

ANNUAL REPORT
1984-85

AR1984

COAL INDIA LIMITED

10, NETAJI SUBHAS ROAD
CALCUTTA-700 001

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Management During 1984-85

Chairman	: Shri M S Gujral	
Functional Directors	: Shri C R Mukherjee	— Finance
	: Shri M Jha	— Technical
	: Shri R K Gupta	— Personnel Industrial Relation from 12-12-84
Directors	: Shri S N Singh	— Chairman-cum-Managing Director Eastern Coalfields Limited
	: Shri R G Mahendru	— Chairman-cum-Managing Director Central Mine Planning & Design Institute Limited
	: Shri T V Lakshmanan	— Chairman-cum-Managing Director Western Coalfields Limited
	: Shri Rajendra Singh	— Chairman-cum-Managing Director Central Coalfields Limited Upto 1-7-84
	: Shri B R Prasad	— Chairman-cum-Managing Director Central Coalfields Limited from 28-12-84
	: Shri R K Gupta	— Chairman-cum-Managing Director Bharat Coking Coal Limited from 11-6-84 to 11-12-84
	: Shri N R Mitra	— Chairman-cum-Managing Director Bharat Coking Coal Limited. from 28-12-84
	: Shri P K Lahiri	
	: Shri S Narayan	— Upto 28-12-84
	: Shri R K Sharma	
	: Shri P N Abbi	— From 25-4-84
	: Shri J C Lynn	— From 19-9-84
	: Shri G P Rao	— From 28-12-84

Present Management

Chairman	: Shri G L Tandon	
Functional Directors	: Shri C R Mukherjee	— Finance
	: Shri M Jha	— Technical
	: Shri R K Gupta	— Personnel & Industrial Relation
Directors	: Shri S N Singh	— Chairman-cum-Managing Director Eastern Coalfields Limited
	: Shri R G Mahendru	— Chairman-cum-Managing Director Central Mine Planning & Design Institute Limited
	: Shri B R Prasad	— Chairman-cum-Managing Director Central Coalfields Limited
	: Shri N R Mitra	— Chairman-cum-Managing Director Bharat Coking Coal Limited
	: Shri Mahip Singh	— Chairman-cum-Managing Director Western Coalfields Limited
	: Shri P N Abbi	
	: Shri A Bhatnagar	
	: Shri J C Lynn	
	: Shri G P Rao	
Division Heads	: Shri S K Bose	— Adviser
	: Shri R N Mishra	— Chief of Corporate Planning
	: Shri R A Singh	— Chief of Finance
	: Shri M Singh	— Chief of Vigilence
	: Shri T K Deb	— Chief of Marketing
	: Shri A V Brahma	— Chief of Industrial Relation
	: Shri K Kumar	— Chief of Medical Service
	: Shri S S Salodkar	— GM, Safety
	: Shri R D Biswas	— GM, Production
	: Shri G R Bhandari	— GM, Personnel
	: Shri C R Das	— GM, Project Monitoring
	: Shri S K Ghosh	— GM, Materials Managment
	: Shri B Deb	— GM, Longwall & Foreign Collaboration
	: Shri P Anantharaman	— GM, Stores, Inventory Control
	: Shri I P Wadhawan	— GM, Human Resources Development
Secretary	: Rana S J B Singh	
Dy Secretary	: 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 K S Bothra & Co.
Chartered Accountants
Mercantile Buildings,
'D' Block, 9/12, Lall Bazar Street
Calcutta 700 001.
2. M/s Magan Lal & Co.
Chartered Accountants,
32, Bombay Samachar Marg, 2nd Floor,
Fort, Bombay 400 023.
3. M/s P D Mittal & Co.
Chartered Accountants
70, Daryaganj
New Delhi 110 002

Notice

NOTICE is hereby given to all Shareholders of Coal India Limited that the Eleventh Annual General Meeting of the Company will be held on 30th December 1985 at 12.30 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 1984-85.
2. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1985.
3. To receive, consider and adopt the Accounts of the Company for the year ended 31st March, 1985.
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 Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
6. To appoint a Director in place of Shri Mahip Singh 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 Arun Bhatnagar 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 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.
10. To appoint a Director in place of Shri B. R. Prasad who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
11. To appoint a Director in place of Shri G. P. Rao who retires in terms of Article 33 (d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
12. To consider and, if thought fit, to pass with or without modification/s the following resolution as special resolutions:

- (i) "RESOLVED THAT in the Articles of Association of Coal India Limited a new Clause 33(i)(b) be and is hereby inserted as follows:

"Non-Official part-time Directors may be appointed by President of India for a period not exceeding three years at a time without prejudice to the right of President to terminate directorship of the non-official part-time Director concerned at any time before the completion of his tenure."

- (ii) RESOLVED FURTHER THAT the existing Articles 33(i)(b), 33(i)(c) and 33(i)(d) be and are hereby re-numbered as 33(i)(c), 33(i)(d) and 33(i)(e) respectively.
- (iii) FURTHER RESOLVED THAT the existing Article 33(i)(d)(iii) which is now re-numbered as 33(i)(e)(iii) be and is hereby amended as follows:

"At every Annual General Meeting of the Company, All Directors except the Chairman, Managing Director, Whole-time Director and Part-time Non-official Director shall retire from Office. Chairman, Managing Director and Whole-time Directors shall retire on their ceasing to hold the office of the Chairman, Managing Director and Whole-time Director respectively. The Part-time Non-official Director

shall retire on completion of the tenure of his director-ship unless otherwise removed by the President before the completion of his tenure. A Director retiring at every Annual General Meeting shall be re-appointed in absence of any contrary direction from the Government."

Rana S J B Singh
Secretary

Dated the 28th December, 1985

Registered Office
'Coal Bhawan'
0, Netaji Subhas Road
Calcutta -700 001

- Note: 1. A Member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of himself and such a proxy need not be a member of the Company.
2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business set out above is annexed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956
For Item No. 12 (Special Resolution)

Sub: Rotational retirement for part-time Non-official Directors—Recommendation of Economic Administrative Reforms Commission — Three years Term.

On the recommendation of the Economic Administrative Reforms Commission, Government of India, Department of Coal had advised us to amend our Articles of Association so as to provide for appointment of part-time non-official Directors for a continued spell of 3 years but without prejudice to the right of the Government to terminate the directorship of the person concerned at any time.

Since there was no provision in the Articles of Association of Coal India Limited and its Subsidiaries to accommodate the above proposal, Coal India considered the matter in consultation with the Department of Coal (who in their turn have also consulted Law Ministry) and the Board at its 69th meeting held on 29.8.85 recommended passing of necessary special resolution to amend the relevant provisions of the Articles of Association of the Company.

No individual Director of the Company has any interest in or concern with the resolutions.

Report of the Board of Directors for 1984-85

To
The Shareholders,
Coal India Limited

Gentlemen,

The Directors of your Company have the pleasure in presenting the 12th Annual Report on the working of the Company together with the Audited Statement of Accounts for the year ended 31st March, 1985, the report of the Statutory Auditors and the Comments and Review of the Comptroller and Auditor General of India thereon.

During the financial year ending on 31st March, 1985, the Company continued to hold five fully owned Subsidiary Companies viz:

- (a) Eastern Coalfields Limited;
- (b) Bharat Coking Coal Limited;
- (c) Central Coalfields Limited;
- (d) Western Coalfields Limited;
- (e) 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.

Formation of new Subsidiary Companies:

The Government of India vide its Letter No. 38011/1/83-CA dated 1st November, 1985 directed Coal India to form two new Subsidiary Companies namely Northern Coalfields Limited and South Eastern Coalfields Limited having Headquarters at Singrauli and Bilaspur in the State of Madhya Pradesh with the following area of operation:

Sl. No.	Name of the Company	Head Quarter of Company	Areas of operation
1.	Northern Coalfields Limited	Singrauli (M.P.)	Singrauli Division of the existing CCL.
2.	South Eastern Coalfields Limited	Bilaspur (M.P.)	Korba, Sohagpur, Jamuna-Kotma, Chirimiri, Bikuntpur, Jhagrakhand, Ib Valley areas of the existing Bilaspur Division of W.C.L. and Orissa (Talchar) area under existing CCL.

As directed by the Government of India, Ministry of Energy, Department of Coal, the above named Subsidiary Companies were registered on 28th November, 1985 in the State of Madhya Pradesh. The action for the reconstruction of Coal India Ltd. as required under the Act, is being taken so that the two new Subsidiary Companies can start their activities smoothly as soon as possible.

Production Performance

The year 1984-85 was marked by record level of production of 130.81 million tonnes. The annual growth rate during 1984-85 over 1983-84 was 7.7%. CCL, WCL and NEC had exceeded their targets for the year 1984-85. 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/Division-wise performance for Raw Coal, Coking Coal, and Non Coking Coal for the year 1984-85 compared with 1983-84 are indicated below:

Subsidiary/ Division.	Raw Coal Production		% increase/decrease
	1983-84	1984-85	
ECL	22.87	23.11	(+) 1.0
BCCL	21.63	21.84	(+) 1.0
CCL	36.75	39.00	(+) 6.1
WCL	39.36	46.05	(+) 17.0
NEC	0.80	0.81	(+) 1.2
Total:	121.41	130.81	(+) 7.7

Subsidiary/ Division	Coking Coal Production*		% increase/decrease
	1983-84	1984-85	
ECL	1.51	0.69	(-) 54.3
BCCL	17.50	17.03	(-) 2.7
CCL	12.64	13.18	(+) 4.3
WCL	0.80	0.64	(-) 20.0
Total:	32.45	31.54	(-) 2.8

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

(Figures in Million Tonnes)

Subsidiary/ Division	Non Coking Coal Production		% increase/decrease
	1983-84	1984-85	
ECL	21.36	22.42	(+) 5.0
BCCL	4.13	4.81	(+) 16.5
CCL	24.11	25.82	(+) 7.1
WCL	38.56	45.41	(+) 17.8
NEC	0.80	0.81	(+) 1.2
Total	88.96	99.27	(+) 11.6

Sand Stowing

The production from Underground Mines, especially coking coal, was affected to a great extent, due to non availability of sand for the purpose of stowing. The cumulative backlog of sand stowing was 0.66 million cu. meters (ECL 0.35 million cu. meters and BCCL 0.31 million cu. meters) as on 31st March 1985. Action has been initiated to pull up the backlog.

Soft Coke

The production of Soft Coke during the year 1984-85 was 1.58 million tonnes as against 1.49 million tonnes produced during 1983-84 and registered a growth of 6% over last year though the production in BCCL was less than the last year's production. Details of Soft Coke production are indicated below:

Soft Coke (Figures in Million Tonnes)			
Subsidiary/ Division	Production of Soft Coke		% increase/decrease
	1983-84	1984-85	
ECL	0.61	0.73	(+) 19.7
BCCL	0.57	0.48	(-) 15.8
CCL	0.31	0.37	(+) 19.4
Total	1.49	1.58	(+) 6.0

Hard Coke

The production of Hard Coke during the year 1984-85 was 0.51 million tonnes as against 0.62 million tonnes produced during 1983-84 and registered shortfall of 17.7% over the previous year due to stopage of large

number of ovens in BCCL. Details of Hard Coke production are indicated below:

Hard Coke (Figures in Million Tonnes)			
Subsidiary	Production of Hard Coke		% increase/decrease
	1983-84	1984-85	
ECL	0.01	0.01	—
BCCL	0.59	0.49	(-) 16.9
CCL	0.02	0.01	(-) 50.0
Total	0.62	0.51	(-) 17.7

Washed Coal

Production of Washed coal during 1984-85 was 9.04 million tonnes as against 9.15 million tonnes during 1983-84 thereby registering a shortfall of 1.2% over last year. Production would have been much more but for frequent power interruptions and loss of production due to power was 0.35 million tonnes in BCCL and 0.19 million tonnes in CCL. During the year under review Nandan Washery of WCL was put on trial run. Subsidiary-wise production of washed coal is indicated below:

Washed Coal (Figures in Million Tonnes)			
Subsidiary	Production of Washed Coal		% increase/decrease
	1983-84	1984-85	
BCCL	4.78	4.43	(-) 7.3
CCL	4.37	4.43	(+) 1.4
WCL	—	0.18	—
Total	9.15	9.04	(-) 1.2

Coal Production from Opencast Mines and Overburden Removal

Your Company has produced 61.71 million tonnes of coal from mechanised Opencast Mines during the year and thereby registered a growth over the previous year by 21%.

The total quantum of overburden removal in 1984-85 was 131.36 million cu. m. registering a growth of 11.5% 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 Overburden removal.

Subsidiary	Overburden removal in Million Cu.m.		Coal Production in Million Tonnes		% Growth over 1983-84	
	1983-84 (Mechanised)	1984-85	1983-84 (Mechanised)	1984-85	OBR	Coal
ECL	13.59	14.23	3.84	4.21	4.7	9.6
BCCL	11.46	14.15	6.31	7.38	23.5	17.0
CCL	59.92	61.87	25.52	28.64	3.3	12.2
WCL	32.82	41.11	15.33	21.48	25.3	40.1
Total	117.79	131.36	51.00	61.71	11.5	21.0

During the year under review, there was shortfall in Overburden removal compared to the target and the backlog of the Overburden removal increased. The cumulative backlog in the Subsidiary Companies are given hereunder:

Cumulative backlog of Overburden removal as on 31.3.1985.

Subsidiary	(million cu meters)
ECL	2.55
BCCL	3.73
CCL	25.56
WCL	13.76
Total	45.60

Action has been initiated to clear the backlog.

Constraints

The Company suffered a total loss of raw coal production of the order of 11.09 million tonnes in 1984-85 compared to 10.67 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.

Constraints	Loss of Production		% increase/decrease over 1983-84
	1983-84	1984-85	
Power	4.30	4.10	(-) 4.7
Absenteeism	2.18	1.65	(-) 24.3
Labour Unrest	0.27	0.31	(+) 14.8
Other Constraints	3.92	5.03	(+) 28.3
Total	10.67	11.09	(+) 3.9

Productivity

The overall OMS of the subsidiary companies and NEC during the year under review has gone upto 0.87 from 0.81 during the preceding year. Company-wise OMS is indicated below:

Subsidiary/ Division	OMS Tonnes		% increase/decrease over 1983-84
	1983-84	1984-85	
ECL	0.51	0.52	(+) 2.0
BCCL	0.59	0.58	(-) 1.7
CCL	1.30	1.37	(+) 5.4
WCL	1.06	1.22	(+) 15.1
NEC	0.68	0.72	(+) 5.9
Total	0.81	0.87	(+) 7.4

Population and Performance of Equipments

There has been a rapid increase in number of open-cast mines in all companies. Similarly the population of HEMM was also increased considerably i.e., Shovel from 375 to 390, Dumpers from 1990 to 2292, Dozer from 601 to 621, Drills from 351 to 360.

Company-wise percentage availability and utilisation of HEMM (taking into consideration only equipment which are in working condition and not on the basis of total number on roll) are tabulated below which shows improvement in utilisation.

Availability Percentage					
Standard		ECL	BCCL	CCL	WCL
75 Dragline	83-84	—	—	72	73
	84-85	—	—	77	84
70 Dumper	83-84	55	68	71	63
	84-85	67	64	70	62
70 Dozer	83-84	53	70	70	70
	84-85	65	67	74	64
81 Shovel	83-84	64	71	72	77
	84-85	73	68	83	78
78 Drill	83-84	74	67	71	69
	84-85	67	65	71	67

Utilisation Percentage					
Standard		ECL	BCCL	CCL	WCL
69 Dragline	83-84	—	—	75	80
	84-85	—	—	89	86
53 Dumper	83-84	40	56	61	60
	84-85	57	54	56	63
45 Dozer	83-84	41	59	58	70
	84-85	56	59	51	—
56 Shovel	83-84	50	59	68	73
	84-85	53	64	56	53
40 Drill	83-84	41	39	53	60
	84-85	41	36	46	—

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 spares at different subsidiaries.

Status of Power Supply to Coal Mines

The average power availability in the year 84-85 was in the region of 80% approx. and this has constrained the mining operations especially in the Eastern Sector.

The availability of power at the mine level further affected to a greater extent, by the distribution system as because coal and non-coal loads have been connected to the same feeders. The segregation of coal and non-coal loads have already been taken up in ECL, BCCL and CCL and progress, in this regard is quite satisfactory.

For meeting the emergency services, 2 of each 10 MW and 2 of each 5MW gas turbine sets have been installed in BCCL and ECL respectively. These are in addition to the DG sets installed with capacity of 20 MW in BCCL, 1.5 MVA in ECL, 6 MW in CCL. Also there are thermal power stations of 14 MW at Loyabad and 2 MW at Bhowra in BCCL.

In order to bridge the shortfall on the availability and demand of power, the proposal to set up $3 \times 2 \times 10$ MW, thermal power stations is under active consideration of Government. Also CMPDIL and BHEL are preparing a joint proposal for 1×7.5 MW fluidised bed combustion boiler for utilizing washery rejects at Kathara.

Planning

The Report of the working Group on Coal and Lignite for Seventh Five Year Plan was prepared at Department of Coal with active collaboration of your Company and was submitted to Planning Commission. The production plan envisaged in the plan document for CIL was targetted at 196 million tonnes of raw coal production by the terminal year of the Seventh Plan with a proposed capital expenditure of Rs. 6,000 crores (1984-85 price base) during the entire

plan period. Subjects covered in the report are Demand, Production plans, Implementation of Projects, Exploration, Mining Technology, Coal preparation, infrastructure and Stocking Policy, Coal Quality, Manpower Management, Environmental Management, R & D, Coal Conservation, Electronics and Investment. The proposal is under consideration of Planning Commission/Government.

During the year "Coal India perspective—2000 AD" was prepared to establish a perspective planning horizon that can at best be indicative in nature with a board spectrum of future directions of the organisation.

Corporate plan formulated for the time frame 1980-85 in consonance with Sixth Five Year Plan period is updated biennially on a rolling concept. An updated version of Corporate plan commensurate with the Seventh Five Year National Plan is under progress.

Realising the importance of manpower as a resource, your Company has initiated a systematic manpower planning. As a first step, manpower inventorisation has been undertaken. The inventory, covering all the units of your Company and its subsidiary Companies, has been computerised.

Necessary steps have also been initiated to introduce computerisation of Individual Based Personnel Information System (PIS) covering all the employees of your Company and its subsidiaries excluding those in semi-skilled and unskilled categories.

In-depth Studies are being undertaken in key categories of personnel to suggest ways and means of bridging the present as also the anticipated future gaps. Studies in respect of Statutory Mining Personnel was completed and follow up action for implementing the recommendations is in hand.

Manpower budget has been introduced as a Part of Annual Plan exercise for the year 1985-86.

Action has been initiated to develop various sub-systems which can ultimately be integrated to a composite system by suitable computer application. This was necessary for development of Management Information System mainly for effecting an appropriate control mechanism in the company. Equipment

Information System (EIS) has already been developed and is being implemented in WCL.

Geological Exploration, Drilling etc.

During the year 1984-85 a total of 300511 metres of drilling was carried out in 135 blocks spread over 23 Coalfields covering the states of West Bengal, Bihar, Orissa, Madhya Pradesh, Maharashtra and Assam. The task was carried out by CMPDIL in association with other agencies i.e. MECL, State Governments and private parties. Average number of drills was 181 comprising of 47 by CMPDIL 89 by MECL, 31 by private parties and 14 by MP and Orissa State Governments. The overall productivity of all the drills increased to 138 metres per drill per month in 1984-85 as compared to 121 metres per drill per month during last year. The productivity of operational drills of CMPDIL has registered 11% rise from 176 metres per Drill per month to 195 metres per drill per month.

During the year under review, 37 Geological reports/notes were prepared based on which a total of 3930 million tonnes of reserves were estimated of which 3352 million tonnes were under the proved category. Of the total reserves estimated, 2066 million tonnes were quarriable.

CMPDIL completed exploration in priority blocks namely Kalinga (Talcher Coalfields) and Ardhamgram (Raniganj Coalfield) for supply of coal to the proposed thermal power stations. Exploration was in progress in Hura 'C' block (Rajmahal Coalfield), Baukulia (Raniganj Coalfield, Barjora Coalfield, and Belpahar (Ib River Coalfield).

Research / Development

Government of India entrusted CMPDIL for co-ordination and monitoring of all Research and Development Projects in Coal Sector funded through Science and Technology grants of Department of Coal. 52 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. 101.97 lakhs was disbursed to various implementing agencies. 15 projects were successfully com-

pleted during the year. 60 new Research and Development Projects were processed during the year and finally 25 Projects approved by the Standing Scientific Committee.

The following Research and Development Schemes were taken up by CMPDIL with the help of Organisations like Central Building Research Institute, Roorkee, Indian Institute of Technology, Kharagpur, Ore Sorter, Canada, Regional Research Laboratory, Bhubaneswar etc.:

- (a) Utilisation of rejects from coal Washeries: — 1st stage completed.
- (b) Installation of 5 Tonnes per hour Batac Jig at Patherdih Washery: — Installation completed.
- (c) Dry Deshaling of coal by photo-metric sorter:
- (d) Installation of Pilot flotation column at Sudamdih Washery:
- (e) Installation of 120 tph modular washery in BCCL:
- (f) Introduction of automation system in coal preparation Plants:
- (g) Installation of 10 tph spiral concentrator:
- (h) Economical beneficiation of Power station coal by dry cleaning process:
- (i) Introduction of slurry jig for washing of fine coal:

Mining Technology

Development and demonstration trials of roof supports for mechanised bord and pillar workings and in fast drivages in various mines of BCCL, ECL and in Singareni (SCCL) was one of the special successes during the year. High resolution shallow seismic (HRSS) technique was applied successfully to locate coal seams, faults, dykes and other discontinuities in strata at Asnapani in CCL. Hydrogeological investigations on prediction of water inflow in mine workings at Jamuna Colliery (WCL) from Kamthi formation were completed. A tripartite network of seismographs (geophones) has been installed at Chinakuri Colliery and connected with the seismic laboratory earlier established to record automatically.

events of rock bursts/bimps and any induced seismicity.

Other Projects taken up include investigations on surface subsidence in mining areas, bacterial degasification of coal, establishment of computer based geo-data bank of rock properties, design of mine pillars, corrosion inhibition in mines, introduction of auger-cum-drill equipment, detailed survey and analysing of noise levels in both opencast and underground mining activities and in coal handling plants and washeries, analysis of washery effluents etc.

Project formulation

During the year, CMPDIL prepared 29 mining projects for an ultimate production capacity of 50.12 mt/year and capital investment of Rs. 3420 crores as against 24 projects during 1983-84 for a capacity of 28.30 mt/year and an investment of Rs. 1285 crores. Large mechanised opencast projects like Nigahi (CCL) and Mukunda (BCCL) with production capacity of 14.0 and 12.0 mt/year respectively were planned during this year.

Coal Preparation Engineering Institute

In view of the emerging need of more coal washeries in India, a project report for the establishment of a Coal Preparation Engineering Institute under CMPDIL with an estimated capital investment of Rs. 3.98 crores, was prepared and approved by the Board. The Institute, when fully established, will render services of international standard on all facets of coal preparation, including concept, planning, design and engineering, and construction management until commissioning, of coal preparation plants in the Country.

Coal Beneficiation

Trials of acceptance of Batac Jig were completed by CMPDIL and the applicability and operational competence of the system was proved successfully. A computer programme on simulation of coal beneficiation was completed and the same is being utilised for selection of the most optimum flow sheet.

Foreign Collaboration

During the year, your Company, through its Subsidiary CMPDIL, entered into four contracts with TSVETMETPROMEXPORT of USSR, one contract

with TECHNOEXPORT of USSR, and one contract with Montan Consulting of FRG for fast ploughing at Dhemo main mine (ECL) and one contract with Saarberg Interplan of FRG, for modernisation of West Bhanora Mine (ECL) and for transfer of technology and training of Indian engineers.

During the year 1984-85, collaboration proceedings were opened with USSR, France, UK, Canada, Federal Republic of Germany and Poland for introducing new technologies in both underground and opencast mining, coal exploration, coal beneficiation, mine shaft sinking, degasification, blasting and training of Indian personnel. Your Company is providing necessary technical assistance for the transfer of these techniques in Indian conditions after suitable modifications.

British Collaboration

In addition to four Nos. of mechanised longwall faces which are in operation with British Equipment, one more powered support face is under installation and the other is in the pipe line.

The Project Report for construction of Underground mine (estimated annual capacity 2 mt/year) at Ghusick prepared by British Mining Collaboration is awaiting Government approval.

The tapes processing work on Seismic Survey for Asnapani is in hand in UK.

Canadian Collaboration

The final report incorporating the Feasibility Report prepared under Canadian Collaboration for introduction of Hydraulic Mining at 4500 TPD has been completed and approved by the Board.

French Collaboration

Your Company is having collaboration with CDFI, a Government Agency of French in respect of the following coal projects:

Kenwadih (extraction of locked up pillars) and East Katras (Sub level caving system in Thickseam) in BCCL.

Nandira (extraction of 14-18 m thick seam) by integrated caving, Ananta (preparation of Feasibility Report) at CCL.

Information System (EIS) has already been developed and is being implemented in WCL.

Geological Exploration, Drilling etc.

During the year 1984-85 a total of 300511 metres of drilling was carried out in 135 blocks spread over 23 Coalfields covering the states of West Bengal, Bihar, Orissa, Madhya Pradesh, Maharashtra and Assam. The task was carried out by CMPDIL in association with other agencies i.e. MECL, State Governments and private parties. Average number of drills was 181 comprising of 47 by CMPDIL 89 by MECL, 31 by private parties and 14 by MP and Orissa State Governments. The overall productivity of all the drills increased to 138 metres per drill per month in 1984-85 as compared to 121 metres per drill per month during last year. The productivity of operational drills of CMPDIL has registered 11% rise from 176 metres per Drill per month to 195 metres per drill per month.

During the year under review, 37 Geological reports/notes were prepared based on which a total of 3930 million tonnes of reserves were estimated of which 3352 million tonnes were under the proved category. Of the total reserves estimated, 2066 million tonnes were quarriable.

CMPDIL completed exploration in priority blocks namely Kalinga (Talcher Coalfields) and Ardhamgram (Raniganj Coalfield) for supply of coal to the proposed thermal power stations. Exploration was in progress in Hura 'C' block (Rajmahal Coalfield), Baukulia (Raniganj Coalfield, Barjora Coalfield, and Belpahar (Ib River Coalfield).

Research / Development

Government of India entrusted CMPDIL for co-ordination and monitoring of all Research and Development Projects in Coal Sector funded through Science and Technology grants of Department of Coal. 52 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. 101.97 lakhs was disbursed to various implementing agencies. 15 projects were successfully com-

pleted during the year. 60 new Research and Development Projects were processed during the year and finally 25 Projects approved by the Standing Scientific Committee.

The following Research and Development Schemes were taken up by CMPDIL with the help of Organisations like Central Building Research Institute, Roorkee, Indian Institute of Technology, Kharagpur, Ore Sorter, Canada, Regional Research Laboratory, Bhubaneswar etc.:

- (a) Utilisation of rejects from coal Washeries: — 1st stage completed.
- (b) Installation of 5 Tonnes per hour Batac Jig at Patherdih Washery: — Installation completed.
- (c) Dry Deshaling of coal by photometric sorter:
- (d) Installation of Pilot flotation column at Sudamdih Washery:
- (e) Installation of 120 tph modular washery in BCCL:
- (f) Introduction of automation system in coal preparation Plants:
- (g) Installation of 10 tph spiral concentrator:
- (h) Economical beneficiation of Power station coal by dry cleaning process:
- (i) Introduction of slurry jig for washing of fine coal:

Mining Technology

Development and demonstration trials of roof supports for mechanised bord and pillar workings and in fast drivages in various mines of BCCL, ECL and in Singareni (SCCL) was one of the special successes during the year. High resolution shallow seismic (HRSS) technique was applied successfully to locate coal seams, faults, dykes and other discontinuities in strata at Asnapani in CCL. Hydrogeological investigations on prediction of water inflow in mine workings at Jamuna Colliery (WCL) from Kamthi formation were completed. A tripartite network of seismographs (geophones) has been installed at Chinakuri Colliery and connected with the seismic laboratory earlier established to record automatically

events of rock bursts/bimps and any induced seismicity.

Other Projects taken up include investigations on surface subsidence in mining areas, bacterial degasification of coal, establishment of computer based geo-data bank of rock properties, design of mine pillars, corrosion inhibition in mines, introduction of auger-cum-drill equipment, detailed survey and analysing of noise levels in both opencast and underground mining activities and in coal handling plants and washeries, analysis of washery effluents etc.

Project formulation

During the year, CMPDIL prepared 29 mining projects for an ultimate production capacity of 50.12 mt/year and capital investment of Rs. 3420 crores as against 24 projects during 1983-84 for a capacity of 28.30 mt/year and an investment of Rs. 1285 crores. Large mechanised opencast projects like Nigahi (CCL) and Mukunda (BCCL) with production capacity of 14.0 and 12.0 mt/year respectively were planned during this year.

Coal Preparation Engineering Institute

In view of the emerging need of more coal washeries in India, a project report for the establishment of a Coal Preparation Engineering Institute under CMPDIL with an estimated capital investment of Rs. 3.98 crores, was prepared and approved by the Board. The Institute, when fully established, will render services of international standard on all facets of coal preparation, including concept, planning, design and engineering, and construction management until commissioning, of coal preparation plants in the Country.

Coal Beneficiation

Trials of acceptance of Batac Jig were completed by CMPDIL and the applicability and operational competence of the system was proved successfully. A computer programme on simulation of coal beneficiation was completed and the same is being utilised for selection of the most optimum flow sheet.

Foreign Collaboration

During the year, your Company, through its Subsidiary CMPDIL, entered into four contracts with TSVETMETPROMEXPORT of USSR, one contract

with TECHNOEXPORT of USSR, and one contract with Montan Consulting of FRG for fast ploughing at Dhemo main mine (ECL) and one contract with Saarberg Interplan of FRG, for modernisation of West Bhanora Mine (ECL) and for transfer of technology and training of Indian engineers.

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Nandira (extraction of 14-18 m thick seam) by integrated caving, Ananta (preparation of Feasibility Report) at CCL.

Moira (extraction of 14m thick Jambad seam), Chora (extraction of 8 m thick Kenda Seam), Parasea (extraction of 8 m thick Virgin Kenda Seam) at ECL. Amlabad (Design and construction of methane drainage plant) at BCCL.

The offer alongwith draft agreement concerning the study and implementation of new mining method of Makum Coalfields of Ledo-Tirap Underground is under examination.

German Collaboration

Contract for introduction of fast ploughing technology at Dhemomain and for preparation of Feasibility Report for the introduction of modern technology at Bhanora West Mine have been signed. Coal sample from Bina Colliery has been sent to FRG to explore the possibility of adopting dry cleaning process for economic beneficiation of power station coal.

Ghusick degasification plant supplied by FRG is in operation. A proposal for further collaboration for drilling longbore holes for gas drainage is in process of approval.

Preparatory works in respect of Hydraulic Mining Trial at Gopalichuck Colliery is in progress.

Polish Collaboration

Under Omnibus III (September '82) deputation of Polish experts to the extent of 427 man months have already been utilised for rendering assistance in the various Polish Collaboration Projects.

Preliminary information has been collected by Polish experts for re-organisation of Victoria and Laikdih Collieries of BCCL.

At Satgram and Pootkee Ballihari Projects sinking is in progress with Polish equipment under the supervision of Polish experts.

USSR Collaboration

DPRs for Mukunda and Nigahi Opencast Projects have been finalised. Preparatory arrangements for sinking of two vertical shafts at Jhanjhra Underground Project with the equipments supplied have been completed.

The contract for supply of equipment and technical assistance in drivage of Jhanjhra Incline Shaft has been signed and equipment received under the agreement.

DPRs for the modernisation of Kathara and Patherdih Washeries completed by Soviet side have been approved by CIL Board. Trials have started with Soviet equipment for shield Mining at Tipong Colliery by Soviet Specialists.

DPR for Experimental powered support longwall panel at Chinakuri has been completed. The power support face equipment is on trial. The contract for deputation of Soviet specialist for rendering assistance for improving drilling technology has been approved by the Government and signed in March, 1985.

World Bank Assistance

Foreign Assistance through IBRD has been made available to your company in respect of Block-II Opencast Project and Pootkee Colliery underground Project of BCCL and Dudhichua OCP of CCL. In addition, proposals for financial assistance for the following Projects are under consideration of the World Bank:

1. Gevra Expansion, WCL
2. Sonepur Bazari, ECL.

Coal Marketing

The demand for coal on Coal India for 1984-85 was assessed at 133.00 million tonnes against 127.50 million tonnes for 1983-84 showing an increase of 5.50 million tonnes.

The off take of coal in the year 1984-85 went upto 122.65 million tonnes from 118.39 million tonnes of 1983-84 registering a growth rate of 3.6%. The demand satisfaction during the year remained at the level of previous year at 92%. Companywise break up of actual off take for the year 1983-84 and 1984-85 and growth rates achieved are tabulated below:

(Figures in Million Tonnes)

Division/ Subsidiaries	1983-84 Off take	1984-85 Off take	% increase/decrease
ECL	22.03	22.21	0.8
BCCL	22.73	20.41	(-) 10.2
CCL	34.13	36.30	6.4
WCL	38.71	42.98	11.0
NEC	0.79	0.75	(-) 5.1
Total	118.39	122.65	3.6

Sectoral Demand and Actual off take

The trend of sectoral demand, off take and demand satisfaction for the year 1983-84 and 1984-85 are tabulated below:

(Figures in Million Tonnes of raw coal)

Sector	1983-84			1984-85		
	Demand	Off take	% age satisfaction	Demand	Off take	% age satisfaction
Steel	26.30	20.49	77.9	24.00	19.64	81.8
Power	48.10	49.55	103.0	54.00	54.74	101.4
Loco	10.20	9.23	90.5	9.50	8.44	88.8
Cement	5.80	5.56	95.9	6.00	5.66	94.3
Soft Coke	4.80	1.98	41.2	3.30	2.16	65.5
Fertilizer	4.30	3.56	82.8	5.00	3.17	63.4
Export	0.30	0.08	26.7	0.20	0.11	55.0
BRK & others*	27.70	27.94	100.9	31.00	28.73	92.7
Total	127.50	118.39	92.9	133.00	122.65	92.2

*including Colliery consumption.

From the table it would be observed that demand satisfaction for Power Sector continued to be cent percent as in the previous years. In case of cement and low priority consumers the demand satisfaction was over 90%. Demand satisfaction for Loco was 88.8% mainly due to less off take of coal by Loco. Demand satisfaction for the Steel Plants was 81.8% although the stock position of Steel Plants remained satisfactory throughout the year.

Due to improved off-take the stock with the core sectors like Power, Steel, Cement etc. remained satisfactory through out the year. Power Houses had a stock of 28.38 lakh tonnes representing 18 days of average daily consumption. Similarly the stock with the Cement Plants was 4.16 lakh tonnes representing 12 days consumption. Steel Plants had a stock of 5.01 lakh tonnes including 0.63 lakh tonnes of imported coal.

Transportation of Coal and Coal products

The overall despatches of coal and coke to the consumers went upto 115.18 million tonnes from 110.95 million tonnes in 1983-84 showing an increase of 4.23 million tonnes (about 4%). The total despatches by rail went upto 79.04 million tonnes, representing

a growth rate of 2.26%. The average loading of wagons on yearly basis worked out to 10109 wagons per day showing an average increase of 226 wagons per day. There was thus significant improvement in loading of wagons during the year compared to the preceding year. Against the target of 12170 wagons, the daily average offer by the Collieries during the year was 12777 wagons per day. The allotment by Railways, however, did not match with the offer and the average allotment was 11282 wagons per day. Supply of wagons was still lower at 10343 wagons per day. However, as compared to actual supply of wagons in last year there was an improvement by about 225 wagons per day. The trend in despatches of coal products by various means during the year 1983-84 and 1984-85 are tabulated below:

(Figures million tonnes)

Means	1983-84	1984-85	Growth rate (%) 1984-85
Rail *	77.29	79.04	2.26
Road *	22.96	22.55	(-) 1.79
Ropeways	2.16	2.29	6.02
Belt	3.68	4.00	8.69
Own arranged wagons (MGR)	4.86	7.30	50.21
Total	110.95	115.18	3.81

* excluding internal despatches.

Stockyards

Number of stockyards in operation at the end of March '85 was 80 against 83 during the last year. Some of the stock yards were closed down and some new stockyards were opened during the year under review, the total receipt of coal and coke at the stock yards during 84-85 were only 11.90 lakh tonnes as against 14.85 lakh tonnes in 83-84. Therefore, sale of coal and coke from the stockyards came down to 12.35 lakh tonnes as against 14.41 lakh tonnes in the preceding year. Stock held by the stockyards stood at 0.85 lakh tonnes at the end of March '85 as against 1.41 lakh tonnes during the last year.

Coal Stock

Despite efforts made to liquidate the heavy accumulation of Pithead stocks, the stock at the end of the year stood at 28.40 million tonnes as against 21.38

million tonnes at the end of the preceding year. Companywise stocks as on 31.3.84 and 31.3.85 are shown below together with the variation in the stocks:

(Figures in Million Tonnes)

Subsidiary/ Division	Coal stock as on		Variation
	31.3.84	31.3.85	
ECL	4.41	4.85	(+) 0.44
BCCL	3.11	4.18	(+) 1.07
CCL	10.08	12.46	(+) 2.38
WCL	3.70	6.74	(+) 3.04
NEC	0.08	0.17	(+) 0.09
Total	21.38	28.40	(+) 7.02

44% of the total stock was lying with CCL. The accumulation of stock was heavy at Rajarappa, Kuju and Hazaribagh Areas where medium coking coal is mined. A major share of this stock will be liquidated after the Rajarappa Washery which is in the final stages of construction is commissioned in 1985-86.

Coal stock adjustment

As per consistent practice physical verification of stock as on 31.3.85 was carried out by CIL team. Based on the physical verification, closing stock as on 31.3.85 was adjusted by 4.02 L.T. valuing Rs. 9.09 crores (ECL 1.68 L.T. Rs. 3.08 crores, BCCL 1.55 L.T. Rs. 4.16 crores, CCL 0.79 L.T. Rs. 1.85 crores).

The closing stock as on 31.3.85 include 5.37 L.T. valued at approx. Rs. 13.17 crores taken at nil value (BCCL 2.73 L.T. Rs. 8.55 crores and CCL 2.64 L.T. approx. Rs. 4.62 crores) as these have been categorised as "D" stock by the Joint physical Survey Committee and pending investigation. Further provision of Rs. 2.91 crores representing 2.2 L.T. has also been made in closing stock of CCL as these were on fire for over a year and unapproachable as per Coal India Survey Report.

Verification of Coal stock as on 1.11.85 is in progress to ascertain the total quantity of the coal lying in stock including identification of "D" stock, if any.

Safety

In each Subsidiary Company a safety action plan was drawn up like previous year and the status of

the implementation of this action was monitored at Area level, HQs Level and at the CIL Level. The important recommendation of the 5th conference on safety in mines and the committee on safety were included in these action plans. Intensive and sustained training were imparted to the workers in the day to day safety measures and those were implemented in the mines which considerably reduced the incidence of fatal as well as serious accidents during the period under review.

The Companywise position of fatal accidents and fatalities as well as serious injuries during the year 1983-84 and 1984-85 are given in the table below:

Subsidiary/ Division	1983-84		1984-85		No. of fatal accident & fatalities	
	Fatal accident	Fatal-ities	Fatal accident	Fatal-ities	Increase(+)	Decrease(-)
ECL	28	30	28	31	—	(+) 1
BCCL	33	52	25	26	(-) 8	(-) 26
CCL	26	27	18	24	(-) 8	(-) 3
WCL	50	57	33	37	(-) 17	(-) 20
NEC	3	3	1	1	(-) 2	(-) 2
Total	140	169	105	119	(-) 35	(-) 50

Subsidiary/ Division	1983-84		1984-85		Increase(+) Decrease(-)	
	Number of Serious Injuries		Number of Serious Injuries		Increase(+) Decrease(-)	
ECL	110		109		(-) 1	
BCCL	187		165		(-) 22	
CCL*	75		41		(-) 34	
WCL	428		322		(-) 106	
NEC	7		4		(-) 3	
Total	807		641		(-) 166	

Management Development and Training

As in the previous years the major thrust in training and development activities continued during the year in the training of unskilled personnel to meet the shortage of skilled and highly skilled personnel in different mining and non-mining engineering disciplines, training of surplus personnel for meeting the shortage of personnel for operating HEMM, training through special drives of statutory mining supervisory personnel for which there is acute shortage and 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 programme. 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 years 1983-84 and 1984-85 are given below :

Category	No. of persons trained	
	1983-84	1984-85
Executives	8,324	5,867
Supervisors	5,661	6,472
Non-Executives	24	49
Workers/Miners	91,415	99,447
Trainees	3,969	1,369
Total	109,393	113,204

	No. of persons trained	
	1983-84	1984-85
In-Company Training		
1. Executives		
(a) Senior Management	854	540
(b) Middle Management	2,175	1,396
(c) Junior Management	3,984	2,566
Total (1)	7,013	4,502
2. Supervisors	5,338	6,218
3. Workers/Miners	90,596	98,670
Total (1 + 2 + 3)	102,947	109,390
External (within India)		
1. Executives		
(a) Senior Management	572	608
(b) Middle Management	419	446
(c) Junior Management	236	251
Total (1)	1,227	1,305
2. Supervisory	323	254
3. Workers/Miners	819	777
Total (1 + 2 + 3)	2,369	2,336

External (Abroad)		
1. Senior Management	14	12
2. Middle Management	17	24
3. Junior Management	53	24
4. Non-executives	24	49
Total	108	109

Manpower

Manpower of your Company and its Subsidiaries was 6,69,273 as on 31st March, 1985 as against 6,59,599 as on the same date of the previous year thus representing an increase of 9,674 (1.5%). The main increase of 8,213 (5%) was in WCL and of 1291 (1.1%) 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 and filling up of statutory and technical posts etc.

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

Subsidiary/ Division	Execu- tives	Super- visory	Clerical	Skilled Workers	Semi-Skilled/ Un-skilled Workers	Total
ECL						
31.3.84	2,644	10,343	9,721	50,411	118,464	191,683
31.3.85	2,698	10,320	9,707	50,870	117,235	190,830
BCCL						
31.3.84	2,794	8,328	9,319	46,654	105,239	172,334
31.3.85	3,001	8,357	9,343	46,766	105,820	173,287
CCL						
31.3.84	2,967	7,427	7,618	35,348	67,105	120,465
31.3.85	3,092	7,499	7,668	35,630	67,867	121,757
WCL						
31.3.84	2,484	7,375	7,637	38,298	109,424	165,218
31.3.85	2,583	7,746	8,009	40,201	114,892	173,431
NEC						
31.3.84	87	292	212	1,000	3,868	5,459
31.3.85	86	325	243	1,190	3,579	5,423
CMPDIL						
31.3.84	840	500	294	1,078	391	3,103
31.3.85	863	528	311	1,140	367	3,209
CIL						
31.3.84	283	155	644	44	211	1,337*
31.3.85	283	155	644	44	211	1,337*
Total						
31.3.84	12,099	34,420	35,445	172,833	404,802	659,599
31.3.85	12,606	34,930	35,925	175,841	409,971	669,273

*including 500 in Regional Sales Offices and 96 in Dankuni Coal Complex.

Industrial Relations

Labour situation in your company and its subsidiaries during the year under review registered very significant improvement in comparison to the previous year. Number of strikes came down from 258 in 1983-84 to 77 in the year 1984-85.

During the year under review, there were 342 incidents of law and order disturbances as against 487 in the year 1983-84. Due to the measures taken by the Central and State Governments to check such incidents, the number of incidents has reduced.

The Subsidiarywise details are indicated below:

Subsidiary/ Division	No. of strikes		Law and order disturbances (No. of incidents)	
	1983-84	1984-85	1983-84	1984-85
ECL	74	20	219	133
BCCL	110	28	142	99
CCL	17	13	32	59
WCL	57	14	94	51
CMPDIL	—	2	—	—
Total	258	77	487	342

Though the number of strikes and Law and Order disturbances in 84-85 were substantially less than that of the previous year, the mandays lost were more, since there was a token strike on 4th & 5th June, 1984 by all the Unions except INTUC in all units. Details of Mandays lost and coal production loss during 1984-85 compared with that during the previous year are given below:

Subsidiary/ Division	Mandays lost (lakhs)		Coal Production loss (lakhs tonnes)	
	1983-84	1984-85	1983-84	1984-85
ECL	1.05	2.04	0.96	1.27
BCCL	0.37	0.34	0.46	0.56
CCL	0.11	0.64	0.14	0.38
WCL	0.60	0.54	1.23	0.58
CMPDIL	—	0.02	—	—
Total	2.13	3.58	2.79	2.79

Welfare and Social amenities

During the year under review, the welfare activities comprising provision of residential buildings, water

supply and medical facilities, educational facilities etc. were given continuous attention by your company. Comparative position of housing facilities, water supply and other welfare amenities for the years 1983-84 and 1984-85 are given in the following statement:

Amenities	Unit	1983-84	1984-85
1. Houses	Addl. Construction	10,506	12,162
2. Water Supply	Addl. Population covered	74,820	1,43,620
3. School/Colleges	Actual number	850	848
4. Co-operative Credit Societies	"	149	153
5. Co-operative Stores	"	178	180
6. Banks	"	185	179
7. Ambulances	"	459	467
8. Hospitals	"	64	65
9. Hospital beds	"	3,622	4,041
10. Creches	"	210	210
11. Canteens	"	286	301

Capital Projects/Schemes

Presently altogether 125 Coal Mining Projects each having an investment of Rs. 5 crores and above with the total sanctioned capital outlay of Rs. 3985.56 crores and ultimate production capacity of nearly 158 million tonnes per year are in various stages of construction and completion. Besides these Coal Mining Projects, two Washery Projects, four other projects (LTC Plant at Dankuni and Fire Projects) and three advance action for mining projects are under construction. Construction of Moonidih and Nandan Washery have been completed during the year 1984-85.

During the year under review your Board approved 31 Projects/Schemes including revision/expansion. The detail of Projects/Schemes are given hereunder:

Subsidiary/ Division	Projects	Expansion/ Revision Projects*	Washeries	Others	Total
ECL	1	2	—	1	4
BCCL	1	5	1	1	8
CCL	2	6	—	1	9
WCL	1	5	—	3	9
NEC	1	—	—	—	1
Total	6	18	1	6	31

*excluding updating of cost estimates.

Capital Expenditure

Capital expenditure during the year 84-85 was Rs. 787.67 crores against Rs. 838.96 crores during the previous year. Company/Division-wise details are given below:

	(Rs. Crores)	
Company/Division	83-84	84-85
ECL	115.88	127.28
BCCL	161.99	135.13
CCL	258.13	226.94
WCL	277.94	275.94
NEC	9.25	4.50
CMPDIL	3.69	3.65
Dankuni Coal Complex	10.79	13.19
CIL (Hqrs) (including Purchase on behalf of Subsidiaries pending allocation)	1.29	1.04
Total	838.96	787.67

Capital Structure

The authorised capital of the Company was Rs. 3,000 crores as on 31.3.85. The subscribed and paid up capital as on 31st March, 85 was Rs. 2460.70 crores including shares for Rs. 246.53 crores issued to the Government of India for consideration other than cash. Further, Rs. 95.99 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 84-85 Rs. 355 crores were received from the Government towards plan loan. Rs. 108.55 crores towards repayment of plan loan and Rs. 158.96 crores towards interest have been paid to the Government, during the year. The outstanding loan as on 31st March '85 stood as Rs. 2173.74 crores.

Payment of Royalty Cess and Sales tax to State Governments

CIL and its Subsidiaries paid to different State Governments Rs. 498.98 crores during the year 84-85 as against Rs. 288.69 crores during the year 83-84 towards Royalty, Cess and Sales Tax as shown below:

	(Rs. Crores)	
	83-84	84-85
Royalty on coal	67.11	66.02
State Government Cess	135.88	315.67
Sales Tax (State & Central)	85.70	117.29
Total	288.69	498.98

Working Results

The overall working results of your Company and other Subsidiaries show a loss of Rs. 78.03 crores during the year 84-85. Details are given below:

	(Rs. Crores)	
Company/Division	Profit/loss during 84-85*	Cumulative profit/loss up to 31.3.'85
CIL/NEC	8.22	(-) 105.81
ECL	(-) 13.66	(-) 649.61
BCCL	(-) 90.12	(-) 628.79
CCL	9.64	172.38
WCL	6.94	(-) 5.49
CMPDIL	0.95	1.46
Total	(-) 78.03	(-) 1215.86

* Before creation of investment allowances reserve.

Government revised vide BPE O.M. No:1(1)/83-BPE(WC) dated 16.4.85, VDA rates from Rs. 1.30 per point per month to Rs. 1.65 per point per month for increase in average consumer price index over AICPI No. 492 with effect from 1.4.'83. The provision has been made in the Accounts for the year 84-85 for the impact of the increase in VDA including the arrears. The shortfall in production of net saleable coal was in ECL & BCCL by 9.14 L.T. and 8.37 L.T. respectively compared to the budget. The resultant additional losses (in ECL & BCCL) could not be fully made up even though CCL and WCL increased their production to make up the shortfall.

Coal Price

The revised price for coal notified with effect from 8th January '84 was not adequate to cover the full cost of coal production by CIL and its Subsidiaries. Average cost of production for the year 84-85 was Rs. 190.63 p.t. as against the average sale price of Rs. 183 per tonne adopted for the revision with effect from 8.1.'84. Considering the estimated increase in the input cost, the revision of coal sale price due from 1.4.'85 is under consideration of the Government. The price for the washed coal to be settled by negotiations with SAIL has also not been finalised for the year 85-86 and the negotiations are in progress.

Retention Price

The contribution to and drawal from Coal Price Regulation Account has been made during the year

84-85 leaving no balance under this account with CPRA. The Retention Price for the year 85-86 has not been notified and it is expected that the same will also be notified along with the revision of coal sale price at the earliest.

BICP Study for normative cost

The BICP has taken up the Study of normative cost of coal production in CIL and its Subsidiaries and the information in the prescribed formats for the selected Collieries have been submitted to them. Submission of information for all other Collieries is in progress.

Directive issued by the President of India under Article 37 of the Articles of Association of Coal India Limited

The President of India directed Coal India Limited that no order or Letter of Intent be placed on any party for the supply of 250 mm Blast Hole Drills pursuant to decision taken at the 68th Meeting of the Board of Directors of Coal India Limited held on 15th July '85. The President of India further directed that order or letter of intent, if any, placed or issued to any party or parties be cancelled by Coal India Limited forthwith.

Since the directive issued as above involved immediate cancellation of orders/letter of intents there was no impact on the financial position of the Company.

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, Shri M Jha and Shri R K Gupta continued as Director (Finance), Director (Technical) and Director (Personnel) respectively.

Shri G L Tandon was appointed as Chairman, CIL to take over charge from Shri M S Gujral on his retirement. Shri M S Gujral relinquished his charge on 25th July '85 and since Shri G L Tandon could not take over charge due to indisposition, Shri S B Lal, Secretary, Department of Coal, Ministry of Energy, took over charge as Chairman, CIL on 26th July '85. Shri G L Tandon finally took over charge as Chairman, CIL from Shri S B Lal on 18th October '85.

Dated,
Calcutta, the 28th December, 1985

During the period since the last Annual General Meeting S/Shri P K Lahiri, R K Sharma and T V Lakshmanan retired from the Board while S/Shri A Bhatnagar and Mahip Singh were appointed as Directors on the Board.

During the year 1984-85 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 11th 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) Replies to the observations made by the Statutory Auditors for the year 194-85.
- (iii) The comments and review of the Comptroller and Auditor General of India.
- (iv) Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956.

For and on
Behalf of the Board of Directors
G L Tandon
Chairman

ADDENDUM TO DIRECTORS' REPORT

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

Name	Designation	Remuneration	Qualification	Date of commencement of employment	Last Employment held
1	2	3	4	5	6
(A) Employed Throughout the Year 1984-85					
Sri M S Gujral	Chairman	66,724	Graduate from Indian Military Academy	26.7.83	Railway Board
Sri C R Mukherjee	D (Fin)	89,966	IA & AS	11.11.82	Beas Sutlej link project
Sri M Jha	D (Tech)	76,776	ISM, Dhanbad, Post Graduate Dip, in Mining (Sheffield University) 1st Class Mines Mgr. Colly. Manager Certificate	June '83	CCL
Sri Abidi S A H	Mining Eng./Colly. Manager	69,673	B.Sc. (Mining) AISM	1.8.73	AR & T. Co.
Sri Badraika B L	Sr. AO	49,308	B.Com	1.5.73	Western Bengal Coalfields Ltd.
Sri Bagchi P K	Dy. MM	52,409	I.Sc.Dip. (M), 2nd Class	1.8.73	Lodna (1920) Ltd.
Sri Banerjee S	Dy. CME	79,782	I.Sc. BE (Mines)	1.8.73	AR & T. Co.
Sri Bajpayee S P	Mining Eng.	46,269	B.Tech. B.Sc. (Hons)	6.6.78	AR & T. Co. Ltd.
Sri Behl Sushil	Sr. FO	48,191	M.Sc., CAS	1977	WCL
Sri Bhattacharjee A K	Cos. Secretary	65,853	M.Com., LLB. MA. AICWA, ACIS	3.11.76	BCCL
Sri Bhattacharjee B C	FM	50,045	B.Sc., AICWA	1.4.75	Coal Board.
Sri Bhandari G R	GM (P)	56,735	MA.DIP.IR. & W.	28.9.84	WCL
Sri Bharadwaj A	EE (C)	54,459	BE (Civil)	15.11.75	AR & T. Co. Ltd.
Sri Bharadwaj R C	Supdt (Mines)	74,003	B.Tech. (Mines)	1.8.73	AR & T. Co.
Sri Bharali A K	Ming Eng.	40,191	B.E. (Mine)	24.2.83	AR & T. Co.
Sri Bhattacharyya Bimal	Sr. SO	43,033	B.Sc., MBA	June '83	ECL
Sri Bhattacharjee D S	Dy. CFM	58,607	B.Sc., AICWA	22.9.83	BCCL
Sri Bhattacharjee D	Eng. (E & M)	62,584	B.E. (Elec.)	12.12.76	AR T. Co. Ltd.
Sri Bhattacharjee M	Dy. SM (RSM)	63,960	M.Sc. (Geological)	24.1.84	Dy. Director of Geology, Assam Govt.
Sri Bhattacharjee T K	Supdt. Col. Technologist	39,176	M.Tech. 1st Class Adv. Chemical Eng.	June '84	ECL
Sri Bisht Jang Bahadur	Driver	49,116			
Sri Biswas D R	Sr. SO	44,650	B.A., MBA	1.9.76	ECL
Sri Bhattacharjee N K	Dy. CSM	52,420	B.Sc., (Mining)	7.12.81	BCCL
Sri Bhattacharjee Sambhunath	SO	37,326	B.Sc.	1.12.64	Coal Board
Sri Biswas Manabendra	SO	38,128	B.Sc.	2.7.82	Coal Board
Sri Biswas R N	Asisst. Colly. Manager	62,067	B.Tech. (Mine) 1st Class	7.10.76	AR & T. Co.
Sri Bhargava J	Dy. CPRM	45,824	B.Sc., Dip. in Journalism	1.8.84	WCL
Sri Barua R	GM (MT)	61,447	BA., Post Graduate, Dip (M)	3.3.75	GKW
Sri Bhatt S M	Dy. GM	78,006	BA, B.Sc. (Mines) wales 1st Class Manager	1.2.74	AR & T. Co. Ltd.

1	2	3	4	5	6
Dr Borthakur A C	M.O.	66,038	MBBS	1.8.83	AR & T. Co. Ltd.
Dr. Borthakur T C	Specialist (Gyno)	61,775	MBBS, MD	14.9.81	AR & T. Co. Ltd.
Dr. Baruah B K	Dy. Medical Suptd.	69,412	MBBS/PG/Degree/ Diploma in Anaesthesia	17.1.75	AR & T. & Co. Ltd.
Sri Bora A K	Colly. Manager	61,861	B.Tech. (Mine), 1st Class	5.3.76	A R & T. Co. Ltd.
Sri Bora M C	Mining Eng. Colly. Manager	76,958	B.Sc. (Mines) 1st Class	1.8.73	AR & T. Co. Ltd.
Sri Boral M C	Manager (GS)	50,434	I.Sc.	1.8.73	Lodna (1920) Ltd.
Sri Banerjee U K	Sr. Exv. Eng. (E&M)	39,163	BE (Ele.)	1983	CMPDIL
Sri Banerjee Jyotirmoy	Secy.	45,152	BA	1.5.73	Bengal Coal Co.
Sri Banerjee Hirak	Eng. (E&M)	41,549	I.Sc. Dip. in ME	20.8.84	ECL
Sri Bandhapadhy M	Sr. SO	47,356	B.Sc. AIC Post Graduate Business Manager	22.2.82	CCL
Sri Bose A T	Sr. AO	38,186	CAS		CCL (Ex. NCDC)
Bose Capt. P	Sr. Pilot	73,144	Inter Science	5.12.81	SAIL
Sri Bose R M	Account Offr.	39,737	Matriculate	1.5.73	Nag's Kajora.
Sri Bose S K	Adviser	62,069	I.Sc. BE (Mining) 1st Class Colly. Managers Certificate of Competency	7.7.80	Deptt. of Coal
Sri Bose S	Supdg. Engineer (PM)	43,076	B.Sc. Engg. (Mech.)	3.3.76	CMPDIL
Sri Bishnu K N	Sr. SO	48,506	M.Com. LLB.	1.7.82	BCCL
Sri Brahma A V	COPD	58,628	B.Sc., AISM	28.2.84	BCCL
Sri Chatterjee A K	GM	55,795	B.Sc. (Mining)	5.10.82	CCL (Ex-NCDC)
Sri Chacko V I	Secretary	45,166	B.A.	1.5.73	Ranigunj Coal Associate
Sri Chatterjee AN	Dy. FM	45,647	B.Com., AICWA	5.10.82	BCCL
Sri Chatterjee Sankar	Staff Officer	26,922	M.Sc.	March '81	ECL
Sri Chattaraj K	Sr. PO	42,768	B.A.	1.4.84	Coal Board
Sri Chakraborti H C	Addl. C. Project Manager	54,342	B.Sc., B.Chem. Engg. (H)	4.12.80	CMPDIL
Sri Chakraborti K C	Sr. AO	40,785	M.Com. ICWA	1.6.82	CCL (Ex-NCDC)
Sri Chakraborti K L	Secretary	41,380	Matric	1.5.73	Johila Coalfields Ltd.
Sri Chakraborty P K	Survey Officer	50,512	Sirdar Cert. & Mine Surveyors	9.7.79	—
Sri Chakraborti U	AMM	42,674	BE (Elect.)	27.9.82	CCL
Sri Chaugmai S N	Geologist	46,370	M.Sc. Geologist	9.8.80	—
Sri Chopra K R	Supdt. Eng.	45,140	B.Sc. (Mech. Engg.)	22.9.83	CCL
Sri Chopra R S	PO	42,577	BA	25.5.82	Sethia Minnig & Manufacturing
Sri Chottopadhyaya P K	Dy. CME	50,643	1st Class ME	7.7.82	BCCL
Sri Das C R	Addl. CME	56,037	B.Sc. (M), AISM, 1st Class	July '81	CCL
Sri Das Dipak	PS	38,057	B.Com.	1.5.73	CCL (Ex- NCDC)
Sri Das P	Secretary	44,643	B.Com.	3.5.82	CCL
Dr. Das S K	Sr. MO	51,363	MBBS	15.11.78	—
Dr. Das U C	Sr Surgical SP	67,124	MBBS MS	8.3.82	—
Sri Das Bairagya J G	FM	44,347	M.Com. AICWA	Dec '81	CMPDIL
Sri Dasgupta A K	Dy. FM	45,409	MA, M.Com., LLB, ACS, AICWA	24.11.83	ECL
Sri Dasgupta J P	Dy. MM	51,315	B.Sc. (Mining) 2nd Class Mines Manager Certificate	29.2.73	Bengal Coal Co.
Sri Deshpandey P D	Mining Eng.	44,985	Deploma in Mining	22.3.79	ECL
Sri Dev B	GM (F & C)	59,079	I.Sc., 1st Class Dip in Mining	5.3.84	ECL

1	2	3	4	5	6
Sri Dewan R N	Mining Eng., Colly. Manager	73,187	B.Sc. Mines	1.8.73	AR & T. Co.
Sri Dutta P B	Dy. Co's Secy.	61,495	B.Com., ACS, ACIS (London), FICWA	26.2.82	BCCL
Sri Dey C K	Sr. FO	45,152	B.Com., C.A.	May '82	BCCL
Sri Dey D	Sr. AO	46,162	B.Com.	1.5.73	KCT & Bros Co.
Sri Dey R K	Sr. PO	37,278	BA	1.5.73	Sahu Minerals & Properties Ltd.
Sri Doshi Ramesh	Dy. SM	50,964	B.Com.	1.8.73	ECL
Sri Ganapathy A R	FM	51,024	ACMA (UK)	13.9.76	Bertram Scott India Ltd.
Sri Ganguly Megnath	Engineer (Civil)	42,759	BE (Civil)	16.12.80	ECL
Sri Ghosh Biswanath	PS	37,993	BA	1.5.75	Coal Board
Sri Ghosal S K	Sr. AO	39,807	BA, AICWA, P.G. DIP, BM, CAS	1.7.73	CCL (Ex-NCDC)
Sri Ghosh A K	Sr. FO	56,130	Pre. Med., CAS	1972	BCCL
Sri Ghosh M M	Dy. SM	50,770	B.Sc.	1982	ECL
Sri Ghosh N	Sr. FO	48,506	B.Com., ICWA	Jan. '83	W.C.L
Sri Ghosh Nirmalendu	Sr. SO	50,931	B.Sc. (H). R. Course I, Bell S & A (ii)	1.5.75	Coal Board
Sri Ghosh P K	Supdg. Engg. (Civil)	40,692	LCE, BCE	11.1.83	Engineer's India Ltd.
Sri Ghosh S K	Manager (MT)	42,416	M.Sc., BL, PG Diploma in Industrial Management	1.7.81	BCCL
Sri Ghose S K	GM (MM)	61,911	Sr. Cambridge Genel. Certificate Adv. level BA (Oxford)	1.8.73	Bengal Coal Co.
Sri Ghosh R P	Sr. AO	43,418	B.Sc., BA, LLB, AICWA	1.5.73	Jhagrakhand Colly. Ltd.
Sri Goala P N	Welfare Officer	46,245	M.A. Sociology, LLB	16.7.79	AR & T Co. Ltd.
Dr. Gogoi Mridurani	MO	49,748	MBBS	23.10.81	AR & T Co. Ltd.
Sri Goel J	Sr. SO	37,986	BE. MBA	1.4.75	ECL
Sri Gohain M K	Dy. CPO	64,766	BA, Post Graduate Dipl. in Social-Science	1.8.73	AR & T Co. Ltd.
Sri Goswami G C	PS	45,239	BA	26.6.81	Coal Board
Sri Guha Chowdhury S K	Dy. CSM	55,150	B.Sc. Mining., 1st M. M.	1.6.79	Coal Controller
Sri Gupta M L	Sr. SO	43,773	MBA	15.9.76	
Md. Hamid Q S	Asstt. Manager	53,507	M.Sc.	1.11.75	
Sri Hazarika R P	Mining Engg.	45,825	B.Tech. Mining 2nd Class	14.11.78	AR & T Co. Ltd.
Sri Huda M M	Eng. (ME & M)	45,588	Diploma Ele. Eng.	14.10.77	AR & T Co. Ltd.
Sri Ichhprani A S	RSM	48,651	B.Sc., 1st Class Mine Manager Certificate		CCL (Ex-NCDC)
Sri Jain K K	Dy. CSM	51,605	M.Com., LLB	Oct '83	ECL
Sri Jain S L	Sr. PO	49,187	I. Com.	1.8.75	Parasia Colly. Ltd.
Sri Jethy A K	Dy. CME	64,924	B.Sc. (Hons.), Mining AISM, 1st Class Manager Certificate		ECL
Sri Jha R R	Exec. Eng. (exeavation)	53,164	BE (Mech.)	19.1.82	AR & T Co. Ltd.
Sri Jha M N	Supdt. of Mines	78,324	B.Sc. (Part) (Mines)	1.8.73	AR & T Co.
Sri Joshi N K	Sr. SO	56,943	I.A.	1.5.73	ECL
Sri Kalita N	PO	46,558	B.Sc. (Hons) M.A. (Pas) Management Labour/WELF	16.7.79	AR & T Co. Ltd.
Sri Kapila G K	RSM	62,842	B.A., Mines Manager's Certificate	1.5.73	K. C. T. & Bros.
Dr. Kar N G	Sr. Medical Officer	69,412	MBBS	17.1.75	NEL
Sri Kar S P	SM	55,807	B.Com., Dip. in Journalism	11.10.57	CCL (Ex-NCDC)

1	2	3	4	5	6
Sri Kheria J P	Dy. MM	50,175	B.Com. LLB	28.2.73	Western Bengal Coal Co.
Sri Khanna K N	Dy. CE (E & M)	74,578	B.Sc. Engr. (Elec.)	1.8.73	A R & T Co. Ltd.
Dr. Khaund M C	Medical Supdt.	80,718	MBBS	1.8.73	A R & T Co. Ltd.
Sri Kocher K G	PM	54,303	M.Com. LLB., Dip. in Com. Law., P.G. Dip. P.M., Dip in Lab. Law.	1.8.73	Sahu Minerals & Properties
Sri Kochuman Philip	RSM	42,849	B.Com.	1'5.73	Bird & Co.
Sri Kumar A	Colly. Manager	77,528	B.Sc. (Mines)	1.8.73	A R T & Co. Ltd.
Sri Kumar Ajay	Exev. Eng. (Civil)	43,678	B.Sc. Eng. (c)	30.10.79	—
Sri Kumar K K	Sr. FO	56,281	B.Com. AICWA	1973	BCCL
Sri Kumar R	Sr. FO	45,150	B.Com., ICWA (Inter), CAS (Pt. I)	June '81	BCCL
Sri Krishnan R M	Secy.	43,778	B.Com. (Part I)	26.6.73	Bengal Coal Co.
Sri Kundu N G	Dy. CME	48,740	B.Sc., AISM	April '80	ECL
Sri Kunhiraman C	Secy.	45,016	B.Com.	23.3.83	Garden Reach Workshop
Sri Lahiri R	Sr. PO	37,417	B.Com. LLB, DBM	Nov '80	ECL
Sri Majumdar S	Sr. Exev. Eng.	51,568	I.Sc. Dip. in Mech. Engg.	15.10.79	CCL (Ex-NCDC)
Sri Majumdar M S	FO	38,055	B.Com.	June '81	BCCL
Sri Mani S B	PS	42,325	Matric	1.5.73	Selec. Baraboni Coal Co.
Sri Mazumdar A C	Sr. FAO	60,094	B.Com.	1.8.73	A R & T Co. Ltd.
Sri Mehta A K	Supdt. Mining Area Sefty Officer	69,421 69,421	B.Sc. (Mines) Hons. AISM, 1st Class Mgr. Cert.	1.8.73	A R & T Co. Ltd.
Sri Menon C S	Secy.	45,857	SSLC	22.1.81	Parasia Colls. Ltd.
Sri Menon N V R	M M	60,420	B.A.	5.2.81	WCL
Sri Mitra P K	Supdg. Eng. (Mech.)	43,509	B.Tech. (Mech.)	8.11.82	ICI Pvt. Ltd.
Sri Mitra R K	OSD (P)	49,004	B.A., Dip. in French	1.5.73	CCL (Ex-NCDC)
Sri Mitra S K	SO	48,671	Metriculate	May '73	Andrewyule & Co. Ltd.
Sri Mitra S R	Sr. SO	48,351	B.Sc. SFT (A)	1.4.75	Coal Board
Sri Mishra R N	Chief of Corporate Planning	57,938	B.Sc.(M), AISM, 1st Class C M's Certificate Cor. M of IIPM, FIE (I), Dip. ME	2.6.80	BCCL
Sri Moitra G K	Dy. SM	49,518	B.Sc. (P) Adv. Fuel Tech. Exam.	1.5.75	Coal Board
Sri Monohran P S	Legal Manager	55,305	M.Com. LLB, Dip. in Public Admn.	5.12.80	BCCL
Sri Mukherjee Anjan	Sr. PO	40,693	BE (Mech.)	6.10.83	WCL
Sri Mukherjee D K	Supdt. Eng. (E & M)	46,431	Dip. in Mech. Engg.	2.3.84	CCL
Sri Mukherjee K C	PM	52,950	B.Sc. DSW	31.12.80	BCCL
Sri Mukherjee S K	PM	50,131	B.A. DSW	20.10.81	CCL (Ex-NCDC)
Sri Mukherjee Sukumar	Dy. CE (Civil)	53,983	I.Sc., B. Tech. (H), 1st Class Civil Engg., MIE (I) C. Engg. Member, Society Des Engineer Civil De France,	1.4.75	BCCL
Sri Mukherjee Sulabh Kr	Stat. Officer	47,688	M.Sc. (Stat.)	21.4.81	ECL
Sri Mukherjee J	Dy. SM	51,081	I.Sc., Intermediate Certificate in Fuel Tech.	1.7.75	Coal Board
Dr. Mukherjee S	Supdt. Geologist	54,044	Doctorat in Geology	6.8.82	CEMPDIL
Sri Mukherjee M	Sr. AO	46,585	M.Com. AICWA	1.5.73	Lodna Colly. (1920) Ltd.

1	2	3	4	5	6
Sri Mukherjee Swaraj	Dy. SM	52,749	I.Sc., 2nd Class Mines Mgr. Certificate	1.5.75	Coal Board
Sri Naha R D	Dy. PM	47,466	B.Com.	9.6.81	A R & T Co. Ltd.
Sri Nair K K A	Secy.	42,360	B.Com., LLB	1.5.73	Pure Sitalpur Colly.
Sri Nandi S N	Dy. CME	51,851	1st Class ME	23.2.82	WCL
Sri Neogi B C	FM	47,320	M.Com. AICWA	22.2.81	CCL (Ex-NCDC)
Sri Narayan K D L	RSM	45,566	B.A., 1st Class in Advance Fuel Technology		CCL (Ex-NCDC)
Sri Narayanan K V	Secy.	60,974	SSLC	1.5.73	BCCL
Sri Ojha Pratap	Sr. SO	42,547	B.Com (Hons.)	May '73	West Ramrohili Colly.
Sri Pal D K	Pvt. Secy.	37,390	B.A.	17.4.78	BCCL
Sri Panday I D	RM	67,219	M.A. Diploma in Company Law	1972	CCL (Ex-NCDC)
Sri Parekh N S	OS	45,913	Matriculate	1.5.73	Hingir Rampur Coal Co. Ltd.
Sri Parmar S S	Dy. CME (C)	71,932	B.Sc. (Mines) AISM (Mines) 1st Class Managers Certificate	1.8.73	A R & T Co. Ltd.
Sri Paul B M	Secretary	43,559	Matriculate	28.3.73	Amalgamated Coalfields Ltd.
Sri Phukan B N C	Servey Officer	50,895	Mine Sirdership & Mine Surveyors Exam.	9.7.79	A R & T Co. Ltd.
Sri Pillai K N V	Dy. SM	49,459	SSLC	1.5.73	
Sri Prakash C	Sr. Stores Purchase Officer	56,210	B.Sc. MBA	2.6.75	A R & T Co. Ltd.
Sri Prakash Satya	RSM	47,839	I.Sc., 2nd Class Mines Manager Certificate	1.5.73	BCCL
Sri Prasad B	Supdt. (Mines)	78,028	B.Sc. (Hon.) Mining IISM 1st Class Manager Certificate	1.8.73	A R & T Co. Ltd.
Sri Purohit J D	Asst. L. Manager	45,112	B.Com. LLB	24.3.83	Ghusik & Muslia Colly.
Sri Puri S P	GM	84,636	Mining Eng. 1st AISM (Mining)	9.4.84	WCL
Sri Purakasytha D N	CSM	63,904	B.A. (Hons.)	4.11.83	ECL
Sri Raha S K	Mining Eng.	49,442	B.E. (Civil)	17.6.81	A R & T Co. Ltd.
Dr. Rahman S A	Sr. MO	62,335	MBBS	3.4.74	A R & T Co. Ltd.
Sri Rai Dilip	EE (Civil)	41,543	B.E. (Civil)	*4.1.82	CMPDIL
Sri Ram P K	Dy. FM	43,360	B.Com. CAS (old)	31.7.81	CCL
Sri Ramachandran G S	Sr. PO	41,480	B.A. (Hons.)	21.1.82	Indian Mining Federation
Sri Rama Rao P K	Spdt. Eng. (E & M)	68,227	B.Sc. B.Tech (Elec. Eng.)	1.8.73	A R & T Co. Ltd.
Sri Ramalingam S	Ming. Eng.	46,842	B.Tech. (Mining)	19.4.76	A R T & Co. Ltd.
Capt. Rana S S	Sr. PO	40,628			
Sri Rana S J B Singh	CFM	56,087	BA, B.L., ACA, ACIS, ACS	1.8.79	BCCL
Sri Routh S R	FM	50,859	B.Com. CAS	25.2.80	CCL (Ex-NCDC)
Sri Roy A	Mining Eng., Colly. Manager	67,240	B.E. Mines, 1st Class Manager	1.8.73	A R & T Co. Ltd.
Sri Roy A K	Sr. SO	57,573	B.Com.	1982	CCL (Ex-NCDC)
Sri Roy Amitava	Sr. SO	46,746	B.Sc. (Hons.) P.G. DBM	June '81	ECL
Sri Rao K V	Dy. FM	54,138	B.Com. SAS	1.1.75	BCCL
Dr. Roy M R	Sr. MO	64,202	MBBS	1.8.73	A R & T Co. Ltd.
Sri Roy P C	Sr. SO	57,697	B.Sc.	1975	BCCL
Sri Roy S K	Sr. PO	41,110	M.A. in Sociology	March '81	ECL
Sri Roy S K	Sr. Ex. Eng. (Civil)	63,361	B.Sc. Eng. (C) AMIS	22.1.82	—
Sri Roychowdhury S	Sr. SO	47,375	M.Sc. (Chem.)	9.10.82	CCL

1	2	3	4	5	6
Sri Shahi R G	Mining Eng.	43,747	Mining (DPL) 2nd Class	9.1.81	A R & T Co.
Sri Sahay K B	PO	39,851	M.A.	1.5.75	CCL
Dr. Saikia Rabin	MO	46,534	MBBS	24.11.82	CCL
Sri Samanta A K	Asst. Colly Manager	68,290	1st Class Manager	1.8.73	A R & T Co. Ltd.
Sri Salodkar S S	CME	56,310	B.Sc. AISM	27.7.81	BCCL
Sri Saini H R	Asst. Colly. Manager	52,138	Surface Mining Elec. Supervisor	14.10.77	A R & T Co. Ltd.
Sri Sanyal S K	FM	51,747	AICWA	5.4.80	BCCL
Dr. Sarkar A	Medical Supdt.	60,238	MBBS, Dip. in Public Health	9.10.80	CCL (NCDC)
Sri Sarkar D K	Survey Officer	54,304	Sardarship Mine Surveyer Exam.	9.7.79	—
Sri Sarkar P K	SE	39,269	B.E. (Mech.)	1982	CCL (Ex-NCDC)
Sri Sarkar S K	Mining Eng., Colly. Manager	73,827	B.Sc., Mine Survey Cert. 1st Manager	1.8.73	A R & T Co. Ltd.
Sri Sastry U P	Mining Eng.	64,336	B.Sc. B.E.	1974	A R & T Co. Ltd.
Sri Saxena R K	Sr. Eng. (Ex. AV)	39,180			
Sri Satyanarayan R	PS	41,914			
Sri Saxena R B	Dy. PM	50,440	B.A. LLB	20.1.82	Coal Board
Sri Sen Amarjit	Dy. SM	52,565	M.Sc. (Geology)	1.5.75	Coal Board
Sri Sen Anjan	SE (E & M)	48,864	BE (Elec.)	10.10.83	CCL (Ex-NCDC)
Sri Sen Arunkumar	Corp. Planner	57,192	B.Sc. (Mining) 1st Class	16.4.82	CMPDIL
Sri Sen A R	Dy. CME	51,627	B.Sc. (M), 1st Class	15.2.82	ECL
Sri Sengupta Dipak	Manager(System)	46,281	B.E., M.S., Ph.D.	24.8.81	CEMPDIL
Sri Sengupta G	Dy. CME	56,069	B.Sc. (Mining) Engr. (Hons.) & AISM	22.10.80	WCL
Mrs Sen Roy P	Dy. FM	45,843	B.Com. CA	1974	ECL
Dr. (Mrs) Senpati Utpala	MO	46,469	MBBS	15.5.80	
Sri Shah S G	Dy. CPM	54,803	MA, LLB.	1.11.76	WCL
Sri Shah S K	PS	37,148	I.Sc.	1.5.73	CCL (Ex-NCDC)
Sri Sharma G C	Dy. CME	48,903	B.Sc., AISM	23.2.82	ECL
Sri Sharma M S	PS	43,127	SSLC	21.4.82	Western Bengal Coalfields
Sri Singh A P	Sr. SO	43,929	Dip. in Mining Engg.	* 1978	BCCL
Sri Singh Gursharan	Sr. SO	50,958	BA, MBA	1976	BCCL
Sri Singh Krishna	Mining Eng.	45,378	B.Tech. Mining	20.11.78	A R & T Co. Ltd.
Sri Singh Kripal	RSM	53,017	B.Sc., Colly. Managers' Cert.	1978	NCDC
Sri Singh K B	Dy. SM	43,989	B.Sc.		NCDC
Sri Singh S K	Admn. Officer	39,531	MA (Pol. Sc.)	4.3.81	A R & T Co. Ltd.
Sri Sinha B B	Dy. SM	51,731	B.Sc. Fuel Tech.	1.5.75	Coal Board
Sri Sinha B P	Dy. S M	61,160	M.Sc. (Geology)	1.9.73	NCDC
Sri Singh V N	Asst. Colly. Manager	67,460	B.Sc. Dip. in Mining 1st Class	31.10.75	A R & T Co. Ltd.
Sri Sinha Chowdhury Milan	Survey Officer	40,083	B.Sc., Mines Supervisor Certificate	14.4.74	CCL
Sri Sinha M P	Mining Eng.	61,473	I.Sc., B.E. Mining 2nd Class.	13.3.82	A R T & Co. Ltd.
Sri Sinha P S	RSM	51,309	1st Class M.B.A. Mining Eng (1st Class)	16.5.73	BCCL
Sri Sinha Roy R K	PM	49,526	B.Com. MAS	20.1.76	ECL
Sri Sinha R N	Stat. Manager	49,361	M.Sc. (stat)	1.5.73	CCL (Ex-NCDC)
Sri Srinivasan G	PS	36,649	B.Sc.	1983	BCCL
Sri Srinivasan R	Addl. CFM	51,566	AICWA	9.4.73	CCL
Sri Sur N C	Asst. Colly. Manager	67,488	B.S.G. Overman 1st Class	20.1.78	A R & T Co. Ltd.

1	2	3	4	5	6
Sri Sur Roy A K	Sr. AO	59,021	B.Com.	Feb 1973	NCDC
Sri Swamy J S K	PM	51,472	MA (LSW)	23.11.83	CCL
Sri Tiwari K K	Asst. Colly. Manager	68,498	B.Sc. (Mines) 1st Class	7.12.73	A R & T Co. Ltd.
Sri Thakuria A C	Colly. Manager	63,469	B.Sc. (Mines) (1st Class)	31.8.74	A R & T Co. Ltd.
Sri Thakur I	Survey Officer	46,943	B.Sc., Surveyor's Exam.	9.7.79	A R & T Co. Ltd.
Sri Thomas A V	Sr. P S	39,476	B.Sc., Dip. in Secretary Ship	1.5.83	A R & T Co. Ltd.
Sri Varma A K	Dy. Supdt. Geologist	62,675	B.Sc., M.Sc. in Geology	19.2.74	CMPDIL
Sri Vegad D R	PS	41,212	Matric	2.12.74	Kuardi Colly.
Sri Vij J K	Manager (Admn.)	52,245		1.5.73	
Sri Wadhan I P	Chif of Markting	61,649	B.Com. (Hons.) AMC (U.K.)	April'81	ECL
(B) Employed Part of the year 1984-85					
Sri R K Gupta	Director (P & IR)	22,621	AISM, 1st Class Colly. Manager Certificate	10.10.83	WCL
Dr. Akbar S A	Medical Officer	16,456	MBBS	12.11.84	ECL
Sri Bajaj N K	Dy. CFM	46,218	ACA	April '84	ECL
Sri Bajaj Y P	CEE	39,735	BE (Mech.)	1.8.84	CCL
Sri Bhaskaran R	Dy. CME (plg)	51,963	B.Sc. (Mines) AISM (Mines) 1st Class Managers Certificate	1.8.73	A R & T Co. Ltd.
Sri Bhattacharjee S S	Dy. CME	6,813	B.Sc. (M) 1st Class	1.10.80	CCL (Ex-NCDC)
Sri Bhattacharjee T K	Sr. SO	43,505	B.A.	21.8.57	CCL (Ex-NCDC)
Sri Chowdhury Goutam	Sr. PO	13,769	Intermediate	Dec. '84	BCCL
Sri Chowdhury C R	GM (Sale)	50,042	M.A. (Econ.) LLB	11.5.84	ECL
Dr. Ghosh D B	Medical Officer	24,314	LMF	1.1.73	A R & T Co. Ltd.
Sri Ghosh P N	Addl. CVO	10,356		6.2.83	WCL
Sri Ghosh S	Engr. (E & M)	13,270	B.E. (Mech.)	11.12.84	CCL
Col. Jayakaran I	Chief (Tele)	37,971	AMIE (A & B), IERE (London)	5.11.76	ECL
Dr. Kumar K	CMO	45,518	MBBS, DGO, MRCOG, FRCOG	1.8.84	WCL
Sri Kocher V K	Dy. SM	7,564	MBA	1975	—
Sri Mitra Anupam	CFM	54,996	CA	12.4.84	BCCL
Sri Murthy A S R	CME	22,825	I.Sc., 2nd Class Mines Management Certificate		A R & T Co. Ltd.
Sri Mathew D	RSM	30,653			
Sri Sharma R	MM	19,378	B.E.	3.12.84	CCL
Sri Sharma R L	Dy. CPM	52,654	BA, LLB, DSW	8.5.74	WCL
Sri Singh Ambarish	Sales Officer	20,238			
Sri Singh Harendra Kr	Sr. ME	32,242		1.7.84	BCCL
Sri Singh Mohinder	CVO	59,057	I AS	27.4.84	Govt. of Bihar, Dept. of Co-operative
Sri Singh R A	CFM	27,192	ACA	5.11.84	CMPDIL
Sri Sinha A K	CFM	14,189	B.Com., SAS, ACA	12.11.80	CCL
Sri Sinha B N	Sr. VO	24,970		10.8.82	CBI
Sri Sinha R	SE (EXC)	46,189		25.5.84	ECL
Sri Singha S K	OSD (Vigilan)	31,362		3.7.82	BSF
Sri Sodhi R S	CMM	60,900	Radio Communication Engr. from City & Guids (London)	10.4.84	BCCL
Sri Talapatra A C	Sr. SO	37,931	M.Sc. (1st Class) Geology	15.5.84	ECL

**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, 1985**

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, 1985.

Dated, Calcutta
The 13th December, 1985

Dr S C MOOKERJEE
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, 1985 by the Comptroller & Auditor General of India

Financial Position

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

	(Rs. in lakhs)		
	1982-83	1983-84	1984-85
Liabilities			
Paid-up Capital (including amount due to Govt. of India to be adjusted against issue of Shares)	1,69,124.95	2,12,987.12	2,55,668.09
Reserves & Surplus	8.31	6.81	12.09
Borrowings:			
(i) From Govt. of India	1,56,363.06	1,92,729.43	2,17,374.49
(ii) From Bank	79.88	7,671.95	5,734.33
Trade dues and current liabilities (including provision)	21,913.47	34,310.74	39,238.24
TOTAL	3,47,489.67	4,47,706.05	5,18,027.24
Assets			
Gross Block	2,282.83	2,536.11	3,390.97
Less Depreciation	436.70	606.18	865.62
Net Fixed Assets	1,846.13	1,929.93	2,525.35
Capital Work-in-Progress (including other Capital Assets)	285.11	2,068.87	3,398.33
Investment	1,19,979.35	1,23,401.45	1,23,804.20
Current Assets, Loans & Advances (including amount due from Govt. of India for non-coking coal mines)	2,13,577.96	3,08,826.89	3,77,519.42
Miscellaneous expenditure & Losses not written off:			
(i) Deferred Revenue Expenditure	63.76	75.83	198.51
(ii) Accumulated losses	11,737.36	11,403.08	10,581.43
	3,47,489.67	4,47,706.05	5,18,027.24
Capital Employed	1,93,510.61	2,77,041.71	3,40,806.53
Net Worth	1,57,332.13	2,01,515.02	2,44,900.24

Note:

- Capital employed represents Net Fixed Assets plus working capital.
- Net worth represents paid-up capital plus Reserves & Surplus less intangible assets.

Capital Structure

The debt equity ratio of the Company was 0.92 : 1 in 1982-83, 0.90 : 1 in 1983-84 and 0.85 : 1 in 1984-85.

3. Reserves & Surplus

The Reserves & Surplus (Rs. 12.09 lakhs) amounted to (a) 0.002% of total liabilities in 1984-85 as against 0.002% in 1983-84 and 0.002% in 1982-83; and

(b) 0.005% of equity capital (Rs. 2,55,668.09) in 1984-85 as against 0.003% in 1983-84 and 0.005% in 1982-83.

4. Liquidity & Solvency

(a) The percentage of current assets to total net asset varied from 61.46 in 1982-83 to 68.98 in 1983-84 and 70.00 in 1984-85.

(b) The percentage of current assets to current liabilities including provisions varied from 974.64 in 1982-83 to 900.09 in 1983-84 and 962.12 in 1984-85.

(c) The percentage of quick assets (cash and bank balances, debtors and advances) to current liabilities (excluding provisions) varied from 16.44 in 1982-83 to 32.92 in 1983-84 and 3.04 in 1984-85.

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 1985 amounted to Rs. 1,91,664.48 lakhs in 1982-83, Rs. 2,74,511.18 lakhs in 1983-84 and Rs. 3,38,281.18 lakhs in 1984-85 and represented 636.66 months, 432.26 months and 490.00 months' value of production at cost (excluding depreciation) during the above years respectively.

6. Sources and Uses of Funds

Funds amounting to Rs. 264.72 lakhs from internal sources (depreciation, reserves & surplus and provision) and Rs. 70,312.53 lakhs from other sources were utilised during 1984-85 as shown below:

Gross Fixed Assets	(Rs. in lakhs)
Capital work in progress	259
Investment (other than trade)	1,925
Current Assets Loans & Advances	402
Miscellaneous Expenses & Losses not written off	68,689
TOTAL	(-) 698
	70,577

7. Working Results

	1982-83	1983-84	(Rs. in lakhs) 1984-85
Profit/Loss as per account	(-) 197.87	(+) 295.16	(+) 727.16
Add Development rebate reserve, Investment Allowance Reserve shown above the line	—	—	—
Profit/Loss for the year	(-) 197.87	(+) 295.16	(+) 727.16
Add/deduct past period adjustment shown below the line	(+) 1.47	(+) 37.62	(+) 94.15
Loss/Profit before tax	(-) 196.40	(+) 332.78	(+) 821.31
Tax Provision	—	—	—
Loss/Profit after Tax	(-) 196.40	(+) 332.78	(+) 821.31

(+) indicates Profit (-) indicates Loss

The cumulative loss as on 31.3.85 amounted to Rs. 10,581.43 lakhs as against the paid-up capital Rs. 2,55,668.09 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.

	1982-83	1983-84	(Rs. in lakhs) 1984-85
Sales of Coal, Coke, Bricks etc.	3,223.29	7,607.12	8,273.35
Add Loss/Less Profit	197.87	295.16	727.10
Cost of Sales	3,421.16	7,311.96	7,546.25
Percentage of Cost of Sales to Sales	106.14	96.12	91.21

Note :

The figures of Sales mentioned above and subsequent paras 9 & 11 do not include the value of coal amounting to Rs. 32.31 lakhs, Rs.36.91 lakhs and Rs. 45.60 lakhs consumed within the collieries and issued to employees and also do not include the value of coal of Rs. 20.09 lakhs and Rs. 19.75 lakhs and Rs. 19.55 lakhs for Colliery consumption (charged to capital) during 1982-83, 1983-84 and 1984-85 respectively.

9. Production Performance

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

	1982-83	1983-84	(Rs. in lakhs) 1984-85
(i) Sales of coal & bricks etc.	3,223.29	7,607.12	8,273.35
(ii) Closing stock of coal bricks etc. (including work-in-progress)	372.14	848.63	921.07
(iii) Opening stock of coal & bricks etc. (including work-in-progress)	89.12	372.14	848.63
(iv) Value of production (i + ii - iii)	3,506.31	8,083.61	8,345.79

The percentage of Value of production to net worth fluctuated from 2.23 in 1982-83 to 4.01 in 1983-84 and 3.41 in 1984-85. Percentage of value of production to total net assets varied from 1.01 in 1982-83 to 1.80 in 1983-84 and 1.61 in 1984-85.

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, 1985:

	1982-83	1983-84	(Rs. in lakhs) 1984-85
(i) Stores & Spares	199.86	286.46	348.99
(ii) Stock of Coal, Bricks etc.	372.14	848.63	921.07

The stock of stores and spares was equivalent to 12.95 month's consumption in 1982-83, 16.62 months' consumption in 1983-84 and 16.05 months' consumption in 1984-85. Stock of coal, bricks etc. represented 1.39 months' Sales in 1982-83, 1.34 months' Sales in 1983-84 and 1.34 months' Sales in 1984-85.

11. Sundry Debtors & Turnover

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

As on	Total book debts considered good	Total book debts considered doubtful	Total	Sales	(Rs. in lakhs) Percentage of debtors to Sales
31.3.83	184.35	57.06	241.41	3,223.29	7.49
31.3.84	301.93	141.98	443.91	7,607.12	5.84
31.3.85	337.63	97.78	435.41	8,273.35	5.26

Sundry debtors represented about 0.90 month's turnover in 1982-83, 0.70 months' turnover in 1983-84 and 0.6 months' turnover in 1984-85.

The following table indicates the details of debts outstanding for more than one year as on 31.3.85:

	Govt. Deptt.	Private Parties	(Rs. in lakh) Total
(i) Debts outstanding over one year but less than two years	377.89	17.40	395.29
(ii) Debts outstanding over two years but less than 3 years	5.93	0.71	6.64
(iii) Debts outstanding for 3 years and above	31.72	1.75	33.47
TOTAL	415.54	19.86	435.40

Dated, Calcutta
The 13th December, 1985

Dr S C MOOKHERJEE
Member, Audit Board & Ex-Officio
Director of Commercial Audit (Coastal)
CALCUTTA

Coal India Limited

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

AUDITORS' REPORT

OUR REPLY

To
The Members of
Coal India Limited

We have audited the attached Balance Sheet of Coal India Limited as at 31st March, 1985 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. 17/306/85-IGC dated 17.4.85 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 Fixed Assets vested with and owned by the Company under Coal Mines (Nationalisation) Act, 1973, were not made available to us except those assets which are still in existence and which have been accounted for at nominal value of Re. 1/- each during the year. We were informed by the management that title deeds and mutation of the properties owned and acquired through Govt. Agencies are still in progress. Hence the same could not be produced for our verification.

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 Gazettee 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 is as per the above Gazettee Notification after mutual agreement and consent given by the customers.

In the previous year the Coal Controller had objected to the notice issued by the Company to the effect of this increase in the basic price and had asked to withdraw the notice earlier issued and to revise the same. The objection raised by the Coal Controller has not yet been withdrawn by him. One of the

Recovery of additional charges for special sizing and beneficiation of coal is in accordance with para-15 of the Gazettee Notification dated 7.1.84.

AUDITORS' REPORT

customers had also disputed the increase in prices and filed a legal suit against the Company in the Calcutta High Court where the matter is pending. We have informed by the Management that no further development has so far taken place. As the matter is subjudice, we are unable to express our opinion as to whether the Company can take the additional charge as their income or not.

3. Current Liabilities

We refer, in this connection, to Note No. 5.1 of the Schedule-Z 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 31.3.1985 against the facilities of the Companies. The quantum of this could not be determined.

4. Depreciation

Consequent to the revision of rates of depreciation in respect of Building and Plant & Machinery in the Income Tax Act, 1961, the same has been revised by the Management. However, the revision of rate has not been made exactly as per the guidelines issued by the Company Law Board. Therefore, depreciation charged in the accounts may be understated but the extent of understatement and effect of the same on profit of the Company could not be ascertained.

5. Gratuity

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 case provision has been made on estimated basis, but in

OUR REPLY

The title of the Bank Accounts at different Subsidiaries continues to be with State Bank of India and United Bank of India in the same style "CIL" with the name of Division which will be changed as soon as a fresh Cash Credit Limit, under negotiation, with Reserve Bank of India is finalised.

Depreciation has been charged in the books of accounts as per the ammended provision of the Finance Act as per our own understanding right from 1983-84. The Company Law Board clarification dated 10.1.1985 came to our notice sometime in April, 1985, in respect of amendment to the Finance Act which came into effect from 1.4.1983. However, action has been taken for providing depreciation as per the clarification from the Current Financial year. The estimated impact of it is going to be negligible.

The amount of gratuity in any individual case will depend on the pay scale prevailing on the date of retirement of the employee, his length of service, the ceiling of gratuity prevailing at that time. All those are unforeseeable and no empirical formula can be

AUDITORS' REPORT

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. Development expenses grouped under capital work-in-progress include a sum of Rs. 34.18 lakhs being wharfage on imported Plant & Machinery. In our opinion, this is an abnormal expenditure which is increasing neither the capacity of the Plant & Machinery nor its value. Therefore, instead of grouping in capital work-in-progress, the same should be charged to revenue.

7. In case of NEC, there does not appear any foolproof system regarding estimates of material to be issued for civil work, recovery to be made on this account and reconciliation between receipt and issues etc., jobwise break-up of capital work-in-progress is also not made available. Because of this the correctness of the value of civil work-in-progress, civil work capitalised and repairs & maintenance could not be justified by us. The effect of the same on Profit & Loss Account and respective assets could not be ascertained.

8. Closing stock of Coal at NEC has been valued at notified selling price instead of cost of net realisable value whichever is lower. 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 contribution to CPRA has been made on the basis of notified selling price of the respective grades. No consideration has been given to the beneficiation charges which is charged over and above the notified selling price. Although in previous year the same was considered for contribution to CPRA which has been revised in current year and adjustment has been made in the accounts accordingly. In the approved scheme of CPRA, no clear provision regarding beneficiation charges is there, in absence of which this is difficult to deter-

OUR REPLY

valid. Hence, cash basis is considered quite satisfactory.

The expenditure incurred such as wharfage on imported equipments has been considered as acquisition cost and has accordingly been booked under capital work-in-progress.

Careful scrutiny has been made to ensure correct booking to the respective heads of accounts leaving no chance of any wrong booking of revenue to capital.

A reference is invited to our Accounting Policy No. 9.1 which is being followed consistently.

Refer Note No. 11.5. In our opinion accounting treatment given is correct with reference to the scheme as approved by the Government.

AUDITORS' REPORT

mine whether beneficiation charges should be considered for the purpose of contribution to CPRA. However, after studying the scheme we could gather the impression that beneficiation charges should be considered for the purpose of contribution to CPRA. If it is considered then the profit for the year shown in the account should have been reduced by Rs. 490.89 lakhs (including prior period adjustment Rs. 153.42 lakhs). In any case this matter requires review at proper level and scheme of CPRA may be amended to clarify the matter.

10. According to the practice followed by the Company, at NEC issue slips of partly issued materials are not recorded till the final issue against the particular requisition is made. Similarly receipts of goods are not recorded till the formal orders are approved. Issues control nos. are also not maintained by the Stores Department. In absence of which it is difficult to determine whether all the issues made during the year have been accounted for. Though it is stated by the Management that whatever cases came to the notice have been rectified but in our opinion possibility of the omission of recording of some issues cannot be ruled out.

11. 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.

12. We have incorporated the following notes from the Branch Auditors Report :

12.1 Stock in trade and stock in transit :

(i) In case of CMO, stock in trade includes rejected goods worth Rs. 40.58 lakhs against which a provision of Rs. 4.06 lakhs has been made in the Accounts. This is not yet clear who will bear the loss of the balance amount of Rs. 36.52 lakhs—the suppliers or the stockyard operators or the Company. Pending decision about its treatment by the Management, the impact on the profit during the year could not be ascertained.

OUR REPLY

Action has already been taken for improving the system of record keeping.

It is not known whether there will at all be any liability on this accounts.

Until the responsibility is fixed, the amount less realisation proceeds of the rejected coal cannot be charged off to accounts.

AUDITORS' REPORT

OUR REPLY

(ii) Stock-in-transit include Rs. 2.24 lakhs coming since 1983-84 for which no claims so far has been lodged with the Railways. However, a provision for the above amount has been made in the Accounts.

No comments

12.2 Advances :

(i) A provision of Rs. 50.00 lakhs have been made in the Accounts for doubtful claims. In absence of proper details, we are unable to form an opinion about the adequacy or otherwise of the said provision.

This is an ad-hoc provision made against total claim of Rs. 140.40 lakhs with the stockyard operators and 10% on claims against Rlys. of Rs. 33.60 lakhs.

(ii) Partywise details in respect of Rs. 1.38 lakhs of Lucknow Sales Office have not been made available for our verification. In absence of such details, we are unable to form any opinion as to the ultimate adjustability of such claims.

Action being taken for reconciliation.

(iii) Proper details for advances amounting to Rs. 4.85 lakhs of Bhopal Sales Office are not available. In absence of such details we are unable to form any opinion for the recoverability of the same.

Action being taken for reconciliation.

12.3 Sundry Creditors :

(i) Advance from customers include Rs. 321.50 lakhs for which proper details are not available. In absence of which we are unable to form any opinion about the adjustability of these advances.

Action is being taken to prepare partywise and stockyardwise list.

(ii) Partywise details for sundry creditors amounting to Rs. 126.89 lakhs of Lucknow Sales Office have not been made available for our verification. In absence of such details we are unable to form any opinion as to whether the same is payable or not.

Action is being taken.

(iii) Credit balance of Rs. 23.63 lakhs under the head "Railway freight advance account" at Bhopal Sales Office is due to duplicate (double) credit adjustment entries corresponding debiting to Railway freight various stockyard accounts. Pending linking of such adjustments the impact, if any, on the profit during the year could not be ascertained.

Action is being taken for reconciliation of the Account.

AUDITORS' REPORT

12.4 Sales Day Book in respect of Indore, Gwalior, Katni and Raipur Stockyards were not made available for our verification. Sales in respect of these Stockyards have been booked on the basis of total despatches multiplying by standard rates.

12.5 Physical measurement of Coal at Hissar Stockyard under the control of Chandigarh Regional Sales Office was made during middle of the year by the survey team. Recovery on account of shortage amounts to Rs. 0.86 lakhs. But subsequently Regional Sales Manager has changed the grading of the Coal and only recovered Rs. 0.45 lakhs. Thus profit is reduced by Rs. 0.41 lakhs.

13. In absence of confirmation received, balances of sundry debtors, sundry creditors, loans and advances, deposits, amount due from Government of India and due to Government of India and amount due from Subsidiary Companies remained unconfirmed and could not be counter checked.

14. In absence of proper information made available to us the information required in paragraph 4D of Part II to Schedule VI of Companies Act 1956, so far consumption of imported and indigenous stores and spares alongwith respective percentage could not be verified by us.

15. Sundry creditors include unrepresented bills worth Rs. 119.33 lakhs out of which substantial amounts are carry forward balances and coming since last several years and pending proper adjustments. In absence of which effect on liabilities and advances could not be ascertained.

16. The following notes appearing in Accounting Policies and notes on the Financial Statement given in Schedule-Z have effect upon the true and fair view displayed therein.

16.1 Note No. 1.2 of Accounting Policies *i.e.* building includes cost of electrical fittings, water supply arrangements and sanitary fittings. In our opinion the policy is not in conformity with the accepted

OUR REPLY

No comments. It mostly includes notional stockyards.

The recovery of Rs. 45,363.53 as shortage of coal of stock from the operator agrees with the actual shortage when the entire stock has been lifted.

No formal confirmation is considered necessary in case of transactions between CIL and Govt. of India or CIL and its subsidiaries.

Action is being taken to improve recording of consumption of imported materials.

Linking up of advances with creditors has already been taken up and substantial progress made during the current year.

Necessary instruction has been issued for segregation of electrical fittings, water supply arrangements etc. from buildings.

AUDITORS' REPORT

accounting principle. Figures of electrical fittings, water supply and sanitation should be segregated and depreciation should be provided as per respective Income Tax Rates.

16.2 Note No. 4.1 of Accounting Policies that is certain claims etc. are accounted for on cash basis. In our opinion this should be accounted on accrual basis.

16.3 Note No. 4.2 of Accounting Policies *i.e.* final/ additional liabilities on royalty, cess and sales tax etc. In our opinion provision should be made on accrual basis.

16.4 Note No. 3.1 of Financial Notes *i.e.* two or more stores and spares items of different values have been grouped together in one Bin Card. The impact of the same on consumption and inventory could not be ascertained.

16.5 Note No. 11.2 of Financial Notes—In our opinion until the matter is approved by the Government, there should have been a provision for penal interest in the Accounts.

17. 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.

18. The total effect of the above Notes in (Paragraphs 1 to 16) and annexure in Paragraph 17 upon the true and fair views displayed in financial statements could not be ascertained. However, the effect of the Notes wherever ascertainable has been separately given in the Note itself.

19. Subject to para 1 to 16 above and further to our comments in annexure referred to in para 17 above, and read with the Notes appearing in Schedule-Z *i.e.* Accounting Policies & Notes on the Accounts, we report that:

(a) The Reports on Accounts of the Regional Offices, Coal Marketing Organisation and Dankuni

OUR REPLY

We do not agree.

We do not agree. Acceptance of Auditor's views will be suicidal to the commercial interest of Coal India and its Subsidiaries.

Action has already been initiated for separation.

At the worst it is a case for contingent liability. No provision in the account is considered necessary.

AUDITORS' REPORT

OUR REPLY

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 so far as appears from our examination of these books.

(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 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, 1985; and

(ii) In so far as it relates to the Profit & Loss Account of the profit of the Company for the year ended on that date.

For M C Bhandari & Co.
Chartered Accountants

M R Jain
Partner

Calcutta the 13th December, 1985

For and on behalf of
Coal India Limited
G L TANDON
Chairman

Annexure to the Auditors' Report

Referred to in Paragraph 17 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 except CMO Offices at Delhi, Bhopal, Chandigarh and Jaipur where location of Fixed Assets has not been mentioned in the Fixed Assets Register. In case of NEC and Hqrs. where substantial parts of Assets exist, preparation of such records have been in progress. Physical verification of Fixed Assets has been carried out by the Management during the year at Dankuni Coal Complex and Coal Marketing Organisation except at its Lucknow Office only, where no significant discrepancy were noticed. In case of Hqrs. 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 most of the Dumps under the control of Coal Marketing Organisation except Dumps under the control of the Regional Sales Offices at Lucknow, Bhubaneswar, Chandigarh and Delhi. At NEC discrepancies as compared to Book records have not been adjusted as they were found within the permissible limit of 5% as stated in the Accounting Policy (Schedule-Z, Note No. 8). In case of Coal Marketing Organisation, discrepancies as compared to book records wherever noticed have been properly dealt with in the books of accounts. 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, the Company is having perpetual Inventory system. During the year under Audit approximately 40% of the stores items were physically verified by the Management. However, the reconciliation between Bin Card balances and

Stores Ledger balance has not been carried out by the Management during the year. Stores Ledger balances have been taken as basis of valuation. Further discrepancies noticed during course of verification have not been adjusted in the books of account.

In case of stores lying at Hqrs. physical verification of stores has been carried out. Discrepancy noticed during course of such verification have been properly dealt with in the books of account.

Valuation of Stock of Coal and Coke at NEC has been made at notified selling price. In case of Coal Dumps at CMO the same has been valued at cost. The valuation of stock of Coal and Coke and stores and spares as stated above subject to para No. 8, 10, 12.1 & 13.2 of our Audit Report is fair and proper and in accordance with the normally accepted accounting principle and is on the same basis as in previous year.

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 the 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 and according to the test check carried out by us as prices paid for stores, components and coal and coke exceeding Rs. 10,000/- in value of each type thereof purchased during the year from Subsidiaries and other Companies in which the Directors are interested are reasonable as compared to the prices of similar items supplied by other parties.

8. The Company does not have full proof system for determination of obsolete and unservicable and damaged stores. In absence of the same, quantum of such stock at NEC could not be ascertained correctly. In case of Dankuni Coal Complex unservicable and damaged goods have not been determined during the year. As such whether provision made in the books in this account is adequate or not could not be ascertained.

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. 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.

15. So far determination of damaged goods in respect of Trading activities of the Company is concerned, we were informed that Coal Marketing Organisation has determined damaged goods at Coal Dumps and the value thereof being significant adequate provision has been made, save and except Dumps under the control of Calcutta Regional Office as stated in paragraph 12.1 of our report.

Dated, Calcutta
The 19th September, 1985

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

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ADDENDUM TO DIRECTORS' REPORT

Statement pursuant to Section 212 (I) (e) of the Companies Act, 1956 as at 31st March, 1985

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, 1985 and cumulative loss as on 31st March, 1985 in respect of Subsidiary Companies indicated below have not been dealt with or provided for in the Accounts for the year 1984-85 of Coal India Ltd.

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 31.3.85 * (Rs. Crores)	Profit (+) Loss (—) as on 31.3.85 (Rs. Crores)
ECL	3727397	3	372.7400	(—) 13.66	(—) 649.61
BCCL	3499997	3	350.0000	(—) 90.12	(—) 628.79
CCL	2628507	3	262.8510	9.64	172.38
WCL	2489107	3	248.9110	6.94	(—) 5.49
CMPDIL	35397	3	3.5400	0.95	1.46

* Before creation of investment allowance reserve.

For and on
Behalf of the Board of Directors

G L TANDON
Chairman

Calcutta
Dated the 28th December, 1985

Coal India Limited

Balance Sheet as at 31st March, 1985

	Schedules	As at 31st March, 1985 (Rs. in lakhs)	As at 31st March, 1984 (Rs. in lakhs)
FUNDS EMPLOYED			
Shareholders' Funds			191169.55
Share Capital	A	246069.55	6.81
Reserves & Surplus	B	12.09	
		<u>246081.64</u>	<u>191176.36</u>
Due to Government of India	C	9598.54	21817.57
Loand Funds			7729.05
Secured	D	5789.00	219159.74
Unsecured	E	248289.37	226888.79
		<u>254078.37</u>	<u>439882.72</u>
TOTAL FUNDS EMPLOYED		<u>509758.55</u>	
APPLICATION OF FUNDS			
Fixed Assets	F		2536.11
Gross Block		3390.97	606.18
Less: Depreciation		865.62	
Net Block		<u>2525.35</u>	<u>1929.93</u>
Capital-work-in-progress		2498.85	1473.23
Expenditure during construction awaiting allocation		899.48	595.64
		<u>5923.68</u>	<u>3998.80</u>
Investment	G	123804.20	123401.45
Purchase consideration pending adjustment	G1	11175.52	11175.52
Current Assets, Loans and Advances			
Inventories	H	1271.36	1174.95
Sundry Debtors	I	337.63	301.93
Cash & Bank Balances	J	402.29	10385.37
Other Current Assets	K	2420.32	2303.11
Loans & Advances	L	362110.81	283561.84
		<u>366542.41</u>	<u>297727.20</u>
Less : Current Liabilities & Provisions	M	8268.69	7823.33
Net Current Assets		<u>358273.72</u>	<u>289903.87</u>
Miscellaneous Expenditure (To the extent not written off or adjusted)		10581.43	11403.08
Profit & Loss Account		<u>509758.55</u>	<u>439882.72</u>
TOTAL ASSETS			
Accounting Policies & Notes forming part of the Accounts	Z		

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

Rana S J B Singh
Secretary

C R Mukherjee
Director (Finance)

S B Lal
Chairman

Calcutta, dated the 19th Sept. 1985

Coal India Limited

Profit & Loss Account for the year ended 31st March, 1985

	Schedules	For the year ended 31st March, 1985 (Rs. in lakhs)	For the year ended 31st March, 1984 (Rs. in lakhs)
INCOME			
Turnover	N	8273.35	7607.12
Coal & Bricks issued for other purposes	O	65.15	56.66
Other Receipts	P	394.66	273.51
Subsidy from Coal Price Regulation Account for Retention Price		—	22.03
Excess provision written back	Q	46.98	—
Proportionate Expenditure transferred to Subsidiaries		364.66	375.55
Accretion in Stock	R	72.44	460.15
		<u>9217.24</u>	<u>8795.02</u>
EXPENDITURE			
Purchase of Coal & Coke	S	3631.34	3657.25
Payment to and provision for employees	T	1538.50	1362.38
Other Expenditure	U	2213.61	2667.95
Overburden Removal		502.04	251.10
Payment to Contractors		89.25	50.72
Interest (Net of recoveries from Subsidiaries Rs. 20590.81 lakhs— Previous year Rs. 14688.97 lakhs)	V	164.29	105.18
Depreciation		239.68	166.11
Social Overhead	W	81.88	84.16
Provision	X	1.81	155.01
Contribution to Coal Price Regulation Account		27.74	—
		<u>8490.14</u>	<u>8499.86</u>
Profit for the year		727.10	295.16
Prior Period Adjustment	Y	94.55	37.62
		<u>821.65</u>	<u>332.78</u>
Loss brought forward from previous year		11403.08	11737.36
Development Rebate Reserve written back		—	1.50
		<u>10581.43</u>	<u>11403.08</u>
Balance of Loss transferred to Balance Sheet			
Accounting Policies and Notes forming part of the Accounts	Z		

Rana S J B Singh
Secretary

C R Mukherjee
Director (Finance)

S B Lal
Chairman

Calcutta, dated the 19th Sept. 1985

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

Coal India Limited

Schedule to Balance Sheet as at 31st March, 1985

SCHEDULE A

SHARE CAPITAL

	As at 31st March, 1985 (Rs. in lakhs)	As at 31st March, 1984 (Rs. in lakhs)
Authorised Capital		
3,00,00,000 Equity Shares of Rs. 1000/- each (Previous year 2,00,00,000 Equity Shares of Rs. 1000/- each)	<u>300000.00</u>	<u>200000.00</u>
Issued, Subscribed and paid up		
2,21,41,690 Equity Shares of Rs. 1000/- each fully paid in cash (Previous year 1,66,51,690 Equity Shares of Rs. 1000/- each)	<u>221416.90</u>	<u>166516.90</u>
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)	<u>24652.65</u>	<u>24652.65</u>
	<u>246069.55</u>	<u>191169.55</u>

SCHEDULE B

RESERVES & SURPLUS

Capital Reserve⁺			
As per last Account	6.81		6.81
Add: Funds received during the year	<u>5.82</u>		<u>6.81</u>
	12.63		12.62
Less: Adjustment made during the year	<u>0.54</u>	12.09	<u>6.81</u>
			6.81
Development Rebate Reserve			
As per last Account	—		1.50
Less: Written back	<u>—</u>		<u>1.50</u>
		12.09	<u>6.81</u>

⁺Capital Reserve is for CMWO Housing Subsidy.

Coal India Limited

Schedule to Balance Sheet as at 31st March, 1985

DUE TO GOVERNMENT OF INDIA (To be adjusted against issue of Equity Shares)			SCHEDULE
	As at 31st March, 1985 (Rs. in lakhs)	As at 31st March, 1984 (Rs. in lakhs)	
Advance received from Govt. of India towards Equity	7700.00	20600.00	
Pending allotment of Shares against transfer of Shares from Subsidiaries for land compensation:			
(a) Bharat Coking Coal Limited	10.13	10.13	
(b) Central Coalfields Limited	859.33	233.40	
(c) Western Coalfields Limited	419.99	419.99	
(d) Eastern Coalfields Limited	55.04	—	663.00
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	347.82	347.82	361.00
For Assets taken over from erstwhile Coal Board (As per last Account)	365.41	365.41	
Less: Share issued/adjusted	365.40	365.40	0.00
Amount payable for Bharat Coking Coal Ltd.:			
(a) For Management compensation	5.95	5.95	
(b) For advance payment made prior to 1.5.1973	150.00	150.00	155.00
	9598.54	21817.00	

SECURED LOANS			SCHEDULE
Cash Credit from Scheduled Banks (Limit Rs. 8020.00 lakhs— Previous year Rs. 8020.00 lakhs)	5734.33	7671.00	
Add: Interest Accrued and due	54.67	57.00	
	5789.00	7728.00	
<p>Note: Cash Credit facilities availed of from banks against hypothecation of stock of Coal, Coke, Stores and Spares, Book debts and movable Assets of some of the Collieries of the Subsidiary Companies and North Eastern Coalfields.</p>			

UNSECURED LOANS			SCHEDULE
From Government of India (Long term loan)	217374.49	192729.00	
Interest accrued and due	35170.84	30686.27	
Less: Subsidy	4255.96	4255.96	26430.00
	248289.37	219159.00	

Coal India Limited

Schedule to Balance Sheet as at 31st March, 1985

FIXED ASSETS

SCHEDULE F

(Rs. in lakhs)

Sl. No.	Particulars of Assets	Gross Value of Assets				Depreciation				Net Value of Assets	
		Total as on 1.4.84	Additions during the year	Disposal/ Adj. during the year	Total as on 31.3.85	Total as on 1.4.84	Additions during the year	Transfer/ Adj. during the year	Total as on 31.3.85	As on 31.3.85	As on 31.3.84
1	2	3	4	5	6	7	8	9	10	11	12
1.	Freehold Land	161.43	5.96	—	167.39	—	—	—	—	167.39	161.43
2.	Leasehold Land	2.97	1.06	—	4.03	—	0.05	—	0.05	3.98	2.97
3.	Building, Road Culverts and Water Supply	237.82	241.02	0.06	478.90	38.30	19.58	—	57.88	421.02	199.52
4.	Railway Sidings	11.77	—	—	11.77	3.65	0.62	—	4.27	7.50	8.12
5.	Plant & Machinery	1441.63	485.51	(—) 0.34	1926.80	417.88	193.82	0.03	611.73	1315.07	1023.75
6.	Furniture, Fittings & Office Equipment	112.46	22.83	(—) 0.07	135.22	18.81	7.47	(—) 0.02	26.26	108.96	93.65
7.	Development	516.75	81.72	—	598.47	114.88	32.11	—	146.99	451.48	401.87
8.	Prospecting & Boring	2.82	0.18	—	3.00	0.60	0.15	—	0.75	2.25	2.22
9.	Vehicles	39.96	16.93	—	56.89	9.37	4.73	—	14.10	42.79	30.59
10.	Air-Craft	8.50	—	—	8.50	2.69	0.90	—	3.59	4.91	5.81
	Total	2536.11	855.21	(—) 0.35	3390.97	606.18	259.43	0.01	865.62	2525.35	1929.93
	Capital Work-in-Progress	1473.23	1037.92	(—) 12.30	2498.85	—	—	—	—	2498.85	1473.23
	Expenditure during construction period awaiting allocation*	595.64	303.84	—	899.48	—	—	—	—	899.48	595.64
	Grand Total	4604.98	2196.97	(—) 12.65	6789.30	606.18	259.43	0.01	865.62	5923.68	3998.80
	Previous Year										
(i)	Other Fixed Assets	1898.36	639.81	(—) 2.06	2536.11	436.70	169.67	(—) 0.19	606.18	1929.93	1461.67
(ii)	Capital Work-in-Progress	253.65	1272.26	(—) 52.68	1473.23	—	—	—	—	1473.23	253.64
(iii)	Expenditure during construction period awaiting allocation*	384.47	211.17	—	595.64	—	—	—	—	595.64	384.47
	Total	2536.48	2123.24	(—) 54.74	4604.98	436.70	169.67	(—) 0.19	606.18	3998.80	2099.78

Note: *Grouped in the previous year under the head 'Development' which have been re-grouped now.
Total Depreciation for the year of Rs. 259.43 lakhs (Previous year Rs. 169.67 lakhs) has been allocated as under:—

	(Rs. in lakhs)	
	1984-85	1983-84
(i) Profit & Loss Account	239.68	166.11
(ii) Social Overhead	7.10	5.72
(iii) Expenditure during construction period awaiting allocation	13.75	2.03
(iv) Prior period Adjustment (Net) :	(—) 1.10	(—) 4.19
	259.43	169.67

Coal India Limited

Schedule to Balance Sheet as at 31st March, 1985

INVESTMENT (AT COST)

	As at 31st March, 1985 (Rs. in lakhs)	As at March, (Rs. in lakhs)
Other than trade Investment (Unquoted) and in wholly owned Subsidiary Companies.		
2628510 fully paid Equity Shares of Rs. 1000/- each in Central Coalfields Limited (Previous year 2588235 Equity Shares of Rs. 1000/- each)	26285.10	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 2489110 Equity Shares of Rs. 1000/- each)	24891.10	24891.10
35400 fully paid Equity Shares of Rs. 1000/- each in Central Mine Planning & Design Institute Limited (Previous year 35400 fully paid Equity Shares of Rs. 1000/- each)	354.00	354.00
	<u>123804.20</u>	<u>123804.20</u>

PURCHASE CONSIDERATION PENDING ADJUSTMENT

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 & Design Institute Limited	93.09	93.09	
	<u>11175.52</u>	<u>11175.52</u>	11175.52
		<u>11175.52</u>	<u>11175.52</u>

INVENTORIES

As taken, valued and certified by the Management:

(a) Stores & Spares (at cost)	324.99	240.35	
Less: Provision for obsolescence/shortage	4.12	320.87	236.23
		<u>320.87</u>	<u>236.23</u>
(b) Stores in transit (at cost)		28.12	28.12
(c) Stock of coal, Coke (cost/selling price)	864.20	804.12	804.12
Less: Provision for stock deterioration	25.45	838.75	778.70
		<u>838.75</u>	<u>778.70</u>
(d) Stock in transit		76.00	76.00
(e) Stock of Bricks (at estimated cost)		5.79	5.79
(f) Work-in-progress (Bricks at Workshop at estimated cost)		1.83	1.83
		<u>1271.36</u>	<u>1171.36</u>

Coal India Limited

Schedule to Balance Sheet as at 31st March, 1985

SCHEDULE I

SUNDRY DEBTORS

		As at 31st March, 1985 (Rs. in lakhs)	As at 31st March, 1984 (Rs. in lakhs)
a) Debts outstanding over six months	171.09		46.07
Other Debts	264.32	435.41	397.84
			443.91
Less: Provision for Bad and doubtful debts		97.78	141.98
		337.63	301.93
b) Classification			
Unsecured Considered Goods		337.63	301.93
Unsecured Considered Doubtful		97.78	141.98
Debts due from Subsidiary Companies—Central Coalfields Limited		6.67	—

SCHEDULE J

CASH AND BANK BALANCES

Cash, Cheques, Drafts, Postal Orders and Stamps in hand	93.27	6571.29
Current Account with Schedule Banks	213.79	3589.37
Remittance-in-transit	95.22	224.61
With Post Office Savings Banks	0.01	0.10
	402.29	10385.37

SCHEDULE K

OTHER CURRENT ASSETS

Due from Government of India (Net) :			675.64	
a) Transactions on behalf of ex-owners on non-coking coal mines	670.19		1551.62	2227.26
b) Subsidy towards interest on non-plan loans	1551.62	2221.81		
Interest accrued on Bank Deposit		—		0.02
Advance Stripping of over-burden removal		198.51		75.83
		2420.32		2303.11

Coal India Limited

Schedule to Balance Sheet as at 31st March, 1985

LOANS AND ADVANCES (UNSECURED)

	As at 31st March, 1985 (Rs. in lakhs)	As at 31st March, 1984 (Rs. in lakhs)
Advance Recovered in Cash or in kind or for value to be received :		
Subsidy receivable	7.17	15.17
Deposits	18.51	28171.97
Advance to Subsidiary Companies	360191.65	1120.00
Advance for Capital Project	1287.49	
Claims Receivable	221.26	158.97
Others	453.34	607.02
	<u>362179.42</u>	<u>28363.13</u>
Less: Provision for Doubtful Claims	64.10	65.46
Provision for Doubtful Advances	4.51	4.51
	<u>362110.81</u>	<u>283561.16</u>
Classification :		
(i) Unsecured Considered Good	362110.81	283561.16
(ii) Unsecured considered Doubtful	68.61	69.00

Amounts due from Subsidiary Companies	Maximum Amount Due		Closing Balance	
	During the year	During the previous year	As on 31st March, 1985	As on 31st March, 1984
(a) Bharat Coking Coal Limited	114651.80	100164.35	114651.80	93576.00
(b) Central Coalfields Limited	84752.10	65582.42	84752.10	65582.42
(c) Western Coalfields Limited	77259.89	54374.26	77259.89	54374.26
(d) Eastern Coalfields Limited	82793.88	75752.09	82793.88	67345.00
(e) Central Mine Planning & Design Institute Limited	733.98	763.08	733.98	840.00

SCHEDULE

CURRENT LIABILITIES		
Sundry Creditors	1211.37	972.33
Provident Fund	16.02	32.00
Advance from Customers and others	591.07	561.00
Income Tax deducted at Source	5.04	3.00
Sales Tax	32.82	56.00
Deduction under AECD Scheme	0.01	0.00
Interest accrued but not due	5601.56	5331.00
Security Deposits	62.26	107.00
Other Deposits	255.06	260.00
Other Liabilities	493.48	498.00
	<u>8268.69</u>	<u>7823.33</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, 1985

SCHEDULE N

TURNOVER

	For the year ended 31st March, 1985 (Rs. in lakhs)	For the year ended 31st March, 1984 (Rs. in lakhs)
Coal*	6800.80	6226.92
Coke	1472.41	1380.19
Bricks	0.14	0.01
	<u>8273.35</u>	<u>7607.12</u>

*Including beneficiation charges—Rs. 337.47 lakhs, Previous year—Rs. 153.42 lakhs.

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

SCHEDULE O

COAL & BRICKS ISSUED FOR OTHER PURPOSES**

Colliery Consumption :	15.16		12.81	
Coal	2.91	18.07	2.71	15.52
Bricks				
		27.53		21.39
Free issue of coal to Employees		19.55		19.75
Colliery consumption charged to Capital (Bricks)		<u>65.15</u>		<u>56.66</u>

**Coal valued at Notified Selling Price and Bricks at cost.

SCHEDULE P

OTHER RECEIPTS

Service Charges	153.66	79.53
Transportation, Bamboo matting, Registration	38.23	20.16
Departmental charges	14.30	9.62
Compensation for Delay & Breach of Contract	165.97	132.21
Claims receivable from Railways	0.79	15.46
Subsidy	—	7.87
Profit on sale of Fixed Assets	1.05	—
Others	20.66	8.66
	<u>394.66</u>	<u>273.51</u>

Coal India Limited
Schedule to Profit & Loss Account for the
Year ended 31st March, 1985

PROVISION WRITTEN BACK

	For the year ended 31st March, 1985 (Rs. in lakhs)
1. Stock of Stores—Obsolescence	0.04
2. Bad and Doubtful Debts	44.78
3. Bad and Doubtful Claims	2.16
	46.98

ACCRETION IN STOCK

1. Stock (Coal, Coke & Bricks)			
Closing	945.99		881.75
Less: Provision	25.45		33.53
	920.54		848.22
Less: Opening	848.22	72.32	388.22*
2. Work-in-Progress (Bricks)			
Closing	0.53		0.41
Less: Opening	0.41	0.12	0.26
		72.44	

*Including Rs. 16.34 lakhs brought forward from the Development Project (Current Year—Nil).

PURCHASE OF COAL & COKE*

Purchase	
(a) Coal	2683.90
(b) Coke	947.44
	3631.34

* Net of Stock lost in transit (Current year—Rs. 38.77 lakhs, Previous year—Rs. 8.87 lakhs)

Coal India Limited
Schedule to Profit & Loss Account for the
Year ended 31st March, 1985

SCHEDULE T

PAYMENT TO AND PROVISION FOR EMPLOYEES

	For the year ended 31st March, 1985 (Rs. in lakhs)	For the year ended 31st March, 1984 (Rs. in lakhs)
Salaries, Wages, Allowances, Ex-gratia etc.	1219.62	1124.50
Contribution to Provident Fund and other Fund (including administrative charges)	86.43	80.30
Gratuity & Pension	44.55	26.09
Workmen & Staff Welfare Expenses:	0.05	0.04
Educational Allowance and Expenses	0.40	0.33
Salaries, Wages, Bonus and Allowances	2.73	1.17
Uniforms	16.31	15.36
Reimbursement of Medical Expenses	119.22	75.83
Leave Travel Concession	3.35	3.07
Canteen Up-keep and Refreshment	13.33	8.86
Hospital Expenses	3.70	2.98
Life Cover Schemes	0.82	2.03
Workmen's compensation	27.53	21.39
Free issue of coal to Employees	0.85	0.83
Others	188.29	131.89
	0.39	0.40
	187.90	131.49
Less: Canteen Recovery	1538.50	1362.38

Coal India Limited
Schedule to Profit & Loss Account for the Year
ended 31st March, 1985

		OTHER EXPENDITURE	
		For the year ended 31st March, 1985 (Rs. in lakhs)	For the year ended 31st March, 1984 (Rs. in lakhs)
I.	Consumption of Stores and Spares	260.97	
II.	Power & Fuel		
	Consumption of Coal for Boiler use	76.70	79.21
		15.16	12.81
III.	Repairs		
	Factory/Office Buildings	13.05	14.69
	Plant & Machinery	122.15	72.17
	Others	5.96	5.11
IV.	Miscellaneous Expenses:		
	Freight & Transportation Charges	1357.51	1823.08
	Dump Operation Charges	140.51	168.64
	Travelling Expenses	45.65	45.84
	Octroi Charges:	17.62	17.44
	Advertisement	9.18	13.58
	Maintenance of Vehicles	17.65	23.62
	Printing & Stationery	11.09	13.36
	Postage, Telephone and Trunk Calls	26.13	23.06
	Insurance	11.48	10.67
	Payment to Auditors		
	(a) For Fees	1.12	0.66
	(b) For Expenses	0.42	0.38
	Rent	52.59	59.31
	Rates & Taxes	3.49	2.96
	Loss on Sales of Fixed Assets	—	0.53
	Quality Allowance	—	44.97
	Others	25.18	29.08
		2213.61	

Coal India Limited
Schedule to Profit & Loss Account for the Year
ended 31st March, 1985

SCHEDULE V

INTEREST

	For the year ended 31st March, 1985 (Rs. in lakhs)	For the year ended 31st March, 1984 (Rs. in lakhs)
Interest on long term loan from Government	26121.19	20631.13
Interest on Bank Overdraft	682.85	117.92
North Eastern Coalfields	1.01	1.61
	683.86	119.53
Less: Interest received on Banks Deposit	11.75	—
	672.11	119.53
Less: Subsidy towards interest on non-plan loan from Government	26793.30	20750.66
	5807.58	5807.58
	20985.72	14943.08
Less: Interest distributed to Subsidiary Companies	20590.81	14688.97
	394.91	254.11
Interest for	230.62	148.93
Dankuni Coal Complex	164.29	105.18
North Eastern Coalfields	394.91	254.11
Less: Capitalised	230.62	148.93
(Dankuni Coal Complex)	164.29	105.18

SCHEDULE W

SOCIAL OVERHEAD

Salaries, Wages, Bonus & Allowances	27.94	24.93
Consumption of Stores & Spares	20.71	19.29
Repairs & Maintenance to Township, Hospital and others	12.30	9.46
Donation to Schools & Institutions	6.43	17.13
Sports & Recreational Grants	1.70	1.78
Depreciation	7.10	5.72
Power	6.31	4.29
Insurance	0.05	0.09
Other benefits	1.01	2.45
	83.55	85.14
Less: Colliery Consumption	1.67	0.98
	81.88	84.16

Coal India Limited
Schedule to Profit & Loss Account for the Year
ended 31st March, 1985

PROVISIONS		SCHEDULE
	For the year ended 31st March, 1985 (Rs. in lakhs)	For the year ended 31st March, 1984 (Rs. in lakhs)
Provision for:		
Doubtful Advances	—	4
Bad and Doubtful Debts	0.58	100
Bad and Doubtful Claims	0.78	43
Obsolescence & Shortage of Stores & Spares	0.45	0
	<u>1.81</u>	<u>155</u>
PRIOR PERIOD ADJUSTMENTS		SCHEDULE
DEBITS		
Sales	—	1
Selling Expenses	39.80	
Freight	15.69	
Salaries, Wages etc.	25.63	50
Gratuity & Pension	0.26	0
P. F. Contribution	0.19	0
Travelling Expenses	0.58	0
Repairs	0.78	0
Postage & Telegram	0.16	1
Rent	0.02	0
Consumption of Stores & Spares	1.91	3
Interest	0.03	1
Dead Rent	—	5
Claims Receivable	13.66	14
Maintenance of Vehicles	0.60	
Printing & Stationery	0.50	
Medical Expenses	0.25	
Transportation Charges	7.56	
Others	1.51	4
	<u>109.13</u>	<u>83</u>
CREDITS		
Hire Charges of Air Craft	—	2
Rent	—	0
Depreciation	1.10	4
Purchase of Coal	1.45	0
Rates & Taxes	—	0
Adjustment of Opening Stock	—	70
Provision for Doubtful Advances written off	—	3
Apex Office Charges	—	13
Overburden Removal Adjustment	15.44	25
Coal Price Regulation Account	—	
Sales	153.42	
Penalty Recovered	17.84	
Others	8.13	
	<u>203.68</u>	<u>121</u>
Net Credit	94.55	37

Coal India Limited
Accounting Policies and Notes on the Accounts for the year ended
31st March, 1985

SCHEDULE Z

A. ACCOUNTING POLICIES

1. Classification of Receipt/Expenditure

1.1 Subsidy received for construction of houses under Coal Mines Welfare Organisation Scheme is treated as Capital Reserve and amortised during the life of the Assets by way of credit to Profit and Loss Account.

1.2 Buildings include cost of electrical fittings, water supply arrangement and sanitary fittings. Depreciation on such fittings and arrangements have been provided for at the rate prescribed for buildings.

1.3 All expenditure and income are accounted for under natural heads of accounts. Wherever required, expenditure/income on functional basis is disclosed separately.

1.4 Revenue expenses/income connected with the development of mines are booked under the head "Development Expenses".

1.5 In open cast mines, the cost of removal of overburden is charged on current working ratio of OB to Coal with the adjustment for advance stripping for coal exposed but not extracted.

1.6 Coal issued to employees on the basis of norms fixed and Coal issued for boiler consumption are accounted for, based on selling price and the same is exhibited in accounts as specific contra adjustment.

2. Depreciation

Depreciation on Fixed Assets is charged on straight line method derived from the rates provided for corresponding assets in the Income Tax Act. Development expenses and Prospecting & Boring expenses are amortised so as to write off 100% within a period of 20 years or project life whichever is lower.

3. Turnover

Sale value are net off royalty, cess & sales tax etc.

4. Claim by/against the Company

4.1 Claims for liquidated damages on suppliers/agents, underloading, over-loading, workmen compensation, road taxes, insurance, medical reimbursement, travelling allowance to employees, leave-travel concession to employees and expenses & subsidy for stowing and housing subsidy for CMWO, interest on house building advance, railway/insurance claims, rent and scrap sales are taken into account on Acceptance/Receipt basis.

4.2 Final/additional liability on the duty/royalty, cess and sales tax is accounted for only after the final assessment.

5. Gratuity, Pension, Special Contribution to P.F., Life Cover Scheme are accounted for on cash basis.

6. Ex-gratia provision at the rate of 8.33 % of emoluments in respect of employees drawing upto Rs. 1600/- per month (but restricted to Rs. 750/-) is made in the accounts.

7. The aggregate expenditure of CIL Headquarters and Delhi Regional Manager's Office is allocated among the Coal Producing Subsidiaries and NEC of CIL in the ratio of their revenue production for the year concerned.

8. Closing Stock of Coal & Coke

Book stock of Coal and Coke at NEC is taken as closing stock where the variance between book stock and measured stock is upto $\pm 5\%$, and where the variance is beyond $\pm 5\%$ measured stock is taken as closing stock.

9. Valuation

9.1 Coal/Coke stock at NEC is valued at notified selling price of the declared grade. At Coal Dumps the same is valued at cost.

9.2 Stock of Bricks—Finished and in progress is valued at estimated cost.

9.3 Stores & Spare parts are valued at cost.

10. Allocation of interest on Government Loan and Bank Overdraft

Interest for the year is allocated among the Subsidiaries, NEC and Dankuni Coal Complex on the basis of 1 : 1 Debt Equity ratio which is the aggregate of the total amount (including investment and purchase consideration) due from them. Subsidy received from the Government on non-plan loan is allocated to the losing Subsidiaries/NEC in the ratio of cumulative losses at the beginning of the year.

B. NOTES ON THE ACCOUNTS

1. Fixed Assets

1.1 Details and break-up of immovable properties vested with and owned by the Company under Coal Mines (Nationalisation) Act, 1973, are not available.

1.2 Title deeds for land acquired have not yet been executed in favour of the Company. It 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.

1.3 Fixed Assets transferred at the time of Nationalisation of Coal Mines from erstwhile owners have been written off in the earlier years. Some of these assets which are still in existence have been accounted for at a nominal value of Re. 1/- each during the year.

1.4 Rs. 7.63 lakhs paid to P.W.D., Govt. of West Bengal in earlier years for repair/construction of P.W.D. link Road from Uttarpura Chanditala Road to Company plant site at Dankuni has been charged to work-in-progress account during the year as the same is considered irrecoverable.

1.5 Wherever detailed records are not available, allocation between leasehold and freehold land and buildings situated thereon could not be made.

1.6 In certain cases electrical and sanitary fittings and water supply arrangement costs made in existing buildings have been booked under the natural heads of accounts.

1.7 Jobwise break-up of capital work-in-progress (civil) at NEC could not be ascertained. Capitalisation of civil construction is made on the basis of final bills of the Contractors and therefore possibility of certain amount of completed job lying in work-in-progress cannot be ruled out.

2. Advance Stripping of Overburden Removal

Expenditure incurred on overburden removal at NEC for working out patch deposits have been charged to the respective natural heads of account and not to the overburden removal and advance stripping.

3. Current Assets

3.1 Inventory—In case of stock of Stores & Spares at NEC in some cases two or more items have been grouped together in one Bin Card which has resulted under/over valuation of inventory as well as consumption of Stores for revenue and capital work-in-progress. The amount of such under/over valuation could not be ascertained.

3.2 Stock-in-trade includes rejected goods worth Rs. 40,58,246/- against which a provision of Rs. 4,05,825/- made in the accounts considered adequate by the Management.

3.3 In case of C.M.O. wherever book stock has been considered as closing stock, a provision @10% of the book value of stock for stock deterioration has been made.

3.4 Pending determination of non-moving and slow moving items, an amount of Rs. 0.24 lakhs has been provided for as obsolete items determined by the Company during the year. Thus the total provision for obsolete Stores as on 31.3.1985 stands at Rs. 3.91 lakhs.

4. Loans & Advances

4.1 Agreement for transfer of assets and liabilities amounting to Rs. 93.10 lakhs (net) to Central Mine Planning and Design Institute Limited on its forma-

as a Subsidiary of Coal India Limited is yet to executed.

Pending availability of the details, in some cases advances against purchase remained unlinked with liability created for the same.

Out of the total claims of CMO for Rs. 170.12 lakhs recoverable from the Railways and Contractors an adhoc provision of Rs. 50 lakhs made in the previous year for doubtful claims is considered adequate by the Management.

Loans and advances include a sum of Rs. 23.35 lakhs being payment made for purchases on behalf of the Subsidiary Companies yet to be allocated to their accounts.

5. Current Liabilities

5.1 As all the assets and liabilities of the four 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.

5.2 Figures of sundry creditors in respect of NEC are as per partywise ledger and is subject to reconciliation with control account.

5.3 In case of two supplies at CMO, in absence of Bills and Challans, liabilities including for Coal purchase have been valued at estimated price based on available records for price and other incidental/statutory levies.

5.4 Government of India has agreed in principle to waive the penal interest on loans which have been repaid. Consequent to this, the interest liability of the Company provided upto 1983-84 may considerably be reduced, but pending final approval no adjustment has been made in the accounts. No provision for penal interest amounting to Rs. 59.99 lakhs on the above loans has been made in the current year.

5.5 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.

6. Unsecured Loan

In accordance with the decision of the Government of India, to treat non-plan loan as interest free by way of 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 accounts.

7. Due to Government of India

Pending intimation of amount received by ECL amounting to Rs. 40.07 lakhs (against land compensation) no adjustment has been made in the accounts.

8. General

8.1 Pending linking up between advance against purchases with sundry creditors and advance for expenses with liabilities, those could not be netted off.

8.2 The balance with Subsidiary Companies also remained unconfirmed. Figures given in the Balance Sheet are as per books of accounts and subject to reconciliation.

8.3 In the opinion of the Board the value of current assets, loans and advances, on realisation in ordinary course of business may not have less than the amount at which they are stated in the books of accounts.

8.4 As per practice no provision has been made in the accounts for losses of the Subsidiaries.

8.5 Previous year's figures have been rearranged, regrouped and modified wherever possible.

9. Capital Commitment

The amount of transactions remained to be executed on Capital Account not provided for amounts to Rs. 9387.18 lakhs (previous year Rs. 6565.21 lakhs).

10. Contingent Liabilities

10.1 For claims against the Company not acknowledged as debts:

- (i) Suits filed against the Company for Rs. 61.31 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.

10.2 Cases for which Company may be contingently liable:

- (i) Guarantees 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.
- (v) For guarantee furnished by one of our Bankers amounting to Rs. 1,000/- to the Government of Maharashtra.

11. Profit & Loss Account

11.1 Due to change in coal overburden ratio during the year, there has been substantial increase in the cost of overburden removal, as compared to the previous year.

11.2 No provision has been made on account of penal interest on the amount of interest of Rs. 1096.00 lakhs on non-plan loan accrued but not due for pay-

ment upto 31.3.1979, as the matter is still under consideration for waiver by the Government. Subsidy for the interest on non-plan loan is granted by the Government of India for the equivalent amount of interest due thereon every year from the year 1979-80.

11.3 The Government of India, Ministry of Energy, Department of Coal, New Delhi, vide No. 28012/81-CA dated 5th March, 1983, has introduced Retention Price Scheme and conveyed the sanction of the Central Government to the Retention price for the 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.

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

11.5 During the year beneficiation charges have not been included in the sale value of Raw Coal for working out the contribution to Retention Fund as the beneficiation charges should not be considered for calculating the contribution as per approved Coal Price Regulation Account Scheme. Previous year's contribution of Rs. 22.04 lakhs which was calculated after including beneficiation charges in sales have also been revised accordingly and difference adjusted in prior period accounts.

11.6 Over and above Rs. 502.04 lakhs charged to Profit and Loss Account under Overburden Removal Account, a sum of Rs. 226.41 lakhs on this account remains charged through normal heads of Account.

11.7 In case of Repairs and Maintenance, expenditure incurred on account of Salaries & Wages are not ascertainable. Similarly in case of stores consumption expenditure incurred on account of Repairs and Maintenance also are not ascertainable. These expenses have been booked under respective heads of Account.

11.8 Provision for Audit Fees as approved by the Management, has been made in the Accounts. The same is subject to approval of the Company Law Board.

1.9 Schedule A to M form part of the Balance Sheet
Subs on 31st March, 1985, and N to Y form part of
by the Profit & Loss Account for the year ended on
ount that date and Schedule Z represents Accounting

Policies & Explanatory Notes to the Accounts. Addi-
tional information required as per Schedule VI
(Part-II) are given in the Annexure to Schedule Z.

Engr
012 (Rana S J B Singh
Ret Secretary
of Calcutta, dated the 19th Sept. 1985

C R Mukherjee
Director (Finance)

S B Lal
Chairman

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

ANNEXURE TO SCHEDULE Z

1. Directors' Remuneration

	1984-85 (Rs. in lakhs)	1983-84 (Rs. in lakhs)
(i) Salaries	1.92	1.74
(ii) Company's Contribution to Provident Fund & other Funds	0.12	0.11
(iii) Medical benefits	0.10	0.04
(iv) Perquisites	0.43	0.34

2. 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)		(Rs. in lakhs)	
	Employed through out the year	Employed for part of the year	Employed through out the year	Employed for part of the year
	84-85	83-84	84-85	83-84
(i) Number of employees	237	132	30	46
(ii) Salaries, Allowance etc.	116.34	57.69	9.41	10.47
(iii) Contribution to Provident Fund	8.97	4.33	0.58	0.72

Free issue of Coal to employees wherever applicable has not been considered for the purpose of computation of above figures.

3. 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:

	(Rs. in lakhs)	
	84-85	83-84
(i) Raw Materials	—	—
(ii) Capital Goods	47.99	—
(iii) Stores, Spares & Components	—	0.68

4. Expenditure incurred in Foreign Currency on account of :

(i) Know how	—	—
(ii) Interest	—	—
(iii) Exchange variation	—	—
(iv) Commission to Foreign Agents	—	—
(v) Training Expenses and payment to Foreign Technicians	—	3.30
(vi) Travelling	1.30	—

5. Earning in Foreign Exchange on account of:

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

Capacity, Production, Sales and Stock

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

6. Statement of Opening Stock, Production, Turnover and Closing Stock of Coal and Bricks:

PART—I

	Opening Stock				Production	
	1984-85		1983-84		1984-85	1983-84
	Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Quantity '000' MT
Coal (Run-of-Mine & Hand picked)	108.15	335.47	74.95 (9.12)	134.17 (16.34)	812.66	805.72
Bricks :						
Class I ('000')	127		672		4570	4307
Class II ('000')	1		1		—	—
Arch Bricks ('000')	52	1.23	28	3.11	—	66
Broken Bricks (Cum)	15		56		215	835
Green Bricks ('000')	90		—		—	—
Process Bricks ('000')	60		—		—	—

	Turnover				Closing stock			
	1984-85		1983-84		1984-85		1983-84	
	Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Value Rs. in lakhs
Coal (Run-of-Mine & picked)	748.66	2725.67	772.42	1945.60	172.15	533.69	108.15	335.47
Bricks Class-I ('000')	3842		4852		856		127	
Bricks Class-II ('000')	—		—		—		1	
Arch Bricks ('000')	6	22.46	42	22.47	47	6.31	52	1.23
Broken Bricks (Cum)	215		576		15		15	
Green Bricks ('000')	—		—		45		90	
Process Bricks ('000')	—		—		80		60	

Note: Closing stock includes, stock-in-transit of 7.70 thousand tonnes valued at Rs. 23.86 lakhs (Previous year 10.4 thousand tonnes valued at Rs. 32.26 lakhs).

Figures in Brackets represent for Development Projects.

Turnover quantity and value include Colliery consumption and free issue of Coal.

OTHER TRADING ACTIVITIES

PART—II

Statement of Opening Stock, Purchase, Turnover and Closing Stock

		Opening Stock		Purchase	
		Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Value Rs. in lakhs
Coal	1984-85	116	485.33	872	2683.90
	1983-84	37	124.71	1191	2722.27
Bricks	1984-85	24	60.13	386	947.44
	1983-84	57	126.22	371	934.98
Total	1984-85	140	545.46	1258	3631.34
	1983-84	94	250.93	1562	3657.25

Statement of Turnover and Closing Stock

		Sales		Closing Stock	
		Quantity '000' MT	Value Rs. in lakhs	Quantity '000' MT	Value Rs. in lakhs
Coal	1984-85	887	4117.82	82	371.53
	1983-84	1067	4315.52	116	485.33
Bricks	1984-85	372	1472.41	10	34.98
	1983-84	407	1380.19	24	60.13
Total	1984-85	1259	5590.23	92	406.51
	1983-84	1474	5695.71	140	545.46