

**annual report  
and accounts  
1983-84**



**Coal India Limited**

**ANNUAL REPORT**  
**1983 - 84**

**COAL INDIA LIMITED**  
10, NETAJI SUBHAS ROAD  
CALCUTTA - 700 001

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## Management During 1983-84

<b>Chairman</b>	: Shri S R Jain	— Upto 26.7.83
	Shri M S Gujral	— From 26.7.83
<b>Functional Director</b>	: Shri C R Mukherjee	— (Finance)
	Shri M Jha	— (Technical) from 1.6.83
<b>Directors</b>	: Shri C S Jha	— Chairman-cum-Managing Director, Bharat Coking Coal Limited, Upto 31.1.84
	Shri Rajendra Singh	— Chairman-cum-Managing Director, Central Coalfields Limited, from 1.6.83
	Shri D P Gupta	— Chairman-cum-Managing Director, Western Coalfields Limited, upto 30.4.83
	Shri T V Lakshmanan	— Chairman-cum-Managing Director, Western Coalfields Limited, from 1.10.83
	Shri R G Mahendru	— Chairman-cum-Managing Director, Central Mine Planning & Design Institute Ltd.
	Shri S N Singh	— Chairman-cum-Managing Director, Eastern Coalfields Limited
	Shri A Rangachari	— Upto 2.5.83
	Shri S Ramesh	— Upto 18.8.83
	Shri L N Laddha	— Upto 1.3.84
	Shri P K Lahiri	
	Shri A Valliappan	— Upto 9.11.83
	Shri S Narayan	— From 13.5.83
	Shri R K Sharma	
	Shri K A Ahmed	— From 9.11.83 to 20.3.84

## Present Management

<b>Chairman</b>	: Shri M S Gujral	
<b>Functional Directors</b>	: Shri C R Mukherjee Shri M Jha Shri R K Gupta	— Finance — Technical — Personnel & Industrial Relation
<b>Directors</b>	: Shri R G Mahendru  Shri S N Singh  Shri B R Prasad  Shri N R Mitra  Shri T V Lakshmanan  Shri P N Abbi Shri P K Lahiri Shri R K Sharma Shri J C Lynn Shri G P Rao	— Chairman-cum-Managing Director, Central Mine Planning & Design Institute Ltd. — Chairman-cum-Managing Director, Eastern Coalfields Limited — Chairman-cum-Managing Director, Central Coalfields Limited, — Chairman-cum-Managing Director, Bharat Coking Coal Limited — Chairman-cum-Managing Director, Western Coalfields Limited
<b>Division Heads</b>	: Shri S K Bose Shri R N Mishra Shri R A Singh Shri S S Salodkar Shri M Singh Shri I P Wadhawan Shri A V Brahma Shri K Kumar Shri G R Bhandari Shri C R Das Shri S K Ghosh	— Addl. Director (Equipment & Engineering) — Chief of Corporate Planning — Chief of Finance — GM, Production, Safety & Project Division — Chief of Vigilence — Chief of Marketing — Chief of Industrial Relation — Chief of Medical Service — General Manager (Personnel) — General Manager, Project Monitoring — General Manager, Materials Management
<b>Secretary</b>	: Shri Rana S J B Singh	
<b>Dy Secretary</b>	: Shri P B Datta	

## Bankers

State Bank of India  
Central Bank of India  
Canara Bank

Punjab National Bank  
Union Bank of India  
Indian Bank

United Bank of India  
Syndicate 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, First 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,  
New Nelhi 110 009.

## Notice

NOTICE is hereby given to all Shareholders of Coal India Limited that the Tenth Annual General Meeting of the Company will be held on 28th December, 1984, at 15.00 hours at the Registered Office of the Company at "Coal Bhawan", 10, Netaji Subhas Road, Calcutta 700 001 to transact the following business :

1. To receive, consider and adopt the Report of the Board of Directors for the year 1983-84.
2. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1984.
3. To receive, consider and adopt the Accounts of the Company for the year ended 31st March, 1984.
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 S N Singh who retires in terms of Articles 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 P N Abbi 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 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.
9. To appoint a Director in place of Shri R K Sharma who retires in terms of Articles 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 J C Lynn 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 Shri B R Prasad, a Director as per President's directive in term of Article 33(i)(a) of the Articles of Association of the Company.
12. To appoint Shri N R Mitra, a Director as per President's directive in term of Article 33(i)(a) of the Articles of Association of the Company.
13. To appoint Shri G P Rao, a Director as per President's directive in term of Article 33(i)(a) of the Articles of Association of the Company.
14. To consider and if thought fit, to pass with or without modification/s the following resolution as a special resolution :
  - (A) "RESOLVED that the Authorised Share Capital of the Company be and is hereby increased to Rs 3,000 crores from Rs 2000 crores divided into 300000000 (three crores) equity shares of Rupees 1000/- each (Rupees one thousand each)."
  - (B) "RESOLVED that clause V para 1 of the Memorandum of Association of the Company be altered/modified to read as :  
The share capital of the Company is Rs 3000 crores divided into 300000000 equity shares of Rs 1000/- each."
  - (C) "RESOLVED that Article 5 of the Articles of Association of the Company be altered/modified to read as :  
The share capital of the Company is Rs 3000 crores (Rupees three thousand crores) divided into three crores equity shares of Rupees one thousand each."

Rana S J B Singh  
Secretary

Dated the 18th December, 1984

**Registered Office**  
'Coal Bhawan'  
10, Netaji Subhas Road  
Calcutta 700 001

**NB :** 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.



**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES  
ACT 1956 ON THE ITEMS OF NOTICE**

**For Items No. 12(a), (b) & (c) (Special Resolution)**

The proposal to increase the authorised capital of the Company from Rs 2000 crores to Rs 3000 crores was approved by the Board of Directors of Coal India Limited at the 63rd Meeting held on 27th September, 1984.

In terms of Article 14 of the Articles of Association of the Company the proposal on being approved by the Board was submitted to Government of India for approval of the President of India. The Government of India, Ministry of Energy, Department of Coal vide their letter No. 48019/1/82-CA dated 23rd June, 1984 has conveyed the sanction of the President of India for enhancement of the Authorised capital of Coal India Limited from the present level of Rs 2000 crores to Rs 3000 crores.

The proposal for alteration of the Authorised share capital of the company and necessary alteration/modification of the memorandum and Articles of Association of the Company arising thereto is placed before the said Annual General Meeting as a special business to be adopted and passed as a special resolution with or without modification.



# Report of the Board of Directors for 1983-84

To  
The Shareholders,  
Coal India Limited

Gentlemen,

The Directors of your Company have the pleasure in presenting the 11th Annual Report on the working of the Company together with the Audited Statement of Accounts for the year ended 31st March, 1984, 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. :

- Eastern Coalfields Limited ;
- Bharat Coking Coal Limited ;
- Central Coalfields Limited ;
- Western Coalfields Limited ; and
- Central Mine Planning & Design Institute Ltd.

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 year 1983-84 was marked by record level of production of 121.41 mt. The annual growth rate during 1983-84 over 1982-83 was 6.4%. CCL, WCL and NEC had an impressive performance of exceeding their targets for the year 1983-84. BCCL and ECL, however, could not achieve the targets because of severe constraints prevailing in their command area, including shortfall in the supply of power from DVC/ State Electricity Boards and heavy absenteeism. Subsidiary/Divisionwise performance for Raw Coal, coking coal, and non-coking coal for the year 1983-84 compared with 1982-83 are indicated below :

Subsidiary/ Division	Raw Coal Production (Figures in Million Tonnes)		% increase/ decrease
	1982-83	1983-84	
ECL	22.58	22.87	(+) 0.8
BCCL	23.41	21.63	(-) 7.6
CCL	32.99	36.75	(+) 11.1
WCL	34.27	39.36	(+) 14.9
NEC	0.71	0.80	(+) 12.7
<b>TOTAL</b>	<b>114.06</b>	<b>121.41</b>	<b>(+) 6.4</b>

(Figures in Million Tonnes)

Subsidiary Division	Coking Coal*		% increase/ decrease
	1982-83	1983-84	
ECL	1.66	1.51	(-) 7.4
BCCL	19.60	17.50	(-) 10.7
CCL	11.93	12.64	(+) 6.0
WCL	1.03	0.80	(-) 22.3
NEC	—	—	—
<b>TOTAL</b>	<b>34.22</b>	<b>32.45</b>	<b>(-) 5.2</b>

\* Also includes coal declared as coking but are used for non-metallurgical purposes.

(Figures in Million Tonnes)

Subsidiary/ Division	Non-coking Coal		% increase/ decrease
	1982-83	1983-84	
ECL	21.02	21.36	(+) 1.5
BCCL	3.81	4.13	(+) 8.4
CCL	21.06	24.11	(+) 14.5
WCL	33.24	38.56	(+) 16.0
NEC	0.71	0.80	(+) 12.7
<b>TOTAL</b>	<b>79.84</b>	<b>88.96</b>	<b>(+) 11.42</b>

## Soft Coke

The production of soft coke during the year 1983-84 was 1.49 mt. as against 1.74 mt. produced during 1982-83 and registered a shortfall of 14.4% 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 :

Subsidiary/ Division	Production of Soft Coke (Figures in Million Tonnes)		% decrease over 1982-83
	1982-83	1983-84	
ECL	0.71	0.61	(-) 14.1
BCCL	0.71	0.57	(-) 19.7
CCL	0.32	0.31	(-) 3.1
WCL	—	—	—
<b>TOTAL</b>	<b>1.74</b>	<b>1.49</b>	<b>(-) 14.4</b>

## Hard Coke

The production of hard coke during the year 1983-84 was 0.62 mt. as against 0.89 mt. produced during 1982-83 and registered shortfall of 30.3% over the previous year. The low production of hard coke was due to slackness in the demand resulting from rece-

ssion in the Engineering Industries. Details of hard coke production are indicated below :

Hard Coke		(Figures in Million Tonnes)	
Subsidiary	Production of Hard Coke		% increase/ decrease
	1982-83	1983-84	
ECL	0.01	0.01	—
BCCL	0.86	0.59	(—) 31.4
CCL	0.02	0.02	—
WCL	—	—	—
TOTAL	0.89	0.62	(—) 30.3

### Washed Coal

Production of washed coal during 1983-84 was 9.15 mt as against 8.71 mt during 1982-83 thereby registering a growth of 5.1% over last year. Production would have been much more but for frequent power interruptions and loss of production due to power was 0.35 mt in BCCL and 0.32 mt in CCL. Subsidiary-wise production of washed coal is indicated below :

Washed Coal		(Figures in Million Tonnes)	
Subsidiary	Production of Washed Coal		% increase/ decrease
	1982-83	1983-84	
BCCL	4.55	4.78	(+) 5.1
CCL	4.16	4.37	(+) 5.1
TOTAL	8.71	9.15	(+) 5.1

### Coal Production from Opencast Mines and Overburden Removal

Your Company has produced 51.00 mt of coal from mechanised opencast mines during the year and thereby registered a growth over the previous year by 16.9%. As a result percentage share of mechanised opencast production to the total production also increased from 38.2% in 1982-83 to 48.2% in 1983-84. The total quantum of overburden removal in 1983-84 was 117.79 million cu m registering a growth of 26.5% over the previous year.

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

### Coal Production from Opencast Mines and over burden removal

Subsidiary	Overburden removal in Million cu m		Coal Production in Million tonnes		% Growth over 1982-83	
	1982-83	1983-84	1982-83	1983-84	OBR	Coal
	(Mechanised)	(Mechanised)	(Mechanised)	(Mechanised)		
ECL	11.65	13.59	3.99	3.84	16.7 (—)	3.8
BCCL	10.00	11.46	6.53	6.31	14.6 (—)	3.4
CCL	46.00	59.92	21.60	25.52	30.3 (+)	18.1
WCL	25.50	32.82	11.49	15.33	28.7 (+)	33.4
TOTAL	93.15	117.79	43.61	51.00	26.5 (+)	16.9

### Constraints

The Company suffered a total loss of raw coal production of the order of 10.67 mt in 1983-84 compared to 9.84 million tonnes during the last year 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 Boards.

(Figures in million tonnes)

Subsidiary	Power	Absenteeism	Labour unrest	Other constraints	Total
ECL	2.08	0.62	0.07	0.67	3.44
BCCL	1.02	0.77	0.04	2.14	3.97
CCL	0.86	0.45	—	0.18	1.49
WCL	0.34	0.34	0.16	0.93	1.77
TOTAL	4.30	2.18	0.27	3.92	10.67
1982-83	4.54	1.96	0.77	2.57	9.84
% increase/ decrease over '82-83					
	(—) 5.3	(+) 11.2	(—) 65.0	(+) 52.5	(+) 8.4

### Productivity

The overall OMS of the subsidiary companies and NEC during the year under review has gone upto 0.81 from 0.79 during the preceeding year. Companywise OMS is indicated below :

Subsidiary/ Division	OMS Tonnes	
	1982-83	1983-84
ECL	0.50	0.51
BCCL	0.66	0.59
CCL	1.20	1.30
WCL	0.98	1.06
NEC	0.59	0.68
TOTAL	0.79	0.81

### Population and Performance of Equipments

There has been a rapid increase in number of opencast mines in all companies. In 1982-83 number of opencast mines was 113, in 1983-84 number of opencast mines went upto 125. Similarly the population of HEMM was also increased considerably i.e. Shovel from 296 to 375, Dumpers from 1449 to 1990, Dozer from 394 to 601, Drills from 235 to 351 and Draglines from 22 to 23.

Companywise percentage availability and utilisation of HEMM are tabulated below which shows marked improvement in the utilisation :

Standard			ECL	BCCL	CCL	WCL
Availability Percentage						
75	Dragline	82-83	—	—	70	73
		83-84	—	—	72	73
70	Dumper	82-83	70	74	69	65
		83-84	55	68	71	63
70	Dozer	82-83	64	70	64	67
		83-84	53	70	70	70
81	Shovel	82-83	75	71	76	78
		83-84	64	71	72	77
78	Drill	82-83	78	73	75	69
		83-84	74	67	71	69
Utilisation Percentage						
69	Dragline	82-83	—	—	55	57
		83-84	—	—	75	80
53	Dumper	82-83	63	42	50	41
		83-84	40	56	61	60
45	Dozer	82-83	57	48	43	55
		83-84	41	59	58	70
56	Shovel	82-83	60	46	56	58
		83-84	50	59	68	73
40	Drill	82-83	59	29	39	44
		83-84	41	39	53	60

There was improvement in utilisation of some of the major equipment during the year under report. Constant efforts are being made to improve utilisation by reducing breakdowns and also by improving scheduled and preventive maintenance and overhauling the equipments. To this end suppliers of spare parts have been persuaded to set up Depots of suppliers at different subsidiaries. Cummins Diesel Sales & Services (I) Ltd., have set up Depot at different subsidiaries, Premnath Diesel Pvt. Ltd has set up at Ranchi and Singrauli, General Marketing & Manufacturing Co. Ltd, at Ranchi etc. In addition to this Central Workshop at Singrauli is under construction.

#### Status of Power Supply to Coal Mines

The average power availability in the year 1983-84 was in the region of 78% approxi. and this has constrained the mining operation.

To a greater extent, the availability of power to the mines was affected by the distribution system as because coal and non-coal loads have been connected to the same feeders. In order to overcome this problem, the segregation of coal and non-coal loads have been taken up in ECL, BCCL and CCL and satisfactory progress has been achieved in this direction.

In order to meet the emergency service demands, CIL has already installed 2 nos. 10 MW gas turbine sets in BCCL and 2 no. 5 MW gas turbine sets in ECL. In addition to this there are existing installed DG sets, capacity of 20 MW in BCCL, 2.5 MVA in ECL and 6 MW in CCL. Also we have Thermal Power Stations of 14 MW at Loyabad and 2 MW at Bhowra in BCCL.

One second hand 15 MW Thermal Power Plant was procured from MPEB. Negotiation with Dishergarh Power Supply Company for recommissioning the same in ECL are in the advance stage of finalisation.

Proposal for setting up Thermal Power generation Plant for 3 x 2 x 10 MW has been submitted to Government and it is under active consideration. Also CEMPDIL has engaged BHEL to prepare a feasibility report for 1 x 7.5 MW Fluidised Bed Combustion Boiler for utilising washery reject at Kathara.

#### Planning

A draft report for the Working Group on coal and lignite for Seventh Five Year Plan was prepared and submitted to the Department of Coal for deliberations by the Working Group. Subjects covered in the draft report are Demand, Production, Coal Quality and Coal Stock, Exploration, Inputs and Infrastructure Development, Research and Development, Coal Beneficiations, Manpower, Training, Productivity, Safety, Planning, Project Monitoring and investment. Proposed investment during the Seventh Five Year Plan period (1985-90) at 1983-84 base price is Rs 8292 crores for achieving an output level of 206 mt by the terminal year of the plan period. The proposal is under the consideration of Planning Commission/ Government.

A base paper incorporating broad indications of likely sectoral coal demand, production plan, investment, infrastructural requirements etc., till the turn of century was prepared for discussions by the Working Group.

Task Force/Committees have been constituted for in-depth studies and making a critical assessment of the persistant shortages in the key category of personnel and suggesting ways and means of bridging the present and anticipated future gaps. Studies in respect of Statutory Mining Personnel have been

completed and follow up action has been initiated in regard to the recommendations of the Committee. An exercise has also been initiated to carry out manpower inventorisation of the Company for carrying out systematic manpower planning and control.

Action has been initiated to develop suitable software for computer application and installation of a suitable Management Information System for equipment utilisation in major projects. For monitoring the utilisation of capacity of the mines a computerised model was developed by CEMPDIL to ascertain the system capacity in each mine against which actual performance of the mine is compared.

#### **Geological Exploration, Drilling etc.**

During the year 1983-84, a total of 2,59,418 M of drilling was carried out in 120 blocks spread over 21 coalfields covering the States of West Bengal, Bihar, Orissa, Madhya Pradesh, Maharashtra and Assam. The task was carried out by CEMPDIL, a Subsidiary of Coal India in association with other agencies i.e. MECL, State Governments & Private parties. Average number of drills was 194 comprising of 62 by CEMPDIL, 92 by MECL, 26 by private parties and 14 by MP and Orissa State Govts. Average productivity of drill works out to 121 M/drill month (overall). The overall productivity of all the drills has increased to 220 M in 1983-84 as compared to last year 117 M. The productivity of operational drills of CEMPDIL has registered 24% rise from 142 to 176 M/rig/month.

During the year under review, 31 Geological reports/notes were prepared based on which a total of 3,186 million tonnes of reserves were estimated. Out of this, 2,196 million tonnes of reserves were estimated under the proved category. Of the total reserves estimated, 1,043 million tonnes were quarriable.

In view of the proposal to set up additional super thermal power station in and around the Talcher, IB Valley, Singrauli & North Karanpura Coalfields besides others already indentified, CEMPDIL has completed exploration in priority blocks like Piparwar (North Karanpura CF), Amlori (Singrauli CF), Lalmatia 'B' (Rajmahal CF) and Sial Ghogri & North Rawanwara (Pench-Kanhan Valley CF). In other blocks like Kalinga (Talcher CF), Moher (Singrauli CF), Belpahar

(Ib river CF), Ardhagram, Bakulia and Barjora (in and around Raniganj CF), the exploration is in progress. Chuperbhita block in Rajmahal CF has also been taken up for detailed exploration for proving power coals.

#### **Research & Development**

CEMPDIL, one of the Subsidiaries of your Company has been entrusted by Government of India for co-ordination and monitoring of all Research and Development Projects in Coal Sector funded through Science and Technology grants of Department of Coal. 55 projects were under implementation during the year with 20 agencies/institutions. The Research & Development Projects under Coal Sector cover the areas of Mining Technology, Allied Engineering, Coal Exploration, Coal Beneficiation, Coal Utilisation, Safety and Environmental Engineering. A sum of Rs 233 lakhs was disbursed to various implementing agencies. Projects were successfully completed during the year. 25 new Research and Development Projects were processed during the year and finally 11 projects approved by the Standing Committee on Science and Technology.

The following Research and Development Schemes were taken up by CEMPDIL with the help of Organizations like CFRI, Roorkee, Indian Institute of Technology, Kharagpur, Ore Sorter, Canada, Regional Research Laboratory, Bhubaneshwar etc. :

- (a) Utilisation of rejects from coal washeries and beneficiation plants.
- (b) Development of a computer programme for the simulation of coal beneficiation processes.
- (c) Installation of 5 tonnes per hour Batac Jig at Patherdih washery.
- (d) Deshaling of coal by photometric sorter.
- (e) Installation of 1M dia flotation column at Sudamdih washery.

#### **Mining Technology**

For the first time in the country a gas pumping station has been successfully commissioned at Muslia unit of Ghusick Colliery. A seismic laboratory has been operating at Chinakuri Colliery of ECL to record seismic events preceeding rock bursts/bumps to enable prediction of these events in advance.



Extensive studies were made on design and strength of mine pillars. Based on these investigations, original solaman's formula was modified taking into account the effect of fall ratio. A mathematical relationship was also established between Schmidt Hammer Rebound Number and Insitu Crushing Strength. Efforts are being made to correlate subsidence parameters with superincumbent strata. Trials were carried out with triangular steel chocks, screw props and steel props.

Investigations on creep properties of coal have resulted in establishment of mathematical relationship for predicting long term strength of coal which will go a long way in design of support pillars and barriers.

#### **Project Formulation**

During the year the CEMPDIL, one of the Subsidiaries of your Company prepared 59 Projects/Feasibility Report for mines of the other Subsidiaries as detailed below :

Name of the Subsidiary Company of Coal India Ltd.	No. of Projects	Initial capital investment in Rs Crores	Capacity in MTY
Eastern Coalfields Ltd.	16	207.41	4.81
Bharat Coking Coal Ltd.	17	499.31	8.27
Central Coalfields Ltd.	12	376.35	12.72
Western Coalfields Ltd.	14	248.14	11.08

36 (Thirty six) other reports on different subjects were also prepared.

#### **Foreign Collaboration**

During the year your Company through its Subsidiary CEMPDIL entered into Five (5) Contracts with Foreign Consultancy agencies viz. TSVETMETPROMEXPORT of USSR and Charbonage DE France for transfer of technology.

Presently, the collaboration is in progress with the advanced countries like USSR, France, UK, Canada, Federal Republic of Germany and Poland for introducing new technologies in the fields of both underground and opencast mining, exploration, beneficiation, shaft sinking, degassification, blasting, training of Indian Personnel etc. Your Company is providing necessary technical assistance for the transplantation of these techniques in Indian Geomining conditions after suitable modifications.

In 1983-84 bilateral meetings between the officials of the Government of India and USSR, France, Federal Republic of Germany, Poland, UK, were held to review the progress on the Collaborations with these countries in the field of new technologies for both underground and opencast mining, exploration, beneficiation, shaft sinking, degassification, blasting, training of Indian Personnel etc.

#### **British Collaboration**

Four Nos. of mechanised longwall faces are being worked presently with British equipment.

The Project Report of Ghusick has been prepared by British Mining Corporation for construction of 2 mt/y underground mine.

The Seismic Survey work for Asnapani has been completed.

#### **French Collaboration**

Your Company is having collaboration with CDFI, a Government agency of France in respect of a number of Coal Project e.g. Kendwadih and East Katras (BCCL), Nandira, Ananta and Pipradih (CCL), Moira, Chora and Parasea (ECL) and design and construction of Mathane-Drainage Plant at Amlabad (BCCL). Out of these, the contract for Ananta underground mine (1.35 million tonnes per year capacity) was signed in 1983 at a cost of FF 6.37 million.

#### **Polish Collaboration**

Under Omnibus III with Kopex of Poland, Raniganj Master Planning Team has collected data and completed initial interaction with Indian team. Offer submitted by the Polish side for preparation of Feasibility Report has been sent to Ministry for Government approval.

#### **German Collaboration**

The offer for introduction of fast poughing technology at Dhemo main and preparation of a project report for Bhanora West, has been received and are under study. The Mathane Drainage Plant at Ghusick has already been commissioned on 15th July, 1983. A proposal for further collaboration for drilling of long boreholes and supply of spares and training of Indian Engineers is in process of approval. The equipment for implementation of hydraulic mining trial at Gopalichuck Colliery has been received.

### Canadian Collaboration

An agreement with M/s B C Coal of Canada has been made for preparation of Feasibility Report for introduction of Hydraulic Mining.

### USSR Collaboration

The economic part of Mukunda DPR has been completed and also the DPR of Nigahi Opencast Project has been submitted. The equipment for Jhanjra Vertical Shaft has been arriving in lots and is under process of clearance.

The draft contract for supply of equipment and technical assistance in drivage of incline shaft has been finalised and sent to Deptt. of Coal for Government approval. DPR for mechanisation of Kathara and Pathakhara washeries has been completed. The initial data and co-ordinating work relating to Directional blasting at Jhingurdah mine has been completed.

### United National Development Programme

The following 3 projects are under implementation with UNDP assistance.

- (a) Extension of laboratory facilities in CEMPDIL for application of advanced techniques in coal mine operations.
- (b) Coal Mines Safety Engineering.
- (c) Preparation of Techno-economic Feasibility Report for production of one million tonne/annum synthetic oil from coal.

### Foreign Assistance

Foreign assistance has been made available to your Company by the Government of India for the following projects.

- (i) *Amlori opencast mine of CCL* : UK Grant of upto £ 30 millions and UK loan upto £ 65 million.
- (ii) *Dudhichua opencast mine of CCL* : World Bank loan of \$ 151 million.

In addition the proposal for financial assistance for Block II opencast project and Pootkee-Balihari (under-ground) project of BCCL is under consideration of the World Bank.

### Coal Marketing

The demand for coal on Coal India for 1983-84 was assessed at 127.50 million tonnes against 118.20

million tonnes for 1982-83 showing an increase of 9.3 million tonnes.

The off take of coal in the year 1983-84 went upto 118.39 million tonnes from 112.18 million tonnes of 1982-83 registering a growth rate of over 5%, the demand satisfaction during the year being about 93% as against 95% of the previous year.

Companywise break up of assessed demand, actual offtake and demand satisfaction for the year 1982-83 and 1983-84 are tabulated below :

(Figures in million tonnes)

Division/ Subsidiaries	1982-83			1983-84		
	Demand	Off-take	%age satisfaction	Demand	Off-take	%age satisfaction
ECL	27.50	21.91	80	26.90	22.03	81.9
BCCL	25.40	23.40	92	27.10	22.73	83.9
CCL	31.70	31.69	100	36.10	34.13	94.5
WCL	32.50	34.47	106	36.30	38.71	106.7
NEC	1.10	0.71	64	1.10	0.79	71.8
<b>TOTAL</b>	<b>118.20</b>	<b>112.18</b>	<b>95</b>	<b>127.50</b>	<b>118.39</b>	<b>92.9</b>

### Sectoral Demand and Actual Off Take

The demand satisfaction continued to be cent percent during the current year as in the last year for power sector. The demand satisfaction of the Cement Plants was also higher than that of the last year, and it was cent percent for most other industries. The offtake of the Steel Plants was also higher than that of the previous year, but the satisfaction against their increased demand registered some decline. The loco coal offtake was however slightly lower than the proceeding year. The offtake of soft coke continued to be poor.

The trend of sectorial demand, offtake and demand satisfaction for the years 1982-83 and 1983-84 are tabulated below :

(Figs. in million tonnes of raw coal)

Sector	1982-83			1983-84		
	Demand	Off-take	%age satisfaction	Demand	Off-take	%age satisfaction
Steel	23.80	19.98	84	26.30	20.49	77.9
Power	42.00	43.20	103	48.10	49.55	103.0
Loco	10.50	9.68	92	10.20	9.23	90.5
Cement	5.00	4.53	91	5.80	5.56	95.9
Soft coke	4.20	2.26	54	4.80	1.98	41.2
Fertilizer	4.30	3.56	83	4.30	3.56	82.8
Export	0.30	0.15	50	0.30	0.88	26.7
BRK & others	28.10	28.80	103	27.70*	27.94	100.9
<b>TOTAL</b>	<b>118.20</b>	<b>112.18</b>	<b>95</b>	<b>127.50</b>	<b>118.39</b>	<b>92.9</b>

\*Including colliery consumption.



The level of stock with the major consumers was satisfactory throughout the year. The stock of the power sector at the end of the year stood at around 3.3 million tonnes, representing 25 days' consumption, and that of the steel sector stood at 0.5 million tonnes, representing 13 days' consumption. The stock with the Cement Plants was 0.6 million tonnes, representing 19 days' consumption.

### Export

During the year 1983-84 exports of coal remained confined only to the traditional markets in the neighbouring countries like Bangladesh, Nepal and Bhutan. Attempts to export some low grade and unpopular coals, viz. coal of Jagannath colliery and SLV coals, to the sophisticated markets abroad in addition to the neighbouring countries, were made during the year under review but although there had been some positive response for SLV coals from South Korea, no deal could materialise.

### Transportation of Coal and Coal Products

The overall despatches of coal and coke to the consumers went up to 110.95 million tonnes from 104.81 million tonnes in 1982-83 showing an increase of 6.14 million tonnes (about 6%). The total despatches by rail went up to 77.29 million tonnes, representing a growth rate of 10.0%. The average loading of wagons on yearly basis worked out to 9882 wagons per day showing an increase of 749 wagons per day. There was thus significant improvement in loading of wagons during the year compared to the preceeding year. Against the target of 11280 wagons, the average offer by the collieries during the year was 12092 wagons per day. The allotment by Railways, however, did not match with the offer and the average allotment was 11366 wagons per day. Supply of wagons was still lower at 10122 wagons per day. However, as compared to actual supply of wagons in last year there was an improvement by about 800 wagons per day.

The trend in despatches of coal products by various means during the year 1982-83 and 1983-84 are tabulated below :

(Figures in million tonnes)

Means	1982-83	1983-84	Growth rate (%) 1983-84
Rail*	70.25	77.29	10.00
Road*	26.39	22.96	(—) 13.00
Ropeways	2.10	2.16	2.9
Belt	3.27	3.68	12.5
Own arranged wagons (MGR)	2.80	4.86	173.6
<b>TOTAL</b>	<b>104.81</b>	<b>110.95</b>	<b>5.9</b>

\* Excluding internal despatches.

### Stockyards

According to the scheme of opening stockyards at various consumption centres to facilitate distribution of coal, some more Stockyards were opened during the year under review. As envisaged, total number of Stockyards in operation has gone upto 83 against 66 of the previous year. Further expansion in a phased manner to cover all the important and major centres of consumption including rural distribution centres is in the process.

The total sale from these stockyards during the year 1983-84 was 1.39 million tonnes as compared to 0.62 million tonnes in 1982-83.

Movement of coal to most of these Stockyards is now taking place by rail, and as such distribution of coal and coal products from these Stockyards has a salutary effect on bringing down the prices further and curbing shortage psychosis.

### Coal Stock

Despite efforts made to liquidate the heavy accumulation of Pithead stocks, the stock at the end of the year stood at 21.38 million tonnes as against 21.87 million tonnes at the end of the preceeding year.

Companywise stocks as on 31.3.83 and 31.3.84 are shown below together with the variation in the stocks :

(Figures in million tonnes)

Subsidiary/ Division	Coal Stock as on		Variation
	31.3.83	31.3.84	
ECL	4.52	4.41	(—) 0.11
BCCL	6.19	3.11	(—) 3.08
CCL	8.04	10.08	(+) 2.04
WCL	3.06	3.70	(+) 0.64
NEC	0.06	0.08	(+) 0.02
<b>TOTAL</b>	<b>21.87</b>	<b>21.38</b>	<b>(—) 0.49</b>

50% of the total stock was lying with CCL. The accumulation of stock was at Kuju and Hazaribagh where medium coking coal is mined. This coal will be supplied to Steel Plants after washing. Rajarappa washery is at the final stage of construction. It is expected that after the completion of the washery in 1985-86 the stock will start getting liquidated.

### 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 recommendations were implemented and some others are in various stages of implementation.

The year 1983-84 witnessed an unfortunate disaster at Hurriladih colliery, one of the mines of BCCL, where 19 unfortunate lives were lost. Barring this major disaster there was no significant increase in fatality during the year compared to the last year. The Companywise position of fatal accidents and fatalities as well as serious injuries during the year 1982-83 and 1983-84 are given in the table below :

Subsidiary/ Division	1982-83		1983-84		No. of fatal accident and fatalities			
	Fatal accident	Fatalities	Fatal accident	Fatalities	Increase (+) Decrease (—)		Fata accident	Fatalities
ECL	30	35	28	30	(—)	2	(—)	5
BCCL	30	33	33	52	(+)	3	(+)	19
CCL	15	32	26	27	(+)	11	(—)	5
WCL	40	43	50	57	(+)	10	(+)	14
NEC	3	3	3	3				
<b>TOTAL</b>	<b>118</b>	<b>146</b>	<b>140</b>	<b>169</b>	<b>(+)</b>	<b>22</b>	<b>(+)</b>	<b>23</b>

#### Number of Serious Injuries

Subsidiary/ Division	1982-83	1983-84	Increase (+)/ Decrease (—)
ECL	174	110	(—) 64
BCCL	175	187	(+) 12
CCL	56	75	(+) 19
WCL	387	428	(+) 41
NEC	8	7	(—) 1
<b>TOTAL</b>	<b>800</b>	<b>807</b>	<b>(+) 7</b>

### Management Development & Training

As in the previous year the major thrust in training and development activities during the period was continued in the training of unskilled personnel to meet the shortage of skilled and highly skill personnel in different mining and non-mining engineering disciplines, training of surplus personnel for meeting the shortage of personnel for various opencast equipment, training through special drives of statutory mining supervisory personnel for which there is acute shortage, systematic orientation for a large number of Junior Executive Trainees and Junior Level Executives. Arrangements were also made for training abroad for various areas of new technology, particularly in respect of operation and maintenance of highly sophisticated underground and opencast equipment

being installed as a part of our modernisation programmes. In addition, special efforts have been made to develop in-house technical training Institutes/facilities by providing necessary training equipment and full time training personnel and large number of hostel accommodation for various levels and kinds of trainees within the organisation.

The Salient Features of Training and Development activities during the year 1982-83 and 1983-84 are given below :

Category	No. of persons trained	
	1982-83	1983-84
Executives	8,273	8,324
Supervisors	7,057	5,661
Workers/Miners	84,709	91,415
Trainees	3,892	3,969
<b>Total</b>	<b>1,03,931</b>	<b>1,09,369</b>

#### No. of Persons trained

1982-83 1983-84

#### In-company Training

##### 1. Executives

(a) Senior Management	1,189	854
(b) Middle Management	2,141	2,175
(c) Junior Management	3,604	3,984
<b>Total</b>	<b>6,934</b>	<b>7,013</b>
2. Supervisors	6,890	5,338
3. Workers/Miners	83,774	90,596
<b>Total</b>	<b>97,598</b>	<b>1,02,947</b>

#### External (Within India)

##### 1. Executives

(a) Senior Management	605	572
(b) Middle Management	439	419
(c) Junior Management	295	236
<b>Total</b>	<b>1,339</b>	<b>1,227</b>
2. Supervisory	—	323
3. Workers/Miners	—	819
<b>Total</b>	<b>1,339</b>	<b>2,369</b>

#### External (Abroad)

1. Senior Management	8	14
2. Middle Management	48	17
3. Junior Management	14	53
4. Non-executives	6	24
<b>Total</b>	<b>76</b>	<b>108</b>

## Manpower

Manpower of your Company and its Subsidiaries was 659003 as on 31st March, 1984 as against 645410 on the same date of the previous year thus representing an increase of 13593 employees. The main increase of 10057 was in WCL and of 2636 was in CCL. The increase has been due to opening of new projects/mines, increase in production, progressive departmentalisation of transport, improvement in safety standards, extension of various welfare measures, filling up of statutory and technical posts etc.

The Subsidiary Company/Divisionwise total manpower figures are indicated below :

Subsidiary/ Division	Manpower as on	
	31.3.83	31.3.84
ECL	1,91,411	1,91,683
BCCL	1,72,008	1,72,334
CCL	1,17,829	1,20,465
WCL	1,55,161	1,65,218
NEC	5,365	5,459
CEMPDIL	2,892	3,103
CIL	744	741
<b>TOTAL</b>	<b>6,45,410</b>	<b>6,59,003</b>

## Industrial Relations

Labour situation in your Company and its Subsidiaries during the year under review registered significant improvement in comparison to previous year. Number of strikes, came down from 356 in 1982-83 to 258 in the year 1983-84. ECL showed marked improvement in Industrial Relations as the number of strikes were 74 in comparison to previous year's figure of 149. The Subsidiarywise details are indicated below :

Subsidiary/ Division	No. of strikes		Mandays lost		Production lost	
	'82-83	'83-84	'82-83 (In lakhs)	'83-84	'82-83 (In lakh tonnes)	'83-84
ECL	149	74	4.44	1.05	3.00	0.96
BCCL	107	110	2.37	0.37	1.52	0.46
CCL	27	17	0.85	0.11	0.35	0.14
WCL	72	57	2.78	0.60	2.55	1.23
CEMPDIL	1	—	0.08	—	—	—
NEC	—	—	—	—	—	—
CIL (HQ)	—	—	—	—	—	—
<b>TOTAL</b>	<b>356</b>	<b>258</b>	<b>10.52</b>	<b>2.13</b>	<b>7.42</b>	<b>2.79</b>

## Law and Order Incidents

During the year under review, there were 487 incidents of law and order disturbances against 743 incidents in the year 1982-83 a decrease of 256 incidents. This has happened due to measures taken by the Central and State Government to check such incidents. The Subsidiarywise details of such incidents are indicated below :

Subsidiaries	No. of incidents		Increase (+)/ Decrease (—) over 1982-83
	1982-83	1983-84	
ECL	419	219	(—) 200
BCCL	150	142	(—) 8
CCL	47	32	(—) 15
WCL	127	94	(—) 33
<b>TOTAL</b>	<b>743</b>	<b>487</b>	<b>(—) 256</b>

## Welfare and Social Amenities

The welfare activities comprising provision of residential buildings, water supply, educational facilities and hospitals etc. are being given continuous attention by your Company. The yearwise position of housing facilities, water supply and other welfare amenities are given below :

Amenities	Unit	1982-83	1983-84
House	Addl. construction	14,385	10,506
Water supply	Addl population covered	1,09,570	74,820
School/Colleges	Actual number	752	850
Co-operative Credit Society		155	149
Co-operative Stores	"	178	178
Bank	"	184	185
Ambulance	"	357	459
Hospital	"	65	64
Hospital beds	"	3,622	3,622
Creches	"	203	210
Canteen	"	270	286

## Capital Projects/Schemes

Presently altogether 103 Coal Mining Projects each having an investment of Rs 5 crores and above with the total sanctioned capital outlay of Rs 3611.47 crores and ultimate production capacity of nearly 140 million tonnes per year are in various stages of construction and completion. Besides these Coal Mining Projects, four Washery Projects, four other projects (LTC Plant at Dankuni and Fire Projects) and three advance action for mining projects are under construction. Out of four washery projects,

construction of Moonidih and Nandan washery have been completed.

During the year under review your Board approved 35 Projects/Schemes including revision/expansion. The details of Projects/Schemes are given hereunder :

Subsidiary/ Division	Projects	Expansion/ Revision Projects*	Washeries	Others	Total
ECL	7	8	—	1	16
BCCL	4	—	3	3	10
CCL	1	—	—	—	1
WCL	4	2	—	1	7
NEC	—	—	1	—	1
<b>TOTAL</b>	<b>16</b>	<b>10</b>	<b>4</b>	<b>5</b>	<b>35</b>

\*excluding updating of cost estimates.

### Capital Expenditure

Capital expenditure during the year 1983-84 was Rs 838.96 crores against Rs 714.20 crores during the previous year. Company/Divisionwise details are given below :

Company/Division	Rs Crores	
	1982-83	1983-84
ECL	99.44	115.88
BCCL	147.68	161.99
CCL	252.63	258.13
WCL	196.50	277.94
NEC	5.70	9.25
CEMPDIL	2.55	3.69
Dankuni Coal Complex	8.46	10.79
CIL HQs (including purchase on behalf of the Subsidiaries pending allocation)	1.24	1.29
<b>TOTAL</b>	<b>714.20</b>	<b>838.96</b>

### Capital Structure

The authorised capital of the Company was Rs 2000 crores as on 31.3.84. Sanction of the President of India for enhancement of the authorised capital to Rs 3000 crores has since been received. The subscribed and paid up capital as on 31st March, 1984 was Rs 1911.70 crores including shares for Rs 246.43 crores issued to the Government of India for consideration other than cash. Further Rs 218.18 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 1983-84 Rs 395 crores were received from the Government towards plan loan. Rs 31.34 crores towards repayment of plan loan and Rs 35.95 crores towards interest have been paid to the Government during the year. The outstanding loan as on 31st March, 1984 stood at Rs 1927.29 crores.

### Payment of Royalty Cesses and Sales Tax to State Governments

CIL and its Subsidiaries paid to different State Governments Rs 288.69 crores during the year 1983-84 as against Rs 231.30 crores during the year 1982-83 towards Royalty Cess and Sales Tax as shown below :

	Rs Crores	
	1982-83	1983-84
Royalty on Coal	60.03	67.11
State Government Cess	92.12	135.88
Sales Tax (State & Central)	79.15	85.70
<b>TOTAL</b>	<b>231.30</b>	<b>288.69</b>

### Working Results

The impact of NCWA—III with effect from 1st January, 1983 and the revision of the salaries of the Executives with effect from 1st August 1982 have been fully reflected in the Accounts for the year 1983-84. Despite the fact that the revised coal sale price is effective only from 8th January, 1984. CCL, WCL, CEMPDIL and CIL were able to earn profit during the year. Due to continued problem of non-availability of adequate power, difficult mining conditions and predominance of production from underground mines, ECL and BCCL could not improve production and productivity to absorb the heavy impact of NCWA—III and other escalations in the price of other inputs. Loss suffered by these two subsidiaries are substantial. The overall working result of your Company and of the subsidiaries show a loss of Rs 242.68 crores during the year 1983-84. Details are given below :

Company/ Division	Rs Crores	
	Profit/loss during 1983-84*	Cumulative Profit/ Loss upto 31.3.84
CIL/NEC	3.33	(—) 114.03
ECL	(—) 127.88	(—) 635.95
BCCL	(—) 191.89	(—) 538.67
CCL	60.49	191.74
WCL	12.12	(—) 12.43
CEMPDIL	1.15	1.27
<b>TOTAL</b>	<b>(—) 242.68</b>	<b>(—) 1108.07</b>

\*Before creation of investment allowance reserve.



### Coal Price

Considering the Report of Bureau of Industrial Costs and prices and the estimated cost of production of CIL and Subsidiaries (Rs 186.37 P.T.) as per BE 1984-85, the Government notified the revised Coal Sale Prices with effect from 8th January, 1984. Average price of ROM coal for CIL as a whole effective from 8th January, 1984 is Rs 183 per tonne which is Rs 37.10 per tonne more than the previous average price. The price of Hard Coke has also been revised upwards but the price of Soft Coke has been retained with no revision. The revised price was not adequate to cover the full cost of coal produced by Coal India and its Subsidiaries. Keeping the increase in input cost in view, your Directors will approach the Government for revision of Sale Price.

### Retention Price

The Government notified the Retention Prices for the year 1983-84 and 1984-85 as under :

Subsidiary	Rs per tonne	
	1983-84	1984-85
ECL	209	262
BCCL	200	287
CCL	147	150
WCL	150	157
NEC	257	325

The balance of Rs 42.49 crores available in the CPR Account on 31st March, 1983 has been fully utilised during the year 1983-84 and no balance is carried forward for the year 1984-85.

### Board of Directors

During the year under review Shri M S Gujral, continued as Chairman, CIL and the whole time Directors Shri C R Mukherjee and Shri M Jha continued as Director (Finance) and Director (Technical) respectively.

During the period since the last Annual General Meeting S / Shri C S Jha, Rajendra Singh, A Valliappan and K M Ahmed retired from the Board while Shri P N Abbi, Shri R K Gupta and Shri T V

Lakshmanan and Shri J C Lynn were appointed as Directors on the Board.

During the year 1983-84 seven 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 all the Directors excepting Chairman and whole time Directors shall retire at the 10th Annual General Meeting of the Company.

### Acknowledgement

Your Directors place on record their sincere appreciation for the contribution 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 observations made by the Statutory Auditors for the year 1983-84.
- (iv) Statement pursuant to Section 212(1)(e) of the Companies Act, 1956.

For and on  
Behalf of the Board of Directors

M S Gujral  
Chairman

Dated  
Calcutta, the 18th December, 1984

**ADDENDUM TO DIRECTORS' REPORT**  
**Statement Pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies**  
**(Particulars of employees) Rules, 1975**

Sl. No.	Name	Designation	Remune-ration	Qualification	Date of commencement of employment	Last employment held
1	2	3	4	5	6	7
<b>(A) Employed Throughout the Financial Year</b>						
1.	Shri C R Mukherjee	Director (Finance)	82,405	IA & AS	11.11.82	Beas Sutlej Link Project
2.	Shri S K Bose	Adviser	60,243	I Sc, BE (Mining) 1st Class Colly. Managers' Certificate of Competency	7.7.80	Deptt. of Coal
3.	Shri R N Mishra	Chief of Corporate Planning	57,622	B Sc. (M), AISM, 1st Class C M's Certificate Cor. M of IIPM, FIE(I), Dip. ME	2.6.80	BCCL
4.	Shri R Barua	GM (MT)	58,516	BA, Post Graduate, Dip. (M)	3.3.75	GKW
5.	Shri A K Sinha	CFM	63,499	B Com., SAS, ACA	12.11.80	CCL
6.	Shri Rana S J B Singh	CFM	57,113	BA, BL, ACA, ACIS, ACS	1.8.79	BCCL
7.	Shri A K Bhattacharjee	Company Secretary	53,076	M Com, LLB, MA, AICWA, ACIS	3.11.76	BCCL
8.	Shri N V R Menon	MM	49,405	BA	5.2.81	WCL
9.	Shri K K Dutta	Addl CFM	50,836	B Com, AICWA	1.7.73	CCL
10.	Shri R Srinivasan	Addl CFM	49,676	AICWA	9.4.73	CCL (Ex-NCDC)
11.	Capt. P Bose	Sr Pilot Officer	74,474	Inter Science	5.12.81	SAIL
12.	Shri P S Monoharan	Legal Manager	54,774	M Com, LLB, Dip. in Public Admn.	5.12.80	BCCL
13.	Shri S K Chowdhury	General Manager	56,073	B Sc. (Mines) (Hon), AISM, FI Mine (E) Engineer	11.7.81	BCCL
14.	Shri S K Sanyal	FM	49,257	AICWA	5.4.80	BCCL
15.	Shri D Dey	Sr AO	45,586	B Com.	6.6.81	KCT Co.
16.	Shri C Kunhiraman	OSD	45,588	B Com.	23.3.83	Garden Reach Workshop.
17.	Shri B L Badraika	Sr AO	43,674	B Com.	6.6.81	West Bengal Coalfield Ltd
18.	Shri B C Bhattacharjee	FM	45,917	AICWA	5.6.81	Ex-Coal Board
19.	Shri K C Mukherjee	PM	44,884	B Sc., DSW	31.12.80	BCCL
20.	Shri S K Mukherjee	PM	48,109	BA, DSW	20.10.81	CCL (Ex-NCDC)
21.	Shri G C Sharma	Dy CME	45,024	B Sc., AISM	23.2.82	ECL
22.	Smt Purabi Sen Roy	Dy FM	37,652	B Com., CA	6.6.81	
23.	Shri S L Jain	Sr Purchase Officer	41,660	I Com.	1.8.75	Parasia Colliery Ltd.
24.	Shri G C Goswami	Secretary	39,728	BA	26.6.81	Ex-Coal Board
25.	Shri Sulab Kr Mukherjee	Stat Officer	42,341	M Sc. (Stat)	21.4.82	ECL
26.	Shri J S K Swami	PM	41,627	MA (LSW)	23.11.83	CCL
27.	Shri N G Kundu	Supdt. of Mines	50,796	B Sc., AISM	April '80	ECL
28.	Shri J P Dasgupta	Dy MM	45,184	B Sc. (Mining), 2nd Class Mines Manager Certificate	29.2.73	Bengal Coal Company
29.	Shri J P Kharia	Dy MM	45,291	B Com., LLB	28.2.73	Western Bengal Coal Co.
30.	Shri P B Dutta	Dy Company Secy.	48,633	ACS, ACIS (London) Fellow FICWA	26.2.82	BCCL
31.	Shri C S Menon	Secretary	42,610	SSLC	22.1.81	Parasia Collys. Ltd.
32.	Shri R M Krishnan	Secretary	39,478	B Com., Part I	26.6.73	Bengal Coal Co.
33.	Shri B C Neogi	Finance Manager	47,461	M Com., ICWA	22.2.81	CCL
34.	Shri S R Routh	Finance Manager	45,849	B Com, CAS	25.2.80	CCL
35.	Shri S K Ghosh	Manager (MT)	41,503	M Sc., BL, PG, Diploma in Industrial Management	1.7.81	BCCL



1	2	3	4	5	6	7
36.	Shri R B Saxena	Dy PM	46,183	BA, LLB	20.1.82	Ex-Coal Board
37.	Shri R D Naha	Dy PM	44,206	B Com.	9.6.81	NEC
38.	Shri R K Dey	Sr PO	37,978	BA	1.3.84	Sahu Minerals & Properties Ltd.
39.	Shri R K Sinha Roy	PM	45,766	B Com., MAS	20.1.76	ECL
40.	Shri K R Chopra	Supdt. Engineer	41,773	B Sc. (Mech. Engg.)	22.9.83	CCL
41.	Shri S S Salodkar	Addl CME	54,600	B Sc., AISM	27.7.81	BCCL
42.	Shri I Jayakaran	Chief of Tele-communication	41,445	AMIE (A&B), IERE (London)	5.11.76	ECL
43.	Dr D Sengupta	M (System)	43,119	BE MS Ph D	24.8.81	CEMPDIL
44.	Shri B M Paul	Secretary	40,716	Matriculate	28.3.73	Amalgated Coalfields
45.	Shri J D Purohit	Asstt Legal Manager	41,667	B Com., LLB	24.3.83	Ghusik & Muslia Colly.
46.	Shri M Ganguly	Engineer (Civil)	39,321	BE (Civil)	16.12.80	ECL
47.	Shri R N Sinha	Statistical Manager	45,393	M Sc. (Stat)	4.12.81	CCL
48.	Shri A Das Gupta	Dy FM	40,962	MA, ICWA	24.11.83	ECL
49.	Shri U Chakraborty	AMM	42,137	BE (Elect)	27.9.82	CCL
50.	Shri Aujan Mukherjee	Sr Purchase Officer	37,909	BE (Mech.)	6.10.83	WCL
51.	Shri P K Ram	Sr AO	38,397	B Com., CAS	31.7.81	CCL
52.	Shri R P Ghosh	Sr AO	36,311	B Sc., ICWA	7.8.81	Jhagrakhand Colly (P) Ltd
53.	Shri B S Mani	Secretary	38,140	Matric	22.1.81	Selec. Barabani Coal Co.
54.	Shri D K Pal	Private Secretary	36,959	BA	17.4.78	BCCL
55.	Shri G S Ramchandarn	Sr PO	38,093	BA (Hons)	21.1.82	Indian Mining Federation
56.	Shri S K Roy	Sr PO	37,953	BA, MA, in Sociology	Mar. '81	ECL
57.	Shri P Das	Secretary	41,193	B Com.	3.5.82	CCL
58.	Shri Dilip Rai	EE (Civil)	38,274	BE (Civil)	4.1.82	CEMPDIL
59.	Shri K C Chakraborty	Sr AO	40,089	M Com., ICWA	1.6.82	CCL
60.	Shri J Banerjee	Secretary	38,507	BA	22.1.81	Bengal Coal Co.
61.	Shri M Sinha Chowdhury	Survey Officer	38,700	B Sc. Mines Surveyor Certificate	14.4.74	CCL
62.	Shri K L Chakravarti	Secretary	38,414	Matric	26.6.81	Johila Coalfields Ltd.
63.	Shri M S Sharma	Secretary	38,557	SSLC	21.4.82	Western Bengal Coalfield
64.	Shri S K Guha Chowdhury	Dy Chief Sales Manager	43,109	B Sc. Mining Engg., 1st Class Mining Managership Certificate	1.6.79	Coal Controller
65.	Shri D H Goswami	Dy CPM	42,921	BA, LLB	1.7.73	AR & T Co. Ltd.
66.	Shri S N Bhatt	Dy GM	51,916	BA, B Sc. (Mines) Wales, 1st Class Managership, UK	1.2.74	Taken over from AR & T Co. Ltd.
67.	Shri S S Pamar	Dy CME (GH)	57,624	B Sc. (Mines), AISM (Mines), 1st Class Managers Certificate	1.8.73	-do-
68.	Shri R Bhaskaran	Dy CME (HQ)	51,342	-do-	-do-	-do-
69.	Shri A K Mehta	Supdt. Mines (HQ)	53,885	B Sc. (Mines) Hons. AISM (Mines), 1st Class Mgr. Cert.	-do-	-do-
70.	Shri M K Gohain	Dy CPO	48,298	BA, Post Graduate Diploma in Social Science	-do-	-do-
71.	Shri P K Rama Rao	Supdt. Engr. (E&M)	53,032	B Tech. (Elect.)	-do-	-do-
72.	Dr M C Khaund	Dy Medical Supdt.	60,556	MBBS	-do-	-do-
73.	Dr U Das	Sr Surgical Splst.	46,737	MBBS, MS	-do-	-do-
74.	Dr B K Baruah	Splst. (Anesthetish)	52,780	MBBS/PG/Degree/Diploma	17.1.73	-do-
75.	Dr D B Ghosh	Sr Medical Officer	52,186	LKF	1.1.73	-do-
76.	Dr N G Kar	-do-	50,890	MBBS	-do-	-do-
77.	Dr S A Rahman	-do-	49,324	MBBS	3.4.74	-do- Jaypore colly.
78.	Dr M R Roy	-do-	49,324	MBBS	1.8.73	-do- AR & T Co.
79.	Dr A Borthakur	Sr Medical Officer	50,890	MBBS	1.8.83	-do-
80.	Shri B Prasad	Supdt of Mines	60,278	B Sc. (Hon) Mining Engg. 11SM 1st Class Magr. Certificate	-do-	-do-

1	2	3	4	5	6	7
81.	Shri S K Sarkar	Mining Engr/Colly. Manager	54,384	B Sc. Mine Surveyors Certificate	21.2.77	-do-
82.	Shri R S Dewan	-do-	53,704	B Sc. (Mines)	1.8.73	-do-
83.	Shri A Roy	-do-	50,039	BE (Mines)	17.12.73	-do-
84.	Shri A K Samanta	Asstt Colly. Manager	51,130	1st Class Managership certificate	1.8.73	-do-
85.	Shri M N Jha	Supdt. of Mines	61,025	B Sc. (Part) (Mines), AIMS	-do-	-do-
86.	Shri M C Bora	Mining Engineer/Colliery Manager	55,911	B Sc. (Mines)	-do-	-do-
87.	Shri S Banerjee	Supdt. (Mines)	61,886	I Sc., (BE Mines)		-do-
88.	Shri S A H Abidi	Mining Eng/Colly. Manager	52,227	B Sc. (Mining), AISM	-do-	-do-
89.	Shri R C Bharadwaj	Supdt. (Mines)	55,222	B Tech. (Mines)	-do-	-do-
90.	Shri A Kumar	Mining Engr/Colly. Manager	53,088	B Sc. (Mines)	-do-	-do-
91.	Shri A C Thakuria	Colliery Manager	44,607	B Sc. (Mines) (Hon) (1st Class)	31.8.74	
92.	Shri D Bhattacharjee	Engineer (E&M)	43,541	BE (Elect)	12.12.76	
93.	Shri A Bharadwaj	EE (C)	40,468	BE (Civil)	15.11.75	
94.	Shri K K Tewari	Asstt Colly Manager	47,131	B Sc. (Mines) (Hon) 1st Class	7.12.73	
95.	Shri H R Saini	-do-	41,461	Surface Mining Elec. Supervisor's Cost	14.10.77	
96.	Shri D K Sarkar	Surveyor Officer	42,077	Sirdarship, Mine Surveyor Exam.	9.7.79	
97.	Shri R N Biswas	Asstt Colly. Manager	44,756	B Tech. (Mine) 1st Class	7.10.76	
98.	Shri V N Singh	-do-	45,992	B Sc., Diploma in Mining 1st Cl.	31.10.75	
99.	Shri N C Sur	-do-	47,552	BSG Overman Cost, 1st Class	20.1.78	
100.	Shri P K Chakraborty	Survey Officer Sirdar	39,977	Sirdar Cert. & Mine Surveyors Examination	9.7.79	
101.	Shri A K Bora	Colliery Manager	43,816	B Tech (Mine), 1st Class	5.3.76	
102.	Shri U P Sastry	Mining Engineer	45,431	B Sc., BE		
103.	Shri B N C Phukan	Surveyor Officer	41,386	Mine Sirdership & Mine Surveyors Examination	9.7.79	
104.	Shri I Thakur	Asstt Officer	40,088	B Sc., Surveyor's Exam.	9.7.79	
105.	Dr S K Das	Medical Officer	40,781	MBBS	15.11.78	
106.	Dr T C Borthakur	Splst./Gynecologist	45,242	MBBS, MD	16.9.81	
107.	Shri A C Mazumdar	Sr Finance/Accounts Officer	45,035	B Sc. Eng. (Elec)	16.11.57	
108.	Shri A K Verma	Dy Supdt/Geologist	44,680	B Sc., M Sc. in Geology	19.2.74	
109.	Shri Prakash	Sr Stores Purchase Officer	41,008	B Sc., MBA	2.6.75	
110.	Shri M P Sinha	Mining Engineer	45,868	I Sc., BE (Mine) MBA, 1st Cl.	13.3.82	
111.	Shri S K Roy	Sr EE (C)		B Sc., Eng (C), AMIS Stonct, E	22.1.82	
112.	Shri S Mukherjee	Dy CE (C)	50,382	B Tech. 1st Class Civil Engg.	20.4.82	BCCL
113.	Shri A N Chatterjee	FM	52,122	B Com., AICWA	5.10.82	BCCL
114.	Shri A R Ganapathy	FM	46,637	ACMA (UK)	13.9.76	Bertram Scott India Ltd.
115.	Shri P K Chatopadhyay	Dy CME	46,507	1st Class ME	7.7.82	BCCL
116.	Shri A R Sen	Dy CME	40,024	B Sc. (M), 1st Class	15.2.82	CCL
117.	Shri S Majumdar	Supdt. Engg.	52,342	I Sc., Dip. in Mech. Engg.	15.10.79	ECL
118.	Dr S Mukherjee	Supdt. Geology	52,396	Doctorate in Geology	6.8.82	CEMPDIL
119.	Shri A K Sen	Corporate Planner	54,838	B Sc. (Mining), 1st Class	16.4.82	CEMPDIL
120.	Shri P K Bagchi	Dy MM	49,204	I Sc. Dip. (M), 2nd Class	1.8.73	Lodna (1920) Ltd.
121.	Shri S N Nandi	Dy CME	48,505	1st ME	23.2.82	WCL
122.	Shri A S R Murthy		52,797	BE (Elec.)	1.7.73	NCDC/CCL
123.	Shri S S Bhattacharjee		52,044	B Sc. (M), 1st Class	1.10.80	CCL
124.	Shri S G Shah	Dy CPM	51,070	MAS, LLB	1.11.76	WCL

1	2	3	4	5	6	7
125.	Dr A Sarkar	Medical Supdt.	56,863	MBBS, Dip. in Public Health	9.10.74	NCCD/CCL
126.	Shri S K Singha	OSD	39,140	BA	3.7.82	Govt. of India
127.	Shri H C Chakraborty		52,082	B Sc., B Chem. Engg. (H)	4.12.80	CEMPDIL
128.	Shri J G Das Bairagy	Finance Manager	42,299	M Com., AICWA	Dec. '81	CEMPDIL
129.	Shri S Bose	Supdt. Engg. (PM)	40,816	B Sc., Engg. (Mech.)	3.3.76	CEMPDIL
130.	Shri P K Mitra	-do-	41,249	B Tech. (Mech.)	8.11.82	ICI Pvt. Ltd.
131.	Shri N K Bhattacharjee	Dy Chief S M	40,486	BE (Mining), IInd Class Mines Managership Certificate, 1st Cl. Manager's Certificate	7.12.81	BCCL
132.	Shri M C Boral	Manager (GS)	51,094	I Sc.	1.8.73	Lodna (1920) Ltd.
(B) Employed Part of the Financial Year (1983-84)						
1.	Shri M S Gujral	Chairman	43,391	Graduate from Indian Military Academy	26.7.83	Chairman, Railway Board
2.	Shri S R Jain	Chairman	26,348	I Sc., 1st Class BE (Mech.), 1st Class Associateship of ME	22.11.82	HEC Ltd.
3.	Shri M Jha	Director (Tech.)	49,783	ISM, Dhanbad, Post Graduate Dip. in Mining (Sheffield Uni- versity), 1st Class Mines Mgr.	June '83	CCL
4.	Shri R K Gupta	Director (P & I R)	20,322	AISM, 1st Class Colly Manager Certificate	10.10.83	WCL
5.	Shri O Maheepathi	Adviser (P & IR)	34,732	MA, FL, DSW	1.12.80	Neyveli Lignite Corpn.
6.	Shri S P Mathur	Chief of Project, Monitoring	11,373	B Sc. (Mining) 1st Class	10.6.81	WCL
7.	Shri I P Wadhawan	Chief CMO	32,370	B Com. (Hons)	April '81	ECL
8.	Shri S Pachepakesan	Chief of Finance Division	12,516	IA & AS	24.3.79	Indian Audit and Accounts Service
9.	Shri S K Ghosh	CMM	33,471	Sr Cambridge Genel. Certificate Adv. level BA (Oxford)	1.8.73	Bengal Coal Co.
10.	Shri A V Brahma	COPD	4,897	B Sc., AISM	28.2.84	BCCL
11.	Shri M P Narayan	Chief of Marketing Division	26,230	1st Class Colly. Manager's Certificate of Competency	1.8.75	NCDC Ltd.
12.	Shri G R Bhandari	CPM	45,091	MA, Dip IR & W	28.9.84	WCL
13.	Shri S B Sahay	Chief of Vigilance	40,264	IPS	11.10.79	Bihar Govt. (on deput.)
14.	Shri A K Chatterjee	GM (MM)	18,003	B Sc. (M), 1st Class	5.10.82	CCL
15.	Shri B Kanungo	GM (A)	39,402	BA (Economics)	9.8.76	BCCL
16.	Shri J M Kapur	GM (F)		B Com, ACA	26.5.76	ECL
17.	Shri H G Sehgal	Addl Chief S M	36,460	B Sc. B (Tech), Mining 1st Class Mine Manager's Certificate	11.5.83	CCL
18.	Shri K C Mehrotra	Dy COV	18,246	B Sc., BE (Civil)	16.2.81	Govt. of Bihar
19.	Shri T K Deb	Addl Chief Sales Manager	3,592	Mining Engr. 1st Class Manager's Certificate	3.10.77	CCL
20.	Shri K L Bose	Addl CME	22,257	AISM	1.4.75	Ex-Coal Board
21.	Shri P C Biswas	Addl CME	1,069	B Sc., AISM	25.6.81	WCL
22.	Shri N B Bose	Addl CE	19,110	Chartered Engr.	3.12.82	CCL
23.	Shri G Sengupta	Dy CME	39,960	B Sc. (Mining), Engr. (Hons) IASM	22.10.80	WCL
24.	Shri C R Das	Addl CME	31,214	B Sc. (M), AISM, 1st Class	July '81	CCL
25.	Shri D P Moitra	Sr Personnel Officer	53,754	B Sc.	Aug '77	Ex. Coal Board
26.	Shri D K Mukherjee	Supdt. Engr (E&M)	3,566	Dip. in Mech. Engg.	2.3.84	CCL
27.	Shri B Dev	Addl CME	4,481	I Sc. Dip. n Mining, 1st Class	5.3.84	ECL
28.	Shri Hirak Banerjee	Engineer (E&M)	6,422	I Sc., Dip. in ME	20.8.84	ECL

1	2	3	4	5	6	7
29.	Shri P K Ghosh	Supdt. Engr. (Civill)		LCE, BCE	11.1.83	Engineers' India Ltd.
30.	Shri D S Bhattacharjee	Dy CFM	17,649	B Sc., ICWA	22.9.83	BCCL
31.	Shri V K Singh	Addl Chief S M	16,012	BA (Hons), Dip. in Physical Education	3.5.83	BCCL
32.	Shri K K Jain	Dy Chief S M	12,970	M Com., LLB	Oct. '83	ECL
33.	Shri P P Agarwal	Dy CPM	19,965	B Sc., BA (Econ), DSW	1.11.76	Ministry of Labour
34.	Shri S I Hassan	Dy Chief Sales Mgr.	18,360	B Sc.	1.12.75	CCL
35.	Shri S C Gupta	Chief Sales Manager	28,002	AISM, 1st Class Mining Manager's Certificate	June '82	ECL
36.	Shri S K Gupta	Dy Sales Manager	26,054	Mining Engineer	29.1.78	BCCL
37.	Shri Rajkishore Saran	Dy CPM	29,070	B Sc. (49), RTC (UKSI)	27.11.81	WCL
38.	Shri K N Chowdhury	Dy CME	24,064	1st Class Mining Managership Certificate	7.8.80	CCL
39.	Shri Debal Mallick	Dy Chief Sales Mgr.	43,226	BA	17.6.80	ECL
40.	Shri S P Puri	General Manager	21,987	AISM, 1st Class Colliery Manager's Certificate		WCL
41.	Shri J Bhargava	PRM	31,948	B Sc. Dip in Journalism	1.8.84	WCL
42.	Shri R L Sharma	Dy CPM	23,611	BA, LLB, DSW	19.5.83	WCL
43.	Shri T G Krishnaya	Sr PO (Retd.)	33,026	IA	4.1.77	W B Coalfields Ltd.
44.	Shri S K Nagrath	Dy Sales Manager	26,793	B Com.	30.4.82	BCCL
45.	Shri Mihir Bhattacharjee	Sales Manager	36,298	M Sc.	5.5.79	NEC
46.	Shri K N Khanna	Dy CE (E&M)	18,623	B Sc. Engr (Elec)	16.11.57	

**Comments of the Comptroller & 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, 1984**

I have to state that the Comptroller & Auditor General of India has no comments upon or supplement to the Auditors' Report Under Section 619(4) of the Companies Act, 1956 on the accounts of Coal India Limited for the year ended 31st March, 1984.

Dated, Calcutta,  
The 1st December, 1984

**N KRISHNAN KUTTY**  
*Member, Audit Board & Ex-Officio*  
Director of Commercial Audit (Coal)  
**CALCUTTA**



**Review of the Accounts of Coal India Limited for the  
year ended 31st March, 1984 by the Comptroller & Auditor General of India**

**1. Financial Position**

The table below summarises the financial position of the Company under the broad headings for the last 3 years :

	(Rs in lakhs)		
	1981-82	1982-83	1983-84
<b>Liabilities</b>			
(a) Paid-up Capital (including amount due to Govt. of India to be adjusted against issue of Shares)	1,28,689.45	1,69,124.95	2,12,987.12
(b) Reserves & Surplus	1.50	8.31	6.81
(c) Borrowings :			
(i) From Govt. of India	1,31,957.06	1,56,363.06	1,92,729.43
(ii) From Bank	21.57	79.88	7,671.95
(d) Trade dues and current liabilities (Including provision)	18,761.12	21,913.47	34,314.12
<b>TOTAL</b>	<b>2,79,430.70</b>	<b>3,47,489.67</b>	<b>4,47,709.43</b>
<b>Assets</b>			
(e) Gross Block	1,625.54	2,282.83	3,131.74
(f) Less Depreciation	292.84	436.70	606.18
(g) Net Fixed Assets	1,332.70	1,846.13	2,525.56
(h) Capital Work-in-Progress	45.14	285.11	1,473.24
(i) Investment	53,875.85	1,19,979.35	1,23,401.45
(j) Current Assets, Loans & Advances (including amount due from Govt. of India for non-coking coal mines)	2,12,561.54	2,13,577.96	3,08,830.27
(k) Miscellaneous expenditure & Losses not writtn off :			
(i) Deferred Revenue Expenditure	74.51	63.76	75.83
(ii) Accumulated losses	11,540.96	11,737.36	11,403.08
	<b>2,79,430.70</b>	<b>3,47,489.67</b>	<b>4,47,709.43</b>
Capital Employed	1,95,133.12	1,93,510.61	2,77,041.71
Net Worth	1,17,075.48	1,57,332.13	2,01,515.02

**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 1.03:1 in 1981-82, 0.92:1 in 1982-83 and 0.90:1 in 1983-84.



### 3. Reserves & Surplus

The Reserves & Surplus (Rs 6.81 lakhs) amounted to (a) 0.001% of total liabilities in 1983-84 as against 0.002% in 1982-83 and 0.001% in 1981-82 ; and

(b) 0.003% of equity capital (Rs 2,12,987.12) in 1983-84 as against 0.005% in 1982-83 and 0.001% in 1981-82.

### 4. Liquidity & Solvency

(a) The percentage of current assets to total net asset varied from 76.07 in 1981-82 to 61.46 in 1982-83 and 68.98 in 1983-84.

(b) The percentage of current assets to current liabilities including provisions varied from 1132.99 in 1981-82 to 974.64 in 1982-83 and 900.01 in 1983-84.

(c) The percentage of quick assets (cash and bank balances, debtors and advances) to current liabilities (excluding provisions) varied from 8.02 in 1981-82 to 16.44 in 1982-83 and 33.51 in 1983-84.

### 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, 1984 amounted to Rs 1,93,800.42 lakhs in 1981-82, Rs 1,91,664.48 lakhs in 1982-83 and Rs 2,74,516.15 lakhs and represented 2130.83 months', 636.66 months' and 432.26 months' value of production at cost (excluding depreciation) during the above years respectively.

### 6. Sources and Uses of Funds

Funds amounting to Rs 167.98 lakhs from internal sources (depreciation, reserves & surplus and provision) and Rs 1,00,221.86 lakhs from other sources were utilised during 1983-84 as shown below :

	(Rs in lakhs)
Gross Fixed Assets	848.91
Capital work in progress	1,188.13
Investment (other than trade)	3,422.10
Current Assets Loans & Advances	95,252.91
Miscellaneous Expenses & Losses not Written off	(—) 322.21
<b>TOTAL</b>	<b>1,00,389.84</b>

### 7. Working Results

	(Rs in lakhs)		
	1981-82	1982-83	1983-84
Profit/Loss as per account	(—) 49.22	(—) 197.87	(+) 295.16
Add Development rebate, reserve, Investment Allowance shown above the line	—	—	—
Profit/Loss for the year	(—) 49.22	(—) 197.87	(+) 295.16
Add/deduct past period adjustment shown below the line	—	(+) 1.47	(+) 37.62
Loss/Profit before tax	(—) 49.22	(—) 196.40	(+) 332.78
Tax Provision	—	—	—
Loss/Profit after Tax [ ( + ) indicates Profit, ( — ) indicates loss ]	(—) 49.22	(—) 196.40	(+) 332.78

The cumulative loss as on 31.3.84 amounted to Rs 11,403.08 lakhs as against the paid-up capital of Rs 2,12,987.12 lakhs as on the same date.

## 8. Cost Trend

The table below indicates the percentage of cost of sales to sales during last three years.

	(Rs in lakhs)		
	1981-82	1982-83	1983-84
Sales of Coal, Coke, Bricks etc.	1,027.31	3,223.29	7,607.12
Add loss/ Less Profit	49.22	197.87	295.16
Cost of Sales	1,076.53	3,421.16	7,311.96
Percentage of Cost of Sales to Sales	104.79	106.14	96.12

**Note :** The figures of Sales mentioned above and subsequent paras 9 & 11 do not include the value of coal amounting to Rs 24.99 lakhs, Rs 32.31 lakhs and Rs 36.91 lakhs consumed within the collieries and issued to employees and also do not include the value of coal of Rs 12.59 lakhs, Rs 20.09 lakhs and Rs 19.75 lakhs for Colliery consumption (charged to capital) during 1981-82, 1982-83 & 1983-84 respectively.

## 9. Production Performance

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

	(Rs in lakhs)		
	1981-82	1982-83	1983-84
(i) Sales of coal & bricks etc.	1,027.31	3,223.29	7,607.12
(ii) Closing stock of coal bricks etc. (including work-in-progress)	89.12	372.14	848.63
(iii) Opening stock of coal & bricks etc. (including work-in-progress)	7.45	89.12	372.14
(iv) Value of production (i+ii—iii)	1,108.98	3,506.31	8,083.61

The percentage of value of production to net worth fluctuated from 0.95 in 1981-82 to 2.23 in 1982-83 and 4.01 in 1983-84. Percentage of value of production to total net assets varied from 0.40 in 1981-82 to 1.01 in 1982-83 and 1.80 in 1983-84.

## 10. 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, 1984 :

	(Rs in lakhs)		
	1981-82	1982-83	1983-84
(i) Stores & Spares	140.60	199.86	286.46
(ii) Stock of Coal, Bricks etc.	89.12	372.14	848.63

The stock of stores and spares was equivalent to 10.20 months consumption in 1981-82, 12.95 months' consumption in 1982-83, and 16.62 months' consumption in 1983-84.

Stock of coal, bricks etc. represented 1.04 months' Sales in 1981-82, 1.39 months' Sales in 1982-83 and 1.34 months' Sales in 1983-84.

## 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
31.3.82	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
31.3.84	356.92	191.98	548.90	7,607.12	7.21

Sundry debtors represented about 0.93 months' turnover in 1981-82, 0.90 month's turnover in 1982-83 and 0.86 months' turnover in 1983-84.

The following table indicates the details of debts outstanding for more than one year as on 31.3.84 :

(Rs in lakhs)

	Govt. Deptt.	Private Parties	Total
(i) Debts outstanding over one year but less than two years	6.01	0.84	6.85
(ii) Debts outstanding over two years but less than 3 years	1.62	0.36	1.98
(iii) Debts outstanding for 3 years and above	30.07	1.57	31.64
TOTAL	37.70	2.77	40.47

CALCUTTA  
The 1st December, 1984

N KRISHNAN KUTTY  
Member, Audit Board & Ex-Officio,  
Director of Commercial Audit (Coal)  
CALCUTTA

# Coal India Limited

Addendum to the Director's Report (Under Sec. 217(3) of the Companies Act, 1956)

## AUDITORS' REPORT

To  
The Members of  
Coal India Limited

We have audited the attached Balance Sheet of Coal India Limited as at 31st March, 1984 and also the annexed Profit & Loss Account for the year ended on that date in which accounts of Regional Offices, Coal Marketing Organisation and Dankuni Coal Complex audited by the Branch Auditors in accordance with the letter of appointment No. 17/205/84-IGC dated 21.3.1984 of Company Law Board, Government of India, Department of Company Affairs, New Delhi, have been incorporated. We report as follows :

1. Details and break-up of immovable properties vested with and owned by the Company under Coal Mines (Nationalisation) Act, 1973 were not made available to us. Title Deeds of immovable properties acquired after nationalisation were not produced to us for verification. Mutation of CIL's name as owner to certain properties is yet to be carried out.

2. A part of Sales at NEC have been accounted for on the basis of the prices which are above the notified price fixed by the Government of India through Gazette Notification. We were informed that this increase over the basic price, is for additional charges for special sizing and beneficiation of coal supplied to different customers and is as per the above Gazette Notification after mutual agreement and consent given by the customers.

The Coal Controller has objected to the notice issued by the Company to the effect of this increase in the basic price and has asked to withdraw the notice earlier issued and to revise the same. This has neither been withdrawn nor revised. We have been informed that the same is under consideration of the Company. One of the customers has also disputed the increase in prices and filed a legal suit against the Company in the Calcutta High Court where the matter is pending. As the matter has not yet been finalised, we are unable to express our opinion, as to whether Company may take the additional charges as their income or not. In our opinion till the matter is finalised, the Company should provide for the additional charges and the income should be netted upto that extent. However,

## OUR REPLY

Details and break-up of assets acquired by Government by virtue of Nationalisation of Coal Mines and subsequently transferred to CIL are not available. Execution of Title Deeds and mutation of the assets acquired through Govt. agencies after nationalisation is in progress in certain cases.

A reference is invited to Para 3.4 of Schedule 'Y' i.e. Notes on the Accounts.

### AUDITOR'S REPORT

the total impact which is though significant could not be ascertained by us.

#### 3. Secured Loan

We refer, in this connection, to Note No. 6 of the Schedule 'Y' i.e. Notes on the Accounts. The consent of State Bank of India and United Bank of India for transfer of the loan and assets hypothecated against such loan to the Subsidiaries has not been produced to us for our verification and as such, we are unable to form any opinion whether the transfer to the credit of the Subsidiaries is according to the agreement. Register for 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 31.3.1984 against the facilities of the Companies. The quantum of this could not be determined.

#### 4. Depreciation

Depreciation has been charged according to the provision of the Section 205 of the Companies Act, 1956, except in respect of Plant & Machinery where the individual cost which is less than Rs 5,000/- should be depreciated fully but not provided accordingly. As such, depreciation has been under provided. As the exact amount has not been computed by the Management, over statement of the profit to that extent could not be ascertained.

5. Actuarial valuation for future payment for gratuity in respect of services of the employees has not been ascertained. Gratuity is being charged on cash basis, except in respect of retired employees, in whose cases provision has been made on estimated basis, but in some cases of retired employees no provision has been made. In absence of computation of total liability, the impact on the profit during the year could not be ascertained.

6. Provision amounting to Rs 100.79 lakhs has been made against the sale effected to Steel Authority of India Limited upto the extent of notified price. In absence of formal agreement the extent of the amount of provision required to be made could not be ascertained.

7. Stock of coal includes coal amounting to Rs 53.77 lakhs lying at Kamaikhagudi Stockyard. In absence of formal agreement with SAIL this could not be determined whether the above should be treated as sales or stock lying at Stockyard. Freight incurred on this account has not

### OUR REPLY

Alongwith Note No. 6 of the Schedule 'Y' i.e. Notes on the Accounts, it may be noted that the Auditors were shown the authorisation by the Subsidiaries to CIL allowing hypothecation for obtaining cash credit accommodation from the Banks.

This is being followed as per the Company's policy in this regard.

No comments.

In the absence of a formal agreement, the Company has made provisions for the difference between the minimum notified price and the invoiced price which is considered adequate.

As per arrangement with SAIL Coal for onward despatch shall have to be transhipped from Metre Gauge to Broad Gauge at Kamaikhagudi by the Company and SAIL will accept the despatch from Kamaikhagudi only.



## AUDITOR'S REPORT

been charged to Profit & Loss Account. In our opinion profit has been overstated upto that extent but amount could not be ascertained.

8. Closing Stock of coal at NEC has been valued at selling price. Therefore, the element of profit could not be eliminated, from the above stock. In absence of availability of actual cost of closing stock, the figure of the profit could not be ascertained.

9. Provision for shortage/excess in the stock of coal which was less than 5% has not been made. The valuation of closing stock as well as profit of the Company has been overstated to that extent for which amount could not be ascertained.

10. In absence of proper stock records at Kamaikhagudi stockyard the valuation of the stock lying there could not be verified by us. During the course of survey measurement the surplus quantity of coal amounting to Rs 8.66 lakhs which comes around 55% of the computed book stock was noticed. The above surplus appears to be abnormal. Though the figures has been adjusted in the Accounts but in absence of proper enquiry by the Management the correctness of the adjustment could not be justified by us.

### 11. Accounting of the Stores

11.1 Stores Receipt and Issue Documents at NEC do not bear serially pre-printed numbers. In absence of which chances of omission of current year's receipt and issue on the one hand and recording of previous year's receipt and issue in the current year on the other hand could not be ruled out. Because of this consumption of the stores and spares may be overstated/understated, amount could not be ascertained.

11.2 Issue slips of partly issued materials at NEC are not recorded till the final issue against the particular requisition is made. Similarly, receipt of goods is not recorded till the formal order is approved, irrespective of the fact that in some cases goods were received and consumed. Therefore, the possibility of omission of receipts and issue in this regard and subsequently understatement/overstatement of inventory and capitalisation of assets as the case may be cannot be ruled out but amount could not be ascertained.

12. We have been informed that Government of India has agreed in principle to waive the penal interest on loans

## OUR REPLY

Freight and other incidental expenses incurred upto and at Kamaikhagudi are reimbursable from SAIL as and when despatched.

This has already been pointed out in para 3.5 of Schedule 'Y'.

This is as per policy adopted by the Company.

Action has been taken for improving record keeping and for enquiring into circumstances leading to excess stock.

Although pre-printed numbers in the receipt and issue documents are not in existence but control serial numbers are maintained serially and it is not difficult to trace out irregularity, if any.

However, action will be taken to get the voucher numbers pre-printed.

Action is being taken to improve the system.

The Government has agreed in principle to waive penal interest. On receipt of sanction



## AUDITOR'S REPORT

which has been repaid. Consequent to this the interest liability of the Company in current year as well as in earlier years may considerably reduce and accordingly the current account figure of Subsidiary Companies, cumulative and current year's losses of the Company as well as capitalisation of certain Fixed Assets and depreciation may be effected. However, in absence of any adjustment in current year's account, the impact on Balance Sheet and Profit & Loss Account could not be ascertained.

13. Liabilities for charges, expenses and statutory levies, if any, arising out 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 has not yet been executed.

14. We have incorporated the following notes from the Branch Auditor's Report :

14.1 Some Regional Sales Offices and Stockyards have owned heavy cash balances without any insurance coverage.

14.2 Proper Books of Accounts in respect of purchase of goods have not been maintained at the Lucknow and Bhopal Regional Sales Offices.

15. Reference is invited to the following notes appearing in Schedule 'Y'.

15.1 Pending determination of non-moving and slow-moving items provision required to be made could not be ascertained (Note No. 3.1).

15.2 Different method of valuation of stores of NEC (Note No. 3.2).

The impact of the same on Accounts could not be ascertained.

15.3 Pending final assessment for Royalty, Cess, Sales Tax etc. the additional liability wherever required, could not be provided (Note No. 5.2).

15.4 Balances of the Subsidiary Companies remain unconfirmed (Note No. 7.2).

15.5 Segregation of the book debts has been made on the basis of billing date instead of date of despatches (Note No. 7.6).

## OUR REPLY

from the Government, necessary adjustments will be made in the Accounts.

The coal mines were nationalised and taken over by the Government and subsequently transferred the properties vested with the Government under the Act to CIL and its Subsidiaries. Payment of duties under Transfer of Properties Act does not arise in such cases. However, the matter had been referred to the Ministry and the same is under examination of the Government.

Action is being taken to reduce the holding of cash balance with the Regional Offices.

Action is being taken to maintain the Books of Accounts in proper form.

No comments.

## AUDITOR'S REPORT

## OUR REPLY

15.6 Regarding non-allocation of profit of Coal Marketing Organisation to the Subsidiaries an increase of profit amounting to Rs 258.68 lakhs (Note No. 19).

16. In absence of proper information made available to us the information required in paragraph 4D of Part II of Schedule 6 of Companies Act, 1956 i.e. value of imports, expenditure incurred in foreign currency and earning in foreign exchange, consumption of imported and indigenous stores and spare alongwith respective percentage could not be verified by us.

17. The Company has followed two different Accounting treatments for Railway claims. In case of NEC while it has been taken in Loans & Advances, but in case of Coal Marketing Organisation, the same has been taken in Sundry Debtors. In our opinion, this should be included in Loans and Advances.

18. As required under Manufacturing and other Companies, Auditors' Report Order 1975, issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act, 1956, we include to this Report a statement on the matter specified in Para 4 & 5 of the said Order.

19. Subject to para 1 to 17 above and further to our comments in annexure referred to in para 18 above, and read with the notes appearing in Schedule 'Y' i.e. note on the accounts, we report that :

(a) The Reports on accounts of the Regional Offices, Coal Marketing Organisation and Dankuni Coal Complex, audited by the Branch Auditors have been forwarded to us and we have considered the same in preparing our report.

(b) We have obtained all the information and explanations except otherwise stated above which to the best of our knowledge and belief were necessary for the purpose of our audit.

(c) In our opinion proper books of accounts as required by Law have been maintained except at Kamaikhagudi, Bhopal region and Lucknow Office as reported in other paragraphs.

(d) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the Books of Accounts.

(e) In our opinion and to the best of our knowledge and belief and according to the information and explanations

No comments.

The anomaly is because of the advice of the Auditors which will be rectified next year.

## **AUDITOR'S REPORT**

given to us, the Balance Sheet and Profit & Loss Account, subject to the above, give true and fair view :

- (i) In so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 1984; and
- (ii) In so far as it relates to the Profit & Loss Account of the profit of the Company for the year ending on that date.

For M C Bhandari & Co.  
Chartered Accountants  
M R Jain  
Partner

Calcutta, the 18th October, 1984

## **OUR REPLY**

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

## Annexure to the Auditors' Report

Referred to in Paragraph 18 of our Report of Even Date

1. The Company has maintained 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. However, in case of NEC and Headquarters where substantial part of the assets exists, no such records have been maintained. Physical verification of Fixed Assets have been carried out by the management during the year in respect of Regional Offices, Dankuni Coal Complex and Coal Marketing Organisation only, where no significant discrepancy were noticed. In case of Head Quarters and NEC no such verification has been carried out during the year. In absence of which discrepancy if any could not be ascertained and adjusted.

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

3. Stock of coal and coke were physically measured by the Management at NEC and in majority of the stockyards. Discrepancies, as compared to Book records wherever observed, more than 5% have been properly dealt with in the Books of Accounts. No adjustment has been made for the discrepancy, found within 5% limit. Where the stocks were not physically verified, book figures have been taken into account with adequate provision for a possible quality deterioration.

In case of stores at NEC, Company have perpetual inventory system. During the year under review, a small portion was physically verified by the Management while the major portion of the inventory remain unverified. This appears that full verification of inventory has not been completed under perpetual inventory system even in a chain of last several years. Therefore, the discrepancy, if any, remaining in the items left out of the purchase of physical verification could not be ascertained and adjusted. Reconciliation between Bin Card balances and stores ledger balances has been made upto 31st December, 1983, only. However, the stores ledger balances as on 31st March, 1984, has been adopted for the purpose of valuation. In our opinion, more emphasis

should be given on verification of fast moving items and atleast once in a year all the stores item should be physically verified.

In case of stores lying at Headquarters, no such physical verification has been carried out. As such discrepancy, if any, could not be noticed and dealt with in the Accounts.

Valuation of the stock of coal and coke at NEC has been made at selling price. In case of Coal Dumps of CMO, the same has been valued at cost. The valuation of Stock of Coal and Coke and Stores & Spares is fair and proper and in accordance with the normally accepted accounting principle except in case of Stores & Spares at NEC due to the reason stated in para 3.2 of Schedule 'Y' and in case of coal at NEC upto extent of element of profit as stated in para 3.5 of Schedule 'Y'.

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.

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.

6. In our opinion internal control system for the purpose of Stores, Plant & Machinery, Equipment and other Assets offers scope for improvement to make it commensurate with the size of the Company and nature of its business.

7. 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.

8. As explained to us the Company has not determined unserviceable and damaged stores at NEC. As such no adequate 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.

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

10. 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.

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

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

13. 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 authority. However, in some cases, there were some delay which is not abnormal. In few cases amount is still lying outstanding.

14. 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 18th October, 1984

For M C BHANDARI & CO.

*Chartered Accountants*

M R JAIN

*Partner*



## ADDENDUM TO DIRECTORS' REPORT

Statement Pursuant to Section 212 (1) (e) of the Companies Act, 1956 as at 31st March '84

Coal India Limited held the whole of the fully paid-up equity 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, 1984 and cumulative loss as on 31st March, 1984 in respect of Subsidiary Companies indicated below have not been dealt with or provided for in the Accounts for the year 1983-84 of Coal India Limited.

Name of Subsidiary Companies	No. of equity shares held by Coal India Ltd.	No. of equity shares held by CIL in nominees' name	Total paid-up value Rs Crores	Profit (+)/ Loss (—) during the year ended 31.3.84* Rs crores	Profit (+)/Loss (—) as on 31.3.84, Rs crores
ECL	3727397	3	372.7400	(—) 127.88	(—) 635.95
BCCL	3499997	3	350.0000	(—) 191.89	(—) 538.67
CCL	2606040	2	260.6042	(+) 60.49	(+) 191.74
WCL	2489107	3	248.9110	(+) 12.12	(—) 12.43
CEMPDIL	35397	3	3.5400	(+) 1.15	(+) 1.27

\*Before creating investment allowance, reserve.

For and on  
Behalf of the Board of Directors

M S Gujral  
Chairman

Calcutta,  
Dated the 18th December, 1984

# Coal India Limited

## Balance Sheet as at 31st March 1984

	Schedules		As at 31st March, 1984 (Rs in lakhs)	As at 31st March, 1983 (Rs in lakhs)
<b>SOURCES OF FUNDS</b>				
<b>Shareholders' Funds</b>				
Share Capital	A	191169.55	149069.55	
Reserves and Surplus	B	6.81	8.31	149077.86
Due to Government	C	21817.57		20055.40
<b>Loan Funds</b>				
Secured Loans	D	7671.95	79.87	
Unsecured Loans	E	220711.36	171781.83	171861.70
			441377.24	340994.96
<b>TOTAL</b>				
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
Gross Block	F	3131.74	2282.83	
Less : Depreciation		606.18	436.70	
Net Block		2525.56	1846.13	
Capital Work-in-Progress		1473.24	253.65	2099.78
Investments	G	123401.45		119979.35
<b>Current Assets, Loans and Advances</b>				
Inventories	H	1174.95	623.00	
Sundry Debtors	I	356.92	184.35	
Cash & Bank Balances	J	10385.37	1413.00	
Other Current Assets	K	13478.63	13465.41	
Loans & Advances	L	283510.23	197987.41	
		308906.10	213673.17	
Less : Current Liabilities and Provisions	M	6332.19	6494.70	207178.47
<b>Miscellaneous Expenditure</b>				
(To the extent not written off or adjusted)				
Profit & Loss Account			11403.08	11737.36
			441377.24	340994.96
<b>Notes forming part of the Accounts</b>				
	Y			

Rana S J B Singh  
Secretary

C R Mukherjee  
Director (Finance)

M S Gujral  
Chairman

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

Calcutta, Dated the 18th October 1984

# Coal India Limited

## Profit & Loss Account for the year ended 31st March 1984

	Schedules	For the year ended 31st March, 1984 (Rs in lakhs)	For the year ended 31st March, 1983 (Rs in lakhs)
<b>INCOME</b>			
Turnover	N	7607.12	3223.29
Coal & Bricks issued for other purposes	O	56.66	52.40
Accretion in Stock	P	460.15	283.02
Other receipts	Q	273.51	159.67
Subsidy from Coal Price Regulation Account for Retention Price		22.03	3.10
Proportionate Expenditure transferred to Subsidiaries		378.18	680.72
		<u>8797.65</u>	<u>4402.20</u>
<b>EXPENDITURE</b>			
Purchase of Coal and Coke	R	3657.25	1417.23
Payment to and Provision for Employees	S	1362.38	1222.58
Other Expenditure	T	2670.58	1492.06
Overburden Removal		251.10	158.57
Payment to Contractors		50.72	72.53
Interest (net of recoveries from Subsidiaries Rs 14688.97 lakhs — Previous year Rs 11464.06 lakhs)	U	105.18	68.78
Depreciation		166.11	90.10
Social Overhead	V	84.16	48.95
Provision	W	155.01	29.27
		<u>8502.49</u>	<u>4600.07</u>
Profit for the year		295.16	(—) 197.87
Prior Period Adjustment	X	37.62	1.47
Net Profit for the year		332.78	(—) 196.40
Profit : Brought forward from Previous year		(—) 11737.36	(—) 11540.96
Development Reserve Written back		1.50	—
Balance transferred to Balance Sheet		(—) 11403.08	(—) 11737.36
Notes forming part of the Accounts	Y		

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

Calcutta, Dated the 18th October 1984

# Coal India Limited

## Schedule to Balance sheet as at 31st March, 1984

### SCHEDULE A

SHARE CAPITAL	As at 31st March, 1984 (Rs in lakhs)	As at 31st March, 1983 (Rs in lakhs)
<b>Authorised</b>		
2,00,00,000 Equity Shares of Rs 1000/- each (Previous year 1,50,00,000 Equity Shares of Rs 1000/- each)	200000.00	150000.00
<b>Issued and Subscribed</b>		
1,66,51,690 Equity Shares of Rs 1000/- each fully paid in Cash (Previous year 1,24,41,690 Equity Shares of Rs 1000/- each)	166516.90	124416.90
24,65,265 Equity Shares of Rs 1000/- each are allotted as fully paid up for consideration received in other than Cash (Previous year 24,65,265 Equity Shares of Rs 1000/- each)	24652.65	24652.65
	<u>191169.55</u>	<u>149069.55</u>

### SCHEDULE B

RESERVES & SURPLUS		
<b>Capital Reserve</b>		
Subsidy received for CMWO Houses	6.81	6.81
<b>Development Rebate Reserve</b>		
As per last Account	1.50	1.50
Less : Written back	<u>1.50</u>	<u>1.50</u>
	<u>6.81</u>	<u>8.31</u>

### SCHEDULE C

#### DUE TO GOVERNMENT OF INDIA (To be adjusted against issue of Equity Shares)

Advance received from Govt. of India towards Equity Pending allotment of Shares against transfer of Shares from :	20600.00	19100.00
(a) Bharat Coking Coal Limited	10.13	10.13
(b) Central Coalfields Limited	233.40	233.40
(c) Western Coalfields Limited	419.99	157.82
	<u>663.52</u>	401.35
For consideration payable to Govt. of India for vesting of Mines (As per last account)	36.14	36.14
For consideration payable to Govt. of India for balance as on 1.5.1973 taken over (as per last account)	709.77	709.77
Less : Pro-rata share of loss	<u>347.82</u>	<u>347.82</u>
	361.95	361.95
For Assets taken over from erstwhile Coal Board (as per last account)	365.41	365.41
Less : Share issued/adjusted	<u>365.40</u>	<u>365.40</u>
	0.01	0.01
Amount payable for Bharat Coking Coal Limited :		
(a) For Management Compensation	5.95	5.95
(b) For advance payment made prior to 1.5.1973	150.00	150.00
	<u>155.95</u>	<u>155.95</u>
	<u>21817.57</u>	<u>20055.40</u>

# Coal India Limited

## Schedule to Balance Sheet as at 31st March, 1984

### SCHEDULE D

#### SECURED LOANS

	As at 31st March, 1984 (Rs in lakhs)	As at 31st March, 1983 (Rs in lakhs)
Cash Credit from Scheduled Banks (Limit Rs 7990.00 lakhs — Previous year Rs 2990.00 lakhs)	7671.95	79.87

**Note :** Cash Credit facilities availed of from banks against hypothecation of stock of Coal, Coke, Stores & Spares, Book debts and moveable assets of some of the Collieries of the Subsidiary Companies and North Eastern Coalfields.

### SCHEDULE E

#### UNSECURED LOANS

From Government of India (Long term loan)	192729.43	156363.06
Interest accrued and due	32237.89	19674.73
Less : Subsidy	4255.96	4255.96
	<u>27981.93</u>	<u>15418.77</u>
	<u>220711.36</u>	<u>171781.83</u>



# Coal India Limited

## Schedule to Balance Sheet as at 31st March 1984

SCHEDULE F

### FIXED ASSETS

(Figures in Rs lakhs)

Sl. No.	Particulars of Assets	Gross Value of Assets				Depreciation				Net Value of Assets	
		Total as on 1.4.83	Additions during the year	Disposal/ adj. during the year	Total as on 31.3.84	Total as on 1.4.83	Additions during the year	Transferred/ adj. during the year	Total as on 31.3.84	As on 31.3.84	As on 31.3.1983
1	2	3	4	5	6	7	8	9	10	11(6-10)	12(3-7)
1.	Land	148.10	16.30	—	164.40	—	—	—	—	164.40	148.10
2.	Buildings, Road Culverts and Water Supply	171.13	72.24	(—) 5.55	237.82	31.31	8.60	(—) 1.61	38.30	199.52	139.82
3.	Railway Sidings	11.77	—	—	11.77	7.14	(—) 3.49	—	3.65	8.12	4.63
4.	Plant & Machinery	1030.23	397.30	5.21	1432.74	287.90	126.60	1.54	416.04	1016.70	742.33
5.	Furniture & Fittings and Office Equipments	89.05	30.69	(—) 1.76	117.98	14.57	5.58	(—) 0.12	20.03	97.95	74.48
6.	Development	794.64	317.74	—	1112.38	86.56	28.32	—	114.88	997.50	708.08
7.	Prospecting & Boring	2.62	0.20	—	2.82	0.46	0.14	—	0.60	2.22	2.16
8.	Vehicles	23.42	16.51	0.03	39.96	6.53	2.84	—	9.37	30.59	16.89
9.	Air Craft	8.50	—	—	8.50	1.79	0.90	—	2.69	5.81	6.71
10.	Diesel Generator	3.37	—	—	3.37	0.44	0.18	—	0.62	2.75	2.93
	Total	2282.83	850.98	(—) 2.07	3131.74	436.70	169.67	(—) 0.19	606.18	2525.56	1846.13
	Capital Work-in-Progress	253.65	1272.26	(—) 52.67	1473.24	—	—	—	—	1473.24	253.65
	Grand Total	2536.48	2123.24	(—) 54.74	4604.98	436.70	169.67	(—) 0.19	606.18	3998.80	2099.78
Previous Year :											
(i)	Capital work-in-progress	104.49	214.73	(—) 65.57	253.65	—	—	—	—	253.65	104.49
(ii)	Other Fixed Assets	1566.18	716.68	(—) 0.03	2282.83	292.84	143.86	—	436.70	1846.13	1273.34
	Total	1670.67	931.41	(—) 65.60	2536.48	292.84	143.86	—	436.70	2099.78	1377.83

Notes : Total Depreciation for the year Rs 169.67 lakhs (Previous year Rs 143.86 lakhs) has been allocated as follows :

	(Rs in lakhs)	
	1983-84	1982-83
(i) Profit & Loss Account	166.11	90.10
(ii) Social Overhead	5.72	1.84
(iii) Development	2.03	15.21
(iv) Prior period adjustment (Net) (—)	4.19	(—) 0.28
(v) Advance stripping on Over Burden Removal	—	36.99
TOTAL	169.67	143.86

# Coal India Limited

## Schedule to Balance Sheet as at 31st March, 1984

### INVESTMENT (AT COST)

### SCHEDULE G

Other than Trade Investment (Unquoted) in wholly owned Subsidiary Companies.

2588235 Fully paid Equity Shares of Rs 1000/- each in Central Coalfields Limited (Previous year — 2588235 Equity Shares of Rs 1000/- each)

As at 31st  
March, 1984  
(Rs in lakhs)

As at 31st  
March, 1983  
(Rs in lakhs)

25882.35

25882.35

3500000 Fully paid Equity Shares of Rs 1000/- each in Bharat Coking Coal Limited (Previous year — 3500000 Equity Shares of Rs 1000/- each)

35000.00

35000.00

3727400 Fully paid Equity Shares of Rs 1000/- each in Eastern Coalfields Limited (Previous year — 3727400 Equity Shares of Rs 1000/- each)

37274.00

37274.00

2489110 Fully paid Equity Shares of Rs 1000/- each in Western Coalfields Limited (Previous year — 2146900 Equity Shares of Rs 1000/- each)

24891.10

21469.00

35400 Fully paid Equity Shares of Rs 1000/- each in Central Mine Planning and Design Institute Limited (Previous year — 35400 Equity Shares of Rs 1000/- each)

354.00

354.00

1123401.45

119979.35

# Coal India Limited

## Schedule to Balance Sheet as at 31st March, 1984

### SCHEDULE H

#### INVENTORIES

		As at 31st March, 1984 (Rs in lakhs)		As at 31st March, 1983 (Rs in lakhs)
Stores & Spares (average cost/estimated price)	240.35		179.00	
Less : Provision for Obsolescence	3.71		3.56	
		236.64		175.44
Stores-in-transit		49.82		24.42
Capital goods-in-transit (at cost)		37.87		31.46
Stock of coal, coke (Cost/Selling price)		770.59		380.03
Stock-in-transit		76.81		5.07
Stock of bricks (Estimated cost)		0.82		3.11
Work-in-Progress (Bricks & Workshop at estimated cost)		2.40		3.47
		<u>1174.95</u>		<u>623.00</u>

### SCHEDULE I

#### SUNDRY DEBTORS

(a) Debts outstanding over six months	56.37		34.47	
Other Debts	492.53		206.94	
		548.90		241.41
Less : Provision for bad and doubtful		191.98		57.06
		<u>356.92</u>		<u>184.35</u>
(b) Classification				
Secured — Considered good		35.34		30.57
Unsecured — Considered good		321.58		153.78
Unsecured — Considered doubtful		191.98		57.06
		<u>548.90</u>		<u>241.41</u>

### SCHEDULE J

#### CASH AND BANK BALANCES

<b>Cash Balances :</b>			
Cash, Cheques, Drafts, Postal Orders and Stamps in hand	6571.29		13.16
<b>Bank Balances :</b>			
Current Account with Scheduled Banks	3589.37		1341.80
Remittance-in-transit	224.61		57.75
With Post Office Savings Bank	0.10		0.29
	<u>10385.37</u>		<u>1413.00</u>

# Coal India Limited

## Schedule to Balance Sheet as at 31st March, 1984

### SCHEDULE K

#### OTHER CURRENT ASSETS

	As at 31st March, 1984 (Rs in lakhs)	As at 31st March, 1983 (Rs in lakhs)
Dues arising out of transfer of assets and liabilities to Subsidiary Companies : As per last Account :		
(a) Eastern Coalfields Limited	5009.79	5009.79
(b) Western Coalfields Limited	4809.24	4809.24
(c) Central Coalfields Limited	1263.40	1263.40
(d) Central Mine Planning and Design Institute Limited	93.09	93.09
	<u>11175.52</u>	<u>11175.52</u>
Due from Government of India (net) :		
(a) Transactions on behalf of ex-owners of non-coking coal mines	675.64	674.51
(b) Subsidy towards interest on non-plan loans	1 551.62	1551.62
	<u>2227.26</u>	<u>2226.13</u>
Interest accrued on Bank Deposit	0.02	—
Advance Stripping of overburden removal	75.83	63.76
	<u>13478.63</u>	<u>13465.41</u>

### SCHEDULE L

#### LOANS AND ADVANCES

Advance Recoverable in Cash or in kind or for Value to be received :		
Subsidy receivable	7.17	7.17
Deposits	18.22	13.47
Advance to Subsidiary Companies	281636.58	195965.67
Coal Price Regulation Account	—	3.10
Advance for Capital Project	1111.82	1381.99
Others	756.41	619.29
	<u>283530.20</u>	<u>197990.69</u>
Less : Provision for Doubtful Advances	19.97	3.28
	<u>283510.23</u>	<u>197987.41</u>

**Note :** Amounts due from Subsidiary Companies :

	Maximum amount due during the year		Balance as on 31st March, 1984	
	As on 31st March, 1984	As on 31st March, 1983	As on 31st March, 1984	As on 31st March, 1983
(a) Bharat Coking Coal Limited	100164.35	83705.07	93572.33	68011.73
(b) Central Coalfields Limited	65582.42	49400.35	65582.42	41684.55
(c) Western Coalfields Limited	54374.26	36832.64	54374.26	31915.42
(d) Eastern Coalfields Limited	75752.09	79082.48	67345.79	53921.08
(e) Central Mine Planning & Design Institute Limited	763.08	849.85	761.78	432.89

# Coal India Limited

## Schedule to Balance Sheet as at 31st March, 1984

SCHEDULE M

### CURRENT LIABILITIES

	As at 31st March, 1984 (Rs in lakhs)	As at 31st March, 1983 (Rs in lakhs)
Sundry Creditors	1107.06	792.75
Provident Fund	31.97	11.03
Advance from Customers and Others	561.73	118.72
Income Tax deducted at source	3.00	2.63
Sales Tax	56.26	4.23
Deduction under AECD Scheme	0.01	0.01
Interest accrued but not due	3779.56	5060.69
Security Deposits	114.75	79.47
Other deposits	260.90	227.91
Other Liabilities	416.95	197.26
	<u>6332.19</u>	<u>6494.70</u>

**Note :** Other deposits include Rs 182.97 lakhs (Previous year Rs 182.97 lakhs) on account of Pre-nationalisation Subsidy.



# Coal India Limited

## Schedule to Profit & Loss Account for the Year ended 31st March, 1984

### TURNOVER

### SCHEDULE N

	For the year ended 31st March, 1984 (Rs in lakhs)	For the year ended 31st March, 1983 (Rs in lakhs)
Coal	6226.92	2185.08
Coke	1380.19	1038.26
Bricks	0.01	0.01
	<u>7607.12</u>	<u>3223.29</u>

Note : Sales are net off Royalty, Cess, Excise duty etc.

### COAL & BRICKS ISSUED FOR OTHER PURPOSES\*

### SCHEDULE O

<b>Colliery Consumption :</b>			
Coal	12.81		11.17
Bricks	2.71		2.13
	<u>15.52</u>		<u>13.30</u>
Free issue of coal to Employees		21.39	19.01
Colliery consumption charged to capital (Bricks)		19.75	20.09
		<u>56.66</u>	<u>52.40</u>

\*Valued at Notified/Selling Price.

### ACCRETION IN STOCK

### SCHEDULE P

<b>1. Stock (Coal, Coke and Bricks)</b>			
Closing	881.75		371.88
Less : Provision	33.53		<u>      </u>
	<u>848.22</u>		371.88
Less : Opening	388.22*		88.74
		460.00	<u>283.14</u>
<b>2. Work-in-Progress (Bricks) :</b>			
Closing	0.41		0.26
Less : Opening	0.26		0.38
	<u>      </u>	0.15	<u>      </u>
		<u>460.15</u>	(—) 0.12
			<u>283.02</u>

\*Including Rs 16.34 lakhs brought forward from the Development Project.

**Coal India Limited**  
**Schedule to Profit & Loss Account for the**  
**Year ended 31st March, 1984**

SCHEDULE Q

OTHER RECEIPTS

	For the year ended 31st March, 1984 (Rs in lakhs)	For the year ended 31st March, 1983 (Rs in lakhs)
Service Charges	79.53	76.88
Transportation, Bamboo matting, Registration	20.16	14.69
Departmental Charges	9.62	—
Compensation for Delay & Breach of Contract	132.21	59.50
Claims receivable from Railways	15.46	—
Subsidy	7.87	—
Others	8.66	8.60
	<u>273.51</u>	<u>159.67</u>

SCHEDULE R

PURCHASES OF COAL & COKE

<b>Purchase</b>		
(a) Coal	2722.27	625.35
(b) Coke	934.98	791.88
	<u>3657.25</u>	<u>1417.23</u>

**Coal India Limited**  
**Schedule to Profit and Loss Account for the**  
**Year ended 31st March, 1984**

SCHEDULE S

**PAYMENT TO AND PROVISION FOR EMPLOYEES**

	For the year ended 31st March, 1984 (Rs. in lakhs)	For the year ended 31st March, 1983 (Rs. in lakhs)
I. Salaries, Wages, Allowances, Ex-gratia etc.	1124.50	1011.78
II. Contribution to Provident Fund and other Fund (Including Administrative charges)	80.30	66.79
III. Gratuity & Pension	26.09	37.19
IV. Workmen & Staff Welfare Expenses :		
Educational Allowance & Expenses	0.04	0.05
Salaries, Wages, Bonus & Allowances	0.33	0.52
Uniforms	1.12	1.69
Reimbursement of Medical Expenses	15.36	23.02
Leave Travel Concession	75.83	45.03
Canteen Up-keep and Refreshment	3.07	4.88
Hospital Expenses	8.85	7.81
Life Cover Schemes	2.98	2.33
Workmen's Compensation	2.03	1.82
Free issue of coal to Employees	21.39	18.94
Others	0.89	1.11
	131.89	107.20
Less : Canteen recovery	0.40	0.38
	131.49	106.82
	1362.38	1222.58

**Coal India Limited**  
**Schedule to Profit & Loss Account for the**  
**Year ended 31st March, 1984**

SCHEDULE T

OTHER EXPENDITURE

		For the year ended 31st March, 1984 (Rs in lakhs)	For the year ended 31st March, 1983 (Rs in lakhs)	
I.	Consumption of Stores and Spares	206.78		185.15
II.	Power & Fuel	79.21	82.36	
	Consumption of Coal for Boiler use	12.81	11.17	
		92.02		93.53
III.	Repairs :			
	Factory/Office Buildings	14.69	12.27	
	Plant & Machinery	72.42	20.77	
	Others	6.52	19.53	
		93.63		52.57
IV.	Miscellaneous Expenses :			
	Freight & Transportation charges	1823.08	813.19	
	Dump Operation Charges	168.64	72.48	
	Travelling Expenses	45.84	58.80	
	Octroi Charges	17.44	—	
	Advertisement	13.58	44.16	
	Maintenance of Vehicles	21.96	21.39	
	Printing & Stationery	13.36	12.96	
	Postage, Telephone & Trunk Calls	23.06	29.45	
	Insurance	10.67	10.61	
	Audit Fees	0.66	0.66	
	Audit Expenses	0.38	0.33	
	Rent (net)	59.31	48.57	
	Apex Administrative Charges	2.63	4.21	
	Loss on Sales of Fixed Assets	0.53	0.02	
	Quality Allowance	44.97	0.89	
	Others	32.04	43.09	
		2278.15		1160.81
		2670.58		1492.06

# Coal India Limited

## Schedule to Profit & Loss Account for the Year ended 31st March, 1984

### SCHEDULE U

#### INTEREST

	For the year ended 31st March, 1984 (Rs in lakhs)	For the year ended 31st March, 1983 (Rs in lakhs)
Interest on Long Term Loan from Government	20631.13	17345.43
Interest on Bank Overdraft : Apex	117.92	102.15
North Eastern Coalfields	1.61	2.11
	<u>119.53</u>	<u>104.26</u>
Less : Subsidy towards Interest on Non-Plan Loan from Government	20750.66	17449.69
	5807.58	5807.58
Less : Interest distributed to Subsidiary Companies	14943.08	11642.11
	14688.97	11464.06
	<u>254.11</u>	<u>178.05</u>
Interest for : Dankuni Coal Complex	148.93	101.92
North Eastern Coalfields	105.18	76.13
	<u>254.11</u>	<u>178.05</u>
Less : Capitalised : Dankuni Coal Complex (Net of Rs 0.38 lakhs for prior period transactions)	148.93	101.92
North Eastern Coalfields	—	7.35
	<u>148.93</u>	<u>109.27</u>
	<u>105.18</u>	<u>68.78</u>

### SCHEDULE V

#### SOCIAL OVERHEAD

Salaries, Wages, Bonus & Allowances	24.93	19.08
Consumption of Stores & Spares	19.29	7.07
Repairs & Maintenance to Township, Hospital and Others	9.46	5.87
Donation to Schools & Institutions	17.99	3.71
Sports & Recreational Grants	1.68	2.03
Depreciation	5.72	1.84
Power	4.29	2.94
Insurance	0.09	0.05
Other Benefits	1.69	7.31
	<u>85.14</u>	<u>49.90</u>
Less : Colliery consumption	0.98	0.95
	<u>84.16</u>	<u>48.95</u>

### SCHEDULE W

#### PROVISIONS AND WRITE OFF

Doubtful Advances	4.44	3.21
Bad and Doubtful Debts	106.65	4.14
Bad and Doubtful Claims	43.73	21.72
Obsolescence of Stores & Spares	0.19	0.07
Provision for Doubtful Advances written off	—	0.13
	<u>155.01</u>	<u>29.27</u>



**Coal India Limited**  
**Schedule to Profit & Loss Account for the year**  
**ended 31st March, 1984**

SCHEDULE X

PRIOR PERIOD ADJUSTMENTS

	For the year ended 31st March, 1984 (Rs in lakhs)	For the year ended 31st March, 1983 (Rs in lakhs)
<b>DEBITS</b>		
Sales	1.21	—
Salaries, Wages etc.	50.95	(—) 0.01
Gratuity and Pension	—	0.16
P F Contribution	0.46	—
Travelling Expenses	0.18	(—) 0.49
Repairs	0.59	(—) 0.34
Postage & Telegram	1.02	(—) 0.55
Rent	0.17	4.36
Advertisement	—	1.94
Consumption of Stores & Spares	3.80	5.42
Interest	1.19	(—) 5.46
Dead Rent	5.17	—
Calims receivable	14.39	—
Others	4.72	4.35
	<u>83.85</u>	<u>9.38</u>
<b>CREDITS</b>		
Hire charges of Air Craft	2.27	0.21
Rent	0.25	—
Depreciation	4.19	0.28
Purchase of coal	0.02	—
Rates & Taxes	0.72	0.12
Adjustment of Opening Stock	70.10	—
Provision for Doubtful advances written-back	3.21	—
Apex Office Charges	13.62	8.74
Overburden removal adjustment	25.82	0.28
Others	1.27	1.22
	<u>121.47</u>	<u>10.85</u>
Net Credit	<u>37.62</u>	<u>1.47</u>

## Coal India Limited

### Notes on the Accounts for the year ended 31st March, 1984 (This forms part of the Balance Sheet as at 31st March, 1984, and the Profit and Loss Account for the year ended on that date)

SCHEDULE—Y

#### 1. Fixed Assets

1.1 Agreement for transfer of assets and liabilities to Central Mine Planning and Design Institute Limited on its formation as a Subsidiary of Coal India Limited is yet to be executed.

1.2 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 immovable properties acquired after 9th July, 1973, have not yet been executed in favour of the Company.

1.3 Title deeds for lands at Salt Lake Rs 3.27 lakhs, VIP Road/Ultadanga Rs 113 lakhs and for Dankuni Coal Complex Rs 29.84 lakhs and Bhubaneswar for Rs 2.97 lakhs have not been executed in favour of the Company, as those were acquired through/from Government Agency, the properties are under possession of the Company.

1.4 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 remains unascertained.

1.5 Fixed Assets transferred at the time of nationalisation of Coal Mines from erstwhile owners have been written off in the earlier years, as such though in existence not reflected in Accounts.

1.6 In absence of detailed records being available from erstwhile owners and State Governments, allocation between leasehold and freehold land and buildings thereon situated at NEC and Dankuni could not be made. In absence of the same amortised amount could not be ascertained and provided.

1.7 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.

1.8 Building includes cost of electrical fittings, water supply arrangement and sanitary fittings. Depreciation has been provided for at the rate prescribed for building. However, in current year electrical and sanitary fittings and water supply arrangement made in existing building have been grouped in the proper head.

1.9 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. Subsidy received thereon was credited to capital reserve; which amounts to Rs 6.81 lakhs.

1.10 In some cases capitalisation have been done on estimation pending receipt of final bill. The actual impact of the same on gross block and depreciation may not be significant but not ascertained.

1.11 In case of civil job awarded on work order under local schedule of rates at NEC, the stores issued from Central Stores are charged to jobs. Subsequent transfer of stores at worksite from one nature of job to another is not accounted separately. There may be some items which might have effected the capitalisation and repair and maintenance charged to Profit and Loss Account, the extent of which could not be ascertained. The system is under review for improvement.

#### 2. Capital Work-in-Progress

2.1 Development in mines includes expenditure of revenue nature incurred in connection with that.

2.2 The Dankuni Coal Complex being in the process of construction all establishment expenses and depreciation of assets in use have been grouped under Development Account.

**2.3 Advance stripping of over burden removal :** The ratio of over burden removal to coal chargeable to Profit & Loss Account and to be carried over for subsequent years as advance stripping is computed on half yearly basis. The ratio in current year is 1:3.21 from April, 1983 to September, 1983 and 1:4.07 from October, 1983 to March, 1984, while in previous year it was 1:3 and 1:3.38 respectively. As the ratio of coal to over burden varies from year to year, variations due to such changes have been reflected in the accounts accordingly.

**2.4** At NEC for working out a patch-deposit some of the equipments were transferred in piecemeal. The actual expenses for working the above machineries and other related departmental expenses were charged to the respective heads and not to over burden removal expenses and advance stripping, as the deposits were worked out in a short period.

**2.5** On the basis of system of accounting followed in earlier years, the total charged off for over burden removal to Profit & Loss Account would have been Rs 399.75 lakhs. However, a sum of Rs 148.65 lakhs has been accounted for under the respective head of accounts and the balance of Rs 251.10 lakhs has been charged off under the head over burden removal account.

### **3. Current Assets**

**3.1** The stock of coal and bricks at NEC except stock of coal lying at Chandigarh have been physically verified by the Management during the year on the basis of survey measurement. No significant discrepancy was noticed except stock lying at Kamakya-guri where a surplus of 2,795.5 MT valuing to Rs 8.67 lakhs was found during the course of survey measurement in the month of January, 1984, which has been adjusted properly.

As per accepted policy variation upto 5% between book stock and physical stock has been considered permissible and book stock has been taken for the purpose of accounting. Accordingly, the total excess of 261.3 MT upto 5% (valuing Rs 0.81 lakh) has not been adjusted into accounts.

The closing stock of coal and coke in various Stockyards of Coal Marketing Organisation were physically measured by the Management except in 14 Stockyards in West Bengal and 10 Stockyards of Lucknow

Regional Sales Office due to non-availability of Surveyors from Subsidiaries in time and in 5 Stockyards under the administrative control of Chandigarh Sales Office due to unavoidable circumstances.

Stocks of coal and coke have been valued on weighted average cost principle considering the elements of purchase price, transportation and freight and unloading charges wherever applicable or at realisable value whichever is lower. In respect of measured stocks, as per contract with the Dump Operators, the difference between book stock and measured stock will be recovered and accordingly the value (Rs 67.66 lakhs including penalty) of the total shortage on account of coal and coke which was 8297.341 MT has been recovered or considered recoverable from them. Where physical stock measurement could not be done, the book stock has been taken for accounting, and a provision amounting to Rs 33.53 lakhs has been made for eventual stock deterioration at an ad-hoc rate of 10% of the book value of stock. As such, the actual recovery to be made on account of shortages from these Stockyard-Operators could not be determined and not provided for as claims in this year's accounts. Soft coke dust has been valued at 50% of the selling price. Rejects comprising stone and shale and declared as unsaleable was 524.998 MT valued at Rs 0.76 lakhs and adjusted in stock.

In case of stores and spares at NEC, the Company is having a perpetual inventory system. During the year under review small portion of the stores items could be verified because of shortage of stock verifier. No significant discrepancy was noticed during the course of verification. Discrepancies noticed have been dealt with in the accounts properly. Reconciliation between Bin Card balance and Stores Ledger balance has been made upto 31.12.1983. The balance as on 31.3.1984 has been taken for the purpose of valuation. Additional stock verifier has been posted by the local Management to make up the deficiency during the current year.

Pending determination of non-moving and slow-moving items, an amount of Rs 0.19 lakhs has been provided for as obsolete items determined by the Company during the year. Thus the total provision for obsolete stores as on 31.3.1984 stands at Rs 3.71 lakhs.

**3.2 Valuation of inventory :** Valuation of stores at NEC has been made normally at average purchase price except in case of specified items at actuals and in case where final bill has not been received, it is on the basis of proforma invoices and other available records. Stores issued are charged at pre-determined rates.

**3.3** Stores lying at Headquarters have been valued at cost. However, no physical verification at the end of the year has been carried out.

**3.4** A part of the coal at NEC has been sold and accounted for at value inclusive of the additional charges for special sizing and beneficiation as per mutual agreement and consent of the customers. The Coal Controller has objected to the notice issued by the Company to the extent of increase in the basic price and has asked to withdraw the notice and issue a revised one, although he has agreed for charging additional charges for special sizing and beneficiation subject to negotiation, acceptance by the customers. The matter is under consideration of the Legal Department. Further, one customer has also filed a case against the Company in the Calcutta High Court challenging the increase in price. The matter is pending.

**3.5** Closing stock of coal at NEC has been valued consistently at notified price. Thus profit element, if any, included therein could not be eliminated.

#### **4. Loans and Advances**

Pending availability of the details, in some cases advances against purchase remained unlinked with the liability created in this regard. In some cases advances outstanding for a considerable period, if adjusted might have affected capital and/or revenue, the extent of which could not be ascertained.

#### **5. Current Liabilities**

**5.1** In some cases, in absence of bills/challans, liabilities including for raw coal purchases have been valued at estimated price based on available records for price and other incidental/statutory levies.

**5.2** Pending final assessment for Royalty, Cess, Sales Tax and other Taxes, additional liability, if any, could not be provided for.

**5.3** Transactions in Sundry Creditors Ledger could not be effected in the data processing machine in

chronological order, linking of Sundry Creditors balances and advances, paid to the suppliers have not been made, but adjusted in the Balance Sheet to the extent of Rs 98 lakhs by manual checking.

#### **6. Bank Overdrafts**

As all the assets and liabilities of the 4 erstwhile Divisions have been transferred to the Subsidiary Companies in 1975-76, Company's Bank Overdraft Account of the related Divisions and the corresponding overdraft balances as on 1.11.1975 were also transferred to the Subsidiaries. The Company retained balance in Bank Overdraft Account corresponding to the portion of credit facilities used by it, which has been secured by creating charge against stock of coal, stores and spares and book debt of the Subsidiary Companies.

#### **7. General**

**7.1** Balances of sundry debtors, sundry creditors, loans and advances, amount due from Government of India and also due to Government of India, remained unconfirmed by the parties.

**7.2** The balances with Subsidiary Companies remained unconfirmed. However, the major portion of transactions were reconciled during the year.

**7.3** Since the Desk Offices at Calcutta which were part of Coal Marketing Organisation in the last year have been taken over by the respective subsidiaries with effect from 1.4.1983, as such the current year's figures are not fairly comparable with those of previous year.

**7.4** Regional Sales Office, Bilaspur, which was under the administrative control of Coal Marketing Organisation has been taken over by Western Coalfields Limited from 1.11.1983. All assets and liabilities as on 31.10.1983 have been passed on to Western Coalfields Limited at book value.

**7.5** Except in West Bengal fresh contracts with Stockyard Operators have been entered into and as per agreement recovery for difference between book stock and measured stock has been made.

**7.6** Segregation of book debt for less than 6 months has been made considering the date of billing/revised billing irrespective of date of despatches.

**7.7** The figures for provisions have not been segregated but included in the current liability.



## 8. Capital Commitment

The amount of transactions remained to be executed on Capital Account not provided for amounts to Rs 6565.21 lakhs (previous year Rs 8446.84 lakhs).

## 9. Contingent Liabilities

9.1 For claims against the Company not acknowledged as debts :

- (i) Suits filed against the Company for Rs 45.56 lakhs (inclusive of Rs 3.11 lakhs) relating to assets transferred to Central Coalfields Limited.
- (ii) Rs 11.00 lakhs claimed by one of the Subsidiaries as overhead charges for stores supplied.

9.2 Cases for which Company may be contingently liable :

- (i) Guarantee given by the Company for Bank Overdraft aggregating to Rs 2325.00 lakhs for two Subsidiaries.
- (ii) For contracts entered into with MACHINO-EXPORT Moscow, for import of equipments of Subsidiary Companies on deferred payment term basis.
- (iii) Certain disputes with the employees are under adjudication or settlement for which liability may extend to Rs 300.00 lakhs.
- (iv) Royalty and dead rent claims made by the State Government in respect of running, closed and not taken over mines amounting to Rs 6.14 lakhs.

## 10. Profit & Loss Account

10.1 In certain cases repairs and maintenance done departmentally, stores consumption has been charged into this account. Salaries and wages etc. have been shown in other respective heads.

10.2 No adjustments have been made in respect of rent payable/receivable for the building of a Subsidiary Company occupied by the Company/rented premises of the Company occupied by the same Subsidiary.

10.3 The following expenses/incomes have been accounted for on cash basis :

- (i) **Expenses** : Leave travel, underloading charges, pension, workmen's compensation.
- (ii) **Income** : Sales of scraps, interest on loans from employees, electricity and vehicle charges, service charges, subsidy.

10.4 Sales include Rs 16.41 lakhs for despatched but not billed.

11. 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 5807.58 lakhs comprising of interest accrued and due (Rs 4255.96 lakhs) and interest accrued but not due (Rs 1561.62 lakhs) have been taken credit of in the account.

12. No provision has been made on account of penal interest on the amount of interest of Rs 10.96 crores on non-plan loans accrued but not due for payment upto 31.3.1979 as the matter is still under consideration for waiver by the Government.

13. Previous year's figures have been regrouped/rearranged and modified wherever necessary and possible.

14. An amount of Rs 857.71 lakhs received (Rs 278.83 lakhs before nationalisation and Rs 578.88 lakhs 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 674.74 lakhs have been adjusted on receipt of particulars from Coal Board/Govt. of India leaving a balance of Rs 182.97 lakhs which is included under the head "Deposits" in "Current Liabilities" pending further orders from the Government.

15. Loans and advances include Rs 5.13 lakhs being payment made for purchases on behalf of the Subsidiary Companies yet to be allocated to their accounts.

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

17. The Govt. of India, Ministry of Energy, Department 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 Government to the Retention Prices for raw coal produced and sold by the different Subsidiary Companies and for the NEC owned by Coal India Limited. Coal India Limited is authorised to operate the Coal Price Regulation Account on behalf of the Government.

A sum of Rs 22.04 lakhs has been shown by NEC on account of subsidy from Coal Price Regulation Account.

18. The debit balance of Profit and Loss Account in the Balance Sheet includes Rs 9951.15 lakhs (loss) of CMAL period being carried forward.



19. From 1.4.1983 Coal Marketing Organisation has entered into full fledged trading activities. As per decision of the Management from this year while passing on the Apex Office charges to the Subsidiary Companies and NEC, the expenditure/income of Coal Marketing Organisation has not been considered. Thereby the profit of the Company for the year has increased by Rs 258.68 lakhs.

20. The allocation of interest on loans payable to the Government including Bank Overdraft has been allocated taking into account the total investment (by way of equity and loan) at the end of the year in each of the Subsidiary Companies and NEC and Dankuni Coal Complex 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.

## 21. Directors Remuneration

	1983-84	1982-83
	Rs in lakhs	Rs in lakhs
(i) Salaries	1.74	0.45
Company's contribution to Provident Fund & other funds	0.11	0.02
Medical Benefits	0.04	0.01
Perquisites	0.34	0.06
(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 :		

	Rs. in lakhs			
	Employed through out the year	Employee part of thd year		
	83-84	82-83	83-84	82-83
(i) No. of employees	132	67	46	22
(ii) Salaries, Allowance etc.	Rs 57.69	26.83	10.47	4.74
(iii) Contribution to Provident Fund	Rs 4.33	1.85	0.72	0.31

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

	'83-84	'82-83
Imported	Rs. in Lakhs	
(i) Raw materials	—	—
(ii) Capital goods	—	—
(iii) Stores, Spares & Components	0.68	0.90
<i>Expenditure incurred in Foreign Currency on account of :</i>		
(i) Know how	—	—
(ii) Interest	—	—
(iii) Exchange variation	—	—
(iv) Commission to Foreign Agents	—	—
(v) Training expenses & payment to Foreign Technicians	3.30	0.46
<i>Earning in Foreign Exchange on account of :</i>		
(i) Export of Goods (Calculated on FOB Basis)	—	—
(ii) Exchange variation	—	—
(iii) Miscellaneous	..	—
<i>Capacity, Production, Sales and Stock :</i>		
(a) Installed capacity	NA	NA
(b) Licensed capacity	NA	NA
(c) Estimated material consumption	—	0.05

## PART — I

	Opening Stock				Production	
	1983-84		1982-83		1983-84	1982-83
	Quantity '000 MT	Value Rs/lakhs	Quantity '000 MT	Value Rs/lakhs	Quantity '000 MT	Quantity '000 MT
Coal (Run-of-Mine and Hand Picked)	74.95 (9.12)	134.17 (16.34)	67.21 (10.45)	104.25 (16.20)	805.72	710.11 (67.98)
Bricks :						
Class I ('000')	672	3.11	126	1.08	4307	5335
Class II ('000')	1		29		—	176
Arch Bricks ('000')	28		22		66	44
Broken Bricks (Cum)	56		12		835	86
Green Bricks ('000')	—		160		—	—
Process Bricks ('000')	—		—		—	—

	Turn Over				Closing Stock			
	1983-84		1982-83		1983-84		1982-83	
	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 (Run-of Mine & Hand Picked)	772.42	1945.60	702.17 (58.85)	1305.91 (107.08)	108.15*	335.47	74.95 (9.12)	134.18 (16.34)
Bricks :								
Class I ('000')	4852		4789		127		672	
Class II ('000')	—		204		1		1	
Arch Bricks ('000')	42		39		52		28	
Broken Bricks (Cum)	576	22.47	81	22.23	15	1.23	56	3.11
Green Bricks ('000')	—		—		90		—	
Process Bricks ('000')	—		—		60		—	

**Note :** (Figures in Brackets represent for Development Projects included in the Stock, Production, Turn-over etc.) Turnover Quantity and value includes Colliery Consumption and free issue of coal for which separate figures could not be provided.

\* Includes Stock-in-Transit 0.10 lakhs tonne & Rs 32.26 lakhs.

## PART — II

### OTHER TRADING ACTIVITIES Statement of Opening Stock and Purchase

Class of Goods		Opening Stock		Purchase	
		Quantity '000' MT	Value Rs lakhs	Quantity '000' MT	Value Rs lakhs
Coal	1983-84	37	124.71	1191	2722.27
	1982-83	—	—	338	625.35
Coke	1983-84	57	126.22	371	934.98
	1982-83	—	—	419	791.88
Total	1983-84	94	250.93	1562	3657.25
	1982-83	—	—	757	1417.22

### Statement of Turnover and Closing Stock

Class of goods		Sales		Closing Stock	
		Quantity '000' MT	Value Rs in lakhs	Quantity '000' MT	Value Rs in lakhs
Coal	1983-84	1067	4315.52	116	485.33
	1982-83	292	1016.37	37	124.71
Coke	1983-84	407	1380.19	24	60.13
	1982-83	323	1038.20	57	126.22
Total	1983-84	1474	5695.71	140	545.46
	1982-83	615	2054.57	94	250.93

Signatures to Schedule A to Y.  
For COAL INDIA LIMITED

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

Dated, Calcutta  
the 18th October, 1984

M R JAIN  
Partner