

ANNUAL REPORT

1982-83

AR 1982

COAL INDIA LIMITED

10, NETAJI SUBHAS ROAD
CALCUTTA-700 001

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Management During 1982-83

Chairman	: Dr. B. L. Wadehra	— Upto 22-11-82
	: Shri S. R. Jain	— From 22-11-82
Functional Director	: Shri C. R. Mukherjee	— (Finance) From 11-11-82
Directors	: Shri C. S. Jha	— Chairman-cum-Managing Director, Bharat Coking Coal Limited.
	Shri R. G. Mahendru	— Chairman-cum-Managing Director, Central Mine Planning & Design Institute Ltd.
	Shri D. P. Gupta	— Chairman-cum-Managing Director, Western Coalfields Limited
	Dr. B. L. Wadehra	— Chairman-cum-Managing Director, Central Coalfields Limited, Upto 10-2-83
	Shri S. N. Singh	— Chairman-cum-Managing Director, Eastern Coalfields, From 15-3-83
	Shri A. Rangachari	
	Dr. K. A. Kini	
	Shri S. Santhanam	— Upto 30-9-82
	Dr. S. Ramesh	
	Shri L. N. Laddha	— From 16-7-82
	Shri P. K. Lahiri	— From 16-7-82
	Shri A. Velliappan	— From 7-1-83

Present Management

Chairman	: Shri M. S. Gujral	
Functional Directors	: Shri C. R. Mukherjee	— Finance
	Shri M. Jha	— Technical
Directors	: Shri R. G. Mahendru	— Chairman-cum-Managing Director Central Mine Planning & Design Institute Limited.
	Shri C. S. Jha	— Chairman-cum-Managing Director Bharat Coking Coal Limited
	Shri Rajendra Singh	— Chairman-cum-Managing Director, Central Coalfields Limited
	Shri T. V. Lakshmanan	— Chairman-cum-Managing Director Western Coalfields Limited
	Shri S. N. Singh	— Chairman-cum-Managing Director Eastern Coalfields Limited
	Shri S. Narayan	
	Shri P. K. Lahiri	
	Shri R. K. Sharma	
	Shri L. N. Laddha	
	Shri K. M. Ahmed	
Division Heads	: Shri R. K. Gupta	— Executive Director (Personnel & Marketing)
	Shri S. K. Bose	— Addl. Director (Equipment)
	Shri S. B. Sahai	— Vigilance
	Shri S. S. Salodkar	— Production, Safety & Project
	Shri R. N. Mishra	— Corporate Planning & T. S. to Chairman
	Shri A. K. Sinha	— Finance
Secretary	: Shri Rana S. J. B. Singh	
Dy. Secretary	: Shri P. B. Datta	

Bankers

State Bank of India

Punjab National Bank

United Bank of India

Central Bank of India

Union Bank of India

Dena Bank

Syndicate Bank

Canara Bank

Indian Bank

Allahabad Bank

Auditors

Statutory Auditors

- : M/s. M. C. Bhandari & Co.,
Chartered Accountants,
4, Synagogue Street (2nd Floor),
Calcutta-700 001.

Branch Auditors

- : 1 M/s. D. P. Sen & Co.,
Chartered Accountants,
8/2, Kiran Shankar Roy Road,
Room No. 5, 1st Floor,
Calcutta-700 001.
- 2 M/s. Magan Lal & Co.,
Chartered Accountants,
32, Apollo Street,
2nd Floor,
Fort, Bombay-400 001.
- 3 M/s. R. N. Bansal & Associates,
Chartered Accountants,
K-3/14 Model Town,
Delhi-110 009.

Notice

NOTICE is hereby given to all Shareholders of Coal India Limited that the Ninth Annual General Meeting of the Company will be held on 28th December, 1983 at the Registered Office of the Company at "Coal Bhawan" 10, Netaji Subhas Road, Calcutta-700 001 at 11 a.m. to transact the following business.

1. To receive, consider and adopt the Report of the Board of Directors for the year ended 31st March, 1983.
2. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1983.
3. To receive, consider and adopt the Accounts of the Company for the year ended 31st March, 1983.
4. To appoint a Director in place of Shri R. G. Mahendru who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
5. To appoint a Director in place of Shri C. S. Jha who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
6. To appoint a Director in place of Shri T. V. Lakshmanan who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
7. To appoint a Director in place of Shri S. N. Singh who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
8. To appoint a Director in place of Shri Rajendra Singh who retires in terms of Article 33(d)(iii) of Articles of Association of the Company and is eligible for re-appointment.
9. To appoint a Director in place of Shri P. K. Lahiri who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
10. To appoint a Director in place of Shri L. N. Laddha who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
11. To appoint a Director in place of Shri S. Narayan who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
12. To appoint a Director in place of Shri R. K. Sharma who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
13. To appoint a Director in place of Shri K. M. Ahmed who retires in terms of Article 33 (d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.

Dated the 6th December, 1983

RANA S J B SINGH
SECRETARY

Registered Office
Coal Bhawan,
10, Netaji Subhas Road,
Calcutta-700 001.

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

Report of the Board of Directors for 1982-83

To

The Shareholders,
Coal India Limited

Gentlemen,

The Directors of your Company have the pleasure in presenting the 10th Annual Report on the working of the Company together with the Audited Statement of Accounts for the year ended 31st March, 1983, the report of the Statutory Auditors and the Comments and Review of the Comptroller and Auditor General of India thereon.

The Company continued to hold five fully owned Subsidiary Companies viz:

- (a) Eastern Coalfields Limited
- (b) Bharat Coking Coal Limited
- (c) Central Coalfields Limited
- (d) Western Coalfields Limited, and
- (e) Central Mine Planning & Design Institute Limited

The Mines in Assam and its neighbouring areas continued to be managed directly by your Company through its North Eastern Coalfields Division.

Production Performance

The coal production touched an all time record level of 114.06 million tonnes in the year 1982-83—the year of productivity. The annual growth rate during 1982-83 over 1981-82 was 4.1%. The performance of CCL and WCL was impressive. They exceeded their targets for the year 1982-83. BCCL and NEC had also produced as per their target. ECL, however, could not achieve the target because of severe shortage of power and bad law and order situation prevailing in the command area of ECL. Subsidiary/Division-wise production performance for RAW Coal-COKING and NON-COKING for the year 1982-83 compared with 1981-82 are indicated below :

(Figs. in million tonnes)

Subsidiary/ Division	Raw Coal Production		% increase/ decrease
	1981-82	1982-83	
ECL	24.22	22.68	(—) 6.4
BCCL	23.02	23.41	1.7
CCL	30.11	32.99	9.6
WCL	31.56	34.27	8.6
NEC	0.70	0.71	1.4
Total	109.61	114.06	4.1

(Figs. in million tonnes)

Subsidiary/ Division	*Coking Coal		% increase/ decrease
	1981-82	1982-83	
ECL	1.45	1.66	14.5
BCCL	18.74	19.60	4.6
CCL	10.85	11.93	10.0
WCL	1.41	1.03	(—) 27.0
NEC	—	—	—
Total	32.45	34.22	5.5

* Also include Coal declared as Coking but used for non-metallurgical purposes.

(Figs. in million tonnes)

Subsidiary/ Division	Non-Coking Coal		% increase/ decrease
	1981-82	1982-83	
ECL	22.77	21.02	(—) 7.7
BCCL	4.28	3.81	(—) 11.0
CCL	19.26	21.06	9.3
WCL	30.15	33.24	10.2
NEC	0.70	0.71	1.4
Total	77.16	79.84	3.5

Soft Coke

The production of soft coke during the year 1982-83 was 1.74 million tonnes as against 2.30 million tonnes produced during 1981-82 and registered a shortfall of 24.3% over last year. The low production of soft coke was mainly due to low demand of soft coke in the country. Details of Soft Coke production are indicated below :

(Figs. in million tonnes)

Subsidiary	Production of Soft Coke		% decrease over 1981-82
	1981-82	1982-83	
ECL	1.10	0.71	(—) 35.4
BCCL	0.85	0.71	(—) 16.5
CCL	0.35	0.32	(—) 8.6
WCL	—	—	—
Total	2.30	1.74	(—) 24.3

Hard Coke

The Production of Hard Coke during the year 1982-83 was 0.89 million tonnes as against 0.92 million tonnes produced during 1981-82 and registered a shortfall of 3.3% over the previous year. The low production of Hard Coke was due to slackness in the demand resulting from recession in the Engineering Industries. Details of Hard Coke production are indicated below :

(Figs. in million tonnes)

Subsidiary	Production of Hard Coke		% increase/decrease
	1981-82	1982-83	
ECL	0.01	0.01	—
BCCL	0.88	0.86	(—) 2.3
CCL	0.03	0.02	(—) 33.3
WCL	—	—	—
Total	0.92	0.89	(—) 3.3

Washed Coal

Washed Coal Production during 1982-83 decreased to 8.71 million tonnes from the level of 9.18 million

tonnes achieved during the year 1981-82 and registered a shortfall of 5.1% over the previous year. The loss of production of the washed coal over last year was mainly due to interruption in power supply to the washeries. On this account BCCL and CCL Washeries had suffered a production loss of 0.42 and 0.45 million tonnes respectively. Thus the total loss suffered by Coal India due to frequent interruption in power supply to washeries was 0.87 million tonnes. Subsidiarywise production of Washed Coal is indicated below :

(Figs. in million tonnes)

Subsidiary	Production of Washed Coal		% Increase/Decrease
	1981-82	1982-83	
BCCL	4.92	4.55	(—) 7.5
CCL	4.06	4.16	2.5
WCL	0.20	—	—
Total	9.18	8.71	(—) 5.1

Coal Production from Opencast Mines and Overburden Removal

Your Company has produced 43.61 million tonnes of coal from mechanised opencast mines during the year and there by registered a growth over the previous year by 15.4%. As a result percentage share of mechanised opencast production to the total production also increased from 34.5% in 1981-82 to 38.2% in 1982-83.

The total quantum of overburden removal in 1982-83 was 93.15 million cu.m. registering a growth of 15.2% over the previous year.

Details of overburden removal and production of coal from mechanised opencast mines are indicated below :

Subsidiary	Overburden removal in million cu.m.		Coal production in million tonnes		% Growth over 1981-82	
	1981-82	1982-83	1981-82	1982-83	OBR	Coal
ECL	11.65	11.65	4.55	3.99	—	(—) 12.3
BCCL	8.09	10.00	4.71	6.53	23.6	38.6
CCL	40.06	46.00	19.04	21.60	14.8	13.4
WCL	21.08	25.50	9.49	11.49	21.0	21.1
Total	80.88	93.15	37.79	43.61	15.2	15.4

Constraints

Your Company suffered a total loss of raw coal production of the order of 9.84 million tonnes in 1982-83 compared to 8.37 million tonnes in 1981-82 due to various constraints as indicated below. The shortfall in production was mainly due to shortfall in the supply of power from DVC/State Electricity Board.

(Figs. in million tonnes)

Subsidiary	Power	Absenteeism	Labour unrest	Other Constraints	Total
ECL	2.20	0.61	0.34	—	3.15
BCCL	0.95	0.63	0.15	1.29	3.02
CCL	1.10	0.61	0.02	0.34	2.07
WCL	0.29	0.11	0.26	0.94	1.60
Total	4.54	1.96	0.77	2.57	9.84
1981-82	2.99	2.30	0.47	2.61	8.37

Increase/ Decrease over 1981-82	1.55	(—)	0.34	0.30	(—)	0.04	1.47
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Productivity

The overall OMS of the Subsidiary Companies and NEC during the year under review has gone up to 0.79 as against 0.78 during the preceding year. Subsidiary/Divisionwise OMS in respect of 1981-82 and 1982-83 are indicated below:

Subsidiary/Division	O.M.S. Tonnes	
	1981-82	1982-83
Eastern Coalfields Ltd.	0.54	0.50
Bharat Coking Coal Ltd.	0.66	0.66
Central Coalfields Ltd.	1.16	1.20
Western Coalfields Ltd.	0.93	0.98
North Eastern Coalfields	0.66	0.59
Average	0.78	0.79

Population and Performance of equipments

Number of opencast mines increased in the year 1982-83 to 113 from 106 in the year 1981-82. Similarly the population of HEMM also increased considerably i.e. Shovel from 248 to 296, Dumpers

from 1290 to 1449, Dozers from 352 to 394, Drills from 192 to 235 and Dragline from 21 to 22.

Companywise, Yearwise percentage availability and utilisation of HEMM are tabulated below. There has been improvement in utilisation of some of the major equipment.

Standard			ECL	BCCL	CCL	WCL
Availability Percentage						
75	Dragline	*81-82	—	—	70	71
		82-83	—	—	70	73
70	Dumper	81-82	71	73	68	64
		82-83	70	74	69	65
70	Dozer	81-82	62	71	67	67
		82-83	64	70	64	67
81	Shovel	81-82	79	74	83	80
		82-83	75	71	76	78
78	Drill	81-82	81	68	71	69
		82-83	78	73	75	69
Utilisation Percentage						
69	Dragline	*81-82	—	—	55	55
		82-83	—	—	55	57
53	Dumper	81-82	39	43	45	34
		82-83	63	42	50	41
45	Dozer	81-82	33	45	46	50
		82-83	57	48	43	55
56	Shovel	81-82	45	45	54	55
		82-83	60	46	56	58
40	Drill	81-82	42	28	36	43
		82-83	59	29	39	44

*No Draglines are deployed in ECL and BCCL.

Constant efforts are being made to improve utilisation by reducing break downs and also by improving scheduled and preventive maintenance of the equipments.

Status of Power Supply to Coal Mines

During 1982-83 the average power availability was in the region of approximately 73.6% which has constrained the mining operation.

The availability of power to the mines was affected to some extent by the distribution system. From the same feeders colliery and other consumers were

supplied power. In order to improve the availability of power in the mines the work of segregation of coal and non-coal load has been taken up in ECL, BCCL and CCL and satisfactory progress has been made in this direction.

Your company has taken decision to have its own captive units in Eastern Region to meet the unsatisfied demand. In the year under report 2 Nos. 10 MW Gas Turbine sets were installed at BCCL and 2 Nos. 5 MW Gas Turbine sets at ECL.

One second hand 15 MW Thermal Power Plant was also procured from MPEB. Recommissioning work of the same at ECL is under finalisation. 2 Nos. Diesel Generator Sets, one at Kargali Washery—rated 4 MW and another at Swang Washery—rated 2 MW were installed in CCL.

Proposal for setting up Thermal Captive Generation Plant of 2×10 MW each in ECL and BCCL was submitted to Government which is under active consideration.

Planning

A document entitled Sixth Plan Projectisation was brought out after carrying out an exercise for determination of the investment demand for various mining and non-mining projects during the Sixth Plan period. The exercise was up-dated subsequently in view of reduction in the projected demand of coal during the terminal year of 6th Plan and the current estimate is for an investment of Rs. 3747 crores during the entire 6th Plan.

The Corporate Plan (1980-85) was up-dated for the period 1982-87 on a rolling concept. The plan indicates a direction for the future business of the Company. The targets, the company have set in various functional areas i.e. Exploration, Production, Marketing, Finance, Public Relations, Materials Management, Management of Critical Inputs, Personnel Policy including Welfare and Training, Organisation and Systems Development, Social responsibilities etc., alongwith the strategies the Company seek to pursue are outlined in the up-dated document.

Considerable Progress was made during the year for formulation of the draft Perspective Plan upto 2000 A.D. for the Working Group on Coal and Lignite set up by the Central Government.

Manpower Planning exercises were taken up with the objective of providing a uniform and co-ordinated approach to Manpower Planning and Control. Priority has been given to the areas of likely shortages of personnel in highly-skilled, skilled and statutory personnel. A task force went into the shortage of Statutory Mining Supervisory Personnel and its report indicating the ways and means of bridging the gap was prepared. On the basis of the report, certain action plan has been evolved and assistance of the Department of Coal has been sought with regard to meeting the shortfall both in executives and non-executives.

Project Formulation

During the year, the CEMPDIL/one of the Subsidiaries of your Company prepared 45 project/feasibility reports for mines of the other subsidiaries as detailed below :

Name of the Subsidiary Companies of Coal India	No. of Projects	Capital Investment Estimated in Crores (Rs.)	Capacity M.T./ year
ECL	15	392.430	10.686
BCCL	13	376.225	6.64
CCL	5	1260.277	22.70
WCL	12	402.724	11.33

Fourteen (14) special reports on different subjects like washery, fire fighting etc., were also prepared in addition to up-dating various reports.

Geological Exploration, Drilling etc.

During 1982-83, the monthly average deployment of drills was 191, comprising 51 of CEMPDIL, 98 of Mineral Exploration Corporation, 13 of State Governments of MP and Orissa and 29 of Private Parties. With these drills a total of 2,62,774 meters of drilling was carried out in 101 blocks spread over twenty coalfields and covered by the State of West Bengal, Bihar, Orissa, Madhya Pradesh and Maharashtra. Though the average monthly deployment of drills remained nearly the same this year also, the annual output in terms of meterage increased by about 46,000 m. compared to last year i.e. 1981-82, registering an increase of nearly 21%.

Sectoral Demand and Actual off-take

You will be happy to note that demand satisfaction continued to be cent percent during the current year as in the last year for power sector. All the major consuming sectors availed higher level of off-take during the current year. In case of soft coke, the off-take was poor mainly due to fall in demand during the last few months of the year 1982-83.

The trend in sectoral demand, off-take and demand satisfaction for the year 1982-83 and 1981-82 are tabulated below :

(Figs. in million tonnes of raw coal)

Sector	1982-83			1981-82		
	De-mand	Off-take	% Satisfac-tion	De-mand	Off-take	% Satisfac-tion
Steel	23.80	19.98	84	21.20	20.27	96
Power	42.00	43.20	103	36.10	38.76	107
Loco	10.50	9.68	92	10.90	9.68	89
Cement	5.00	4.53	91	4.20	4.13	98
Fertilizer	4.30	3.56	83	3.40	2.82	83
Soft Coke	4.20	2.26	54	3.70	3.02	82
Export	0.30	0.15	50	0.24	0.16	67
BRK & Others	*28.10	*28.82	103	26.70	28.01	105
Total	118.20	112.18	95	106.44	106.85	100

*Includes colliery consumption.

The improved despatches to major consumers helped them to carry satisfactory level of stock of coal throughout the year. The stock at the end of the year stood at 2.54 million tonnes in the case of power sector representing 20 days consumption and 0.47 million tonnes in the case of steel sector representing 11 days consumption.

Export

During the year 1982-83 export of coal was mainly confined to the traditional markets in the neighbouring countries like Bangladesh, Burma, Srilanka, Nepal and Bhutan. However one trial shipment of SLV coal was made during this year to the South Korea.

Transportation of Coal and Coal Products

Overall despatches of coal and coke to the consumers went up to 104.81 million tonnes from 98.83 million tonnes in 1981-82 showing an increase of 5.98

million tonnes (6%). The total despatches by rail went up to 70.25 million tonnes representing a growth rate of 7%, the average loading of wagon on yearly basis worked out to 9132 wagons showing an increase of 657 wagons per day. There were significant improvement in the availability of wagons during the year compared to preceeding year. Against the programme of 10404 wagons the average offer by the collieries during the year was 11048 wagons. The allotment by the Railways however, did not match with the offer and average allotment of wagon was 10278. Supply of wagons further declined to 9323 wagons. However, as compared to actual supply of wagons in last year it is observed that there was improvement by about 700 wagons.

Trend in despatches of coal and coal products by various means during the year 1982-83 and 1981-82 are tabulated below :

(Figs. in million tonnes)

Means	1982-83	1981-82	Growth rate (%) 82-83
Rail*	70.25	65.42	7.4
Road*	26.39	26.45	—
Ropeways	2.10	2.24	(—) 6.3
Belt	3.27	2.92	12.0
Own arranged wagons	2.80	1.80	55.6
Total	104.81	98.83	6.1

*excluding internal despatches.

Stockyard

Your Company embarked upon an ambitious scheme of opening stockyards at various centres to facilitate distribution of coal and coal products to domestic and industrial consumers. 38 number of stockyards were opened in 7 States during the year 1982-83 bringing the total number to 66 all over the country. It is envisaged that the scheme would be expanded further in a phased manner to cover all the important and major centres including rural distribution centres.

The total sale from these stockyards during the year 1982-83 was 0.62 million tonnes as compared to 0.52 million tonnes in 1981-82. The distribution of coal and coal products from these stockyards has a salutary effect on stabilisation of prices curbing shortage psychosis.

Efforts are now being made to move coal to these stockyards by rail which is expected to further bring down prices at the various consumption centres.

Coal Stock

Pit-head stock as on 31.3.1983 reached an all time record level of 22.26 million tonnes as against 20.12 million tonnes as on 31.3.1982. This increasing accumulation of stock locked up large amount of working capital of the Subsidiary Companies. The accumulated stock affected the profitability of the Subsidiaries due to increase in interest on borrowings required to finance the stock and thus posed a serious problem in managing their ways and means position.

The Subsidiary/Divisionwise Pit-head Stock position are shown below :

(Figs. in million tonnes)			
Subsidiary/Division	Coal Stock as on		Variation
	31.3.82	31.3.83	
ECL	3.78	4.52	(+) 0.74
BCCL	6.00	6.19	(+) 0.19
CCL	6.74	8.04	(+) 1.30
WCL	3.23	3.06	(—) 0.17
NEC	0.07	0.06	(—) 0.01
Total	19.82	21.87	(+) 2.05

*Figure is revised

Safety

The Subsidiary Companies adopted the safety policy as defined by the Safety Board and formulated their annual safety action plans incorporating the recommendations of the Safety Committee and Safety Conferences, of which a number of recommendation was implemented and some others are in various stages of implementation.

The Companies adopted the policy of allowing nobody to work under unsupported roof in underground mines and to implement this various types of quick setting supporting systems were introduced. To bring about overall improvement Model Mines were established in each Area of the Companies. Continuous efforts are being made to improve the Safety in the mines of Coal India and its subsidiaries.

The Companywise position of fatal accidents and fatalities as well as serious injuries during the year 1981-82 and 1982-83 are given in Table below :

Subsidiary/ Division	Number of Fatal Accidents and Fatalities					
	1982-83		1981-82		Increase (+)	Decrease (—)
	Fatal Acci- dent	Fatali- ties	Fatal Acci- dent	Fatali- ties	Fatal Accident	Fatalities
ECL	30	35	22	25	8	10
BCCL	30	33	37	39	(—) 7	(—) 6
CCL	15	32	16	26	(—) 1	6
WCL	40	43	33	34	7	9
NEC	3	3	2	2	1	1
Total	118	146	110	126	8	20

Subsidiary/ Division	Number of Serious Injuries			
	1982-83	1981-82	Increase (+)/ Decrease(—)	
ECL	174	380	(—) 206	
BCCL	175	191	(—) 16	
CCL	56	111	(—) 55	
WCL	387	461	(—) 74	
NEC	8	8	—	
Total	800	1151	(—) 351	

Management Development & Training

Your Company has arranged for extensive Management Development and Training Programme. During the year under review 8249 Executives, 6890 Supervisors and 83774 workers were imparted with some kind of training, the detail of which is given below :

Executive Training		Supervisory Training	
In Company	6934	Statutory Examination	2572
External (Within India)	1239	Non-Statutory	4318
External (Abroad)			6890
(a) Aided Programme	40		
(b) Equipment Manufacturers' Training Programme	27	Worker's Training	
(c) Others	9	Statutory through VTC	77831
		Non-statutory	5943
	8249		83774
Trainees			
Junior Executive Trainees			956
Supervisory (Post Diploma)			479
Workers (Under Apprentice Act)			2344
			3779

Manpower

Manpower of your Company and its Subsidiaries was 645410 as on 31st March, 1983 as against 33102 on the same date of the previous year showing an increase of 12308 employees. The main increase of 7549 was in WCL and of 3656 was in CCL. Increase in WCL and CCL was due to acceleration in developmental activities during the year. In spite of the substantial increase in manpower in these Companies the work force was fully employed which is evident from the increase in the productivity. The OMS in CCL and WCL during the year under review was 1.20 and 0.98 respectively as compared to the figure of 1.16 and 0.93 in the year 1981-82.

The Subsidiary Company/Division-wise total manpower figures are indicated below :

Subsidiary/Division	Manpower as on	
	31.3.1982	31.3.1983
ECL	1,90,839	1,91,411
BCCL	1,72,240	1,72,008
CCL	1,14,173	1,17,829
WCL	1,47,612	1,55,161
CEMPDIL	2,857	2,892
CIL	686	744
NEC	4,695	5,365
Total	6,33,102	6,45,410

Industrial Relations

Labour situation in your Company and its Subsidiaries during the year under review registered slight improvement in the number of strikes as compared to previous year. The number came down from 383 in 1981-82 to 356 in the year 1982-83. In spite of reduction in number of strikes, mandays lost and production loss went up due to one day's 'Token Strike' on 8th November, 1982 and 72 hours strike from 17th to 19th January, 1983.

The details of the number of strikes, mandays lost, production loss during 1981-82 and 1982-83 in the Subsidiary Companies are indicated below :

Subsidiaries/ Division	No. of Strikes		Mandays Lost (Figs. in lakhs)		Production Loss (In Lakh tonnes)	
	1981- 82	1982- 83	1981- 82	1982- 83	1981- 82	1982- 83
ECL	167	149	3.04	4.44	2.28	3.00
BCCL	102	107	0.74	2.37	0.70	1.52
CCL	45	27	0.39	0.85	0.20	0.35
WCL	69	72	1.24	2.78	1.29	2.55
NEC (Divn.)	—	—	—	—	—	—
CEMPDIL	—	1	—	0.01	—	—
Total	383	356	5.41	10.45	4.47	7.42

Law and Order Incidents

During the year under review, there were 743 incidents of law and order disturbances against 615 incidents in the year 1981-82 and registered an increase of 128 incidents. The deterioration in the law and order situation had increased due to demonstration, obstruction, gheraoes, assaults by the dependants of land losers and unemployed local youth in their attempt to force the authorities to provide them employment particularly in Bengal-Bihar Coalfields. However measures are being taken by the Centre and State Governments to check such incidents. The Subsidiary-wise details of such incidents are indicated below :

Subsidiaries	No. of Incidents		% Increase (+) Decrease (—) over 1981-82
	1981-82	1982-83	
ECL	303	419	38
BCCL	129	150	16
CCL	88	47	(—) 47
WCL	95	127	34
Total	615	743	21

Welfare and Social Amenities

Your Company is well aware of the basic welfare amenities, such as, housing, water supply, sanitation, education and recreational facilities required to improve the quality of life of the miners. The

improved activities and achievement made in this direction are enumerated below :

Amerities	Unit	1982-83	1981-82	Increase over 1981-82
1. House	Addl. Construc- tion	14,385	10,690	3,695
2. Water Supply	Addl. popula- tion covered	1,09,570	82,820	26,750
3. School/Colleges	Actual Number	752	635	117
4. Co-operative Credit Society	Actual Number	155	137	18
5. Co-operative Stores	—do—	178	173	5
6. Bank	—do—	184	162	22
7. Ambulance	—do—	357	237	120
8. Hospital	—do—	65	51	14
9. Hospital Beds	—do—	3,622	1,743	1,879
10. Creches	—do—	203	200	3
11. Canteen	—do—	270	242	28

Capital Projects/Schemes

Presently altogether 84 Coal Mining Projects each having an investment of Rs. 5 Crores and above with the total sanctioned capital outlay of Rs. 2342.14 crores and ultimate production capacity of 113.53 million tonnes per year are in various stages of construction and completion. Besides these Coal Mining Projects, there are other projects, e.g. Washery Construction/modification, Dankuni Coal Complex, Projects for controlling fire areas, etc which are also under execution.

During the year under review your Board approved 65 Projects/Schemes including revision/expansion. The details of Project/Schemes are given hereunder.

Subsidiary	Projects	Expansion/ Revision Projects	Washes	Others	Total
ECL	3	12	—	—	15
BCCL	7	4	—	3	14
CCL	3	1	—	3	7
WCL	5	21	—	2	28
CEMPDIL	—	—	—	1	1
Total	18	38	—	9	65

Capital Expenditure

Capital Expenditure during the year 1982-83 was Rs. 714.20 crores against Rs. 580.92 crores during the previous year. Company/Division wise details are given below :

(Rs. in crores.)		
Company/Division	1981-82	1982-83
ECL	105.78	99.44
BCCL	114.64	147.68
CCL	210.79	252.63
WCL	131.53	196.50
NEC	4.28	5.70
CEMPDIL	2.92	2.55
Dankuni Coal Complex :	8.71	8.46
CIL-HQrs. (including Apex Purchase on behalf of the companies pending allocation.)	2.27	1.24
Total	580.92	714.20

Capital Structure

The authorised capital of the Company was Rs. 1500 crores during the year under report and the subscribed and paid up capital as on 31st March, 1983 was Rs. 1490.70 crores. Out of the subscribed and paid up capital, shares for Rs. 246.53 crores were issued to the Government of India for consideration of other than cash and for Rs. 1244.17 crores issued against cash. Further Rs. 200.55 crores due to the Government of India are to be adjusted against issue of Equity Shares.

Borrowing from the Government of India

During the year 1982-83, Rs. 338 crores were received from the Government towards Plan Loan. Rs. 93.94 crores towards repayment of loan and Rs. 95.67 crores towards interest on Government loan have been paid to the Government during the year 1982-83. The Overall payment of Rs. 189.61 crores to the Government during the year includes arrears of repayment of loan for Rs. 22.77 crores. The outstanding loan as on 31st March, 1983 stood at Rs. 1563.63 crores.

Working Results

The overall working results of your Company and of its Subsidiaries reveal a profit of Rs. 37.45 crores before adjusting the contribution to the Coal Price Regulation Account. However, the contribution to the CPR Account from CCL and WCL could not be fully drawn by ECL and BCCL due to short-fall in production in these two Units. The balance left in the CPR Account (Retention Price) is Rs. 42.79 crores and with this adjustment, the working results disclosed an overall loss of Rs. 5.34 crores. Details are given below :

(Rs. in crores)			
Company/Division	Profit/Loss during 1982-83*	Cumulative Profit/Loss Upto 31.3.1983	
CIL/NEC	(—) 1.96	(—)	117.37
ECL	(—) 55.32	(—)	508.07
BCCL	(—) 3.64	(—)	346.78
CCL	(+) 40.92	(+)	156.25
WCL	(+) 14.16	(—)	26.62
CEMPDIL	(+) 0.50	(+)	0.71
Total Profit/Loss	(—) 5.34	(—)	841.88

*Before Creating Investment allowance reserve.

Wage Negotiation

Negotiation for an agreement on the revision of wages was finalised and signed by the management and union representatives on 11th November, 1983. The agreement will be in force for a period of four years from 1st January, 1983. The impact of the upward revision of wages under NCWA-III will be around Rs. 250 crores in the current year as the arrear for the last three months of 82-83 has to be paid. The yearly impact of this revision will be around Rs. 200 crores excluding the usual increase in the wages due to increase in VDA, increment etc.

The revision of the wages of the executives of your Company and its Subsidiaries is also under the active consideration of the Government. It is hoped that a decision will be taken soon by the Government.

Coal Price

The Government asked Bureau of Industrial Costs and Prices to go into the details of the cost and price of coal. The BICP submitted its report to the Government. Your Company has approached the Government for appropriate revision of average price of ROM coal keeping in view the increase in the input cost and the revision of the wages of the Coal Workers. The Government has also been requested to take into consideration the return on investment made in the Coal Companies and the effect of retrospective revision of the wages as the coal price will be revised only from a prospective date. The coal price revision is under the active consideration of the Government. Your Directors feel that if the coal price is not revised suitably, your company and its Subsidiaries will incur losses during the year 1983-84 as with the present price it will not be possible to meet the increased cost as well as the impact of the wage revision.

Retention Price

As cost of production of different Subsidiaries varies due to geological and mining conditions and different technology employed the Government has introduced the retention price of coal from 1st April, 1982. Due to operation of the retention price an amount of Rs. 42.79 crores remain unutilised in the Coal Price Regulation Account. The balance available in the Account will be utilised in the year 1983-84 as the retention price is likely to remain operative for the year 1983-84 also after the coal price is revised.

Board of Directors

Shri R N SHARMA, Chairman of the Board of Directors retired on 31.3.1982, Dr. B L WADEHRA, CMD, CCL and Director, CIL acted as Chairman to the Board of Directors till Shri S R JAIN joined as Chairman on 22.11.1982. Shri S R JAIN relinquished the post of Chairman, Coal India on 26.7.1983 and Shri M S GUJRAL joined as Chairman, Coal India Limited.

Shri C R MUKHERJEE was appointed as Director (Finance) and Shri M JHA as Director (Technical). Both the appointments are whole-time assignment.

During the period since the last Annual General Meeting S/Shri S N SINGH, S NARAYAN, RAJENDRA SINGH, A VALLIAPPAN, R K SHARMA, T V LAKSHMANAN and K M AHMED were appointed

as Directors on the Board while S/Shri A RANGACHARI, S. SANTHANAM, D P GUPTA, A. VALLIAPPAN, Dr. K A KINI and Dr. S RAMESH retired from the Board.

During the year 1982-83, ten Meetings of the Board of Directors of the Company were held. In terms of Article 33 (d) (iii) of the Articles of Association of the Company S/Shri R G MAHENDRU, C S JHA, P K LAHIRI, L N LADDHA, S NARAYAN, RAJENDRA SINGH, S N SINGH, T V LAKSHMANAN, R K SHARMA and K M AHMED will retire at the 9th Annual General Meeting of the Company. The retiring Directors in terms of Article 33 (d)(iii) of the Articles of Association of the Company are entitled to be re-appointed in absence of any contrary direction from the Government.

Acknowledgement

Your Directors place on record their sincere appreciation for the contributions made by the employees at all levels in the Company and its Subsidiaries and are confident that the employees would continue to strive hard to improve the performance of the Company and its Subsidiaries in years to come.

Your Directors also wish to place on record their sincere appreciation for the support and guidance

received from the various departments of the Central Government, State Governments and other Agencies.

The Directors also wish to place on record their appreciation of the services rendered by the Statutory Auditors and Officers and staff of the Comptroller and Auditor General of India.

Addendum

The following papers are annexed :

- (i) The names and other particulars of the employees of the Company who were in receipt of remuneration of not less than Rs. 3000/- per month are stated in the annexure in compliance with the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975.
- (ii) The comments and review of the Comptroller and Auditor General of India.
- (iii) Replies to the observation made by the Statutory Auditors for the year 1982-83.
- (iv) Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956.

Dated
Calcutta, the 6th December, 1983.

For and on behalf of
Coal India Limited.
M S Gujral
Chairman

ADDENDUM TO DIRECTORS' REPORT

Statement Pursuant to Section 217 (2A) of the Companies Act, 1956.
read with the Companies (Particulars of Employees) Rules, 1975

Name	Designation	Remune- ration	Qualification	Date of commencement of employment	Last employ- ment held
2	3	4	5	6	7
(A) Employed Throughout the Financial year.					
Shri S K Bose	Adviser	45,776	I Sc., BE (Mining), 1st Class Colly. Managers' certificate of competency	7.7.80	Deptt. of Coal
Shri O Maheepathi	Adviser (P & IR)	42,651	MA, FL, DSW	1.12.80	Neyveli Lignite Corporation
Shri S Panchapakesan	Chief of Finance Division	46,343	IA & AS	24.3.79	Indian Audit & Accounts Service
Shri S P Mathur	Chief of Project Monitoring	51,055	B Sc. (Mining) 1st Class	10.6.81	WCL
Shri M N Jha	Supdt. Mines	49,832	B Sc. (Part) (Mines), AISM, 1st Class Managership certificate	1.7.73	AR & T Co. Ltd.
Shri S B Sahay	Chief of Vigilance	53,740	IPS	11.10.79	Bihar Govt. (On deputation)
Shri R Barua	GM (MD & T)	45,453	BA, Post Graduate Diploma in Management	3.3.75	GKW
Shri B Kanungo	GM (A)	45,302	BA (Economics)	9.8.76	BCCL
Shri A K Sinha	CFM	51,310	M Com., SAS, ACA	12.11.80	CCL
Shri K K Dutta	Addl CFM	40,810	B Com., AICWA	1.7.73	CCL
Shri Rana S J B Singh	Secy.	41,838	BA, BL, ACA, ACIS, ACS	1.8.79	BCCL
Shri T K Deb	Addl Chief Sales Manager	45,019	Mining Engineer, 1st Class Colliery Managers' Certificate	13.10.77	CCL
Shri P C Biswas	Dy CME	49,333	B Sc. (Mining), 1st Class Managers' certificate of competency	26.11.79	WCL
Shri S S Salodkar	Dy CME	41,654	B Sc., AISM, 1st Class certificate Mine Surveyors certificate of competency	7.11.79	BCCL
Shri P S Monoharan	Manager (Legal)	40,486	M Com., LLB, Dip. in Public Admn	5.12.80	BCCL
Shri J M Kapur	Addl CFM	37,974	B Com., ACA	26.5.76	ECL
Dr A Sarkar	Medical Supdt	41,755	MBBS, Dip. in Public Health	9.10.74	NCDC/CCL
Shri S N Bhatt	Area Manager (Tech)	53,150	BA, B Sc. (Mining) Wales, 1st Class, 1st Class Managership UK	1.7.73	AR & T Co. Ltd.
S S Pamar	Dy CME (GH)	47,998	B Sc. (Mining), AISM (Mining), 1st Class Managers' competency certificate	1.7.73	-do-
Shri R Bhaskaran	Dy CME (HQ)	43,462	B Sc. (Mining), AISM, 1st Class managership	1.7.73	-do-
Capt P Bose	Sr Pilot Officer	46,372	Inter Science	5.12.81	SAIL
Shri R N Misra	Chief of Corporate Planning Divn	42,874	B Sc. (M), AISM, 1st Colly. Manager's Certificate of Competency, Corporate Member of IIPM, Fellow of the Institute of Engineer (India), Dip. in Management Exam. of All India Management Association	2.6.80	BCCL
Shri I Gogoi	Addl Chief Engineer	46,584	1st Class Marine Engineer (MOT), Eng. FI Mar E (UK)	1.7.73	AR & T Co. Ltd.
Dr M C Khaund	Dy Medical Supdt	48,115	MBBS	1.7.73	-do-
Shri B Prasad	Supdt Mines	49,143	B Sc. (Hons.) Mining Engr. AISM, 1st Class Managership certificate	1.7.73	-do-
Shri M P Narayanan	Chief of Marketig Division	49,081	1st Class Colliery Managers' Certificate of Competency	1.8.75	NCDC Ltd.
Shri A N Banerjee	General Manager	41,950	B Sc. (Mining), AISM, 1st Class Mines Manager's Certificate	3.12.80	CEMPDIL

1	2	3	4	5	6	7
28	Shri H C Chakraborty	Addl Chief Project Manager	40,325	B Sc., B Chem, Engg. (H)	4.12.80	CEMPDIL
29	Shri S K Chowdhury	General Manager	54,402	B Sc. (Mines) (Hons), AISM.	11.7.81	BCCL
30	Shri A K Mehta	Supdt of Mines (Area Safety Officer)	43,742	FI Mines & (Engla)	1.8.73	AR & T Co. Ltd.
31	Shri P K Rama Rao	Supdt Engr (E & M)	43,810	B Sc. (Mines) (Hons). AISM & 1st Class Manager certificate	1.8.73	-do-
32	Dr D B Ghosh	Sr Medical Officer	42,781	B Tech (Elect)	1.8.73	-do-
33	Dr N C Kar	Sr Medical Officer	41,424	LMF	1.8.73	-do-
34	Dr M R Roy	Sr Medical Officer	40,838	MBBS	1.8.73	-do-
35	Dr A C Barthakur	Sr Medical Officer	38,599	MBBS	1.8.73	-do-
36	Dr B K Barneil	Specialist (Anaesthetist)	41,186	MBBS. PC/Degree/Diploma	17.1.75	-do-
37	Shri M S Rama Rao	Regional Manager	40,593	SSLC	1.8.73	NCDC/CCL
38	Shri A S R Murthy	Dy Chief Engineer	41,766	BE (Electrical)	1.7.73	NCDC/CCL
39	Shri S Banerjee	Supdt Mines	50,683	I Sc. BE. (Mining) & 1st Class Managership certificate	1.8.73	AR & T Co. Ltd.
40	Shri M C Bora	Mining Engineer/Colliery Manager	42,942	B Sc (Mines), 1st Class Managership certificate	1.8.73	-do-
41	Shr S K Samanta	Asstt Colly Manager	40,696	1st Class Managership Certificate	1.8.73	-do-
42	Shri R N Dewan	Mining Engineer/Colly Manager	39,542	B Sc. (Mines) 1st Class Managership certificate	1.8.73	-do-
43	Shri S K Sarkar	Mining Engr/Colly Manager	40,396	B Sc. Mines Surveyor's certificate, 1st Class Colly. Manager's certificate	21.2.77	-do-
44	Shri R C Bharadwaj	Supdt (Mines)	43,664	B Tech (Mines) & 1st Class Managership certificate	1.8.73	-do-
45	Shri Aravind Kumar	Mining Engr/Colly Manager	41,761	B. Sc., Mines 1st Class Managership certificate	1.8.73	-do-
46	Shri A R Sen	Dy CME	38,027	B Sc. (M), 1st Class	15.2.82	CCL
47	Shri S S Bhattacharjee	Dy CME	43,479	B Sc. (M), 1st Class	1.10.80	CCL
48	Shri S N Nandi	Dy CME	38,848	1st Class ME	23.2.82	WCL
49	Shri K C Mehrotra	Dy COV	38,859	B Sc., BE (Civil)	16.2.81	Govt of Bihar
50	Shri A K Sen	Supdt of Mines	40,487	B Sc. (Mining) 1st Class	16.4.82	CEMPDIL
51	Shri S G Shah	Dy CPM	40,561	MAS, LLB	1.11.76	WCL
52	Shri P P Agarwal	Dy CPM	40,575	B Sc. BA (Econ), DSW	1.11.76	Ministry of Labor
53	Shri S Mazumder	S E (E & M)	39,131	I Sc., Diploma in Mech. Eng	15.10.79	ECL
54	Shri N V R Menon	MM	38,419	BA	5.2.81	WCL
55	Shri A N Chatterjee	FM	37,267	B Com., AICWA	5.10.82	BCCL
56	Shri A R Ganapathi	FM	36,904	ACMA (UK)	13.9.76	Bertram-Scott (India) Ltd.
57	Shri M C Boral	Manager (GS)	37,351	I Sc	1.8.73	Lodna (1920) Ltd.
58	Shri P K Bagchi	Asstt MM	36,999	I Sc. Diploma in Mining, 2nd Class	1.8.73	-do-
59	Shri P B Datta	Dy Co Secy	36,261	B Com. FICWA, ACS, Chartered Secy.	2.4.82	BCCL
60	Shri S I Hassan	Dy Chief Sales Manager	39,684	B Sc	1.12.75	CCL
61	Shri Debal Mallick	Dy Chief Sales Manager	43,192	BA	17.6.80	ECL
62	Shri S K Guha Chowdhury	Dy Chief Sales Manager	39,274	B Sc. (Mining-Eng), 1st Class Mining Managership Certificate	1.6.79	Coal Controller
63	Shri D H Goswami	Dy CPM	38,484	BA, LLB	1.7.73	AR & T Co. Ltd.
64	Shri Rajkishore Saran	Dy CPM	40,164	B Sc. (49), DRTC (UKSI)	27.11.81	WCL
65	Shri Rajendra Singh	SM	36,978	Upto I Sc. 2nd Class Mines Manager's certificate of competency	June 81	CCL
66	Shri S M Sharma	Dy CSM WCL Desk	37,002	MA, Diploma in Marketing Management	21.8.80	RSM, CIL, Bombay
67	Shri A S Mehta	Dy CSM BCCL Desk	39,270	M Sc.	4.4.81	Investigation Cell Deptt. of Coal

(B) Employed Part of the Financial year (1982-83)

1	Shri S R Jain	Chairman	29,268	I Sc. 1st Class BE (Mech), 1st Class, FIE, MIIM	22.11.82	HEC. Ltd.
2	Shri C R Mukherjee	Director (F)	24,810	IA. & AS	11.11.82	Beas Sutlej Link Project

2	3	4	5	6	7
Shri Y P Puri	Adviser (System)	34,371	MA. (Eng. & Ecn), FIC & MAS (UK)	3.2.81	SAIL
Shri U K Raja Rao	Chief of Production, Safety & Project Division	17,789	J. Dip. MA, AICWA, ABIM Diploma in Mining, 1st Class Colliery Manager's Certificate of Competency	1.8.79	CCL
Dr A C Ray	Chief (Exec. Estt. & Admn)	7,525	IAS	5.1.81	Secy. to Assam Govt.
Shri Basudev Sen	Econometrecian	3,092	<i>M.A. Econo 1st class</i> M Com. PhD	1.4.77	New entrant
Shri P K Chattopadhyaya	Dy CME	29,015	1st Class ME	7.7.82	WCL
Shri S K Sinha	Dy CME	29,899	B Sc (M)	6.7.82	BCCL
Shri A K Chatterjee	GM (MM)	22,481	B Sc (M) 1st Class	5.10.82	CCL
Shri S K Singha	Dy Commandant	25,968	BA	3.7.82	Govt. of India (BSF)
Shri K R Upadhaya	Dy GM (Power)	34,230	B Sc., BE (Elect)	1.2.83	MP Electricity Board
Shri P Bhatt	Dy CPR	3,104	BA	31.1.83	CCL
Shri S Mukherjee	Dy CE (C)	34,929	B. Tech. 1st Class Civil Engr.	20.4.82	BCCL
Dr S Mukherjee	Supdt (Geo)	27,742	Doctorate in Geology	6.8.82	CEMPDIL
Shri P K Ghosh	Chief of (P & IR)	31,995	AIISM. AMIMIN (UK), 1st Class Colliery Manager's Certificate	12.9.75	ECL
Smt Anjali Sen	PRM	26,023	MA	18.3.74	New entrant
Shri A K Bhattacharjee	OSD	29,516	M Com, MA, LLB, AICWA, ACIS	3.11.76	BCCL
Shri S K Gupta	Dy Sales Manager	6,193	Mining Engineer	29.1.79	BCCL
Shri D Venkataraman	GM (P & IR)	26,336	BA., Dipl. Metallurgy condensed	11.6.81	BCCL
Shri S C Gupta	Chief Sales Manager	28,789	AIISM, 1st Class Mining Managership Certificate	June '82	ECL
Shri K N Chowdhury	Dy CME	16,826	1st Class Mining Managership Certificate	7.8.80	CCL
Shri B R Prasad	Executive Director	38,124	AIISM (Dhanbad) Dip. Post Graduate School of Mines (Sheffield) Certified Colliery Manager	3.9.82	BCCL

Comments of the Comptroller and Auditor General of India
under Section 619 (4) of the Companies Act, 1956 on the
Accounts of Coal India Limited for the year
ended 31st March, 1983.

(i) **Audit Comments**

Non-provision of shortages in stock of coal which were individually less than five percent in respect of North Eastern Coalfields.

Amount (Rs. in lakh)
0.61

(ii) **Non-provision for the impact of National Coal Wage Agreement-III for the period from 1.1.83 to 31.3.83 (Note No. 17 of Schedule 16).**

Amount (Rs. in lakh)
Not indicated in the Notes

(iii) **The Balance Sheet and Profit and Loss Account have also to be read in conjunction with the disclosures made in the Explanatory Notes forming part of the Accounts and qualification made in Auditors' Report to the Members, particularly the accounting shortcomings and deficiencies mentioned in paragraphs 1-Fixed Assets (b), (e), (h), Capital Work-in-progress (e), 2(a), (b), (d), (f), 15 and 19 of Notes on the Accounts (Schedule 16) and Paragraphs 3, 5 & 6 of Auditors' Report and Paragraph 3 and 9 of Annexure to the Auditors' Report.**

N. KRISHNAN KUTTY
Director of Commercial Audit (Coal)
Calcutta
Dated, Calcutta
The 31st October, 1983.

Management's Observations

Discrepancy between book stock balance and ground stock upto 5% is considered permissible since ground stock cannot be measured by direct weighing, the measurement is made by volume which is then expressed in tonnes by application of a conversion factor and there are chances of a reasonable percentage of error owing to coal lying on irregular ground whose contours are not explicitly known. This may cause difference in height of coal stock measured by the surveyor and the actual height of coal stock over the ground. Discrepancy upto 4% in respect of coal is similarly treated in Railway Dept. and upto 5% is treated similarly in Durgapur Steel Plant.

There was no general rule or order or special sanction authorising any payment under Wages Agreement-III when the Accounts were finalised. Even today (9.11.83), on the date of this reply there is no rule or order or sanction and even the Agreement has not been signed. Hence, the amount which is likely to be retrospectively payable from 1.1.83 to 31.3.83 was not included as a part of the Annual Accounts. The probability that the liability is likely to arise was indicated in a note to the Accounts.

Review of the Accounts of Coal India Limited for the year ended 31st March 1983 by the Comptroller & Auditor General of India.

I. Financial Position

The table below Summarises the Financial position of the company under the broad headings for the last 3 years :

Liabilities	(Rs. in lakhs)		
	1980-81	1981-82	1982-83
(a) Paid-up Capital (including amount due to Govt. of India to be adjusted against Issue of shares)	98,622.30	1,28,689.45	1,69,124.95
(b) Reserves & Surplus	1.50	1.50	8.31
(c) Borrowings :—			
(i) From Govt. of India	1,07,800.42	1,31,957.06	1,56,363.06
(ii) From Bank	—	21.57	79.88
(d) Trade dues and current Liabilities (including provision)	16,247.32	18,761.12	21,913.47
Total	2,22,671.54	2,79,430.70	3,47,489.67
Assets			
(e) Gross Block	973.37	1,625.54	2,282.83
(f) Less: Depreciation	203.56	292.84	436.70
(g) Net Fixed Assets	769.81	1,332.70	1,846.13
(h) Capital Work-in-progress	20.13	45.14	285.11
(i) Investment	41,163.04	53,875.85	1,19,979.35
(j) Current Assets, Loans & Advances (including amount due from Govt. of India for non-coking Coal Mines)	1,69,194.01	2,12,561.54	2,13,577.96
(k) Miscellaneous expenditure & Losses not written off:			
(i) Deferred Revenue Expenditure	32.81	74.51	63.76
(ii) Accumulated losses	11,491.74	11,540.96	11,737.36
Total	2,22,671.54	2,79,430.70	3,47,489.67
Capital Employed	1,53,716.50	1,95,133.12	1,93,510.61
Net Worth	87,099.25	1,17,075.48	1,57,332.13

Note : (1) Capital employed represents net fixed Assets plus working capital.

(2) Net worth represents paid-up-Capital plus Reserves & Surplus less intangible assets.

2. Capital Structure :

The debt-equity ratio of the company was 1.09:1 in 1980-81, 1.03:1 in 1981-82 and 0.92 : 1 in 1982-83.

3. Reserves & Surplus :

- (a) The Reserves & Surplus (Rs. 8.31 lakhs) amounted to 0.002% of total liabilities in 1982-83 as against 0.001% in 1981-82 and 0.001% in 1980-81.
- (b) 0.005% of equity capital (Rs. 1,69,124.95 lakhs) in 1982-83 as against 0.001% in 1981-82 and 0.002% in 1980-81.

4. Liquidity & Solvency :

- (a) The percentage of current assets to total net asset varied from 75.98 in 1980-81 to 76.07 in 1981-82 and 61.46 in 1982-83.
- (b) The percentage of current assets to current liabilities including provisions varied from 1041.37 in 1980-81 and 1132.99 in 1981-82 and 974.64 in 1982-83.
- (c) The percentage of quick assets (cash and bank balances, debtors and advances) to current liabilities (excluding provisions) varied from 5.99 in 1980-81 and 8.02 in 1981-82 and 16.44 in 1982-83.

5. Working Capital

Working capital (Current Assets, Loans & Advances less Trade dues and Current Liabilities and Provisions) of the company at the close of 3 years ending March, 1983 amounted to Rs. 1,52,946.69 lakhs in 1980-81, Rs. 1,93,800.42 lakhs in 1981-82 and Rs. 1,91,664.48 in 1982-83 and represented 2041.29 months, 2130.83 months and 636.66 months value of production at cost (excluding depreciation) during the above years respectively.

6. Sources & Uses of funds

Funds amounting to Rs. 150.66 lakhs from internal sources (depreciation, reserves & surplus and provision) and Rs. 68,052.16 lakhs from other sources were utilised during 1982-83 as shown below. :

Gross Fixed Assets
Capital work in progress
Investment (other than trade)
Current Assets Loans & Advances
Misc Expn. & Losses not Written off

(Rs. in lakhs)
657.2
239.9
66,103.5
1,016.4
185.6
68,202.3

Total

7. Working Results

	1980-81	1981-82
Profit/Loss as per account	(—) 174.52	(—) 49.22
Add : Development rebate reserve Investment Allowance shown above the line	—	—
Profit/Loss for the year	(—) 174.52	(—) 49.22
Add/deduct past period adjustment shown below the line	—	—
Loss before Tax	(—) 174.52	(—) 49.22
Tax Provision	—	—
Loss after Tax ; (—) indicates loss	(—) 174.52	(—) 49.22

The cumulative loss as on 31-3-83 amounted to Rs. 11737.36 lakhs as against the paid-up capital Rs. 169124.95 lakhs as on the same date.

(Rs. in lakhs)
1982-83

(—) 197

(—) 197

(+)

(—) 19

(—) 19

Cost Trend :

Table below indicates the percentage of cost of sales to sales during last three years :

	1980-81	1981-82	(Rs. in lakhs) 1982-83
Cost of Coal, Coke, Bricks etc.	774.66	1027.31	3223.29
Loss	174.52	49.22	197.87
Cost of Sales	949.18	1076.53	3421.16
Percentage of Cost of sales to sales	122.53	104.79	106.14

Notes : The figures of Sales mentioned above and subsequent paras 9 & 11 do not include the value of coal amounting to Rs. 18.71 lakhs, Rs. 24.99 lakhs and Rs. 32.31 lakhs consumed within the collieries and Issued to employees and also do not include the value of coal of Rs. 5.28 lakhs, Rs. 12.59 lakhs, and Rs. 20.09 lakhs respectively for Colliery consumption (charged to capital) during 1980-81, 1981-82 and 1982-83 respectively.

Production Performance :

Value of production during the last 3 years is worked out below :

	1980-81	1981-82	(Rs. in lakhs) 1982-83
Sales of coal & bricks etc.	774.66	1,027.31	3,223.29
Closing stock of coal bricks, etc. (including work-in-progress)	7.45	89.12	372.14
Opening stock of coal & bricks etc. (including work-in-progress)	3.37	7.45	89.12
Value of production (i+ii-iii)	778.74	1,108.98	3,506.31

The percentage of value of production to net worth fluctuated from 0.89 in 1980-81 to 0.95 in 1981-82 and 0.93 in 1982-83.

Percentage of value of production to total net assets varied from 0.35 in 1980-81 to 0.40 in 1981-82 and 1.01 in 1982-83.

D. Inventory & Production :

The table below indicates the comparative position of inventory and its distribution at the close of the last 3 years ended 31st March, 1983 :

	1980-81	1981-82	(Rs. in lakhs) 1982-83
Stores & spares	85.66	140.60	199.86
Stock of Coal, Bricks etc.	7.45	89.12	372.14

The stock of stores and spares was equivalent to 7.96 months' consumption in 1980-81, 10.20 months' consumption in 1981-82 and 12.95 months' consumption in 1982-83.

Stock of Coal, bricks etc. represented 0.12 months' Sales in 1980-81, 1.04 months' Sales in 1981-82 and 1.39 months' Sales in 1982-83.

11. Sundry Debtors & Turnover :

The following table indicates the value of book-debts and Sales for the last 3 years.

(Rs. in lakhs)

As on	Total book debts considered good	Total book debts considered doubtful	Total	Sales	Percentage of debtors to Sales
31-3-81	49.58	98.11	147.69	774.66	19.07
31.3.82	48.38	31.20	79.58	1,027.31	7.75
31.3.83	184.35	57.06	241.41	3,223.29	7.49

Sundry Debtors represented about 2.29 months' turnover in the year 1980-81, 0.93 months' turnover in 1981-82 and 0.90 months' turnover in 1982-83.

The following table indicates the details of debts outstanding for more than one year as on 31-3-83.

	Govt. Deptt.	Private Parties	Total
(i) Debts outstanding over one year but less than two years	1,66,505.89	44,708.25	2,11,214.14
(ii) Debts outstanding over two years but less than 3 years	1,66,015.06	34,505.43	2,00,520.49
(iii) Debts outstanding for 3 years and above	28,51,280.90	3,14,890.96	31,66,171.86
Total	31,83,801.85	3,94,104.64	35,77,906.49

Calcutta
The 31st October, 1983.

N. KRISHNAN KUTTY
Member, Audit Board & Ex-officio, Director of
Commercial Audit (Coal), Calcutta

AUDITORS' REPORT

OUR REPLY

transfer of the Cash Credit to the Subsidiaries is covered by the agreement. The Register of charges of the Company has not been modified accordingly. There is a contingent liability to the extent of the amount drawn by the Subsidiaries as at 31st MARCH 1983 against the facilities to the Company, the quantum of which has not been determined.

5. Liabilities for charges, expenses and statutory levies, if any, arising out of the transfer of assets and the liabilities on the basis of agreement for sale to the Subsidiaries have not been provided in the accounts. Conveyance Deeds, wherever necessary, have not yet been executed.

6. Actuarial liability for future payment of gratuity in respect of services of the employees has not been ascertained. Gratuity is charged on cash basis except in respect of retired employees in which cases provision has been made on an estimated basis. In few cases of retired employees no provision has been made.

7. Subject to Para-1 to 6 above, the notes appearing in the Notes on Accounts in Schedule-16 and further to our comments in annexure referred to in Para-2 above, we report that :

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion the books of Accounts as required by law have been kept, except in respect of purchase of coal at the Regional Offices in Calcutta, Lucknow and Bhopal as referred by Branch Auditors.

(c) The Balance Sheet and Profit & Loss Account referred to in this Report are in agreement with the books of Account.

(d) In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, the Balance Sheet and Profit and Loss Account subject to aforesaid and read with notes appearing under Schedule-4 of Fixed Assets and of Schedule-16 of Notes, give the information as required by the Companies Act, 1956,

As the coal mines were nationalised and taken over by the Government and transferred to CIL and its Subsidiaries, payment of duties under Transfer of Properties Act does not arise. However, the matter is under legal examination and Government has already been approached.

No comments.

Purchase Day Book in some of the Dumps in Calcutta, Lucknow and Bhopal as per the format prescribed by the management has not been maintained properly. Action has been taken for removal of deficiencies. However, total purchase of coal have been reconciled.

AUDITORS' REPORT

and is in the manner so required, and give a true and fair view.

In so far as it relates to the BALANCE SHEET of the state of affairs of the Company as at 31st MARCH 1983 and in so far as it relates to the PROFIT AND LOSS ACCOUNT of the loss of the Company for the year ended on that date.

For M. C. BHANDARI & CO.

Chartered Accountants

M. R. JAIN

Partner

Calcutta,

The 3rd October, 1983.

For and on behalf of
Coal India Limited
M S Gujral
Chairman

Annexure to the Auditors' Report

Referred to in Paragraph-2 of our Report of even date

1. The Company has maintained the proper Records to show full particulars of Fixed Assets including quantitative details and situation of Fixed Assets at the Regional Offices, Dankuni Coal Complex and Coal Marketing Organisation. In case of NEC no such records have been maintained. However, in case of Head-quarters such records as stated to us are under progress. As reported by the Branch Auditors physical verification of Fixed Assets have been carried out at Regional Offices, Dankuni Coal Complex and Coal Marketing Organisation. Discrepancies noticed at the time of verification were not significant, and the same has been dealt in the Accounts properly. In case of Headquarters and NEC no such physical verification was carried out by the management. As such, discrepancies, if any, were not ascertained and adjusted.

2. None of the Fixed Assets of the Company have been revalued during the year.

3. The Stock of Coal, Coke and Bricks have been physically verified by the management except at one old dump and three new dumps in the States of West Bengal and Orissa. The discrepancies as compared to the book entries were significant and the same has been properly dealt in the books of Accounts.

In case of stores material at NEC the Company is having a perpetual inventory system. During the year under review, a sizable portion of non-movable items were physically verified by the management, while the major portion of fast moving and slow moving items could not be covered and the procedure adopted for physical verification for stores and spares is in our opinion not adequate. However, reconciliation between bin card balances and store ledger balances as stated to us is under progress. The latter has been adopted for the purpose of valuation. Since the reconciliation of stores ledger balances with bin card balances is still under progress, significant discrepancies, if any, are not known at this stage. In our opinion more emphasis should be given on verification of fast moving items.

Valuation of Stock of Coal and Coke has been made at selling price. However, in case of Coal at Coal Dumps at CMO, where coal stock has been dealt

with for the first time, has been valued at weighted average cost. The valuation of stock is fair and proper and in accordance with normally accepted accounting principles except in case of stores and spares at NEC due to the reason stated in para-2b of Schedule-16, Notes on the Accounts.

4. The Company has not taken any loan secured or unsecured from the Companies, firms and other parties listed in the Register maintained under Section-301 of the Companies Act, 1956. It was stated that there was no party which required such listing in the Register maintained under Section 370(IC) of the Companies Act, 1956.

5. Financing in the nature of loan have been made to the Subsidiaries. Repayment of principal amount and interest have been made by book entries.

6. The Company has also given loans and advances in the nature of loans to the employees which are being recovered as stipulated together with interest, wherever applicable, except in few cases.

7. In our opinion internal control system for the purpose of stores, plant and machinery, equipments and other assets is commensurate with the size of the Company and nature of its business.

8. According to the information given to us and according to the test check carried out by us the Company has not purchased any stores, raw materials or components except coal and coke in excess of Rs.10,000/- in value for each type from its Subsidiaries.

As coal and coke are being purchased at notified price, the question whether prices are reasonable, does not arise.

9. As explained to us the Company has not determined unserviceable and damaged stores at NEC. As such no provision for the same has been made. As reported by the Branch Auditors, damaged goods at the coal dumps have been determined. As the value thereof being significant, provision has been made for the same. At the Dankuni Coal Complex there was no unserviceable and damaged stores.

10. The Company has not accepted any deposit within the meaning of Companies (Acceptance of Deposits) Rules, 1975.

11. In our opinion and according to the explanations given to us the Company has not maintained reasonable records for sale and disposal of scraps arising out of scrap of assets and/or stores. The Company has no bye-product.

12. The Company has an Internal Audit System, but in our opinion the same is not commensurate with its size and nature of its business.

13. The maintenance of cost records has not been prescribed by the Central Government under Section-209(1)(d) of the Companies Act, 1956.

14. According to the records maintained by the Company, in our opinion the company is generally regular in depositing the Provident Fund dues with the appropriate authorities. However in some cases there were some delay which is not abnormal. In few cases amount is still lying outstanding.

15. In respect of service activities of North Eastern Coalfields which renders services to its collieries, the Company does not have any system of job cards.

Calcutta,
The 3rd October, 1983

For M. C. BHANDARI & CO.
Chartered Accountants.
M. R. JAIN
Partner

Addendum to Directors' Report

Statement Pursuant to Section 212 (i) (e) of the Companies
Act, 1956 as at 31st March, 1983

Coal India Limited held the whole of the fully paid-up capital of the Subsidiary Companies of nominal value of Rs. 1000/- each, indicated in the table below including the equity shares held by nominees. The net profit earned/net loss incurred during the accounting year ended 31st March, 1983 and cumulative loss as on 31st March, 1983 in respect of Subsidiary Companies indicated below have not been dealt with or provided for in the Accounts for the year 1982-83 of Coal India Limited.

(Rs. in crores)

Name of Subsidiary Companies	Number of equity capital held by Coal India	No. of Shares held in nominees' name	Total paid-up value	Profit(+)/ Loss(—) during the year ended 31.3.83*	Profit(+)/ Loss(—) as on 31.3.83
ECL	3727397	3	372.7400	(—) 55.32	(—) 508.07
BCCL	3499997	3	350.0000	(—) 3.64	(—) 346.78
CCL	2588233	2	258.8235	(+) 40.92	(+) 156.25
WCL	2146897	3	214.6900	(+) 14.16	(—) 26.62
CEMPDIL	35397	3	3.5400	(+) 0.50	(+) 0.71

*Before creating Investment allowance, reserve.

For and on behalf of the Board of Directors

M. S. GUJRAL

Chairman

Calcutta,

Dated the 6th December, 1983

Balance Sheet as at

As at 31st
March, 1982
Rs.

30

LIMITED

31st March, 1983

ASSETS

As at 31st
March, 1982
Rs.

Rs.

Rs.

13,77,83,888	FIXED ASSETS (Schedule-4)		21,31,24,542
5,38,75,85,000	INVESTMENTS (Schedule-5)		11,99,79,35,000
	CURRENT ASSETS, LOANS & ADVANCES		
	A. Current Assets		
4,226	Interest accrued on Bank Deposit, etc.	—	
	Stock of Stores & Spares (net of provision of Rs. 3.56 lakhs for obsolete and unserviceable stores—Previous year Rs. 3.59 lakhs including Capital goods and Stores in transit at average cost/estimated price) [Note 2(a) to (e)],		
1,40,59,817	Schedule-16	1,99,85,520	
	Stock of Coal, Coke (including Stock in transit Rs. 5.07 lakhs and Rs. 16.34 lakhs from Development Project) [Note 2(a) to (e) Schedule-16] at cost/selling price	3,85,10,218	
1,04,24,594	Bricks at estimated cost [Note 2(a) to (e) Schedule-16]	3,11,267	
70,312	Work-in-progress		
7,58,111	Bricks and Workshop (at estimated cost)	3,46,802	
48,37,998	Sundry Debtors (Schedule-6)	1,84,35,262	
	Dues arising out of transfer of Assets & liabilities to Subsidiary Companies	1,11,75,52,329	
1,18,38,87,329	Cash & Bank Balances (Schedule-7) -	14,13,00,341	1,33,64,41,739
3,33,46,156			

6,77,27,57,431

Carried over

13,54,75,01,281

Balance Sheet as at

As at 31st
March, 1982
Rs.

M S GUJRAL
Chairman

31st March, 1983

ASSETS

As at 31st
March, 1982
Rs.

6,77,27,57,431

19,78,66,51,642
74,51,013

6,74,31,605
15,51,62,079

1,15,40,96,270

Brought forward

B. Loans & Advances

Advances (Schedule-8)

Advance Stripping of overburden Removal

Due from Govt. of India (Net)

For transactions on behalf of ex-owners of non-coking coal mines

For Subsidy towards interest on Non-plan loans

Profit & Loss Account

Debit balance as per annexed Account

Rs.

Rs.

13,54,75,01,281

19,79,87,41,110
63,75,795

6,74,50,564

15,51,62,079

22,26,12,643

1,17,37,36,446

27,94,35,50,040

TOTAL

34,74,89,67,275

CALCUTTA
Dated 3rd October, 1983

As per our separate report of even date
For M. C. Bhandari & Co.,
Chartered Accountants.
M. R. Jain
Partner

LIMITED

the Year Ended 31st March, 1983

For the year ended
31st March, 1982
Rs.

APEX
Rs.

N.E.C.
Rs.

TOTAL
Rs.

10,27,31,259	By Sale of Coal, Coke and Bricks, etc. (Net of Royalty, Cess, Excise Duty etc)	20,54,57,340	11,68,72,033	32,23,29,373
9,58,505	.. Colliery Consumption (per contra) (at selling price)	—	13,30,555	13,30,555
15,40,200	.. Free issue of coal (per Contra) (at selling price)	6,267	18,94,650	19,00,917
12,59,364	.. Colliery Consumption (Charged to Capital)	—	20,08,931	20,08,931
—	.. Shortage of Coal (per Contra)	41,88,697	34,243	42,22,940
89,11,691	.. Closing stock of Coal, Coke and Bricks etc. including Work-in-Progress and Stock in-Transit of Rs. 5,06,865	2,50,92,772	1,21,21,398	3,72,14,170
1,46,17,239	.. Other Receipts (Schedule-14)	1,42,06,501	17,60,728	1,59,67,229
69,60,444	.. Provision for bad and doubtful debts written back	—	—	—
5,51,10,922	.. Proportionate Expenditure transferred to Subsidiary Companies (including Rs. 4,21,288 for NEC per Contra)	6,80,71,814	—	6,80,71,814
—	.. Subsidy from Coal Price Regulation Account for Retention Price	—	3,09,677	3,09,677

19,20,89,624

TOTAL Carried Over

31,70,23,391

13,63,32,215

45,33,55,606

Profit & Loss Account for

For the year ended
31st March, 1982
Rs.

15,98,51,494

Brought forward

APEX
Rs.

29,27,69,054

N.E.C.
Rs.

13,37,03,333

TOTAL
Rs.

42,64,72,387

3,19,688

To Rates & Taxes

2,50,167

74,928

3,25,095

8,10,953

,, Insurance

8,16,530

2,43,877

10,60,407

40,92,548

,, Repairs & Maintenance (Schedule-11)

19,48,441

30,95,185

50,43,626

3,51,381

,, Legal Fees & Expenses

3,96,269

23,360

4,19,629

18,32,189

,, Maintenance of Vehicles

17,31,453

4,07,210

21,38,663

,, Auditors Remuneration:

50,000

As Audit Fees.

66,000

750

In other capacity

25,000

Reimbursement of expenses

33,000

99,000

99,000

73,78,231

,, Interest (Schedule-12)

—

68,78,302

68,78,302

1,80,04,799

,, Miscellaneous Expenses (Schedule-13)

1,63,82,313

19,63,921

1,83,46,234

65,15,435

,, Depreciation

4,44,326

85,65,646

90,09,972

2,88,000

,, Provision for bad and doubtful debts

21,72,284

7,34,597

29,06,881

69,60,444

,, Bad debts and doubtful advances written off

13,554

—

13,554

,, Provision for slowmoving, non-moving, and
obsolescence of stores & spares

—

7,554

7,554

3,53,981

,, Apex Administrative charges (per Contra)

—

4,21,288

4,21,288

20,68,34,893

TOTAL

31,70,23,391

15,61,19,201

47,31,42,592

1,14,91,74,285

To Loss brought forward from last year

99,51,15,118

15,89,81,152

1,15,40,96,270

1,47,45,269

,, Balance being net loss of the year brought
down

—

1,97,86,986

1,97,86,986

1,16,39,19,554

TOTAL

99,51,15,118

17,87,68,138

1,17,38,83,256

RANA S J B SINGH
Secretary

C R MUKHERJEE
Director
(Finance)

M S GUJRAL
Chairman

LIMITED

the Year Ended 31st March, 1983

For the year ended
31st March, 1982
Rs.

		APEX Rs.	N.E.C. Rs.	TOTAL Rs.
19,20,89,624	Brought forward	31,70,23,391	13,63,32,215	45,33,55,606
1,47,45,269	By Balance being net loss of the year carried down	—	1,97,86,986	1,97,86,986

<u>20,68,34,893</u>	TOTAL	<u>31,70,23,391</u>	<u>15,61,19,201</u>	<u>47,31,42,592</u>
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98,23,284	By Prior Period Adjustment (Schedule-15)	—	1,46,810	1,46,810
1,15,40,96,270	„ Balance transferred to Balance Sheet	99,51,15,118	17,86,21,328	1,17,37,36,446

<u>1,16,39,19,554</u>	TOTAL	<u>99,51,15,118</u>	<u>17,87,68,138</u>	<u>1,17,38,83,256</u>
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CALCUTTA
Dated the 3rd October, 1983

As per our separate report of even date.
For M.C. Bhandari & Co.
Chartered Accountants.
M R JAIN
Partner

COAL INDIA LIMITED

Schedule to Balance Sheet as at 31st March, 1983

SCHEDULE 1

AMOUNT DUE TO GOVERNMENT OF INDIA (TO BE ADJUSTED AGAINST ISSUE OF EQUITY SHARE)

As at 31st March, 1982 Rs.		Rs.	Rs.
61,10,00,000	Advance received from Govt. of India towards Equity		191,00,00,000
	Pending allotment of shares against transfer of shares for—		
10,13,201	BCCL	10,13,201	
(—) 334	CCL	2,33,40,171	
1,55,72,658	WCL	1,57,82,548	4,01,35,920
36,14,381	For consideration payable to Govt. of India for vesting of Mines (as per last Account)		36,14,381
7,09,76,635	For consideration payable to Govt. of India for balance as on 1.5.1973 taken over (as per last Account)	7,09,76,635	
(—) 3,47,81,855	Less : Pro-rate share of Loss	3,47,81,855	3,61,94,780
3,65,40,676	For Assets taken over from erstwhile Coal Board (as per last Account)	3,65,40,676	
(—) 3,65,40,000	Less : Share issued/adjusted in earlier years	3,65,40,000	676
5,94,739	Amount payable for Bharat Coking Coal Ltd.	5,94,739	
1,50,00,000	For Management Compensation	1,50,00,000	1,55,94,739
	For Advance payment made prior to 1.5.1973		
68,29,90,101	TOTAL		2,00,55,40,496

SCHEDULE 2

OTHER LIABILITIES

As at 31st March, 1982 Rs.		Rs.
10,01,485	Provident Fund	11,02,801
1,29,93,948	Advance from Customers and Others	1,18,72,072
2,92,309	Income Tax deducted at source	2,63,339
4,66,384	Sales Tax	4,23,255
6,227	Deductions under AECD Scheme	879
35,06,298	Others	1,97,26,509
1,82,66,651	TOTAL	3,33,88,855

COAL INDIA LIMITED

Schedule to Balance Sheet as at 31st March, 1983

SCHEDULE 3

DEPOSITS

As at 31st
March, 1982
Rs.

Rs.

1,34,53,182

Security Deposits

79,47,518

2,20,95,513

Other Deposits (including Rs. 1,82,97,450 pre-nationalisation
subsidy) (Refer Note No. 21 Schedule-16)

2,27,90,563

3,55,48,695

TOTAL

3,07,38,081

Schedule to Balance Sheet

FIXED

Sl.	Particulars of Assets	GROSS VALUE OF ASSETS			
		Total as on 1.4.1982	Additions during the year	Disposal/Adjustments during the year	Total as on 31.3.1983
		Rs.	Rs.	Rs.	Rs.
1.	Land	1,46,90,267	1,20,201	—	1,48,10,468
2.	Buildings, Roads, Culverts and Water Supply	1,05,56,086	65,57,385	—	1,71,13,471
3.	Railway Sidings	11,77,216	—	—	11,77,216
4.	Plant & Machinery	6,84,11,650	3,46,10,939	—	10,30,22,589
5.	Furniture/Fittings	59,05,440	30,01,878	(—) 2,820	89,04,498
6.	Development	5,28,16,583	2,66,47,747	—	7,94,64,330
7.	Prospecting & Borings	2,05,560	56,231	—	2,61,791
8.	Vehicles	17,45,816	5,96,236	—	23,42,052
9.	Heavy Vehicles (Air Craft)	8,50,000	—	—	8,50,000
10.	Diesel Generator	2,59,312	77,117	—	3,36,429
	TOTAL	15,66,17,930	7,16,67,734	(—) 2,820	22,82,82,844
	Capital Work-in-Progress	1,04,49,570	2,46,19,184	(—) 65,57,385	2,85,11,369
	GRAND TOTAL	16,70,67,500	9,62,86,918	(—) 65,60,205	25,67,94,213
	PREVIOUS YEAR				
	Capital Work-in-Progress	20,12,920	1,00,50,575	(—) 16,13,925	1,04,49,570
	Other Fixed Assets	9,73,36,464	6,11,57,916	(—) 18,76,450	15,66,17,930
	TOTAL	9,93,49,384	7,12,08,491	(—) 34,90,375	16,70,67,500

NOTES : 1. Total Depreciation for the year Rs.1,43,86,356 (Previous year— Rs.96,30,960) has been allocated as follows :—

	1982-83 Rs.	1981-82 Rs.
(i) Profit & Loss Account	90,09,972	65,15,435
(ii) Social Overhead	1,84,199	1,44,876
(iii) Development	15,20,505	13,17,331
(iv) Prior Period Adjustment (Net)	(—) 27,733	(+) 18,655
(v) Advance Stripping on Overburden Removal	36,99,413	16,25,658
(vi) Mowlong Shella Project	—	9,005
TOTAL	1,43,86,356	96,30,960

LIMITED

as at 31st March, 1983

SCHEDULE 4

ASSETS

DEPRECIATION				NET VALUE OF ASSETS	
Total as on 1.4.1982	Additions during the year	Transferred/Adjustments during the year	Total as on 31.3.1983	31.3.1983	31.3.1982
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
—	—	—	—	1,48,10,468	1,46,90,267
22,79,541	8,51,427	—	31,30,968	1,39,82,503	82,76,545
5,70,988	1,42,747	—	7,13,735	4,63,481	6,06,228
1,80,26,262	1,07,63,954	—	2,87,90,216	7,42,32,373	5,03,85,388
10,47,814	4,09,522	(—) 297	14,57,039	74,47,459	48,57,626
67,44,990	19,10,865	—	86,55,855	7,08,08,475	4,60,71,593
32,993	12,575	—	45,568	2,16,223	1,72,567
4,58,819	1,94,131	—	6,52,950	16,89,102	12,86,997
89,722	89,722	—	1,79,444	6,70,556	7,60,278
32,483	11,413	—	43,896	2,92,533	2,26,829
2,92,83,612	1,43,86,356	(—) 297	4,36,69,671	18,46,13,173	12,73,34,318
—	—	—	—	2,85,11,369	1,04,49,570
2,92,83,612	1,43,86,356	(—) 297	4,36,69,671	21,31,24,542	13,77,83,888
—	—	—	—	1,04,49,570	20,12,920
2,03,55,886	96,30,960	(—) 7,03,234	2,92,83,612	12,73,34,318	7,69,80,578
2,03,55,886	96,30,960	(—) 7,03,234	2,92,83,612	13,77,83,888	7,89,93,498

- Addition during the year under Development Account include net (—) Rs. 8 lakhs (Total expenses Rs. 1.15 crores minus Rs. 1.23 crores value of Production) in respect of one Open Cast Mine which is under development.
- Cost of Air Craft includes value of spares of Rs. 3.33 lakhs as estimated by the seller, on which, depreciation has been provided at the rate applicable to the Air Craft.
- No Depreciation on Development Expenses amounting to Rs. 3,84,46,938 (previous year Rs. 2,62,05,967) was charged as the Project has not yet been started.

COAL INDIA LIMITED

Schedule to Profit & Loss Account for the Year Ended 31st March, 1983

SCHEDULE 9

SOCIAL OVERHEAD

For the year ended
31st March, 1982
Rs.

Rs.

16,36,877	Salaries, Wages, Bonus and Allowances	19,08,062
7,57,068	Consumption of Stores & Spare parts	7,06,938
10,21,776	Repairs & Maintenance to Township, Hospital and others	5,86,664
8,05,837	Donation to Schools and Institution	3,71,428
1,00,635	Sports and Recreational grants	2,03,463
1,44,876	Depreciation	1,84,199
1,95,673	Power	2,93,917
7,54,960	Other benefits	7,30,561
—	Insurance	5,380
54,17,702		49,90,612
(—) 1,29,393	Less : Colliery Consumption	95,650
52,88,309	TOTAL	48,94,962

SCHEDULE 10

WORKMEN & STAFF WELFARE EXPENSES

For the year ended
31st March, 1982
Rs.

Rs.

9,342	Educational Allowance and expenses	5,501
2,46,009	Salaries, Wages, Bonus and Allowances	51,626
1,16,118	Uniforms	1,68,560
19,66,292	Reimbursement of Medical Expenses	23,02,197
43,26,187	Leave Travel	45,03,532
3,90,243	Canteen up-keep and Refreshment	4,87,968
3,65,430	Others	1,10,842
5,97,505	Hospital Expenses	7,81,239
—	Life Cover Schemes	2,32,772
80,17,126		86,44,237
29,456	Less : Canteen Recovery	38,491
11,792	Colliery Consumption	—
79,75,878	TOTAL	86,05,746

COAL INDIA LIMITED

Schedule to Profit & Loss Account for the Year Ended
31st March. 1983

SCHEDULE 11

REPAIRS

For the year ended
31st March, 1982
Rs.

Rs.

5,87,755
18,96,571
16,08,222

Factory/Office Buildings
Plant and Machinery
Others

10,14,046
20,76,828
19,52,752

40,92,548

TOTAL

50,43,626

SCHEDULE 12

INTEREST

For the year ended
31st March, 1982
Rs.

Rs.

1,46,37,02,302

Interest on long term loan from Government
Interest on Bank Overdraft

1,73,45,43,322

1,98,26,021
3,02,075

Apex
NEC

1,02,15,130
2,11,230

1,04,26,360

5,33,532

Interest on Subsidy

1,48,43,63,930

Less : Subsidy towards interest on Non-plan loan from
Government

1,74,49,69,682

58,07,58,268

58,07,58,268

90,36,05,662
89,34,99,411

Less : Interest distributed to Subsidiary Companies

1,16,42,11,414
1,14,64,06,358

1,01,06,251

1,78,05,056

27,28,020
68,44,699
5,33,532

Interest for :

Dankuni Coal Complex
North Eastern Coalfields
Apex

1,01,92,007
76,13,049

1,01,06,251

1,78,05,056

27,28,020

Less : Capitalised :

Dankuni Coal Complex
North Eastern Coalfields

1,01,92,007
7,34,747

1,09,26,754

73,78,231

TOTAL

68,78,302

COAL INDIA LIMITED

Schedule to Profit & Loss Account for the Year Ended
31st March, 1983

SCHEDULE 13

MISCELLANEOUS EXPENDITURE

For the year ended
31st March, 1982

Rs.

45,78,109
30,15,826
97,591
12,87,401
26,40,043
5,74,641
27,62,394
1,44,008
2,69,667
4,435
20,55,576
4,09,246
58,980
1,06,882
—
—
—
—
—

1,80,04,799

1,80,04,799

Travelling Expenses & Conveyance
Advertisement & Publicity
Bank Charges
Printing and Stationery
Postage, Telephone and Trunk Calls
Training fees and expenses
International Trade Fair
Rent on Office Equipment
Demurrage
Rescue and Safety expenses
Others
Accounting Charges
Analysis Charges
Books and Periodicals
Hire charges for Air Craft
Loss on sale of Fixed Assets
Quality Allowance
Stock Yard Rent

Less : Colliery Consumption

TOTAL

Rs.

58,80,513
44,15,982
51,621
12,95,608
29,45,053
8,34,308
—
1,82,449
98,466
1,01,055
18,51,294
1,90,747
2,230
1,03,030
2,30,930
2,081
89,384
72,810

1,83,47,561
1,327

1,83,46,234

COAL INDIA LIMITED

Schedule to Profit & Loss Account for the Year Ended
31st March, 1983

SCHEDULE 14

OTHER RECEIPTS

For the Year ended
31st March, 1982
Rs.

Rs.

26,778	Interest from :		
16,860	Bank on Fixed Deposit	Rs. 1,165	
	Employees on advances	Rs. 29,800	30,965
81,808			
1,74,780	Tender money		53,237
4,000	Rent from Houses and furniture		2,39,412
1,35,94,650	Subsidy		—
80,519	Service Charges		76,88,435
1,22,267	Postal Order etc., from applicants		99,963
6,141	Land Rent Assessment, Toll Collection etc.		1,35,542
1,21,169	Workshop credit external		7,502
1,11,601	Transportation, Bamboo Matting, Registration etc.		14,68,847
18,496	Miscellaneous Income, General Administration		76,583
—	Hire charges for Coal India Management Institute		—
2,24,796	Compensation for delay and breach of contract		59,50,106
33,374	Other Receipts		2,16,637
	Credit Balance of Customers (Written-back)		—
1,46,17,239	TOTAL		1,59,67,229

COAL INDIA LIMITED

Schedule to Profit & Loss Account for the Year Ended
31st March, 1983

SCHEDULE 15

SCHEDULE OF PRIOR PERIOD ADJUSTMENTS

For the year ended 31.3.82		Rs.	For the year ended 31.3.82		Rs.
Rs.		Rs.			Rs.
—	To Consumption of stores	5,42,182	2,08,876	By Sales	—
—	„ Salaries & Wages	1,67,838	40,461	„ Ex-gratia	2,24,250
—	„ Life Cover Scheme	55,000	9,24,739	„ Salary & Allowances	—
—	„ Gratuity & Pension	15,677	—	„ Interest	5,46,373
221	„ Canteen Up-keep	—	—	„ Grant to Workers	8,614
308	„ Medical Expenses	—	—	„ Training Expenses	1,173
4,424	„ L.T.C.—Staff	—	2,92,194	„ Repairs	34,410
5,830	„ Maintenance of Vehicles	49,332	—	„ Printing & Stationery	5,848
15	„ Books & Periodicals	3,456	12,52,737	„ Contribution to P.F.	—
3,23,846	„ Rent	1,02,477	4,00,338	„ Insurance	—
—	„ Hire Charges for Furniture	1,250	—	„ Postage & Telephone	55,417
—	„ Rent for Helicopter	3,33,122	—	„ Travelling Expenses	48,729
639	„ Rates & Taxes	1,000	6,833	„ Power & Fuel	—
—	„ Legal Expenses	1,30,000	4,46,698	„ Consumption of Stores	—
—	„ Insurance	18,873	—	„ Hire Charges for Air Craft	20,695
1,96,904	„ Training Expenses	—	7,99,874	„ Depreciation	27,733
2,65,742	„ Postage & Telephone	—	—	„ Excise Duty	12,325
65	„ Bank Charges	—	—	„ Demurrage	1,12,578
8,470	„ Printing & Stationery	—	—	„ Over Burden Removal	28,387
50,790	„ Travelling Expenses	—	54,25,503	„ Apex Office Charges	8,73,882
86,324	„ Advertisement	1,94,458	14,108	„ Professional Tax	—
—	„ Auditors Remuneration	4,294	2,250	„ Land Revenue	—
—	„ Accounting Charges	27,373	58,28,452	„ Others	—
—	„ Service Charges	1,04,269	—		
46,521	„ Maintenance of Generator	—	—		
15,370	„ Demurrage	—	—		
17,642	„ Maintenance of Railway Siding	—	—		
47,34,311	„ Interest	—	—		
100	„ Central Excise	—	—		
17,055	„ Subsidy	—	—		
45,202	„ Unlinked Suspense Written off	—	—		
—	„ Others	1,03,003	—		
98,23,284	„ Balance transferred to Profit & Loss Account	1,46,810	—		
1,56,43,063	TOTAL	20,00,414	1,56,43,063	TOTAL	20,00,414

COAL INDIA LIMITED

Notes on the Accounts for the Year Ended 31st March, 1983

(This forms part of the Balance Sheet as at 31st March, 1983 and the Profit & Loss Account for the year ended on that date).

1. Fixed Assets :

(a) Agreement for transfer of Assets and Liabilities to Central Mine Planning & Design Institute Limited on its formation as a Subsidiary of Coal India Limited as on 1.11.1975 has yet to be executed.

(b) Details and break-up of immovable properties vested with and owned by the Company under Coal Mines (Nationalisation) Act, 1973, are not available. Title deeds for the immovable properties acquired after 9th July, 1973 have not yet been executed in favour of the Company. Mutation of the same has not yet been done.

(c) For residential flats in Calcutta Rs. 21.87 lakhs Conveyance Deed have been executed and submitted to the Court for registration. Title Deeds for land at Salt Lake Rs. 3.27 lakhs, VIP Road/Ultadanga Rs. 113 lakhs and land for Dankuni Coal Complex Rs. 29.84 lakhs have not been executed in favour of the Company. The transactions have been charged to the respective heads of Fixed Assets.

(d) Assets transferred at the time of Nationalisation of Coal Mines from erstwhile owners amounting to Rs. 25.56 lakhs have been written off in earlier years as such not reflected in Accounts.

(e) Allocation between leasehold and free hold land and buildings thereon situated at NEC could not be made.

(f) Some old assets in use are located at some of the Regional Offices, value of which has not been ascertained, have been accounted for at a nominal value of Re. 1/- each. Some of the assets belonging to the Subsidiary Companies were used by the Regional Offices for which maintenance cost were borne by the Regional Offices.

(g) Land includes an amount of Rs. 29.84 lakhs which represents payments made to Government

of West Bengal on account of cost of land acquired at Dankuni Coal Complex and made over to the Company by the State Government. Since the final award of compensation is pending the liability, if any, on this account remain unascertained.

(h) Building includes cost of electrical fittings, water supply arrangement and sanitary fittings which are not bifurcated. Depreciation has been provided for at the rate prescribed for building and the under provision on this account could not be ascertained.

Capital Work in Progress :

(a) Development in mines besides capital expenditure includes expenditure of revenue nature incurred in connection with that and depreciation on various assets used as reduced by the realisation from the mines during the development period.

(b) The Dankuni Coal Complex being in the process of construction all establishment expenses and depreciation of assets in use (pre-operational expenses) have been grouped under Development Account.

(c) Advance Stripping of over burden removal :

A part of the expenditure incurred for overburden removal has been treated as advance stripping and balance of the same in case of developed mines has been charged to P/L account and in case of mines under development the same has been booked under capital work in progress for development of mines. By deducting from actual revenue expenditure instead of adjusting against respective heads of account as such itemwise figures of consumption of Stores, Salaries, Wages and Bonus, Power and Fuel, Interest etc. and (wherever applicable) chargeable to P/L Account have not been arrived at. As a result disclosure required to be made under part II of the schedule VI of Companies Act, 1956 has not been made.

(d) In the manual quarries the over burden to be removed on the coal exposed corresponding to the overburden removed is calculated on the basis of survey measurement. The charging of ratio is determined on the basis of Survey measurement. During the period under review the ratio adopted for the period April 1982 to Sept 1982 is 3 cubic metre per tonne and from Oct 1982 to March '83 is 4 cubic metre per tonne.

2. Current Assets :

(a) The stock of coal & bricks at NEC have been physically verified by the management at the end of the year. No significant discrepancies were noticed during course of such verification. In case of Stores and Spares items at NEC, Company is having perpetual inventory system. However, during the year under review a major portion of non-moving items were verified while in case of fast moving and slow moving items substantial portion left uncovered. During the course of such verification no significant discrepancy were noticed. Discrepancy noticed during the course of such verification have been dealt with accounts properly. Reconciliation between physical balance of Stores and Bin Card balances were made. However, reconciliation between stores ledger card and Bin card is under progress. Stores ledger balance has been taken as the basis for valuation.

(b) Valuation of Inventory :

Valuation of Stores at NEC has been made in some cases at estimated price and in some cases at last purchase price and in other cases at average cost.

(c) Slow/non-moving stores items have not been determined separately. However, as per practice, items not moved for more than three years are treated as non moving items.

(d) Stores lying at Hqrs have been valued at cost. However, no physical verification at the end of the year has been carried out. As such, discrepancy, if any, could not be determined. Stores account is not maintained.

(e) The closing stock of coal and coke in various Dumps were physically measured by the management except one old Dump and three new Dumps in West Bengal and Orissa. The closing stock of coal and coke in respect of one Dump operated departmentally,

variance between book stock and measured stock beyond 5% has been treated as shortages. While in respect of 13 Dumps in West Bengal where the contract with Dump Operators provides that if the shortages between the measured stock and book stock beyond 4.4% on stock handled by them the same will be recoverable from the Dump Operators and this 4.4% shortages will be borne by the Company. And for the remaining Dumps any difference between book stock and measured stock will be recoverable from the Dump Operators. According to above total shortages on account of coal was 1504.840 Mts valued Rs 4.48 lakhs and in respect of coke it was 12,444.003 Mts valued Rs 36.79 lakhs have been adjusted in the account as shortages. Stock of coal and coke have been valued at weighted average principle considering the elements of purchase price, transportation and unloading charges wherever applicable, which is less than selling price. Soft coke dust have been valued at 50% of the selling price. Rejects comprising stone and shale of 3,529 Mts valuing Rs 10.32 lakhs accumulated since inception at stockyards has been excluded from stock. Further, allowable shortages on account of transportation during the year was 316.215 Mts valuing Rs 61,993 have been adjusted in the account. A sum of Rs 52.66 lakhs representing shortages of 17,126 tonnes on stock of coal and coke as on 31.3.82 lying in various Dumps in West Bengal recoverable from ECL have been adjusted in the accounts.

(f) In some cases credit balances of Sundry Debtors could not be linked and adjusted. Such balances have been grouped under "Other Liabilities".

3. Loans & Advances :

Buildings constructed under Coal Mines Welfare Organisation are treated as an item of Fixed Assets of the Company and depreciation is charged at the rate applicable to the building and subsidy received there against, has been credited to Capital Reserve.

4. Due from Government of India (net) Owners' Account :

Confirmation of balances in the above account is awaited.

5. Current Liabilities :

(a) In some cases liabilities have been estimated and accounted for on the basis of available unpaid bills/records.

(b) Pending final assessment for Royalty, Cess, Sales Tax and other taxes additional liability, if any, could not be provided for as the amount could not be ascertained.

6. Bank Overdrafts :

As all the assets and liabilities of the four erstwhile Divisions have been transferred to the subsidiaries in 1975-76, the Company's Bank Overdraft Accounts of the relative Divisions and the corresponding Bank Overdraft balances as on 1.11.1975 were also transferred to the Subsidiaries. The Company retained the balance in Bank Overdraft Account corresponding to the portion of credit facilities used by it. As a result of the transfer of the assets and liabilities to the Subsidiaries, the balance of Overdraft retained by the Company has become technically unsecured. However, according to the interim arrangement with the Bank their advances to the Company as well as to the Subsidiaries are secured against stock of Coal, Coke and other materials, Stores and Spares and Book debts of the Company and some of its Subsidiaries collectively.

7. Purchase consideration :

Adjustment regarding Coal Board Assets transferred to Subsidiaries during the year 1975-76 have been carried out during the year which resulted reduction in purchase consideration with the corresponding increase in current account balance.

8. Reserves & Surpluses :

Capital Reserve : Subsidy amounting to Rs 6.80 lakhs received till the end of the year from Coal Mines Labour Welfare Organisation has been classified as Capital Reserve. Subsidy amounting to Rs 4.80 lakhs received upto previous years grouped in other head of account has been regrouped in current year.

9. Loans & Advances :

Loans and Advances appearing in the Trial Balance of Dankuni Coal Complex include Rs 8.29 lakhs representing payments made to the Public Works Department, Govt of West Bengal for repairs/construction of P W D link road to the Complex site. The amount is recoverable.

10. Though Letters of Confirmation have been issued to Parties/employees for confirmation of the balances appearing in Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors but in most of the cases parties, confirmation have not been received.

11. Capital Commitment :

Estimated amount of contracts remaining to be executed on capital account not provided for amounts to Rs 8,446.84 lakhs (previous year Rs 8,551.34 lakhs).

12. Contingent Liabilities :

For claims against the Company not acknowledged as debts.

(a) Suits against the Company for Rs 338.34 lakhs, (including Rs 3.11 lakhs relating to assets transferred to CCL). Amount in respect of compensation claim against the Company could not be ascertained.

(b) BCCL's two overdraft accounts of Rs 2,100 lakhs and Rs 200 lakhs and CMPDIL's overdraft account of Rs 25 lakhs guaranteed by the Company.

(c) For contracts entered into with Machinexport, Moscow for import of equipment of Subsidiary Companies on deferred payment terms basis including exchange rate variation.

(d) Certain disputes with the employees under adjudication or settlement for which the amount could not be ascertained.

(e) Royalty and dead rent claims made by the State Government in respect of running, closed and not taken over mines amounting to Rs 11.31 lakhs.

13. Claims amounting to Rs 8.82 lakhs preferred against a State Government towards Royalty, Cess and Sales Tax have not been accounted for.

14. Others :

(a) In certain cases repairs and maintenance represent only stores consumption. Salaries & Wages and other expenses have been charged to the respective heads of accounts.

(b) No adjustments have been made in respect of rent payable/receivable for the building of Central Coalfields Ltd. occupied by the Company/rented premises of the Company occupied by Central Coalfields Limited respectively.

(c) The following expenses/incomes have been accounted for on cash basis :

(i) Expenses—

Leave travel, Underloading charges, Pension, Workmen's compensation.

(ii) Incomes—

Sale of scraps, Interest on loans from employees, Electricity and Vehicle charges, Service charges.

15. In some cases customer-wise/supplier-wise ledger balances could not be reconciled with control accounts.

16. In accordance with the decision of the Government to treat non-plan loans as interest-free by grant of corresponding amount as subsidy an amount aggregating to Rs. 58.08 crores comprising of interest accrued and due (Rs 42.56 crores) and interest accrued but not due (Rs 15.52 crores) have been taken credit of in the account.

17. No provision has been made for the impact of NCWA-III for the period 1.1.1983 to 31.3.1983 as the final agreement with the different Trade Unions has not yet been concluded, amount is not ascertainable at this stage.

18. The allocation of interest on loans payable to the Govt. including Bank Overdraft has been allocated taking into account the total investment (by way of equity & loan) at the end of the year in each of the Subsidiary Companies arriving at the loan content thereof on the basis of 1:1 Debt Equity ratio and allocating the total accrued interest liability in proportion to the loan content after adjusting the credit received on non-plans by way of subsidy in the ratio of cumulative losses of the Subsidiary Companies at the beginning of the year. The impact of overcharging or undercharging of interest to the Subsidiaries as a result of the change in method of apportionment could not be ascertained.

19. No provision has been made on account of penal interest on the amount of interest on non-plan loans accrued but not due for payment upto 31.3.1979, as the Govt. agreed in principle to treat the outstanding balance on non-plan loans as on 1st April 1979 as non-interest bearing. In accordance with this decision Govt. had sanctioned subsidy equal to the amount of interest falling due with effect from 1.4.1979 on cash basis but the Company following the principle of commercial accounting made provision for interest on accrual basis. The Company has already approached the Govt. for issue of sanction for subsidy against interest on non-plan loans accrued but not due for payment upto 31.3.1979 and the sanction of the Govt. is awaited.

20. Previous years figures have been re-grouped wherever necessary.

21. An amount of Rs 8.58 crores received (Rs 2.79 crores before nationalisation and Rs 5.79 crores after nationalisation) from the Coal Board/Govt. of India towards subsidy and remained unadjusted upto March, 1981 due to non-availability of full particulars; out of which Rs 6.75 crores have been adjusted on receipt of particulars from Coal Board/Govt. of India leaving a balance of Rs 1.83 crores which is included under the head 'Deposit in Current Liabilities' pending further orders from the Govt.

22. Govt. of India, Ministry of Energy, Deptt. of Coal vide their letter No. 48019(1)/82-CA dated 22nd March 1983 conveyed sanction for increasing the authorised capital of Coal India Limited from Rs 1,500 crores to Rs 2,000 crores. This increase of authorised Capital has been approved by the Company in an Extra Ordinary Meeting held on 13th April 1983.

23. Debit entries on account of free issue of coal amounting to Rs 6,267 have been reflected in the accounts under donation Rs 3,938 and canteen up keep and refreshment Rs 2,329.

24. During the year under review the method of accounting of service charges have been changed to cash basis instead of accrual basis. The effect of such change could not be ascertained.

25. Loans & Advances includes Rs 143.43 lakhs pending allocation to Subsidiary Companies.

26. Due to different method followed for valuation of closing inventory of stores, figures of consumption of stores & spares as well as closing stock has been over-stated/under-stated in some cases. The effect of the same is not ascertainable.

27. Provision for ex-gratia has been made in the accounts on an estimated basis.

28. Certain amount on account of salary & wages and bonus, power & fuel, consumption of stores & spares and interest have been booked in over-burden removal cost initially instead of direct heads of accounts separately.

29. Purchase value of coal and coke includes Rs 1.92 crores being the value of 1,09,432 Mts computed at the notified prices and statutory levies for which suppliers, bills have not been received.

30. The Govt. of India, Ministry of Energy, Deptt. of Coal, New Delhi, vide No. 28012(3)/81-CA dated 5th March, 1983 has introduced Retention price Scheme and conveyed the sanction of the Central Govt. to the Retention prices for raw coal produced and sold by the different Subsidiary Companies of Coal India Ltd. and for the NEC owned by Coal India Ltd. Coal India Ltd. is authorised to operate the Coal Price Regulation Account on behalf of the Govt. and will maintain the required set of Commercial

books of accounts such as Cash Book, Journals, Ledgers etc. for the purpose of Audit.

A sum of Rs 3.10 lakhs has been adjusted in the accounts of NEC on account of Retention Price as per Scheme for the Maintenance and Operation of the Coal Price Regulation Account as approved by the Government.

31. Claim cases in respect of transactions on behalf of ex-owners of non-coking coal mines which had been submitted to the Commissioner of Payments, against which some claim cases amounting to Rs 37.63 lakhs have been rejected by the Commissioner of Payments against which appeals have been filed.

32. Consequent upon the observations made by the Comptroller and Auditor General of India during the course of audit under Sec. 619(4) of the Companies Act, 1956 on the accounts of the Company for the year ended 31st March 1983, certain changes have been made in the accounts to rectify the mistakes in non-accountal of drafts-in-hand (Rs 85,660/-), wrong allocation of drafts-in-hand as remittances-in-transit (Rs 1,91,593/-) and double accountal of cash and bank balances (Rs 25,378/-). Accordingly, necessary corrections have been made in the corresponding Schedules and Balance Sheet. Item No. 31 has been included afresh and certain additions/amendments have been made in the Item No. 2(e) and 30 of Schedule 16 and also in Schedule 3.

33. Directors Remuneration :

		1982-83	+	1981-82
		Rs.		Rs.
(i)	Salaries	45,237		71,094
	Company's contribution to Provident Fund & other funds	1,968		13,793
	Medical Benefits	698		3,058
	Perquisites	6,175		12,194
(ii)	Particulars of employees who are in receipt of not less than Rs. 36,000 per annum or Rs. 3,000 per month, when employed for a part of the year :			
		Employed through out the year		Employed for part of the year
		82-83	81-82	82-83 81-82
(i)	Number of employees	67	34	22 28
(ii)	Salaries, Allowance etc.	Rs. 26,83,450	14,13,958	4,73,882 4,52,463
(iii)	Contribution to Provident Fund	Rs. 1,85,203	1,02,706	31,217 31,848

The information required in Paragraphs 3 & 4 of Part (ii) of the Schedule (VI) of Companies Act, 1956, 3(b) value of imports on C I F basis :

Imported :	1982-83 Rs.	1981-82 Rs.
(i) Raw Materials	—	—
(ii) Capital goods	—	—
(iii) Stores, Spares & Components	90,048	—

Expenditure incurred in Foreign Currency on account of :

(i) Know how	—	—
(ii) Interest	—	—
(iii) Exchange variation	—	—
(iv) Commission to Foreign Agents	—	—
(v) Training expenses and payment to Foreign Technicians	46,351	1,21,889

Earning in Foreign Exchange on account of :

(i) Export of Goods (Calculated on FOB Basis)	—	—
(ii) Exchange variation	—	—
(iii) Miscellaneous	—	—

Capacity, Production, Sales and Stock :

(a) Installed capacity	NA	NA
(b) Licensed capacity	NA	NA
(c) Estimated material consumption	5,798	—

Part—I

	Opening Stock				Production	
	1982-83		1981-82		1982-83	1981-82
	Qty.	Value	Qty.	Value	'000 MT	'000 MT
	'000 MT	Rs./Lakhs	'000 MT	Rs./Lakhs		
Coal (Run-of-Mine & Hand Picked)	67.21 (10.45)	104.24 (16.20)	4	6.00	710.11 (67.98)	703 (10.45)
Bricks :						
Class I ('000)	126	1.08	403	1.22	5335	3695
Class II ('000)	29		3		176	201
Arch Bricks ('000)	22		33		44	129
Broken Bricks (Cu.m.)	12		59		86	1
Green ('000)	160		160		—	—

	Turnover				Closing Stock			
	1982-83		1981-82		1982-83		1981-82	
	Qty. '000 MT	Value Rs./ Lakhs	Qty. '000 MT	Value Rs./ Lakhs	Qty. '000 MT		Qty. '000 MT	
Coal (Run-of-Mine & Hand Picked)	702.17 (58.85)	1305.91 (107.08)	640	1034.70	74.95 (9.12)	134.17 (16.34)	67 (10.45)	104.25 (16.20)
Bricks :								
Class-I ('000)	4789		3972	—	672	—	126	—
Class-II ('000)	204		175	—	1	—	29	—
Arch Bricks ('000)	39	22.23	140	14.79	28	3.11	22	1.08
Broken Bricks (Cu. m)	81		—	—	0.56	—	12	—
Green ('000)	—		—	—	—	—	160	—

(Figures in brackets represent for development projects included in the stock, production, turnover, etc.). Turnover quantity and value includes colliery consumption and free issue of coal for which separate figure could not be provided.

Part—II

Other Trading Activities

	Purchase of Coal				Sales			
	1982-83		1981-82		1982-83		1981-82	
	Qty. '000 MT	Value Rs./ Lakhs	Qty. '000 MT	Value Rs./ Lakhs	Qty. '000 MT	Value Rs./ Lakhs	Qty. '000 MT	Value Rs./ Lakhs
Coal Coke	338	625	—	—	292	1016	—	—
	419	792	—	—	323	1039	—	—
	757	1417			615	2055		

Closing Stock (includes fines)

	1982-83		1981-82	
	Qty '000 MT	Value Rs./ Lakhs	Qty '000 MT	Value Rs./ Lakhs
	37	125	—	—
Coal Coke	57	126	—	—
	—	—	—	—
	94	251		

Value of Raw Materials, etc., Stores, Spares and Components consumed during the period :

	(Rs. in lakhs)			
	Raw Materials	Percentage	Stores, Spares & Components	Percentage
Imported	—	—	—	—
Indigenous	—	—	192	100
TOTAL			192	100

Signatures to
Schedule 1 to 16

RANA S J B SINGH
Secretary

C R MUKHERJEE
Director (Finance)

M S GUJRAL
Chairman

As per our separate report of even date.

For M C BHANDARI & CO.
Chartered Accountants
M R JAIN
Partner

Dated, Calcutta
the 3rd October, 1983