

ANNUAL REPORT & ACCOUNTS FOR 1985-86 (VOL-1)

AR 1985



कोल इण्डिया लिमिटेड
Coal India Limited

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 - (a) Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 and our Replies there on
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 - (c) Auditors' Report and our Replies to the Observations made by the Statutory Auditors on the Accounts for the year 1985-86.
 - (d) Annexure to the Auditors' Report
 - (e) Statement pursuant to Section 212(1) (e) of the Companies Act, 1956 as at 31 March, 1986
 - (f) Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

MANAGEMENT DURING 1985-86

Chairman

Shri M. S. Gujral
Shri S. B. Lal
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	— Addl. Secy, Deptt. of Coal
Shri A. Bhatnagar	— Jt. Secy, Deptt. of Power
Shri J. C. Lynn	— Jt. Secy. & FA.
Shri G. P. Rao	— Chairman-cum-Managing Director, SCCL
Shri Rana S. J. B. Singh	— Secretary
Shri P. B. Dutta	— Dy. Secretary



PRESENT MANAGEMENT

Chairman

Shri G. L. Tandon

Functional Directors

Shri K. A. Sinha
Shri A. V. Brahma
Shri B. Swaminathan

— Technical
— P & I R
— Finance

Directors

Shri S. N. Singh
Shri R. G Mahendru
Shri B. R. Prasad
Shri Mahip Singh
Shri P. N. Abbi
Shri A. Bhatnagar
Shri J. C. Lynn
Shri G. P. Rao
Shri P. B. Dutta

— Chairman-cum-Managing Director,
Eastern Coalfields Limited
— Chairman-cum Managing Director,
Central Mine Planning & Design
Institute Limited
— Chairman-cum-Managing Director,
Bharat Coking Coal Limited
— Chairman-cum-Managing-Director,
Western Coalfields Limited
— Addl. Secy, Deptt. of Coal
— Jt. Secy. Deptt. of Power
— Jt. Secy. & FA
— Chairman-cum-Managing Director, SCCL
Dy. Secretary

Divisional Heads

Shri S. K. Bose
Shri Mahindar Singh
Shri R. A. Singh
Shri S. V. Krishnamurty
Shri T. K. Deb
Shri R. D. Biswas
Shri S. M. Diddee
Shri R. Kanungo
Shri B. S. Nat
Shri C. R. Das
Shri A. P. Sinha
Shri I. B. Pandey
Shri B. Dev
Shri I. P. Wadhawan
Shri S. K. Mitra
Shri K. Kumar
Shri V. Pandeya

— Adviser
— Adviser (Land & Revenue)
— Chief of Finance
— Chief of Marketing
— Chief of Corporate Planning
— Chief GM (Prodn.)
— General Manager (Safety)
— Chief General Manager (MM)
— Chief of Engineering & Equipment
— GM (Project Monitoring)
— General Manager (Personnel)
— General Manager (MP & IR)
— General Manager (FC & LW)
— Chief General Manager (HRD)
— Chief of Telecom.
— Chief of Medical Services
— Chief of Vigilance

BOARD OF DIRECTORS



Top
(Left to Right)

Shri G. L. Tandon
Shri K. A. Sinha
Shri A. V. Brahma
Shri B. Swaminathan

Middle
(Left to Right)

Shri S. N. Singh
Shri R. G. Mahendru
Shri B. R. Prasad
Shri Mahip Singh

Bottom
(Left to Right)

Shri P. N. Abbi
Shri A. Bhatnagar
Shri J. C. Lynn
Shri G. P. Rao

BANKERS & AUDITORS

Bankers

State Bank of India
Central Bank of India
Indian Bank
Punjab National Bank
Syndicate Bank
Allahabad Bank
United Bank of India
Canara Bank

Statutory Auditors

M/s. S Bhaumik & Co.,
Chartered Accountants,
1, Netaji Subhas Road,
(2nd Floor),
Calcutta-700 001.

Branch Auditors

1. M/s. K. S. Bothra & Co.,
Chartered Accountants,
Mercantile Buildings,
'D' Block,
9/12 Lal Bazar Street,
Calcutta-700 001.
2. M/s. Mayra & Khatri,
Chartered Accountants,
Bhagwan Bhawan, 3rd Floor,
Israil Moholla Street,
Masjid Bunder Road,
Bombay-400 009.
3. M/s. P. D. Mittal & Co.,
Chartered Accountants,
70, Daryaganj,
New Delhi-110 002.

NOTICE

12th Annual General Meeting

Notice is hereby given to all Shareholders of Coal India Limited that the Twelvth Annual General Meeting of the Company will be held on Tuesday 30 December, 1986 at 3.30 pm 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 1985-86.
2. To receive, consider and adopt the Audited Balance Sheet as on 31 March, 1986.
3. To receive, consider and adopt the Accounts of the Company for the year ended 31 March, 1986.
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 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.
6. To appoint a Director in place of Shri PN Abbi 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 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.
8. 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.
9. 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.
10. To appoint a Director in place of Shri GP Rao 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 consider and, if thought fit, to pass with or without modification/s the following resolutions as a special resolution:-
 - (A) "RESOLVED that the Authorised Share Capital of the Company be and is hereby increased to Rs. 5000/- crores from Rs. 3000/- crores divided into 50000000 (five crores) equity shares of Rupees 1000/- (Rupees One thousand each)".
 - (B) "RESOLVED that clause v para 1 of the Memorandum of Association of the Company be altered/modified to read as:
The share capital of the Company is Rs. 5000 crores divided into 50000000 equity shares of Rs. 1000/- each."
 - (C) "RESOLVED that Article 5 of the Articles of Association of the Company be altered/modified to read as:
The share capital of the Company is Rs. 5000 crores (Rupees five thousand crores) divided into five crores equity shares of Rupees One thousand each."

P. B. Datta
Dy. Company Secretary

Dated the 19 December, 1986

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

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

CHAIRMAN'S STATEMENT

Gentlemen,

It is my pleasure and proud privilege to welcome you to the 12th Annual General Meeting of Coal India Ltd.

At the outset I shall like to present to you the more important events and highlights/basic parameters of the Company's performance during the year.

New Arrivals

I am happy to inform you about the creation of two new Subsidiaries in view of the fast expanding operations and massive investments of your Company. The new Subsidiaries are the Northern Coalfields Limited and the South Eastern Coalfields Limited with their Headquarters at Singrauli and Bilaspur respectively. The Northern Coalfields Limited has been formed out of Central Coalfields Limited and South Eastern Coalfields Limited largely out of the Western Coalfields Limited and a small part of the Central Coalfields Limited. Both the Companies were incorporated under the Companies Act with effect from 28.11.1985 but management and accounting of the new Companies, however, continued under CCL and WCL till the end of 1985-86.

Shri G. L. Tandon, Chairman



Take-over of Mines Rescue Stations & Coal Mines Labour Welfare Organisation

Mines Rescue Stations and Central Hospitals of Coal Mines Labour Welfare Organisation were transferred to Coal India Limited with effect from 2.4.1985 and 1.8.1985 respectively. Regional Hospitals of Coal Mines Welfare Organisation had been transferred in 1983 and the Coal Mines Labour Welfare Organisation has been transferred to your company with effect from 1.10.86.

Performance during 1985-86

During the year 1985-86, Coal India produced 134.11 million tonnes of coal against target of 133.5 million tonnes and 130.81 during 1984-85. The production of Soft Coke, Hard Coke and Washed Coal are tabulated below :-

(Figures in Million Tonnes)

During the year	Soft Coke	Hard Coke	Washed coal.
1984-85	1.58	0.51	9.04
1985-86	1.71	0.58	8.05

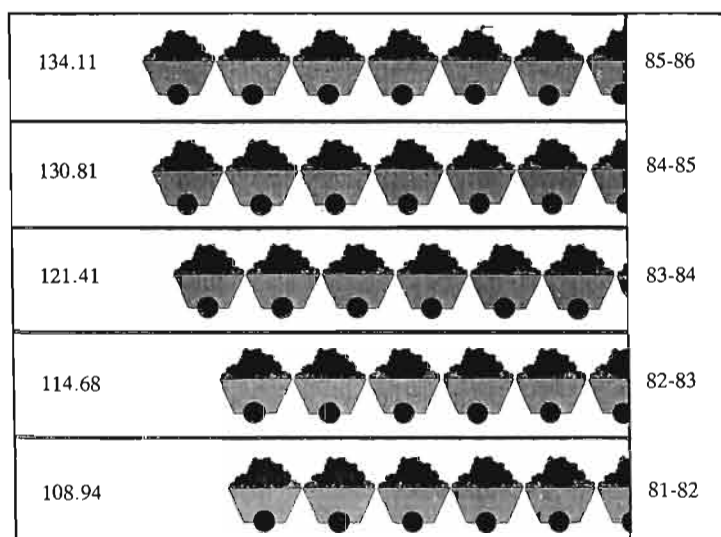
The fall in production of washed coal was mainly due to progressive delinking commencing from April 1984, of about 2.4 million tonnes of Raw coal from Washeries at the instance of SAIL.

The overall despatches of coal and coke increased from 115.18 million tonnes in 1984-85 to 126.84 in 1985-86—the increase being 11.66 million tonnes and 10.1%. Average wagon loading per day during the year worked out to 10,798 F.W. registering an increase of 694 F.W. over the previous year. Comparative despatches by different modes are tabulated below :-

(Figures in Million Tonnes)			
Mode of Transport	1984-85	1985-86	Growth Rate (%) (1985-86)
Rail	79.04	85.65	(+) 8.36
Road *	22.55	24.80	(+) 9.97
Ropeways	2.29	2.69	(+) 17.46
Belt	4.00	5.04	(+) 26.00
Own wagons (MGR) of consumers	7.30	8.66	(+) 18.60
Total :-	115.18	126.84	(+) 10.12

* Excluding internal despatches.

Trend of Coal Production of CIL (in million tonnes)



20 MILLION TONNES

Largest increase in despatches took place in the Power Sector which registered an increase of 10.38 million tonnes during the year, total despatches to Power Houses being 65.03 million tonnes against 54.65 during the previous year. At the end of the year average level of stocks at the Power Houses, Steel Plants, and Cement Plants were equivalent to 23 days, 18 days and 15 days consumption respectively. The corresponding figures at the end of 1984-85 were 18 days, 12 days and 12 days stock. There was a welcome reduction in pithead stocks during 1985-86 by 2.6 million tonnes declining from 28.4 to 25.8 M/tonnes. Production was somewhat regulated to bring down the pithead stocks. Productivity of the Company also registered an improvement during the year but only in open cast mines as may be seen from the following figures of OMS :

OMS	1984-85	1985-86
O.C.	2.11	2.20
U.G.	0.53	0.53
Overall	0.87	0.91



Capital Investment

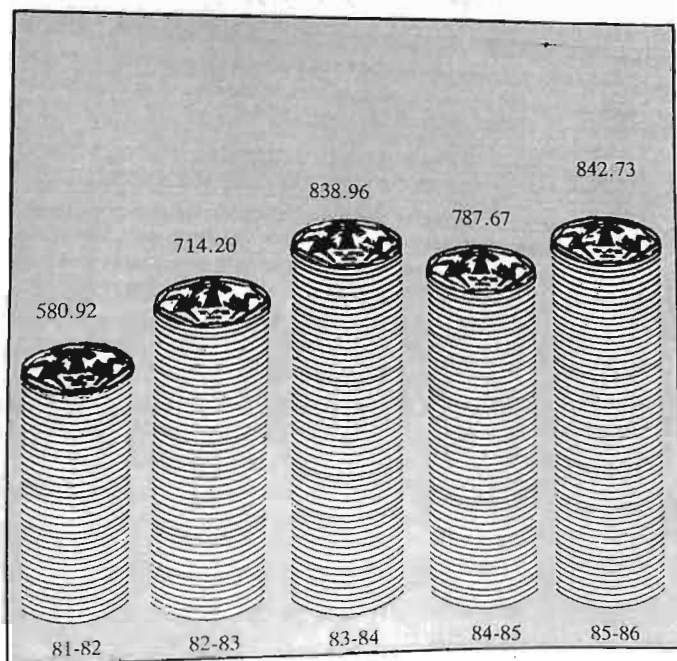
Expenditure incurred on capital account during the year works out to Rs. 842.73 crores as against a budget provision of Rs. 851.50 crores and Rs. 787.67 crores during the year 1984-85.

Working Results

Despite higher production, productivity and despatches, reduction in pithead stocks and a price increase during the last quarter of the year the operating losses for the year registered a sharp increase from Rs. 78.03 crores to Rs. 355.73 crores before considering contribution to CPRA.. Major factors which contributed to increase in losses are —

- i) Ceiling for ex-gratia payment in lieu of profit – sharing bonus from Rs. 750/- to Rs. 1600/- and revision of the eligibility limit from Rs. 1600/- per month to Rs. 2500/- per month.
- ii) Increase in wages cost due to rise in average quarterly consumer price index from 572 to 603 during the year and annual increments to employees.
- iii) Coal prices were revised with effect from 9.1.1986 even though the escalations in cost due to various factors operated throughout the year. Another very important reason contributing to the losses of Coal India is that though investment and production cost remain the same for all grades of coal, the prices of lower grades of coal (Grades E, F & G) are much below the cost of production and almost the

Capital Expenditure (Rs. in crores)



entire increase in production of Coal India is taking place in these grades of coal. On a rough assessment, it is seen that though production costs gradually increase the average sale price of CIL's coal gets lowered by Rs. 5/- to Rs. 5/- per tonne every year due to change in grade mix as a result of the increased production of grades E, F & G coals. Several seams with earlier higher declared grades are being down graded to the actual grades resulting in decrease in realisation price.

As a result, the average realisation/tonne of coal for CIL in 1985-86 was only Rs. 191.93 as against the average price of Rs. 210/- fixed/intended by the Government. A few other aspects of coal pricing have been dealt subsequently.

- iv) Consequent upon increase in price of coal and increased production of soft coke, the loss on soft coke (subsidised commodity) alone during the year works out to about Rs. 23 crores.
- v) Higher provisions made for cost of re-handling of coal in stock, and losses due to fires and deterioration in quality of coal in stocks.
- vi) Escalation in prices of Stores and Spare parts, increase in power tariff and Railway freight etc.

Contribution to Revenues of Central and State Governments

Notwithstanding the heavy losses incurred by the Company during the year, the Company contributed Rs. 615.17 crores to the revenue of Central & State Governments as per details furnished below :-

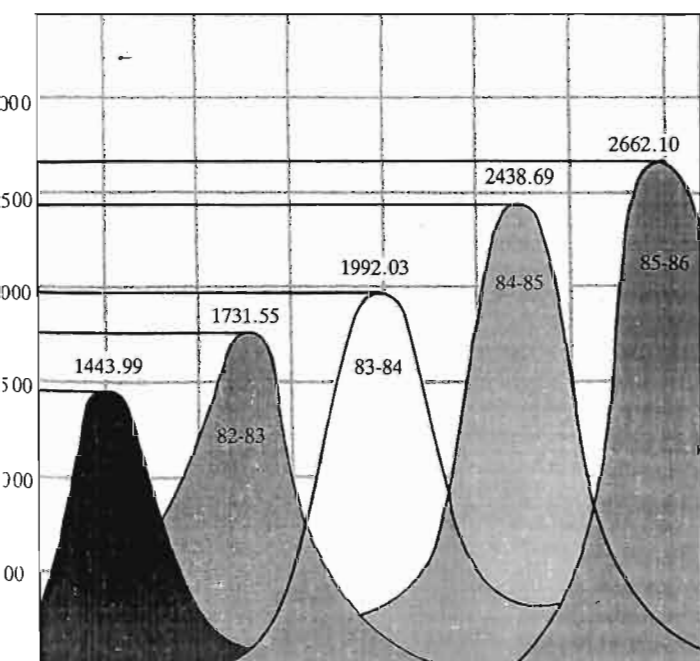
(Figures in crores of rupees)

	1984-85	1985-86
Royalty on coal	66.02	67.96
State Govt. Cess	315.67	418.92
Sales Tax	117.29	128.29
	498.98	615.17

Tasks ahead, major problems & steps being taken to meet the challenges

I now propose to briefly touch on the major tasks and problems before your Company and the steps being taken to meet the challenges. Before that I am happy to state that response from Trade Unions & our employees is highly encouraging in creating a new work culture of participation. JBCCI meets have been revived and frequent bilateral consultations started at various levels.

Sale of Coal & Coke (Rs. in crores)



Tasks ahead

One major task before the Company is to increase the coal production from 134.11 million tonnes in 1985-86 to 196 million tonnes by the end of the 7th Plan period 1989-90 i.e. a growth of nearly 46% over the 4 year period. The second major task is to make the Company financially viable and strong.

Major problems and steps being taken

You are aware that your Company was incorporated in November 1975 with the charter to integrate and manage over 900 coal mines with myriad of problems, taken over from hundreds of private coal companies, into a single integrated organisation dedicated to meet the growing energy needs of the developing national economy. The widely varying age groups and cultures of about 6.5 lakh men ; the primitive state of technology of most of the mines ; the after-effects of decades of selective mining, oriented to maximisation of profits ; major infrastructural gaps in regard to siding and loading facilities, lack of communications and a dependable data base, inadequacy of geological data to undertake the massive

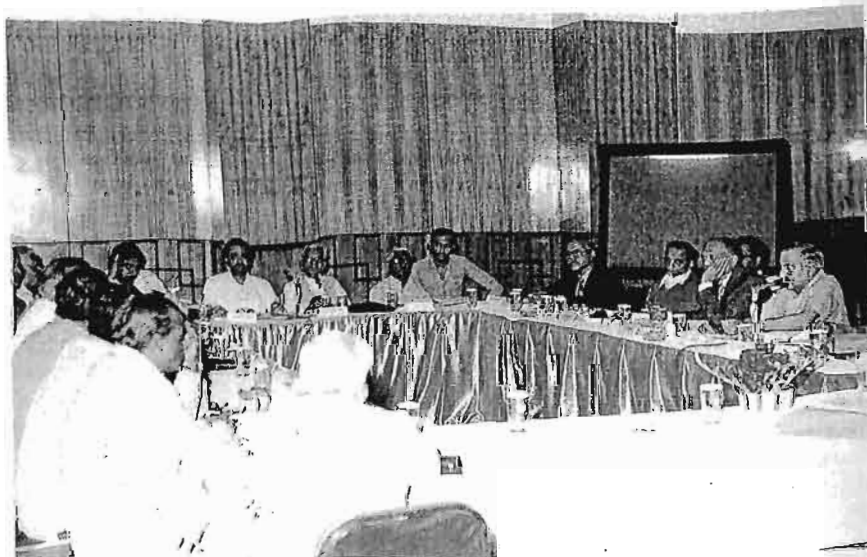


development programme, training facilities, housing, water supply, medical facilities, etc. have been posing serious problems to your company. Many more responsibilities have been added, over the years, after nationalisation, due to compulsions of fast growth without adequate time for consolidation, transfer of various Government organisations serving the coal industry, i.e. Coal Board, Mines Rescue Stations, Coal Mines Welfare Organisation etc. the decision to progressively departmentalise coal and sand transport, setting up coal stockyards all over the country and special needs in regard to purchase, servicing, operation and maintenance of equipment due to constraints of foreign exchange on the one hand and anxiety for development of indigenous manufacture of equipment, on the other.

Exhaustion of reserves of good quality coal due to selective mining in the past and imperatives of conservation and scientific mining after take over have also led to a progressive decline in the proportion of good quality coal in the CIL production and continue to affect its finances adversely. Inadequacy in allocation of electric power in DVC area, delay in environmental clearances and land acquisition for development of new projects continue to be constraints to various activities of the Company.

Your Company has been trying to deal with the above problems, as best as possible, without compromising the company's primary objective of achieving the desired level of coal production from year to year.

On production front, it is therefore gratifying to note that in the decade after the incorporation of Coal India Limited, coal production has increased from 88.98 million tonnes in 1975-76 to 134.11 in 1985-86 i.e. a growth of 51%. By and large, the coal requirements of the different sectors of economy were met and Company has also initiated step to





bridge the inherited infrastructural gaps. The Company is concentrating on developmental activities which are closely linked to achievement of the projected levels of production during the 7th plan period, improvement in quality of coal, meeting consumer satisfaction and achieving financial viability of the company, bridging infrastructural gaps, rationalisation of the organisation and systems, modernisation and improvement of technology, etc. Expansion of facilities & improvement in quality of the training programmes for Executives, Supervisors, and workmen is another area of special concern and attention. More important of these activities are briefly described in the following paragraphs.

Development activities

Projects

Presently your Company has 141 Coal Mining Projects in hand, each with an investment of Rs. 5.0 crores and above. The total sanctioned capital outlay for these projects is Rs. 5462.25 crores and the ultimate annual production capacity is 175.6 million tonnes per year. These projects are at different stages of construction. Besides, 4 Washery Projects and 4 other projects are also in hand.

During 1985-86 your Board approved 39 Projects/Schemes (including expansion schemes).

Geological Exploration/Drilling

Geological exploration is the most important preparatory step for rapid expansion of production as required to be achieved by CIL. During 1985-86, the total exploratory drilling carried out worked out to 3,18,738 meters in 142 Blocks spread over 26 Coalfields. Your Company has been directing its efforts towards larger coverage of areas with economy in cost. Conventional methods of exploration are being supplemented by new techniques e.g. geophysical surveys and non-coring drilling.

Bridging the infrastructural gaps

1. Tele-Communication

Inadequate/unreliable means of communication between CIL Headquarters, Headquarters of Subsidiary Companies, Areas and Units in the field spread all over the country have been posing a serious problem. Efforts are being made to bridge this gap as fast as possible by Hot Line communication network, Teleprinter circuits and linkages through national Satellite channels. A Schematic diagram is given showing the communication network as planned and under implementation.

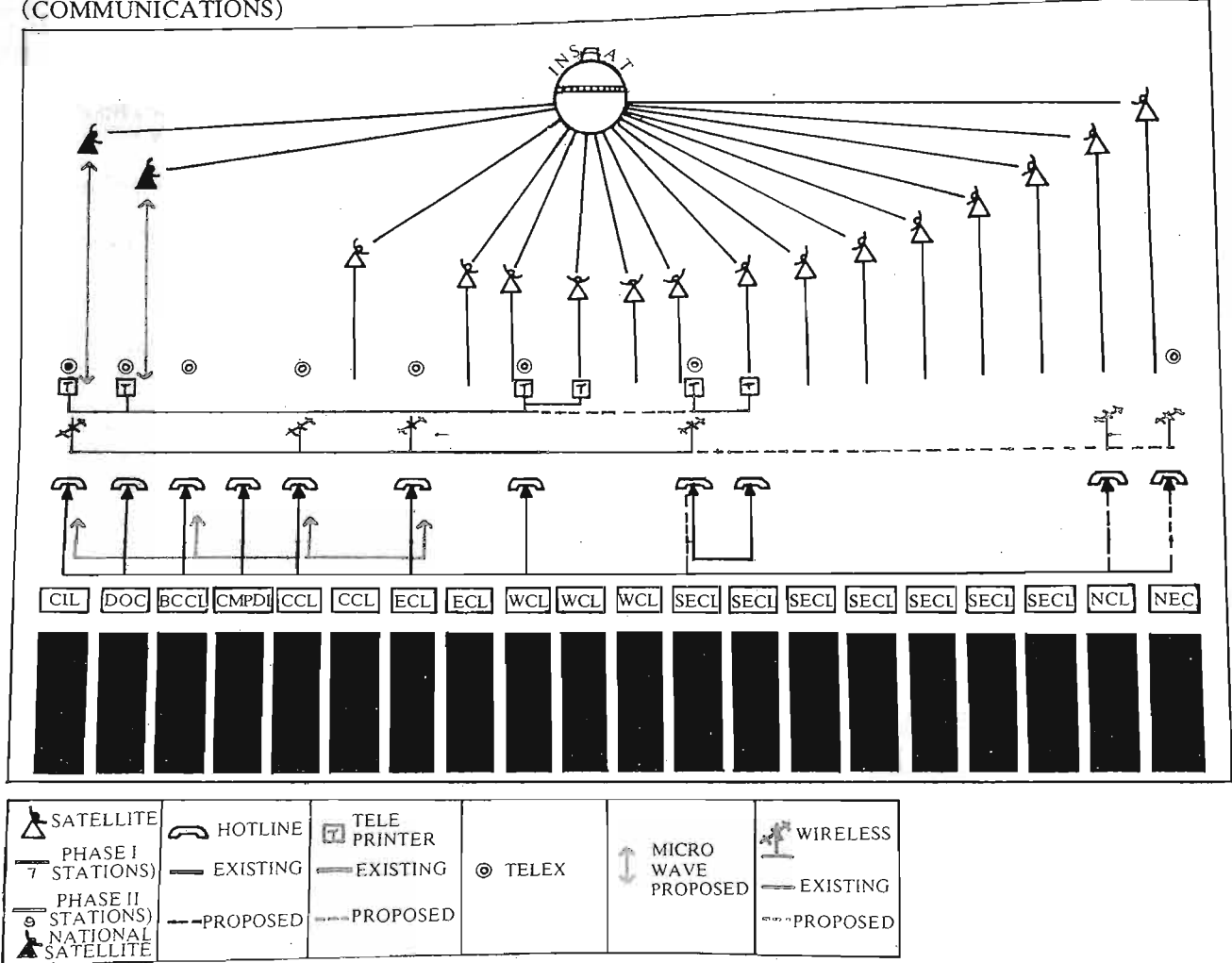
2. Computerisation

Flow of properly processed and analysed data to different levels of Management is essential for monitoring and control of operations and prompt correct decision-making. In an organisation of the size of Coal India (a Holding Company with 7 Subsidiaries and about 600 operating units/establishments spread over 7 States), this is possible



through computerisation. CIL has, therefore, formulated a scheme for computerisation for Coal India and its Subsidiaries. This involves unit, area and Headquarter computers with complete data communication from lower to higher levels. The hierarchical system of computer network ensures an effective information pyramid with details at the base and consolidation of the data as it flows towards the apex. According to the plan all Company Headquarters, major areas and 50 major projects will be provided with computers by March 1988 and rest of the projects and major units will be provided with computers by March 1989. Unit level computers will be utilised for monitoring of gradewise production and despatch, project activities, keeping attendance records etc. At area

**COAL INDIA LIMITED
(COMMUNICATIONS)**



level cost control, personnel management etc. will be major thrust areas and at the corporate level, the computers are planned to work mainly in a database environment with information flowing from units/areas for overall monitoring of the performance against corporate objectives and for taking policy decisions.

There is a shortage of computer professionals in the country. CIL, has, therefore, in addition to help from all available computer agencies, arranged for training computer personnel in CMPDIL and allotted a computer exclusively for this purpose.

3. After-sales service, spare parts Depots and Service Centres

All manufacturers have been advised to strengthen their after sales organisation and they are being made responsible to ensure better availability of equipment. In this connection, efforts are being made to impress upon all major manufacturers to open spare parts Depots and Service Centres as close to the mine sites as possible with a view to improve the standard of servicing as well as to improve and expedite availability of spare parts. Some manufacturers have already started their spare parts Depots at Asansol, Dhanbad, Nagpur, Ranchi, Singrauli, etc.

4. Review of Purchase Manual

The purchase procedures/Manual has been reviewed and substantially modified to expedite the purchase process and to ensure timely supply and better servicing by the suppliers. The more important modifications relate to widening the scope of limited tenders and for placement of repeat orders without affecting the financial interests of the Company, incorporation of full specifications in the indents, restricting two part tenders only to cases of non-standard and complex equipment, making a provision of association of outside Technical Experts/Reputed Consultants in cases of Advanced Technology and high degree of complexity and continuous monitoring of the performance of registered suppliers, etc.

Codification of stores and Material Management

An integrated computerised inventory control system is also being developed in consultation with a reputed expert and CMC and codification of about 6 lakh items of stores/spare parts is in progress with a view to improve material management and inventory control functions.

Equipment Standardisation

Due to foreign exchange problems and in an effort to indigenise the manufacture of equipments, various sizes and models of equipments from different sources (specially in case of heavy earth-moving equipments) have been purchased and supplied to different projects of the Company. This poses serious problems of maintenance, operation and spare parts management. Efforts are being made to rationalise by allocating equipment of one-make to one project, as far as possible.



Mine Electronics

Four Model Mines in different Companies have been identified for electronification with a view to extend the use of electronics for improving mines safety and various control functions in underground and opencast mines. The system is proposed to be extended to other mines also.

Improvement of Mining Technology

As far as the opencast mines are concerned, mechanised opencast mining has been established as a viable system of mining for the country, even though the present level of equipment availability utilisation leaves much to be desired. Efforts are being made to improve equipment availability and utilisation by ensuring better training for operational and maintenance men, better servicing by the manufacturers, improving haul roads, workshop facilities and inventory control etc.

As regards mining technology for underground our mines are faced with problems due to adverse mining conditions and past workings. A number of new technologies are being tried with foreign collaboration and through R & D Schemes. It cannot, however, be said that any new technologies for underground mining have so far been established. It appears that efforts in this sphere will have to be continued to find solutions to the problems of our underground mines.

About 60 Foreign Collaboration schemes/projects with USSR, FRG, UK, France and the World Bank are under planning/ implementation in the fields of exploration, mine planning, mining methods etc. with the object of modernisation and upgradation of technology in our conditions.

R & D Programmes

A Science and Technology Plan was instituted by the Government of India, sometime back with CMPDIL as the nodal agency. 61 Projects are under execution, covering various technological aspects, e.g. exploration, mining technology, coal beneficiation, coal utilisation, safety and ecology, etc. Various Research Organisations, and educational institutions, e.g. CMRS, CFRI, RRL, ISM and AG and Universities are associated with the R & D Projects. A special division is being commissioned at CIL Headquarters to monitor application of R & D Schemes and new technologies.

Safety

Our aim is to achieve zero accident rate. There has been a welcome decrease both in the number of accidents and fatalities since nationalisation. Despite substantial increase in production and also increase in the number of persons employed the fatality rate per million tonne of coal production and per thousand persons employed have come down. Similarly, rate of serious injuries has also come down and these figures are now comparable with the International standards. Our efforts will however, continue to improve the working conditions and make them safer which are necessary not only to reduce the accidents but also to improve the production and productivity of the mines.

Human Resource Development

CIL being the single largest corporate employer with 6.6 lakhs employees, human resource is its most important asset. Steps are being taken for expansion and qualitative improvement of the training facilities for Executives, Supervisory staff and the workmen. Full advantages of Organisations/Institutions, such as ASCI, various IIMs, ISM, FORE, National Productivity Council and other available management organisations etc. is being taken for this activity. This is a continuing activity and of the greatest importance for fuller use of our human resources and successful introduction and management of the change in technology.

Environmental Management

Environmental safeguard is a late comer in mining. As a result, a backlog in this sphere has piled up. In keeping with the national environmental policy, plans are now being drawn up and it is hoped that the vast areas affected due to mining will be rehabilitated progressively in the time to come.

Power Supply

Government approval has since been obtained for setting up of three captive power plants each of 2×10 MW capacity, at Kathara in CCL, Moonidih in BCCL, and Chinakuri in ECL to augment power supply to the mines. Gas turbines of 15 MW are also being considered for these companies in the DVC command area.

Coal Handling Plants & Weighbridges

Against a capacity of about 18 m tonnes (largely in NCDC mines) at the time of nationalisation, Coal India has built up a Coal Handling capacity of about 83 m. tonnes by the end of 1985-86 and about 30 m. tonnes is expected to be added by the end of 1986-87. Similarly a crash programme to cover all loading points by electronic weighment arrangements has been drawn up.

Coal Pricing — BICP Study on Normative cost :

In the past useful heat value has been the major consideration for fixing the price of various grades of non-coking coal. While this principle appears to be prima-facie reasonable, it has given rise to some anomalies and problems for Coal India. Firstly, the system has completely delinked the price of coal from its cost of production as the cost of production is not in any way related to the quality of coal. The profitability or otherwise of individual units has also thus got completely delinked from efficiency of operations. A mine producing high grade coal may show substantial profits despite its inefficiencies and a mine producing poor grade of coal may incur colossal losses despite being efficiently managed. These distortions have generated problems for objective monitoring performance of various units by higher management on the one hand



and adversely affected the morale of managers on the other. Secondly, the objectives of fair price of coal to the consumer according to its heat value is still not being achieved as a major part of the cost of coal to the consumer is accounted for by the transport and other factors which are not linked to its quality or useful heat value. Graph is roughly indicative of the total cost of generation of power and the coal component in the same on the basis of pithead price of coal as well as landed cost of coal for different power utilities.

Another major difficulty for Coal India with the present system of pricing arises from the fact that due to the predominance of coal of poor quality in the national coal reserves and the pattern of growth of the economy due to which most of the incremental coal production is going to the power sector and consists of non-coking coal of poorer grades E, F & G. The rising proportion of these lower grades of coal in the product mix of Coal India is bringing down the average sales price of coal year after year. Just to illustrate the point it may be stated that the average sale price of Coal India is expected to come down by Rs. 5/- to Rs. 6/- per tonne per year from 1986-87 to 1989-90 due to change in grade-mix on the basis of the anticipated grades of incremental production. Graph indicates the grade mix of Coal India's production of non-coking coal year to year for the period 1980-81 to 1985-86 and projections for the period 1986-87 to 1989-90. Investment and production cost being same, mines producing inferior grade coal will

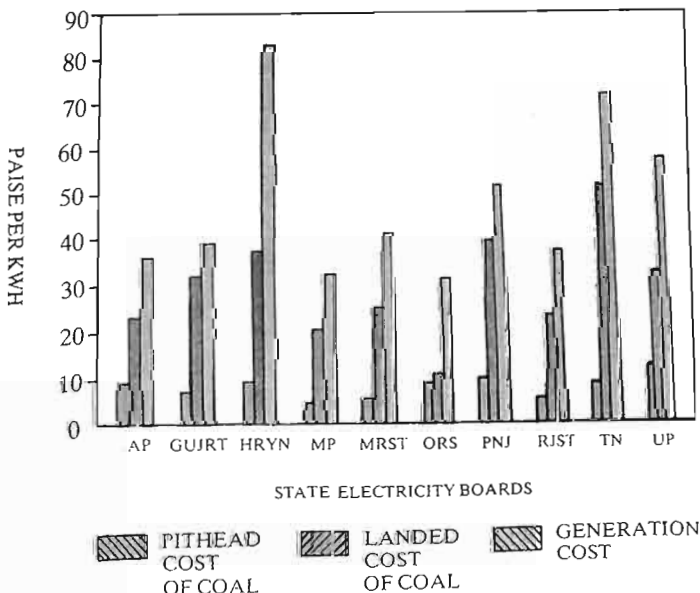
keep adding more and more losses to our company in the future till a viable solution is found out to correct these anomalies.

Further, the present system of pricing leads to large scale cross subsidisation in the economy which may be unintended.

CIL is opening a large number of high cost captive mines for the Pithead Power Stations so that national transport system is optimally used and cost of transport of coal to the power stations is minimised. This, however, would cause a loss of nearly Rs.100/-per tonne to Coal India in some of the mines though entire saving of cost of transport goes to the power houses. This anomaly needs to be corrected.

A similar situation has been prevalent in regard to soft coke. While pit-head price of soft coke has not been increased for several years in proportion to the increase in price of raw coal on the ground that it is common man's fuel, the State Government cess and freights on soft coke have increased manifold. The net result is that while Coal India's loss/tonne of soft coke produced has increased from Rs. 12/- per tonne in 1978-79 to Rs. 128/- per tonne in 1985-86 the West Bengal Government cess on soft coke has been increased from Rs. 10/- per tonne in 1979 to Rs. 110/- in 1986 and the Railway freight from Rs. 80/- per tonne in 1978 to

TOTAL COST OF GENERATION
GENERATING COST LANDED COST OF COAL &
PITHEAD COST OF COAL

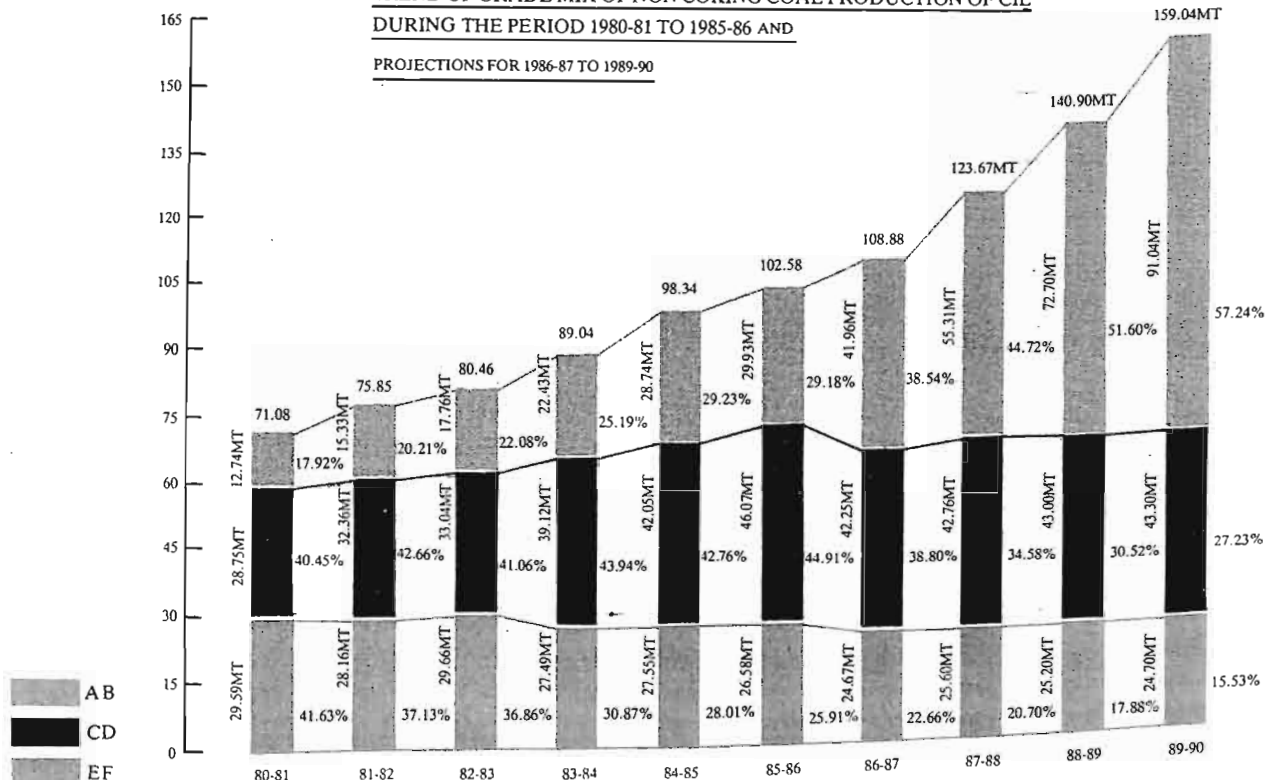


Rs. 270/- per tonne in 1986.

Moreover, soft coke is more being used by commercial and other establishments than the poor common man.

Some of these issues are being presented to BICP, who are making a study for determination of the normative costs for coal. It is hoped that some of the anomalies/difficulties will be resolved through the BICP Study/Report.

**TREND OF GRADE MIX OF NON COKING COAL PRODUCTION OF CIL
DURING THE PERIOD 1980-81 TO 1985-86 AND
PROJECTIONS FOR 1986-87 TO 1989-90**



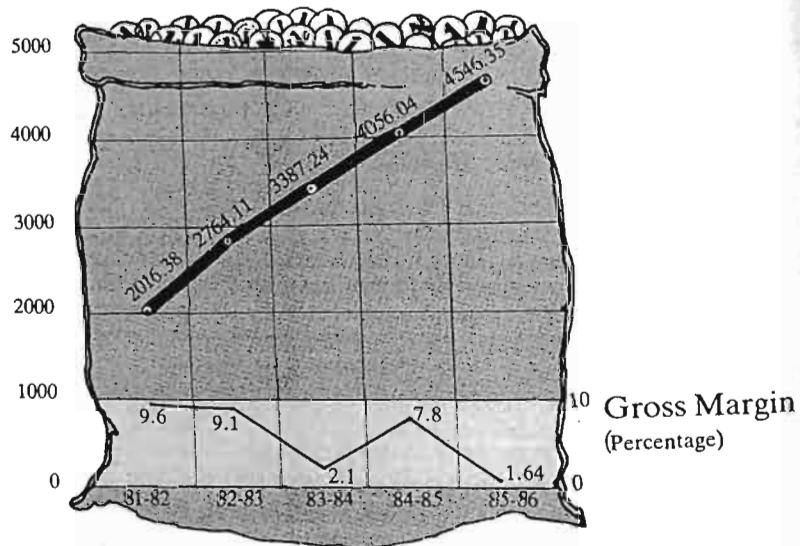
Appreciation/Acknowledgements :

Before I close, I would like to express on my behalf and on behalf of the Board, sincere appreciation for the dedicated efforts and contribution made by our employees at all levels and for maintaining cordial relations.

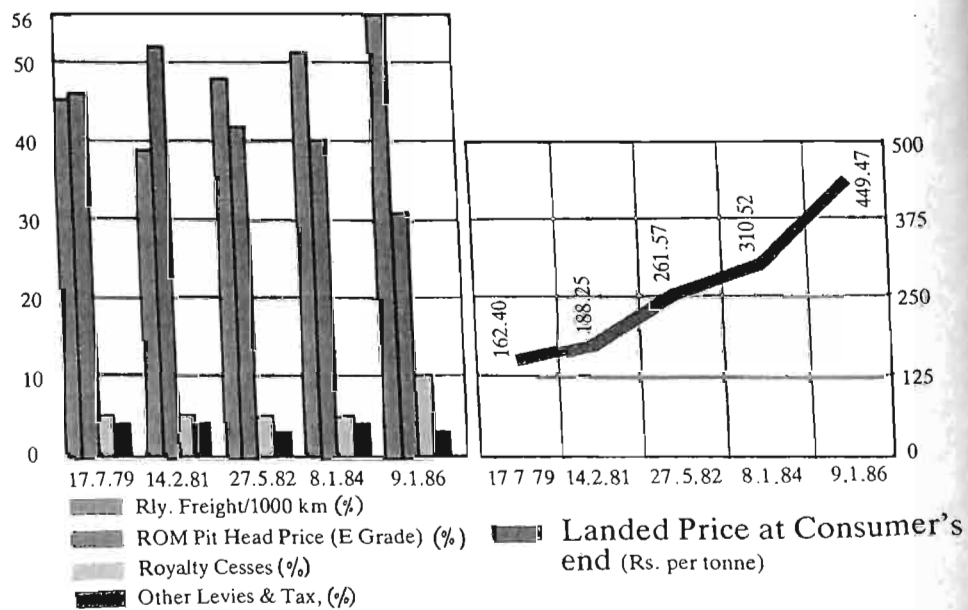
I would also like to acknowledge the co-operation and help received from the Ministry of Energy, Department of Coal, other Government Departments/ Agencies, State Governments, People's representatives, Trade Unions, Media, Banks, Suppliers, customers, various educational, research and management institutions and all others connected with our Coal Industry. Finally, I would like to record my deep appreciation for the active support and guidance received from my fellow Directors on the Board in managing the affairs of the Company.



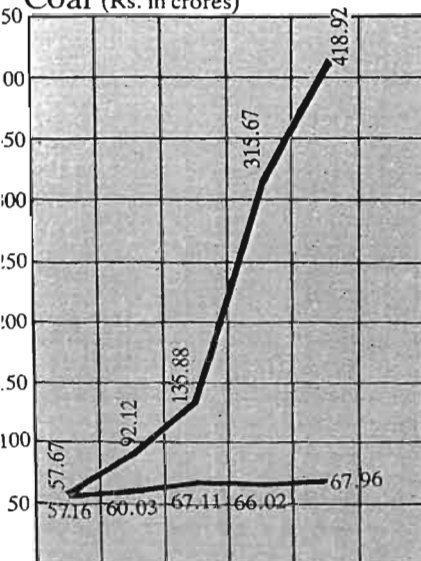
Capital Employed (Rs. in crores)



Share of Producer, Transporter & State Authorities in Landed Price of Coal



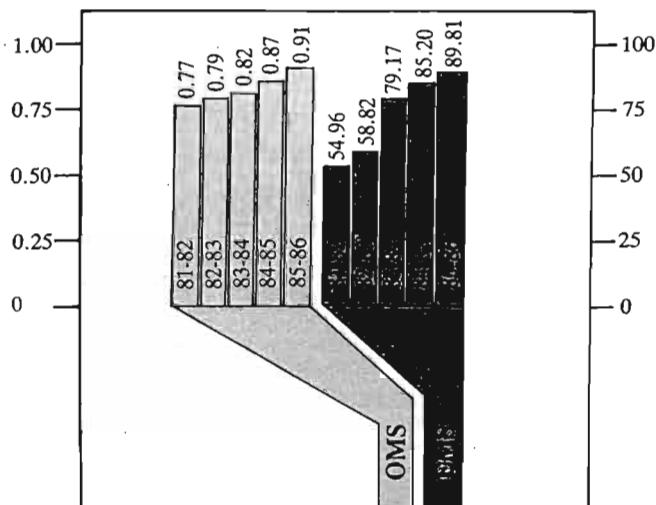
Trend of Royalty & Cess on Coal (Rs. in crores)



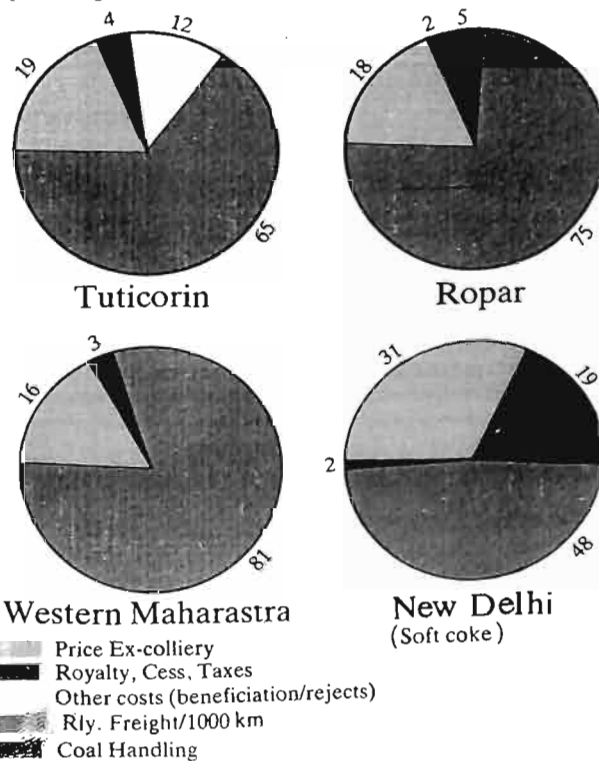
81-82 82-83 83-84 84-85 85-86

— Cesses
— Royalty

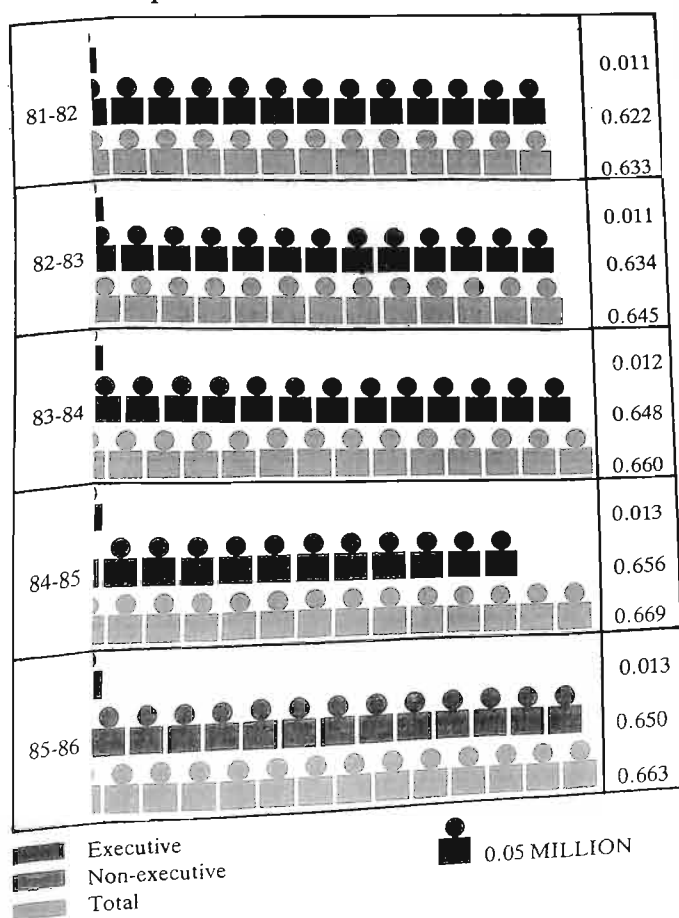
Trend of OMS & EMS (OMS in tonnes, EMS in Rs.)



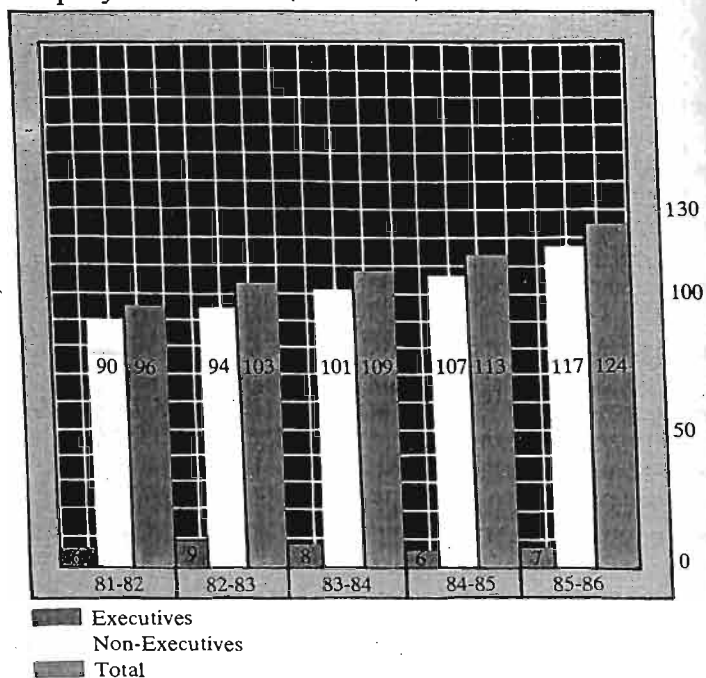
Cost of Coal & Coke as input to Consumers (in percentage of cost)



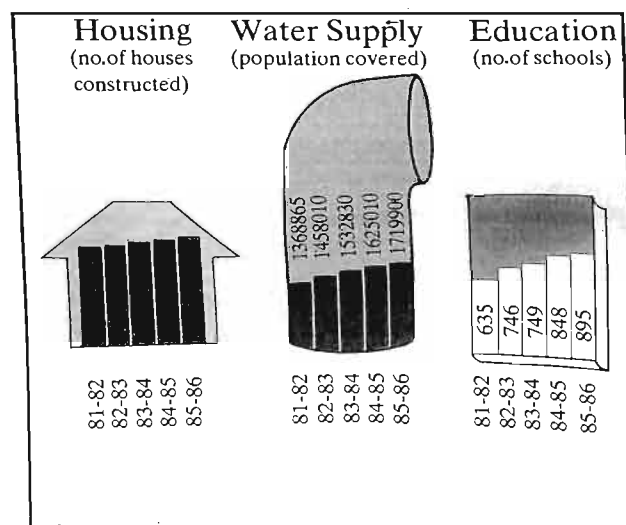
Manpower (in millions)



Employees Trained (in thousands)



Welfare Activities





CONSOLIDATED WORKING RESULT OF COAL INDIA LIMITED AND ITS SUBSIDIARIES

	(Rupees in crores)		
What we earned	1983-84	1984-85	1985-86
Sale of Coal & Coke (Net of statutory levies)	1992.03	2438.69	2662.10
Internal consumption of Coal & Coke per contra	72.10	82.81	85.80
Coal Issued for other purposes	0.21	0.16	0.14
Accretion/Decretion in stock of Coal & Coke etc.	32.20	92.41	(-) 32.88
Other Receipts	99.49	110.80	133.45
	<u>2196.03</u>	<u>2724.87</u>	<u>2848.61</u>
How we spent			
Employees' Remuneration & Benefits	1188.67	1307.64	1370.67
Social Overhead	100.98	132.43	132.30
Internal consumption of Coal & Coke per contra	72.10	82.81	85.80
Consumption of Stores & Spares	342.41	382.28	432.44
Power & Fuel	124.31	154.57	182.97
Repairs	46.27	58.31	67.22
Transportation including OBR	99.05	121.80	148.39
Interest	138.55	186.28	227.96
Depreciation	172.66	207.93	250.84
Other Miscellaneous Expenses	110.87	142.81	176.45
Provision for Coal, Stores etc.	35.29	22.26	93.07
Excess / Shortage to CPRA			
Contribution	(-) 42.80	31.34	61.64
Adjustment for Capitalisation of expenses	(-) 17.67	(-) 21.57	(-) 19.57
	<u>2370.69</u>	<u>2808.89</u>	<u>3210.18</u>
Loss for the year	174.66	84.02	361.57
Prior Period Adjustment	68.03	(-) 5.99	42.61
Loss for the year after PPA	242.69	78.03	404.18
Investment Allowance Reserves etc.	23.50	29.75	39.31
Loss brought forward from previous year	841.89	1108.08	1215.86
Cumulative loss carried to Balance Sheet	<u>1108.08</u>	<u>1215.86</u>	<u>1659.35</u>



CONSOLIDATED ASSETS & LIABILITIES OF COAL INDIA LTD AND ITS SUBSIDIARIES

	(Rupees in crores)		
What we owed	1983-84	1984-85	1985-86
Share Capital	1913.47	2460.70	2942.69
Reserves & Surplus	131.56	162.49	206.82
	2045.03	2623.19	3149.51
Profit & Loss Account	(-) 1108.08	(-) 1215.86	(-) 1659.35
Total Shareholders Fund	936.95	1407.33	1490.16
Secured Loan	174.63	131.98	83.04
Unsecured Loan	2230.92	2503.81	2908.60
Due to Govt. of India	218.18	95.99	69.62
Current Liabilities	1093.86	1066.35	1210.81
	4654.54	5205.46	5762.23

What we owned			
Fixed Assets (Net of Depreciation)	1763.98	2082.76	2629.16
Capital work-in-progress	649.56	786.57	834.09
Investment	0.35	0.35	0.16
Inventories	760.73	900.60	892.43
Sundry Debtors	379.18	377.46	399.55
Cash & Bank balances	235.23	121.81	118.68
Other Current Assets	30.05	31.64	33.23
Loans & Advances	832.87	901.88	849.86

Miscellaneous expenditure (To the extent not written off or adjusted)	2.59	2.39	5.07
	4654.54	5205.46	5762.23

DIRECTORS' REPORT

The Report of the Board of Directors for 1985-86 to the Shareholders of Coal India Limited.

Gentlemen,

On behalf of the Board of Directors, I have pleasure in presenting the Thirteenth Annual Report and Accounts of your Company for the year ended 31st March, 1986 together with the Report of the Statutory Auditors and also the Comments and Review of the Comptroller and Auditor General of India.

Information of New Companies

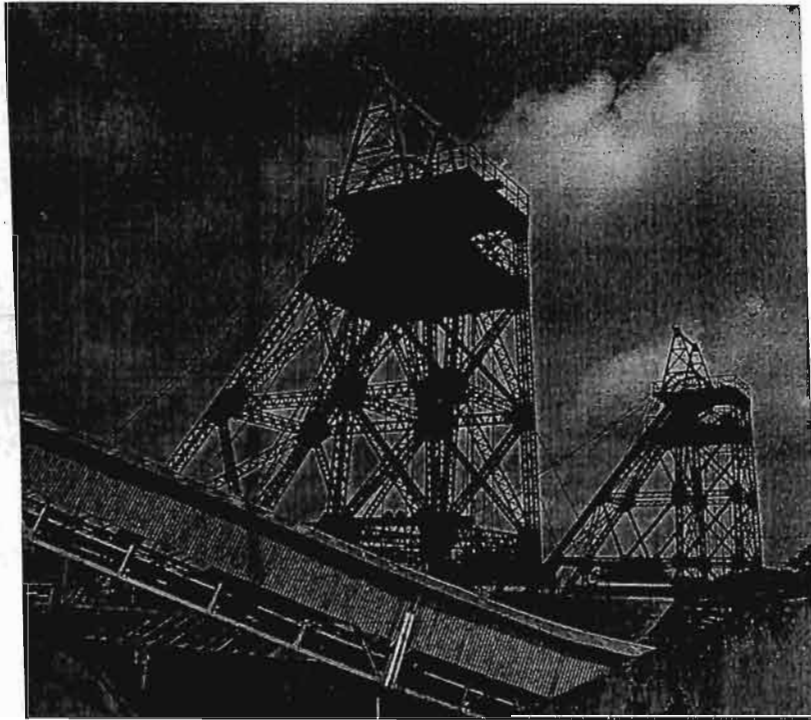
During the year under review, two more wholly owned Subsidiary Companies viz South Eastern Coalfields Ltd. and Northern Coalfields Ltd. having their headquarters at Bilaspur and Singrauli respectively in the State of Madhya Pradesh have been incorporated on and from 28 November, 1985 by reorganising CCL and WCL as per the directive from the Government of India vide their letter No. 38011/1/83-CA dated, 1 November, 1985. With these, the number of wholly owned Subsidiary Companies of Coal India Ltd. goes upto seven as below:

Eastern Coalfields Ltd.
Bharat Coking Coal Ltd.
Central Coalfields Ltd.
Northern Coalfields Ltd.
Western Coalfields Ltd.
South Eastern Coalfields Ltd.
Central Mine Planning & Design Institute Ltd.

The areas of operation of the two newly formed Subsidiary Companies are as under :

Name of the Company	Hqrs. of the Company	Area of Operation
Northern Coalfields Limited	Singrauli (M.P)	Singrauli Division of erstwhile CCL.
South Eastern Coalfields Limited	Bilaspur (M.P)	Korba, Sohagpur, Jamuna-Kotma, Chirimiri, Baikunthpur, Jhagrakhand, Ib Valley of Bilaspur Division of erstwhile WCL and Talcher Area (Orissa) under erstwhile CCL.

However, the accounts of the Areas forming part of two newly formed Subsidiary Companies for the period from 28.11.85 to 31.3.1986



Head Gears of a deep-shaft mine against the background of a summer sky.



Blasting to loosen overburden (earth & stone), which must be removed before coal is exposed.

remained included with CCL and WCL as the case may be, as per the directive of the Government.

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

1.2 Take over of CMLWO and rescue stations

During the year under review, mines rescue stations (from 2.4.85) and CMLWO hospitals (from 1.8.85) at different places were taken over by the respective Companies as per directive received from the Department of Coal, Ministry of Energy, Govt. of India. CMLW Organisation was also taken-over with effect from 1.10.86. The offices/establishments under the above organisations have been merged with the different subsidiaries according to their geographical locations.

2.1 Planning

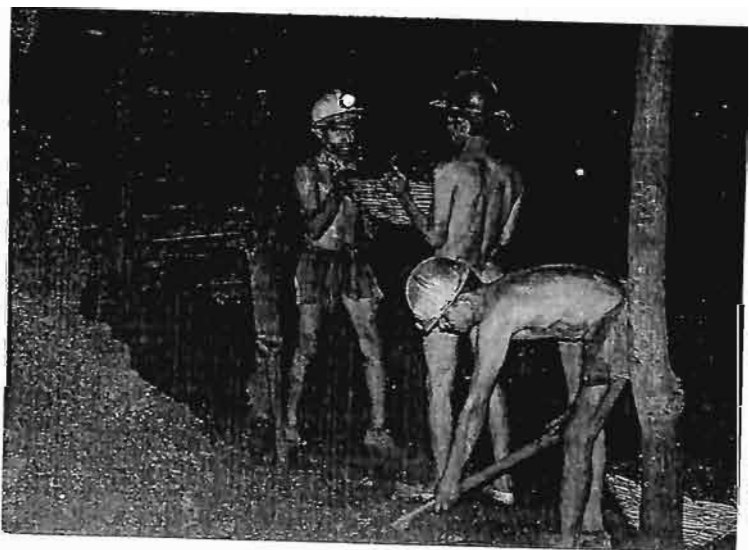
Annual Operational Plan is prepared each year by the Subsidiary Companies once the CIL Annual Plan is approved by the Government and allocation of available fund is made known to them. However, to make the operational plans more task-oriented and systematic for better implementation and control of the various programmes and projects, Government desired that each Coal Company formulates its own Annual Action Plan for the year 1986-87 embracing various functional areas of operation. CIL Annual Action Plan 1986-87 was prepared and submitted to the Department of Coal, in two parts. Part one constituted aggregated summarised position of various operational areas of different subsidiary companies and a number of integrated common areas like Corporate Planning, Computerisation, Human Resources Development, Tele-communication, Public Relations etc. The second part contained Subsidiary Companywise Action Plans. Memorandum of

Understanding was also drawn up between CIL and the Government for 1986-87 incorporating performance targets for a number of key result areas.

After finalisation on report on "Coal Sector" by planning commission for the Seventh Plan, the task of completion of the updated Corporate Plan of CIL for the time-frame 1985-90 was taken up within the overall parameters set in the National Plan. The Corporate Plan is under finalisation. As a part of manpower planning already introduced in CIL, manpower inventory, classified skillwise, agewise, qualificationwise and categorywise as on 1.4.85 was completed and actions were initiated to computerise the data. Studies were also carried out on organisational structure at various levels i.e. at areas and levels below.

CIL also took up a programme for planned installation of computers at various decision

Traditional underground mining and timber support—more manual than mechanised.



centres. Creation of files and retrieval system for inventorisation of HEMM was partly completed. CIL also carried out development of Computerised Personnel Information System (PIS) and Project Management System (PMS) for CIL and its subsidiaries.

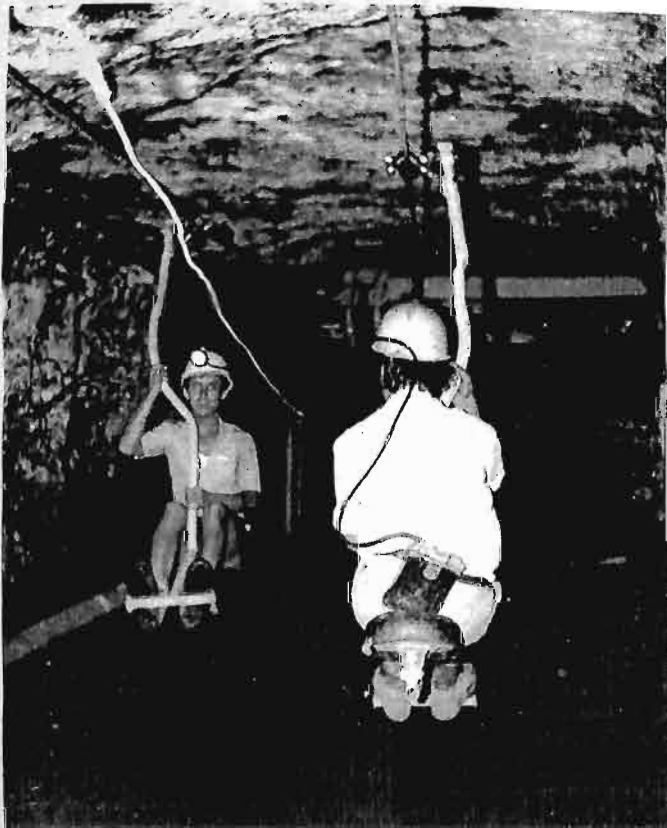
2.2 Geological Exploration, Drilling etc.

During the year 1985-86, a total of 318738 metres of drilling was carried out in 142 blocks spread over 26 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 deployed was 185 comprising of 46 by CMPDIL, 90 by MECL, 32 by private parties and 17 by MP and Orissa State Governments. The overall productivity of all the drills increased to 144 metres per drill per month in 1985-86 as compared to 138 metres per drill per month during last year. The productivity of operational drills of CMPDIL has registered 15% rise from 195 metres per drill per month to 224 metres per drill per month. During the year under review, 38 Geological reports notes were prepared based on which a total of 6733 million tonnes of reserves were estimated of which 3417 million tonnes were under the proved category. Of the total reserves estimated, 2865 million

tonnes were quarriable.

The Company completed exploration in the priority blocks namely Mohar (Singrauli Coalfield), and Belpahar (Ib Valley Coalfield) for supply of coal to the proposed Super Thermal Power Plants. Exploration was in progress in Hura C Block and Bakulia in Raniganj Coalfield, Kalinga in Talcher Coalfield and Barjora Coalfield.

Human haulage system in an underground mine.



Government of India entrusted CMPDIL with co-ordination and monitoring of all Research and Development Projects in Coal Sector funded through Science and Technology grants of Department of Coal. 62 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. 402.90 lakhs was disbursed to various implementing agencies. 7 projects were successfully completed during the year.

The following four R & D schemes were completed by CMPDIL during the period with the help of various outside organisations.

- 5 tph Batac Jig pilot plant at Patherdih Washery
- Testing of Coal by photometric ore sorter (1st phase)
- Scheme for elimination of slurry in washeries (1st phase)

— Utilisation of washery rejects

Besides the above work, the following research and development schemes are in progress with various organisations like Regional Research Laboratory, (Bhubaneswar), Ore Sorter (Canada), Conveyor and Ropeway Services etc.:

- 120 tph modular washery with barrel-cum-cyclone washing system using coal fines (slurry) as media.
- Photometric ore sorter for dry beneficiation of coal (2nd phase)
- 1 Metre dia floatation column for beneficiation of fine coal (-0.5 MM)
- Spiral concentrator for beneficiation of $3/2-0.1$ mm coal.
- Trial of beneficiated non-coking coal from Nandan Washery at Satpura Thermal Power Station
- Slurry jig for treatment of $3-0.1$ mm coal.
- Pilot plant for fine coal dewatering system
- Introduction of automation system in coal preparation plants
- Beneficiation characteristics of non-coking coal from Talcher coalfields
- 10 tph Oil agglomeration plant at Patherdih Washery for beneficiation of fine coal.

Following reports on various subjects were prepared during 1985-86, viz. detailed design of stowing system, technical scrutiny and system design of Strata Bunker for Chasnalla mine.

- Preparation of report on the study of OMS in Indian Coal Mines.
- Report on upgradation of technology.
- Report on production, planning and productivity for sub group constituted by planning commission.

- Appraisal of Radhamadhabpur project report.
- Patharkhera investigation report concerning transfer of equipment in Bagdona seam.
- Drawal of specification of equipment for Dhemomain longwall face. Monitoring of longwall faces in India for Indo-UK joint steering group meeting.
- Finalisation of agreement with CdFI for Blasting Gallery method at Chora of ECL and Kendwadih of BCCL.
- Project report on Nandira experimental face.

During the year, CMPDIL prepared 38 nos. mining projects for an ultimate production capacity of 27.21 mty and capital investment of Rs. 2026.92 crores as against 27 projects during 1984-85 for a capacity of 50.12 mt/year and an investment of Rs. 3420 crores.

The study of the fines from Bhojudih Washery had been carried out to develop a process of coal preparation eliminating slurry handling and its beneficiation.

Miners undergoing a rescue drill held periodically in NEC.



During the year under review, discussions continued with UK, France, USSR, Federal Republic of Germany and Poland for new technologies both for underground and opencast mining, coal exploration, coal beneficiation, mine shaft sinking, blasting and training of personnel etc. Bilateral meetings at Govt. level were also held with the representative of the above countries for review of existing technological co-operation and also for adoption of new technologies including identification of new areas for future collaboration.

Countrywise status of collaborations are indicated below:

- (i) Apart from running of six mechanised longwall faces in Munidih (3) Dhemomain (1), Patharkhera (1) and Seetalpur (1), three more powered support longwall face equipments are in the pipeline. These are being manufactured by Indian manufacturers having collaboration with their British counterparts. Construction of underground mines at Ghusick with 2 million tonnes capacity right from the stage of planning to bringing the mine to production stage under performance guarantee with UK collaboration is also under consideration. Assistance in the area of electronic environment monitoring, transport systems, running of face equipments at JK Nagar has also been sought for.
- (ii) For extraction of thick seam developed with Board and



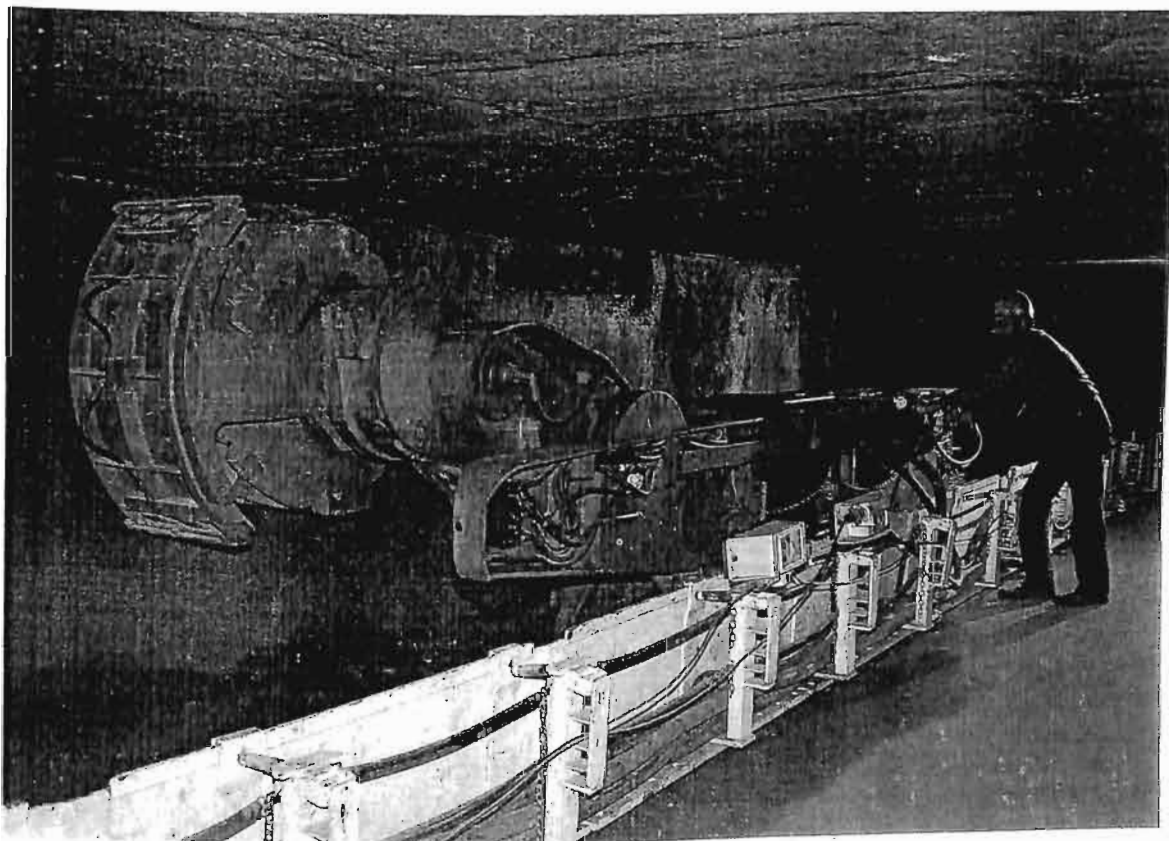
Coal Testing Lab at Umrer, WCL.

Pillar method, an agreement was concluded between CIL and CdFI (A Government Agency of France) in 1985 for transfer of technology of "Blasting Gallery Method" to be tried at Kendwadiah of BCCL and Chora of ECL.

East Katras mine of BCCL, Ananta and Nandira mines of SECL and Kottadih and Parasea mines of ECL have been identified for extraction of thick coal seam by longwall caving and multi sliced longwall method.

- (iii) Chinakuri and Bhanora West Mines of ECL have been identified for Federal Republic of Germany collaboration to improve production and productivity by powered support longwall method. Hydraulic mining for extraction of thick seam with technical assistance and equipments from Federal Republic of Germany have been identified for Gopalichak mine of BCCL for which imported equipments have already arrived at the site.
- (iv) 3 large Opencast Mines each of 10 to 14 million tonnes capacity (Mukunda mine of BCCL, Khadia and Nigahi mines of NCL) are proposed to be developed and co-operation has been sought right from the stage of initial planning, construction,

A shearer installed on the surface for giving training to mining personnel.



technical assistance and supply of equipment by USSR.

In NEC, an underground mining method known as "Descending Shield" is also being practised with assistance from USSR for extraction of thick and steep seams by caving.

- (v) **Poland:** Poland is currently assisting in Sinking Deep Shafts of large diameter at Satgram mine of ECL and Pootkee Bulihari mine of BCCL.

A contract has also been concluded for planning of Madhuban Phoolaritand underground mine of BCCL with production capacity of 3 million tonnes with difficult geo-mining condition.

4. World Bank Assistance

Foreign assistance through IBRD has been made available to your Company in respect of Dudhichua Coal project of CCL (now NCL) and Jharia Coking Coal project comprising of Block II OCP, Pootkee Bhulihari underground project and Pootkee Washery of BCCL. During the year, your Company had \$ 8.93 million from the loan against Dudhichua Coal project. Besides above, proposals for loan assistance for the following projects are under consideration of the World Bank:

1. Gevra Expansion OCP, WCL (now SECL)
2. Sonepur Bazari OCP, ECL.

5. Production Performance

5.1 The year 1985-86 was marked by record level of production at 134.11 million tonnes (Coking Coal 30.31 million tonnes and Non-Coking Coal

103.80 million tonnes) as against previous year's production of 130.81 million tonnes (Coking Coal 31.54 million tonnes and Non-Coking Coal 99.27 million tonnes). The overall annual growth rate during 1985-86 over 1984-85 was 2.5%. Excepting BCCL all other subsidiaries and NEC exceeded their targets for 1985-86. BCCL, however, could not

achieve their target because of severe constraints prevailing in their command areas including the shortfall in the supply of power from DVC/State Electricity Board and also heavy absenteeism.

The production from underground mines especially coking coal was also affected to a great extent due to non-availability of sand for the purpose of stowing. The accumulation of backlog of sand stowing was 1.13 M. Cu. Mtr.

(ECL—0.70 M. Cu. Mtr. and BCCL—0.43 M. Cu. Mtr.) as on 31.3.1986. However, necessary steps have been initiated by your Directors to make up the aforesaid backlog. Companywise production of raw coal, coking and non-coking, for the years 1984-85 and 1985-86 are indicated as :

A Payloader depositing Coal in the dumper in NEC.



Coal production

(Figures in million tonnes)

	Coking Coal *		Non-Coking Coal		Total raw coal	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
ECL	0.69	0.41	22.42	23.62	23.11	24.03
BCCL	17.03	16.52	4.81	4.56	21.84	21.08
CCL	13.18	12.64	25.82	26.64	39.00	39.28
WCL	0.64	0.74	45.41	48.14	46.05	48.88
NEC	—	—	0.81	0.84	0.81	0.84
Total	31.54	30.31	99.27	103.80	130.81	134.11

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

5.2 Production of Soft Coke, Hard Coke and Washed Coal

The production of soft coke, hard coke and washed coal in 1985-86 were 1.71 million tonnes, 0.58 million tonnes and 8.05 million tonnes respectively as against the last year's production of 1.58 million tonnes, 0.51 million tonnes and 9.04 million tonnes respectively. The growth rate works out to 8.2% for soft coke, and 13.7% for hard coke. However, in the case of washed coal there was a decline of 10.9% compared to previous year mainly due to shortage of raw coal arising from delinking of certain mines by SAIL from July 85 and frequent power interruptions and loadshedding. Subsidiary-wise position is as below:-

(Figures in million tonnes)

	Soft Coke		Hard Coke		Washed Coal	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
ECL	0.73	0.80	0.01	0.01	—	—
BCCL	0.48	0.50	0.49	0.55	4.43	3.39
CCL	0.37	0.41	0.01	0.02	4.43	4.46
WCL	—	—	—	—	0.18	0.20
Total	1.58	1.71	0.51	0.58	9.04	8.05

5.3 The production of raw coal from opencast mines for 1985-86 was 73.71 million tonnes as compared to last year's figure of 69.95 million tonnes registering a growth rate of 5.4% over the last year. The total quantum of overburden removed in 1985-86 was 151.67 Million Cu. Mtr. as against 135.80 Million Cu. Mtr. in 1984-85 registering a growth rate of 11.7% over the previous year. Subsidiarywise production of raw coal from opencast mines and quantum of overburden removal are indicated as :

	Overburden removed (in million cubic mtr.)		Coal production (in million tonnes)		% growth over 1984-85	
	1984-85	1985-86	1984-85	1985-86	OBR	Coal
ECL	15.06	18.31	6.45	7.70	(+) 21.6	(+) 19.4
BCCL	15.19	17.17	8.50	8.16	(+) 13.0	(-) 4.0
CCL	64.44	66.09	33.52	34.09	(+) 2.6	(+) 1.7
WCL	41.11	50.10	21.48	23.76	(+) 21.9	(+) 10.6
Total:	135.80	151.67	69.95	73.71	(+) 11.7	(+) 5.4

There has been some shortfall in overburden removal during the year under review as compared to the target. The cumulative backlog of overburden removal increased from 45.60 M. Cu. Mtr. as on 31.3.1985 to 70.70 M. Cu. Mtr. as on 31.3.86. However, necessary steps have been taken to clear the backlog. Subsidiarywise cumulative backlog position of overburden removal is given below:

	(Million Cu Mtr.)
ECL	2.55
BCCL	5.74
CCL	48.01
WCL	14.40
Total:	70.70

5.4 Population and Performance of Equipment (HEMM)

There has been some increase in the number of opencast mines including increase in the level of operations in the existing OC mines resulting in increased deployment of HEMM. The total number of Shovels deployed has increased from 390 to 438, Dumpers from 2292 to 2420, Dozers from 621 to 641 and Drills from 360 to 380. Subsidiarywise percentage of availability and utilisation of HEMM (taking into consideration only equipment in working condition and not on the basis of total number on roll) are given as :-

Availability Percentage						
HEMM		Standard Percentage	ECL	BCCL	CCL	WCL
Dragline	1984-85	75	—	—	77	84
	1985-86	75	—	—	77	89
Dumper	1984-85	70	67	64	70	62
	1985-86	70	56	59	57	61
Dozer	1984-85	70	65	67	74	64
	1985-86	70	48	34	54	64
Shovel	1984-85	81	73	68	83	78
	1985-86	81	56	67	73	79
Drill	1984-85	78	67	65	71	67
	1985-86	78	53	55	58	68

Loading by a Shovel in a Dumper



A loaded rake with coal ready to move to its destination.

UNITWISE PERFORMANCE

HEMM		Standard Percentage	ECL	BCCL	CCL	WCL
Dragline	1984-85	69	—	—	89	86
	1985-86	69	—	—	81	89
Dumper	1984-85	53	57	54	56	63
	1985-86	53	49	52	52	62
Dozer	1984-85	45	56	59	51	—
	1985-86	45	52	56	51	64
Shovel	1984-85	56	53	64	56	53
	1985-86	56	59	62	57	74
Drill	1984-85	40	41	36	46	—
	1985-86	40	38	47	43	34

Due to various constraints especially shortfall in the supply of power from DVC/State Electricity Boards and heavy absenteeism, the Company suffered to a total loss of raw coal production to the tune of 10.18 million tonnes during 1985-86 as compared to previous year's figure of 11.09 million tonnes. Factorwise break-up of loss of production of raw coal is indicated below:

(Figures in million tonnes)

Factor	Loss of production	
	1984-85	1985-86
Power	4.10	4.79
Absenteeism	1.65	1.96
Labour unrest	0.31	0.25
Other Constraints	5.03	3.18
Total:	11.09	10.18

Availability of Power

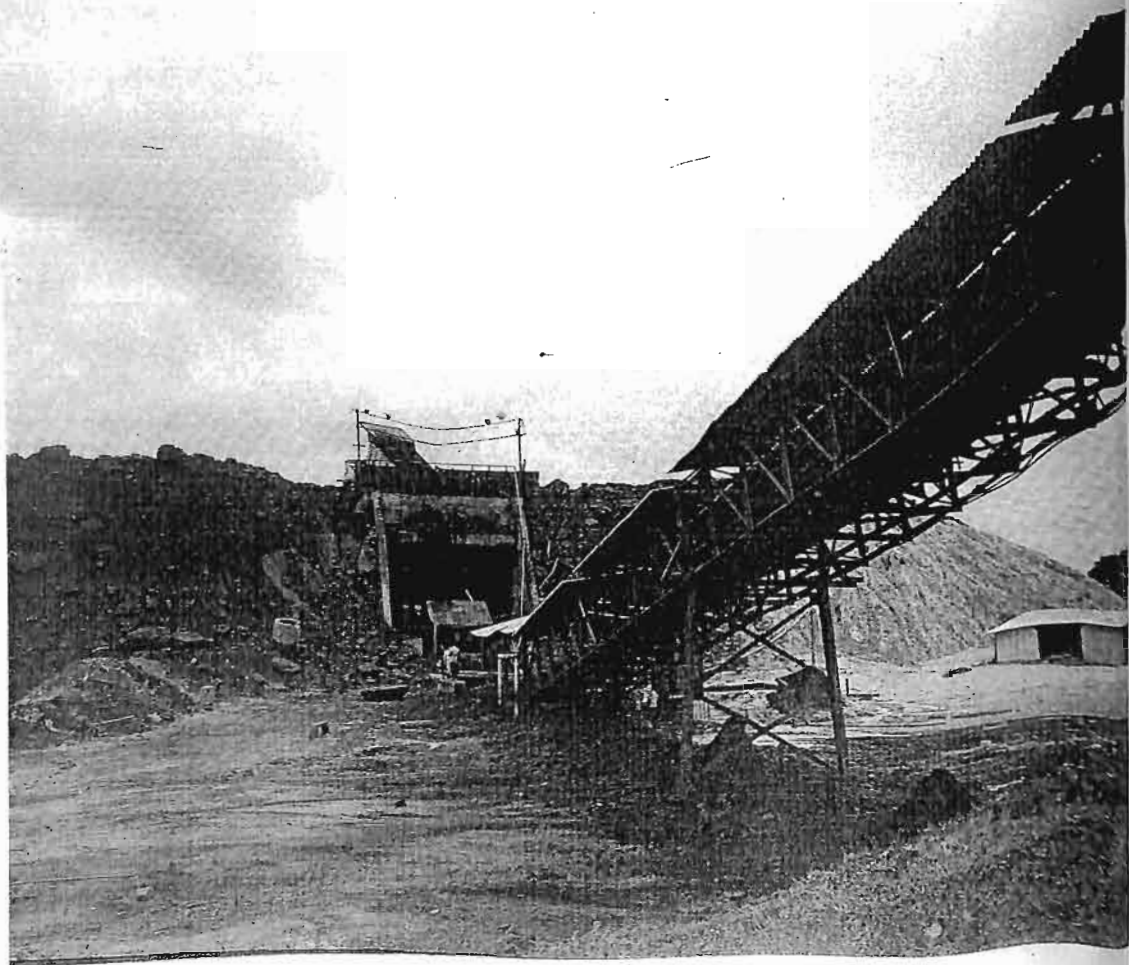
The availability of power to mines in ECL, BCCL and CCL was far from satisfactory during 1985-86. ECL, BCCL and CCL receive a major chunk of power from DVC either directly or through BSEB, DPS or APS.

The average availability was around 236 MVA against a demand of 389 MVA during 1985-86, leaving a shortfall of around 153 MVA. Besides this, the number of interruptions increased to 27099 (cumulative) from 25897 (cumulative) during 1984-85 resulting in 18,704 feeder hours lost (cumulative) as compared to 15068 (cumulative) feeder hours loss in 1984-85. This resulted in aggregate loss of production to the tune of 4.79 million tonnes of coal in ECL, BCCL and CCL together. Due to major break-down of thermal power station at Bhowrah and other D.G. Sets, captive power generation by BCCL also was affected. However, remedial measures have been initiated to reactivate the captive generation in BCCL.



As ECL, BCCL and CCL have been facing acute shortage of power, Ministry's sanction has since been received for setting up of 2 X 10 MW captive power plants at Kathara in CCL, Moonidih in BCCL and Chinakuri in ECL. CMPDIL is processing the cases for getting the bids on a turn-key basis for Kathara and Moonidih, while in the case of ECL the work is allocated to Dishergarh Power Supply Company for erection, commissioning and running the plant for ECL with the ownership resting with ECL.

The overall OMS for the year under review has gone up to 0.91 tonnes from 0.87 tonnes in 1984-85. All the Subsidiaries have improved their OMS except CCL which has just been able to maintain its OMS at the previous years level. The companywise OMS position is given as :



*Part-view of the
Kusmunda Coal
Handling Plant
in WCL.*

	O M S Tonnes		% increase/decrease over 1984-85
	1984-85	1985-86	
ECL	0.52	0.54	(+) 3.8
BCCCL	0.58	0.60	(+) 5.2
CCL	1.37	1.37	—
WCL	1.22	1.25	(+) 2.5
NEC	0.72	0.77	(+) 6.9
Overall CIL	— 0.87	0.91	(+) 3.4

7. Coal Marketing

7.1 Demand and off-take of coal: Demand of 144.16 million tonnes of coal was assessed for 1985-86. Against this demand actual off-take was 134.92 million tonnes showing a demand satisfaction of 93.6% compared to 92.3% demand satisfaction in the previous year. Sectorwise demand and off-take, together with percentage satisfaction for 1984-85 and 1985-86, are tabled below:

(Figures in million tonnes of raw coal)

Sector	1984-85			1985-86		
	Demand	off-take	% satisfaction	Demand	off-take	% satisfaction
Steel	24.00	21.00	87.5	25.96	20.30	78.2
Power	54.00	54.65	101.2	63.52	65.03	102.4
Loco	9.50	8.43	88.7	7.96	7.91	99.4
Cement	6.00	5.66	94.3	6.18	6.00	97.1
Soft Coke	3.30	2.16	65.5	3.10	2.29	73.8
Fertilizer	5.00	3.20	64.0	4.50	3.56	79.1
Export	0.20	0.12	60.0	0.20	0.22	110.0
BRK & Other*	31.00	27.49	88.7	32.74	29.61	90.4
Total	133.00	122.71	92.3	144.16	134.92	93.6

* including colliery consumption

The demand satisfaction for power sector was 102.4% compared to 101.2% of previous year. Demand satisfaction for loco, steel plants, and cement sectors were 99.4%, 78.2% and 97.1% respectively. The stock position of the core sector like power, steel, cement etc. remained satisfactory throughout the year. The average stock position of power houses, cement plants and steel plants were 42.18 lakh tonnes, 5.67 lakh tonnes and 5.28 lakh tonnes with average daily consumption of 23 days, 15 days and 15 days respectively. In case of Steel plants the demand satisfaction was less due to less off-take and increased import of coal by the steel plants.

7.2 Despatches: The overall despatches of Coal and Coke went up from 115.18 million tonnes in 1984-85 to 126.84 million tonnes in 1985-86 resulting in an increase of 10.1% over the the previous year. The total Rail despatches went up to 85.65 million tonnes during 1985-86 as against 79.04 million tonnes for 1984-85 representing an increase of 8.4% over the previous year. There has been sufficient improvement in loading of wagons during the year compared to the previous year. The average loading of wagons works out to 10798 wagons per day showing an average increase of 694 wagons per day. The daily average offer by Colliery was for 12060 wagons per day as against the daily average target of 11834 wagons per day. However, the allotment of wagons from the Railways did not match with the offer received from the Collieries. The average actual allotment and average actual supply of wagons works out to 11634 wagons and 11015 wagons per day respectively. Compared to the previous year there has been some improvement in average wagon supply, by 672 wagons per day. The total despatches of Coal and Coke by various means of transportation during 1984-85 and 1985-86 are tabulated below:

(Figures in million tonnes)

Mode of transport	1984-85	1985-86	Growth rate (%) 1985-86	
Rail*	79.04	85.65	(+)	8.36
Road*	22.55	24.80	(+)	9.97
Ropeways	2.29	2.69	(+)	17.46
Belt	4.00	5.04	(+)	26.00
Own arranged wagon (MGR)	7.30	8.66	(+)	18.60
Total:	115.18	126.84	(+)	10.12

*excluding internal despatches.

7.3 Stockyards: 80 stockyards were in operation in 1985-86, the same as in the previous year. The total receipt of Coal and Coke at the stockyards during 1985-86 was 11.50 lakh tonnes as against 12.58 lakh tonnes for 1984-85. As a result, sales had come down to 10.95 lakh tonnes during the year compared to 12.59 lakh tonnes for the previous year. Stock held by the stockyards at the end of the year (after considering adjustment for shortage) was 0.92 lakh tonnes as against 0.93 lakh tonnes at the end of the previous year.

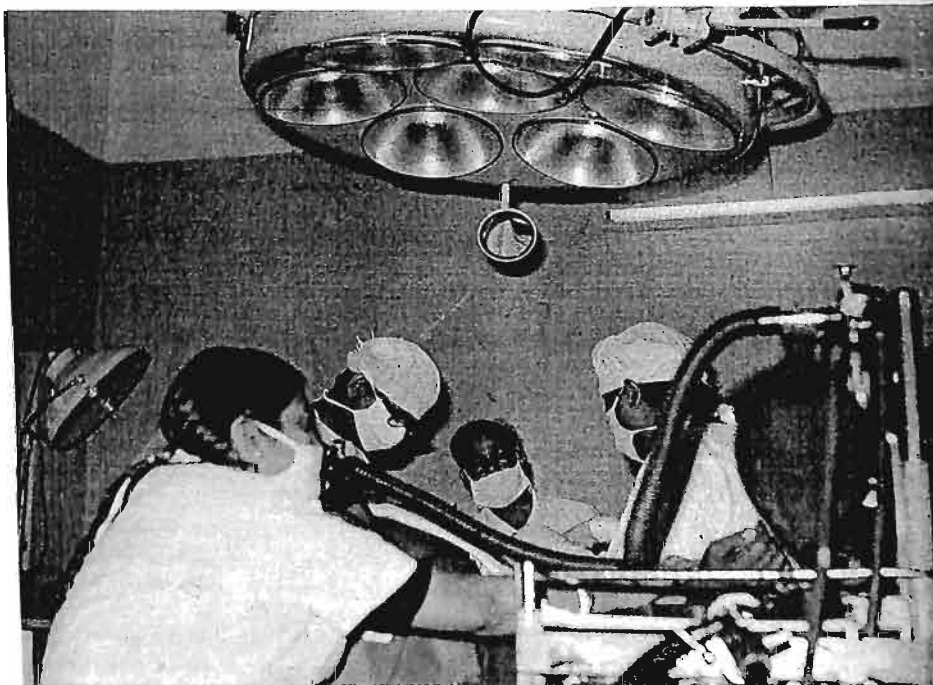
7.4 Stock of coal and coke: 1985-86 was marked by a reduction in pit-head stock mainly due to CCL. The stock as on 31.3.1986 was 25.80 million tonnes as against the previous year's figure of 28.40 million tonnes. Companywise stock position as on 31.3.1985 and 31.3.1986 together with increase and decrease in stock are indicated as :

(Figures in million tonnes)

Stock of Coal, Coke etc.	Stock as on		Variation	
	31.3.1985	31.3.1986		
ECL	4.85	4.53	(-)	0.32
BCCL	4.18	4.17	(-)	0.01
CCL	12.46	9.92	(-)	2.54
WCL	6.74	6.93	(+)	0.19
NEC	0.17	0.25	(+)	0.08
Total:	28.40	25.80	(-)	2.60

Based on physical verification by CIL team, the Company and its subsidiaries have adjusted coal stock of 23.25 lakh tonnes valuing Rs. 40.91 crores during 1985-86 compared to previous year figure of 4.02 lakh tonnes valuing Rs. 9.09 crores. A further provision @ 1.5% on production amounting to Rs. 37.56 crores have also been made in the accounts as per CIL Board decision on account of deterioration of stock, fire and longer period of stockings.

8. Safety: A committee for safety measures was constituted in each subsidiary including NEC, and action plans were drawn in line with important recommendations of the 5th conference on safety in mines



Surgeons at the operation table in the ECL Hospital.

which were being duly monitored at Area level, Hqrs level and CIL level like previous year. Intensive and sustained training was also being imparted to the workers in the day to day safety measures to implement the aforesaid action plans properly. The companywise position of fatal accidents and fatalities as well as serious injuries during the year 1984-85 and 1985-86 are tabled below:

	Fatal Accident		Fatalities		Serious Injuries	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
E C L	28	29	31	30	109	41
B C C L	25	35	26	42	165	183
C C L	18	19	24	21	41	40
W C L	33	39	37	42	322	276
N E C	1	4	1	5	4	4
Total:	105	126	119	140	641	544

9. **Manpower:** Total manpower of your Company and its subsidiaries has gone down marginally from 669274 as on 31.3.85 to 662477 as on 31.3.86. The decrease in manpower works out to 6797. Companywise figures are indicated below:

	Execu tives	Supervisory Clerical	Skilled / Semi-skilled Unskilled Workers	Total
ECL	2698	20027	168105	190830
31.3.85	2809	20864	164400	188073
31.3.86				
BCCL	3001	17700	152586	173287
31.3.85	2990	17336	147200	167526
31.3.86				
CCL	3092	15168	103497	121757
31.3.85	3181	13793	104466	121440
31.3.86				
WCL	2583	15755	155093	173431
31.3.85	2905	16040	156666	175611
31.3.86				
NEC	86	568	4769	5423
31.3.85	84	648	4456	5188
31.3.86				
CMPDIL	863	839	1507	3209
31.3.85	904	839	1572	3315
31.3.86				
CIL	283	799	255	1337*
31.3.85	287	777	260	1324*
31.3.86				
Total				669274
31.3.85	12606	70856	585812	662477
31.3.86	13160	70297	579020	

(*) Including 579 in Regional Sales Offices and Dankuni Coal Complex.
(Previous year 596)



10. Management Development and Training

During the year under review, major thrust in training and development activities to meet the shortage of skilled and highly skilled personnel in all disciplines as in the previous years continued. Arrangements were also made for training abroad in a wide range of technologies particularly in respect of operation and maintenance of highly sophisticated underground and opencast equipment to cope with our modernisation programme. Special efforts had also been made to develop in-house technical training institute/facilities for providing necessary training. The details of training and development activities during the year 1984-85 and 1985-86 are indicated below:

Category	No. of persons trained	
	1984-85	1985-86
Executives	5867	6999
Supervisors	6472	8360
Non-Executives	49	—
Workers/Miners	99447	106602
Trainees	1369	2028
Total:	113204	123989
In Company Training		
1. Executives		
(a) Senior Management	540	152
(b) Middle Management	1396	855
(c) Junior Management	2566	4581
Total (1)	4502	5588
2. Supervisors	6218	8066
3. Workers/Miners	98670	106029
Total (1+2+3)	109390	119683
External (Within India)		
1. Executives:		
(a) Senior Management	608	246
(b) Middle Management	446	706
(c) Junior Management	251	347
Total (1)	1305	1299
2. Supervisors	254	287
3. Workers/Miners	777	568
Total (1+2+3)	2336	2154
External (Abroad)		
1. Senior Management	12	16
2. Middle Management	24	56
3. Junior Management	24	40
4. Non executives	49	12
Total	109	124

11. Industrial Relations

During the year under review, labour relations continued to be cordial. The number of strikes and incidence of law and order disturbances had gone up marginally. However, the mandays lost and loss of production of coal have come down as compared to the previous year. Subsidiarywise number of strikes, law and order disturbances, mandays lost and loss of coal production are indicated below:

	No. of strikes		Law and order disturbances (no. of incidents)		Mandays lost (lakh)		Coal production loss (Lakh tonnes)	
	84-85	85-86	84-85	85-86	84-85	85-86	84-85	85-86
ECL	20	23	133	113	2.04	0.98	1.27	0.52
BCCL	28	46	99	178	0.34	0.27	0.56	0.36
CCL	13	21	59	63	0.64	0.07	0.38	0.30
WCL	14	14	51	64	0.54	0.20	0.58	0.31
CMPDIL	2	1	-	-	0.02	-	-	-
Total:	77	105	342	418	3.58	1.52	2.79	1.49

12. Welfare and Social Amenities

Sustained efforts were made during the year to provide more welfare and social amenities by constructing more hospital buildings, water supply arrangement and also by providing more medical and educational facilities, the position of which are indicated in the table given below:

Amenities	Unit	1984-85	1985-86
1. Houses	Addl. construction	12162	15418
2. Water Supply	Addl. population covered	143620	94890
3. School/Colleges	Actual number	848	895
4. Co-operative Credit Societies	"	153	153
5. Co-operative Stores	"	180	180
6. Banks	"	179	179
7. Ambulances	"	467	485
8. Hospitals	"	65	67
9. Hospital beds	"	4041	4163
10. Creches	"	210	210
11. Canteens	"	301	340

13. Capital Projects / Schemes

Presently 141 Coal mining projects, each having an investment of Rs. 5 crores and above with the total sanctioned capital outlay of Rs. 5462.25 crores and ultimate production capacity of 175.69 million tonnes per year are in various stages of construction and completion. Besides these Coal mining projects, four washery projects, four other projects (LTC

plant at Dankuni, fire projects and two advance action for mining projects) are under different stages of construction.

During the year under review, your Board sanctioned / approved 39 projects / schemes (including revision / expansion). Companywise details of projects and schemes sanctioned / approved during the year are given below:

	Projects (New)	Expansion / Revision Projects*	Others	Total
ECL	6	2	5	13
BCCL	—	3	1	4
CCL	2	5	2	9
WCL	3	6	1	10
NEC	1	—	2	3
Total:	12	16	11	39

* excluding updating of cost estimates.

Play after work



Payments made on Capital Account during 1985-86 was Rs. 842.73 crores as against Rs. 787.67 crores paid during the previous year. Company / Divisionwise details are given below:

(Rupees in crores)

	1984-85	1985-86
ECL	127.28	137.18
BCCCL	135.13	166.62
CCL	226.94	225.68
WCL	275.94	284.68
NEC	4.50	6.57
CMPDIL	3.65	5.42
Dankuni Coal Complex	13.19	15.51
CIL (Hqrs.) (including purchase on behalf of subsidiaries pending allocation)	1.04	1.07
Total:	787.67	842.73

Neighbouring villagers enjoying themselves under the community development programme in ECL





15. Capital Structure

The authorised, subscribed and paid up capital of the Company as on 31.3.1986 were Rs. 3,000 crores and Rs. 2942.70 crores respectively including shares for Rs. 246.53 crores issued to the Govt. of India for consideration other than cash. Further, Rs. 69.62 crores due to the Govt. of India are to be adjusted against issue of fresh Equity Shares. Authorised capital of the Company is proposed to be increased to Rs. 5,000 crores.

16. Borrowing from Govt. of India

During the year under review, the Company received a sum of Rs. 383.50 crores from Govt. of India as against Rs. 355.00 crores received during previous year. A sum of Rs. 28.87 crores was paid to the Govt. of India towards repayment of plan loan and Rs. 212.76 crores towards interest, corresponding figure for previous year being Rs. 108.55 crores and Rs. 158.96 crores respectively. The outstanding loan position as on 31.3.1986 was Rs. 2528.37 crores compared to Rs. 2173.74 crores as on 31.3.85.

17. Working Results

During the year under review, the Company and its subsidiaries incurred a loss of Rs. 404.18 crores compared to the loss of Rs. 78.03 crores during the previous year. The Companywise position of the above loss for 1984-85 and 1985-86 is indicated below alongwith cumulative position upto 31.3.1986:

(Rupees in Crores)					
	1984-85		1985-86*		Cumulative Profit/ Loss upto 31.3.1986.
E C L	(-)	13.66	(-)	69.97	(-) 719.58
B C C L	(-)	90.12	(-)	159.36	(-) 788.15
C C L		9.64	(-)	83.24	53.89
W C L		6.94	(-)	99.05	(-) 104.54
C M P D I L		0.95		1.62	2.90
NEC (including stockyards)		8.22		5.82	(-) 103.87
Total:	(-)	78.03	(-)	404.18**	(-) 1659.35

* Before creation of Investment Allowance Reserve etc.

** If we consider the balance of contribution in CPRA of Rs. 48.45 crores (as per para-19), the adjusted loss for 1985-86 will be Rs. 355.73 crores.

The increase in loss during the year under review compared to previous year is mainly due to increase in wages on account of annual increment, the impact of increasing the ceiling for exgratia payment in lieu of P.S. Bonus from Rs. 750 to Rs. 1600 and eligibility limit from Rs. 1600 p.m. to Rs. 2500 p.m. and also increase in Consumer price index average from 572 points for 84-85 to 603 points for 1985-86, increase in Railway freight and passenger fares, price escalation of stores & spares.



increase in power tariff, heavy rehandling of Coal Stocks in some areas and additional provision against Coal Stock for deterioration due to fire and longer period of stocking etc.

18. Payment of Royalty, Cess and Sales Tax

The Company and its Subsidiaries paid to Central and State Govts. Rs. 615.17 crores towards Royalty, Cess and Sales Tax as against last year's figure of Rs. 498.98 crores. The break-up of Royalty, Cess and Sales Tax payments for 1984-85 and 1985-86 is indicated below:

	(Rupees in crores)	
	1984-85	1985-86
Royalty on Coal	66.02	67.96
State Government Cess	315.67	418.92
Sales Tax (State & Central)	117.29	128.29
Total:	498.98	615.17

19. Retention Price

A sum of Rs. 188.56 crores was contributed by CCL and WCL (CCL Rs. 113.60 crores, WCL Rs. 74.96 crores) on account of Coal Price Regulation Account, out of which a sum of Rs. 166.03 crores was contributed to ECL, BCCL and NEC (ECL Rs. 55.26 crores, BCCL Rs. 110.13 crores and NEC Rs. 0.64 crores) leaving a balance of Rs. 22.53 crores in C.P.R. Account as on 31.3.1986. Due to change in WCL Accounts their contribution to CPRA for the year had gone up by Rs. 25.92 crores. Considering this additional contribution due from WCL, the balance in CPRA of Rs. 48.45 crores will be utilised in the year 1986-87.

20. Coal Price

The revision of coal price was made effective only from 9.1.1986 even though escalation in in-put cost of coal production took place from the very beginning of the financial year under review. The average total cost of Raw Coal production for 1985-86 was Rs. 210.33 per tonne as against the average selling price of Raw Coal Rs. 191.93 per tonne. The price of washed coal for 1985-86 had been settled by negotiation with SAIL during the year under review and it was made effective only from September, 1986.

21. BICP study for normative cost

The BICP has taken up the study of normative cost of coal production in CIL and its Subsidiaries and information in the prescribed format has been submitted to them. Their recommendation on normative cost is still awaited.

22. Directive issued by the President of India under Articles 37 of the Articles of Association of Coal India Limited - Procurement of 40 numbers of 250 MM Blast Hole Drill

Further to the Presidential directive vide Ministry of Energy, Dept. of Coal No. 37023 (49)/85—CML dt, 19.7.1985, the Department of Coal,



Ministry of Energy vide a further directive of even number dated 18.11.1985 conveyed the decision of the Govt. of India to proceed with the placement of fresh order for the purchase of the above mentioned equipment after the Board of Directors of the Company re-examined this case keeping in view the following principles:

(a) The interest of the Public Sector Enterprises which have quoted for the equipment should be fully kept in mind;

(b) After deciding upon the volume of order to be placed on the Public Sector Undertakings the remaining portion may be equally distributed among the remaining 3 Tenderers;

and

(c) The prices to be offered to all the suppliers, in respect of both standard as well as Tall Mast Drills should be the lowest after taking into account the maximum discount offered by them.

The Coal India Board vide item No. 70:4 (z) (iv) in its 70th meeting held on 19/20.11.1985 considered the letter referred to above of the Govt. of India, Ministry of Energy, Department of Coal, addressed to Chairman, Coal India Limited, and reviewed the decision on procurement of the above 40 numbers of Drills and finally approved the purchase of the said Drills by allotting 16 numbers to HEC, 8 numbers each to Revathi C P Ltd, L.M.P. Precision Eng. Co. Ltd and Ingersoll-Rand Ltd.

23. Board of Directors

During the year under review, Sri M S Gujral relinquished charge as Chairman on 25.7.1985 and Sri S B Lal, Secretary, Department of Coal, Ministry of Energy, Govt of India, took over the charge as Chairman from 26.7.1985. Sri G L Tandon took over the charge as Chairman, CIL, from Sri SB Lal on 18.10.1985. Whole time Directors Sri CR Mukherjee, Director (Finance) and Sri RK Gupta, Director (personnel) and part-time Director Sri NR Mitra, CMD, BCCL ceased to be Directors.

Since the last Annual General Meeting, wholetime Directors Sri B Swaminathan, Sri KA Sinha and Sri AV Brahma were appointed as Director (Finance), Director (Technical) and Director (Personnel) respectively. Sri M Jha, wholetime Director (Technical), ceased to be a wholetime Director.

During the year 1985-86 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 wholetime Directors shall retire at the 12th Annual General Meeting of the Company.

24. Accounts of the Subsidiaries

The Accounts of the Subsidiaries are placed in Volume-II of Annual Reports and Accounts for 1985-86.

25. 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.

26. Addenda

The following papers are annexed:

- (i) The comments and review of the Comptroller and Auditor General of India and our replies thereon.
- (ii) Replies to the observations made by the Statutory Auditors on the Accounts for the year ended 31st March, 1986.
- (iii) Statement pursuant to Section 212(1) (e) of the Companies Act, 1956.
- (iv) The names and other particulars of the employees of the Company who were in receipt of remuneration of not less than Rs. 3,000/- 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.

For and on
behalf of the Board of Directors

Dated, 30 Dec 1986
Calcutta.

G L Tandon
Chairman

THE MAJOR COALFIELDS OF INDIA



BALANCE SHEET

As at 31 March, 1986

		<u>Schedules</u>	Current year (Rs. in lakhs)		Previous year (Rs. in lakhs)	
Funds Employed						
Shareholders' Funds						
Share Capital	A	294269.55		246069.55		
Reserves & Surplus	B	<u>411.67</u>	294681.22	<u>12.09</u>		246081.64
Due to Government of India	C		6961.56			9598.54
Loan Funds						
Secured	D	3053.55		5789.00		
Unsecured	E	<u>288515.73</u>	<u>291569.28</u>	<u>248289.37</u>		<u>254078.37</u>
Total Funds Employed			<u>593212.06</u>			<u>509758.55</u>
Application of Funds						
Fixed Assets	F					
Gross Block		4139.20		3390.97		
Less : Depreciation		<u>1183.83</u>		<u>865.62</u>		
Net Block		2955.37		2525.35		
Capital-work-in progress		3578.07		2498.85		
Expenditure during construction awaiting allocation		<u>1285.02</u>	7818.46	<u>899.48</u>		5923.68
Investment	G		164800.56			123804.20
Purchase consideration pending adjustment	G1		11175.52			11175.52
Current Assets, Loans & Advances						
Inventories	H	1714.74		1271.36		
Sundry Debtors	I	456.10		337.63		
Cash & Bank Balances	J	300.29		402.29		
Other Current Assets	K	2497.85		2420.32		
Loans & Advances	L	<u>404312.21</u>		<u>362110.81</u>		
		409281.19		366542.41		
Less : Current Liabilities and Provisions	M	<u>10250.79</u>		<u>8268.69</u>		
Net Current Assets			<u>399030.40</u>			<u>358273.72</u>
			582824.94			499177.12



B/F

Miscellaneous Expenditure
(To the extent not written
off or adjusted)
Profit & Loss Account
Total Assets

Current year
(Rs. in lakhs)
582824.94

Previous year
(Rs. in lakhs)
499177.12

10387.12

593212.06

10581.43

509758.55

Accounting Policies & Notes Z
forming part of the
Accounts.

P.B. Datta
Dy. Company Secretary

B. Swaminathan
Director (Finance)

G.L. Tandon
Chairman

Calcutta,
Dated, the 29 Sept 1986.

As per our separate report of even date
For S. Bhaumik & Co.,
Chartered Accountants.

S.C. Banerjee
Partner

PROFIT & LOSS ACCOUNT

For the year ended 31 March 1986.

Income	Schedules	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Turnover	N	8371.69	8666.96
Coal & Bricks issued for other purposes	O	88.12	65.15
Other Receipts	P	254.89	368.52
Subsidy from Coal Price		64.31	—
Regulation Account for Retention Price		0.08	46.98
Excess provision written back	Q		364.66
Proportionate Expenditure transferred to Subsidiaries		458.68	72.44
Accretion in Stock	R	336.48	
		<u>9574.25</u>	<u>9584.71</u>
Expenditure			3631.34
Purchase of Coal & Coke	S	3418.41	
Payment to and provision for employees	T	1585.02	1538.50
Other Expenditure	U	2603.94	2581.08
Overburden Removal		615.16	502.04
Payment to Contractors		107.93	89.25
Interest (Net of recoveries from Subsidiaries Rs. 25410.64 lakhs, previous year Rs. 20590.81 lakhs)	V	224.52	164.29
Depreciation		283.74	239.68
Social Overhead	W	107.39	81.88
Provision	X	0.50	1.81
Contribution to Coal Price Regulation Account		—	27.74
		<u>8946.61</u>	<u>8857.61</u>
		627.64	727.10
Profit Available for Appropriation			—
Transferred to —		(-) 43.33	—
Stock Deterioration Reserve		(-) 344.77	—
Investment Allowance Reserve			727.10
Net Profit for the year		<u>239.54</u>	



B/F

Current year
(Rs. in lakhs)
239.54

Previous year
(Rs. in lakhs)
727.10

Prior Period Adjustments (Net) Y
Loss Brought forward from
previous year
Net Loss transferred to Balance Sheet

(-) 45.23

94.55

10,581.43

11,403.08

10,387.12

10,581.43

Accounting Policies and Notes Z
forming part of the Accounts

P.B. Datta
Dy. Company Secretary

B. Swaminathan
Director (Finance)

G.L. Tandon
Chairman

Calcutta,
Dated, the 29 Sept 1986

As per our separate report of even date
For S. Bhaumik & Co.,
Chartered Accountants.

S.C. Banerjee
Partner



Schedule to Balance Sheet as at 31 March, 1986

Schedule-A Share Capital

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Authorised Capital		
3,00,00,000 Equity Shares of Rs. 1000/- each (Previous year)		
3,00,00,000 Equity Shares of Rs. 1,000/- each)	<u>300000.00</u>	<u>300000.00</u>
Issued, Subscribed and Paid up		
2,69,61,690 Equity Shares of Rs. 1,000/- each fully paid in cash (Previous year 2,21,41,690 Equity Shares of Rs. 1,000/- each)	269616.90	221416.90
24,65,265 Equity Shares of Rs. 1,000/- each are allotted as fully paid up for consideration received in other than cash (Previous year 24,65,265 Equity Shares of Rs. 1,000/- each)	<u>24652.65</u>	<u>24652.65</u>
	<u>294269.55</u>	<u>246069.55</u>

Schedule-B Reserves & Surplus

Capital Reserve (CMLWO)			
As per last Account	12.09		6.81
Add : Funds received during the year	<u>18.65</u>		<u>5.82</u>
	30.74		12.63
Less : Adjustment made during the year-	7.17	23.57	0.54
		344.77	12.09
Investment Allowance		43.33	—
Stock Deterioration		<u>411.67</u>	<u>12.09</u>

Schedule-C Due to Govt. of India

(To be adjusted against issue of Equity Shares)

Advance received from Govt. of India towards Equity		4800.00	7700.00
Pending allotment of Shares against transfer of Shares from Subsidiaries for land Compensation			
Bharat Coking Coal Limited	10.13		10.13
Central Coalfields Limited	914.76		859.33
Western Coalfields Limited	532.33		419.99
Eastern Coalfields Limited	<u>150.29</u>	1607.51	<u>55.04</u>
			1344.49



Schedule to Balance Sheet as at 31 March 1986

		Current year (Rs. in lakhs)		Previous year (Rs. in lakhs)
For consideration payable to Govt. of India for vesting of Mines (As per last Account)		36.14		36.14
For consideration payable to Govt. of India for balance as on 1.5.1973 taken over (As per last Account)	709.77		709.77	
Less : Pro-rata Share of Loss	<u>347.82</u>	361.95	<u>347.82</u>	361.95
For Assets taken over from erstwhile Coal Board. (As per last Account)	365.41		365.41	
Less : Share issued/adjusted	<u>365.40</u>	01	<u>365.40</u>	0.01
Amount payable for Bharat Coking Coal Limited				
For Management compensation	5.95		5.95	
For advance payment made prior to 1.5.1973.	<u>150.00</u>	155.95	<u>150.00</u>	155.95
		<u>6961.56</u>		<u>9598.54</u>

Schedule-D Secured Loans

Cash Credit from Scheduled Banks (Limit Rs. 8020.00 lakhs, previous year Rs. 8020.00 lakhs)		3052.73		5734.33
Add : Interest Accrued and due		<u>0.82</u>		<u>54.67</u>
		<u>3053.55</u>		<u>5789.00</u>

Note : Cash Credit facilities availed of from Banks against hypothecation of stock of coal, coke, stores & spares, Book debts and movable assets of some of the Collieries of the Subsidiary Companies and North Eastern Coalfields

Schedule-E Unsecured Loans

From Government of India (Long term loan)		252837.27		217374.49
Interest accrued and due	39934.42		35170.84	
Less : Subsidy	<u>4255.96</u>	35678.46	<u>4255.96</u>	30914.88
		<u>288515.73</u>		<u>248289.37</u>

Schedule to Balance Sheet as at 31 March, 1986

Schedule F Fixed Assets

Particulars	Gross Value of Assets				Depreciation				(Rs. in lakhs)	
									Net Value of Asset	
	Total as on 1.4.85	Addition during the year	Disposal/ Adjustment during the year	Total as on 31.3.86	Total as on 1.4.85	Addition during the year	Transfer/ Adjustment during the year	Total as on 31.3.86	As on 31.3.86	As on 31.3.85
Freehold Land	167.39	0.36	—	167.75	—	—	—	—	167.75	167.39
Leasehold Land	4.03	—	(-) 0.05	3.98	0.05	0.02	—	0.07	3.91	3.98
Buildings, Roads, Culverts and Water Supply : etc.	478.90	193.92	—	672.82	57.88	31.62	—	89.50	583.32	421.02
Railway Sidings	11.77	—	—	11.77	4.27	0.72	—	4.99	6.78	7.50
Plant & Machinery	1926.80	353.81	(-) 0.06	2280.55	611.71	230.21	—	841.92	1438.63	1315.09
Furniture, Fittings & Office Equipment	135.22	31.52	(-) 0.01	166.73	26.27	8.98	(+)0.01	35.26	131.47	108.95
Vehicles	56.89	10.85	—	67.74	14.11	5.72	—	19.83	47.91	42.78
Aircraft	8.50	—	—	8.50	3.59	0.90	—	4.49	4.01	4.91
Development	598.47	95.83	—	694.30	146.99	36.78	—	183.77	510.53	451.48
Prospecting & Boring	3.00	62.06	—	65.06	0.75	3.25	—	4.00	61.06	2.25
Total :	3390.97	748.35	(-) 0.12	4139.20	865.62	318.20	(+)0.01	1183.83	2955.37	2525.35
Capital Work-in-Progress.	2498.85	1211.19	(-)131.97	3578.07	—	—	—	—	3578.07	2498.85
Expenditure during Construction Period awaiting allocation	899.48	385.54	—	1285.02	—	—	—	—	1285.02	899.48
Grand Total	6789.30	2345.08	(-)132.09	9002.29	865.62	318.20	(+)0.01	1183.83	7818.46	5923.68

Previous Year

Other Fixed Assets	2536.11	855.21	(-) 0.35	3390.97	606.18	259.43	(+)0.01	865.62	2525.35	
Capital Work-in-Progress	1473.23	1037.92	(-) 12.30	2498.85	—	—	—	—	2498.85	
Expenditure during Construction period awaiting allocation.	595.64	303.84	—	899.48	—	—	—	—	899.48	
Total	4604.98	2196.97	(-) 12.65	6789.30	606.18	259.43	(+)0.01	865.62	5923.68	

Notes : Total Depreciation for the year of Rs. 318.20 lakhs (Previous year Rs. 259.43 lakhs) has been allocated as under :

	(Rs. in lakhs)
	1985-86
Profit and Loss Account	283.74
Social Overhead	13.37
Expenditure during Construction period awaiting allocation.	21.43
Prior period Adjustment (Net).	(-) 0.34
	318.20
	1984-85
	239.68
	7.10
	13.75
	(-) 1.10
	259.43



Schedule to Balance Sheet as at 31 March, 1986

Schedule-C Investments (At Loss)

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Other than trade Investment (Unquoted) and in wholly owned Subsidiary Companies		
66,68,635 fully paid Equity Shares of Rs. 1000/- each in Central Coalfields Limited (Previous year 2628510 Equity Shares of Rs. 1000/- each)	66686.35	26285.10
35,00,000 fully paid Equity Shares of Rs. 1000/- each in Bharat Coking Coal Limited (Previous year 35000 00 Equity Shares of Rs. 1000/- each)	35000.00	35000.00
37,36,911 fully paid Equity Shares of Rs. 1000/- each in Eastern Coalfields Limited (Previous year 3727400 Equity Shares of Rs. 1000/- each)	37369.11	37274.00
24,89,110 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
85,400 fully paid Equity Shares of Rs. 1000/- each in Central Mine Planning & Design Institute Limited (Previous year 35,400 fully paid Equity Shares of Rs. 1000/- each)	854.00	354.00
	164800.56	123804.20

Schedule-G1 Purchase Consideration Pending

Dues arising out of transfer of Assets and Liabilities to Subsidiary Companies

As per last Account				
Eastern Coalfields Limited	5009.79		5009.79	
Western Coalfields Limited	4809.24		4809.24	
Central Coalfields Limited	1263.40		1263.40	
Central Mine Planning & Design Institute Limited	93.09	11175.52	93.09	11175.52
		11175.52		11175.52



Schedules to Balance Sheet as at 31 March, 1986

		Current year (Rs. in lakhs)		Previous year (Rs. in lakhs)
as taken, valued and certified by the management				
Stores & Spares at cost	445.11		324.99	
Less : Provision for obsolescence/ shortage	<u>4.04</u>	441.07	<u>4.12</u>	320.87
Stores-in-transit (at cost)		6.94		28.12
Stock of Coal, Coke (cost / selling price)	1188.10		864.20	
Less : Provision for stock deterioration	<u>25.45</u>	1162.65	<u>25.45</u>	838.75
Stock-in-transit		84.61		76.00
Stock of Bricks (at estimated cost)		9.85		5.79
Work-in-progress (Bricks at Workshop at estimated cost)		<u>9.62</u>		<u>1.83</u>
		<u>1714.74</u>		<u>1271.36</u>
Debts outstanding over six months	244.46		171.09	
Other Debts	<u>309.50</u>	553.96	<u>264.32</u>	435.41
Less : Provision for Bad and Doubtful debts		<u>97.86</u>		<u>97.78</u>
		<u>456.10</u>		<u>337.63</u>
Classification :				
Unsecured considered Good		456.10		337.63
Unsecured considered Doubtful		<u>97.86</u>		<u>97.78</u>
Debts due from Subsidiary Companies – CEMPDIL (Previous year – Central Coalfields Limited)		0.09		6.67



Schedule to Balance Sheet as at 31 March, 1986

Schedule-I Cash & Bank Balances

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Cash, Cheques, Drafts, Postal Orders and Stamps in hand	131.12	93.27
Current Account with Scheduled Banks	156.44	213.79
Remittance-in-transit	12.72	95.22
With Post Office Savings Bank	0.01	0.01
	<u>300.29</u>	<u>402.29</u>
Due from Government of India (Net)		
Transactions on behalf of ex-owners of non-coking coal mines	670.16	670.19
Subsidy towards interest on non-plan loans	1551.62	1551.62
Stowing subsidy	0.25	—
Advance Stripping of over burden removal	222.03	2221.81
	<u>275.82</u>	<u>198.51</u>
	<u>2497.85</u>	<u>2420.32</u>
Advance recoverable in cash or in kind or for value to be received		
Subsidy Receivable	—	7.17
Deposits	19.11	18.51
Advance to Subsidiary Companies	40193.13	360191.65
Advance for Capital Project	1364.80	1287.49
Claims Receivable	238.88	221.26
Others	765.32	453.34
	<u>1004.20</u>	<u>674.60</u>
	404381.24	362179.42
Less : Provision for doubtful claims	64.52	64.10
Provision for doubtful advances	4.51	4.51
	<u>69.03</u>	<u>68.61</u>
	<u>404312.21</u>	<u>362110.81</u>



Schedule to Balance Sheet as at 31 March, 1986

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Classification :		
Unsecured considered good	404312.21	362110.81
Unsecured considered doubtful	69.03	68.61

Amounts due from Subsidiary Companies	Maximum amount due at any time		Closing balance	
	During the year	During the previous year	Current year	Previous year
Bharat Coking Coal Limited	139618.88	114651.80	139618.88	114651.80
Central Coalfields Limited	85551.33	84752.10	65260.50	84752.10
Western Coalfields Limited	99289.69	77259.89	99289.70	77259.89
Eastern Coalfields Limited	103099.82	82793.88	97208.98	82793.88
Central Mine Planning & Design Institute Limited	977.11	733.98	615.07	733.98

Sundry Creditors	1020.48	1211.37
Provident Fund	15.70	16.02
Advance from Customers & Others	575.61	591.07
Income Tax deducted at Source	4.76	5.04
Sales Tax	48.33	32.82
Deduction under AECD Scheme	0.04	0.01
Interest accrued but not due	5376.24	5601.56
Security Deposits	65.73	62.26
Other Deposits	263.88	255.06
Other Liabilities	2880.02	493.48
	<u>10250.79</u>	<u>8268.69</u>

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



Schedule to Profit & Loss Account for the year ended 31 March, 1986

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Coal *	6864.58	7135.51
Coke	1507.07	1531.31
Bricks	0.04	0.14
	<u>8371.69</u>	<u>8666.96</u>

* Including beneficiation charges — Rs. 318.31 lakhs.
Previous year — Rs. 337.47 lakhs.

Colliery Consumption :

Coal	18.87	23.32	15.16	
Bricks	<u>4.45</u>		<u>2.91</u>	18.07
Free issue of coal to employees		43.39		27.53
Colliery consumption charged to Capital (Bricks)		<u>21.41</u>		<u>19.55</u>
		<u>88.12</u>		<u>65.15</u>

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

Service Charges	89.84	153.66
Transportation, Bamboo Matting & Registration	8.27	23.79
Compensation for delay & Breach of Contract	128.39	165.97
Claims Receivable from Railways	—	0.79
Profit on sale of Fixed Assets	—	1.05
Others	<u>28.39</u>	<u>23.26</u>
	<u>254.89</u>	<u>368.52</u>

Schedule to Profit & Loss Account for the year ended 31 March, 1986

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Stock of Stores – obsolescence	0.08	0.04
Bad and Doubtful Debts	—	44.78
Bad and Doubtful Claims	—	2.16
	<u>0.08</u>	<u>46.98</u>

Stock (Coal, Coke & Bricks) Closing	1282.52		945.99	
Less : Provision	<u>25.45</u>		<u>25.45</u>	
	1257.07		920.54	
Less : Opening	<u>920.54</u>	336.53	<u>848.22</u>	72.32
Work-in-Progress (Bricks)				
Closing	0.48		0.53	
Less : Opening	<u>0.53</u>	(-) 0.05	<u>0.41</u>	0.12
	<u>336.48</u>			<u>72.44</u>

Coal	2430.48	2683.90
Coke	<u>987.93</u>	<u>947.44</u>
	<u>3418.41</u>	<u>3631.34</u>

* Net of stock lost — in — transit (Current year – Rs. 33.84 lakhs, Previous year – Rs. 38.77 lakhs)



Schedule to Profit & Loss Account for the year ended 31 March, 1986

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Salaries, Wages, Allowances, Ex-gratia etc.	1271.76	1219.62
Contribution to Provident Fund and other Fund (including Administrative charges)	93.26	86.43
Gratuity & Pension	50.06	44.55
Workmen & Staff Welfare Expenses :		
Educational Allowance and Expenses	0.80	0.05
Salaries, Wages, Bonus and Allowance	1.88	0.40
Uniforms	29.28	2.73
Re-imbursement of Medical Expenses	62.52	16.31
Leave Travel Concession	3.76	119.22
Canteen up-keep and Refreshment	17.93	3.35
Hospital expenses	4.65	13.33
Life Cover Scheme	5.52	3.70
Workmen's Compensation	43.39	0.82
Free issue of coal to employees	0.98	27.53
Others	170.71	0.85
Less : Canteen Recovery	0.77	188.29
	169.94	0.39
	1585.02	187.90
		1538.50
Consumption of Stores and Spares	275.91	260.97
Power & Fuel	96.58	76.70
Consumption of Coal for Boiler use	16.17	15.16
Repairs :		
Factory/Office Buildings	12.61	13.05
Plant & Machinery	170.48	122.15
(includes Rs. 15.11 lakhs for salaries & Rs. 153.27 lakhs for Stores)	5.35	5.96
Others	188.44	141.16



Schedule to Profit & Loss Account for the year ended 31 March, 1986

Miscellaneous Expenses :	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Freight & Transportation Charges	1224.84	1357.51
Dump Operation Charges	148.89	140.51
Travelling Expenses	53.25	45.65
Octroi Charges	14.32	17.62
Advertisement	16.03	9.18
Maintenance of Vehicles	23.33	17.65
Printing & Stationery	12.66	11.09
Postage, Telephone and Trunk Calls	30.36	26.13
Insurance	10.97	11.48
Expenditure on Scientific Research	2.94	—
Subsidy towards loss on working of CMAL – SPF	31.83	—
Payment to Auditors :		1.12
For Fees	1.12	0.42
For Expenses	0.42	52.59
Rent	51.07	3.49
Rates & Taxes	5.09	288.45
Sales Tax	280.77	76.42
Royalty & Cess	76.84	27.78
Others	42.11	—
	<u>2026.84</u>	<u>2087.09</u>
	2603.94	2581.08
Interest on long term loan from Government	31558.73	26121.19
Interest on Bank over draft North Eastern Coalfields	222.72	682.85
	<u>1.51</u>	<u>1.01</u>
	224.23	683.86
Less Interest received on Bank Deposits	<u>21.78</u>	<u>11.75</u>
	31761.18	672.11
Less Subsidy towards interest on Non-plan loan from Government	<u>5807.58</u>	<u>5807.58</u>
	25953.60	20985.72



Schedule to Profit & Loss Account for the year ended 31 March, 1986

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
<i>Less : Interest distributed to Subsidiary Companies</i>	25410.64	20590.81
	<u>542.96</u>	<u>394.91</u>
<i>Interest for :</i>		
Dankuni Coal Complex	318.44	230.62
North Eastern Coalfields	<u>224.52</u>	<u>164.29</u>
	542.96	394.91
<i>Less : Capitalised (Dankuni Coal Complex)</i>	<u>318.44</u>	<u>230.62</u>
	<u>224.52</u>	<u>164.29</u>
Salaries, Wages, Bonus & Allowances	27.87	27.94
Consumption of Stores & Spares	25.21	20.71
Repairs & Maintenance to Township, Hospital and others	28.07	12.30
Donation to Schools & Institutions	6.47	6.43
Sports & Recreational Grants	2.05	1.70
Depreciation	13.37	7.10
Power	2.73	6.31
Insurance	0.05	0.05
Other benefits	<u>1.57</u>	<u>1.01</u>
	107.39	83.55
<i>Less : Colliery Consumption</i>	<u>—</u>	<u>1.67</u>
	<u>107.39</u>	<u>81.88</u>
Doubtful debts	0.07	0.58
Doubtful claims	0.43	0.78
Obsolescence and shortage of Stores & Spares	<u>—</u>	<u>0.45</u>
	<u>0.50</u>	<u>1.81</u>

Schedule to Profit & Loss Account for the year ended 31 March, 1986

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Debits		
Sales Tax, Royalty etc.	10.04	—
Selling Expenses	—	39.80
Freight	4.16	15.69
Salaries, Wages etc.	28.71	25.63
Gratuity & Pension	1.04	0.26
P.F. Contribution	0.27	0.19
Travelling Expenses	0.72	0.58
Repairs	0.07	0.78
Postage & Telegram	2.17	0.16
Rent	6.45	0.02
Consumption of Stores & Spares	4.26	1.91
Interest	0.47	0.03
Purchase	1.45	—
Claims Receivable	11.67	13.66
Maintenance of Vehicles	—	0.60
Printing & Stationery	0.17	0.50
Payment to Contractors	0.86	—
Transportation charges	—	7.56
Others	2.40	1.51
Medical Expenses Reimbursed	—	0.25
	<u>74.91</u>	<u>109.13</u>
Credits		
Freight	14.05	—
Rent	0.38	—
Depreciation	0.34	1.10
Demurrage	1.65	1.45
Self loading charges	1.73	—
Underloading charges	0.28	—
Salary, Wages etc.	0.05	—
Claims	0.24	—
Apex Office charges	—	15.44
Coal Price Regulation Account	—	153.42
Sales	9.57	17.84
Penalty Recovered	—	8.13
Others	1.39	6.30
	<u>29.68</u>	<u>203.68</u>
Net Debit	<u>45.23</u>	Net Credit <u>94.55</u>



Accounting Policies and Notes on the Accounts for the year ended 31 March 1986

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 to be 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 is inclusive of 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.2500/- per month (but restricted to Rs.1600/-) 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 Wherever detailed records are not available, allocation between leasehold and freehold land and building situated thereon could not be made.

2. Current Assets

- 2.1 Stock of Stores & Spares at NEC includes capital Stores & Equipment valuing Rs.72.66 lakhs (previous year Rs.39.81 lakhs).
- 2.2 In case of CMO, wherever book stock has been considered as closing stock, a provision amounting to Rs.25.45 lakhs has been carried forward from previous year and retained in the Accounts.
- 2.3 In case of CMO, stones and rejects valuing Rs.93.90 lakhs at cost price (21,618.87 tonnes) have been adjusted in the stock of Coal and Coke during the year.
- 2.4 The provision of Rs.4.04 lakhs on account of unserviceable/obsolete stores as on 31.3.1986 has been considered adequate.
- 2.5 The closing stock of stores has been considered in the Accounts as per balances appearing in priced stores Ledger. There is a difference in value of Rs.1.14 lakhs between priced stores Ledger & Financial Ledger, which has been adjusted in Profit & Loss Account.

3. Loans & Advances

- 3.1 Agreement for transfer of assets and liabilities amounting to Rs.93.10 lakhs (net) to Central Mine Planning and Design Institute Limited on its formation as a Subsidiary of Coal India Limited is yet to be executed.
- 3.2 Pending availability of the details, in some cases advances against purchase remained unlinked with the liability created for the same.
- 3.3 An adhoc provision of Rs.50 lakhs on account of doubtful claims recoverable from Railways and Contractors amounting to Rs.167.82 lakhs made upto 31.3.1985, has been retained in Accounts and considered adequate (CMO).

4. Reserve & Surplus

An Investment Allowance Reserve of Rs.344.77 lakhs has been created this year inclusive of Rs.279.15 lakhs for the period 1978-79 to 1984-85. In addition a reserve for Rs.43.32 lakhs has been created for deterioration in stock of Coal as per Management decision.



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 The Government of India have 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. Also no provision for penal interest amounting to Rs.80.43 lakhs for 1984-85 & Rs.99.54 lakhs for 1985-86 on the above loans has been made in the Accounts.
- 5.3 An amount of Rs.857.71 lakhs received (Rs.278.83 lakhs before nationalisation and Rs.578.88 lakhs after nationalisation) from Coal Board/Government of India towards subsidy, out of which Rs.674.74 lakhs have been adjusted leaving a balance of Rs.182.97 lakhs which is included under the head "Deposit" in "Current Liabilities" pending adjustment for receipt of particulars/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.1551.62 lakhs have been taken credit of in the Accounts.

7. General

- 7.1 The balance with Subsidiary Companies also remained unconfirmed. Figures given in the Balance Sheet are as per books of accounts and subject to reconciliation.
- 7.2 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.
- 7.3 As per practice no provision has been made in the accounts for losses of the Subsidiaries.
- 7.4 Previous year's figures have been rearranged, regrouped and modified wherever possible.

8. Capital Commitment

The amount of transactions remain to be executed on Capital Account not provided for amounts to Rs.9133.82 lakhs (previous year Rs.9387.18 lakhs.)

9. Contingent Liabilities

- 9.1 For claims against the Company not acknowledged as debts
- (i) Suits filed against the Company for Rs.62.86 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.
 - (iii) Claim for Sales Tax amounting to Rs.72.60 lakhs.
 - (iv) For Entry Tax for Rs.0.40 lakhs by the Karnatak State Government and Rs.4.83 lakhs by a Contractor.
- 9.2 Cases for which Company may be contingently liable for
- (i) Guarantees given by the Company for Bank overdraft aggregating to Rs.2325.00 lakhs for two Subsidiaries.
 - (ii) Certain disputes with the employees are under adjudication or settlement for which liability may extend to Rs.300.00 lakhs approximately.
 - (iii) Guarantee furnished by one of our Bankers amounting to Rs.1,000/- to the Government of



Maharashtra.

- (iv) Indemnity given by the Company to Port Trust, Bombay, for Rs.0.65 lakhs against Railway freight.
- (v) Income tax, in case carry forward of losses of some of the earlier years pending in appeal is not allowed.

10. Profit & Loss Account

- 10.1 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 payment 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.
- 10.2 The Government of India, Ministry of Energy, Department of Coal, New Delhi, vide No.28012(3)/81-CA dated 5th March, 1983, has introduced Retention Price Scheme and conveyed the sanction of the Central Government to the Retention price for raw Coal produced and sold by the different Subsidiary Companies and for the NEC owned by Coal India Limited. Coal India Limited is authorised to operate the Coal Price Regulation Account on behalf of the Government.
- 10.3 The debit balance of Profit & Loss Account in the Balance Sheet includes Rs.9951.15 lakhs (Loss) of CMAL period being carried forward.
- 10.4 The deficit in the revenue account of Coal Mines Authority Limited Staff Provident Fund is to be borne by CIL and accordingly deficit of Rs.31.83 lakhs claimed upto 31.3.1984 have been charged to P & L Account.
- 10.5 Schedule A to M form part of the Balance Sheet as on 31st March, 1986, and N to Y form part of the Profit & Loss Account for the year ended on that date and Schedule Z represents Accounting Policies & Explanatory Notes to the Accounts. Additional information required as per Schedule-VI (Part-II) are given in the Annexure to Schedule-Z.

P.B. Datta
Dy. Company Secretary

B. Swaminathan
Director (Finance)

G.L. Tandon
Chairman

As per our separate report of even date
For S. Bhaumik & Co.
Chartered Accountants.
S.C. Banerjee
Partner

Calcutta,
Dated, the 29 Sept 1986



1. **Directors' Remuneration**

	Current year (Rs. in lakhs)	Previous year (Rs. in lakhs)
(i) Salaries	3.07	1.92
(ii) Company's contribution to Provident Fund & other Funds	0.15	0.12
(iii) Medical benefits	6.11	0.10
(iv) Perquisites	0.40	0.43

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**

	Employed throughout the year		Employed for part of the year	
	85-86	84-85	85-86	84-85
(i) Number of employees	282	237	34	30
(ii) Salaries, Allowances etc. (Rs. in lakhs)	133.62	116.34	9.88	9.41
(iii) Contribution to Provident Fund(Do)	9.62	8.97	0.63	0.58

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**

	85-86 (Rs. in lakhs)	84-85 (Rs. in lakhs)
(i) Raw materials	—	—
(ii) Capital Goods	6.23	47.99
(iii) Stores, Spares & Components	—	—

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	—	—
(vi) Travelling	0.89	1.30
(vii) Medical treatment	5.14	—

5. **Earning in Foreign Exchange on account of**

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



(Rs. in lakhs) (Rs. in lakhs)

(iii) Miscellaneous

Capacity, Production, Sales and Stock

(a) Installed capacity

(b) Licensed capacity

(c) Estimated material consumption

NA

NA

NA

NA

31.07

6.23

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

Part-I

	Opening Stock Current year		Opening Stock Previous year		Production	
	Qty.	Value (Rs. lakhs)	Qty.	Value (Rs. lakhs)	Current Qty.	Previous Qty.
Coal						
Run-of-Mine & Hand picked 000' M.T.	172.15	533.69	108.15	335.47	840.8	812.66
Bricks						
Class-1 (000')	856	6.31	127	1.23	4569	4570
Un-graded (000')	—		1		88	—
Arch - (000')	47		52		—	—
Broken (000') Cu.M	15		15		584	215
Green Bricks (000')	45		90		—	—
Process Bricks (000')	80		60		—	—

TURN OVER

CLOSING STOCK

	Current year		Previous year		Current year		Previous year	
	Qty	Value Rs. (lakhs)	Qty.	Value Rs. (lakhs)	Qty.	Value Rs. (lakhs)	Qty.	Value Rs. (lakhs)
Coal								
Run-of-Mine & Hand picked 000' M.T.	762.77	2942.09	748.66	2725.67	252.2	869.40	172.15	533.69
Bricks								
Class-1 (000')	3976	25.90	3842	22.46	1448	10.34	856	6.31
Un-graded (000')	39		—		49		—	
Arch (000')	2		6		45		47	
Broken (000') Cu.M	50		215		104		15	
Green Bricks (000')	—		—		45		45	
Process Bricks (000')	—		—		70		80	

Note : 1. Turnover Quantity & value includes colliery consumption and free issue of coal for which separate figures could not be provided.. 2. Closing stock includes Stock-in-transit.

Statement of Opening Stock, Purchase, Turnover and Closing Stock

	Opening Stock		Purchase	
	Qty. '000'	Value Rs. (lakhs)	Qty. '000'	Value Rs. (lakhs)
	M.T.		M.T.	
Coal – 1985-86	82	371.54	789	2430.48
1984-85	116	485.33	872	2683.90
Coke – 1985-86	10	34.98	361	987.93
1984-85	24	60.13	386	947.44
Total – 1985-86	92	406.52	1150	3418.41
1984-85	140	545.46	1258	3631.34

Statement of Turnover and Closing Stock

	Sales		Rejects	Recoveries including missing wagons		Closing Stock	
	Qty. '000'	Value (Rs. lakhs)		Qty. ('000')		Qty. '000'	Value (Rs. lakhs)
Coal –							
1985-86	740	3767.55	18	32		80	360.92
1984-85	887	4233.65	—	44		82	371.54
Coke –							
1985-86	355	1507.08	3	2		12	42.35
1984-85	372	1531.31	—	2		10	34.98
Total							
1985-86	1095	5274.63	21	34		92	403.27
1984-85	1259	5764.91	—	46		92	406.52

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 31 March, 1986

Comments of Auditors

1. Reserve & Surplus

**Stock Deterioration Reserve —
Rs. 43.33 lakhs.**

This represents provision of 1.5% of value of production for covering deterioration in the stock of coal due to fire and longer period of stocking which should have been exhibited as deduction from the value of stock of coal instead of treating the same as an appropriation of profit and exhibiting as Reserve.

2.

Sundry Debtors: Rs. 456.10 lakhs

This includes departmental transshipment charges of Rs. 14.30 lakhs and Rs. 10.14 lakhs for the years 1984-85 and 1985-86 respectively although the Steel Authority of India Limited's offer to reimburse departmental transshipment charges was at a lump sum amount of Rs. 4.25 lakhs annually. The excess Credit has been taken on the ground that the offer of SAIL has not been agreed to.

3.

Profit & Loss Account:

Other expenditure : Rent Rs. 51.07 Lakhs

The above head does not include rent amounting to Rs. 1.35 lakhs payable to Paradip Port Trust in respect of Port Trust quarters under occupation of Bhubaneswar Regional Sales Office of the Company.

Management's Reply

A close reading of para 3 of Schedule-VI i.e. VII.I (a) (b) vis-a-vis Board's resolution vide sub-para 4.5 which reads as follows:

"The Board observed that the above provision should be for the purpose of accountal and not to cover any shortage of coal stock deduction on the basis of physical verification" will indicate that the Board's intention was of having reserve and not a provision. Further, it may be noted that the Board while adopting the accounts confirmed the position. An extract of the Record Note on discussion/decisions in the meeting of Directors (F) their representatives held on 28.8.86 is indicated below:

Provision for deterioration of stock etc. :-

"After some deliberations, it was agreed that the provision of 1.5% of value of production in the Accounts for covering deterioration in the stock of coal due to fire and longer period of stocking to be made as per directive of CIL Board will be in the form of "RESERVE" and not as a deduction from value of closing stock".

The proposal of SAIL of a lump sum annual payment of Rs. 4,25,000/- on account of departmental charges has not been agreed to by the Management and the same is still under negotiation.

In the absence of any agreement between CIL and Paradip Port Trust Authority, it has not been possible for Coal India Limited to even examine the claim for rent forwarded by Paradip Port Trust.

In view of the above position, no liability and/or even contingent liability was considered essential for the accounts.

Dr. S. C. Mookherjee
Member, Audit Board & Ex-Officio
Director of Commercial Audit-II
Calcutta

Dated, Calcutta
The, 16 DEC 1986



Review of Account of Coal India Limited for the Year Ended 31 March, 1986 by the Comptroller & Auditor General of India

1. Financial Position

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

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
Liabilities			
(a) Paid-up capital (including amount due to Govt. of India to be adjusted against issue of shares)	2,12,987.12	2,55,668.09	3,01,231.11
(b) Reserves & Surplus	6.81	12.09	411.67
(c) Borrowings			
i) From Govt. of India	1,92,729.43	2,17,374.49	2,52,837.27
ii) From Bank	7,671.95	5,734.33	3,052.73
(d) Trade dues and current liabilities (including provision).	34,310.74	39,238.24	45,930.07
Total	4,47,706.05	5,18,027.24	6,03,462.85
Assets			
(e) Gross Block	2,536.11	3,390.97	4,139.20
(f) Less Depreciation	606.18	865.62	1,183.83
(g) Net Fixed Assets	1,929.93	2,525.35	2,955.37
(h) Capital Work-in-Progress (including other Capital Assets).	2,068.87	3,398.33	4,863.09
(i) Investment	1,23,401.45	1,23,804.20	1,64,800.56
(j) Current Assets, Loans & Advances (including amount due from Govt. of India for non-coking coal mines).	3,08,826.89	3,77,519.42	4,20,180.89
(k) Miscellaneous expenditure & Losses not written off :			
i) Deferred Revenue Expenditure	75.83	198.51	275.82
ii) Accumulated losses	11,403.08	10,581.43	10,387.12
	4,47,706.05	5,18,027.24	6,03,462.85
Capital Employed	2,77,041.71	3,40,806.53	3,77,206.19
Net Worth	2,01,515.02	2,44,900.24	2,90,979.84

Note :

(1) Capital employed represents Net Fixed Assets plus working capital.

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

2. Capital Structure

The debt equity ratio of the Company was 0.90 : 1 in 1983-84, 0.85 : 1 in 1984-85 and 0.84 : 1 in 1985-86.

3. Reserves & Surplus

The Reserve & Surplus (Rs. 411.67 lakhs amounted to (a) 0.068% of total liabilities in 1985-86 as against 0.002% in 1984-85 and 0.002% in 1983-84 and (b) 0.137% of equity capital (Rs. 3,01,231.11) in 1985-86 as against 0.005% in 1984-85 and 0.003% in 1983-84.

4. Liquidity & Solvency

- The percentage of current assets to total net asset varied from 68.98 in 1983-84 to 72.88 in 1984-85 and 69.63 in 1985-86.
- The percentage of current assets to current liabilities including provisions varied from 900.09 in 1983-84 to 962.12 in 1984-85 and 914.83 in 1985-86.
- The percentage of quick assets (cash and bank balances, debtors and advances) to current liabilities (excluding provisions) varied from 32.92 in 1983-84 to 3.04 in 1984-85 and 3.31 in 1985-86.

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 1986 amounted to Rs. 2,74,516.15 lakhs in 1983-84, Rs. 3,38,281.18 lakhs in 1984-85 and Rs. 3,77,206.19 in 1985-86 and represented 432.26 months, 493.74 months and 493 months' value of production at cost (excluding depreciation) during the above years respectively.

6. Sources and Uses of Funds

Funds amounting to Rs. 717.79 lakhs from internal sources (depreciation, reserves & surplus and provision) and Rs. 85,036.03 lakhs from other sources were utilised during 1985-86 as shown below :

	(Rs. in lakhs)
Gross Fixed Assets	748.23
Capital work in progress	1,464.76
Investment (other than trade)	40,996.36
Current Assets Loans & Advances	42,661.47
Miscellaneous Expenses & Losses not written off	(-) 117.00
Total	85,753.82

7. Working Results

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
Profit/Loss as per account	(+) 295.16	(+) 727.10	(+) 239.54
Add : Development rebate reserve , Investment Allowance Reserve, Stock deterioration reserve shown above the line	—	—	(+) 388.10
Profit/Loss for the year	(+) 295.16	(+) 727.10	(+) 627.64
Add/deduct past period adjustment shown below the line	(+) 37.62	(+) 94.55	(-) 45.23
Loss/Profit before tax	(+) 332.78	(+) 821.65	(+) 582.41
Tax Provision	—	—	—
Loss/Profit after tax	(+) 332.78	(+) 821.65	(+) 582.41
(+) indicates Profit (-) indicates Loss			

The cumulative loss as on 31.3.86 amounted to Rs. 10,387.12 lakhs as against the paid-up capital of Rs. 3,01,231.11 lakhs as on the same date.



8. Cost Trend

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

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
Sales of Coal, Coke, Bricks etc.	7,607.12	8,666.96	8,371.69
Add Loss/Less Profit	295.16	727.10	239.54
Cost of Sales	7,311.96	7,939.86	8,132.15
Percentage of Cost of Sales to Sales.	96.12	91.61	97.14

9. Production Performance

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

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
i) Sales of coal & bricks etc.	7,607.12	8,666.96	8,371.69
ii) Closing stock of coal bricks etc. (including work-in-progress)	848.63	927.07	1,257.55
iii) Opening stock of coal & brick etc. (including work-in-progress)	372.14	848.63	921.07
iv) Value of production (i+ii+iii)	8,083.61	8,739.40	8,708.17

The percentage of value of production to net worth fluctuated from 4.01 in 1983-84 to 3.57 in 1984-85 and 2.99 in 1985-86. Percentage of value of production to total net assets varied from 1.80 in 1983-84 to 1.69 in 1984-85 and 1.44 in 1985-86.

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, 1986

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
i) Stores & Spares	286.46	348.99	448.01
ii) Stock of Coal, Bricks etc.	848.63	921.07	1,257.55

The stock of stores and spares was equivalent to 16.62 months' consumption in 1983-84, 16.05 months' in 1984-85 and 19.48 months' consumption in 1985-86. Stock of coal, bricks etc. represented 1.34 months' sales in 1983-84, 1.27 months' sales in 1984-85 and 1.80 months' sales in 1985-86.

11. Sundry Debtors & Turnover

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

	(Rs. in lakhs)				
As on	Total book debts considered good	Total book debts considered doubtful	Total	Sales	Percentage of debtors to Sales
31-03-84	301.93	141.98	443.91	7,607.12	5.84
31-03-85	337.63	97.78	435.41	8,666.96	5.02
31-03-86	456.10	97.86	553.96	8,371.69	6.62



undry debtors represented about 0.70 months' turnover in 1983-84, 0.63 months' turnover in 1984-85 and 0.79 months' turnover in 1985-86.

The following table indicates the details of debts outstanding for more than one year as on 31-03-86.

	Govt. Deptt.	(Rs. in lakhs) Private parties	Total
i) Debts outstanding over one year but less than two years.	6.72	0.96	7.68
ii) Debts outstanding over two years but less than 3 years.	1.81	0.41	2.22
iii) Debts outstanding for 3 years and above	144.31	3.19	147.50
Total	<u>152.84</u>	<u>4.56</u>	<u>157.40</u>

ated, Calcutta,
the 16 December 1986

Dr. S.C. Mookerjee
Member, Audit Board & Ex-Officio, Director of Commercial Audit-II,
Calcutta



Addendum to Directors' Report

Auditors' Report

Our Reply

To
The Members of
Coal India Limited.

We have audited the attached Balance Sheet of Coal India Limited as at 31 March, 1986 and also the annexed Profit & Loss Account for the year ended on the date, in which are incorporated the accounts of North Eastern Coalfields and CIL Head Quarters audited by us and the account 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-GC dated 3.3.86 of Company Law Board, Government of India, Department of Company Affairs, New Delhi. We report as follows:

1. As required under Manufacturing and other Companies (Auditor's report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

No comment needed.

2. 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 Rs.1/- each during the year. We were informed by the management that title deeds and mutation of the properties owned and acquired after nationalisation through Government agencies are still in progress. Hence, the same could not be produced for our verification.

No comment needed.

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 the State Bank of India and United Bank of India for transfer of Bank overdraft and assets hypothecated against such overdraft 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 in accordance with the agreement. Register of charges of the Company has not been amended accordingly. There is a contingent liability to the extent of the amount drawn by the subsidiaries as at 31.3.86 against the facilities of the Companies. The quantum of such liability could not be ascertained.

The title of 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—

4. Gratuity

Gratuity is generally accounted for on cash basis. No actuarial

Reference may be made to Item 4.5 of

valuation by a firm of Actuary on the liability of gratuity is made by the Company during the year. In respect of certain retired employees gratuity has been provided in the Accounts on accrual basis. The Company has not been following any firm policy either on "Cash basis" or on "Accrual basis". Actual liability on account of gratuity for the year has also not been ascertained.

Sch-Z(A) Accounting Policies. Gratuity has been accounted for on cash basis except in certain cases where payment could not be arranged during the year for which liability has been created.

5. Depreciation

Depreciation has been provided @ 100% on the ceiling and pedestal fans neither used nor even installed at NEC during the year. In our opinion depreciation can be provided only when the fixed assets are used for the purpose of business and the rate of depreciation on fans used in office premises should not have been provided @ 100% as is applicable only in the case of Plant & Machinery.

Treatment of Electrical fans under P & M group was considered and depreciated in full as suggested by the Auditors in 84-85. However, necessary corrections both in principle and for rate would be made in the next year.

Depreciation on vehicles at CIL Head Quarters has been over-provided to the extent of Rs.4,235.25.

6. Misc. Receipts of CIL Head Quarters which have been adjusted against Apex Office charges and distributed to various subsidiaries and units under its control, include Rs.1.30 lakhs being sale proceeds of 4 Nos. old cars having their book value "Nil" taken over from erstwhile management. In absence of original cost of such cars, the capital gains if any, could not be ascertained.

No comment needed.

7. The deficit in the revenue account of Coal Mines Authority Limited Staff Provident Fund upto 31 March, 1984 amounting to Rs.31.83 lakhs has been charged to profit & loss account for the year. We have been given to understand that in the absence of claims for deficit lodged by Coal Mines Authority Limited Staff Provident Fund Trust for the years ending on 31 March 1985 and 31 March 1986, deficit, if any, on this account could not be provided in the accounts. However, the fact should have been covered under Contingent Liability.

As per CMALSPF Rules, loss sustained on working by the Trustees is to be made good by the CIL Management. As the accounts of CMALSPF for the years ended 31.3.85 and 31.3.86 respectively were not finalised and hence no claim received from the Trustees.

8. A sum of Rs.10.04 lakhs, a prior period charge of CIL Head Quarters Accounts relating to Royalty, Cess, Sales Tax etc. of ECL debited by BCCL for the period prior to 31.10.75 since the adjustment of inter-subsidiaries matter relating to pre-incorporation period cannot be passed on to subsidiaries, this charge has been retained by CIL as a pre-incorporation loss.

No comment needed.

9. Provision for Taxation

The Company did not provide for any amount for taxation, although there were current profits, on the plea that there will be no surplus left after setting off of past losses including matters for carry forward of losses for some earlier years pending in Appeals.

Refer to item No.9.2.(v) of Sch-Z to Balance Sheet.

10. The closing stocks of Coal at all the Collieries under NEC have

A reference is invited to item No.9.1



8. Cost Trend

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

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
Sales of Coal, Coke, Bricks etc.	7,607.12	8,666.96	8,371.69
Add Loss/Less Profit	295.16	727.10	239.54
Cost of Sales	7,311.96	7,939.86	8,132.15
Percentage of Cost of Sales to Sales.	96.12	91.61	97.14

9. Production Performance

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

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
i) Sales of coal & bricks etc.	7,607.12	8,666.96	8,371.69
ii) Closing stock of coal bricks etc. (including work-in-progress)	848.63	927.07	1,257.55
iii) Opening stock of coal & brick etc. (including work-in-progress)	372.14	848.63	921.07
iv) Value of production (i+ii+iii)	8,083.61	8,739.40	8,708.17

The percentage of value of production to net worth fluctuated from 4.01 in 1983-84 to 3.57 in 1984-85 and 2.99 in 1985-86. Percentage of value of production to total net assets varied from 1.80 in 1983-84 to 1.69 in 1984-85 and 1.44 in 1985-86.

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, 1986

	(Rs. in lakhs)		
	1983-84	1984-85	1985-86
i) Stores & Spares	286.46	348.99	448.01
ii) Stock of Coal, Bricks etc.	848.63	921.07	1,257.55

The stock of stores and spares was equivalent to 16.62 months' consumption in 1983-84, 16.05 months' in 1984-85 and 19.48 months' consumption in 1985-86. Stock of coal, bricks etc. represented 1.34 months' sales in 1983-84, 1.27 months' sales in 1984-85 and 1.80 months' sales in 1985-86.

11. Sundry Debtors & Turnover

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

(Rs. in lakhs)					
As on	Total book debts considered good	Total book debts considered doubtful	Total	Sales	Percentage of debtors to Sales
31-03-84	301.93	141.98	443.91	7,607.12	5.84
31-03-85	337.63	97.78	435.41	8,666.96	5.02
31-03-86	456.10	97.86	553.96	8,371.69	6.62



ndry debtors represented about 0.70 months' turnover in 1983-84, 0.63 months' turnover in 1984-85 and 0.79 months' turnover in 1985-86.
e following table indicates the details of debts outstanding for more than one year as on 31-03-86.

	Govt. Deptt.	(Rs. in lakhs) Private parties	Total
Debts outstanding over one year but less than two years.	6.72	0.96	7.68
Debts outstanding over two years but less than 3 years.	1.81	0.41	2.22
Debts outstanding for 3 years and above	144.31	3.19	147.50
Total	152.84	4.56	157.40

ted, Calcutta,
e 16 December 1986

Dr. S.C. Mookerjee
Member, Audit Board & Ex-Officio, Director of Commercial Audit-II,
Calcutta



Addendum to Directors' Report

Auditors' Report

Our Reply

To
The Members of
Coal India Limited.

We have audited the attached Balance Sheet of Coal India Limited as at 31 March, 1986 and also the annexed Profit & Loss Account for the year ended on the date, in which are incorporated the accounts of North Eastern Coalfields and CIL Head Quarters audited by us and the account 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-GC dated 3.3.86 of Company Law Board, Government of India, Department of Company Affairs, New Delhi. We report as follows:

1. As required under Manufacturing and other Companies (Auditor's report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. 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 Rs.1/- each during the year. We were informed by the management that title deeds and mutation of the properties owned and acquired after nationalisation through Government agencies are still in progress. Hence, the same could not be produced for our verification.
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 the State Bank of India and United Bank of India for transfer of Bank overdraft and assets hypothecated against such overdraft 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 in accordance with the agreement. Register of charges of the Company has not been amended accordingly. There is a contingent liability to the extent of the amount drawn by the subsidiaries as at 31.3.86 against the facilities of the Companies. The quantum of such liability could not be ascertained.
4. **Gratuity**
Gratuity is generally accounted for on cash basis. No actuarial

No comment needed.

No comment needed.

The title of 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—

Reference may be made to Item 4.5 of



valuation by a firm of Actuary on the liability of gratuity is made by the Company during the year. In respect of certain retired employees gratuity has been provided in the Accounts on accrual basis. The Company has not been following any firm policy either on "Cash basis" or on "Accrual basis". Actual liability on account of gratuity for the year has also not been ascertained.

5. **Depreciation**

Depreciation has been provided @ 100% on the ceiling and pedestal fans neither used nor even installed at NEC during the year. In our opinion depreciation can be provided only when the fixed assets are used for the purpose of business and the rate of depreciation on fans used in office premises should not have been provided @ 100% as is applicable only in the case of Plant & Machinery.

Depreciation on vehicles at CIL Head Quarters has been over-provided to the extent of Rs.4,235.25.

6. Misc. Receipts of CIL Head Quarters which have been adjusted against Apex Office charges and distributed to various subsidiaries and units under its control, include Rs.1.30 lakhs being sale proceeds of 4 Nos. old cars having their book value "Nil" taken over from erstwhile management. In absence of original cost of such cars, the capital gains if any, could not be ascertained.

7. The deficit in the revenue account of Coal Mines Authority Limited Staff Provident Fund upto 31 March, 1984 amounting to Rs.31.83 lakhs has been charged to profit & loss account for the year. We have been given to understand that in the absence of claims for deficit lodged by Coal Mines Authority Limited Staff Provident Fund Trust for the years ending on 31 March 1985 and 31 March 1986, deficit, if any, on this account could not be provided in the accounts. However, the fact should have been covered under Contingent Liability.

8. A sum of Rs.10.04 lakhs, a prior period charge of CIL Head Quarters Accounts relating to Royalty, Cess, Sales Tax etc. of ECL debited by BCCL for the period prior to 31.10.75 since the adjustment of inter-subsidiaries matter relating to pre-incorporation period cannot be passed on to subsidiaries, this charge has been retained by CIL as a pre-incorporation loss.

9. **Provision for Taxation**

The Company did not provide for any amount for taxation, although there were current profits, on the plea that there will be no surplus left after setting off of past losses including matters for carry forward of losses for some earlier years pending in Appeals.

10. The closing stocks of Coal at all the Collieries under NEC have

Sch-Z(A) Accounting Policies. Gratuity has been accounted for on cash basis except in certain cases where payment could not be arranged during the year for which liability has been created.

Treatment of Electrical fans under P & M group was considered and depreciated in full as suggested by the Auditors in 84-85. However, necessary corrections both in principle and for rate would be made in the next year.

No comment needed.

As per CMALSPF Rules, loss sustained on working by the Trustees is to be made good by the CIL Management. As the accounts of CMALSPF for the years ended 31.3.85 and 31.3.86 respectively were not finalised and hence no claim received from the Trustees.

No comment needed.

Refer to item No.9.2.(v) of Sch-Z to Balance Sheet.

A reference is invited to item No.9.1



been valued uniformly at the notified selling price of Rs.342/- per M.T. marked "Ungraded". In our opinion, all the quantities were not ungraded as will be apparent from the subsequent sale bills. The method of valuation at NEC adopted firmly at the "notified selling price" instead of "cost or net realisable value" whichever is lower. Therefore the element of profit included in the above stock could not be ascertained in the above stock in absence of availability of actual cost.

of Sch-Z(A) to Balance Sheet. This principle is followed consistently.

11. Stock of stores at NEC Central godown includes Machinery worth Rs. 72.66 lakhs out of which a sum of Rs.39.81 lakhs has been carried forward from earlier years and a sum of Rs.1.91 lakhs has been carried forward since 1977.

Most of these are stand-by Machineries for replacement kept in stores considering procurement difficulty due to distance from sources of supply.

12. In addition to the discrepancies between the stores Ledger & financial books of stores at NEC amounting to Rs.1.14 lakhs, a sum of Rs.93.061/- has been charged to consumption on a/c of shortage of Diesel at Tikak Colliery out of which a sum of Rs.24,724/- should have been recovered from I.O.C. on account of short receipt.

Action is being taken for reconciliation and recoveries for short supplies.

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

a) **Stock-in-trade**

Stock of coal and coke worth Rs.93.90 lakhs has been written off during the year as the same has been considered as stone shales and rejects by the management.

In our opinion the stockyards operators are primarily responsible for such loss and the same should be recovered from the respective stockyard operators.

- b) Provision for stock deterioration amounting to Rs.25.45 lakhs has been carried forward from the last year even after writing off Rs.93.90 lakhs as stone shales and rejects as stated in (a) above.

The Board has approved this adjustment.

c) **Advance from customers**

(i) Subsidiary Ledgers are not tallied with the control account in respect of Bhopal Sales Office, Ghaziabad, Ballabgarh stockyards under the control of Delhi Sales Office and (ii) no proper details are available for Rs.3,11,76,630/- of Calcutta Sales Office and for Rs.51,05,616/- of Lucknow Office. In absence of proper details we are unable to form any opinion about the adjustability of these advances.

As physical measurement of stock could not be made in some stock-yard the provision has been retained for eventual stock deterioration, if any.

- d) A sum of Rs.5.21 lakhs due from M/s. Dongargarh Coal Depot, Raipur of Bhopal Sales Office has been written off in CMO books on the basis of a settlement reached with the party for cost of Coal found short alongwith the penalty amount duly approved by the Head Quarters. It appears that the settlement has been reached without any business consideration and is not

Action being taken for reconciliation.

The adjustment was carried out according to appropriate approval of the competent authority as decided by the Management.

based on the principles of commercial expediency. Further no approval either from the Board or from any person authorised by the Board was shown to us.

- e) A sum of Rs.2.47 lakhs being penalty price of Coal and freight on shortage beyond 7.5% on unweighted rakes in respect of Indore Stockyard has been waived by CMO by debiting "Prior Period Adjustment a/c" and crediting party's a/c without any legal obligation under the agreement and does not appear to have based on the principles of commercial expediency. Further no approval either from the Board or from any person authorised by the Board was shown to us.
- f) Rent to the tune of Rs.1.49 lakhs and Rs.2.97 lakhs have been provided in the CMO A/cs. for additional plots engaged for stocking of coal at Ghaziabad and Ballabgarh respectively for which stockyard operators are responsible for paying the rent as per agreement. Thus profit has been understated by the above two amounts.
- g) A sum of Rs.2.30 lakhs has been charged to "prior period Adjustment A/c." in CMO Books for hike in Coal handling charges relating to earlier years and credited to Party's A/c without any legal obligation under the agreement and does not appear to have been based on the principles of commercial expediency.
- h) A sum of Rs.9.25 lakhs on account of sale not accounted for during 1983-84 in Lucknow Sales Office has been accounted for during the year under audit by crediting "Prior Period Adjustment" A/c.
- i) Purchase bills amounting to Rs.51.29 lakhs of Calcutta Sales Office were shown in the name of M/s. Central Inland Water Transport Corporation Ltd. (Rs.47.19 lakhs) and M/s. Mohini Mills Ltd. (Rs. 4.10 lakhs). As stated by the management, the aforesaid Companies have handed over their programme for sponsored quantity of Coal to CIL.
- j) Two plots of land allotted by M.P. State Authorities at Bhopal and Indore to CIL for stockyard activities are in use since last four years without any lease agreement. CIL has already incurred capital expenditure towards their development amounting to Rs.3.94 lakhs on above two plots of land. No lease rent so far been paid. The Company may be debarred from the leasehold rights due to non-execution of lease agreement and non-payment of lease rent.
- k) Capital-work-in-progress amounting to Rs.6.19 lakhs represents cost of weighing equipments delivered to Bhubaneswar Sales Office in damaged condition for which it is learnt, negotiations are going on with the party for replacement of the same.

Same as above.

Proportionate recovery of rent had been made from the Operation Charges of the contractor which includes rent element. Thus contracted element of rent has been charged to accounts.

Due to increase in the notified price of Coal the contractors appealed to the management for revision of rate for transportation charges as the shortages are recovered at the revised coal price whereas the rate of transportation is based on old price. Hence, management considered the cases and adjustment done appropriately.

No comment needed.

No comment needed.

Action initiated to obtain the conveyance prepared through the State Authorities.

No comment needed.



- l) Title Deeds for 2 plots of land costing Rs.2.97 lakhs in respect of Bhubaneswar Sales Office and lands costing Rs.29.84 lakhs in respect of Dankuni Coal Complex have not been produced to us for verification.
- m) "Claims Receivable Stores" amounting to Rs.70.86 lakhs due from Heavy Engineering Corporation Ltd. for supply of cement and steel is subject to their confirmation in respect of Dankuni Coal Complex.
- n) No provision has been made in the accounts for escalation bills amounting to Rs.36.50 lakhs submitted by NPCC Ltd. for construction of residential building and allied works at Township in respect of Dankuni Coal Complex due to non-finalisation of escalation claim by the management. The same has also not been covered under contingent liability.
14. No confirmation of balances produced to us for our verification in respect of Sundry creditors, sundry debtors, loans, advances, deposits, amount due from Government of India and due to Govt. of India and amount due from subsidiary companies under its control.
15. In absence of proper information made available to us the information required in paragraph 4D of Part II to Schedule-VI of the Companies Act, 1956, so far consumption of imported and indigenous stores and spares alongwith respective percentage could not be verified by us.
16. The total effect of the above Notes in paragraphs(2 to 15) and annexure in paragraph 1 upon the true and fair views displayed in financial statements could not be ascertained except those which are ascertained as mentioned separately in the Note itself.
17. Subject to para 2 to 16 above and further to our comments in annexure referred to in para 1 above and read with the Notes appearing in Schedule-Z i.e. Accounting Policies and Notes on the accounts, we report that:
- a) While preparing our report, we have considered the Reports on the Accounts of Regional Offices, Coal Marketing Organisation and Dankuni Coal Complex audited by the Branch Auditors.
- 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 account 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 account.
- e) In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, the

Action initiated to obtain the title deeds from the respective state authorities. (Ref. Sch-Z Note B.1.2)

No comment needed.

Noted

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



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 31 March, 1986 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 S Bhaumik & Co.
Chartered Accountants

S C Banerjee
Partner

For and on behalf of
Coal India Limited

G L Tandon
Chairman



Annexure to the Auditors' Report of Coal India Limited

Referred to in paragraph 1 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, Chandigarh, Bhopal and Jaipur. In the 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 Calcutta, Lucknow, Jaipur, Chandigarh and Bhopal Offices, where no serious discrepancies were noticed. In case of NEC and Hqrs 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 has been revalued during the year.
3. Stock of Coal & Coke were physically measured by the management at NEC and most of the Dumps under the control of CMO except Dumps under the control of the Regional Sales Offices at Lucknow, Bhubaneswar and Delhi. At NEC discrepancies as compared to Book Records have not been adjusted as they were within the permissible limit of 5% as stated in the Accounting Policy (Schedule-Z Note No.8). In the case of Coal Marketing Organisation, discrepancies 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 possible quality deterioration. Valuation of Coal & Coke at NEC has been made at notified selling price and at Coal Marketing Organisation at cost.
In case of stores at NEC, the company is having perpetual inventory system. During the year under Audit most of the stores items in terms of value were physically verified by the management and the discrepancies noticed have been adjusted in the Accounts.
Stores lying at CIL Head Quarter and at Dankuni Coal complex has not been physically verified by the management during the year under Audit and as such we are unable to comment whether there is any discrepancy between book records & physical stock.
In our opinion the valuation of stock as stated above subject to para no. 12 of our Audit Report is fair and in accordance with the normally accepted Accounting principle and is on the same basis as in the 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(1C) 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 information given to us the company has not purchased any stores, raw materials or components exceeding Rs.10,000/- in value for each type thereof during the year from the subsidiary companies, firms or other parties in which the Directors are interested.
8. The Company does not have any full proof system for determination of obsolete and unserviceable and damaged stores. In absence of the same, quantum of such stock at NEC could not be ascertained correctly. In case of DCC, unserviceable 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 explanation 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 Internal Audit system but in our opinion the same is not commensurate with its size and nature of its business and needs improvement.
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 except few cases in DCC and CMO. 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 NEC which renders services to its collieries, the company does not have any system of job cards.
15. Damaged and rejected coal & coke have been determined in NEC and CMO excepting Dumps under the control of Regional Sales Offices at Lucknow, Bhubaneswar and Delhi. The Company has written off a sum of Rs.93.90 lakhs on account of stone, shales and rejects.

Dated Calcutta the 29 Sept' 1986
For S. Bhaumik & Co.
Chartered Accountants
S.C. Banerjee
Partner



Addendum to Directors' Report

Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956, as at 31 March, 1986.

Subsidiary	No. of Equity Shares held by Coal India Limited	No. of Equity Shares held by CIL in nominees' name.	Total paid-up value (Rs. in crores)	Profit (+) Loss (-) for the year ended 31.3.1986* (Rs. in crores)	Profit (+) Loss (-) balance as on 31.3.1986 (cumulative) (Rs. in crores)
ECL	373,6908	3	373.6911	(-) 69.97	(-) 719.58
BCCL	449,9997	3	450.0000	(-) 159.36	(-) 788.15
CCL	666,8632	3	666.8635	(-) 83.24	(+) 53.89
WCL	248,9107	3	248.9110	(-) 99.05	(-) 104.54
CMPDIL	8,5397	3	8.5400	1.62	(+) 2.90

* Before creation of investment allowance reserve.

Calcutta.
Dated. the 30 Dec 1986

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 Financial Year 1985-86.					
R K Gupta	Director (P)	1,09,331	AISM, 1st Class Colly. Manager's Certificate.	10.10.83	WCL
M Jha	Director (Tech)	6,76,185	ISM. Post Graduate, Dipl. in Mining (Sheffield University). 1st Class Mines Mgr.	June/83	CCL
Abidi S. A. H.	Colliery Manager	57,843	B.Sc (Mines). AISM	18.5.70	AR & T.CO. Ltd.
Agarwal P. K.	S.M.	45,748	B.Com, MBA	1.8.73	WCL
Akbar Sajid	Medical Officer	47,120	M.B.B.S.	12.11.84	ECL
Badraika B.L.	Sr. A.O.	49,083	B. Com.	1.5.73	Western Bengal Coalfield Ltd.
Bagchi P. K.	Dy.M.M.	47,973	I.Sc. Dip (M). 2nd Class	1.8.73	Lodna Colly. Co. (1920) Ltd.
Bairagya J.G.Das	F.M.	47,499	M. Com, AICWA	Dec/81	CMPDIL
Bajaj N. K.	Dy. C.F.M.	53,290	ACA	April/84	ECL
Bajaj V. P.	C.E. (Exev)	58,273	BE (Mech)	1.8.84	CCL
Bajpayee S. P.	Engr.(E&M)	41,263	B. Tech. B.Sc (Hons)	6.6.78	AR & T.Co. Ltd.
Bandopadhyay M.	Sr. S.O.	44,326	B.Sc. AIC	22.2.82	CCL
Banerjee Hirak	Ex. Engr. (E&M)	47,258	I.Sc. Dip. in ME	20.8.84	ECL
Banerjee J.	Secy.	47,164	B.A.	1.5.83	Bengal Coal Co.
Banerjee M.K.	F.O.	38,812	B. Com., ICWA (Inter)	12.12.74	CMPDIL
Banerjee T.K.	Sr. EE(C)	45,700	BE (C)	2.6.82	CCL
Banerjee U.K.	S.E. (E&M)	44,060	BE (Electrical)	1983	CMPDIL
Basu R.N.	A.O.	40,806	Matriculation	1954	Nags Kajora Jambad
Behl Sushil	Sr. F.O.	38,043	M.Sc. CIL Accts.Exam.	1977	WCL
Bhandari G.R.	C.P.M.	58,850	M.A. Dip. IR & W.	28.9.84	WCL
Bharadwaj A.	Engr. (Civil)	47,077	B.E.(C)	15.11.75	A.R. & T.Co. Ltd.
Bharadwaj R.C.	Supdt. Mines	62,069	B.Tech.(Mines)	7.9.72	A.R. & T.Co. Ltd.
Bhargav J.	Dy. CPRM	50,533	B.Sc. Dip. in Journalism	1.8.84	W.C.L.
Bhaskaran R.	Dy. C.M.E.	53,196	B.Sc. (Mines) AISM (Mines), 1st Class Managers Certificate.	1.8.73	A.R. & T.Co. Ltd.
Bhattacharjee B.C.	F.M.	55,399	B.Sc, AICWA	1.4.75	Coal Board
Bhattacharjee Bimal	Sr. S.O.	39,160	B.Sc, M.B.A.	June/83	ECL
Bhattacharjee D.	Elect. Engineer	50,800	B.E. (Elect)	12.12.76	A.R. & T.Co. Ltd.
Bhattacharjee D.S.	Dy.CFM	50,497	B.Sc, AICWA	22.9.83	BCCL
Bhattacharjee Mihir	R.S.M.	50,490	M.Sc. (Geology)	24.1.84	Dy. Director of Geology, Assam Govt.
Bhattacharjee N.K.	Dy.C.S.M.	50,111	B.Sc. (Mining)	7.12.81	Coal Board
Bhattacharjee P.S.	Sr. F.O.	37,503	M.Sc, CIL A/cs Exam.	1.9.80	CMPDIL
Bhattacharjee S.N.	S.O.	41,152	B.Sc.	1.12.64	Coal Board
Bhattacharjee T.K.	Sr. EE(C)	45,700	BE (C)	June/84	ECL
Biswas D.K.	Sr. S.O.	44,443	B.Sc, MBA	1.9.76	ECL
Biswas Manabendra	Sr. S.O.	41,993	B.Sc.	2.7.82	Coal Board
Biswas R.N.	Asstt. Colly. Manager	52,165	1st Class Mining Manager	7.10.76	AR & T.Co. Ltd.
Bodhak B.K.	P.S.	39,599	H.S.	2.1.67	Amritnagar Selected Colly.
Bora A.K.	Asstt. Colly. Manager	57,880	B.Tech.(Mining) 1st Class	5.3.76	A.R. & T.Co. Ltd.
Bora M.C.	Supdt. (Mines)	63,633	B.Sc. (Mines)	25.5.68	—do—
Boral M.C.	Manager (GS)	55,903	I.Sc.	1.8.73	Lodna Colly. Co. (1920) Ltd.
Borthakur Dr. A.C.	Sr. M.O.	56,684	M.B.B.S.	1.8.83	A.R. & T.Co. Ltd.
Borthakur Dr. T.C.	Specialist/Gyno	48,952	M.B.B.S. M.D.	14.9.81	—do—
Boruah Dr. B.K.	Dy. Medical Supdt.	58,306	M.B.B.S.	17.1.75	—do—
Bose Ashim Kumar	P.S.	40,894	M.A.	2.1.67	Coal Board
Bose A.T.	Sr. A.O.	43,052	CAS	—	CCL
Bose Capt. P.	Sr. Pilot	68,772	I.Sc.	5.12.81	SAIL
Bose S.	SE (PM)	45,700	B.Sc. Engineering (Chemical)	3.3.76	CMPDIL



Bose S.K.	Adviser	62,189	I.Sc., BE (Mining) 1st Class Colly. Manager Certificate.	7.7.80	Deptt. of Coal
Brahma A.V.	COPD	60,336	B.Sc., AISM	28.2.84	BCCL
Chacko V.I.	Secretary	45,250	B.A.	1.5.73	Raniganj Coal Associate
Chakraborty M.C.	ACPM	57,800	B.Sc., B.Chem.Enggr.(H)	4.12.80	CMPDIL
Chakraborty K.C.	Sr. A.O.	42,245	M. Com, AICWA	1.6.82	CCL
Chakraborty K.L.	Secretary	45,649	Matric	1.5.73	Johila Coalfields Ltd.
Chakraborty P.K.	Survey Officer	53,315	Mining Survey Exam.	9.7.79	A.R. & T.Co. Ltd.
Chakraborty U.	M.M.	43,605	BE(Elect)	27.9.82	CCL
Changmai S.M.	Geologist	43,401	M.Sc. (Geologist)	9.8.80	ECL
Chatterjee A.K.	CGM	61,902	B.Sc (M)	5.10.82	CCL
Chatterjee A.N.	Dy. CFM	58,149	B. Com, AICWA	5.10.82	BCCL
Chatterjee S.	P.O.	40,430	M.Sc.(Pure Math.), B.Sc.(Spl.Hons)	13.8.77	Bengal Coal Co.
Chatterjee Sankar.	S.O.	38,423	M.Sc.	March/81	ECL
Chatterjee S.C.	Sr. A.O.	37,750	B. Com, C.A.(INT)	10.7.79	ECL
Chatterjee P.K.	EE(M)	37,008	B.Sc.	14.6.82	CCL
Chattopadhyay P.K.	Dy. CME	51,684	1st Class M.E.	7.7.82	BCCL
Chattoraj K.	Sr. P.O.	45,635	B.A.	1.4.84	Coal Board
Chopra R.S.	P.O.	39,999	B.A.	25.5.82	Sethia Mining & Manufacturers.
Choudhury B.B.	Engineer (E&M)	36,191	DE(E)	11.3.77	ECL
Choudhury C.R.	Dy. CSM	51,274	M.A. (Econ), LLB	11.5.84	ECL
Choudhury G.	Sr. P.O.	41,224	Intermediate	Dec/84	BCCL
Choudhury Milan Sinha	Statistical Officer	44,314	B.Sc., Mines Supervisor's Certificate	14.4.74	CCL
Das C.R.	GM (Project Monitoring)	61,743	B.Sc.(M), AISM (1st Class)	July/81	CCL
Das Dipak.	P.S.	41,200	B.Com.	1.5.73	CCL
Das P.	Secretary	44,204	B.Com.	3.5.82	CCL
Das Dr. S.K.	Sr. M.O.	50,887	M.B.B.S.	15.11.78	—
Das Dr. Uttam	Surgical Splst.	56,469	M.B.B.S. M.S.	8.3.82	—
Dasgupta J.P.	M.M.	51,742	B.Sc. (Mining), 2nd Class Mines Manager Certificate	29.2.73	Bengal Coal Co.
De J.L.	Adm. Officer	42,168	B. Com.	4.10.57	WCL
De R.K.	Sr. P.O.	39,886	B.A.	1.5.73	Sahu Minerals & Properties Ltd.
Deshpande P.D.	Mining Engineer	41,198	2nd Class Mines Manager	22.3.79	ECL
Dev B.	Addl CME	56,928	I.Sc. 1st Class Dip. in Mining	5.3.84	ECL
Dev. T.K.	Chief GM	53,831	Graduate in Mining Engg, 1st Class Colly. Manager's Certificate.	11.11.75	CCL
Dey C.K.	Sr F.O.	44,535	B. Com. C.A.	May/82	BCCL
Dey D.	Sr. A.O.	47,808	B. Com.	1.5.73	KCT & Bros. Co.
Dhawan R.N.	Colly. Mgr	60,582	B.Sc.(Mines)	1.2.71	A.R. & T.Co. Ltd.
Doshi Ramesh	S.M.	50,553	B. Com.	1.8.73	ECL
Dutta M.K.	Sr. EE (E&M)	42,088	B.E.(E)	6.4.81	CMPDIL
Dutta P.B.	Dy Co. Secy.	55,320	B.Com, ACS, ACIS (London), FICWA	26.2.82	BCCL
Dutta P.	A.O.	39,012	B.Com, AICWA	10.10.73	CCL
Ganguly M.	Sr. EE(C)	44,380	BE (Civil)	16.12.80	ECL
Ganapathy A.R.	F.M.	52,834	ACMA (UK)	13.9.76	Bertramscott India Ltd.
Ghosal S.K.	A.O.	43,839	B.A. AICWA, PG(Dip.BM), CAS	1.7.73	CCL
Ghosh A.K.	Dy FM	44,835	CIL Accts Exam.	1972	BCCL
Ghosh B.N.	P.S.	41,408	B.A.	1.5.75	Coal Board
Ghosh M.	Dy F.M.	45,530	M.Com. AICWA	27.1.81	WCL
Ghosh M.M.	Dy S.M.	45,916	B.Sc. (Dstn), B.A.(Hons.)	1982	ECL
Ghosh N.	Dy COA	47,895	B.Com, AICWA	Jan/83	WCL
Ghosh Nirmalendu	Sr. S.O.	43,131	B.Sc.(M), R. Cowrse, Bells&A(II)	1.5.75	Coal Board
Ghosh P.K.	SE(C)	48,461	LCE, BCE	11.1.83	Engineer's India Ltd.
Ghosh P.N.	Addl COV	56,658	—	6.2.83	WCL
Ghosh R.P.	Sr. A.O.	45,856	B.Sc., B.A., LLB, AICWA	1.5.73	Jhagrakhand Collieries (P) Ltd.
Ghosh S.K.	CMM	64,107	Sr.Cambridge	1.8.73	Bengal Coal Co.
Ghosh S.C.	EE(E&M)	42,729	B.E.(Elect).	11.12.84	CCL
Ghosh Sidhartha Kumar	Manager (M.T.)	47,017	M.Sc., BL, PG. Dip.in Industrial Management	1.7.81	BCCL
Ghosh S.P.	Sr. P.O.	37,623	B. Com. PG. Dip. in Business Management.	21.10.74	
Ghola P.N.	Welfare/P.O.	42,191	M.A. (Sociology), LLB	16.7.79	A.R. & T.Co. Ltd.

Gool J	Sr.S.O.	42,202	B.E.M.B.A.	1.4.75	ECL
Gogoi Dr. Mridurani	M.O.	44,199	M.B.B.S.	23.10.81	A R & T Co. Ltd.
Gohain M.K.	Dy. Chief P.O.	58,530	B.A. P G, Dip. Sociology	1.8.73	A R & T Co. Ltd.
Goswami G.C.	Secy.	49,803	BA	26.6.81	Coal Board
Goyal A.K.	Sr. SO.	39,043	—	28.3.81	WCL
Guha Chowdhury S.K	Dy.C.S.M.	54,883	B.Sc. Mining, 1st M.M.	1.6.79	Coal Controller
Das Gupta A.	F.M.	47,024	M.A.(Eng.). M. Com. AICWA ,ACS LLB.	7.11.74	—
			B. Com.B.ed.		
Sen Gupta D.	Manager (System)	49,930	B.E.,M.S.,Ph.D.	24.8.81	CMPDIL
Gupta M.L.	Sr.S.O.	37,621	M.B.A.	15.9.76	—
Manid Q.S.	Dy.S.M.	47,131	M.Sc.	1.11.75	—
Hazarika R.P.	Under Manager	40,398	2nd Class Mining Engr.	14.11.78	A R & T Co. Ltd.
Huda M.	E.Engineer.	44,912	M.I.A.E.	14.10.77	A R & T Co. Ltd.
Jain K.K.	O.S.D.	50,230	M. Com.LLB	Oct'83	ECL
Jain S.L.	Sr. P.O.	50,597	I. Com.	1.8.75	Parasia Colly. Ltd.
Jha M.M.	Dy. C.M.Engr.	67,945	B.Sc. (Mining), AISM	8.7.71	A R & T Co. Ltd.
Jha R.R.	Ex. Engineer (Excav)	44,783	B.E. (Mech)	19.1.82	A R & T Co. Ltd.
Joshi N.K.	Sr.S.O.	41,783	I.A.	1.5.73	ECL
Kachchap D.P.	Elect. Engr.	39,331	B.Tech (E.E.)	10.12.78	—
Kainth R.S.	Sr. S.O.	45,939	M.Sc.	24.12.84	—
Katriā N.	Welfare/P.O.	42,581	M.A. in Personnel Management & L.W.	16.7.79	A.R. & T.Co. Ltd.
Kapila G.K.	R.S.M.	48,378	B.A. 2nd Class Mines Mgr. Certificate	May'73	K.C. Thapar & Bros.
Kar Dr. N.C.	Sr. M.O.	56,683	M.B.B.S.	1.1.73	A.R. & T.Co. Ltd.
Kar S.P.	Sales Mgr.	50,272	B. Com. Dip. in Journalism	11.10.57	CCL
Khanna K.N.	Addl. C.E.	66,522	B.Sc. Engr. Elect	20.4.84	CCL
Kochumner Philip	R.S.M.	43,551	B. Com.	1.10.72	Bird & Co.
Koocher K.G.	Dy. P.M.	46,295	M. Com. LLB	1.8.73	Sahuminerals & Properties.
Krishnan R.M.	Secy.	44,423	B.C.M. (Part-II)	26.6.73	Bengal Coal Co.
Kumar Ajoy	Ex. Engr. (Civil)	46,441	B.Sc. Engr. (Civil)	31.10.77	—
Kumar Arbind	Colly. Mgr.	60,516	B.Sc. (Mines)	15.3.72	A R & T Co. Ltd.
Kumar K.K.	Dy. F.M.	45,169	B.A. (Mines), LSGD, AICWA	Aug '74	BCCL
Kumar O.	Sr. S.O.	39,532	Dip. in Mining, 2nd Class Mgr. Certificate, P.G.Dip. in Mantg. Management.	1956	BCCL
Kumar Dr. R.	C.M.O.	68,892	MBBS, DGO, MRCCOG, FRCOG	1.8.84	WCL
Kumar R.	Sr. F.O.	44,535	B. Com. ICWA(Inter) CAS (PART-I)	June '81	BCCL
Kundu N.G.	Dy. C.M.E.	59,242	B.Sc. AISM	Apr '80	ECL
Kunhiraman C.	Officer on Spl. Duty.	49,928	B. Com.	23.3.83	Garden Reach Workshop
Majumdar A.C.	Sr. F.O.	51,391	M. Com.	14.6.67	A.R. & T.Co. Ltd.
Majumdar M.S.	F.O.	39,327	B. Com.	June'81	BCCL
Majumdar S.	Supdt. Engr.	53,267	I.Sc. Dip. in Mech. Engr.	15.10.79	CCL
Malhotra V.K.	P.A.	36,195		18.8.77	—
Mani B.S.	Secy.	44,099	Matric	1.5.73	Selec. Barabani Coal Co.
Manoharam P.S.	C. Legal Mgr.	57,315	M. Com. LLB. Dip. Public Admn.	5.12.80	BCCL
Mathur U.R.	Sr. F.O.	39,530	B.Sc. C.A.	June'81	—
Mehta A.K.	Agent, Colly.	63,665	B.Sc., 1st Class Mining Mgr. (AISM)	21.2.70	A.R. & T.Co. Ltd.
Menon C.S.	Secy.	44,204	SSLC	22.1.81	Parasia Collys Ltd.
Menon N.V.R.	Dy. C.M.M.	62,931	B.A.	5.12.81	WCL
Mishra J.P.	Dy. S.M.	41,512	M.Tech. (Min. Engr.)	1973	CCL
Mishra R.N.	Chief of Corporate	58,210	B.Sc. (M), AISM 1st Class C.M.S. Certificate Cer. M. of I.I.P.M.	2.6.80	BCCL
			FIE (D), Dip. M.E.		
Mishra S.K.	A.O.	39,012	B.Com. ICWA (Inter)	1.2.72	Jhagrakhand Collieries
Mitra P.K.	SE (M)	47,833	B.Tech. (Mech)	8.11.82	ICI Pvt. Ltd.
Mitra S.K.	Sales Officer	47,099	Matriculate	May'73	Andrew Yule & Co.
Mitra S.R.	Sr. S.O.	44,967	B.Sc. SFT (A)	1.4.75	Coal Board
Mojtra G.K.	S.M.	50,636	B.Sc. (P) Adn. Fuel Tech. Exam.	1.5.75	Coal Board
Mondal J.K.	A.O.	39,175	B. Com. ACA	—	—
Mukherjee Anjan	Dy. M.M.	42,535	BE (Mech.)	6.10.83	WCL
Mukherjee D.K.	Supdt. Engr. (E & M)	51,484	DIP. in Mech. Engr.	2.3.84	CCL
Mukherjee J.	S.M.	50,884	I.Sc. Intermediate. Certificate in fuel Tech.	1.7.75	Coal Board.



Mukherjee K.C.	P.M.	52,732	B.Sc. DSW	31.12.80	BCCL
Mukherjee M.	Sr. A.O.	42,205	M. Com. AICWA	1.5.73	Lodna Colliery.(1920) Ltd.
Mukherjee P.K.	Sr. S./P.O.	44,985	B.Sc.	28.11.83	BCCL
Mukherjee R.N.	P.O.	38,112	B.Sc.	17.3.61	Coal Board
Mukherjee Dr. S.	Dy. C. Geologist.	56,094	Doctorate in Geology	6.8.82	CMPDIL
Mukherjee Santanu	E.E. (C)	40,584	B.E. (Civil)	6.10.79	BCCL
Mukherjee Swaraj	Dy. S.M.	51,007	B.Sc. 1st Class Mines Mgr. Certificate	Nov'80	ECL
Mukherjee Sulabh Kumar	Asstt. Stat. Mgr.	52,707	M.Sc. (Stat)	21.4.81	CCL
Mukherjee S.K.	P.M.	55,269	B.A. DSW.	20.10.81	CMPDIL
Mukherjee U.	Sr. E.E. (C)	40,929	B.E. (C)	2.2.81	A.R. & T.Co. Ltd.
Naha R.D.	Dy. P.M.	49,408	B. Com	9.6.81	Pure Sitapur Colly.
Nair K.K.A.	Secy.	46,524	B. Com. LLB	1.5.73	WCL
Nandi S.N.	Dy. CME	57,265	1st Class ME	23.2.82	Hindusthan Steel Ltd.
Narayanan K.D.L.	Dy.-S.M.	44,740	B.A. 1st Class in Advance Fuel Technology	1.12.69	
Neogi B.C.	F.M.	52,958	M. Com. AICWA	22.2.81	CCL
Neogi S.K.	Training Officer	37,779	B. Com	14.11.63	CCL
Ojha Pratap	Sr. S.O.	42,487	B. Com (Hons)	May'73	West Ramrohili Colly.
Pal D.K.	P.S.	42,449	B.A.	17.4.78	BCCL
Pal R.K.	A.O.	39,175	B. Com. ACA	—	—
Pamar S.S.	Dy. C.M.E.	61,975	B.Sc. (Mines), AISM, 1st Class Mgr.	1.7.64	A.R. & T.Co. Ltd.
Pandey I.D.	R.S.M.	52,751	M.A. Dip. in Comp. Law	1972	CCL
Parckh N.S.	Office Supdt.	38,890	Matriculate	May'73	Hingir Ranfuried Co. Ltd.
Paul B.M.	Secy.	45,313	Matriculate	28.3.73	Amalgamated Coalfields Ltd.
Phukan B.N.C.	Survey Officer	53,310	Mine Survey Examination	9.7.79	A.R. & T.Co. Ltd.
Pillai K.M.V.	Dy. S.M.	47,599	SSLC	22.11.56	—
Prakash C.	Sr. Stores/P.O.	47,504	B.Sc. MBI	2.6.75	—
Prakash Satya	R.S.M.	45,544	I.Sc. 2nd Class Mining Mgr. Certificate.	May'73	New Govindpur Colliery
Prasad B.	Dy. CME	66,350	B.Sc. (Hon), M. Engr. AISM	22.9.71	A.R. & T.Co. Ltd.
Puri S.P.	C.G.M.	74,963	AISM 2nd & 1st Class	9.4.84	WCL
Purohit J.D.	Asstt. L. Mgr.	47,066	B. Com. LLB	24.3.83	Ghusik & Mustlia Colliery.
Raha S.K.	Asstt. Engr. (E & M)	44,636	National Elect. Sup. Certificate	13.7.67	A.R. & T.Co. Ltd.
Rahman Dr. S.A.	Sr. Medical	55,498	M.B.B.S.	3.4.74	Jeyapore
Rai Dilip	Sr. E.E. (C)	44,021	B.E. (Civil)	4.1.82	CMPDIL
Ram P.K.	Sr. A.O.	47,527	B. Com. CAS (old)	31.7.81	CCL
Ramarao P.K.	Sr. Engr. (E & M)	57,334	Elect. Engr. (Tech)	1968	A.R. & T.Co. Ltd.
Ramchandaran G.S	Sr. P.O.	43,125	B.A. (Hons)	21.1.82	Indian Mining Federation
Rao K.V.	Dy. F.M.	44,746	B. Com. SAS	1.1.75	BCCL
Routh S.R.	F.M.	49,932	B. Com. CAS	25.2.80	CCL
Roy A.K.	Estate Manager	53,382	B. Com.	1982	CCL
Roy Amitava	Sr. S.O.	42,817	B.Sc. (Hons) P.G. DBM.	June'81	ECL
Roy Arijit	Manager Operation	54,083	BE (Mines) 1st Class Manager	13.3.72	A.R. & T.Co. Ltd.
Roy Dr. M.R.	Sr. M.O.	55,498	M.B.B.S.	1.8.73	A.R. & T.Co. Ltd.,
Roy P.C.	Sr. S.O.	44,378	B.Sc.	1975	BCCL
Roy S.K.	Sr. Engr. (c)	50,314	A.M.I.S.	22.11.82	—
Roy S.K.	Sr. P.O.	45,641	M.A. in Sociology	Mar'81	ECL
Roy S.N.	A.A.O.	39,913	B. Com. C.I.L. Accts Exam.	2.7.57	CCL
Sah S.G.	Dy. C.P.M.	52,666	M.A. LLB	1.11.76	WCL
Saha S.K.	P.S.	41,740	I.Sc.	1.5.73	CCL
Sahay K.B.	Sr. P.O. (Admn)	44,730	M.A.	1.5.75	CCL
Sahi Ramgulam	Under Manager	39,403	2nd Class Manager Certificate	9.1.81	BCCL
Saini H.R.	Elect. Engr.	47,293	Elect. Sup. Certificate	14.10.77	A.R. & T.Co. Ltd.,
Saikia Dr. Rubi	Medical Officer	43,253	M.B.B.S.	24.11.82	CCL
Salodkar S.S.	Addl. CME	57,203	B.Sc. AISM	27.7.81	BCCL
Samanta A.K.	Asstt. Mgr. (Colly.)	57,760	1st Class Manager Certificate	1.1.60	A.R. & T.Co. Ltd.,
Sammadar. B.	Stat Officer	38,286	B. Com. Dip. in S.W. (LW) art in Statisticals	10.5.59	Coal Board
Sanyal S.K.	FM	53,724	AICWA	5.4.80	BCCL
Sarkar Dr. A.	Medical Supdt.	64,309	M.B.B.S. Dip. in Public Health	9.10.80	CCL
Sarkar D.K.	Survey Officer	51,874	Mining Survey Enamination	9.7.79	A.R. & T.Co. Ltd.,
Sarkar P.K.	Sr. Enc. Engr.(Excv)	45,535	B.E. (Mech.)	1982	CCL
Sarkar S.K.	Colly. Manager	60,621	B.Sc. Mines Survey Certificate 1st Class Mgr.	21.3.70	A.R. & T.Co. Ltd.,

Sastry U.P.	Mining Engr.	53,025	B.Sc. B.E.	1974	A.R. & T.Co. Ltd.
Satyanarayan R.	P.S.	41,554	—	18.6.81	CCL
Saksena R.B.	Dy. P.M.	55,594	B.A. LLB	20.1.82	Coal Board
Schgal M.G.	C.S. Mgr.	53,814	1st Class B.Tech (M), B.Sc.	—	CCL
Sen Amarjit	S.M.	50,551	M.Sc. (Geology)	1.5.75	Coal Board
Sen Anjan	S.E. (E&M)	54,128	NE (Elec.)	10.10.83	CCL
Sen A.K.	Corporate Planner	61,070	B.Sc. (Mining) 1st Class	16.4.82	CMPDIL
Sen A.R.	Dy. C.M.E.	56,916	B.Sc. (M) 1st Class	15.2.82	ECL
Sen K.K.	Jr. Economist	36,936	M.A. (Econ), B.A.	1.7.77	—
Senapati Dr. Utpala	Medical Officer	45,392	M.B.B.S.	15.5.80	—
Sengupta C.R.	Eng. (E&M)	40,152	School Final, LME.	9.12.77	CCL
Sengupta G.	Dy. CME	52,656	B.Sc. (Mining) Engr. (Hons) & AISM	22.10.80	WCL
SenRoy Mrs. P.	Dy. F.M.	43,825	B. Com. CA	1974	ECL
Sharma G.C.	Dy. CME	50,496	B.Sc. AISM	23.2.82	ECL
Sharma K.B.	P.M.	51,997	B.Sc. M.S.W.	30.12.76	WCL
Sharma M.S.	Secy.	43,441	SSLS	21.4.82	Western Bengal Coalfields
Sharma S.M.	R.S.M.	52,265	M.A. Dip. in Marketing	1973	WCL
Sharma S.S.	R.S.M.	41,672	B.A.	1.3.73	CCL
Sharma R.	Dy. Mat. Mgr.	54,291	B.E.	3.12.84	CCL
Siddiqui Z.A.	R.S.M.	45,732	B.A. (Hons)	1961	CIL
Sinha A.K.	Dy. Mat. Mgr.	40,884	B.A. (Hons), Geography, IIMM	17.11.84	BCCL
Sinha A.K.	R.S.M.	39,545	B.Sc. (Hons)	Sept '74	—
Sinha B.B.	S.M.	50,734	B.Sc. Fuel Tech.	1.5.75	Coal Board
Sinha B.P.	A.R.S.M.	42,820	M.Sc. (Geology)	1973	CCL
Sinha M.P.	Colly. Manager	47,182	1st Class Manager Certificate	13.3.82	ECL
Sinha R.N.	Stat. Mgr.	54,545	M.Sc. (Stat)	1.5.73	CCL
Sinha Roy R.K.	P.M.	56,170	B. Com. MAS	20.1.76	ECL
Sinha S.	EE (C)	38,322	B.E. (C)	14.6.82	CCL
Singh B.K.	Dy. Sales Mgr.	44,845	M.Sc.	1963	ECL
Singh Gurucharan	Sr. S.O.	39,266	B.A. MBA	1976	BCCL
Singh H.K.	Sr. Mining Egr.	44,727	—	1.7.84	BCCL
Singh Kripal	Sales Manager	42,617	B.Sc. Colliery Manager Certificate of Competency	1.8.59	CCL
Singh K	Under Manager	40,822	2nd Class Mining Manager	27.11.78	Govt. of Bihar Deptt. of Co-operative
Singh Mohinder	CVO	68,525	IAS	27.4.84	CMPDIL
Singh R.A.	COF	66,061	ACA	5.11.84	CCL
Singh Rajender	R.S.M.	52,484	I.Sc., 2nd Class Mining Manager Certificate	1.7.47	BCCL
Singh Rana SJB	CFM	58,233	B.A. B.L. ACA. ACIS, ACS	1.8.79	WCL
Singh S.M.	Sr. S.O.	39,641	B. Com, CAS	15.9.62	BCCL
Singh S.N.	Sr. S.O.	39,686	M.A.	10.9.74	A.R. & T.Co. Ltd.,
Singh V.N.	Colliery Manager.	53,779	1st Class Manager Certificate	31.10.75	BCCL
Srinivasan G.	P.S.	39,201	B.Sc.	1983	CCL
Srinivasan R.	Addl. CFM.	55,517	AICWA	9.4.73	A.R. & T.Co. Ltd.,
Sur N.C.	Asstt. Colly. Mgr.	53,546	1st Class Manager Certificate	20.1.78	CCL
SurRoy A.K.	Dy. F.M.	45,947	B. Com.	21.1.58	CCL
Swamy J.S.K.	P.M.	54,007	M.A. (LSW)	23.11.83	ECL
Talapatra A.C.	Sr. S.O.	44,301	M.Sc. (1st Class) Geology	15.5.84	A.R. & T.Co. Ltd.,
Tewari K.K.	Colliery Mgr.	55,247	1st Class Manager Certificate	7.12.78	Jeyporc
Thakur Indrajit	Survey Officer	48,022	Survey Examination	9.7.79	A.R. & T.Co. Ltd.,
Thakuria A.C.	Under Manager	52,728	1st Class Manager Certificate	31.8.74	A.R. & T.Co. Ltd.,
Thomas A.V.	P.S. to General Manager	39,110	B.Sc. Dip. in Secretaryship	6.2.66	CCL
Tooley A.K.	G.M.	62,664	—	20.1.86	Kuardi Colly.
Vegad D.R.	Company Officer	41,534	Matric	2.12.74	CCL
Verma A.K.	Dy. Supdt. Geologist	53,634	M.Sc. (Geology)	19.2.74	—
Vij J.K.	M (A)	44,434	—	1.5.73	—

(B) Employed Part of the Year 1985-86

M.S. Gujral	Ex-Chairman	30,562	Graduate from Indian Military Academy	26.7.83	Railway Board
G.L. Tandon	Chairman	45,799	B.Sc. 1st Class (Geology & Geography)	17.10.85	NLC



C.R. Mukherjee	Ex-D (F)	1,11,280	AISM-BE (Hons), ISM, DMM I.A. & A.S.	11.11.82	Beas Sutlejlink Project
Agarwal P.P.	Addl. CPM	15,191	B.Sc. B. Com. LLB		
Anantharaman P.	C.M.M	49,012	I.Sc. AMEB (I) Sec A & B.	1.11.76	CMPDIL
Banerjee S.	Dy. C.M.E.	10,896	I.Sc. BE (Mines) 1st Class	16.10.62	WCL
Barua Rajat	G.M.	16,777	B.A. Post Graduate. Dip (M)	19.5.65	A.R. & T.Co. Ltd.,
Bhattacharjee A.K.	Company Secy.	57,860	M. Com. LLB. M.A. AICWA, ACIS	3.3.75	GKW
Bhatt S.N.	Dy. G.M.	54,542	B.A. B.Sc. (Mines) 1st Class	3.11.76	BCCL
Biswas R.D.	G.M. (Production)	21,004	1st Class, 2nd Class, AISM	10.1.66	A.R. & T.Co. Ltd.,
Chattarjee A.K.	O.S.D. (T.S.)	10,049	I.Sc. 1st Class (I) & (UK). 2nd Class, AISM	1.8.73	ECL
Chopra K.R.	Supdt. Engr.	27,800	B.Sc. (Mech. Engr.)	13.6.77	CCL
Dhar R.L.	P.M.	15,622	B.A. Post Graduate, Dip. in Social Science	22.9.83	CCL
				26.5.65	WCL
Jethy A.K.	R.M.	56,512	Mining Engr.		
Khaund Dr. M.C.	Medical Supdt.	71,876	M.B.B.S.	30.1.86	ECL
Kheria J.P.	Dy. M.M.	30,434	B. Com. LLB	—	A.R. & T.Co. Ltd.,
				28.2.73	Western Bengal Coalfields
Majumdar P.B.	M.M. (P)	25,551	B.E. (Elect. Hons), 1st Class		
Mukherjee Sukumar	Dy. C.E. (C)	36,973	I.Sc. B.Tech. (H), 1st Class Civil Engr.	10.2.70	CCL
			MIE(I) C. Engr. Member	1.4.75	BCCL
Murthy A.S.R.	Dy. C.E. (E&M)	59,867	I.Sc. 2nd Class Mines Management Certifi- cate	—	A.R. & T.Co. Ltd.,
Nandkumar P.	Engr. (E&M)	39,602	B.Sc. (Engr.) Dip. in Management		
Narayanan K.V.	P.S.	49,132	—	19.3.82	—
Pai R.B.	Addl. CFM	19,050	B.Sc. AICWA	1.2.86	CIL
Pandey I.B.	Addl. CPM/GM (MP & IR)	4,523	B.A. (shastri), M.A.S.M. Hindivisharad & Sahitya Ratna	1.8.73	ECL
Rakshit Bircendra	Chief of Telecommunica- tion	6,280	B.Tech. (Elect. Engr.) I.Sc.	27.2.66	BCCL
Rana S.S.	Sr. P.O.	41,788	—	3.7.85	Railway
Roy Burman H.	Dy. M.E.	33,928	B.Sc. 1st Class (U.K.)	4.11.86	CCL
Saha Sanjib Kumar	Supdt. Mines	20,768	1st Class, B.Sc. (M)	1.8.73	ECL
Samanta S.K.	EE (E&M)	11,765	B.Sc. Elect. Engr.	1.7.74	WCL
Sarkar Hirak	Supdt. Engr. (C)	10,585	BE (C), M.Tech. (CIVIL)	23.1.78	CCL
Sengupta P.K.	C.F.M.	5,315	ICWA. B. Com. FMBI (Management) AMICWA (I)	15.7.75	CCL
				31.12.72	CCL
Sinha R.	Sr. Exec. Engr.	21,009	B.Sc. Engr. (Mech)		
Singh J.P.	Dy. CME (HQ)	63,382	—	24.1.63	ECL
Srivastava R.P.	S.M.	12,361	B.A. (Hons)	6.5.85	BCCL
Verma G.P.	Dy. M.M.	38,247	B.Sc. I.Sc.	1973	Bird & Co.
				1.4.74	BCCL