sales Tax	37885716.00	Assessing Authority	1994-95 to 2005-06

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not issued any debentures during the year.
- (xii) Based on our examination of records and the information and explanations given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- (xiii) The Company is not a Chitfund, Nidhi / Mutual Benefit Fund / Society.
- (xiv) In our opinion and according to information and explanations given to us the Company is not dealing or trading in shares, securities, debentures and other investments.

- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from banks or financial institutions during the year.
- (xvi) According to the information and explanations given to us the Company has not taken any term loan during the year.
- (xvii) According to the information and explanations given to us, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanation given to us, the Company has not made any preferential allotment of shares to any party / Company covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issues during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For S. Ganguli & Associates
Chartered Accountants
FRN 302192E

Place : New Delhi
Date : 30th June 2010

D. P. Saha
Partner
Membership No. 003935



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF URANIUM CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31st MARCH 2010

The preparation of financial statements of Uranium Corporation of India Limited for the year ended 31 March 2010 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 30th June 2010.

I, on the behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Uranium Corporation of India Limited for the year ended 31 March 2010. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller & Auditor General of India

Place : Kolkata
Dated : 23.07.2010

Saurav Kumar Jaipuriyar
Pr. Director of Commercial Audit &
Ex-Officio Member, Audit Board-II
Kolkata

Balance Sheet as at 31st March 2010

	Schedule No.	As at 31st March 2010	As at 31st March 2009
		Rupees	Rupees
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Capital	1	1347,92,78,000	1077,64,78,000
b) Reserve & Surplus	2	169,57,42,558	136,84,24,509
Total		<u>1517,50,20,558</u>	<u>1214,49,02,509</u>
2. Deferred Tax Liability		77,88,66,369	68,56,61,210
Total		<u>1595,38,86,927</u>	<u>1283,05,63,719</u>
II. APPLICATION OF FUNDS			
1. Fixed Assets	3		
a) Gross Block		1231,49,63,138	1171,01,31,702
b) Less:-Depreciation		<u>408,42,06,321</u>	<u>339,13,99,691</u>
c) Net Block		823,07,56,817	831,87,32,011
d) Capital Work-in-Progress	4	746,11,47,380	366,87,62,937
		<u>1569,19,04,197</u>	<u>1198,74,94,948</u>
2. Current Assets, Loans & Advances			
A. Current Assets	5		
a) Inventories		69,07,38,620	75,31,80,446
b) Sundry Debtors		27,55,25,253	37,92,79,328
c) Cash & Bank Balance		253,77,64,641	264,56,81,259
d) Accrued Interest		16,80,27,587	14,93,73,744
		<u>367,20,56,101</u>	<u>392,75,14,777</u>
B. Loans & Advances	6	59,63,76,835	44,57,62,446
		<u>426,84,32,936</u>	<u>437,32,77,223</u>
Less: Current Liabilities and Provisions	7		
a) Current Liabilities		363,50,81,514	339,45,89,194
b) Provisions		37,13,68,692	13,56,19,258
		<u>400,64,50,206</u>	<u>353,02,08,452</u>
Net Current Assets		26,19,82,730	84,30,68,771
Total		<u>1595,38,86,927</u>	<u>1283,05,63,719</u>
Significant Accounting Policies	14		
Notes on Accounts	15		

The schedules referred to above form an integral part of the Balance Sheet.

Signed in terms of our separate report of even date attached.

For S. Ganguli and Associates
Chartered Accountants
FRN 302192E

For and on behalf of the Board

D. P. Saha
Partner
Membership No. 003935
Place : New Delhi
Date : 30th June , 2010

P. V. Dubey
Company Secretary

R. P. Gupta
Director (Fin.)

D. Acharya
Director (Tech.)

R. Gupta
Chairman &
Managing Director



Profit and Loss Account for the year ended 31st March 2010

	Schedule No.	2009-10	2008-09
INCOME		Rupees	Rupees
Compensation for Compulsory acquisition of Uranium Concentrate by Department of Atomic Energy		518,44,77,567	398,57,35,070
Less :Income Transferred to Capital Account		—	28,12,47,363
	Sub Total	518,44,77,567	370,44,87,707
Sale of By-products		3,14,31,765	3,85,07,689
	Sub Total	521,59,09,332	374,29,95,396
Less: Excise Duty on By- product		21,45,269	39,79,555
		521,37,64,063	373,90,15,841
Interest	8	20,91,61,237	18,27,70,208
Other Income	9	3,09,31,357	5,11,18,862
		545,38,56,657	397,29,04,911
Increase/(Decrease) in Stock	10	(2,33,01,888)	17,33,42,648
	Sub Total	543,05,54,769	414,62,47,559
EXPENDITURE			
Manufacturing & Adminstrative Expenses	11		
a) Employees' Remuneration & Benefit		145,38,51,819	127,28,08,322
b) Power & Water		51,35,66,397	40,36,28,913
c) Raw material consumed		35,00,37,302	39,86,99,183
d) Stores & Spares consumed		39,93,60,770	36,18,39,269
e) Royalty		10,62,52,761	2,18,73,369
f) Transportaion Expenses		3,33,89,139	3,37,12,402
g) Repair & Maintenance		79,59,61,317	69,65,68,846
h) Security Expenses		13,34,55,752	7,79,93,019
i) Township & Social Amenities		5,60,94,435	5,28,24,372
j) Miscellaneous		8,40,96,397	6,52,20,826
	Sub Total	392,60,66,089	338,51,68,521
Other Expenses	12	3,70,36,672	2,05,33,201
Depreciation		66,60,61,229	27,54,55,095
	Sub Total	462,91,63,990	368,11,56,817
Less :Expenditure Transferred to Capital Account		—	14,62,07,607
	Total	462,91,63,990	353,49,49,210
Profit Before Prior Period Adjustments		80,13,90,779	61,12,98,349
Add : Prior Period Adjustments	13	(2,29,12,941)	(1,08,57,989)
Profit Before Tax		77,84,77,838	60,04,40,360
Less: Provision for Taxation			
For the year		22,20,00,000	6,81,00,000
For earlier year		6,88,480	(13,59,985)
Deferred Taxation		9,32,05,159	35,07,19,489
Fringe Benefit Tax		—	28,82,887
Profit After Tax		46,25,84,199	18,00,97,969
Surplus Brought Forward from previous year		99,40,21,256	91,59,10,937
Surplus before appropriation		145,66,05,455	109,60,08,906
APPROPRIATION			
Transfer to General Reserve		11,60,00,000	4,70,00,000
Proposed Dividend		11,60,00,000	4,70,00,000
Tax on Proposed Dividend		1,92,66,150	79,87,650
Surplus Carried to Balance Sheet		120,53,39,305	99,40,21,256
Basic Earning per Share (in Rupees)		40.71	20.00
Diluted Earning per Share (in Rupees)		40.71	19.76
Significant Accounting Policies	14		
Notes on Accounts	15		

The schedules referred to above form an integral part of the Profit & Loss Account.

Signed in terms of our separate report of even date attached.

For S. Ganguli and Associates

For and on behalf of the Board

Chartered Accountants

FRN 302192E

D. P. Saha

Partner

Membership No. 003935

Place : New Delhi

Date : 30th June , 2010

P. V. Dubey
Company Secretary

R. P. Gupta
Director (Fin.)

D. Acharya
Director (Tech.)

R. Gupta
Chairman &
Managing Director

SHARE CAPITAL

SCHEDULE - 1

	As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees
AUTHORISED CAPITAL		
1,50,00,000 (Previous Year : 1,50,00,000/-)		
Equity Shares of Rs. 1,000/- each	<u>1500,00,00,000</u>	<u>1500,00,00,000</u>
ISSUED SUBSCRIBED AND PAID-UP CAPITAL		
a) 1,00,000/- (P.Y : 1,00,000/-) Equity Shares of Rs. 1,000/- each (Paid upto the extent of Rs. 581/- in other than cash and Rs. 419/- each in cash)	10,00,00,000	10,00,00,000
b) 1,853/- (P.Y : 1,853/-) Equity Shares of Rs. 1,000/- each are allotted as fully paid-up for consideration other than cash	18,53,000	18,53,000
c) 1,24,32,425 (P.Y : 98,69,625) Equity Shares of Rs.1,000/- each fully paid in cash	<u>1243,24,25,000</u>	<u>986,96,25,000</u>
	<u>1253,42,78,000</u>	<u>997,14,78,000</u>
SHARE CAPITAL PENDING ALLOTMENT		
Received from the Department of Atomic Energy Govt. of India towards Equity Capital	94,50,00,000	80,50,00,000
TOTAL	<u>1347,92,78,000</u>	<u>1077,64,78,000</u>



RESERVES AND SURPLUS

SCHEDULE - 2

		As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees	Rupees
A. RESERVES			
1. Capital Reserve		2,11,158	2,11,158
2. Investment Allowance Utilisation Reserve		1,90,71,000	1,90,71,000
3. General Reserve			
Opening Balance	35,51,21,095		
Add: Proposed transfer from Profit & Loss Account	<u>11,60,00,000</u>	<u>47,11,21,095</u>	<u>35,51,21,095</u>
		<u>49,04,03,253</u>	<u>37,44,03,253</u>
B. SURPLUS			
Balance as per Profit and Loss Account		<u>120,53,39,305</u>	<u>99,40,21,256</u>
TOTAL		<u>169,57,42,558</u>	<u>136,84,24,509</u>

FIXED

GROSS BLOCK

Particulars	As on 01.04.2009	Additions/ Adjustments	Sales/ Adjustments	As at 31.03.2010
	Rs.	Rs.	Rs.	Rs.
Leasehold Land	6,80,56,205	44,01,939		7,24,58,144
Freehold Land	34,85,79,445	0		34,85,79,445
Factory Building	1,44,13,66,704	15,10,17,295		1,59,23,83,999
Other Building	84,69,48,013	8,28,86,965		92,98,34,978
Plant & Machinery	6,26,07,16,055	32,64,85,517	(2,26,98,661)	6,56,45,02,911
Electrical Installation	1,20,39,14,659	4,63,00,231	(3,47,849)	1,24,98,67,041
Opencast Mine	1,22,35,27,908	0		1,22,35,27,908
Furniture & Fixture	4,40,38,588	44,04,886		4,84,43,474
Equipments	7,21,61,298	27,05,920		7,48,67,218
Vehicle	6,09,75,383	96,75,193		7,06,50,576
Intangible Assets (Right to use of Forest land)	13,98,47,444	0		13,98,47,444
TOTAL	11,71,01,31,702	62,78,77,946	(2,30,46,510)	12,31,49,63,138
Previous Year	6,72,54,05,988	4,99,25,05,901	(77,80,187)	11,71,01,31,702

- Depreciation for the year amounting to Rs.66,83,81,361/- (Previous year: Rs.29,79,91,017/-) is allocated to:
 - Profit & Loss Account Rs.66,60,61,229/- (Previous year: Rs.27,54,55,095/-)
 - Indirect expenses on projects Rs.23,20,132/- (Previous year Rs.2,25,35,922/-)
- Fixed Assets costing Rs.5,000/- and below amounting to Rs.20,12,640/- (Previous year: Rs.16,03,869/-) have been fully depreciated in the year.
- Other Building includes expenditure of Rs.419.78 Lakh (Gross Block) (Previous year: Rs.419.78 Lakh) incurred on construction of High Level Bridge and approach road on the land which is not owned by the company.
- Intangible Assets represents 553.24 acres (Previous year: 553.24 acres) of forest land amounting to Rs.1,398.47 lakh (Previous year: Rs.1,398.47 lakh) received from Govt of Jharkhand for specific use and the ownership is lying with the Govt. of Jharkhand.



ASSETS

SCHEDULE - 3

DEPRECIATION					NET BLOCK	
As on 01.04.2009	For the Year	On Sales & Adjustments	For Previous Year	Total Provision upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2,61,09,612	40,10,837		0	3,01,20,449	4,23,37,695	4,19,46,593
40,96,344	3,42,003		0	44,38,347	34,41,41,098	34,44,83,101
27,16,23,361	4,62,32,572		16,54,504	31,95,10,437	1,27,28,73,562	1,16,97,43,343
18,48,51,767	1,64,60,419		0	20,13,12,186	72,85,22,792	66,20,96,246
2,56,72,80,646	46,86,74,784	(5,10,085)	1,57,33,574	3,05,11,78,919	3,51,33,23,992	3,69,34,35,409
21,39,71,131	5,74,27,316	(35,799)	25,45,305	27,39,07,953	97,59,59,088	98,99,43,528
1,01,96,066	6,11,76,395		50,98,033	7,64,70,494	1,14,70,57,414	1,21,33,31,842
2,46,32,124	28,19,832		786	2,74,52,742	2,09,90,732	1,94,06,464
4,31,66,185	21,63,270		0	4,53,29,455	2,95,37,763	2,89,95,113
3,90,57,009	31,78,420		0	4,22,35,429	2,84,15,147	2,19,18,374
64,15,446	58,34,464			1,22,49,910	12,75,97,534	13,34,31,998
3,39,13,99,691	66,83,20,312	(5,45,884)	2,50,32,202	4,08,42,06,321	8,23,07,56,817	8,31,87,32,011
3,10,11,88,860	29,79,91,017	(77,80,186)	0	3,39,13,99,691	8,31,87,32,011	3,62,42,17,128

CAPITAL WORK-IN-PROGRESS

SCHEDULE - 4

	As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees
1. Jaduguda Mines & Mill	7,06,96,644	4,28,76,909
2. Narwapahar Mine	24,78,539	53,20,849
3. Turamdih Mine Project	10,01,90,365	10,63,85,645
4. Bagjata Mine Project	55,92,14,078	50,63,44,151
5. Turamdiah Mill Project	2,89,53,575	29,14,49,863
6. Banduhurang Mine Project	0	21,89,133
7. Mohuldih Mine Project	10,36,31,521	5,30,81,972
8. Tumallapalle Project	519,77,49,732	119,53,38,993
9. Turamdih Mine Expansion Project	5,16,58,131	89,65,032
10. Turamdih Mill Expansion Project	21,72,67,019	0
11. Pre-Project Expenses		
a. Lambapur Project	5,28,07,657	4,99,64,895
b. K.P.M. Project	6,12,22,734	5,34,99,983
c. Tumallapalle Expansion Project	<u>16,35,000</u>	<u>0</u>
	11,56,65,391	10,34,64,878
12. Advance to Suppliers/Contractors for Capital Expenditure	97,95,86,397	130,52,71,012
13. Capital Asset in Stock Pending installation / use including in-transit Rs.-1,79,47,085/- (Previous Year : Rs. 3,56,21,641/ -)	3,40,55,988	4,80,74,500
TOTAL	<u>746,11,47,380</u>	<u>366,87,62,937</u>



CURRENT ASSETS, LOANS AND ADVANCES

SCHEDULE - 5

A. CURRENT ASSETS

		As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees	Rupees
1. INVENTORIES			
(As taken, Valued & Certified by the management)			
a) Direct Materials		1,77,47,322	2,65,59,869
b) Stores & Spares (Net of Capital Stock)			
i) Stores & Spares	26,02,07,533		28,21,04,552
ii) Stores in Transit	3,64,41,373		4,21,03,666
	<u>29,66,48,906</u>		<u>32,42,08,218</u>
Less: Provision for obsolete stores	<u>1,81,31,262</u>		<u>1,53,63,183</u>
		27,85,17,644	30,88,45,035
c) Stock-in-Trade			
i) Ore	23,17,66,187		28,56,68,770
ii) Work-in- Process	15,04,41,493		11,84,31,897
iii) By-products	10,80,640		5,41,872
iv) Scrap	1,15,10,747		1,34,58,416
	<u>39,47,99,067</u>		<u>41,81,00,955</u>
Less: Provision (By-product)	<u>3,25,413</u>		<u>3,25,413</u>
		39,44,73,654	41,77,75,542
Total (a+b+c) CARRIED FORWARD		<u>69,07,38,620</u>	<u>75,31,80,446</u>

CURRENT ASSETS, LOANS AND ADVANCES

SCHEDULE - 5 (Contd.)

A. CURRENT ASSETS

	As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees
BROUGHT FORWARD	69,07,38,620	75,31,80,446
2. SUNDRY DEBTORS (Unsecured)		
1. Over six months		
i) Considered good	-	-
ii) Considered doubtful	-	-
	-	-
2. Other Debts (Considered good)	27,55,25,253	37,92,79,328
	27,55,25,253	37,92,79,328
3. CASH AND BANK BALANCES		
1. Cash- in- hand (including imprest cash & stamps) as certified	15,40,444	13,10,160
2. Balance with scheduled Commercial Banks in		
a) Current Account	1,93,06,805	72,87,12,949
b) Term Deposit Account (TRDs amounting to Rs. 1,50,19,81,381/- are pledged for availing OD/BG/LC)	251,69,17,392	191,56,58,150
	253,77,64,641	264,56,81,259
4. ACCRUED INTEREST	16,80,27,587	14,93,73,744
	367,20,56,101	392,75,14,777

NOTES: Details of pledged TDRs

Sl.	Bank	Against Bank Guarantee	Against Over Draft & LC
1	S.B.I., Jaduguda.	Rs. 1,19,287/-	Rs. 20,00,00,000/-
2	IDBI Bank, JSR	-	Rs. 65,18,62,094/-
3	Canara Bank, JSR	-	Rs. 35,00,00,000/-
4	UCO Bank, JSR	-	Rs. 30,00,00,000/-



CURRENT ASSETS, LOANS AND ADVANCES

SCHEDULE - 6

B. LOANS AND ADVANCES

	As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees
1. Advances recoverable in Cash or in kind for value to be received		
A. Secured, Considered Good		
House Building Advance to employees	8,47,02,418	7,94,19,842
B. Unsecured, Considered Good		
a) Advance to employees	2,62,65,165	2,49,36,208
b) Advance to suppliers		
i) Considered good	2,99,60,741	1,87,67,766
ii) Considered doubtful	2,33,491	2,33,491
	3,01,94,232	1,90,01,257
Less: Provision made for doubtful advances	2,33,491	2,33,491
	2,99,60,741	1,87,67,766
c) Advance to Contractors, Govt. Dept. etc	8,24,77,190	7,45,59,099
d) Advance for Taxation	24,52,20,489	12,61,89,037
e) <u>Other Receivables</u>		
i) Considered good	11,73,07,051	11,55,46,060
ii) Considered doubtful	8,14,771	8,14,771
	11,81,21,822	11,63,60,831
Less: Provision for doubtful debts	8,14,771	8,14,771
	11,73,07,051	11,55,46,060
f) Other receivables from employees	44,52,209	33,47,732
g) Prepaid Expenses	9,80,124	6,50,331
Sub-Total (B)	50,66,62,969	36,39,96,233
CARRIED FORWARD (A+B)	59,13,65,387	44,34,16,075

CURRENT ASSETS, LOANS AND ADVANCES

SCHEDULE - 6 (Contd.)

B. LOANS AND ADVANCES

		As at 31st March 2010	As at 31st March 2009
	Rupees	Rupees	Rupees
BROUGHT FORWARD		59,13,65,387	44,34,16,075
2. DEPOSITS			
(Unsecured, considered good)			
a) Customs and Port Commissioners	1,53,382		1,53,382
b) Govt. Department and Others	48,58,066		21,92,989
		50,11,448	23,46,371
TOTAL		59,63,76,835	44,57,62,446

Notes:	As at 31/03/2010	Maximum amount due at any time during the year 2009-2010	As at 31/03/2009	Maximum amount due at any time during the year 2008-2009
	Rupees	Rupees	Rupees	Rupees
Included in Advance to Employees				
1. Advance due by the Chairman and Managing Director.	Nil	Nil	Nil	Nil



CURRENT LIABILITIES AND PROVISIONS

SCHEDULE - 7

	As at 31st March 2010		As at 31st March 2009
	Rupees	Rupees	Rupees
A. CURRENT LIABILITIES			
1. Sundry Creditors			
a) SSI undertakings	64,33,056		30,20,517
b) Others	<u>19,89,64,506</u>		<u>19,74,82,849</u>
		20,53,97,562	20,05,03,366
2. Book Overdraft		5,30,50,762	6,51,89,380
3. Overdraft against Term Deposit		9,91,25,084	74,97,71,713
4. Other Liabilities		<u>327,75,08,106</u>	<u>237,91,24,735</u>
		363,50,81,514	339,45,89,194
B. PROVISIONS			
1. For Taxation	22,41,41,420		7,10,75,887
2. Proposed Dividend	11,60,00,000		4,70,00,000
3. Tax on Proposed Dividend	1,92,66,150		79,87,650
4. Other Provisions	<u>1,19,61,122</u>		<u>95,55,721</u>
		37,13,68,692	13,56,19,258
TOTAL		<u>400,64,50,206</u>	<u>353,02,08,452</u>

INTEREST

SCHEDULE - 8

	2009-10	2008-09
	Rupees	Rupees
1. On Deposits with Banks	20,06,96,944	17,49,78,906
2. Others	84,64,293	77,91,302
TOTAL	<u>20,91,61,237</u>	<u>18,27,70,208</u>

OTHER INCOME

SCHEDULE - 9

	2009-10	2008-09
	Rupees	Rupees
1. Sale of scrap materials	40,21,558	85,09,751
2. Hire Charges of Equipments and Vehicles	2,92,394	3,48,509
3. Recovery from suppliers towards packing rectification, freight, penalty etc.	29,57,227	87,01,942
4. Surplus of stores on physical verification	6,522	11,189
5. Application Fee	2,47,320	48,103
6. Sale of Tender forms	11,93,065	11,19,550
7. Claim Settlement from Insurance	1,34,284	8,572
8. Liabilities and Provisions no longer required:		
a) Stores	-	-
b) Others	6,49,498	49,49,668
9. Township Receipts	2,01,84,626	2,06,98,634
10. Profit on Sale of Asset	-	39,29,999
11. Sundries	12,44,863	27,92,945
TOTAL	<u>3,09,31,357</u>	<u>5,11,18,862</u>



INCREASE/(DECREASE) IN STOCK OF ORE, BY-PRODUCT, WIP & SCRAP

SCHEDULE - 10

	2009-10	2008-09
	Rupees	Rupees
OPENING BALANCE		
Ore	28,56,68,770	9,06,97,354
By-products	5,41,872	4,53,275
Work-in-process	11,84,31,897	1,31,39,092
Scrap	1,34,58,416	1,18,52,503
	41,81,00,955	11,61,42,224
Add :- Stock on Project Commissioning		
a) Banduhurang Mine Ore	–	3,30,18,578
b) Turamdih Mill Work-in- process	–	9,55,97,505
	41,81,00,955	24,47,58,307
CLOSING BALANCE		
Ore	23,17,66,187	28,56,68,770
By-products	10,80,640	5,41,872
Work-in-process	15,04,41,493	11,84,31,897
Scrap	1,15,10,747	1,34,58,416
	39,47,99,067	41,81,00,955
Total Increase / (Decrease) in Stock	(2,33,01,888)	17,33,42,648

MANUFACTURING AND ADMINISTRATIVE EXPENSES

SCHEDULE - 11

	2009-10	2008-09
	Rupees	Rupees
1. Salaries and wages	128,09,25,938	104,79,05,322
2. Contribution to Provident Fund	9,55,06,056	7,61,85,935
3. Contribution to Gratuity Fund	1,92,91,849	10,91,63,497
4. Contribution to Welfare Fund	97,712	90,130
5. Contribution to Superannuation Fund	96,82,493	73,26,889
6. L.T.C. Expenses	2,13,55,527	69,61,533
7. Staff Welfare Expenses	2,69,92,244	2,51,75,016
8. Power	47,52,82,183	36,88,16,108
9. Water	3,82,84,214	3,48,12,805
10. Direct Material Consumed	35,00,37,302	39,86,99,183
11. Stores and Spares Consumed	39,93,60,770	36,18,39,269
12. Royalty	10,62,52,761	2,18,73,369
13. Transportation Expenses	3,33,89,139	3,37,12,402
14. Repairs and Maintenance		
a) Plant and Machinery	52,00,61,920	47,17,72,140
b) Buildings	2,14,78,246	3,29,83,675
c) Vehicles	68,45,462	73,96,557
d) Others	24,75,75,689	18,44,16,474
15. Security Expenses	13,34,55,752	7,79,93,019
16. Insurance Charges	13,23,357	11,99,598
17. Rent, Rates and Taxes	28,35,055	47,44,128
18. Township and social Amenities Expenses	5,60,94,435	5,28,24,372
19. Travelling Expenses	1,01,56,051	1,11,01,859
20. Telephone Expenses	30,78,320	24,50,180
21. Printing and Stationary	15,28,314	17,34,658
22. Postage and Telegrams	6,60,206	7,38,123
23. Legal Expenses	8,44,215	2,40,088
24. Bank Charges	1,69,327	1,96,836
25. Advertisement Expenses	2,11,01,237	71,60,146
26. Other Miscellaneous Expenses	4,24,00,315	3,56,55,210
TOTAL	392,60,66,089	338,51,68,521

- Note: a) Salaries & Wages including other benefits amounting to Rs.1,63,24,173/- (Previous Year Rs.1,55,55,786/-) pertaining to cost of water is not included in Salaries & Wages and Other Benefits.
- b) Salaries & Wages includes Rs.24,91,995/- (P.Y -Rs. 1,00,49,765/-) against VRS payments to employees.
- c) Repairs & Maintenance includes consumption of stores Rs.19,93,70,305/- (Previous Year Rs.15,69,82,685/-) and Spares Rs.32,06,91,615/- (Previous Year Rs.31,47,89,455/-) aggregating to Rs.52,00,61,920/- (Previous Year Rs.47,17,72,140/-), not included in "Stores and Spares Consumed".



OTHER EXPENSES

SCHEDULE - 12

	2009-10		2008-09	
	Rupees	Rupees	Rupees	Rupees
Sales Tax		12,04,044		20,84,398
<u>Payment to Auditors :-</u>				
a) Statutory Audit Fees	2,20,000		1,76,000	
b) Tax Audit Fees	50,000		40,000	
c) Out of pocket Expenses	50,000	3,20,000	40,000	2,56,000
Internal Audit Fees		5,11,359		5,24,665
VAT Audit Fees		30,000		20,000
Freight and Handling Charges		45,87,680		65,31,100
Obsolete stores written off		22,433		70,852
Obsolete stores provision		27,68,079		7,01,499
Donation		-		1,71,405
Corporate Social Responsibility Expenditure		1,35,56,515		42,89,683
Provision for Bad Debts/Claims/Advances		-		1,88,406
Expenditure against Arbitration Award		1,76,797		1,76,797
Expenses on Scrap Sales		1,29,271		2,60,582
Interest paid		1,37,30,494		52,57,814
TOTAL		<u>3,70,36,672</u>		<u>2,05,33,201</u>

PRIOR PERIOD ADJUSTMENTS

SCHEDULE - 13

	2009-10	2008-09
	Rupees	Rupees
EXPENDITURE		
Salary	1,16,79,328	0
Depreciation	2,50,32,202	0
Other Expenses	0	1,08,57,989
Sub-Total (A)	<u>3,67,11,530</u>	<u>1,08,57,989</u>
INCOME		
Others	1,37,98,589	0
Sub-Total (B)	<u>1,37,98,589</u>	<u>0</u>
Total (B - A)	<u>(2,29,12,941)</u>	<u>(1,08,57,989)</u>

EXPENDITURE ON TOWNSHIP AND SOCIAL

As Required by Government of India, Ministry

PARTICULARS	Township	School & Educational Facilities	Medical Facilities
	Rs.	Rs.	Rs.
Salaries & Wages	37772125	63930788	20094404
Employees Contribution to P.F.	3415505	1225943	1747827
Contribution to Gratuity Fund	844941	59225	334843
Utility	68573755	116269	742462
Consumption of Stores & Spares	3769153	216231	7633669
Repairs & Maintenance	10672740	28354	259577
OTHER EXPENSES			
a) Medical Reimbursed	1906502	2677113	33604574
b) Others	3807381	1012306	589449
TOTAL	130762102	69266229	65006805
ADD: Depreciation	20730079	0	0
TOTAL	151492181	69266229	65006805
LESS: Receipts	16026837	1371164	2270058
GRAND TOTAL	135465344	67895065	62736747
PREVIOUS YEAR	140448398	47526882	70445635



AMENITIES (INCLUDING GUEST HOUSE)

of Finance, Memorandum No. BPE/1(17) Adv(7)/69 Dated 5.3.1969

Subsidised Transport	Social & Cultural Activities	Guest House	For the year 2009-10	For the year 2008-09
Rs.	Rs.	Rs.	Rs.	Rs.
2941097	259833	2059767	127058014	104326359
214405	18865	157487	6780032	5961245
70985	7735	57741	1375470	7570832
0	0	44314	69476800	76567321
4085592	0		15704645	17497674
2358549	0	112534	13431754	24726925
0	0	3369498	41557687	35701693
0	0	51046	5460182	11315886
9670628	286433	5852387	280844584	283667935
0	0	0	20730079	15389638
9670628	286433	5852387	301574663	228070335
348687	0	424416	20441162	16787933
9321941	286433	5427971	281133501	211282402
14195046	834466	5123032	278573460	250888909

SIGNIFICANT ACCOUNTING POLICIES

SCHEDULE - 14

1. **BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**
The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956, the Atomic Energy Act, 1962 and other applicable statutory enactments.
2. **USE OF ESTIMATES:**
The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the results are known / materialized.
3. **FIXED ASSETS:**
 - a. All Fixed Assets are stated at historical cost less accumulated depreciation. Cost includes related pre-operational expenses in respect of projects.
 - b. Expenditure on setting up of new mine is capitalized after netting off income from ore produced during such construction of new mine.
 - c. The Insurance Spares which can only be used in connection with an item of Fixed Asset and whose use is expected to be irregular, are capitalized with respective assets.
 - d. System software is capitalized alongwith the respective assets. Application software is charged off to revenue in the year in which it is implemented for use.
4. **CAPITAL WORK-IN-PROGRESS:**
Capital work-in-progress comprises expenditure for acquisition and construction of assets and the cost of fixed assets that are not yet ready for their intended use.
5. **DEPRECIATION:**
 - a. Depreciation is charged on straight line method on the basis of rates prescribed in schedule – XIV of the Companies Act, 1956. For assets acquired prior to 1.4.1997 depreciation is charged on straight line method on opening net book value of assets as on 1.4.1997 at rates derived on the basis of the remaining period of life of assets as indicated in Schedule – XIV of the Companies Act, 1956.
 - b. Depreciation is charged on pro-rata monthly basis on additions/disposals of the assets during the year taking the first day of the month for acquisition/commissioning and the last day of the month for disposals.
 - c. The addition or extension, which become the integral part of the existing assets, is depreciated over the remaining useful life of that assets.
 - d. Depreciation on certain fixed assets are provided at the rates higher than the rates prescribed in the schedule-XIV of the Companies Act, 1956 if the useful life of that assets is shorter than that envisaged under the statute on the basis of technical assessment. Further, where there is a revision of estimated useful life of an existing asset being shorter than the existing useful life, the unamortized depreciation is charged over the remaining useful life of the asset.
The useful life of the 3-stage tailing pond (Slime Dam) is 10 years on the basis of technical assessment.
 - e. Private land, Government land and Forest land used for construction of Tailing Ponds are depreciated over the useful life of the Tailing Ponds.
 - f. Government Land shown under Leasehold Land used for other purposes is depreciated over the lease period or the useful lives of the Assets, whichever is earlier, for which the lands are used.
 - g. Intangible Assets: Forest Land acquired on right-to-use for various mines and processing plants are amortized on straight-line basis over their expected useful lives.
 - h. The insurance spares are depreciated over the balance useful life of the respective assets at the rate which is applied to the existing assets and the amount of depreciation from the date of acquisition of the existing assets till the date of acquisition of insurance spares is charged off in the year of acquisition.
 - i. Assets costing Rs.5,000/- and below individually are depreciated fully in the year of addition.



6. VALUATION OF INVENTORIES :
- a) Measurement of Inventories
Items of inventories are measured at lower of cost and net realizable value.
 - b) Cost formula :

i. Ore and work-in- process	On absorption costing method.
ii. Direct Material, Stores and Spares	At weighted average cost
iii. Goods-in-transit and under inspection	At acquired cost
iv. By-Products	At conversion cost
v. Scrap	At estimated value
 - c) Loose Tools
Loose tools are written off in the year of issue.
 - d) Disposable Asset
Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value.
 - e) Non-moving/Obsolete stores
Provision for non-moving / obsolete materials are created for stores/spares not moved for five years except for capital stores and insurance spares. Materials declared obsolete are segregated for necessary disposal and book value thereof are written off. On disposal the value realized is credited to income.
7. REVENUE RECOGNITION :
Compensation for Compulsory acquisition of Uranium Concentrate is recognized as revenue on handing over of uranium concentrate to the Government of India.
8. GRANTS-IN-AID :
Grant-in-aid received from the Central Government towards Capital Expenditure where ownership of the assets acquired vests with the Government, the grants are adjusted in the carrying cost of such assets.
9. EXPENDITURE ON DEVELOPMENT OF ORE BODY :
Expenses on development of ore body in the existing operating mine are charged to Profit & Loss Account of the year in which it is incurred.
10. MINE CLOSURE OBLIGATION :
The liability to meet the obligation of Mine Closure and Restoration of Environment as per Mines & Minerals (Development & Regulation) Act 1957 (MMDR 1957) are technically estimated based on available ore reserve and charged to Profit & Loss Account on the basis of annual ore production of the mine.
11. OPEN CAST MINE DEVELOPMENT EXPENSES :
The expenses incurred on Opencast Mine Development, Removal of Overburden and preparation of Mining Benches up to the date of commissioning are amortized over the life of the mine.
12. RETIREMENT BENEFITS :
- a. Company's contribution to Provident Fund are charged to Profit & Loss Account on accrual basis.
 - b. Contribution for Superannuation are made as per the Company's policies and funded with the Life Insurance Corporation of India and are charged to Profit & Loss Account in the year in which the contribution (premium) is due.
 - c. Gratuity and Leave encashment benefits are charged to Profit & Loss Account of the year on the basis of actuarial valuation.
 - d. VRS expenditure is charged off to revenue in the year in which it is incurred i.e. granted to the employees.
13. FOREIGN EXCHANGE TRANSACTION :
Foreign exchange transactions are recorded at the rate prevailing on the date of transaction. Foreign currency liabilities and current assets are translated/converted with reference to rate of exchange prevailing at the year end. The difference is transferred to fixed assets/capital WIP – in case of capital assets and to Profit & Loss Account- in case of current assets/liabilities.

14. **PROVISION FOR CURRENT AND DEFERRED TAX :**
Provision for current tax is made after considering the benefits admissible under the provision of the Income - tax Act 1961.
Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.
15. **CASH FLOW STATEMENT :**
Cash flow is reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing, and investing activities of the company are segregated.
16. **RESEARCH AND DEVELOPMENT EXPENSES :**
Expenditure relating to capital items is debited to fixed assets and depreciated at applicable rates. Revenue expenditure is charged to Profit & Loss Account of the year in which it is incurred.
17. **PRIOR PERIOD ADJUSTMENTS :**
Items of income/expenses above Rs.50,000/- in each case relating to previous years, are accounted as Prior Period Adjustments.
18. **PREPAID EXPENSES :**
Prepaid expenses are accounted for only where the amounts relating to unexpired period, exceeds Rs.50,000/- in each case.
19. **EXCEPTION TO ACCRUAL SYSTEM OF ACCOUNTINGS :**
The company follows accrual system of accounting except for the following items which are accounted on cash basis:
a. Expenses, value of which cannot be estimated with a reasonable accuracy for the purpose of making provision.
b. Medical Stores, Sports Materials, Printing & Stationery and Provisions for Canteen and Guest House are charged to expenses at the time of purchase.
20. **IMPAIRMENT OF ASSETS**
a) The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any indication exists, the assets recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on the return on capital employed, fixed by the Government of India for fixation of compensation rate of Uranium Concentrate.
b) After impairment, depreciation is provided on the assets revised carrying amount over its remaining useful life.
c) A previously recognized impairment loss is increased or decreased depending on changes in circumstances. However, an impairment loss is not decreased to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in the prior year.
21. **CONTINGENT LIABILITIES :**
These are disclosed by way of notes on the Balance Sheet. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the finalisation of accounts and have material effect on the position stated in the Balance Sheet.
22. **PROVISIONS :**
A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.



NOTES ON ACCOUNTS

SCHEDULE - 15

1.
 - a) The company is prohibited by the Department of Atomic Energy's Order No.7/6/69-Min dated August 7,1973 and No.7/6/69 Min (PSU) dated July 3, 1974 issued in terms of Section 18 of the Atomic Energy Act, 1962 (33 of 1962) from publishing or making available the quantitative information relating to Turnover, Raw Materials consumed, and information relating to opening and closing stock of goods produced, Raw Materials purchased or acquired, licensed capacity, installed capacity and the actual production pursuant to Paragraph 3(i), 3(ii)(1), 3(ii) (2) and 4C of Part II of Schedule VI to the Companies Act, 1956, and accordingly the above information are not given in the financial statements. This information along with the raw material, stock, any other allied charges and compulsory acquisition of uranium concentrate and by-products were not made available to the Statutory Auditors appointed under section 619(2) of the Companies Act, 1956 upto the year 2002-03.
 - b) However from the year 2003-04 the Statutory Auditors appointed under section 619(2) of the Companies Act, 1956 at their high level have been given access to all information relating to the operation of the company vide Department of Atomic Energy's Order No.10/8(12)/2004-PSU/448 dated 09 July, 2004 for the purpose of conducting an objective and meaningful audit of the accounts of the company with the confidentiality agreement that the information shall not be furnished to any other agency and shall not specifically figure in the audit report.
2.
 - a) The Company has obtained Mining Lease for 1128.32 acres (PY 1128.32 acres) of land at Narwapahar, 813.412 hect. (PY 2009.13 acres) of land at Tummalapalle, 557.18 acres (PY- 557.18 acres) of land at Turamdih and 686.86 acres (PY- 686.86 acres) of land at Banduhurang, 303.14 acres (PY- 303.14 acres) of land at Bagjata. The Company is in correspondence with the appropriate authorities for renewal of mining lease for 1312.62 acres (PY: 1312.62 acres) of land at Jaduguda including Bhatin, for obtaining mining lease for 288.20 acres (PY 288.20 acres) of land at Mohuldih, for additional 31.77 acres (PY 31.77 acres) of land at Turamdih, for 290.45 hect. (PY 290.45 hect) of land at KPM and for 1301.38 acres (PY 1301.38 acres) of land at Lambapur.
 - b) The Company is in permissive possession of 1548.09 acres of land (PY 1548.09 acres) acquired from State Government/Private Parties, formal deed of conveyance registration pertaining to which is pending, the cost whereof Rs. 1517.59 lakh (PY Rs.1517.59 lakh) is included in the fixed Assets of the Company under the heads "Leasehold Land" and "Freehold Land".
 - c) The Company has been using since 1986, 3(three) acres of land of Hindustan Copper Limited (I.C.C.) at Mosabani, leased out by erstwhile Government of Bihar. In the absence of any formal agreement no consideration has been paid for/provided against such usage.
3. A total sum of Rs.20.00 crore (PY Rs 20.00 crore) was received from Govt. of India as Grant-in-aid towards infrastructure development to facilitate implementation of the Kylleng Pyndengsohiong Mining & Milling Project, Mawthabab, Meghalaya. Out of total sum of Rs.20.00 Crore, Rs 17,92,22,718/- (PY Rs.14,30,11,150/-) was spent till 31.03.2010.

4. Contingent Liabilities and Commitments : (Rs. in lakh)

	As at 31/03/2010	As at 31/03/2009
i) Claims against the company not acknowledged as debts		
• Under Litigation	6261.38	4784.79
ii) Unexpired Letter of Credit	68.42	18.92
iii) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	1978.88	4780.75

5. A sum of Rs 1,65,63,062.11 on account of Royalty on Magnetite and Rs 1,26,31,784.00 on account of Minor Minerals and interest thereon was deposited in the year 2007-08 under protest with District Mining Office, Government of Jharkhand, against disputed demand which are subjudice in different court of law. Pending final decision of the court of law, the deposit against Royalty on Magnetite and interest was shown as advance and Royalty on Minor Minerals was capitalized with the asset for which it was used.

6. There are some cases pending at various courts against which no provision in the accounts has been made/not disclosed in contingent liability, as the same is not quantifiable at this stage.
7. The balances of Debtors, Creditors and Advances are subject to confirmation by the concerned parties and reconciliation on confirmation is under process.
8. An amount of Rs. 6,49,498/- (P.Y. Rs.49,49,669/-) on account of excess provision made during earlier years now written back and recognised as Income. The details are as under:

	2009-10 (Rupees)	2008-09 (Rupees)
Stale cheque	6,44,552	2,10,303
O&M Expenditure	—	1,40,966
Others	4,946	45,98,400

9.
 - a) In the year 1996 the company had transferred the assets of closed Turamdih Project to Central Reserve Police Force (CRPF) at a consideration of Rs.2322 lakh. On reopening of the Turamdih mine, the assets have been taken back. As against total claim of Rs.3467 lakhs made by CRPF, Rs.2500 lakh has already been paid and balance Rs.967 lakh has been provided in the accounts.
 - b) The company is using Land and other assets of closed Turamdih Project amounting to Rs. 1110.60 lakh (P.Y. 1110.60 lakh) belonging to the Government of India. Provision of Rs.1110.60 lakh (P.Y. 1110.60 lakh) has been made in the accounts based on the value communicated by the Govt. of India. The company will issue shares to the Govt. of India to the extent assets are taken as directed by the Govt. of India vide their letter No.20/12(1)/95-PSU/180 dated 18-June 2003.
10. The company has issued shares worth Rs.256.28 crore received during the previous and current financial year. The Govt. of India has further released Rs. 94.50 crore towards equity in the year 2009-10 for ongoing projects, which is shown under "Share Capital Pending Allotment".
11. Capacity expansion of Jaduguda Processing Plant has been commissioned on 01.01.2010.
12.
 - a) Company has assessed recoverable value of cash generating units (CGU) based on value in use method. The value in use of each CGU worked out to much higher than corresponding net book value of assets, thereby no provision is required against impairment loss (Refer: Point No.20 of Significant Accounting Policies).
 - b) CGU includes Jaduguda Mine, Narwapahar Mine, Bhatin Mine, Turamdih Mine, Bagjata Mine and Banduhurang Mine.
13. Arising out of changes of policy for charging depreciation from first day of the next month for acquisition of assets to first day of the month for acquisition of assets w.e.f. 1.4.2009, current year expense is increased by Rs35.10 lakh. However, Rs.250.32 lakh arising out of such changes for the year 2008-09 has been provided in Accounts.
14.
 - a) The value of stores as on 31.3.2010 amounting to Rs.174.25 lakh (P.Y Rs.174.40 lakh) with respect to closed Turamdih Project, which is in the possession of the company, has not been accounted for as the same belongs to the Government of India. As per directives of the Govt. of India, the proceeds from sale of these stores will be deposited to Government Account as and when realized.
 - b) Out of the opening stock of Rs. 174.40 lakh (PY Rs. 177.10 lakh), company has consumed stores amounting to Rs. 0.15 lakh (PY Rs. 2.70 lakh) and liability has been provided to that extent on Govt. of India Account.
15. Service Tax claim including penalty amounting to Rs.1252.49 lakhs on company's contractor for carrying out removal of overburden and incidental ore at Banduhurang Mine prior to 01.03.2007 is pending with the Customs, Excise and Service Tax Appellate Tribunal. As per terms of work order, fresh imposition/ statutory variation of taxes/ duties is payable to the contractor by the company. Pending decision of Tribunal, no provision in the Accounts has been made / not disclosed in contingent liability.



16. Incidental Expenditure during construction :-

	2009-10 (Rs. in Lakh)	2008-09 (Rs. in Lakh)
a) Turamdih Mill Project	0	1235.46
b) Banduhurang Mine Project	0	(9.69)
c) Bagjata Mine Project	0	828.92
d) Mohuldih Mine Project	92.36	147.78
e) Tummalapalle Project	719.22	380.63

17. Deferred Tax Liability comprised of :

	As at 31/03/2010 (Rs. in Lakh)	As at 31/03/2009 (Rs. in Lakh)
Deferred Tax Liability		
Depreciation Differential	8036.92	7458.88
Less : Deferred Tax Assets		
a) Provision for obsolete stores	61.63	52.22
b) Provision for leave salary	133.77	475.68
c) Compensation under Voluntary Retirement Scheme	50.84	72.35
d) Prepaid Expenses charged to P & L Account	2.02	2.02
Total (a to d)	<u>248.26</u>	<u>602.27</u>
Net Deferred Tax Liability	<u>7788.66</u>	<u>6856.61</u>
Opening Liability	6856.61	3349.42
Closing Liability	<u>7788.66</u>	<u>6856.61</u>

18. Additional information pursuant to Paragraph 3, 4 & 4 (D) of Part II, Schedule VI of the Companies Act, 1956 is furnished hereunder :

		2009-2010	2008-2009
(A)	DIRECTORS REMUNERATION (Including Chairman & Managing Director)	Rupees	Rupees
	1. Salary	56,66,497	22,38,150
	2. Employer's Contribution to PF., Gratuity & Employees' Welfare Fund	6,35,165	2,50,856
	3. Leave Encashment & Others	7,60,117	6,12,466
	Total (A)	<u>70,61,779</u>	<u>31,01,472</u>
(B)	VALUE OF IMPORTS CALCULATED ON CIF BASIS		
	i) Components and Spares	3,70,65,473	4,37,70,060
	ii) Capital Goods	3,82,48,480	27,38,23,876
	Total (B)	<u>7,53,13,953</u>	<u>31,75,93,936</u>
(C)	EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)		
	i) Books and Periodicals	86,166	75,792
	ii) Foreign Travel	16,46,172	12,48,579
	Total (C)	<u>17,32,338</u>	<u>13,24,371</u>

(D) Total value of Imported/Indigenous Stores, Spare Parts, Raw Materials and Components consumed during the year:

	2009-2010	%	2008-2009	%
	Rupees		Rupees	
i) Imported	2,19,20,766	01.82	3,74,96,475	03.36
ii) Indigenous	1,18,44,81,811	98.18	1,08,01,07,838	96.64
Total	<u>1,20,64,02,577</u>	<u>100.00</u>	<u>1,11,76,04,313</u>	<u>100.00</u>

19.	Earning Per Share	2009-10	2008-09
	Profit After Tax (in Rs.)	46,25,84,199	18,00,97,969
	Weighted average no. of Equity Shares	1,13,64,028	90,03,978
	Add: Potential no. of Equity Shares	-	-
	Diluted no. of Equity Share	1,13,64,028	91,13,978
	Nominal Value of Equity Share (in Rs.)	1000	1000
	Basic Earning Per Share (in Rs.)	40.71	20.00
	Diluted Earning Per Share (in Rs.)	40.71	19.76
20.	Following are the Enterprises under Micro, Small & Medium Development Act, 2006 against whom the company owes any sum together with interest outstanding for more than 30 days as on 31.3.2010:		

Description	Current Year 2009-10	Previous Year 2008-09
Principal amount outstanding as at 31st March.	6,091,624	2,861,739
Interest due there on and unpaid as at 31st March.	341,432	175,912
Interest paid to the supplier.	175,912	-
Payments made to the supplier beyond the appointed day during the year.	17,524,952	1,663,217
Interest due and payable for the period of delay.	341,432	175,912
Interest accrued and remaining unpaid as at 31st March.	341,432	175,912
Amount of further interest remaining due and payable in succeeding year.	341,432	175,912



21. Related party disclosure :

Particulars	Key Management Personnel	Total Remuneration (Rupees)	
		2009-10	2008-09
Receiving of Services	1. Sri R. Gupta (C&MD)	29,85,088	12,08,461
	2. Sri D. Acharya, D(T)	22,92,399	8,98,621
	3. Sri R. P. Gupta D(F)	17,84,372	9,16,866

22. All figures have been rounded off to the nearest rupee. Previous Year's figures have been re-arranged/re-grouped/re-classified wherever necessary to make them comparable with those of the current year.

Signed in terms of our report of even date attached.

Signature to Schedule '1' to '15'

For S. Ganguli and Associates,

For and on behalf of the Board

Chartered Accountants
FRN 302192E

D. P. Saha
Partner
Membership No.003935

P. V. Dubey
Company Secretary

R. P. Gupta
Director (Finance)

D. Acharya
Director (Technical)

R. Gupta
Chairman &
Managing Director

Place : New Delhi
Date : 30- June, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

		(Rs. in lakh)	
		2009-10	2008-09
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Taxes	7,784.78	6,004.40
	Adjustments for:		
	Depreciation	6,928.68	2,979.91
	Interest on Loans & Advances	(84.64)	(77.91)
	Interest on Deposits with Banks	(2,006.97)	(1,749.79)
	(Profit) / Loss on Sale of Fixed Assets	-	(39.30)
	Operating Profits before Working Capital Charges	12,621.85	7,117.31
	Adjustments for:		
	a) (Increase)/Decrease in Debtors	1,037.54	(2,425.10)
	b) (Increase)/Decrease in Inventories	624.42	(2,959.34)
	c) (Increase)/Decrease in Loans & Advances	(315.83)	(1,412.84)
	d) (Increase)/Decrease in Accrued interest	(186.54)	(54.91)
	e) Increase/(Decrease) in Current Liabilities	2,428.39	17,896.72
	Cash generated from operation	16,209.83	18,161.84
	Direct Taxes	(1,966.43)	(700.16)
	Net Cash flow from Operating Activities	14,243.40	17,461.68
B.	Cash Flow from Investing Activities		
	a) Purchase of Fixed Assets	(6,048.32)	(49,925.07)
	b) (Increase) / Decrease in Capital W.I.P	(37,923.84)	17,372.49
	c) Interest on Deposits with Banks	2,006.97	1,749.79
	d) Interest on Loans & Advances	84.64	77.91
	h) Receipt from Sale of Fixed Assets	-	39.30
	Net Cash flow from Investing Activities	(41,880.55)	(30,685.58)
C.	Cash Flow from Financing Activities		
	Proceeds from issue of Equity Share Capital	27,028.00	23,600.00
	Dividend Paid	(470.00)	(370.00)
	Net Cash used for Financing Activities	26,558.00	23,230.00
D.	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,079.15)	10,006.10
	Cash & Cash Equivalent at the beginning of the year	26,456.80	16,450.70
	Cash & Cash Equivalent at the end of the year	25,377.65	26,456.80
E.	NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,079.15)	10,006.10

Signed in terms of our report of even date attached.

For S. Ganguli and Associates
Chartered Accountants
FRN 302192E

D. P. Saha
Partner
Membership No. 003935

P. V. Dubey
Company Secretary

R. P. Gupta
Director (Finance)

D. Acharya
Director (Tech.)

R. Gupta
Chairman &
Managing Director

For and on behalf of the Board

Place : New Delhi
Date : 30th June , 2010.



(information pursuant to part IV of the Schedule VI of the Companies Act, 1956)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details			
Registration No.	: 000806	State Code	: 03
Balance Sheet Date	: 31st March 2010		
II. Capital Raised During the year (Amount in Rs. Thousands)			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
		Issued to Government	25,62,800
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	1,99,60,337	Total Assets	1,99,60,337
<u>Sources of Funds</u>			
Paid up Capital	1,34,79,278	Reserves and Surplus	16,95,743
Secured Loan	Nil	Unsecured Loan	Nil
Deferred Tax Liability	7,78,866		
<u>Application of Fund</u>			
Net Fixed Assets (Incl. CWIP)	1,56,91,904	Investments	Nil
Net Current Assets	2,61,983	Misc. Expenditure	Nil
Accumulated Losses	Nil		
IV. Performance of the Company (Amount in Rs. Thousands)			
Turnover (Gross Revenue)	54,30,555	Total Expenditure	46,52,077
Profit/Loss Before Tax	(+) 7,78,478	Profit/Loss After Tax	(+) 4,62,584
Earning Per Share in Rs.	40.71	Dividend Rate (%)	0.93
V. Generic Names of Principle Products/Services of the Company (As per monetary terms) Classified Information			

For S. Ganguli and Associates
Chartered Accountants
FRN 302192E

D. P. Saha
Partner
Membership No. 003935

P. V. Dubey
Company Secretary

R. P. Gupta
Director (Finance)

D. Acharya
Director (Tech.)

R. Gupta
Chairman &
Managing Director

For and on behalf of the Board

Place : New Delhi
Date : 30th June, 2010.

Twenty Five Year Digest

Year	Income	Materials	Salaries Wages & other Benefits	Depre- ciation	Interest	Other expens and Overheads	Profit/ Loss before tax
1985-86	1695.6	354.4	488.5	83.9	—	635.2	123.5
1986-87	2047.2	412.3	572.4	126.4	6.3	645.4	214.4
1987-88	2813.8	347.7	664.3	171.6	12.8	839.9	751.5
1988-89	3358.2	449.9	750.2	174.6	4.2	1104.8	892.3
1989-90	3882.2	465.9	1026.4	157.7	0.4	1142.5	1092.4
1990-91	3080.6	398.0	938.5	197.9	—	1237.2	323.5
1991-92	3929.3	518.8	1167.1	214.4	—	1455.0	571.8
1992-93	4249.2	659.3	1369.8	217.9	2.1	1624.1	376.5
1993-94	4775.7	788.3	1415.5	291.7	0.7	1970.5	309.0
1994-95	5730.1	1082.3	1530.6	353.4	18.6	2396.1	349.1
1995-96	7149.8	1064.5	2569.6	1286.7	10.2	2187.7	31.1
1996-97	8601.0	1037.0	3141.5	1404.8	0.1	3693.6	(-) 676.0
1997-98	11140.5	1107.0	3429.6	1067.3	—	5019.9	516.7
1998-99	13417.5	1252.7	4255.9	1236.4	—	6495.0	177.5
1999-00	14533.0	1461.9	4522.2	1685.2	—	5361.4	1307.9
2000-01	14797.0	1612.7	4768.8	1842.9	—	6167.4	405.2
2001-02	16597.1	1746.8	5524.9	2054.1	—	6399.3	872.0
2002-03	19357.1	1740.5	5274.5	2069.9	—	7500.0	2772.4
2003-04	21396.9	2248.4	5596.8	2236.3	—	9389.7	1925.7
2004-05	25497.0	2590.01	5945.24	2443.43	—	9896.72	4621.6
2005-06	28156	3121	7309	2468	—	10332	4926
2006-07	29781	4138	8817	2592	—	9856	4378
2007-08	30436	4786	9929	2518	—	11061	2142
2008-09	41462	6143	12728	2755	—	13832	6004
2009-10	54306	7494	14539	6661	—	17827	7785



(Rs. in Lakh)

Profit/Loss after tax	Capital	Loans	Reserves and Surplus	Gross Block	Total Depreciation	Net Block	Number of Employees as on 31st March
72.5	1714.3	79.0	403.9	2250.9	1283.4	967.5	2905
159.4	2239.3	193.0	633.2	2726.3	1444.8	1281.5	3115
471.5	2439.2	94.0	1104.2	3030.3	1661.3	1369.9	3180
552.3	2575.3	—	1557.2	3300.3	1841.8	1458.5	3392
657.4	5589.3	—	2314.8	3701.3	2035.2	1666.1	3477
143.5	6989.3	—	2458.3	4029.4	2289.8	1739.6	3629
245.8	12417.2	—	2654.4	4933.5	2590.3	2343.2	3748
146.2	17017.3	—	2802.0	5262.4	2824.3	2438.1	3898
104.4	22517.3	—	2906.5	9085.1	3574.4	5510.7	3904
801.9	30517.3	—	3708.4	11277.1	4396.1	6888.0	4024
78.6	5422.3	—	3787.1	18558.6	5813.8	12744.8	4171
(-)854.0	36922.3	—	1326.6	19008.1	7203.8	11804.2	4249
251.4	37075.3	—	1523.0	25203.8	8644.3	16559.5	4312
367.1	41982.3	—	1808.0	34057.7	10039.8	24018.0	4385
1151.1	41982.3	—	2666.4	36438.7	11894.8	24543.9	4408
303.7	41982.3	—	2902.3	38041.5	13915.3	24126.3	4420
588.2	38339.3	64.4	4971.5	38510.6	16076.3	22434.3	4218
480.84	41839.3	—	4398.8	43443.2	18062.2	25381.0	4147
978.7	49839.3	—	4981.8	48591.2	20109.6	28481.6	4064
2925.1	63389.3	—	7222.8	52746.6	22813.5	29933.1	4034
3161	69094	—	9472	57074	25509	31566	4103
2751	71265	—	11403	61942	28192	33750	4276
1463	84165	—	12433	67254	31012	36242	4439
1801	107765	—	13684	117101	33914	83187	4643
4626	134793	—	16957	123150	40842	82308	4539



Tummalapalle Project



Tummalapalle Project

