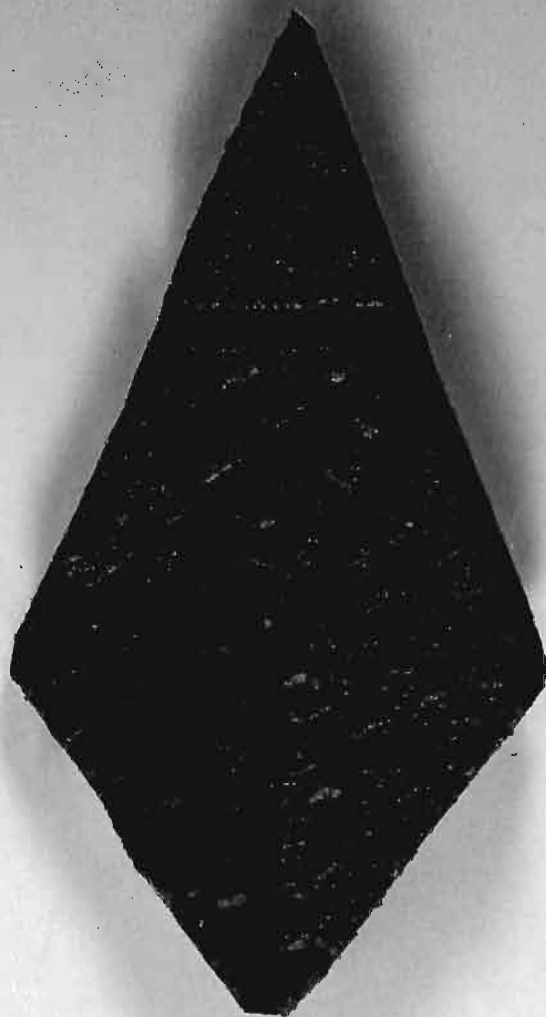


ANNUAL
REPORT &
ACCOUNTS
1987-1988

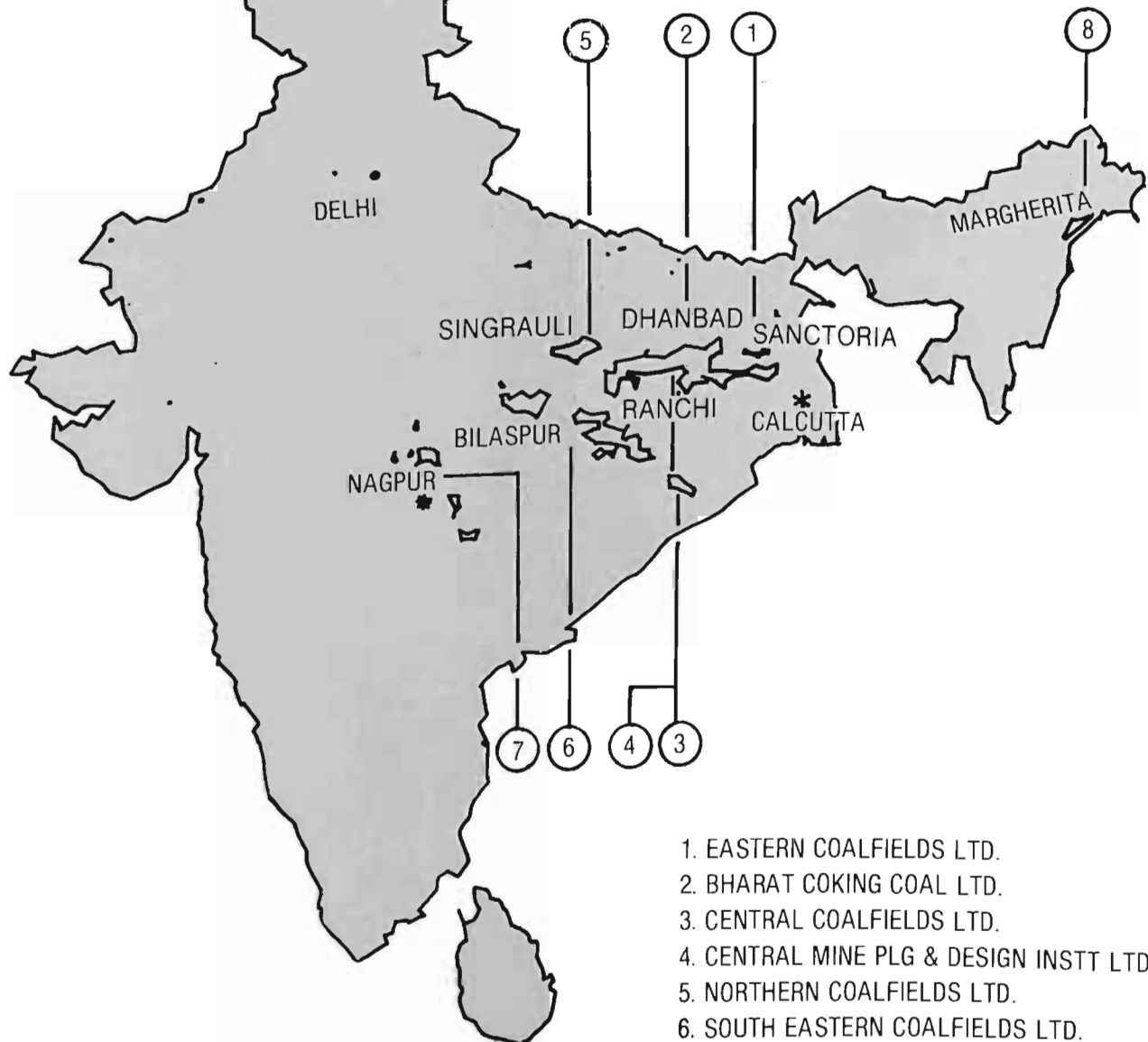
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Coal India Limited

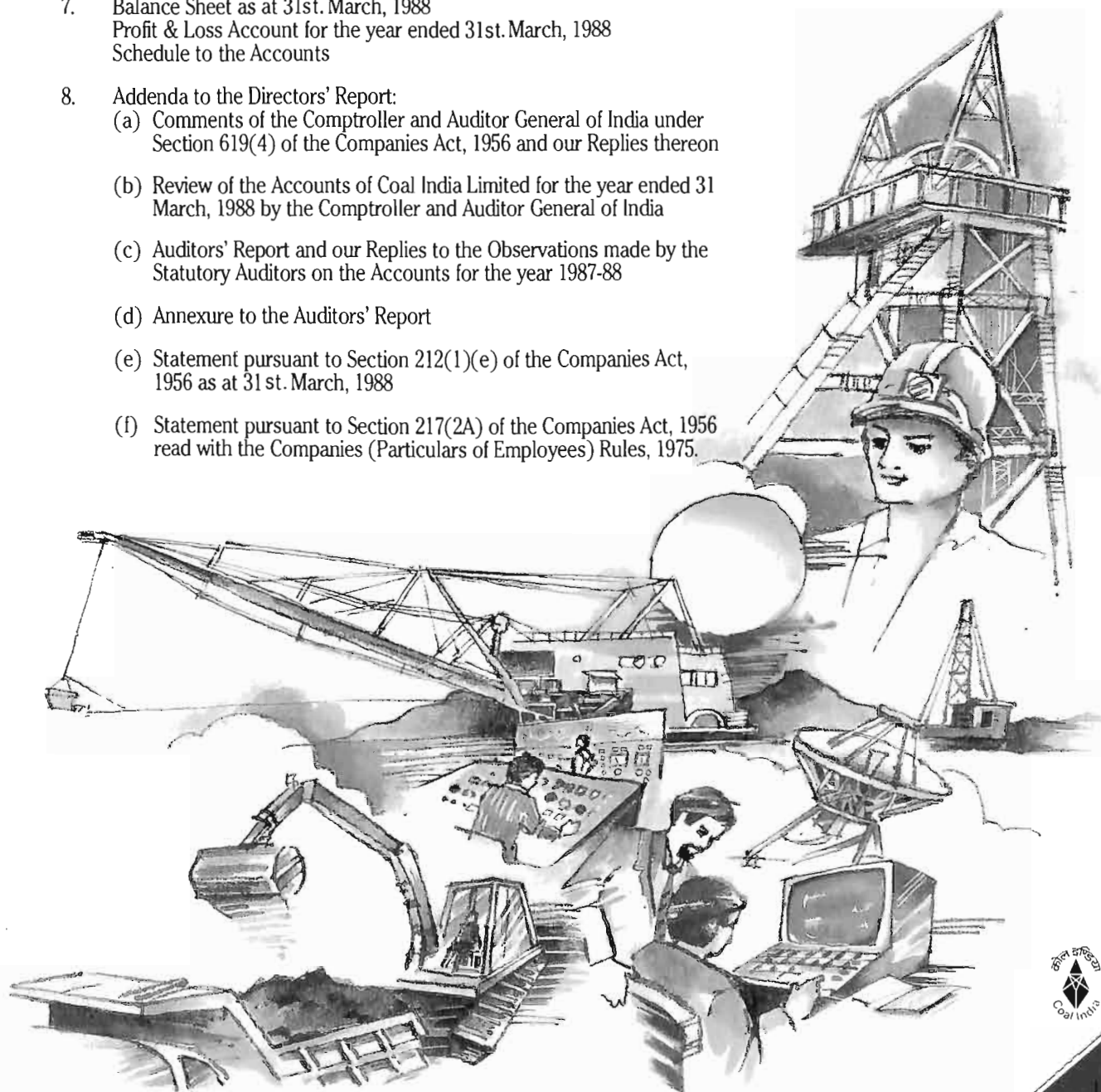
LOCATION OF COALFIELDS UNDER CIL



1. EASTERN COALFIELDS LTD.
2. BHARAT COKING COAL LTD.
3. CENTRAL COALFIELDS LTD.
4. CENTRAL MINE PLG & DESIGN INSTT LTD.
5. NORTHERN COALFIELDS LTD.
6. SOUTH EASTERN COALFIELDS LTD.
7. WESTERN COALFIELDS LTD.
8. NORTH EASTERN COALFIELDS.

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Schedule to the Accounts
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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 thereon
 - (b) Review of the Accounts of Coal India Limited for the year ended 31 March, 1988 by the Comptroller and Auditor General of India
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MANAGEMENT DURING 1987-88

CHAIRMAN

Shri G. L. Tandon

FUNCTIONAL DIRECTORS

Shri B. Swaminathan

— Finance

Shri K. A. Sinha

— Technical

Shri A. V. Brahma

— Personnel & Industrial Relations

DIRECTORS

Shri P. N. Abbi

— Addl. Secretary, Dept of Coal (upto 22.6.87)

Shri V. Krishnan

— Addl. Secretary, Dept of Coal (from 22.6.87)

Shri J. C. Lynn

— Jt. Secretary & FA, Dept of Coal (upto 11.5.87)

Shri R. S. Sane

— Jt. Secy & FA, Deptt of Coal (from 12.5.87)

Shri T. T. Joseph

— Jt. Secretary, Dept of Power (upto 30.6.88)

Shri G. P. Rao

— Chairman-cum-Managing Director
Singareni Collieries Co. Ltd (upto 24.9.87)

Shri V. Govinda Rajan

— Chairman-cum-Managing Director
Singareni Collieries Co. Ltd (from 20.10.87)

Shri R. G. Mahendru

— Chairman-cum-Managing Director
Central Mine Planning & Design Institute Limited (upto 12.7.87)

Shri Mahip Singh

— Chairman-cum-Managing Director
Eastern Coalfields Limited (upto 12.7.87)
Chairman-cum-Managing Director
Central Mine Planning & Design Institute Limited (from 13.7.87)

Shri R. D. Roy

— Chairman-cum-Managing Director
Western Coalfields Limited (from 20.10.87)

Shri B. R. Prasad

— Chairman-cum-Managing Director
Bharat Coking Coal Limited (upto 15.11.87)

Shri P. R. Sinha

— Chairman-cum-Managing Director
Bharat Coking Coal Limited (from 9.2.88)

Shri J. D. Rai

— Chairman-cum-Managing Director
Central Coalfields Limited (upto 31.12.87)

Shri S. K. Chowdhary

— Chairman-cum-Managing Director
Central Coalfields Limited (from 9.2.88)

Shri J. N. Uppal

— Chairman-cum-Managing Director
Eastern Coalfields Limited (from 15.5.87)

Shri M. Jha

— Chairman-cum-Managing Director
Northern Coalfields Limited (from 20.4.87)

Shri T. R. Jayaraman

— Chairman-cum-Managing Director
South Eastern Coalfields Limited (from 20.4.87 to 14.7.88)

Shri P. B. Datta

— Dy. Company Secretary (upto 31.1.88)

Shri S. Saha

— Company Secretary-cum-Chief of Accounts (from 24.2.88)



M PRESENT T MANAGEMENT

CHAIRMAN

Shri M. P. Narayanan

FUNCTIONAL DIRECTORS

Shri B. Swaminathan

— Finance

Shri K. A. Sinha

— Technical

Shri A. V. Brahma

— Personnel & Industrial Relations

DIRECTORS

Shri V. Krishnan

— Additional Secretary, Department of Coal.

Shri R. S. Sane

— Joint Secretary & FA, Department of Coal

Shri Arun Bhatnagar

— Joint Secretary, Department of Power

Shri V. Govinda Rajan

— Chairman-cum-Managing Director,
Singareni Collieries Co.Limited.

Shri Mahip Singh

— Chairman-cum-Managing Director,
Central Mine Planning & Design Institute Limited.

Shri R. D. Roy

— Chairman-cum-Managing Director,
Western Coalfields Limited.

Shri P. R. Sinha

— Chairman-cum-Managing Director,
Bharat Coking Coal Limited.

Shri S. K. Chowdhary

— Chairman-cum-Managing Director,
Central Coalfields Limited.

Shri J. N. Uppal

— Chairman-cum-Managing Director,
Eastern Coalfields Limited.

Shri M. Jha

— Chairman-cum-Managing Director,
Northern Coalfields Limited.

Shri S. Saha

— Company Secretary-cum-Chief of Accounts.



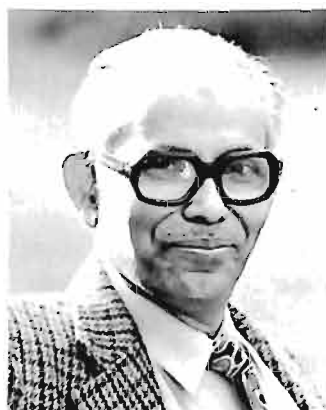
BOARD OF DIRECTORS



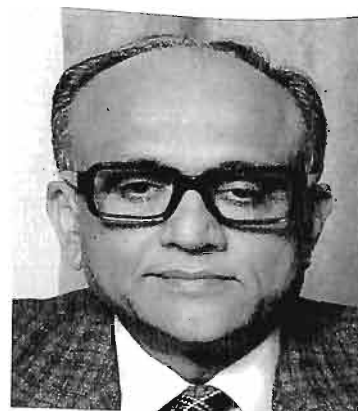
Shri M. P. Narayanan



Shri B. Swaminathan



Shri K. A. Sinha



Shri A.V. Brahma



Shri V. Krishnan



Shri R.S. Sane



Shri Arun Bhatnagar



BOARD OF DIRECTORS



Shri Mahip Singh



Shri M. Jha



Shri P.R. Sinha



Shri S. K. Chowdhary



Shri J.N. Uppal



Shri R.D. Roy



Shri V. Govinda Rajan



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. C. Nawan & Co.
Chartered Accountants
Bikaner Building
1st Floor,
8-B, Lall Bazar Street,
Calcutta-700 001.
2. M/s. Mayra & Khatri
Chartered Accountants
Bhagwan Bhawan (3rd Floor)
31, Israil Mohalla Street
Masjid Bunder Road
Bombay-400 009.
3. M/s. G. S. Goel & Co.
Chartered Accountants
587, Katra Ishwar Bhawan
Khari Baoli,
Delhi-110 006

NOTICE

FOURTEENTH ANNUAL GENERAL MEETING

Notice is hereby given to all Share-holders of COAL INDIA LIMITED that the FOURTEENTH ANNUAL GENERAL MEETING of the Company will be held on Saturday the 24th day of December, 1988 at 3.30 P.M. 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 1987-88.
2. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1988.
3. To receive, consider and adopt the Accounts of the Company for the year ended 31st March, 1988.
4. To appoint a Director in place of Shri V. Krishnan who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
5. To appoint a Director in place of Shri R. S. Sane who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
6. To appoint a Director in place of Shri V. Govinda Rajan who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for re-appointment.
7. To appoint a Director in place of Shri P. R. Sinha who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
8. To appoint a Director in place of Shri J. N. Uppal who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
9. To appoint a Director in place of Shri S. K. Chowdhary who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
- 9A. 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 reappointment.
10. 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 reappointment.

11. To appoint a Director in place of Shri M. Jha who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
12. To appoint a Director in place of Shri R. D. Roy who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.

13. **Special Business :**

To consider and, if thought fit, to pass with or without modification(s) the following resolutions as special resolutions :

- (A) "Resolved that the Authorised Share Capital of the Company be and is hereby increased to Rs.6,000 Crores (Rupees Six thousand Crores) from Rs.5,000 Crores (Rupees Five thousand Crores) divided into 6,00,00,000 (Six Crores) equity of Rs.1,000/- (Rupees One thousand) each."
- (B) "Resolved that Clause-V and para-1 of the Memorandum of Association of the Company be altered/modified to read as :
The Share Capital of the Company is Rs.6,000 Crores (Rupees Six thousand Crores) divided into 6,00,00,000 (Six Crores) equity of Rs.1000/- (Rupees One thousand) 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.6,000 Crores (Rupees Six thousand Crores) divided into 6,00,00,000 (Six Crores) equity of Rs.1,000/- (Rupees One thousand) each."

By order of the Board

(S. Saha)
Company Secretary-cum-Chief of
Accounts.

Dated the 8th December, 1988
Registered Office
"COAL BHAWAN"
10, Netaji Subhas Road
Calcutta-700 001

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



NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE ABOVE RESOLUTIONS:

Item No. 13 (A), (B) and (C)

The authorised Share Capital of the Company stands at Rs.5000 Crores divided into 5,00,00,000 (Five Crores) equity of Rs.1000/- each. With the growing expansion of the Company's business, it is desirable to bring the Authorised Capital of the Company in proper re-relation with the magnitude of the Company's resources and size of its undertakings. It is, therefore, considered advisable to increase the authorised capital of the Company from Rs.5000 Crores to Rs.6000 Crores by creation of 1,00,00,000 (One Crore) equity of Rs.1000/- each, which will rank pari passu in all respects with the existing equity in the Company.

The proposal to increase the authorised capital of the Company was approved by the Board of Directors of the Company at its 92nd Meeting held on 8th April, 1988 at New Delhi. In terms of Article 14 of the Articles of Association of the Company, the proposal on being approved by the Board was submitted to Government

of India for approval of the President of India. The Government of India, Ministry of Energy, Department of Coal vide its letter No.48019 (2)/86-CA dated 5th May, 1988 has conveyed the sanction of the President of India for increase of the authorised capital of the Company from the present level of Rs.5000 Crores to Rs.6000 Crores.

The proposed increase in authorised capital of the Company requires approval of the Members of the Company in a General Meeting. Consequent upon the increase in authorised capital of the Company, its Memorandum and Articles of Association will require alteration so as to reflect the increase in share capital.

The proposed alteration of the authorised share capital of the Company and necessary alteration/modification of Memorandum and Articles of Association of the Company arising thereto is placed before the Annual General Meeting as Special business to be adopted and passed as Special Resolutions with or without modifications.

None of the Directors are interested or concerned in the Resolutions.

The Prime Minister, Shri Rajiv Gandhi, addressing the members of the Joint Bipartite Committee for Coal Industry after receiving a cheque of Rs.One Crore and One as the contribution of the coal industry employees for AFRICA FUND.



CHAIRMAN'S STATEMENT



Gentlemen,

I welcome you all to the 14th Annual General meeting of Coal India Ltd. Striking a personal note, I am glad to be back in the family to which I belong. During my absence, of a little more than 3 years, much has happened in your company. The report of the Directors on the performance of your company and its subsidiaries for 1987-88 is with you.

It is a little more than five weeks since I took over and during this period I have visited many subsidiary companies, areas and individual collieries. Quantity-wise CIL and its subsidiaries have been achieving their targets. However, interaction with the Workers and Officers during my visits gave me an idea of the untapped potential available. For CIL and its subsidiaries to measure up to this, certain thrust-areas will have to be identified for action.

Human resource in the Coal Companies is an invaluable asset. With proper environment and training the present work-force can do much better than at present in increasing the levels of production and productivity. Important factors that provide a desirable environment are safety and quality of life. We cannot but over-emphasize the need for improving safety measures so that we can achieve, ultimately, ZAL i.e. zero accident level. Similarly, there is need to improve the quality of life by providing better living environment. Even though the industry is spending substantial sums in this regard, there is need to direct these towards certain identified targets within an agreed time-frame.

There has been consistent growth in production. But consumer complaints persist. As producers of one of the most important raw materials on which power, steel, cement, etc. sectors depend, our objective should be to ensure that the customers are satisfied not only with the quantity supplied, but more importantly, with the quality also. As far as consumer-satisfaction goes, there is no room to discriminate between the big and small among them.

Project implementation, in all its aspects, has been an area of management requiring much greater attention. Unless projects are completed on schedule, and at the projected cost, long term viability of the industry will be difficult to establish. Difficulties there are, and will continue to be; but a management is judged by its ability to overcome them.

Equipment availability and utilisation can stand substantial improvement. Unless available equipment is utilised to its full potential, it will be difficult to keep costs within reasonable levels. Hence, greater thrust is to be given to all facets of procurement, maintenance and utilisation of equipment—in short Equipment Management should be a key area of performance. This is applicable not only to equipment in opencast projects but also those in underground mines where costly Longwall Power Support Systems are being inducted.

Finally, no amount of effort would be of any avail unless attention is paid to maximise production from underground mines. Development of existing UG mines is not, at present, receiving the thrust it deserves considering the available potential. It will be our endeavour to give a new direction to development of existing UG Mines.

I am sure that with these policies Coal Industry will turn the corner to take its rightful place in our country's industrial map. In these efforts I have no doubt that continued co-operation of our workers and officers will be forthcoming not to speak of the support and guidance of the Deptt. of Coal, which is already available in good measure.

24th December, 1988
Calcutta

M.P. Narayanan
Chairman



SEVEN YEAR DIGEST R

For the year	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82
	(Rs. in Crores)						
Sale	4370.78	3714.44	2662.24	2438.85	1992.03	1731.97	1444.27
Cost of goods Sold	3853.53	3528.11	2584.97	2131.82	1920.69	1482.45	1247.19
Gross Margin	517.25	186.33	77.27	307.03	71.34	249.52	197.08
Interest	376.67	225.11	226.49	172.87	139.14	120.24	88.34
Depreciation	365.22	292.97	254.96	212.19	174.88	134.62	103.11
Net Profit (+)/Loss(—)	(—) 224.64	(—) 331.75	(—) 404.18	(—) 78.03	(—) 242.68	(—) 5.34	(+) 5.63
Equity	4120.34	3559.50	3012.31	2556.69	2131.65	1691.25	1286.99
Reserve & Surplus	245.22	251.42	206.82	162.49	131.56	104.86	73.26
Loans-Long term (including accrued & due interest)	3674.60	2993.64	2908.60	2503.81	2230.92	1749.30	1457.04
Short term (Bank)	225.41	225.73	83.04	131.98	174.63	80.67	61.03
Net Fixed Assets	3483.49	3039.87	2629.16	2083.76	1763.98	1406.97	1079.76
Current Assets & Advances	2580.60	2370.07	2293.75	2333.39	2238.06	1635.32	1290.34
Current Liabilities and Provisions (including unpaid interest on Loan)	1507.77	1601.34	1210.81	1066.35	1093.85	752.69	645.50
Working Capital	1072.83	768.73	1082.94	1267.04	1144.21	882.63	644.84
Capital Employed	4556.32	3808.60	3712.10	3349.80	2908.19	2289.60	1724.60
Net worth	656.31	589.23	720.46	714.01	502.64	459.63	206.53
Gross Margin to Capital Employed %	11%	4.9%	2%	9.2%	2.5%	10.9%	11.4%
Net Profit to Capital Employed %	(—) 4.9%	(—) 8.7%	(—) 10.8%	(—) 2.3%	(—) 8.3%	(—) 0.2%	(+) 0.3%
Debt—Equity ratio	.09:1	09:1	1:1	1.0:1	1.1:1	1.1:1	1.2:1
No. of Employees	674021	675115	671962	669273	659599	645410	633102
Production of Raw Coal (Million Tonnes)	159.02	144.77	134.11	130.81	121.41	114.06	109.61
O.M.S. (Tonnes)	1.08	0.99	0.91	0.87	0.82	0.79	0.77
E.M.S. (in Rs.)	111.52	106.70	91.35	85.20	79.17	58.82	54.96

PROFITABILITY STATEMENT

For the year ended 31st March

1988 1987 1986 1985 1984 1983 1982

(Rs. in Crores)

Earned From

Sales	4370.78	3714.44	2662.24	2438.85	1992.03	1731.97	1444.27
Accretion/Decretion in Stock of Coal Coke etc.	60.07	51.77	(—) 32.88	92.41	32.20	67.76	39.63
Domestic Consumption of Coal	71.07	65.81	60.37	58.30	48.60	43.43	35.54
Other Revenue Receipts	290.69	238.26	133.45	110.80	99.49	77.74	60.39
Total :	4792.61	4070.28	2823.18	2700.36	2172.32	1920.90	1579.83

Paid & Provided for

Employees Remuneration & Benefits	1765.56	1599.68	1370.67	1307.64	1188.67	906.11	810.88
Social Overhead (including domestic consumption)	208.97	252.42	192.68	190.73	149.58	112.65	96.54
Stores & Spares	568.93	486.02	432.44	382.28	342.41	284.23	222.36
Power & Fuel	248.40	219.80	182.97	154.57	124.08	101.21	77.95
Repairs	54.56	48.03	67.22	58.31	46.27	36.87	22.83
Transportation including OBR	249.85	154.39	128.82	100.23	81.38	66.64	43.42
Misc. Expenses	276.92	235.47	176.45	142.81	110.86	74.86	59.28
Payments & Provisions for Exchequer (Royalty, Cess, Sales Tax etc.)	877.94	695.64	—	—	—	—	—
Contribution to CPRA	(—) 59.82	29.83	48.45	—	(—) 42.79	42.79	—
Provision for Coal, Stores etc.	117.79	113.64	93.07	22.26	35.29	24.40	25.60
Interest	370.61	315.08	227.96	186.28	138.55	116.80	86.04
Depreciation	360.40	300.21	250.84	207.93	172.66	136.85	100.73
Prior Period Adjustment	(—) 22.86*	(—) 48.18*	55.79*	25.35*	68.04	22.83	28.57
Total :	5017.25	4402.03	3227.36	2778.39	2415.00	1926.24	1574.20

Loss for the year	224.64	331.75	404.18	78.03	242.68	5.34	(—) 5.63
Investment Allowance Reserve, Income Tax etc.	1.40	42.62	39.31	29.76	23.50	24.64	32.95
Less brought forward from previous year	2033.72	1659.35	1215.86	1108.07	841.89	811.90	784.58
Cumulative loss carried to Balance Sheet	2259.76	2033.72	1659.35	1215.86	1108.07	841.88	811.90

*Exclusive of adjustment of CPRA



Financial Position

(Rs. in crores)

As at 31st March

A. What is Owned

	1988	1987	1986	1985	1984	1983	1982
Gross Fixed Assets	5495.21	4701.06	4029.65	3202.10	2636.41	2098.01	1612.59
Less : Depreciation	2011.72	1661.19	1400.42	1119.34	872.43	691.04	532.83
Net Fixed Assets	3483.49	3039.87	2629.16	2082.76	1763.98	1406.97	1079.76
Capital-work-in-Progress	1443.68	1179.63	834.09	786.57	649.56	491.39	316.19
Investments	0.18	0.15	0.16	0.35	0.35	0.34	0.34
Misc. Expenditure (to the extent not written off or adjusted)	5.63	8.19	5.07	2.39	2.59	2.87	25.29

Current Assets :

Inventories	1070.80	982.22	892.43	900.60	760.73	642.58	516.49
Sundry Debtors	722.73	465.45	399.55	377.46	379.18	222.36	176.84
Cash & Bank Balance	142.37	141.70	118.68	121.81	235.23	107.50	72.71
Other Current Assets	(—) 5.32	50.34	33.23	31.64	30.05	29.92	68.36
Loans & Advances	657.00	730.36	849.86	901.88	832.87	632.96	455.94
	2587.58	2370.07	2293.75	2333.39	2238.06	1635.32	1290.34

Less: Current liabilities & Provisions (including unpaid interest on loans)

	1506.39	1601.34	1210.81	1066.35	1093.85	752.69	645.50
	1081.19	768.73	1082.94	1267.04	1144.21	882.63	644.84

Net Current Assets

	6014.17	4996.57	4551.42	4139.11	3560.69	2784.20	2066.42
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B. What is Owed :

Long term Loans							
Government Loan	3674.60	2993.64	2908.60	2503.81	2230.92	1749.30	1457.04
Other Loan	225.41	225.73	83.04	131.98	174.63	80.67	61.03
	3900.01	3219.37	2991.64	2635.79	2405.55	1829.97	1518.07
Net Worth (A—B)	2114.16	1777.20	1559.78	1503.32	1155.14	954.23	548.35

Represented by :

Equity Capital (including pending allotment)	4120.34	3559.50	3012.31	2556.69	2131.65	1691.25	1286.99
Reserve & Surplus	253.58	251.42	206.82	162.49	131.56	104.86	73.26
Profit & Loss Account	(—) 2259.76	(—) 2033.72	(—) 1659.35	(—) 1215.86	(—) 1108.07	(—) 841.88	(—) 811.90
	2114.16	1777.20	1559.78	1503.32	1155.14	954.23	548.35

The Report of the Board of Directors for 1987-88 to the Shareholders of Coal India Limited.

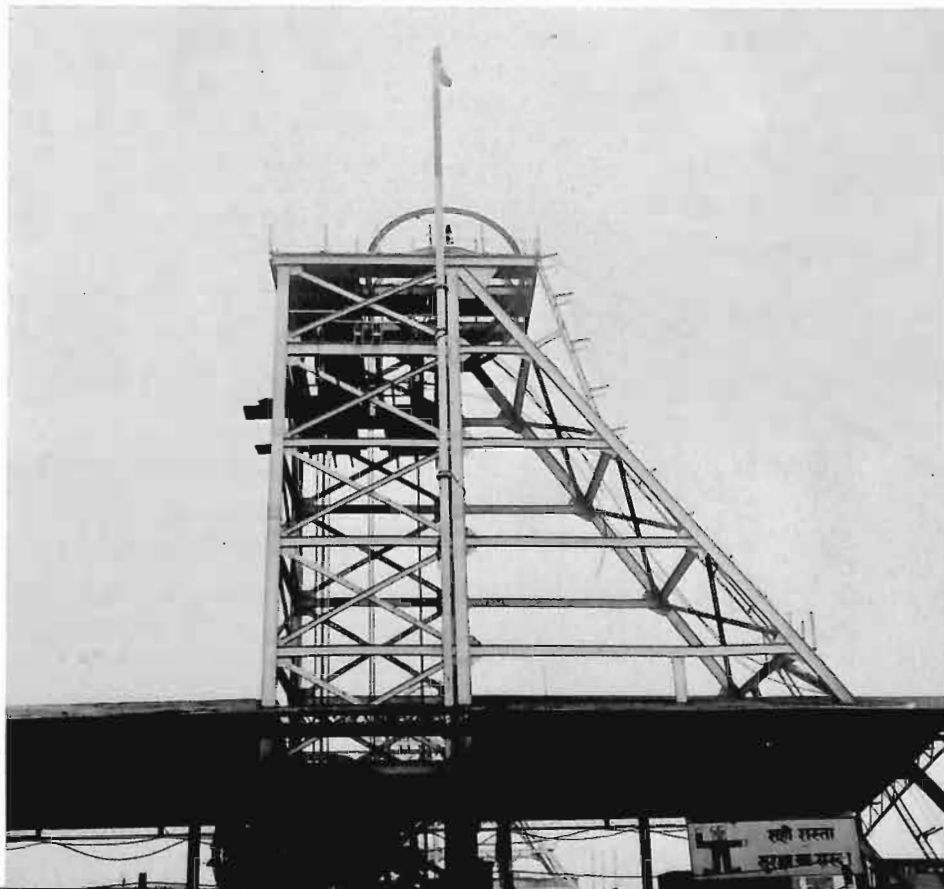
Gentlemen,

On behalf of the Board of Directors, I have pleasure in presenting the 15th Annual Report and Accounts of your Company for the year ended 31st March, 1988 together with the report of the Statutory Auditors and also comments and review of the Comptroller and Auditor General of India.

During the year under review, the Company continued to hold seven fully owned Subsidiary Companies viz :

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

The mines in Assam and the Dankuni Coal Complex continued to be managed directly by your Company.



2. Production Performance :

2.1 The year 1987-88 marked a record level of production of 159.02 million tonnes (Coking Coal 30.22 million tonnes and Non-coking coal 128.80 million tonnes) as against the previous year's production 144.77 million tonnes (Coking coal 29.47 million tonnes and Non-coking coal 115.30 million tonnes). The overall annual growth during 1987-88 was the highest since inception as production was 14.25 million tonnes more than in the year 1986-87. Companywise production of raw coal for 1987-88 as compared to 1986-87 is indicated below:

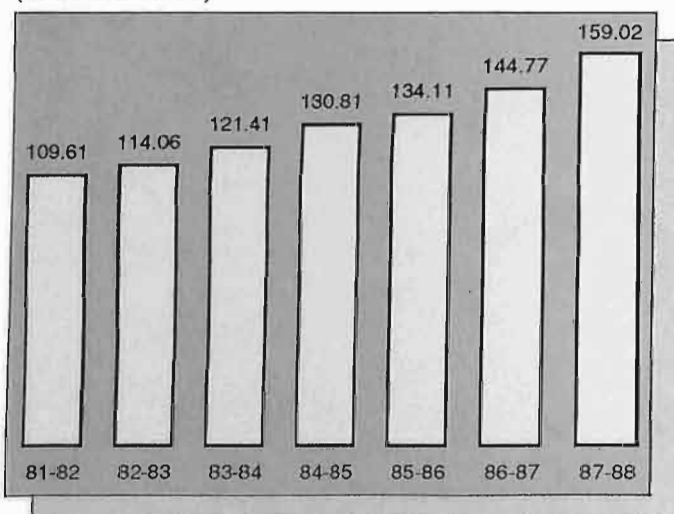
Coal Production

(Figures in million tonnes)

	Coking Coal		Non-coking coal		Total Raw Coal	
	1987-88	1986-87	1987-88	1986-87	1987-88	1986-87
ECL	1.50	1.55	26.49	24.07	27.99	25.62
BCCL	14.30	14.07	10.82	9.94	25.12	24.01
CCL	13.69	13.07	13.58	12.07	27.27	25.14
NCL	—	—	16.50	13.60	16.50	13.60
WCL	0.73	0.69	20.46	18.65	21.19	19.34
SECL	—	0.09	39.95	36.06	39.95	36.15
NEC	—	—	1.00	0.91	1.00	0.91
Total CIL	30.22	29.47	128.80	115.30	159.02	144.77

GROWTH OF PRODUCTION

(in million tonnes)



2.2 Production of Soft Coke, Hard Coke and Washed Coal.

The production of soft coke, hard coke and washed coal in 1987-88 was 1.56 million tonnes, 0.51 million tonnes and 8.37 million tonnes respectively as against last year's production of 1.53 million tonnes, 0.59 million tonnes and 8.04 million tonnes respectively. Washed Coal production increased by 4.1% over 86-87 and there was marginal increase in the production of soft coke. The Subsidiary wise position is as below:

(Figures in million tonnes)

	Soft Coke		Hard Coke		Washed Coal	
	1987-88	1986-87	1987-88	1986-87	1987-88	1986-87
ECL	0.81	0.69	0.02	0.01	—	—
BCCL	0.31	0.41	0.47	0.56	4.20	4.11
CCL	0.44	0.43	0.02	0.02	3.81	3.75
WCL	—	—	—	—	0.36	0.18
Total						
CIL	1.56	1.53	0.51	0.59	8.37	8.04

2.3 The total quantum of overburden removed in 1987-88 was 212.08 million Cu. Mtr. This was 22.41 M³ more than last year's figure of 189.67 million Cu. Mtr. Subsidiarywise quantum of overburden removed are as under :—

Overburden removed (in million cubic mtr)

	1987-88	1986-87
ECL	26.05	22.52
BCCL	23.12	22.04
CCL	41.76	37.49
NCL	53.67	42.40
WCL	28.89	27.14
SECL	34.69	34.71
NEC	3.90	3.37
Total:	212.08	189.67

2.4.0 Population of Equipment (HEMM)

2.4.1 Inventory of Equipment

Inventory of major HEMM as on 1.4.1986, 1.4.1987 and 1.4.1988 showing the break-up and working and non-working equipment is as follows :

DIRECTOR'S REPORT

HEMM POPULATION

AS ON 1.4.86

EQUIPMENT	ECL	BCCL	CCL	NCL	WCL	SECL	CIL
DRAG LINE	0	0	0	6	3	13	22
SHOVEL	61	94	95	52	89	71	462
DUMPER	302	399	683	299	325	484	2492
DOZER	92	124	178	71	86	126	677
DRILL	42	62	99	50	39	83	375
GRADER	25	6	22	17	10	27	107
LOADING M/C	120	96	153	14	31	77	491
CRANE	15	22	32	28	25	28	150
SCRAPER	38	2	0	0	61	29	130
TOTAL	695	805	1262	537	669	938	4906

AS ON 1.4.87

EQUIPMENT	ECL	BCCL	CCL	NCL	WCL	SECL	CIL
DRAGLINE	0	0	0	6	2	14	22
SHOVEL	67	114	116	66	112	80	555
DUMPER	333	442	755	348	382	546	2806
DOZER	104	166	193	91	102	151	807
DRILL	43	67	107	57	51	95	420
GRADER	25	7	21	17	10	28	108
LOADING M/C	121	144	163	14	48	97	587
CRANE	15	26	32	28	25	30	156
SCRAPER	40	2	0	0	64	31	137
TOTAL	748	968	1387	627	796	1072	5598

AS ON 1.4.88

EQUIPMENT	ECL	BCCL	CCL	NCL	WCL	SECL	CIL
DRAGLINE	0	0	0	7	2	14	23
SHOVEL	68	121	114	59	117	98	577
DUMPER	334	472	781	357	453	568	2965
DOZER	107	161	176	99	115	146	804
DRILL	76	73	121	72	67	100	509
GRADER	15	11	22	19	14	27	108
LOADING M/C	135	152	163	17	41	72	580
CRANE	15	18	32	30	25	31	151
SCRAPER	38	2	0	0	61	32	133
TOTAL	788	1010	1409	660	895	1088	5850

2.4.2 Rehabilitation

As on 1.4.1986, altogether 1106 equipment needed capital overhaul/rehabilitation. This has reduced to 975 as on 1.4.1987 and further reduced to 939 on 1.4.1988.

While there is a downward trend for rehabilitating the equipment progressively over years, during 1988-89 about 348 equipment out of 939 are in the process of being surveyed off as they have completed their useful life or found to be beyond economical repair and hence the actual rehabilitation needed are only 591.

2.4.3 Improving Availability of Equipment

For improving availability of equipment, manufacturers are being fully involved. We expect manufacturers to supply spare parts at our call, repair the equipment through their Service Centres, make available to us assemblies through Recon Exchange Systems, do the condition based monitoring of equipment so that the breakdown could be anticipated or judged well in time. They are also to make adequate training available to our employees, so that the latter can operate and maintain equipment properly.

2.4.4. Infrastructural Development

Workshop facilities have been given top priority in construction programme. Standard workshop construction manual has been prepared for different size of Unit Workshop. The status of Workshop facility available is as below :

Workshop	85-86	86-87	87-88	Programme during 88-89
Unit	44	60	79	30
Regional	9	11	11	—
Central	2	2	2	1

2.4.5 Computerised Inventory Control

For systematic and effective control of inventories held in widely spread geographical locations, an integrated 'on line' computerised material management system is being introduced in all the Subsidiary Companies in a phased manner. Uniform codification structure has been designed and codification of over seven lakh items have already been completed for implementation. There is a net reduction of 2.81 lakh items by identification of commonalities. This will bring substantial benefits in economy in procurement, consumption control and reduction in inventory. By monitoring and control of high consumption and high stock value 'A' items, inventory in terms of number of months consumption has been brought down from 10.30 months to 9.64 months.

2.5 Availability of Power

The availability of power in ECL, BCCL and CCL areas was better than last year. ECL, BCCL and CCL received a major chunk of power from DVC either directly or through BSEB, DPS and/or APS. The overall availability of power was around 322.0 MVA as against the demand of 422 MVA during the year leaving a shortfall of 100 MVA approximately. Besides this, though the number of interruptions decreased to 18,027 (cumulative) from 25,442 (cumulative) during the year, delay in restoration of power resulted in 16,248 feeder hours loss (cumulative) as compared to 22,215 feeder hours loss during the previous year. To improve power availability in ECL, M/s. Dishergarh Power Supply Company will install, operate and maintain a 2 X 10 MW plant on lease term. BHEL has been entrusted with the job of installation of fluidised bed combustion power plants at Moonidih (BCCL) and at Kathara (CCL) and construction is progressing according to programme.

2.6. Productivity

The overall OMS during the year under review has gone up to 1.08 tonnes from 0.99 tonnes. All the Subsidiaries improved their OMS compared to the previous year. The growth in the year is highest achieved by CIL so far both in terms of absolute (0.09 tonnes) as well as rate of growth.

The Companywise OMS position is as follows :

	O M S		% increase over	
	1987-88	1986-87	1986-87	
ECL	0.69	0.61	(+)	13.1
BCCL	0.68	0.67	(+)	1.5
CCL	1.09	1.04	(+)	4.8
NCL	7.44	7.03	(+)	15.8
WCL	1.23	1.15	(+)	7.8
SECL	1.65	1.51	(+)	10.0
NEC	0.98	0.86	(+)	14.0
Overall CIL	1.08	0.99	(+)	9.1



3. Working Results

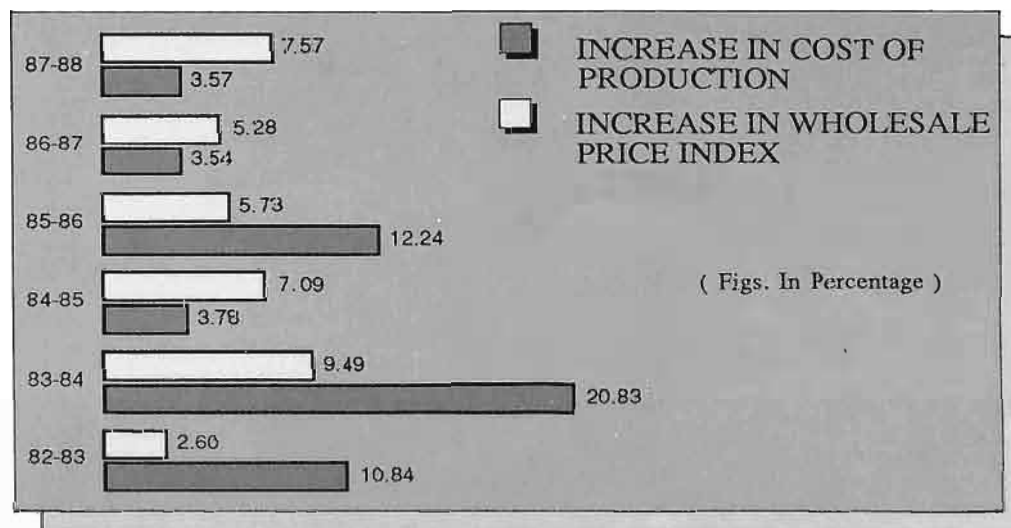
During the year under review, the Company and its Subsidiaries incurred a loss of Rs. 224.64 crores compared to the loss of Rs. 331.75 crores during the previous year. The Companywise position for the year 1986-87 and 1987-88 alongwith cumulative position upto 31st March, 1988 are indicated below :

			(Rupees in crores)		
Companies	1987-88 Actuals		1986-87 Actuals		Cumulative profit/loss upto 31.3.1988
ECL	(—) 48.74		(—) 142.19		(—) 910.51
BCCL	(—) 112.01		(—) 87.71		(—) 987.87
CCL	(—) 90.43		(—) 68.67		(—) 123.21
NCL	(—) 3.23		(—) 1.49		(—) 28.71
WCL	(+) 8.22		(—) 0.68		(—) 97.00
SECL	(+) 21.48*		(—) 30.06		(—) 9.49
CMPDIL	(+) 1.44*		(+) 1.21*		(+) 4.44
NEC including Stockyards	(—) 1.37		(—) 2.16		(—) 107.40
Total:	(—) 224.64*		(—) 331.75*		(—) 2259.75

* Before provision for Income Tax.

All out efforts are being made by the Company and its Subsidiaries to bring about reduction in losses through improved performance. Various steps have been taken to improve equipment utilisation and hence productivity. Norms have already been laid in many cases for consumption of stores. Increase in cost of production has been brought under control in the last couple of years. While the increase was, on an average, over 11% between the years 1981-82 to 1985-86 (much above the general inflation rate), in the year 1986-87 this increase over the previous year was brought down to 3.5% against a general inflation rate of 5.4%. In the year 1987-88 this rate of increase was 3.6%. It is very much less than the reported general inflation rate for the year of 7.6%.

COST OF PRODUCTION VIS-A-VIS INFLATION



4.0 Planning

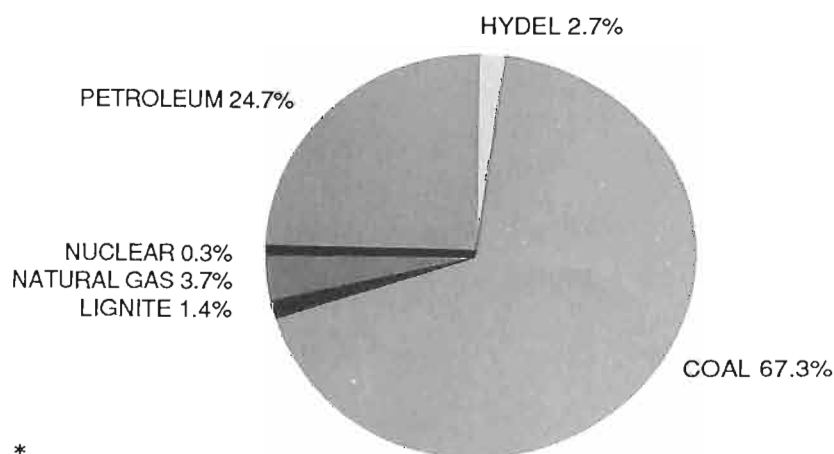
4.1. Annual Action Plan drawn for the year 1987-88 as approved by Department of Coal was monitored regularly. Annual Plan 1988-89 was also drawn up and approved at CIL and at Government level. Performance during 1987-88 against the Annual Action Plan for the year and programme for 1988-89 are shown as below :

	1987-88		1988-89
	Plan	Actual	Plan
1. Production (Million Te)	158	159.09	170.08
2. Productivity (OMS)	1.02	1.08	1.11
3. Plan Expenditure (BE) (Rupees Crores) (RE)	1026	1007.65	1314
	1026		

A mid term appraisal of VII Plan was carried out and report was submitted to Govt. Action was also initiated to formulate the 5 years Corporate Plan of CIL and each Subsidiary Company.

Minewise Annual System Capacity (Separately for UG and OC Mine) was assessed as on 1.4.1987 for periodic comparison with actual performance.

CONSUMPTION OF COMMERCIAL ENERGY IN INDIA SHARE OF DIFFERENT ENERGY SOURCES *



* EXCLUDING IMPORTED OIL

4.2 Communication System

The implementation of surface telecom. project has helped in providing voice communication facility through hotlines between CIL (Hqrs.), Calcutta, Delhi and all Subsidiary Companies. Simultaneously installation of Trunk Board Exchanges (T-43/10+50), RAX/SAX Exchanges, TP/Telex facilities, HF/VHF nets have helped in bringing about improvement of communication facility both at micro and macro level. The position is as under :

	As on 1.1.88	As on 1.1.86
Hotlines	20 Nos.	4 Nos.
VHF Trans-receivers	1244 Nos.	462 Nos.
HF Sets	57 Nos.	37 Nos.

CIL has also finalised the approach for developing a reliable Integrated Information System from field to Corporate Headquarters covering 700 contact points backed by a strong and stable data base and reliable communication links through implementation of COALNET programmes. COALNET is a satellite and land based digital UHF network being implemented in phases by DOT, facilitating voice and data communication and also providing facility for Computer communication in phases. In phases I & II, 19 Earth stations shall be installed (13 Satellite based earth stations and 6 land based digital UHF stations) to provide links between CIL—Calcutta with Delhi and all Subsidiary Hqrs. and 10 important project areas. Singrauli (NCL) earth station of CIL has already been commissioned much ahead of schedule. Remaining stations are scheduled to be completed progressively by end of 1990. Simultaneously, CIL has also drawn up plans to improve communication facilities with the Railways and major equipment suppliers and also with Regional Sales Offices all over the country.



CIL's first Satellite Earth Station has been commissioned at Singrauli. Nine more Earth Stations are under construction at various mining sites.

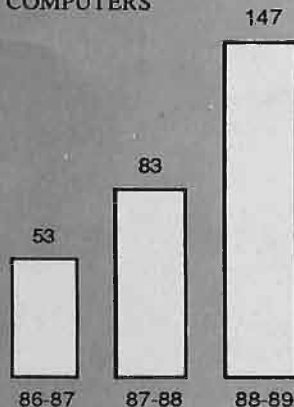
4.3 Computerisation

For creating a strong Management Information System within CIL, number of application packages have been identified and priority has been fixed. Some of the packages like personnel Information System for executives and Non-executives, Materials Management System, Project Management and Monitoring System have already been developed and are at various stages of implementation. New projects like total Integrated Mine Management System for Opencast Mines and Marketing System are under development. 15 Computers are in the process of installation in different Regional Sales Offices, for closer monitoring of stockyard and liaison with customers. These are proposed to be linked through Public Communication Network. Total number of computers in position till 1987-88 is 155 and another 90 Nos. will be installed in 1988-89.

Under the auspices of highpowered STEERING COMMITTEE on Computers and Communication in Coal, which has representation from DOT, DOE, DOC, Planning Commission, CIL, TCIL, CMC Ltd., NLC and SCCL, various application areas are being identified for indigenous development which are of immediate benefit to Coal Industry. Details are being worked out for priority areas alongwith their associated linkages of other modules. The truck despatch system (TDS) is one such module which has been indigenously developed and successfully demonstrated at Gevra mines of SECL on 2nd October, 1988.



**GROWTH OF
COMPUTERISATION**
NO. OF COMPUTERS



4.4 Geological Exploration & Drilling

During the year 1987-88 a total of 367510 Mtrs. of drilling was carried out in 126 blocks (including production support drilling) spread over 26 coalfields in the States of West Bengal, Bihar, Orissa, M.P., Maharashtra and Assam.

The task was carried out by CMPDIL in association with MECL, State Govts. and private parties. Additionally 7204 Mtrs. of drilling and 1405 Mtrs. of reaming for large diameter bore holes were also carried out for colliery development works, alongwith High Resolution Seismic Survey studies, Hydrogeological studies; foundation holes and dewatering holes etc. Average number of drills deployed were 180 drills, comprising 43 by CMPDIL, 94 by MECL, 24 by Private Parties and 19 by State Govts. Overall productivity of the drills was 170 metres per drill per month in 1987-88 as compared to 151 Mtrs. per drill per month during last year. Productivity of operational drills of CMPDIL registered 11.9% rise from 252 Mtrs. per drill per month to 281 Mtrs. per drill per month. During the year under review 44 geological reports/notes/appraisals were prepared based on which a total of 4911 million tonnes of reserve were estimated of which 4108 million tonnes were under the "Proved Category". Of the total reserves estimated, 867 million tonnes were quarriable.

Exploration activities were mainly directed towards proving of metallurgical coal resources in Jharia, Sohagpur and Kanhan Valley coalfields and quarriable coal resources suitable for power generation in the Rajmahal, North Karanpura, Singrauli, Korba, IB and Talcher Coalfields. Emphasis was also laid on proving good quality non-coking coal in the Ranigunj and other coalfields.

4.5 Research & Development

CMPDIL, a Subsidiary of Coal India Limited, has been entrusted with the function of co-ordination and monitoring of coal research and development projects in coal sector funding through Science and Technology grant of Department of Coal. 63 Projects were under implementation during the year by 20 Agencies/Institutions. Research and Development Projects under Coal Sector cover mining technology, allied engineering such as coal exploration, coal beneficiation, coal utilisation, safety and environmental engineering. A sum of Rs. 1018.78 lakhs was disbursed to various participating Agencies during the year. Eleven Projects were successfully completed during the year. The major achievements during the year in the fields of research and development were as follows:

- i) For the extraction of developed thick seam, blasting gallery method has been introduced for the first time in India;
- ii) A rubber based sealant has been successfully developed to overcome the shortcoming of mica based sealant and extensive full trials etc. are in progress;
- iii) A composition to produce foam of required stability for dealing with fires was developed as also the complete system for application of the foam.

4.6 Capacity assessment of OC Mines

The Methodology for assessment of capacity for OCMs was finalised during 1987-88.

4.7 Project Formulation

During the year CMPDIL prepared 67 long-term mining projects contributing to ultimate capacity of 42.39 million tonnes per year. RPRS/RCS for 12 on-going projects were also prepared.

5. Foreign Collaboration

We have entered into collaboration agreements with UK, France, FRG, USSR, GDR and Poland for introducing advanced technology in coal mining industry for all-round technological improvement. Further, discussions are also under way with these Countries for acquisition of new technologies both for underground and opencast mine, coal exploration, coal beneficiation, shaft sinking, blasting etc.

Collaboration has been sought from USSR, FRANCE, FRG, UK, POLAND, CANADA, AUSTRALIA and GDR for selective import of technology consistent with the local requirement for improving production, productivity, safety and high rate of coal recovery.

5.1 To achieve the objective of importing high technology Bilateral meetings at Govt. level were held with the collaborating countries Canada, Poland, GDR, France, UK and USSR in the year 1987-88.

5.2 The concept of foreign collaboration for Projects mostly on turnkey concept recognised during the year 1986 has started rolling by way of speedy transfer of technology with performance guarantees.

5.3 French

'Blasting Gallery Method' has been introduced at East Katras (BCCL) and Chora (ECL) mines from January, 1988.

The Turnkey contract for introduction of 'Sub-level caving' at East Katras (BCCL) signed during February, 1987 is under implementation by way of creating requisite infrastructure for coal production.

Other contracts for transfer of sub-level caving technology at Parasea (ECL) and multi-lift Longwall mining at Rottadih (ECL) are under negotiation.

Degassification plant at North Amlabad is under installation. Commissioning of this plant would help in diluting the concentration of methane in highly gassy seam which would facilitate higher coal production.

5.4 USSR

With USSR collaboration large opencast mines viz. Nigahi (NCL) and Khadia (NCL) are being developed right from the initial stage of planning with special emphasis to achieve high productivity norms.

Flexible Roofing and Shield mining Method of Mining for working, steep, thick seams liable to spontaneous combustions, being practised in Tipong mine (NEC) enables 95% recovery of in-situ coal.

Jhanjra underground mine (ECL) (capacity 3.5 mty.) is under construction. Sinking of Shafts A & B have been completed.

A comprehensive grouting technology for prevention of start and spreading of mine fire is under formulation with USSR collaboration at Mukunda OCP (BCCL).

Besides above a large number of high capacity underground and opencast mines have also been identified for development for which Project Reports are under formulation.

5.5 Polish

With Polish collaboration sinking of shaft at Satgram (ECL) was completed. Contract for horizontal development works at pit bottom was signed and is under execution.

Sinking of one of the shafts at Pootkee Ballihari (BCCL) has been completed during February, 1988 and the sinking of the second shaft was completed in May 1988.

5.6 U.K.

Project Report for Ghusick mine (ECL) was discussed and revised on different occasions. This project is to be developed on turnkey concept.

5.7 GDR

Contracts for preparation of Feasibility Report for 'Reclamation of worked out opencast mine' at Bistrampur (SECL) and application of bucket wheel excavator at Niljai (WCL) were signed.

Feasibility Reports are under preparation.

5.8 FRG

Installation of equipment for introduction 'Hydraulic Mining' at Gopalichuk (BCCL) were in progress and trial production is scheduled to be started during 1988-89.

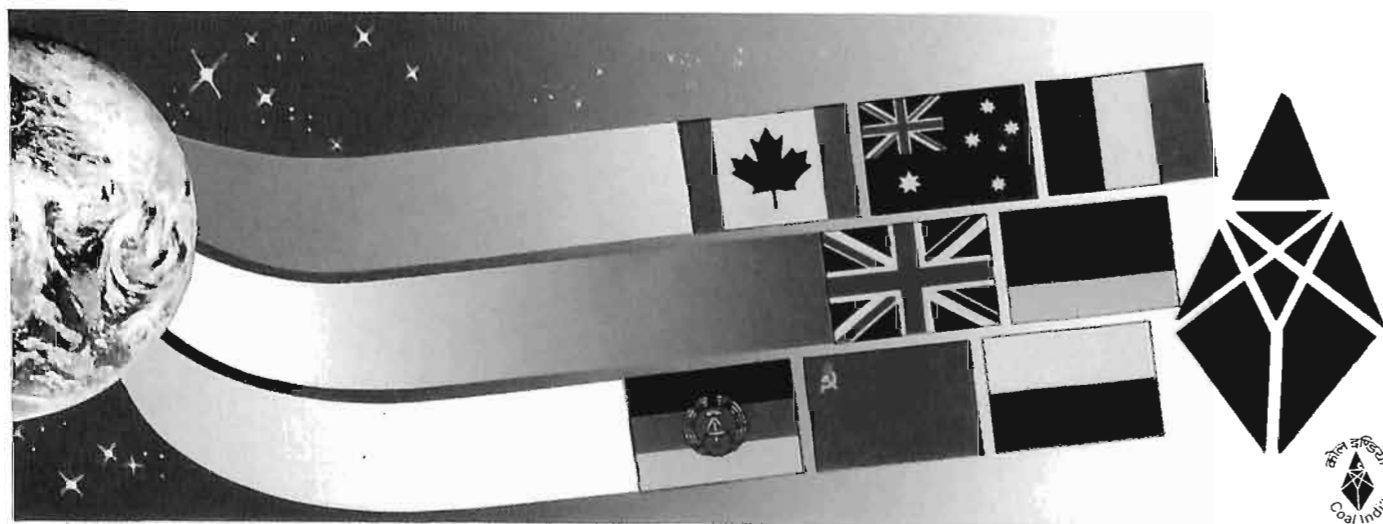
Contract under KFW financial co-operation was signed for Feasibility studies on modernisation of Bhanora West Mine (ECL) and introduction of PS Longwall mining in difficult geo-mining conditions at Chinakuri (ECL) during November, 1987. Draft Report for Chinakuri has been received during March, 1988 and for Bhanora has been received during August, 1988.

5.9 Canada

Hydraulic Mining at Bargolai (NEC) and Rajmahal expansion OCP (ECL) were identified for development with Canadian assistance. Project document for Rajmahal OCP was prepared and is under negotiation.

5.10 Australia

Piparwar OCP (CCL) was identified for development with Australian co-operation. Project document has been received from Australia during March, 1988.



6.0 World Bank Assistance

Assistance through IBRD has been made available in respect of (i) Dudhichua Coal Project of NCL, (ii) Jharia Coking Coal Project comprising of Block-II OCP, Pootkee—Ballihari underground project with Pootkee Washery of BCCL, (iii) Gevra Expansion OCP (SECL) and (iv) Sonepur Bazari Opencast Project (ECL).

World Bank Mission during their different visits have expressed their satisfaction on the progress of these projects, excepting Sonepur Bazari which remains a non-starter due to land problems and Pootkee Ballihari due to certain geological set back.

7. COAL MARKETING

7.1 DESPATCH AND OFF TAKE OF COAL

Demand of 163.55 million tonnes of coal was assessed for 1987-88. Against this demand, actual off take was 153.93 million tonnes showing a demand satisfaction of 94.1% as compared to 91.5% demand satisfaction in the previous year. Sectorwise demand and off take together with percentage satisfaction for 1986-87 and 1987-88 are tabulated below :

(Figs. in million tonnes of raw Coal)

Sector	1987-88			1986-87		
	Demand	Off-take	% age materialisation	Demand	Off-take	% age materialisation
Power (Utility)						
Raw Coal	80.40	82.18	102.2	73.21	71.26	97.3
Middlings	(3.90)	(1.97)	(50.5)	(3.92)	(2.02)	(51.3)
Steel	23.70	19.47	82.1	25.51	19.11	74.9
Loco	6.50	6.36	97.7	7.20	6.83	94.8
Cement	7.60	6.48	82.6	6.64	6.46	97.3
Fertiliser	4.00	3.50	91.3	4.35	3.66	84.1
Soft Coke making	3.50	1.88	53.7	3.60	2.04	56.7
Export	0.35	0.17	48.6	0.20	0.16	80.0
BRK/Others	34.00	30.41	89.4	30.41	28.59	94.0
Colliery Consumption	3.50	3.48	99.4	3.60	3.54	98.1
Total	163.55	153.93	94.1	154.72	141.65	91.5

With the commissioning of the rapid loading system at Rajmahal Project, CIL now has three such advanced mechanised loading systems for super thermal power stations.



DIRECTOR'S REPORT

As a result of the drought situation the Demand satisfaction in Power Sector(Utility) was 102% compared to 97.3% during the previous year. Demand satisfaction for Loco, Steel and Cement sectors were 97.7%, 82.1% and 82.6% respectively. Stock position of Power Houses, Cement Plants and Steel Plants at the end of the year were 38.95 lakh tonnes, 3.76 lakh tonnes and 4.56 lakh tonnes respectively equivalent to average daily consumption of 10 days, 9 days and 12 days respectively.

With the increased and easy availability of coal in the CIL Stockyards for the small consumers and also by giving Raniganj coal to BRK consumers in the Northern Sector in the ratio of 3 Non-Raniganj: 1 Raniganj, it is understood that there has been an appreciable reduction in the open market coal prices.

7.2 DESPATCHES:

Overall despatch of coal & coal products was 146.10 million tonnes, showing an increase of 12.62 million tonnes or a growth rate of 9.5% over the last year. The following table gives modewise despatch as well as increase during the year.

	1987-88	1986-87	(In Million tonnes) Increase (+) decrease (—)
Rail	94.78	89.95	(+) 4.83
Road	26.20	24.37	(+) 1.83
MGR	15.06	9.50	(+) 5.56
Ropeway	4.30	4.03	(+) 0.27
Belt	5.76	5.63	(+) 0.13
TOTAL	146.10	133.48	(+) 12.62

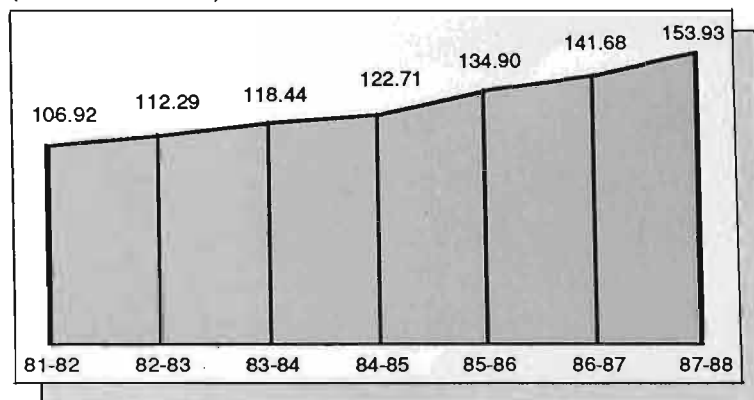
Maximum increase has taken place in MGR system, where the increase was of the order of 5.56 million tonnes or 58.5% as compared to last year.

Similarly, there was significant increase in the Rail despatches because of increased loading. Wagon loading was 11,738 wagons per day in '87-88 compared to 11,288 wagons per day in '86-87, showing an increase of 450 wagons during the year under review. The comparative increase of daily average offer, allotment, supply and loading during the last two years are also given in the following table.

	1987-88	(FWW/Day)	1986-87
Offer	12229	wagons	12006
Allotment	12202	"	11791
Supply	11925	"	11433
Loading	11738	"	11288

OFF - TAKE

(in million tonnes)



7.3 Stockyards

62 Stockyards were in operations in 1987-88, as against 66 in previous year. Total receipt of coal and coke in Stockyard during 1987-88 was 10.13 lakh tonnes as compared to 10.35 lakh tonnes in the previous year. Sale from the stockyard was 10.40 lakh tonnes during the year 1987-88 compared to 9.38 lakh tonnes in the previous year. At the end of the year stockyards were holding 1.13 lakh tonnes of stock against 1.61 lakh tonnes during the previous year. During 1987-88, 10 new stockyards were opened and 6 stockyards closed.

7.4 Stock of Coal

Stock of coal at pit-head rose to 31.387 million tonnes as against 27.454 million tonnes in the previous year. The increase of 3.93 million tonnes as on 31.3.87, are shown below :

Company :

ECL

BCC

CO

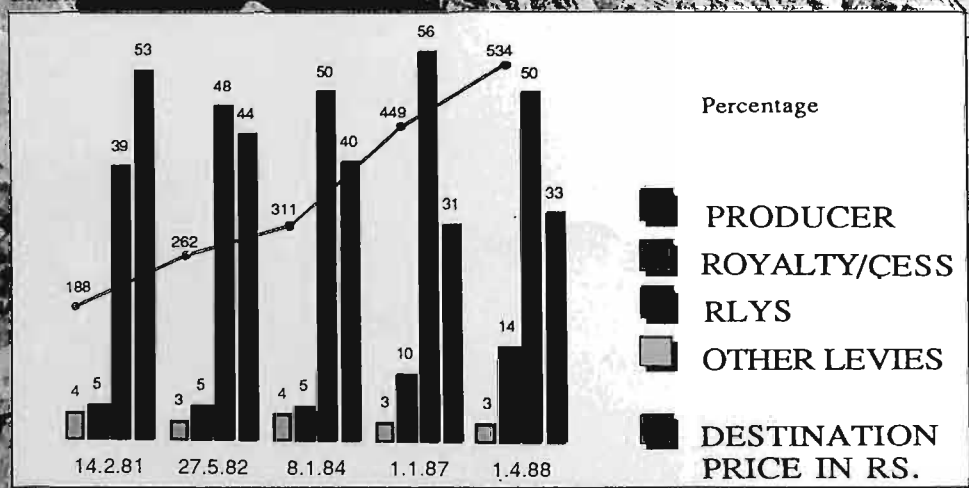
SE

NEC

CO

SHARDA
BIHAR

PRICE OF COAL

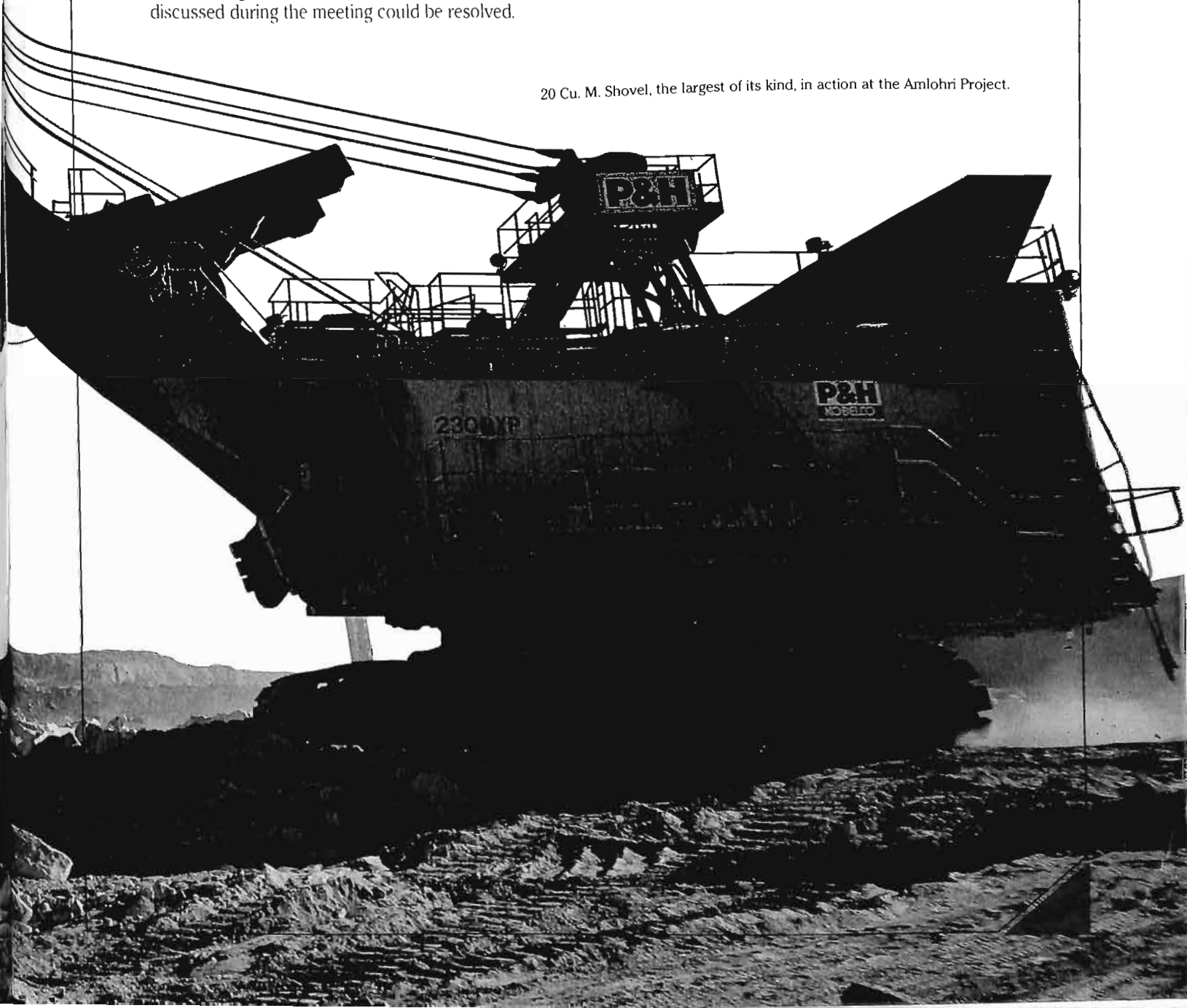


7.5 Dialogue with Consumers

With an objective of having good communication and feed back with multitude of coal consumers spread over the Country a large number of special consumer meets were organised at different places during 87-88. These included special bilateral meetings with large consumer bodies viz. Federation of Indian Chamber of Commerce and Industries, Coal Consumers' Association of India, Bengal National Chamber of Commerce, Merchant Chamber of Commerce, National Council for Power Utilities, Central Electricity Authority amongst others. Zonal coal Consumers meets were also convened by CIL predominantly for non-core sector consumers at Bombay, Bangalore, Hyderabad and Madras.

Direct dialogue with Consumers helped in achieving greater consumer satisfaction as many of the problems discussed during the meeting could be resolved.

20 Cu. M. Shovel, the largest of its kind, in action at the Amlohri Project.



7.6 Coal Users' Consultative Committee

With a view to understand and redress the grievances of non-core sector consumers CIL has constituted Coal Consumers Consultative Committees.

Four Coal Users' Consultative Committees with an apex Committee over it have already started functioning. These Councils deliberate on coal distribution policy with a view to maximise consumer satisfaction. The membership of the Council includes non-core sector Coal Consumers, Sponsoring agencies, Railways, Coal Supplying Subsidiary Companies and Chambers of Commerce and Industries.

In three of the Zonal Council meetings, already held in Eastern, Northern and Western Zone, all sections of coal consumers have welcomed the formation of these Committees as it has underlined CIL's concern for improved services and consumers' interest.

7.7 Quality Improvement

An expert committee constituted by CIL went into various aspects of consumer complaints with a view to speedy disposal of consumer grievances with regard to quality of coal received. The Subsidiary Companies are taking action in accordance with these recommendations as accepted by the Board. These include (i) formation of Flying Squads for surprise inspections at Chronic Complaint areas to identify steps that may be required for improvement of quality in loading and ensure consumer satisfaction and (ii) to investigate into complaints at destination in cases where no rectification could be done at the time of loading for various reasons including drawal of wagon by the Railways and action thereafter including payment of compensation, if necessary.

Great stress has been laid on consumer satisfaction and for this purpose records of quality complaints are being regularly maintained at chronic points already identified and Subsidiaries are asked for ensuring strict supervision. All concerned have been advised to resort to controlled blasting at production points wherever necessary for better fragmentation of coal to obtain proper size.

In order to ensure uniform size of coal free from extraneous material CHPs have been commissioned at various loading points. Till 87-88, 226 CHPs (74 major & 152 mini) with an installed capacity of about 103 million tonnes were put into operation. Places where CHPs do not exist, collieries have been directed to break oversize coal and segregate extraneous material by manual means.

7.8 Weighment Infrastructure :

In order to maximise consumers satisfaction on proper loading/weighment of coal supplies a number of steps have been taken as a result of which out of 257 Rail loading points at the coalfields now 240 are already covered under weighment system. Out of these 164 are covered by CIL's weighbridges and another 76 are covered by Railway Weighbridges.

During 87-88 CIL has modified 26 mechanical weighbridges to suit weighment of BOX 'N' wagons. 27 mechanical weighbridges have also been converted to electronic point out system. In addition 8 electronic inmotion weighbridges and 6 electronic static weighbridges have been installed during 87-88.

7.9 Foreign Exchange Earning and Outgo :

Foreign Exchange earning : Coal/coke export during '87-88 was 3.15 lakh tonnes. This resulted in Foreign Exchange earning of U.S. \$5.425 million which was received by MMTC, the sole cannalising agency for export of coal. During the year import of machineries resulted in Foreign exchange outgo of US \$84.7 million.

8. Safety

During 1987-88 Subsidiary Companies formulated 'Safety Action Plans' to fully implement the un-implemented and partly implemented portions of the 10 recommendations of 5th Conference on Safety in mines and 30 recommendations of 6th Conference on Safety in mines. Steps were taken to impart safety training to workers and operators, improved technology was introduced for Roof-support by emphasising the use of Roof Bolting and Roof Stitching.

All these steps have resulted in reduction of 12% in number of fatal accidents and a reduction of 19% in number of fatal injuries compared to the year 1986-87.

The Companywise position of fatal accidents and fatalities as well as serious injuries during the year 1986-87 and 1987-88 is tabled below :

	Fatal Accidents		Fatalities		Serious Injuries	
	1987-88	1986-87	1987-88	1986-87	1987-88	1986-87
ECL	26	32	30	35	67	61
BCCL	28	35	28	44	130	164
CCL	18	16	18	17	33	23
NCL	6	6	6	6	3	8
WCL	23	18	23	22	203	157
SECL	20	28	23	31	87	97
NEC	2	1	2	1	5	5
TOTAL	123	136	130	156	528	515



8.1 Activities of Mine Rescue Services of Coal India Limited Up-Gradaion of Mine Rescue Services in Subsidiary Companies

- i) Rescue Organisation in Subsidiary Companies was restructured by creating post of G.M. (Rescue). Suitable power was also delegated to General Manager (Rescue) and Supdt. (Rescue Station).
- ii) Rescue Stations were provided with adequate manpower. Guideline was formulated to make up shortage of Brigade Members. Companies have initiated action and shortages are being made good.
- iii) Rescue Stations and Rescue Rooms were equipped with suitable equipment. 329 Nos. Proto Mark-IV SCBA were repaired and rehabilitated. Action was taken to procure spare parts. Procurement action was taken for making up shortage of resuscitating apparatus including trial of indigenous apparatus. Action was initiated for import of 450 Nos. Proto Mark IV Units (2nd Hand) from BMC, UK and 37 Nos. Russian-make Rescue Apparatus. Action was also taken to procure through Subsidiaries, imported and indigenous spares for rescue equipment to cover requirement of 1988-89.
- iv) Setting up of new additional Rescue Stations and Rescue Rooms to cater present and future needs of maintenance and up-gradation of existing facilities has been planned.

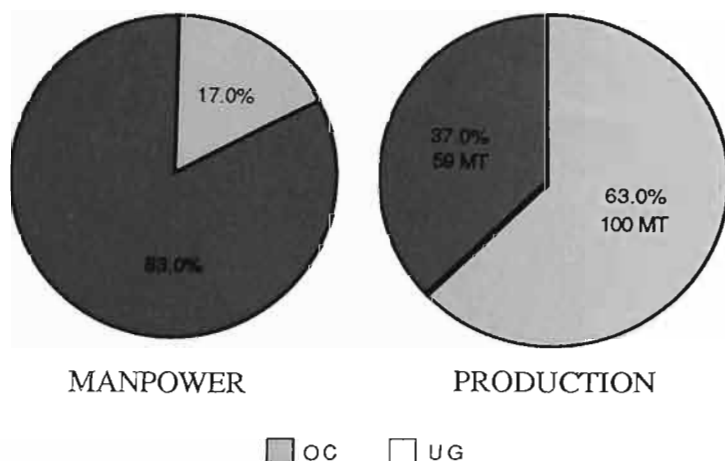
Project Reports in Rescue Services of ECL, BCCL, CCL, WCL & SECL were prepared and approved by respective company Boards. Time bound Action Plan for 1987-88 and 1988-89 has been drawn for rescue services. Subsidiary Companies have taken action for implementation of the Action Plan and these are in various stages of implementation.

Lay out and drawings of modern types of training galleries for rescue stations and RRRTs procured from abroad are being suitably modified to suit training galleries where existing.

9. Human Resource 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 was 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.

OPENCAST & UNDERGROUND MINES COMPARISON OF MANPOWER & PRODUCTION 1987-88



DIRECTOR'S REPORT

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 1986-87 and 1987-88 are indicated below :

CATEGORY	No. of persons trained	
	1987-88	1986-87
Executives	8492	8507
Supervisor	8851	8148
Workers/Miners	94245	122815
Trainees	2880	2740
Total	114468	142210
<u>In-Company Training</u>		
Executives	7139	7158
Supervisors	8609	7855
Workers/Miners	93648	122193
Total	109396	137206
<u>External (Within India)</u>		
Executives	1241	1259
Supervisors	238	282
Workers/Miners	595	614
Total	2074	2155
<u>External (Abroad)</u>		
Executives	112	90
Non-executives	6	19
Total	118	109

10. Manpower

The Company and its Subsidiaries had been able to bring about a substantial decrease in Manpower during the year under review as compared to the previous year. The table below gives the details of Manpower as on 31.3.1988 as compared to 31.3.1987.

<u>As on</u>	<u>Total CIL</u>	<u>As on</u>	<u>Total CIL</u>
1.4.73	500225	1.4.81	614349
1.4.74	551132	1.4.82	631510
1.4.75	598649	1.4.83	646318
1.4.76	605979	1.4.84	658955
1.4.77	586053	1.4.85	670739
1.4.78	587986	1.4.86	671932
1.4.79	591549	1.4.87	675115
1.4.80	600029	1.4.88	674021

DIRECTOR'S REPORT

The absence of authentic service records has been a matter of concern and source of number of disputes. The question of maintenance of proper and reliable service records was, therefore, taken up in the JBCCI to enlist co-operation of the trade unions. After a number of discussions in JBCCI it was decided to communicate the particulars of service records available with the company to each employee to enable him to either confirm or point out variations, if any.

On receipt of the replies, and compilation of the service records by each subsidiary company, it was noticed that out of 6.48 lakhs of permanent employees, 1.43 lakh employees raised disputes on their service particulars as detailed below :

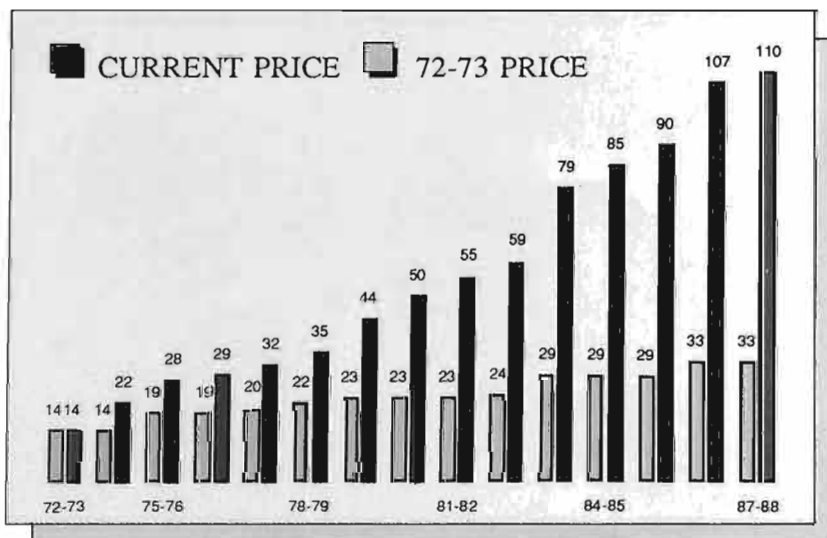
Company	Service sheets distributed	Total No. without objections.	Total No. of objection recd.
E.C.L.	1,80,776	1,08,625	72,151
B.C.C.L.	1,62,662	1,39,330	23,332
C.C.L.	98,042	67,647	30,394
W.C.L.	77,035	66,971	10,064
S.E.C.L.	95,841	88,243	7,598
N.C.L.	9,935	9,666	269
C.M.P.D.I.L.	2,598	2,598	—
N.E.C.	4,580	4,576	4
C.I.L. (HQ) & D.C.C.	695	695	—
Total :	6,32,164	4,88,351	1,43,813

Steps have since been taken to resolve disputes raised by the employees. In order to avoid further tampering of records, a joint decision was taken at JBCCI to computerise all undisputed cases in the first instance. As such, action has been taken by all the companies to computerise the service particulars.

As a parallel activity of data entry of service particulars, a common software has also been developed for manpower analysis, control and various outputs for proper maintenance and update of the manpower inventory with the help of NITIE.

EARNINGS PER MANSHIFT

Rs. PER MANSHIFT



DIRECTOR'S REPORT

Companywise manpower position is as given under :

Company	Executive	Supervisory/ clerical	Skilled/semi- skilled/unskilled workers **	Not cate- gorised	Total
<u>ECL</u>					
31.3.87	2913	20588	164327	983	188811
31.3.88	3110	20638	161919	1325	186992
<u>BCCL</u>					
31.3.87	3054	17724	152028	783	173589
31.3.88	3269	17234	151127	768	172398
<u>CCL</u>					
31.3.87	2643	11793	90546	194	105176
31.3.88	2731	11896	89633	184	104444
<u>WCL</u>					
31.3.87	1348	7732	70913	96	80089
31.3.88	1564	7888	70835	—	80287
<u>SECL</u>					
31.3.87	1966	10838	93095	1	105900
31.3.88	2367	11341	93372	156	107236
<u>NCL</u>					
31.3.87	646	1864	7977	4	10491
31.3.88	820	1965	8832	4	11621
<u>NEC</u>					
31.3.87	87	548	4795	—	5430
31.3.88	101	552	4744	—	5397
<u>CMPDIL</u>					
31.3.87	984	887	1893	—	3764
31.3.88	1132	885	1976	—	3993
<u>APPRENTICES</u>					
31.3.87	—	—	—	430	430
<u>CIL (HQRS)</u>					
31.3.87	313	862	257	3	1435
31.3.88	380	904	366	3	1653
<u>CIL AS A WHOLE</u>					
31.3.87	13954	72836	585831	2494	675115
31.3.88	15474	73303	582804	2440	674021

Note: ** CASUAL, BADLIES AND COMPANY TRAINEES INCLUDED.
 (1) Casual, Badly and Trainees are included in total strength.
 (2) CMLWO and other employees taken-over have not yet been categorised as they have not yet been brought over to CIL's scales of pay.



11. Industrial Relations :

During the year under review, industrial relations remained cordial. Though the number of Strikes have increased, the increase in mandays and production loss is proportionately low. Subsidiarywise number of strikes, law and order disturbances, mandays lost and loss of coal production are indicated below :

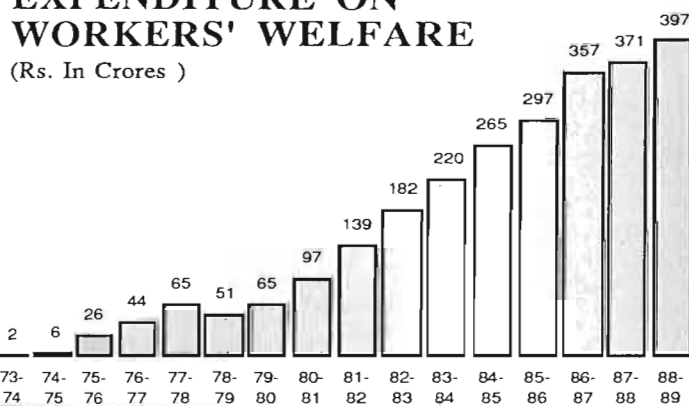
	No. of strikes		Law & Order disturbances (No. of incidents)		Mandays lost (lakhs)		Coal production loss (lakh tonnes)	
	86-87	87-88	86-87	87-88	86-87	87-88	86-87	87-88
ECL	13	17	92	105	0.07	0.138	0.06	0.128
BCCL	17	23	80	91	0.25	0.399	0.34	0.476
CCL	9	16	64	73	0.05	0.192	0.11	0.037
WCL	9	6	13	22	0.21	0.067	0.28	0.086
SECL	7	14	46	69	0.07	0.017	0.14	0.217
NCL	—	—	15	14	0.09	—	0.24	—
NEC	—	—	—	7	—	—	—	—
CMPDIL	—	—	—	1	—	—	—	—
TOTAL	55	76	310	382	0.74	0.813	1.17	0.944

General Strike from 15.3.88 to 20.3.88 not included in the above.

The mandays lost and loss of production due to the general strike from 15.3.88 to 20.3.88 were 8.62 lakh mandays and 7.34 lakh tonnes of coal production. It may be mentioned that the general strike on these six days had nothing to do with industrial relations problems pertaining to Coal Companies alone.

EXPENDITURE ON WORKERS' WELFARE

(Rs. In Crores)

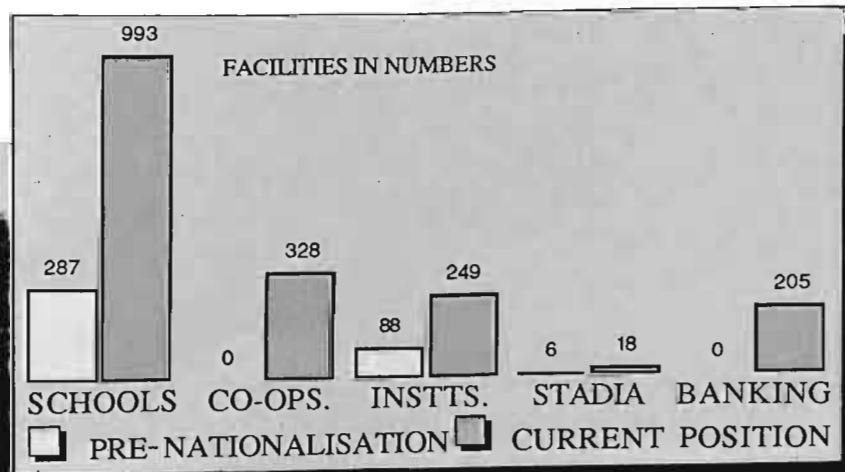
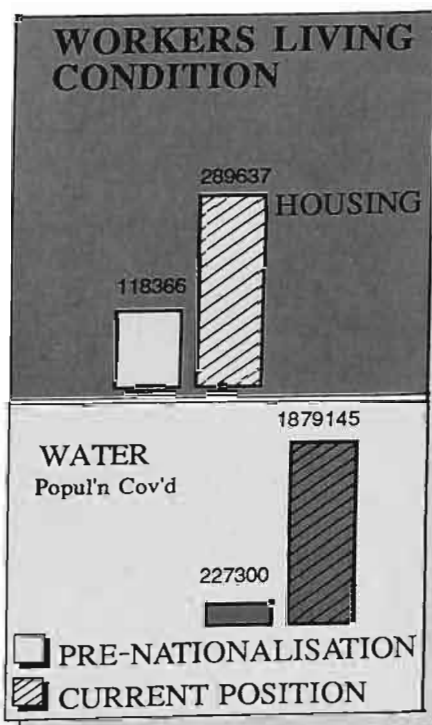


12 Environmental Management and Social Amenities

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

Amenities	Units	1986-87	1987-88
1. Houses	Addl. Construction	17411	12889
2. Water Supply	Addl. population covered	116950	83003
3. School/College	Actual number	921	921
4. Co-operative Credit Societies	—do—	153	156
5. Co-operative Store	—do—	180	174
6. Banks	—do—	202	205
7. Ambulance	—do—	523	545
8. Hospitals	—do—	67	75
9. Hospital Beds	—do—	4366	4468
10. Creches	—do—	219	219
11. Canteens	—do—	371	371

During the year under review Coal India Welfare Board was formed. To foster sports and games at Subsidiaries and CIL level a Sports Control Board was also formed during the year.



13. Capital Projects/Schemes

13.1. Presently there are 195 Coal projects, each having an initial capital outlay of Rs. 5 crores and above, with the total sanctioned capital outlay of Rs. 6695.69 crores and ultimate capacity of 188.81 MT per annum. Out of these 195 projects, 64 projects are completed and balance 131 projects are in different stages of construction.

Besides these coal projects, there are 62 non-coal projects, each having an investment of Rs. 5 crores and above, with the total sanctioned capital outlay of Rs. 1088.22 crores. Out of the above 62 number of non-coal projects, 5 projects namely Sudamdih Washery, Moonidih Washery, Barora Washery and Jogta fire in BCCL and Nandan Washery in WCL are completed and balance 57 numbers are in different stages of construction. The major non-coal projects under construction are Dankuni Coal Complex, Madhuband Washery, Rajrappa Washery, Kedla Washery, Central Workshop at Jayant and Captive Power Plants at Moonidih, Kathara and Chinakuri etc. 22 numbers of Advance Action Schemes for coal projects with a total initial capital outlay of Rs. 69.31 crores are also under implementation.

During 1987-88, CIL Board sanctioned/approved 37 projects/schemes (including revision/expansion and updated cost estimates). Companywise details of projects and schemes sanctioned/approved by CIL Board during 1987-88 are given below :

	Projects	Expansion / Revision/RCE	Others (Including Adv. Action & UCE)	Total
ECL	5	—	16	21
BCCL	—	1	2	3
CCL	2	3	—	5
WCL	—	1	1	2
NCL	—	—	—	—
SECL	2	—	1	3
NEC/CMPDIL/CIL	3	—	—	3
	12	5	20	37

During 1987-88, the following coal/non-coal projects have been sanctioned by Government:

Sl. No.	Projects	Capacity (mte/Yr)	Capital (Rs. Crs)
COAL			
1.	Niljai OC, WCL	1.90	96.89
2.	Kalinga OC(AA), SECL	—	9.25
3.	Sarpi UG, ECL	0.90	49.25
4.	Laudoha UG, ECL	0.68	49.34
5.	Nigahi OCP, NCL	4.20	462.39
		7.68	667.12

Non-Coal

1.	Modernisation of Patherdih Washery	2.00	29.43
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Nine Coal Projects are pending with Government for sanction (ECL-4, BCCL-1, NCL-1 & SECL-3).



13.2 Dankuni Coal Complex

13.2.1 Chronological Events Upto March '87

The project was sanctioned by Govt. of India in July '80 at a cost of Rs. 49.27 crores to be implemented by Coal India Limited at Dankuni, West Bengal. The objective of the project is to process 2000 tonnes per day sized Raniganj Non-coking coal to produce smokeless solid fuels (Semi-coke), 1000 tonnes per day, 18-20 million cubic feet of pollution free gas and about 28000 to 30000 tonnes per year of various tar chemicals and other by-products. The turnkey execution of the project (excluding township and main power receiving station) was awarded to M/s. Heavy Engineering Corporation Limited, Ranchi on March, 1981 at a cost of Rs. 56.25 crores with in-built escalation formula operating upto September, 1984. The township work was awarded to M/s. NPCC and the sub-station work was taken up departmentally.

As on September, 1984 only 30% of Project work could be completed by HEC. Upto March, 1987 HEC took as many as 4 extensions, the last one indicated the completion schedule as December '86. Even by this time the project was only about 50% complete. Based on a decision taken in a meeting between Secretary (Coal) and Secretary, Public Enterprises on 22.3.86, HEC was granted extension for mechanical completion of the Project by September '87 and commissioning by December '87.

Based on this completion schedule furnished by HEC, a revised cost estimate of the project was made in June '86. The Capital cost was revised to Rs. 117.77 crores on account of escalation and time over-run. The RCE was duly approved by CIL Board and later on by PIB on March '87 subject to :—

- a) Fixation of Gas Price with West Bengal Govt.
- b) Project clearance from Ministry of Environment, Govt. of India.
- c) Analysing various reasons for delay and fixation of responsibility therefor.
- d) Settlement of additional claims of HEC if any.

The construction of Dankuni Coal Complex is fast nearing completion with commissioning scheduled for March '89.



13.2.2 Slippages and action taken by CIL

During 1987-88, the project was slipping behind schedule and in September '87 the overall completion was about 60%. The important areas where slippages occurred are as follows :

- a) Laying of Railway Track.
- b) Refractory erection work in Retorts.
- c) Erection of equipment and pipeline in Producer Gas Plant.
- d) Equipment procurement and erection in Gas Cleaning, Gas Compression and Tar distillation plants.
- e) Procurement and erection of Demineralised Water Treatment Plant.

For arresting the slippages in various areas, the following actions were taken by CIL to help HECL.

- a) Around 1600 tonnes of Structural Steel was procured by CIL and handed over to HEC mainly for completion of Retort and Producer Gas Plant.
- b) Payment of Rs. 2 crores as advance to HEC for various critical indigenous and imported items based on declaration from HEC.
- c) In terms of a decision taken in the meeting conducted by Secretary (Coal), when he visited the Dankuni Site on 5.1.88, an ad-hoc advance of around 2.93 crores was paid to HEC for easing their fund constraints.
- d) Ad-hoc Advance of around Rs. 1 crore was paid to HEC on account of various additional work not specifically included in the contract and
- e) Ad-hoc advance of around Rs. 50 lakhs was paid to HEC on account of Works Tax (Payable to Govt. of West Bengal) for quick receipt of Road Permits for transportation of equipment.

In terms of PIB's observation in March '87, the project clearance from Department of Environment, Govt. of India was obtained in December '87 and an agreement could be reached between Department of Coal and Government of West Bengal regarding fixation of Gas price on July, 1987.

Several lakh saplings have been planted around coal mines as part of the afforestation site programme. A view of one such site.



13.2.3 Present Status

In the meeting taken by Secretary (Coal) on 5.1.88 HEC furnished a revised completion date indicating Phase-I commissioning (comprising of 2 Retort Benches, 5 Producers, Gas Cleaning and Water Treatment Plants) date as 30.6.88 and Phase-II commissioning (Rest of the Plant i.e. 3 Retort Benches, 2 Producers and Tar distillation plants) date as 30.9.88. These dates also could not be adhered to by HEC and in the meeting between Secretary (Coal) and Secretary (DPE) held on 25.4.88 HEC furnished another revised schedule indicating Phase-I commissioning by 30.9.88 and Phase-II commissioning by 31.12.88. On a request for easing the liquidity problem of HEC, Secretary (Coal) agreed to provide fund on an ad-hoc basis to the extent of Rs. 5 crores in three monthly instalments.

HEC could not stick to these revised schedules also. In terms of careful assessment of the sectionwise balance work, HEC recently furnished a fresh schedule which indicated Phase-I completion by 20.12.88 with corresponding commissioning and Gas making by end of February, 1989 and Phase-II commissioning by April/May, 1989.

13.2.4 Marketing of Dankuni Products

A detailed action plan for marketing of Dankuni Products is under implementation.

13.2.5 RCE Status and Uptodate Expenditure

On the basis of inter-departmental committee's recommendations, the cost estimate of the project has been revised and is under consideration of Govt. of India.

14. Energy Conservation

Realising the importance of Energy Conservation in today's context the work of energy conservation has been taken up in right earnest from this year. Short term and long term plans were prepared for the first time. An annual Action Plan for the year was also prepared.

Coal India's efforts in the sphere of Energy Conservation are as below :

- (i) Conservation of coal at source, in exploitation and beneficiation;
- (ii) Energy Conservation in transportation;
- (iii) Efficient utilisation of coal at consumer end; and
- (iv) Energy (Electricity) conservation in coal production.

The efforts in the first three spheres are on long term and continuing basis and cannot be quantified in financial term on yearly basis. However, the efforts on item (iv) i.e. Electricity conservation in coal production though on long term basis can be split on yearly basis, targets laid on annual basis and financial savings quantified. This has been done by an Annual Action Plan for the year.

Efforts at energy conservation on a total system basis with annual action plans have shown extremely encouraging result in the year under review. The highlights are :

- (i) An overall saving of 2.5% in direct power consumption;
- (ii) An overall financial saving of Rs. 4.46 crores in direct power costs. This is besides the indirect savings of reduced maximum demand by way of improved power factor; and
- (iii) Preparation of an ENERGY AUDIT MANUAL for COAL INDIA and ITS SUBSIDIARIES WITH ENERGY AUDIT of 14 mines (two in each unit) to serve as case studies. This document, and work in this area has received special commendation from Govt. of India.

On an overall basis the performance of Coal India in the sphere of Energy Conservation has been considered good by Shri K.L. Puri, Advisor (Energy Conservation) to Cabinet Sub-Committee, Government of India. Performance of two subsidiaries of Coal India has been considered as exemplary and recommended for recognition. As desired by Advisor (EC), the manual has been distributed to various Ministries and Public Sector Undertakings.

15. Annual Action Plans & Measures

First Annual Action Plan on energy conservation was launched in 1987-88. The progress has been satisfactory. Some of the major actions and measures taken are :

- i) Amalgamation of consumer points and surrendering of uneconomic points of supply;
- ii) Improvement of power factor by installation of capacitor banks;
- iii) Reduction in line losses;
- iv) Optimisation of ventilation loads;
- v) Staggering of mine pumping loads by enlarging sumps;
- vi) Improving lighting system using high lumen output luminaries;
- vii) Reducing idle running of conveyors by providing surge bunkers; and
- viii) Propagation of the benefits of energy conservation and bringing in an awakening among all concerned for energy conservation.

16. Capital Expenditure

Capital account during 1987-88 was Rs. 1005.55 crores as against Rs. 980.41 crores during the previous year.

Company/unit wise details are given below:

	(Rupees in crores)	
	1987-88	1986-87
ECL	150.49	156.26
BCCL	185.33	170.35
CCL	91.44	118.05
WCL	93.42	122.02
NCL	265.07	186.59
SECL	185.04	189.77
CMPDIL	9.03	9.19
NEC	7.16	6.49
DCC	17.04	20.31
CIL HQ	1.53	1.38
(including purchase on behalf of subsidiaries pending allocation)	1005.55	980.41

17. Capital Structure

The authorised and paid-up capital of the Company as on 31st March, 1988 were Rs. 5000 crores and Rs. 4120.34 crores including Rs. 256.94 crores worth of Shares issued to the Government of India for consideration other than cash and Rs. 33.23 crores due to Government of India pending adjustments against issue of equity (Rs. 27.92 crores of Shares since issued).

Total investment by Government of India in CIL & Subsidiaries as on 31st March, 1988 was Rs. 7210.47 crores.

	(Rupees in crores)	
Share Capital		4120.34
<u>Loan Fund</u>		
Plan loan	2647.09	
Non-plan loan	443.04	3090.13
		<u>7210.47</u>

18. Borrowing from Government of India

During the year a sum of Rs. 66.51 crores was paid to the Government of India towards repayment of plan loan and interest as against Rs. 507.52 crores in the previous year.

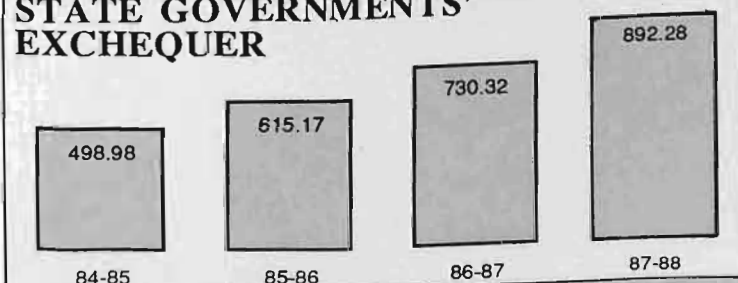
	(Rupees in crores)	
	1987-88	1986-87
Payment of loan during the year	30.49	257.83
Payment of subsidy during the year	36.02	249.69
Total :	<u>66.51</u>	<u>507.52</u>

19. Payment of Royalty, Cess and Sales Tax

The Company and its Subsidiaries paid Central and State Govts. Rs. 892.28 crores towards Royalty, Cess and Sales Tax as against Rs. 730.32 crores in previous year. The break-up of Royalty, Cess and Sales Tax payment for 1986-87 and 1987-88 is indicated below :

	(Rupees in crores)	
	1987-88	1986-87
Royalty	73.91	68.53
Cess	648.54	522.18
Sales Tax (State & Central)	169.83	139.61
	<u>892.28</u>	<u>730.32</u>

CONTRIBUTION TO STATE GOVERNMENTS' EXCHEQUER



20. NCWA IV and Interim Relief to Employees

20.1. As NCWA-III Agreement was to expire on 31st December, 1986, Govt. of India constituted the JBCCI-IV in October, 1986 for negotiating a new, NCWA-IV, Agreement.

Following is the composition of JBCCI-IV :

<u>Management</u>	<u>Members</u>	<u>Workmen</u>	<u>Members</u>
CIL & its Subsidiaries	12	INTUC	6
Tata Iron & Steel Co. Ltd.	1	AITUC	3
Indian Iron & Steel Co. Ltd.	1	CITU	3
Singerani Collieries Co. Ltd	1	HMS	2
		BMS	1
Total :	15		15

The Trade Unions submitted their individual Charter of demands. As some variations were found in the Charter of demands, they were requested to formulate an agreed, consolidated, Charter of demands which could form the basis for negotiations. Accordingly, they submitted a consolidated Charter of demands.

The first meeting was held on 4th June, 1987. So far, 12 meetings have been held till the end of October, 1988.

20.2 Interim Relief

While negotiations were in progress, the Govt. of India announced in September, 1987, the grant of Interim Relief ranging from Rs. 100 to Rs. 420 per month with effect from 1.1.1986, to be adjusted against the increases that may be given under the new Wage Agreement.

21. BICP Study On Normative Cost

BICP in their Report submitted in September, 1987 had recommended a price structure related to normative costs with a formula for escalation of average price of coal related to increase in various inputs viz. VDA, Power, POL, Misc. Stores, Wage Board/Interim Relief and net block.

22. Board of Directors

During the year under review Shri G.L. Tandon continued as Chairman, and wholetime Directors S/Shri K.A. Sinha, A.V. Brahma and B. Swaminathan continued as Director (Technical), Director (P&IR) and Director (Finance) respectively. Since the last Annual General Meeting, S/Shri T.T. Joseph, J.D. Rai and T.R. Jayaraman, Directors, retired from the Board and S/Shri P.R. Sinha, and S.K. Chowdhary were appointed as Directors.

During the year 1987-88 Eight Meetings of the Board of Directors were held. In terms of Article 33(d)(iii) of the Articles of Association of the Company all the Directors excepting Chairman and whole-time Directors shall retire at this meeting. These Directors are eligible for re-appointment. Necessary proposals to this effect have been moved.

23. Accounts Of The Subsidiaries

The copies of Accounts of the Subsidiaries for the year 1987-88 are attached to the Annual Report of your Company in compliance with requirement of Section 212 of the Companies Act, 1956.

24. Acknowledgement

Your Directors sincerely appreciate the contribution made by the employees at all levels of your Company and its subsidiaries and are confident that the employees would continue to strive hard to improve performance in the years to come. Your Directors also have to place on record their sincere thanks for the support and guidance received from the various departments of the Central Government particularly from the Department of Coal, as also the concerned State Governments. The services rendered by Statutory Auditors, Tax Auditors, the Comptroller and Auditor General of India, Members of Company Law Board, Registrar of Companies, West Bengal and our Bankers are commendable.

25. Addenda

The following are annexed.

- i) The comments and review of the Comptroller and Auditor General of India.
- ii) Replies on observation made by the Statutory Auditors on the Accounts for the year ended 31.3.88.
- iii) Statements pursuant to Sec. 212(i)(e) of the Companies Act, 1956 and
- iv) The names and other particulars of the employees of the Company who are in receipt of remuneration not less than Rs. 6000/- per month stated in the Annexure in compliance with the provision of Sec. 217(iiA) of the Companies Act, 1956 read with the companies (Particulars of employees) Rules, 1975.

for and on behalf of the
Board of Directors
M.P. Narayanan
Chairman

Dated : 24th December, 1988
Calcutta

BALANCE SHEET

As at 31st March, 1988

		(Rupees in lakhs)		
Sources of Fund	Schedules	Current year	Previous year	
Shareholders Fund				
Share Capital	A	408710.29	350769.55	
Amount and/or consideration received against equity pending allotment	B	3323.63	5180.26	
Reserve & Surplus	C	344.77	344.77	356294.58
Loan Fund				
Secured	D	16936.30	13613.31	
Unsecured	E	367017.99	299364.75	312978.06
Total Funds Employed		796332.98		669272.64
Application of Funds				
Fixed Assets	F			
A. Fixed Assets				
Gross Block		5523.25	4830.76	
Less : Depreciation		1876.67	1542.93	3287.83
B. Capital work-in-progress				
C. Expenditure during construction period		6857.52		5519.65
Investments		2387.51		1764.27
Current Assets, Loans & Advances	G	255553.60		255238.37
Inventories	H	2509.96	2257.00	
Sundry Debtors	I	290.31	533.09	
Cash & Bank Balances	J	541.30	475.60	
Loans & Advances	K	530513.16	409980.74	
Less : Current Liabilities & Provision	L	533854.73	413246.43	
Net Current Assets		16928.55	20601.66	392644.77
A. Miscellaneous Expenditure (to the extent not written off or adjusted)	M	221.49	214.50	
B. Profit & Loss Account		10740.10	10603.25	10817.75
		796332.98		669272.64
Accounting Policy and Notes to the Accounts are forming part of the Accounts	N			

S. Saha
Company Secretary-Cum-
Chief of Accounts

B. Swaminathan
Director (Finance)

M.P. Narayanan
Chairman

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

Calcutta.
Dated, the 21st November, 1988

S.C. Banerjee
Partner



Profit & Loss Account

For the year ended 31st March, 1988

(Rupees in lakhs)

Income	Schedules	Current year	Previous year
Sale of Coal, Coke etc.	1	9525.97	8157.11
Coal issued for other purposes per contra	2	112.76	105.61
Other Receipts	3	6917.73	7229.36
Accretion in Stock	4	270.87	672.66
		<u>16827.33</u>	<u>16164.74</u>
 Expenditure			
Purchase of Coal, Coke etc.		3960.27	3634.85
Employees Remuneration & Benefits	5	1970.81	1790.07
Consumption of Stores & Spare Parts	6	449.62	467.38
Power & Fuel	7	163.29	161.67
Repairs (Purchased)	8	34.54	36.46
Contractual Expenses	9	1730.03	1476.33
Social Overhead	10	320.62	259.60
Depreciation		297.25	314.79
Interest	11	6275.35	6536.74
Provision	12	46.16	45.63
Contribution to Coal Price Regulation Account		499.40	360.75
Coal issued for other purposes per contra	13	14.83	13.81
Other Expenditure	14	1230.33	1293.18
Prior Period Adjustment	15	(—) 28.32	(—) 10.39
		<u>16964.18</u>	<u>16380.87</u>
 Profit/Loss for the year		(—) 136.85	(—) 216.13
Less : Balance of loss carried forward from Previous year		(—) 10603.25	(—) 10387.12
		<u>10740.10</u>	<u>10603.25</u>
Balance of loss transferred to Balance Sheet			

S. Saha
Company Secretary-Cum-
Chief of Accounts

B. Swaminathan
Director (Finance)

M.P. Narayanan
Chairman

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

Calcutta.
Dated, the 21st November, 1988

S.C. Banerjee
Partner



Schedule to Balance Sheet as at 31st March, 1988

Schedule-A

Share Capital

Authorised Capital

5,00,00,000 Equity Shares of Rs. 1000/- each (Previous year 5,00,00,000 Equity Shares of Rs. 1000/- each)

Issued, Subscribed & Paid up

3,83,01,690 Equity Shares of Rs. 1000/- each fully paid in cash (previous year 3,26,11,690 Equity Shares of Rs. 1000/- each)

25,69,339 Equity Shares of Rs. 1000/- each allotted as fully paid up for consideration received other than cash. (Previous year 24,65,265 Equity Shares of Rs. 1000/- each)

Current year

(Rupees in lakhs)
Previous year

500000.00

500000.00

383016.90

326116.90

25693.39

24652.65

408710.29

350769.55

Schedule-B

Amount and/or Consideration Received Against Equity Pending Allotment

Current year

(Rupees in lakhs)
Previous year

Fund from Government of India
towards Equity

1300.00

Other funds from Government of India for
land compensation

3323.63

2285.47

Fund received by BCCL for the Management of
non-Coking Coal Mines

155.95

Consideration payable to Government of India :

Net Assets taken over from Central
Coal Washeries Organisation

1040.74

Balances as on 1.5.1973 in respect of
non-Coking Coal Mines

361.95

Vesting of ex-State Collieries

36.14

Assets taken over from ex-Coal Board

0.01

3323.63

5180.26

Schedule to Balance Sheet as at 31st March, 1988

Schedule-C

		(Rupees in lakhs)
	Current year	Previous year
Reserve & Surplus		
Capital Reserve		23.57
Subsidy received for CMLWO Houses	—	—
Less : Adjustment	—	—
General Reserve	344.77	344.77
Investment allowance	344.77	344.77

Schedule-D

		(Rupees in lakhs)
	Current year	Previous year
Secured Loans		
Cash Credit from Scheduled Banks (Secured by Hypothecation of Stock of Stores & Spare Parts, Stock of Coal & Coke, Book Debts & Other Assets)	16037.29	12675.49
State Bank of India	899.01	937.82
United Bank of India	16936.30	13613.31

Schedule-E

		(Rupees in lakhs)
	Current year	Previous year
Unsecured Loans		
Long Term Loan from Govt. of India	309013.25	271562.34
Interest accrued and due	58004.74	27802.41
	367017.99	299364.75

Schedule to Balance Sheet as at 31st March, 1988

Schedule-F

Fixed Assets

(Rupees in lakhs)

Particulars	Cost				Depreciation				Net Block Total	
	As on 1.4.1987	Addn. during the year	Add/ Less/Adj Disposal trans- ferred during the year	Total as on 31.3.1988	As on 1.4.1987	Addn. during the year	Adj /Disposal transferred during the year	Total as on 31.3.1988	As on 31.3.1988	As on 31.3.1987
Land—Freehold	163.85	14.90	—	178.75	—	—	—	—	178.75	163.85
—Leasehold	7.62	—	—	7.62	0.19	0.08	—	0.27	7.35	7.43
Buildings : Freehold	860.29	88.90	(—) 0.01	949.18	128.97	18.57	0.01	147.55	801.63	731.32
Plant & Machinery	2450.57	267.87	78.39	2796.83	1083.43	225.97	3.90	1313.30	1483.53	1367.14
Furniture, Fittings & Office Equipment	202.61	32.61	(—) 82.64	152.58	44.77	5.99	(—) 3.85	46.91	105.67	157.84
Railway Siding	53.80	19.17	—	72.97	7.93	2.85	—	10.78	62.19	45.87
Vehicles	87.49	14.02	4.07	105.58	27.60	7.95	0.29	35.84	69.74	59.89
Aircraft	102.44	—	—	102.44	15.30	15.23	8.00	38.53	63.91	87.14
Telecommunication	—	8.92	5.17	14.09	—	0.63	0.27	0.90	13.19	—
Development	793.73	190.41	—	984.14	225.32	41.64	—	266.96	717.18	568.41
Prospecting & Boring	108.36	50.71	—	159.07	9.42	6.21	—	15.63	143.44	98.94
Total	4830.76	687.51	4.98	5523.25	1542.93	325.12	8.62	1876.67	3646.58	3287.83
Expenditure during Construction Pending allocation	1764.27	625.66	(—) 2.42	2387.51	—	—	—	—	2387.51	1764.27
Capital work- in-progress	5519.65	1335.45	2.42	6857.52	—	—	—	—	6857.52	5519.65
Previous Year										
Fixed Asset	4139.20	683.45	8.11	4830.76	1183.85	354.18	4.90	1542.93	3287.83	—
Expenditure during Construction	1285.02	533.38	(—) 54.13	1764.27	—	—	—	—	1764.27	—
Capital Work- in-progress	3578.07	1954.25	(—) 12.67	5519.65	—	—	—	—	5519.65	—

Allocation of Depreciation

	Current year	Previous year
Profit & Loss Account	297.25	314.79
Social Overhead	11.36	18.10
Prior Period Adjustment	8.89	(—) 0.27
Development	16.75	26.42
Adjustment/Sale/Disposal	(—) 0.51	0.04
Total	333.74	359.08

Schedule to Balance Sheet as at 31st March, 1988

Schedule-G

(Rupees in lakhs)

Investment

	Current year	Previous year
51,00,000 fully paid Equity Shares of Rs. 1000/- each in Eastern Coalfields Ltd. (Previous year 51,00,000 Equity Shares of Rs. 1000/- each)	51000.00	51000.00
67,26,188 fully paid Equity Shares of Rs. 1000/- each in Central Coalfields Ltd. (Previous year 67,10,354 Equity Shares of Rs. 1000/- each)	67261.88	67103.54
60,44,074 fully paid Equity Shares of Rs. 1000/- each in Bharat Coking Coal Ltd. (Previous year 60,44,074 Equity Shares of Rs. 1000/- each)	60440.74	60440.74
34,58,000 fully paid Equity Shares of Rs. 1000/- each in Western Coalfields Ltd. (Previous year 34,58,000 Equity Shares of Rs. 1000/- each)	34580.00	34580.00
41,41,526 fully paid Equity Shares of Rs. 1000/- each in Northern Coalfields Ltd. (Previous year 41,26,000 Equity Shares of Rs. 1000/- each)	41415.26	41260.00
9 fully paid Equity Shares of Rs. 1000/- each in South Eastern Coalfields Ltd. (Previous year 9 Equity Shares of Rs. 1000/- each)	0.09	0.09
85,400 fully paid Equity Shares of Rs. 1000/- each in CMPDIL (Previous year 85,400 Equity Shares of Rs. 1000/- each)	854.00	854.00
16,334 fully paid Equity Shares of Rs. 10/- each in Management and Technology Application (India) Ltd. (Previous year Nil)	1.63	—
	255553.60	255238.37

Schedule—H

(Rupees in lakhs)

Inventories

(As valued and certified by the Management)

	Current year	Previous year
Stock of Stores & Spare Parts (at cost)	408.76	381.10
Less : Provision for slow-moving/non-moving obsolescence/shortage	18.73	12.07
	<u>390.03</u>	<u>369.03</u>
Stores-in-transit (at cost)	1.84	21.23
	391.87	390.26
Stock of Coal, Coke etc. : (at notified price in NEC and at cost in CMO)	2146.22	1805.50
Less : Provision	113.35	91.83
	<u>2032.87</u>	<u>1713.67</u>
Coal, Coke etc. in transit	76.58	141.19
	2109.45	1854.86
Stock of Bricks (at cost)	2.59	8.19
Work-in-progress (at cost)		
In Workshop	4.87	2.87
In Brick Kilns	1.18	0.82
	<u>6.05</u>	<u>3.69</u>
	2509.96	2257.00



Schedule to Balance Sheet as at 31st March, 1988

Schedule—I

(Rupees in lakhs)

Sundry Debtors (Unsecured):

	Current year	Previous year
Debts Outstanding for a period exceeding six months	62.22	69.20
Other Debts	266.89	504.15
	<u>329.11</u>	<u>573.35</u>
Less : Provisions for Doubtful Debts	38.80	40.26
	<u>290.31</u>	<u>533.09</u>
Classification		
Considered good	290.31	533.09
Considered doubtful	38.80	40.26

Maximum amount due at any time

Closing Balance

During Current year	During Previous year	Current year	Previous year
---------------------	----------------------	--------------	---------------

Due by the Companies under the same management with the names of the Companies

CMPDIL	—	0.09	—	—
CCL	—	—	—	—

Due by the Parties in which the Director(s) of the Companies is/are interested

—	—	—	—
---	---	---	---

Note : Unsecured Debts considered good include Rs. nil (previous year Rs. nil) in respect of which the Company holds guarantees from Banks.

Schedule-J

(Rupees in lakhs)

Cash & Bank Balances :

	Current year	Previous year
Cash, Cheques, Drafts, Stamps etc. in hand	143.16	119.99
Remittance in transit	181.14	142.98
In Current Account with Scheduled Banks	216.89	210.33
With Post Office Savings Bank Account	0.11	2.30
	<u>541.30</u>	<u>475.60</u>

Schedule to Balance Sheet as at 31st March, 1988

Schedule-K

(Rupees in lakhs)

Current year

Previous year

Loans & Advances (Unsecured) :

(Advance recoverable in cash or for value to be received)

Advances to Suppliers		201.94		383.32
Advances to Contractors				
For Capital Works	1369.90		1301.66	
For Others	17.01	1386.91	14.63	1316.29

Advances to Employees			93.19	
For House Building	112.18			
For Motor Car and other conveyance	18.44		15.50	
For others	13.06	143.68	12.71	121.40

Deposits			226.78	
For Custom duty & Port charges	178.62		0.20	
For soiled Notes to RBI	0.28			
For Other Deposits	133.55	312.45	154.22	381.20
		865.05		947.42

Other Advances				
Amount due from the Government of India				
For transactions on behalf of Ex-owners of Non-Coking Coal Mines	652.98		651.52	
For transactions on behalf of Ex-Coal Board	12.98		11.34	
For interest subsidy on non-plan loan	1551.62		1551.62	
For Stowing Subsidy receivable	—		141.75	
For Others	2.04	2219.62	2.77	2359.00

Claims receivable		152.60		189.34
Prepaid Expenses		55.19		13.77
In Current Account with Subsidiaries of Holding Company		525295.25		404317.73
		530632.69		410029.47
		119.53		48.73
Less : Provision		530513.16		409980.74

Classification

Considered good	530513.16	409980.74
Considered doubtful	119.53	48.73



Schedule to Balance Sheet as at 31st March, 1988

Schedule-K (Contd.)

(Rupees in lakhs)

Amount due to Subsidiary Companies :

	Maximum amount due at any time during the year :		Closing Balance	
	Current year	Previous year	Current year	Previous year
Eastern Coalfields Limited	126527.75	117413.51	123482.33	101763.66
Bharat Coking Coal Limited	170205.69	159801.54	159502.33	131791.60
Central Coalfields Limited	23671.97	65260.50	23671.97	4475.57
Western Coalfields Limited	40363.23	99289.70	40363.23	32566.56
Northern Coalfields Limited	70839.55	40000.60	70839.55	40000.60
South Eastern Coalfields Limited	104780.78	92814.00	104780.78	92814.00
Central Mine Planning & Design Institute Limited	2655.05	1051.51	2655.06	905.74

Notes : (1) Loans & Advances (unsecured) considered good includes Rs. 85.17 lakhs (previous year Rs. 19.41 lakhs) in respect of which the company holds guarantee from Banks.

(2) House Building and cars/scooters advance for Rs. 130.62 lakhs (previous year Rs. 108.69 lakhs) included under Loans & Advances (unsecured) considered good and are secured by equitable mortgages on assets concerned.

Schedule-L

(Rupees in lakhs)

Current Liabilities & Provisions :

	Current year		Previous year	
Current Liabilities				
Sundry Creditors				
For Capital including Revenue Stores	1058.82		521.20	
For Coal	102.92	1161.74	836.62	1357.82
Advance from Customers		508.98		561.86
Deposits		162.81		208.76
Advance Deposit pre-Nationalisation		182.97		182.97
Employees Remuneration & Benefits :				
Salaries, Wages & Allowances	145.37		296.67	
Attendance Bonus	0.57		0.24	
Ex-gratia	79.63		75.05	
Unpaid Salaries, Wages etc.	1.50	227.07	1.15	373.11
Other Expenses				
Power & Fuel	39.15		46.85	
Contractual Expenses	177.10		40.82	
Others	18.72	234.97	70.73	158.40
Due to Government of India		554.05		—

Schedule to Balance Sheet as at 31st March, 1988

Schedule-L (Contd.)

		Current year	(Rupees in lakhs)	
		9855.49	Previous year	8513.45
Interest accrued but not due on Government Loan				
Coal Price Regulation Account		3662.45		8776.55
Sales Tax				
State	8.21		53.76	
Central	43.92	52.13	1.92	55.68
Royalty on Coal		9.45		9.93
Stowing Excise Duty		9.17		9.36
Provident Fund		18.49		29.72
A.E.C.D.		0.12		0.11
Income Tax				
Employees	15.21		3.38	
Contractors	15.80	31.01	4.30	7.68
Professional Tax		1.27		0.14
Other Liability		256.38		356.12
		<u>16928.55</u>		<u>20601.66</u>

Schedule-M

		Current year	(Rupees in lakhs)	
			Previous year	
A. Miscellaneous Expenditure				
(To the extent not written off or adjusted)				
Overburden Removal		214.50		275.82
As per last account				
Expenditure during the year		996.82		815.50
Contractual		1211.32		1091.32
		989.83		876.82
Less : Adjustment		<u>221.49</u>		<u>214.50</u>
B. Profit & Loss Account :				
Balance of loss transferred from Profit & Loss Account		<u>10740.10</u>		<u>10603.25</u>

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule-1

	(Rupees in lakhs)	
	Current year	Previous year
Sales of Coal, Coke etc.		
Coal	9704.48	7827.56
Soft Coke	240.56	701.06
	<u>9945.04</u>	<u>8528.62</u>
Less: Statutory Levies		
Royalty on Coal	54.53	52.02
Stowing Excise Duty	29.36	28.40
Sales Tax		
Central	86.44	62.86
State	248.74	228.23
	<u>419.07</u>	<u>371.51</u>
	<u>9525.97</u>	<u>8157.11</u>

Schedule-2

	(Rs. in lakhs)	
	Current year	Previous year
Coal Issued for Other Purposes per Contra		
Boiler Consumption	11.58	11.49
Free Issue to Employees	86.35	80.31
Brick Making	14.14	12.97
Hard Coke Making	0.69	0.63
Washed Coal Making	—	0.21
	<u>112.76</u>	<u>105.61</u>

Schedule—3

	(Rupees in lakhs)	
	Current year	Previous year
Other Receipts		
Subsidy Received		
Interest on Non-Plan loan per contra	5807.58	5807.58
Other	47.92	—
Apex Office Charges	798.07	726.54
Rebate on interest on Government Loan	43.99	438.90
Contractual Recoveries	100.98	192.58
Interest received		
Term Deposit	8.70	—
Post Office Savings Bank Account	0.01	0.01
Loans & Advances to Employees	0.66	0.33
Profit on Sale of Assets/Stores	1.01	0.51
Rent (Outsiders)	5.63	3.48
Penalty received	0.31	0.70
Hire Charges for Air Craft	—	0.18
Others	107.03	61.20
	<u>6921.89</u>	<u>7232.01</u>
Less: Transferred to Development Per contra	4.16	2.65
	<u>6917.73</u>	<u>7229.36</u>

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule—4

(Rupees in lakhs)

ACCRETION IN STOCK

Current year

Previous year

Closing Stock				
Coal, Coke etc.	2146.22		1805.50	
Less: Transferred to Development	0.05		0.05	
	<u>2146.17</u>		<u>1805.45</u>	
Coal-in-Transit	76.58	2222.75	141.19	1946.64
Bricks		2.59		8.19
Work-in-Progress (Bricks)		1.18		0.82
		<u>2226.52</u>		<u>1955.65</u>
Less: Opening Stock				
Coal & Coke	1805.50		1188.10	
Less: Transferred to Development	0.05		0.05	
	<u>1805.45</u>		<u>1188.05</u>	
Coal-in-Transit	141.19		84.61	
	<u>1946.64</u>		<u>1272.66</u>	
Bricks	8.19		9.85	
Work-in-progress (Bricks)	0.82	1955.65	0.48	1282.99
		<u>270.87</u>		<u>672.66</u>

Schedule—5

(Rupees in lakhs)

Employees Remuneration Benefits

Current year

Previous year

Salary, Wages and Allowances including O.T., Leave Encashment, incentive etc.		1596.51		1498.02
Contribution to PF & Other Funds (including Administrative charges)		116.95		116.05
Attendance Bonus		61.36		58.14
Ex-gratia		80.38		75.66
LTC/LLTC/RRE		169.70		95.12
Pension		1.62		0.66
Gratuity		33.61		17.14
Workmen Compensation		2.35		3.12
Group Insurance		8.99		7.82
D.L.I.		0.06		0.08
Life Cover Scheme		<u>5.85</u>		<u>4.31</u>
		2077.38		1876.12
Less: Transferred per contra				
Social Overhead	46.69		36.22	
Development	<u>59.88</u>	106.57	<u>49.83</u>	86.05
		<u>1970.81</u>		<u>1790.07</u>

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule—6

(Rupees in lakhs)

Consumption of Stores & Spare Parts	Current year	Previous year
Explosives	76.74	65.44
Timber	95.84	107.67
POL	91.41	90.12
Spares for HEMM & Other Mining Equipments	138.77	129.85
Social Overhead Stores per contra	19.48	29.71
Power Consumption stores per contra	0.96	0.45
Other Consumable Stores & Spare Parts	59.50	87.14
	<u>482.70</u>	<u>510.38</u>
Less: Transferred per contra :		
Development	0.80	1.06
Power & Fuel	1.04	1.06
Social Overhead	19.48	29.71
Other Expenditure	11.76	11.17
	<u>33.08</u>	<u>43.00</u>
	<u>449.62</u>	<u>467.38</u>

Schedule—7

(Rupees in lakhs)

Power & Fuel

	Current year	Previous year
Purchase of Electricity	182.13	163.92
Power Generation		
Boiler Consumption per contra	11.58	11.49
Consumption of Stores per contra	1.04	1.06
Repairs & Maintenance	—	0.72
	<u>12.62</u>	<u>13.27</u>
	<u>194.75</u>	<u>177.19</u>
Less: Transferred per contra		
Development	6.04	4.49
Social Overhead	25.42	11.03
	<u>31.46</u>	<u>15.52</u>
	<u>163.29</u>	<u>161.67</u>

Schedule—8

(Rupees in lakhs)

Repairs (Purchased)

	Current year	Previous year
Factory & Office-Buildings	14.49	14.29
Plant & Machinery	14.25	16.29
Office Furniture & Equipment	3.77	4.70
Vehicles	11.12	8.85
Railway Siding	3.10	1.31
Others	0.14	0.19
	<u>46.87</u>	<u>45.63</u>
Less: Transferred per contra		
Other Expenditure	11.12	8.85
Development	1.21	0.32
	<u>12.33</u>	<u>9.17</u>
	<u>34.54</u>	<u>36.46</u>

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule—9

(Rupees in lakhs)

Contractual Expenses	Current year		Previous year	
Transport charges				
Coal, Coke etc.	382.05		325.21	
Stores	6.12	388.17	5.20	330.41
Operation charges		200.42		182.35
O B R				
Coal	989.83		852.57	
Other	97.97	1087.80	82.72	935.29
Other Contractual work		53.64		28.28
		1730.03		1476.33

Schedule—10

(Rupees in lakhs)

Social Overhead	Current year		Previous year	
Salary, Wages & Allowances per contra		46.69		36.22
Free issue of Coal to employees per contra		86.35		80.31
Medical reimbursement		34.73		28.98
Medicines and Diet Expenses		25.92		19.39
Canteen up-keep and refreshment		5.29		4.73
Grant to Schools and Institutions		19.83		6.07
Training Expenses		3.26		3.49
Repairs & Maintenance of Township and other				
Social Overhead Assets		61.54		32.71
Depreciation on Social Overhead Vehicles and				
other Social Overhead Assets		11.36		18.10
Uniform		1.09		2.46
Electricity charges for Hospital, Township and				
other Welfare Bldgs., per contra		25.42		11.03
Consumption of Stores per contra		19.48		29.71
Sports, Recreation & Grant		2.54		1.74
Other Welfare Expenses including Hindi Language				
development Expenses		15.75		21.90
		359.25		296.84
Less: Recoveries				
House Rent	7.09		4.05	
Guest House Charges	1.11		0.74	
Hospital Charges	2.57		2.63	
Electricity & Water Charges	1.47		1.79	
Others	—	12.24	3.45	12.66
		347.01		284.18
Less: Transferred to Development per contra		26.39		24.58
		320.62		259.60

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule—11

(Rupees in lakhs)

Interest	Current year	Previous year
Plan Loan from Government of India	35028.06	30037.61
Non-Plan Loan from Government of India (including Rs. 5807.58 lakhs per contra)	5969.37	5813.14
Bank Overdraft	1339.30	394.13
Interest on CPRA	868.00	950.00
	<u>43204.73</u>	<u>37194.88</u>
Less: Transferred to Subsidiaries	35567.79	29294.15
Dankuni Coal Complex (capitalised for expenditure during construction period)	514.05	422.93
Interest recoverable	847.54	941.06
	<u>6275.35</u>	<u>6536.74</u>

Schedule—12

(Rupees in lakhs)

Provision	Current year	Previous year
Bad & Doubtful Debts	2.47	—
Coal, Coke etc.	21.52	23.05
Stores	7.13	8.03
Doubtful Claims	15.04	14.94
	<u>46.16</u>	<u>46.02</u>
Less: Transferred to Development per contra	—	0.39
	<u>46.16</u>	<u>45.63</u>

Schedule—13

(Rupees in lakhs)

Coal Issued for Other Purposes per Contra	Current year	Previous year
Brick making	14.14	12.97
Hard Coke making	0.69	0.63
Washed Coal making	—	0.21
Boiler consumption	11.58	11.49
Free-issue to employees	86.35	80.31
	<u>112.76</u>	<u>105.61</u>
Less: Transferred per contra		
Power & Fuel	11.58	11.49
Social overhead	86.35	80.31
	<u>14.83</u>	<u>13.81</u>

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule—14

(Rupees in lakhs)

Other Expenditure	Current year		Previous year	
Travelling		92.41		80.63
Printing & Stationery		23.35		19.95
Postage & Telephone		56.49		39.26
Freight Charges		750.75		841.85
Advertisement		44.11		58.38
Underloading Charges		0.17		0.13
Demurrage		3.43		1.93
Rent		84.80		57.38
Insurance		4.27		3.67
Rates & Taxes		4.94		3.66
Legal Expenses		5.39		3.70
Royalty & Cess		0.59		0.80
Donation & Subscription		0.33		0.60
Octroi Charges		13.47		17.68
Service Charges of Holding Company		4.87		4.57
Loss on Sale of Assets/Stores		—		0.03
Subsidy towards loss on working of Provident Funds		7.51		12.40
Auditors' Remunerations				
Audit Fees	0.84		0.84	
Travelling and out of pocket expenses	0.42		0.42	
In other capacity (Tax Audit)	0.28		0.28	
Management Audit	2.71	4.25	—	1.54
Bank Charges		5.86		4.49
Office Contingencies		16.08		16.46
Accounting Charges		0.11		0.97
Security Expenses		0.55		0.68
Consultant/Retainer Fees		38.61		22.59
Hire Charges		26.67		1.24
Books & Periodicals		3.99		1.66
Conference and Seminar		8.55		7.46
Exhibition Expenses		—		15.75
Sales Tax		0.14		0.02
Honorarium		0.12		0.81
Repairs and Maintenance of Cars & Jeeps				
Petrol & Diesel	11.76		11.17	
Repairs	11.12		8.85	
Others (Road Tax, Insurance etc.)	3.41	26.29	2.11	22.13
Rescue & Safety		5.46		3.35
O B R (Departmental)		—		24.25
Turn over Tax		5.62		—
Stock of stores written off		0.32		—
Other Miscellaneous Expenses		22.66		47.78
		1262.16		1317.80
Less: Transferred to Development per contra		31.83		24.62
		<u>1230.33</u>		<u>1293.18</u>

Schedule to Profit & Loss Account for the year ended 31st March, 1988

Schedule—15

(Rupees in lakhs)

Prior Period Adjustment

Current year

Previous year

Debits

Railway Claim	0.20	—
Gratuity & Pension	0.58	—
Consumption of Stores & Spare parts	1.53	0.53
Repairs & Maintenance	0.47	1.84
Land Revenue	1.94	0.24
Contractual Expenses	0.19	36.47
Siding Charges	1.82	64.74
Subsidy for loss on working of PF	—	16.07
Transport Charges	0.70	4.71
Sales Tax, Royalty etc.	7.66	0.03
Social Overhead	—	0.30
Interest	2.07	—
Depreciation	8.89	(—) 0.27
Rates & Taxes	2.33	1.00
Travelling Expenses	0.51	0.76
Printing & Stationery	2.20	1.94
Rent	0.78	4.03
Office Contingency Expenses	—	0.70
Legal Fees & Expenses	—	0.06
Purchase of Coal, Coke etc.	0.14	—
Claim from Contractor	1.64	—
Operation Expenses	0.02	—
Advertisement	0.10	(—) 0.39
Insurance	0.20	(—) 0.02
Hire charges	1.48	—
	<u>35.45</u>	<u>132.74</u>

Credits

Salaries & Wages	25.77	(—) 44.78
Power & Fuel	0.33	(—) 0.25
Interest on Govt. loan	—	147.01
Freight	0.13	—
Sale of Coal, Coke etc.	21.18	2.14
Subsidy for Protective work	7.29	—
Provisions written back:		
Stores	0.40	—
Doubtful Debts	3.93	57.60
Doubtful Claims	2.25	35.24
	<u>6.58</u>	<u>92.84</u>
Rent Received (outsider)	0.57	—
Demurrage	0.56	—
Ex-gratia	1.75	(—) 0.83
PF Contribution	0.33	(—) 2.49
Other Misc. Expenses	13.31	(—) 0.13
Postage, Telephone & Telex	0.10	(—) 0.42
Other Receipts	—	3.43
	<u>77.90</u>	<u>196.52</u>
Less: Transferred to Development	Credit 42.45	Credit 63.78
	14.13	53.39
	<u>Credit 28.32</u>	<u>Credit 10.39</u>

Accounting Policies and Notes on the Accounts for the year ended 31.3.1988

Schedule-N

A. Accounting Policies

1. **Capital subsidy and/or grants**
Subsidy and/or grants received on capital account are deducted from the cost of assets to which these relate.
2. **Building**
Building includes cost of electrical fittings, water supply arrangement and sanitary fittings. Depreciation on such fittings and arrangements has been provided for at the rate prescribed for building in Schedule-XIV of the Companies Act, 1956.
3. **Railway Siding**
Payments made to the Railway Authority to the extent of work done are shown under capital work-in-progress.
4. **Development**
Expenses net of income of the Projects/Mine under development including proportionate interest and administrative expenses capitalised are booked to development account by way of transfer from natural heads of income/expenses accounts.
5. **Basis of inventories and system of the valuation**
Stock of stores, spare parts, work-in-progress and other finished goods are valued at cost.
Stock of Coal, Coke etc. are valued at net realisable value. However, stocks at NEC and CIL Dumps have been valued at notified price and cost respectively. Book stock of Coal, Coke etc. is taken for the purpose of closing stock where the variance between book stock and physically verified stock is upto $\pm 5\%$ and in case the variance is beyond $\pm 5\%$ the physical stock is taken as closing stock. The stock of medicine excepting for central medical hospital stores and stationery are not considered for inventory purpose and is charged to revenue.
6. **Installation expenses**
Installation expenses wherever done departmentally are not capitalised.
7. **Overburden Removal Expenses**
In opencast mines, the cost of OBR is charged on average ratio evaluated on current working cost of removal of OB at each mine with due adjustment for advance stripping/ratio variance account.
8. **Additional liability for Royalty, Cess, Sales Tax etc.**
Additional liability for Royalty, Cess, Sales Tax etc. if any, is accounted for in the year for which final assessment orders are received.
9. **System of booking of income and expenses**
All expenses and income including for Projects/Mines under development are initially booked in the natural heads of accounts and then transferred to functional head of accounts wherever necessary.
10. **Cash basis of accounting**
Liquidated damage, demurrage, workmen compensation, subsidies, medical reimbursement, travelling expenses and interest & dividend income are taken into account on cash basis.
11. **Gratuity and Life Cover Scheme**
Gratuity and life cover scheme are accounted for on cash basis. Liability in respect of death and/or retirement are also provided for. Gratuity is not actuarially ascertained and accounted for.
12. **Depreciation**
 - (i) Depreciation on Fixed Assets is charged on straightline method as per the rates specified for the corresponding assets in the Schedule-XIV to the Companies Act, 1956.
 - (ii) Depreciation on leasehold land is charged equitably on the basis of lease period.
13. **Own consumption and free issue of Coal, Coke etc.**
Coal issued to employees (free issue) and for Boiler consumption is accounted for on the basis of norms fixed by the Management and valued at relevant grades selling price and the same is exhibited in the Accounts as per contra.

14. Basis of allocation of Interest and Apex Charges

Interest on Govt. loan and Bank Overdraft net of rebate for the year is allocated to the Subsidiaries and Units on the basis of total investment for the year comprising purchase consideration, investment and current account balances upto a specific date as determined by the Management, taking into account the Debt-Equity ratio as 1:1. In case of subsidy for interest on non-plan loan from Government of India, this is allocated to losing Subsidiaries and Units in proportion to their cumulative loss balances upto the previous year.

Apex Office charges are allocated to Subsidiaries and revenue mines directly under Coal India Limited in proportion to their production ratios for the year.

15. No adjustment for the loss of the Subsidiary Companies are made in the accounts of Coal India Limited.

B. Notes on the Accounts

1 Fixed Assets.

- 1.1 Itemwise details 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, in some cases, have not yet been executed in favour of the Company. This includes the land acquired at Dankuni Coal Complex and made over to the Company by the Government of West Bengal. Pending final award of compensation, the liability, if any, on this account remains unascertained.

2. Current Assets

- 2.1 For stock of Coal & Coke there is a provision of Rs. 113.35 lakhs to cover likely future shortage/deterioration in the stock including Rs. 21.52 lakhs provided during the year.
 - 2.2 The provision of Rs. 18.73 lakhs including Rs. 7.13 lakhs provided during the year on account of unserviceable/obsolete stores as on 31.3.1988 has been considered adequate.
 - 2.3 The closing stock of stores has been considered in the Accounts as per balances appearing in priced stores Ledger of the Regional Stores and as per Store records for Stores lying at the Collieries/Units.
3. There is a provision of Rs. 38.80 lakhs against doubtful debts including Rs. 2.47 lakhs provided during the year.

4. Loans & Advance

- 4.1 Agreement for transfer of assets and liabilities amounting to Rs. 93.10 lakhs (net) to Central Mine Planning and Design Institute Limited on its formation as a Subsidiary of Coal India Limited is yet to be executed.
- 4.2 Pending complete linking up of advances with Sundry Creditors in some cases, both advances and Sundry Creditors have been shown at gross.
- 4.3 Against various claims and advances, there is a provision of Rs. 61.52 lakhs including Rs. 15.04 lakhs provided during the year on account of doubtful claims and advances.
- 4.4 At NEC, additional freight amounting to Rs. 62.08 lakhs paid on account of despatches made to SAIL has been shown under Other Deposits pending recovery of the amount from the party. The matter has been taken up with the appropriate authority and is in final stage of settlement.

5. Current Liabilities

- 5.1 Pending registration of transfer of assets and liabilities of the four erstwhile Divisions of C.M.A.L. now Coal India Limited, the overdraft balance of Coal India Limited has been secured by creating charge against stock of Coal, stock of Stores & Spare Parts and book debt of the Subsidiary Companies.
- 5.2 An amount of Rs. 857.71 lakhs received from Coal Board/Government of India towards subsidy including Rs. 278.83 lakhs received before nationalisation out of which Rs. 674.74 lakhs have been adjusted leaving a balance of Rs. 182.97 lakhs and the same has been shown under "Current Liabilities".

6. General

- 6.1 The balance with Subsidiary Companies remained unconfirmed.
- 6.2 Previous year's figures have been rearranged and regrouped wherever necessary.

7. Capital Commitment

The amount (including the amount on behalf of subsidiaries) remain to be executed on Capital Account not provided is Rs. 15,663.94 lakhs (previous year Rs. 13,095.53 lakhs).

8. Contingent Liabilities

- 8.1 Claims Against the Company not acknowledged as debts include:

(i) Suits against the Company	Rs. 27.20 lakhs
(ii) Entry Tax	Rs. 7.52 "
(iii) Claims by Employees	Rs. 29.57 "
(iv) Others	Rs. 73.73 "

- 8.2 Cases for which Company may be contingently liable for:

- (i) Guarantees given by the Company in favour of Banks aggregating to Rs. 3829.55 lakhs on behalf of subsidiaries.
- (ii) Guarantee furnished by one of our Bankers amounting to Rs. 1000/- to the Government of Maharashtra.
- (iii) Indemnity given by the Company to Port Trust, Bombay for Rs. 0.65 lakhs against Railway freight.

9. Profit & Loss Account.

- 9.1 As per management decision a provision @ 20% on Interim Relief paid to staff and workers during 1.1.87 to 31.3.88 has been made in the Accounts, to cover possible difference of salary and wages including perquisites payable over the Interim Relief so paid to them, pending final agreement with Trade Unions as per NCWA-IV. However, no such provision for difference of salary payable, if any, to executives over the Interim Relief paid to them from 1.1.86 to 31.3.88 has been made in the Accounts pending finalisation of their pay scales.
- 9.2 Pending decision on waiver of penal interest, payable if any, by the Government of India on Rs. 1096.00 lakhs interest on non-plan loan accrued but not due upto 31.3.1979, no provision has been made in the Accounts as per past practice. Subsidy for the interest on non-plan loan is being granted by the Government of India for the equivalent amount of interest due thereon every year from the year 1979-80.
- 9.3 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 sold by the different Subsidiary Companies and for NEC owned by Coal India Limited. Coal India Limited is authorised to operate the Coal Price Regulation Account on behalf of the Government which shows a credit balance of Rs.3662.45 lakhs as on 31.3.1988 including interest for Rs.868.00 lakhs provided during the year. This is being reviewed half yearly to reduce the balance of the fund to its minimum.
- 9.4 An amount of Rs.7.51 lakhs has been provided in the Accounts towards an estimated deficit in the Revenue Account of CMALSPF for the year 1987-88.
- 9.5 Rs.652.92 lakhs shown under Loans & Advances include Rs.594.91 lakhs on account of deposit made to Commissioner of payments as per Govt. orders in respect of surplus Collieries managed during the management period on behalf of Govt. of India and also Rs.58.01 lakhs advanced during 1.5.1973 to 30.6.1975 net of recoveries made from the Commissioner of Payments against deficit collieries managed during the said period. As certain claims stand disallowed against deficit collieries and full amount could not be paid by the Commissioner of Payments against the deficit claims due to paucity of fund, a provision for Rs.58.01 lakhs has been made in the account debiting the concerned subsidiaries in proportion to their amount disallowed pending recovery of the same from the Commissioner of payments.
- Further, Rs.534.05 lakhs shown under "Amount and/or consideration received against Equity pending Allotment" until last year has been transferred to Current Liabilities this year as the amount concerned was neither received as Equity nor as Loan, out of which Rs.517.89 lakhs is considered adjustable against the amount shown as due from Govt. of India. However, no such adjustment was carried out in the accounts pending Govt. approval for the same for which the Government is being approached.
- 9.6 Directors are allowed to use the Company's car for personal use for which recovery is being made.
- 9.7 The Accounts together with notes thereon approved by the Board of Directors of the Company on 23rd July, 1988 and reported thereon by the Auditors have been revised to comply with observations of CAG and to give effect to subsequent management decision. This revision has affected the Accounts for the year as follows:
- (a) Profit & Loss Accounts—There is a net debit to revenue for Rs.239.99 lakhs including Rs.196.77 lakhs for adjustment of Stock of Coal.
- (b) Balance Sheet as on 31.3.1988—Fixed Assets, Current Assets & L&A and Current Liabilities and Provisions have increased by Rs.7.79 lakhs, Rs.2760.41 lakhs and Rs.3562.25 lakhs respectively and decrease in equity pending allotment by Rs.554.05 lakhs.
- (c) Schedules to Profit & Loss Accounts and Balance Sheets including Accounting Policies and Notes on the Accounts have been suitably amended/modified wherever necessary.
- 9.8 Out of Rs.3323.63 lakhs received from Government of India towards compensation for acquiring land and shown as equity pending allotment, equity worth Rs.27.92 crores have been issued on the 29th April, 1988 in favour of the President of India.
- 9.9 Schedules A to M form part of the Balance Sheet as on 31st March, 1988, 1 to 15 form part of the Profit & Loss Account for the year ended on that date and Schedule-N represents Accounting Policies & Explanatory Notes to the Accounts. Additional information required as per Schedule-VI (Part-II) are given in the Annexure to Schedule-N.

Signature to Schedules A to N & 1 to 15.

S. Saha
Company Secretary-cum-
Chief of Accounts

B. Swaminathan
Director (Finance)

M.P. Narayanan
Chairman

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

S.C. Banerjee
Partner

Calcutta,
Dated, the 21st November, 1988



Annexure to Schedule-N

		(Rupees in lakhs)	
		Current year	Previous year
1.	Directors' Remuneration		
	(i) Salaries	4.71	2.21
	(ii) Company's contribution to Provident Fund & other Funds	0.38	0.18
	(iii) Medical benefits	0.12	0.10
	(iv) Perquisites	0.36	0.32
2.	Particulars of employees who are in receipt of not less than Rs.72,000/- per annum or Rs.6,000/- per month, when employed for a part of the year. [Previous year Rs.36,000 per annum or Rs.3,000/- per month respectively].		
		Employed throughout the year	Employed for part of the year
		87-88	86-87
	(i) Number of employees	148	369
	(ii) Salaries, Allowances etc. (Rs. in lakhs)	119.54	188.78
	(iii) Contribution to Provident Fund (Do)	9.19	13.39
	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 paragraph 3 & 4 of part (ii) of the Schedule (VI) of Companies Act, 1956, 3(b) value of imports on CIF basis.		
		(Rs. in lakhs)	
		Current year	Previous year
	(i) Raw materials	—	—
	(ii) Capital Goods	—	—
	(iii) Stores, Spares & Components	—	2.96
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	6.56	2.05
	(vii) Medical Treatment	—	2.44
5.	Earning in Foreign Exchange on account of		
	(i) Export of Goods (Calculated on FOB basis)	—	—
	(ii) Exchange variation	—	—
	(iii) Miscellaneous	—	—
6.	Total consumption of Stores during the year		
	(a) Imported materials	—	2.96 0.58%
	(b) Indigenous	482.70 100%	507.42 99.42%

Additional information required in paragraph 3 and 4 of Part-II of Schedule-VI to the Companies Act, 1956 for the year 1987-88.

7. (a) Installed Capacity —not applicable.
(b) Licenced Capacity —not applicable.
8. (a) Statement of opening stock, Production, Purchases, Turnover and Closing stock of Coal and Coke including its trading activities.
(Rs. in lakhs)

Quantity in '000 M.T.

	Current year		Previous year	
	'000' MT	Value	'000' MT	Value
I. Opening Stock				
Coal	484.4	1921.40	332.2	1230.31
Coke	8.0	25.29	12.0	42.40
II. Production				
Coal	1000.1		905.0	
III. Purchases (net of adjustments)				
Coal	962.0	3804.20	893.0	3215.73
Coke	51.0	156.07	141.0	419.12
IV. Turn Over (including adjustments)				
Coal	1872.2	9294.66	1645.8	7483.01
Coke	53.0	231.31	145.0	674.10
V. Closing Stock				
Coal	574.3	2201.20	484.4	1921.40
Coke	6.0	21.60	8.0	25.29

Statement pursuant to Sec. 212(1)(e) of the Companies Act, 1956 as at 31st March, 1988.

Susidiary (fully owned)	No. of Equity Shares held by Coal India Ltd.	No. of Equity Shares held by CIL in nominees' name	Total paid up value (Rs. in crores)	Profit(+)/Loss(—) for the year ended 31.3.1988 (Rs. in crores)	Profit(+)/Loss(—) balance as on 31.3.88 (cumulative) (Rs. in crores)
ECL	5099997	3	510.0000	(—) 48.74	(—) 910.51
BCCL	6044071	3	604.4074	(—) 112.01	(—) 987.87
CCL	6726185	3	672.6188	(—) 90.43	(—) 123.21
WCL	3457997	3	345.8000	(+) 8.22	(—) 97.00
NCL	4141523	3	414.1526	(—) 3.23	(—) 28.71
SECL	6	3	0.0009	(+) 20.56	(—) 9.50
CMPDIL	85397	3	8.5400	(+) 0.96	(+) 4.44

Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of Coal India Limited for the year ended 31st March, 1988.

In view of the revisions made in the accounts as a result of the observations made by the Comptroller and Auditor General of India as indicated in para No 17 of the Auditors' Report to the shareholders and Item No 9.7(a) (b) and (c) of Schedule N of notes forming part of Accounts, there are no further comments to offer upon or supplement to the Auditors' Report under Section 619(4) of the Companies Act, 1956 on the accounts of Coal India Limited for the year ended 31st, March, 1988.

K. KRISHNAN
Member, Audit Board & Ex-officio
Director of Commercial Audit-II
Calcutta.

Dated, Calcutta,
The 25 th November, 1988

Review of Accounts of Coal India Limited for the year ended 31st March, 1988 by the Comptroller & Auditor General of India.

1. Financial Position :

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

	1985-86	1986-87	(Rupees in lakhs) 1987-88
Liabilities:			
(a) Paid up capital (including amount due to Govt. of India to be adjusted against issue of Shares)	3,01,231.11	3,55,949.81	4,12,033.92
(b) Reserve & Surplus	411.67	344.77	344.77
(c) Borrowings:			
i) From Govt. of India	2,52,837.27	2,71,562.34	3,09,013.25
ii) From Bank	3,052.73	13,613.31	16,936.30
(d) Trade dues & current liabilities (including provisions)	45,930.07	48,404.07	74,933.29
Total	6,03,462.85	6,89,874.30	8,13,261.52
Assets:			
(e) Gross block	4,139.20	4,830.76	5,523.25
(f) Less Depreciation	1,183.83	1,542.93	1,876.67
(g) Net Fixed Assets	2,955.37	3,287.83	3,646.58
(h) Capital work-in-progress (including other capital assets)	4,863.09	7,283.92	9,245.03
(i) Investment	1,64,800.56	2,55,238.37	2,55,553.60
(j) Current Assets, Loans & Advances (including amount due from Govt. of India for non-coking Coal Mines)	4,20,180.89	4,13,246.43	5,33,854.73
(k) Miscellaneous expenditure & losses not written off:			
i) Deferred Revenue expenditure	275.82	214.50	221.49
ii) Accumulated losses	10,387.12	10,603.25	10,740.10
Total	6,03,462.85	6,89,874.30	8,13,261.53

	1985-86	1986-87	(Rupees in lakhs) 1987-88
Capital employed	3,77,206.19	3,68,130.19	4,62,568.02
Net worth	2,90,979.84	3,45,476.83	4,01,417.10

- Notes :**
1. Capital employed represents net Fixed Assets plus working capital.
 2. Net worth represents paid up capital plus Reserve and Surplus less intangible assets.
 3. The figures taken in the years 1985-86 and 1986-87 are as published in the respective year's Accounts irrespective of adjustment made in subsequent years.

2. Capital Structure:

The debt equity ratio of the Company was 0.84:1 in 1985-86, 0.76:1 in 1986-87 and 0.79:1 in 1987-88.

3. Reserve and Surplus:

The reserve and surplus (Rs.344.77 lakhs) amounted to (a) 0.042% of total liabilities in 1987-88 as against 0.05% in 1986-87 and 0.068% in 1985-86 and (b) 0.084% of equity capital (Rs. 4,12,033.92 lakhs) in 1987-88 as against 0.097% in 1986-87 and 0.137% in 1985-86.

4. Liquidity and Solvency :

- (a) The percentage of current assets to total net assets declined from 69.63 in 1985-86 to 59.90 in 1986-87 and further increased to 65.64 in 1987-88.
- (b) The percentage of current Assets to current liabilities including provisions declined from 914.83 in 1985-86 to 853.54 in 1986-87 and 712.44 in 1987-88.
- (c) The percentage of quick assets (cash and Bank balances, debtors and advances) to current liabilities (excluding provisions) varied from 3.31 in 1985-86 to 3.22 in 1986-87 and 4.17 in 1987-88.

5. Working Capital:

Working capital (current assets, loans and advances less Trade dues and current liabilities and provisions) of the Company at the close of 3 years ending March,1988 amounted to Rs. 3,77,206.19 lakhs in 1985-86, Rs. 3,64,842.36 lakhs in 1986-87 and Rs. 4,58,921.44 lakhs in 1987-88 and represented 493 months', 421.86 months' and 539.06 months' value of production at cost (excluding depreciation) during the above years respectively.

6. Sources of Funds :

Funds amounting to Rs. 334.27 lakhs from internal sources (depreciation reserve and surplus and provisions) and Rs. 1,23,386.7 lakhs from other sources were utilised during 1987-88 as shown below:

	(Rupees in lakhs)
Gross Fixed Assets	692.49
Capital works in progress	1961.11
Investment (other than trade)	315.23
Current Assets, Loans & Advances	120608.30
Miscellaneous Expenditure and losses not written off	143.84
	<u>123720.97</u>

7. Working Results:

(Rupees in lakhs)

	1985-86	1986-87	1987-88
Profit/Loss as per Account	(+) 239.54	(—) 226.52	(—) 165.17
Add: Development rebate, investment Allowance, Reserve, stock deterioration reserve shown above the line	(+) 388.10	—	—
Profit/Loss for the year	(+) 627.64	(—) 226.52	(—) 165.17
Add/deduct: Past period adjustments shown below the line	(—) 45.23	(+) 10.39	(+) 28.32
Loss/Profit before tax	(+) 582.41	(—) 216.13	(—) 136.85
Tax provision	—	—	—
Loss/Profit after tax	(+) 582.41	(—) 216.13	(—) 136.85
(+) indicates profit (—) indicates loss			

The cumulative loss as on 31.03.1988 amounted to Rs. 10,740.10 lakhs as against the paid up capital of Rs. 412033.92 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:

(Rupees in lakhs)

	1985-86	1986-87	1987-88
Sale of Coal, Coke, Bricks etc.	8371.69	8528.62	9945.04
Add loss/Less profit	(—) 239.54	(+) 226.52	(—) 165.17
Cost of sales	8132.15	8755.14	10100.21
Percentage of cost of sales to sales	97.14	102.66	101.56

9. Production Performance:

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

(Rupees in lakhs)

	1985-86	1986-87	1987-88
i) Sales of Coal, bricks etc.	8371.69	8528.62	9945.04
ii) Closing stock of Coal & Bricks etc. (including work-in-progress)	1257.55	1955.65	2226.52
iii) Opening Stock of Coal, bricks etc. (including work-in-progress)	921.07	1282.99	1955.65
iv) Value of production (i+ii—iii)	8708.17	9201.28	10215.91

The percentage of value of production to net worth declined from 2.99 in 1985-86 to 2.66 in 1986-87 and 2.54 in 1987-88. Percentage of value of production to total net assets declined from 1.44 in 1985-86 to 1.33 in 1986-87 and 1.26 in 1987-88.

10. Inventory and Production:

The table below indicates the comparative position of inventory and its distribution at the close of the last 3 years ended 31st March, 1988.

	(Rupees in lakhs)		
	1985-86	1986-87	1987-88
i) Stores and Spares	448.01	390.26	391.87
ii) Stock of Coal, bricks etc.	1257.55	1955.65	2226.52

The stock of Stores and Spares was equivalent to 19.48 months consumption in 1985-86, 13.87 months in 1986-87 and 10.46 months in 1987-88. Stock of Coal, bricks etc. represented 1.80 months sales in 1985-86, 2.75 months sales in 1986-87 and 2.69 months sales in 1987-88.

11. Sundry Debtors and Turnover:

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

	(Rupees in lakhs)				
As on	Total book debts considered good	Total book debts considered doubtful	Total	Sales	Percentage of debtors to Sales
31.03.86	456.10	97.86	553.96	8371.69	6.62
31.03.87	533.09	40.26	573.35	8528.62	6.72
31.03.88	290.31	38.80	329.11	9945.04	3.31

Sundry debtors represented about 0.79 months' turnover in 1985-86, 0.81 months' turnover in 1986-87 and 0.40 months' turnover in 1987-88.

The following table indicates the details of debts outstanding for more than one year as on 31.03.1988:

	(Rupees in lakhs)		
	Government Department	Private Parties	Total
i) Debts outstanding over one year but less than two years	272.05	5.32	277.37
ii) Debts outstanding over two years but less than three years	3.75	0.54	4.29
iii) Debts outstanding for three years and above	43.40	4.05	47.45
Total :	319.20	9.91	329.11

Dated, Calcutta
The 25 November, 1988

K. KRISHNAN
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,
10, Netaji Subhas Road,
Calcutta-700 001.

We have audited the attached Balance Sheet of Coal India Limited as at 31st March, 1988 and also the annexed Profit & Loss Account for the year ended on that date in which are incorporated the accounts of North Eastern Coalfields and CIL Hd. Qrts audited by us and the accounts of Regional Office, Coal Marketing Organisation and Dankuni Coal Complex audited by the Branch Auditors in accordance with the letter of appointment no.17/306/85-IGC dated 2.5.88 of Company Law Board, Government of India, Department of Company Affairs, New Delhi. While preparing our Report as under, we have given due consideration to the Reports of the Branch Auditors and incorporated the same in appropriate places :—

1. As required under manufacturing and other Companies (Auditors' 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. Complete details 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 are accounted for at nominal value of Re.1/- each. We were informed by the management that registration of the title deeds and mutation of the properties owned and acquired after nationalisation through Government agencies are still in progress in some cases. However, the same could not be produced for our verification.
3. Loans & Advances include certain old balances which remained unadjusted for a considerable period. It also includes certain transactions for the current period which remained unadjusted pending complete linking up with corresponding liability created in this regard.
4. The closing stock of Coal and Coke has been valued at cost in case of CMO and at notified selling price at NEC instead of Cost or net realisable value whichever is lower. Thus in both the cases the method of valuation has been adopted consistently over the years as compared to management's policy to value stock at net realisable value.

No comments

Fixed Assets vested and owned by the Company on nationalisation have been written off in the books keeping a nominal value of Re.1/- each for each of such assets. As regards registration of Title Deeds, these are in the process of completion.

Reconciliation of advances with corresponding liabilities is in process.

The valuation of Closing stock has been done as per practice consistently followed by the company as indicated sch. No.5.

5.	A provision of Rs.8.68 crores has been made in accounts as interest on the Credit balance of CPRA as per the practice followed last year, out of which Rs.20.46 lakhs is attributable to NEC and the rest to subsidiaries, although there is no provision for interest as such in the scheme.	No comments
6.	Loss for the year under audit has been arrived at after taking into consideration Rs.28.32 lakhs (Net credit) for prior period adjustment.	No comments
7.	Sale of Coal & Coke is net of adjustments in respect of percentage of ash contents in Coal despatched from NEC to SAIL as per agreement entered into with the party.	No comments
8.	Out of total subsidy of Rs.55.21 lakhs received during the year on account of protective works at NEC, Rs.47.92 lakhs has been taken to the credit of revenue for the year and balance Rs.7.29 lakhs has been credited to prior period adjustment account. No provision for Rs.41.39 lakhs on the above account for the period from 1.10.87 to 31.3.88 has been made in the accounts.	Subsidy has been accounted for as per the Accounting Policy consistently followed by the Company as indicated in Sch. N. 10
9.	Till last year the depreciation of Fixed Assets were charged in the accounts on Straight Line Method based on the rates derived from the Income Tax Rules, 1962. For the current year the depreciation on Fixed Assets has been charged in the accounts on Straight Line Method based on rates stipulated in Schedule-XIV of the Companies (Amendment) Act, 1988.	No Comments
10.	The papers relating to assessment and disposal of scrap lying in collieries and central stores at NEC as reported last year were not made available to us.	Records for scrap sales are being maintained at unit level.
11.	a) In case of CMO, Sundry Debtors amounting to Rs.0.10 lakhs and loans & advances amounting to Rs.1.14 lakhs remained outstanding/unrecovered respectively for a long period. In our opinion, the amount is doubtful of recovery.	Measures have been taken to recover the amount from Debtors. Claims receivable from Contractors shown under Loans and Advances is adjustable against Bank guarantee/ Deposits from the contractors and/or dues to them.
	b) Recovery of claims for the ground stock shortage of 10.530 MT of Coal in a stock yard under Lucknow Regional Sales Office has not been made upto the end of the year. Further, shortage of 29.655 MT of Coal has been found on physical measurement in June, 1988, necessary action in this regard is awaited.	Action is being taken for recovery/ adjustment of claims for stock shortages. This is a continuous process.

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|--------|--|--|
| 12. | The current account balances with subsidiaries, other loans & advances, sundry debtors, sundry creditors, deposits and amount due to and due from Government of India remained unconfirmed. | Ledger Balance with subsidiaries have been reconciled. As regards other balances, related transactions have been verified in course of Audit. No separate confirmation could, however, be produced to Audit. |
| 13. | Rs.6.19 lakhs included in 'Advance to contractors for others' in respect of purchase of weighing equipments for Bhubaneswar Sales Office during 1983-84 supplied in damaged conditions. We are informed that negotiations with the supplier for replacement of the same are going on. | No comments. |
| 14. | A sum of Rs.3.35 lakhs has been incurred towards Tree Plantation expenses at NEC, which the Company had to spend as per present Government policy. | No comments |
| 15. | A sum of Rs.3.00 crores has been donated to Prime Minister's drought Relief Fund, which ought to have been realised from Employees of various subsidiaries/Units as on 31st March, 1988. There lies a short credit/Recovery from the subsidiaries/Units for Rs.3.15 lakhs which the management undertook to recover in the subsequent period. | No comments |
| 16. | We have no notice of any event occurring after the balance Sheet date, which has any direct effect on the profit or loss of the Company for the year ended 31st March, 1988 except reduction of value of closing stock of Coal at NEC by Rs.205.61 lakhs. | No comments |
| 17. | The Balance Sheet as at 31st March, 1988 and Profit and Loss Account for the year ended on that date together with notes thereon which were approved by the Board of Directors on 23rd July, 1988 and reported upon by us on 3rd August, 1988 have been reopened to comply with the observations made by CAG and also to give effect to subsequent management decision involving reduction in revenue by Rs.240.00 lakhs resulting in net loss of Rs.136.85 lakhs in the Profit & Loss A/c. The effects of such reduction in revenue on Balance Sheet are incorporated by increase in Fixed Assets of Rs.7.79 lakhs, net increase in Current Assets of Rs.2760.41 lakhs and increase in current liabilities for Rs.3008.20 lakhs together with suitable amendments in Schedules and Notes on Accounts, wherever necessary. | No comments |
| 18. | Subject to para 2 to 17 above and further to our comments in annexure referred to in para 1 above and read with the notes appearing in Schedule-N i.e. Accounting Policies and notes on accounts we report that: | No comments |
| 19. a) | While preparing our report, we have considered the Accounts of Regional Office, Coal Marketing Organisation and Dankuni Coal Complex audited by the Branch Auditors. | (a) to (e) (i) and (ii) No comments |

- 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 it appears from our examination of these books.
- d) The Balance Sheet and Profit & Loss Account referred to in the 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 Balance Sheet and Profit & Loss Account, subject to the above, give true and fair view:
 - i) In so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 1988 and
 - ii) In so far as it relates to the Profit & Loss Account of the loss of the Company for the year ended on that date.

For S. Bhaumik & Co.
Chartered Accountants.

Dated, Calcutta
The 21st day of November, 1988

S. C. Banerjee
Partner.

Annexure to the Auditors' Report of Coal India Limited for the year ended 31st March, 1988.

Referred to in Paragraph 1 of our Report of even date.

OUR REPLY

1. The Company has maintained proper records to show full particulars of fixed assets including quantitative details and situation of fixed assets except at three Regional Sales Offices. In case of NEC the same has been maintained upto the previous year and maintenance of current year's records are in progress. In case of CIL, Hd. Qrt. only a list of Fixed Assets has been made available for our verification. Physical verification of Fixed Assets has been carried out by the management during the year except at CIL, Hd. Qrt. and according to information furnished to us no significant discrepancies have been noticed between the book records and physical balances except two cycles stolen from two Regional Sales Offices, are still remained in the Fixed Assets schedule.

Action is being initiated for further improvement in the matter. As regard to the stolen cycles, FIR have been lodged and administrative action is in process.

2. The Fixed Assets of the Company have not been revalued during the year.
3. Stock of Coal & Coke has been physically measured by the management during the year except at five Regional Sales Offices and discrepancies noticed on such verification have been properly dealt with in the accounts and where physical verification has not been done book stock has been taken into account with adequate provision for possible quality deterioration. In case of CMO, Coal stock has been valued at cost consistently which is in accordance with the normally accepted accounting principles. In case of NEC, Coal stock has been valued at notified selling price on the same basis followed consistently over the years.

No comments

No comments

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 have been physically verified by the management and the discrepancies noticed, if any, have been adjusted in the accounts. In our opinion, the valuation of stock, subject to above, is fair in accordance with the normally accepted Accounting principle and is on the same basis followed over the years.

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 has been stated that there was no party which required such listing in the Register maintained under Section 370(1C) of the Companies Act, 1956.

No comments

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

No comments

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.

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|-----|---|---|
| 6. | In our opinion there are adequate internal control procedures commensurate with the size of the Company and nature of its business. | No comments |
| 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. | No comments |
| 8. | During the year, the company has determined obsolete, unserviceable and damaged stores against which either necessary provision has been made in the accounts or the amount has been written off. | No comments |
| 9. | The Company has not accepted any deposit within the meaning of Companies (Acceptance of Deposits) rules, 1975 | No comments |
| 10. | In our opinion and according to the explanation given to us, the Company has maintained some records for sale and disposal of scrap which offers some scope for improvement. The Company has no bye-product. | The Company maintained records of Sale and disposal of scraps. In maintenance of such records action is being initiated for improvement in maintaining these records. |
| 11. | The Company has an internal audit wing. Moreover, the Company avails the services of professional firms in this regard. In our opinion the same is commensurate with its size and nature of its business now, but offers scope for improvement. | No comments |
| 12. | The maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central Government. | No comments |
| 13. | According to the records maintained by the Company, in our opinion, the Company is generally regular in depositing provident fund dues with the appropriate authority except a few cases in CMO. However, in some cases, amount is still lying outstanding. | No comments |
| 14. | The Company maintains reasonable records in respect of service activities of NEC which renders service to its Collieries. | No comments |
| 15. | Closing stock of Coal & Coke includes 70406.80 M.T. in place of 19639.80 M.T. (As per original A/cs) considered stones,shales and rejects out of which 64155.80 M.T in place of 13388.80 M.T (As per original A/cs) has been taken at "NIL" value. However, a provision of Rs.113.35 lakhs in place of Rs.122.19 lakhs (as per original A/cs.) exists in the reopened Accounts to cover possible quality deterioration, future deductions etc. which the management considered to be adequate and just. | No comments |

For S. Bhaumik & Co.
Chartered Accountants,

Dated, Calcutta
The 21st day of November, 1988.

S. C. Banerjee
Partner.



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	Qualifications	Date of Commencement of employment	Last employment held
(A) Employed throughout the Financial year 1987-88.					
Tandon G.L.	Chairman	1,62,389	B.Sc. (1st Class), AISM, 1st Class CCM (Coal & Metalmines)	18.10.85	NLC
Swaminathan B.	Director (F)	1,17,552	BA (Hons), Mathematics. Master Diploma in Public Administration	5.8.86	BPE
Sinha K.A.	Director (T)	1,55,159	B.Sc. (Mining), 1st Class MMC	22.5.86	CMPDIL
Brahma A.V.	Director (P)	1,22,402	B.Sc. AISM, 1st Class MMC	2.7.86	BCCL
Agarwal P.K.	S.M.	80,025	B.Com. MBA	29.7.85	WCL
Abidi S.A.M.	Supdt. (Mins)	93,254	B.Sc. (M) AISM	1.8.73	Taken over
Anand N.K.	S.M.	84,957	B.Sc. (Mining)	1.5.73	WCL
Bhaskaran R.	Addl. CME	90,219	B.Sc. (Mining) 1st Class MMC	1.8.73	Taken over
Bose Capt. P.	Sr. Pilot	1,14,644	I.Sc.	5.12.81	SAIL
Bhargava J.	Chief PR	88,590	B.Sc. Dipl in Journalism	1.8.77	WCL
Banerjee Hirak	E.E. (E&M)	73,550	B.Sc. Dipl in M.E.	20.8.84	ECL
Bagchi P.K.	Dy. C.M.M.	85,422	I.Sc. Dipl. (M). 2nd Class MMC	1.8.73	Taken over
Basu S.C.	Supdt. of Mines	84,319	B.E. (Mines) 1st Class	4.6.86	CCL
Boral M.C.	Sr. Manager (GS)	89,063	I.Sc.	1.8.73	Taken over
Biswas R.D.	C.G.M (P)	1,04,187	1st Class Mining Eng. AISM	25.11.85	ECL
Bhattacharya B.C.	Dy. C.F.M.	99,852	B.Sc. AICWA	1.4.75	Coal Board
Badraika B.L.	Dy. F.M.	82,106	B.Com.	1.8.73	Taken over
Bhattacharya B.K.	Dy. C.F.M.	89,814	M.Com. A.C.A.	24.9.86	ECL
Bhattacharjee D.S.	Addl. CFM	94,438	B.Sc. AICW	22.9.83	BCCL
Bhattacharjee N.K.	Addl. CSM	90,390	B.Sc. (Mining) MMC	7.12.81	BCCL
Bose S.	Dy. C.E. (O)	91,083	B.Sc. (Chem.)	3.3.76	CMPDIL
Bhattacharjee T.K.	Supdt. Eng. (C.T)	79,149	M.Tech. (Adv. Chem. Engg)	5.11.80	CMPDIL
Banarjee U.K.	Supdt. Eng. (Elec.)	78,822	B.E. (Elec.)	2.7.81	WCL
Bandhopadhyaya T.K.	Sr. Ex. Eng. (C)	72,490	B.E (C)	2.6.82	CCL
Barua, B.K. Dr.	Medical Supdt.	86,334	M.B.B.S.	17.8.73	Taken over
Barthakur A.C. Dr.	Sr. M.O.	83,029	M.B.B.S.	1.8.73	Taken over
Biswas R.N.	Sr. Mining Eng.	78,462	B.Tech. (Min.) 1st Class Mining Eng.	7.10.76	Fresh Apptt.
Bora M.C.	Supdt. (Mines)	1,00,242	B.Sc. Mining 1st Class MMC	1.8.73	Taken over
Bhattacharya D.	Sr. Ex. Eng. (Elect)	76,958	B.E. (Elect)	12.12.76	Fresh Apptt.
Bharadwaj R.C.	Dy. CME	1,04,892	B.Tech. (Mining) 1st Class MMC	1.8.73	Taken over
Banerjee J.M.	Secretary	72,376	BA.	1.5.73	Taken over
Bhattacharjee M.	Dy. CSM.	90,528	M.Sc. (Geology)	24.1.84	Govt. of Assam
Chakraborty U.	Mat. Mgr.	80,830	B.E. (Elect.)	2.6.88	CCL
Chattarjee A.N.	Dy. CFM	94,418	B.Com. AICWA	12.6.79	BCCL
Chakraborty K.C.	Dy. F.M.	74,005	B.Com. AICWA	1.6.82	CCL
Chako V.I.	Secretary	75,875	BA.	1.8.73	BCCL
Chattarjee B.	C.G.M.	1,04,440	B.Sc. B.E. (Chem.)	16.6.86	H.F.
Chandra A.S.	O.S.D.	75,552	Mech. Eng.	1.7.86	RSEB
Deb T.K.	C.G.M. (C.P.)	1,02,081	B.Sc. (Mining) 1st Class MMC	29.8.85	CMPDIL
Dev B.	C.M.E.	96,603	Dip. (Mining) 1st Class MMC	5.3.84	CCL
Dey C.K.	Dy. F.M.	82,364	B.Com. CA	May. 82	BCCL
Das Gupta J.P.	Dy. CMM	88,080	B.Sc. (Mining) 2nd Class MMC	1.8.73	Taken over
Das P.	Secretary	72,186	B.Com.	3.5.82	CCL
Diddie S.M.	GM (Corporate)	95,623	B.Sc. (Mining) 1st Class MMC	12.8.86	CCL
Das C.R.	G.M.	1,01,381	B.Sc. (Mining) 1st Class MMC	29.8.83	CCL
Dey B.P.	Dy. CME	94,921	Dipl. in Mining 1st Class MMC	26.5.86	CCL
Dey D.	Dy. FM	87,105	B.Com.	1.8.73	Taken over
Dhar R.L.	P.M. (A.W)	83,781	BA P.G. Dipl. in Social Service	11.12.85	WCL
De A.K.	Dy. C.P. M.	1,01,363	M.A. LLB (DSW). MBA, D.P.M. (Lond)	17.11.86	ECL
Das Bairagya J.G.	Dy. CFM	81,756	M.Com. AICWA	1.6.73	CMPDIL
Das Uttam Dr.	M.S.	78,882	M.B.B.S. M.S.	8.3.82	Fresh Apptt.
Dawan R.N.	Supdt. (Mines)	92,720	B.Sc. (Mining) AISM 1st Class MMC	1.8.73	Taken over
Ghosh P.N.	Addl. C.O.V.	95,319	1st Class MMC	6.2.85	WCL
Goswami K.B.	G.M. (Safety)	97,021	B.Sc. (Mining) 1st Class MMC	21.4.86	WCL
Gujrati G.D.	S.E.	77,601	B.Sc. (Eng.)	13.4.87	NCL
Ghosh S.K.	Dy. C.T.M.	83,105	B.Sc. M.Sc. P.G. Dip. in Ind Mgt. BL	1.7.81	Fresh Apptt.
Ganapathy A.R.	Dy. CFM	90,537	A.C.M.A. (U.K) ICWA (London)	13.9.76	Fresh Apptt.

Particular of Employees (contd.)

Name	Designation	Remuneration	Qualifications	Date of Commencement of employment	Last employment held
Ghosh B.K.	P.M.	81,647	B.A. DSW	8.4.87	ECL
Ghosh N	Sales Mgr.	80,302	B.Sc. (M)	1.4.75	Coal Board
Ghosh P.K.	Supdt. Eng. (C)	78,294	L.C.E., B.C.E.	11.1.83	ECL
Ghosh S.C.	Sr. Ex. Eng. (E)	73,595	B.E. (Elect.)	27.4.81	ECL
Gohain M.K.	P. M.	88,602	B.A. P.G. Dip. in Social Sc. & Admn.	1.8.73	Taken over
Gulati A.K.	G.M.	1,04,634	M.Tech. AISM. 1st Class MMC	10.6.86	CCL
Ghosh N	Dy. FM	76,921	B.Com. AICWA	June '83	WCL
Ghosh M.M.	Dy. S.M.	78,812	B.Sc.	1.4.75	Coal Board
Hossain A.B.W.	Dy. CME	90,710	B.E. (M), 1st Class MMC	23.8.86	WCL
Hamid Q.S.	State Mgr.	79,104	M.Sc.	1.11.75	CCL
Jha M.N.	CPM	95,357	B.A. DSW	5.3.86	SECL
Jain S.L.	Sr. P.O.	88,351	Matric	1.8.73	Taken over
Jain K.K.	Dy. CSM	88,342	M.Com. LLB	Oct '83	ECL
Jally A.K.	Addl. CME	89,113			
Jha M.N.	Dy. CME	1,02,291	B.Sc. (M), AISM. 1st Class MMC	1.8.73	Taken over
Kunhi Raman C.	Sr. Ex. Sec.	79,616	B.Com.	1.8.73	Taken over
Kanungo R.	C.G.M.	88,345	B.A. LLB	7.5.86	NMDC
Kundu N.G.	Dy. CME	1,05,866	B.Sc. (M), AISM. MMC	7.12.81	ECL
Kumar R.	Dy. FM	74,116	B.Com. AICWA (Int) CAS (I)	June '81	BCCL
Kochar K.C.	P. M.	85,092	M.A. LLB	1.8.73	Taken over
Kar N.G. Dr.	Sr. M.O.	83,029	M.B.B.S.	1.8.73	Taken over
Kumar A.	Supdt. (Mins)	95,542	B.Sc. Mining. 1st Class MMC	1.8.73	Taken over
Mazumdar P.B.	Dy. CMM	93,980	B.E. (Elect.) 1st Class MMC	4.11.85	CCL
Mukherjee S.K.	State Mgr.	87,095	M.Sc. (Stat.)	21.4.82	ECL
Mukherjee D.K.	S.E. (E&M)	83,858	Dipl. in Mech. Eng.	2.3.84	CCL
Murthy A.S.R.	Addl. C.E.	91,226	I.Sc. 2nd Class MMC	6.5.85	CCL
Mitra S.K.	Chief of Tel. Com	97,145	M.Tech.	23.4.86	SAIL
Mukharjee B.K.	Supdt. (Mins)	91,307	1st Class MMC	12.1.87	ECL
Mukharjee A.	Dy. M.M.	81,303	B.E. (Mech.)	21.2.80	WCL
Mehta Ashok	Addl. C.E.	94,012	B.Sc. (M), 1st Class MMC	6.10.86	BCCL
Mukherjee R.C.	Dy. C.P.M.	89,623	B.Sc. DSW	22.4.81	BCCL
Manabaran P.S.	Addl. C.L. M.	1,00,028	M.Com., LLB. Dipl. Pub. Admn.	5.12.80	BCCL
Mallick Debal	Addl. CS. M.	93,941	B.A. (H)	24.7.86	ECL
Mukharjee J.	Dy. Sales Mgr.	83,025	I.Sc. (Int) in Fuel Tech.	1.4.75	Coal Board
Mitra S.R.	Dy. Sales Mgr.	85,369	B.Sc. SFT (A). GFT	1.4.75	Coal Board
Moitra G.K.	Sales Mgr.	89,058	B.Sc. (P), Adm. Fuel Tech. Exam.	1.4.75	Coal Board
Mukherjee S.	Dy. Sales Mgr.	79,560	B.Sc. (M), 1st Class	Nov '80	BCCL
Mitra P.K.	Dy. C.E. (Mech)	81,427	B.Tech. (Mech.)	18.11.83	
Mazumdar A.C.	Dy. F.M.	84,326	B.Com.	1.8.73	Taken over
Net B.S.	Addl. C.E.	93,084	Dipl. in Mech. (Eng.)	23.10.86	WCL
Nandi S.N.	Addl. CME	90,425	1st Class MMC	23.12.82	NCL
Neogy B.C.	Dy. C.F.M.	88,141	M.Com., AICWA	18.9.80	CCL
Pandey I.B.	G.M. (P&IR)	93,965	B.A. (Shastri) M.A.S.M.	12.3.86	NCL
Paul B.M.	O.S.D. (P)	75,806	Matric	1.8.73	Taken over
Purohit J.D.	Asst. L.M.	75,971	B.Com. LLB	1.8.73	Taken over
Pamar S.S.	Addl. C.M.E.	99,102	B.Sc. Mining AISM	1.8.73	Taken over
Prakas C.	Dy. M.M.	73,115	B.Sc., M.B.A.	2.6.75	Fresh Apptt.
Prosad B.	Dy. C.M.E.	1,07,955	B.Sc. Mining AISM. 1st Class MMC	1.8.73	Taken over
Roy Amit Kr.	S.E. (E&M)	78,720	B.E.	4.6.86	CCL
Roy Ajit Kr.	Estate Manager	80,263	B.A., LL.B., WBCS (R)	1.9.82	Govt. of W.B
Ram P.K.	Dy. F.M. Eng.	73,998	B.Com., C.A.S.	31.7.81	CCL
Roy S.K.	Sr. Ex. Eng. (C)	79,077	B.Sc., Eng (C), AMIS (E)	22.1.82	Fresh Apptt.
Rama Rao P.K.	Dy. C.E. (E)	94,309	Elect. Eng.	1.8.73	Taken over
Rahaman S.A. Dr.	Sr. M.O.	80,567	M.B.B.S.	1.8.73	Taken over
Roy M.R. Dr.	Sr. M.O.	79,789	M.B.B.S.	1.8.73	Taken over
Roy Arijit	Supdt. (Mins)	85,115	B.E. (Mining). 1st Class MMC	17.2.73	Fresh Apptt.
Sethi N.N.	Dy. C.M.M.	78,247	M.Com.	3.6.86	SAIL
Singh H.K.	Supdt. Mines	76,747	B.Sc., C.M. 1st Class MMC	2.7.84	BCCL
Singh Mahendar	Advisor	1,00,068	IAS	27.4.84	Govt. of Bihar
Sharma G.C.	Addl. CME	87,820	B.Sc. (M), AISM. MMC	23.2.82	ECL
Sarkar Hirak	Dy. C.E. (C)	78,024	B.E. (C), M.Tech. (C)	19.12.85	CMPDIL

Particular of Employees (contd.)

Name	Designation	Remuneration	Qualifications	Date of Commencement of employment	Last employment held
Sen Anjan	S.E. (E&M)	89,615	M.E. (E&M)	10.10.83	BCCL
Sinha B.B.	S.M.	88,720	B.Sc. (Fuel Tech)	1.4.75	Coal Board
Sen A.R.	Addl. CME	91,946	B.Sc. (M), 1st Class MMC	15.2.82	CCL
Saha S.K.	Dy. C.M.E.	84,189	B.Sc. (M), 1st Class MMC	8.11.85	CCL
Sinha B.P.	S.M.	72,698	M.Sc. (Geology)	1.5.73	CCL
Sen Gupta D.	Dy. C. M (Syst)	87,586	Ph.D., 1st Class	1.4.82	CMPDIL
Sen A.K.	Dy. CME	95,279	B.Sc. (M), 1st Class MMC	16.4.82	CMPDIL
Sinha R.N.	Dy. Ch. Stat. Mgr.	88,445	M.Sc. (Stat)	25.6.73	CCL
Sen Gupta C	Dy. CME	86,306	B.Sc. (Mining)	22.10.80	WCL
Sanyal S.K.	Dy. CFM	91,259	AICWA	1.9.80	BCCL
Sharma K.B.	Dy. CPM	83,262	B.Sc., M.S.W.	12.2.85	WCL
Sinha A.P.	GM (P)	94,207	M.Com. DSW	30.4.86	BCCL
Swamy J.S.K.	P. M.	87,001	M.A., L.S.W.	1.5.73	CCL
Sinha R.K.	Dy. Ch. M.O	1,05,919	M.Sc. (Stat)	24.8.87	CCL
Shigal H.G.	C.S.M	95,364	1st Class B.Tech (M)	11.1.86	BCCL
Sen Amarjit	Sales Manager	95,228	M.Sc. (Geology)	1.4.75	Coal Board
Sen Roy Mrs. P.	F.M.	79,306	B.Com., C.A.	25.2.74	Fresh Apptt.
Sastri U.P.	Sr. Ex. Eng. (E)	74,152	B.Sc. B.E. MIE (India)	1974	Fresh Apptt.
Samanta A.K.	Sr. Mining Eng.	95,124	Dip. in Mining, B.Sc. 1st Class Mining Eng.	1.8.73	Taken over
Singh V.N.	Supdt. M	83,402	B.Sc. Dip. (M), 1st Class Mining Eng. MMC	1.8.73	Taken over
Sur N.C.	Supdt. M	84,964	B.Sc., 1st Class Mining Eng. CMM	26.11.74	Fresh Apptt.
Sarkar S.K.	Supdt. (Mines)	96,556	B.Sc. Mining, 1st Class MMC	Mar '70	ECL
Sarkar P.K.	Sr. Ex. Eng. (Exv)	76,253	BE (Mech)	1.9.82	CCL
Sur Roy, A.K.	Dy. F.M.	78,283	B.Com. CAS.	1.8.73	CCL
Tripathi H.N.	GM(S.D)	83,644	1st Class MMC	18.11.86	BCCL
Taraldar A.K.	P. M.	75,543	MA. (L&SW), B.Com.B.L.	1.1.73	NCL
Tooley A.K.	GM	1,11,495	Mining Engineer		CCL
Tewari K.K.	Supdt (M)	82,696	B.Sc(M), 1st Class Mining Engineer MMC	7.12.73	Fresh Apptt.
Thakuria A.C.	Sr. Mining Eng.	82,033	B.Sc(M), 1st Class Mining Eng. MMC	31.8.74	Fresh Apptt.
Vij J.K.	Sr. Mgr (Admn)	81,279	M.A.	1.8.73	ECL
Verma A.K.	Supdt. Geologist	80,825	M.Sc.(Geology)	19.2.74	CCL

(B) Employed for Part of the Year

Barman S.J.	C.O.V.	36,367		20.11.87	Govt. of W.B.
Bhatt. P.	Chief PRM	81,002	M.A.	1.11.86	CCL
Dutta P.B.	Co. Secy.	83,095	B.Com.ACS., ACIS (Lond) FICW	26.2.82	BCCL
Ghosh S.K. Dr.	Chief F.M.	58,470	P.H.D.	8.12.86	BCCL
Moulick G.S.	Addl. CME	33,637	B.Tech (M), 1st Class MMC	30.10.87	CCL
Mishra B.C.	GM (N.T)	34,102	B.Sc.(M), 1st Class MMC	12.10.87	CMPDIL
Pani A.	CGM (Safety)	98,610	AISM, 1st Class MMC	13.5.87	SECL
Singh Deobrat	GM (IMP)	19,523	AISM, 1st Class MMC	29.12.87	BCCL
Saha S.	Comp. Secy cum-Chief of Accounts	7,266	B.Sc., F.I.C.W.A., F.C.S., F.A.S.M., F.I.A.M., A.C.I.S. (Lond) A.M.B.I.M. (Lond)	24.2.88	Andrew Yule
Sharma S.N.	GM(HRD)	6,805	B.Sc(M), 1st Class MMC	23.2.88	ECL
Sambhasvulu M.	Chief of Ind. Engr.	78,106	BE(M) PG. Dipl. in Ind. Eng.	1.12.86	Fresh Apptt.
Wadhwan I.P.	CGM(HRD)	93,577	B.Com.(H)	1.8.73	ECL
Singh R.A.	Chief of Finance	45,313	ACA	5.11.84	CMPDIL
Routh S.R.	Dy. CFM	80,600	B.Com., CAS	25.2.80	CCL
Mitra A.	Chief of Finance	91,894	B.Com. FCA	29.6.87	CMPDIL
Sarkar Dr. A.	Dy. CMO	59,982	M.B.B.S.Dip. in Public Health	9.10.80	CCL
Sinha Dr. RK	Dy. CMO	59,570	M.B.B.S. Dip. in Ph.	24.8.87	BCCL
Nandkeolyar K.C.	GM(Welfar)	59,940	M.A. Sociology	17.9.87	WCL
Rao D.R.K.	P.M.	34,540	M.A.(S)	18.9.87	ECL
Chatterjee AN	PM	23,449	BA.BL.DSW	13.11.87	ECL
Singh A.D.	GM(MP&IR)	19,183	M.A.(S)	20.12.87	WCL
Ghosh J.K.	Dy.CPM	22,873	Dipl. in S.W.(L.W)	11.12.87	SECL
Kar S.P.	Dy. CSM	84,871	B.Com. Dip in Jarl.		CCL
Guha Choudhry S.K.	Dy. CSM	82,419	B.Sc. Mining 1st Class MMC	1.8.80	Coal Controller
Doshi Ramesh	S.M.	81,867	B.Com.	23.4.87	ECL
Misra B.	Dy. CSM	85,671	M.A.	27.4.87	ECL
V.K. Singh	CSM	87,677	B.A.(H) Dipl. in Ph. Edu.	13.4.87	ECL



जवाहरलाल नेहरू
जन्मशती

JAWAHARLAL NEHRU
CENTENARY

1889 *JN* 1989