

**Annual
Report
And
Accounts
1994-95**



Coal India Limited



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Board of Directors



Shri P. K. Sengupta



Shri B. N. Makhija



Shri Vivek Mehrotra



Shri U. K. Mittal



Shri T. K. Deb



Shri R. A. P. Singh



Shri M. A. Ubaid



Shri C. R. Das

Members of the Board

(As on 28th September, 1995)

CHAIRMAN

Shri P. K. Sengupta

FUNCTIONAL DIRECTORS

Shri T. K. Deb	—	Technical
Shri R. A. P. Singh	—	Personnel & Industrial Relations

DIRECTORS

Shri B. N. Makhija	—	Additional Secretary Ministry of Coal, New Delhi
Shri Vivek Mehrotra	—	Joint Secretary & Financial Adviser Ministry of Coal, New Delhi
Shri U. K. Mittal	—	Director (Operations) Steel Authority of India Limited New Delhi
Shri M. A. Ubaid	—	Chairman-cum-Managing Director Central Coalfields Limited
Shri C. R. Das	—	Chairman-cum-Managing Director Mahanadi Coalfields Limited

COMPANY SECRETARY

Shri U. Suryanarayana

Management During 1994-95

CHAIRMAN

Shri P. K. Sengupta	—	(From 1.1.1995)
Shri S. K. Chowdhary	—	(Upto 31.12.1994)

FUNCTIONAL DIRECTORS

Shri P. K. Sengupta	—	Finance (From 30th May, 1991)
Shri T. K. Deb	—	Technical (From 31st May, 1994)
Shri R. A. P. Singh	—	Personnel & Industrial Relations (From 15th July, 1992)

DIRECTORS

Shri B. N. Makhija	—	Addl. Secretary, Ministry of Coal (From 28th May, 1993)
Shri K. Kosal Ram	—	Joint Secretary & Financial Adviser Ministry of Coal (Upto 20th Oct., 1994)
Shri Vivek Mehrotra	—	Joint Secretary & Financial Adviser Ministry of Coal (From 16th Feb. 1995)
Shri U. K. Mittal	—	Director (Operation), Steel Authority of India Limited (From 8th Dec., 1994)
Shri M. K. Misra	—	Adviser (Traffic), Railway Board (Upto 5th July, 1995)
Shri B. Sengupta	—	Member (Grid & Operation) Central Electricity Authority (Upto 22nd June, 1995)
Shri R. N. Mishra	—	Chairman-cum-Managing Director Eastern Coalfields Limited (Upto 5th Oct. '94)
Shri U. Kumar	—	Chairman-cum-Managing Director South Eastern Coalfields Limited (Upto 18th Jan., 1995)
Shri M. A. Ubaid	—	Chairman-cum-Managing Director Central Coalfields Limited (From 2nd Nov., 1994)
Shri C. R. Das	—	Chairman-cum-Managing Director Mahanadi Coalfields Limited (From 15th March, 1995)

COMPANY SECRETARY

Shri U. Suryanarayana

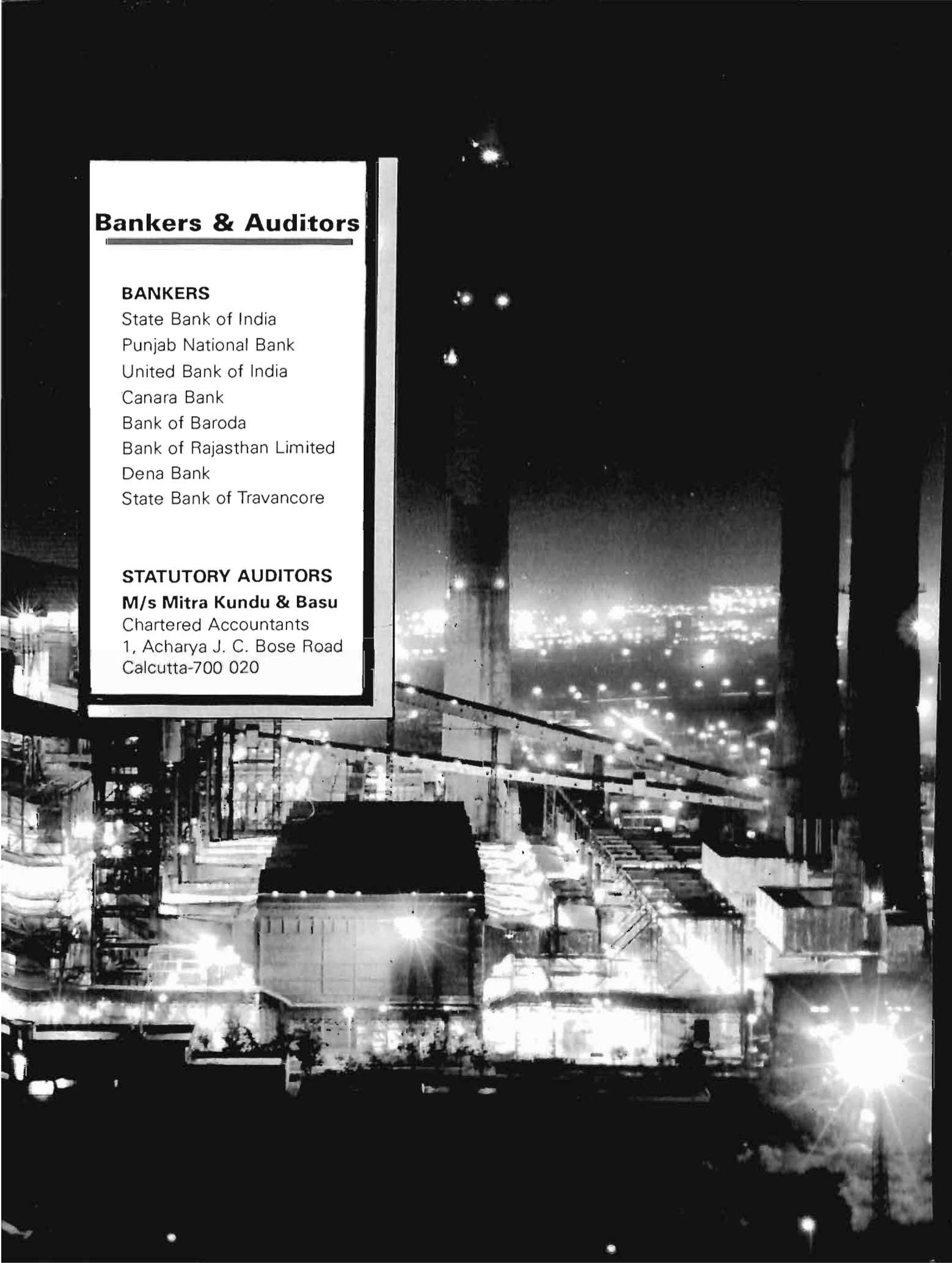
Bankers & Auditors

BANKERS

State Bank of India
Punjab National Bank
United Bank of India
Canara Bank
Bank of Baroda
Bank of Rajasthan Limited
Dena Bank
State Bank of Travancore

STATUTORY AUDITORS

M/s Mitra Kundu & Basu
Chartered Accountants
1, Acharya J. C. Bose Road
Calcutta-700 020



Notice

NOTICE OF THE 21ST ANNUAL GENERAL MEETING OF COAL INDIA LIMITED

Notice is hereby given to all Shareholders of Coal India Limited that the Twenty-first Annual General meeting of the Company will be held on Thursday the 28th September, 1995 at 3-00 PM at the Registered Office of the Company at Coal Bhawan, 10, Netaji Subhas Road, Calcutta to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1995 and Profit and Loss Account for the year ended 31st March, 1995 together with the Reports of Statutory Auditors, Comptroller & Auditor General of India and Directors' Report.
2. To appoint a Director in place of Shri B. N. Makhija who retires in terms of Article 33(d) (iii) of the Articles of Association of the Company and is eligible for reappointment.
3. To appoint a Director in place of Shri Vivek Mehrotra who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for reappointment.
4. To appoint a Director in place of shri U. K. Mittal 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 M. A. Ubaid 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 C. R. Das who retires in terms of Article 33 (d) (iii) of the Articles of Association of the Company and is eligible for reappointment.

SPECIAL BUSINESS

7. To consider and if thought fit to pass with or without modification(s) the following resolution as Special Resolution :

"Resolved that the following new clause under Clause III (A) (1)(f) of the main objects' clause of the Memorandum and Articles of Association of the Company be added."

"To explore, produce, sell and distribute Coal Bed Methane Gas and its bye products."
8. To consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution :

"Resolved that the Board of Directors of Coal India Limited be and is hereby authorised pursuant to Sub-section (1) (e) of Section 293 of the Companies Act, 1956 on behalf of the Company to grant financial assistance by way of recurring and non-recurring grants/contributions/donations to Educational, Research and Charitable Institutions, in cash or kind or otherwise for such purpose not directly related to the business of the Company or to the welfare of its employees upto a total amount of Rs.50 (fifty) Lakhs in a year."

"Further resolved to ratify that the amount of donation (cash and kind) to the extent of Rs.48 (forty-eight) Lakhs given during the financial year 1994-95 by the Company in accordance with the delegation of powers and/or as approved by the Board of Directors from time to time, on the merits of individual cases, be and is hereby approved."

By order of the Board

Sd/-

(U. Suryanarayana)

Company Secretary

Calcutta

Dated 4th September, 1995

Note :

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and that the Proxy need not be a member of the Company.
2. Explanatory Statement pursuant to Sec. 173(2) of the Companies Act, 1956 in respect of the Special business under items 7 and 8 is enclosed as Annexure.

Annexure to the Notice

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

- Item No. 7** — Amendment to Object clause of Memorandum and Articles of Association of the Company for inclusion of Coal Bed methane Gas Exploration and Exploitation.

The Board of Directors of Coal India Limited at its meeting held on 22.7.95 considered the proposal of inclusion of Coal Bed methane Gas exploration and exploitation as one of the objects under the 'Object' clause of the Memorandum and Articles of Association of the Company after Compliance of the provisions of the Companies Act, 1956, as Coal Bed Methane Gas is inherent in Coal Seams and its commercial exploitation and utilisation would be a new business opportunity. The technology for extraction of this gas has been developed substantially in the last 8-10 years, in different parts of the World with introduction of deep drilling technology as practised in Oil and Gas industry. Rough estimate of Coal Bed methane resources is about six Trillion Cu. Meters mainly in the lower Gondwana Coal Seams. The different uses of Coal Bed methane are in the power generation, chemical industries, domestic gas etc.

In view of the above, it is being moved for consideration and approval of the Shareholders as per the provisions of the companies Act, 1956.

- Item No. 8** — Approval for Donations to different Charitable/Educational Institutions and Community Development works.

Every year Coal India Limited receives requests for grants/donations from different Charitable, Educational, Cultural and Research Institutions and also from different District Authorities and Community Development bodies.

As per Sec. 293(i) (e) of the Companies Act, 1956, Donations and contributions to Charitable and other funds by the Company not directly related to the business of the Company or the welfare of the employees shall not exceed Rs.50,000/- per year or 5% of its average net profits during the three financial years immediately preceeding whichever is greater. In case, if the Company is required to spend more than the above amount on this item, consent of the Shareholders in the General Meeting specifying the total amount to be contributed to Charitable and other funds has to be obtained.

During the year 1994-95 Coal India Limited made donations in Cash or in kind to the extent of Rs.48 Lakhs - while the amount is well within the limit laid down under the Companies Act, if the aggregate net profit of CIL and its Subsidiaries is taken into account. In view of the fact that each Subsidiary and CIL is a separate legal entity it would be appropriate to consider profits/losses of CIL as a whole as a Company for this purpose.

Since the average profit of CIL during last 3 financial years was not sufficient, these donations/grants of Rs.48 lakhs requires the approval of the General Meeting as per Sec.293 of the Companies Act, 1956 as mentioned herein above.

Accordingly the proposal for seeking approval of the Shareholders for authorising the Board of Directors U/s 293 (i)(e) to grant financial assistance by way of Donations to Educational, Research, Charitable Institutions and for Community Development upto a total amount of Rs.50 Lakhs in a year and ratification for the amount sanctioned during 94-95 towards the same purpose is being moved for consideration and approval.

None of the Directors is interested in these resolution.

Chairman's Statement



Dear Friends,

I have pleasure in welcoming you to the 21st Annual General Meeting of Coal India Limited (CIL). The Report of the Directors on the performance of your Company and its subsidiaries for the year 1994-95 is already with you.

2. The later part of the year 1994-95 has witnessed a surge in demand of coal, particularly from power sector, as a result of economic reforms initiated in the year 1991-92. Inflow of new investment and improvement in PLF have induced major growth in generation of power. Consequently, coal demand for power generation is also undergoing a major increase. Coal India is responding to this by taking up the task of substantial increase in production and supply of coal. During the period of 3 years between 1992-93 and 1994-95 production and offtake of coal from CIL sources recorded an annualised growth of 3.1% and 4.1% respectively. As against this, CIL has planned a growth of 8.0% in coal production and 11.6% in coal supply during the year 1995-96. The emerging scenario indicates that Coal India may have to strive for even a higher growth rate in future years. In order to achieve this task the following measures have been taken :

- (a) To augment coal production from underground mines an agreement has been entered into with CME, China, for introduction of Longwall mining in four underground mines. These four underground mines are expected to

contribute 2.6 million tonnes by end of 97-98.

- (b) 7 underground mines have been identified for introduction of modern technologies with a view to further augment coal production from UG mines. Global tenders have been invited for this purpose and a number of Indian and Foreign companies have shown interest in development of these mines on the condition that payment of 50% of the price for equipment will be linked to performance of these mines in terms of coal production.
- (c) In order to provide required equipment for the opencast mines which have to contribute to a major part of the increase in coal production in future years, global tenders for supply of equipment with suppliers' credit have been invited. Responses received from Indian and Overseas manufacturers are quite encouraging and the tenders are being evaluated. One of the terms of the tender is that equipment manufacturers have to maintain the equipment over a period of 7 years on charges linked to availability of equipment.

Besides the above steps, Coal India is pursuing the matter of obtaining a major loan from the World Bank for the Coal Sector Rehabilitation Project aimed at developing 6 nos. of new/expansion projects and providing replacement of equipment for 22 nos. existing mines/expansion projects. The preparatory activities for obtaining the World Bank loan has been mostly completed. Sectoral Environment Assessment Report has been submitted. A formal comprehensive policy on environment has been formulated and sent to the Govt, as well as, to the Bank. Resettlement and Rehabilitation Policy has also been formulated. Work on preparation of Indigenous Peoples' Development Plan is on hand.

In order to enable Coal mining by the consumers in Power and Steel sectors a number of mining blocks have been allotted to the consumers in these sectors after amendment of the Coal Mine Nationalisation Act. Allotment of the mining blocks is considered by the Screening Committee under the Ministry of Coal on the basis of requests from the power houses and the steel mills.

With a view to face competition emerging from liberalisation and globalisation of economy, emphasis has been laid on beneficiation of non-coking coal. Besides undertaking completion of two beneficiation plants for non-coking coal with annual capacity of 11 million tonnes in collaboration with

Australia and Germany, letters of intent for setting up four beneficiation plants for non-coking coal with an aggregate capacity of 20 million tonnes have been issued under Build-Own-Operate (B-O-O) Scheme. Construction of a few more washeries under B-O-O Scheme is also under consideration. Necessary agreements with the consumers linked to these washeries are also being finalised.

As you are aware, the National Coal Wage Agreement-V has been under discussion. After prolonged negotiations a Memorandum of Understanding has been reached between the Management and the 4 Central Trade Unions on 29.4.95. This covers all the items relating to wages and allowances. For converting the MOU to Wage Agreement few other issues are under discussion.

With improved production and productivity your company has been able to maintain the status of a profit making company even after charging Rs.494 crore in the accounts for the year 1994-95 towards the impact of MOU on NCWA-V for the period of 45 months from 1.7.91 to 31.3.95 over and above the interim relief (IR) which has been paid and absorbed. There has been a moderate increase in coal price during the year 1994-95 in June '94 to the extent of 5.2%.

Your company continued to lay emphasis on consumers' satisfaction by strengthening quality control measures. As a result of various steps taken there is a significant drop in the number of complaints received from the consumers.

Your company laid thrust on safety of all the employees through strengthening of internal safety organisations and participation of workmen in Safety Management and Rescue activities. The number of accidents and fatalities has been reduced during 1994-95.

I am confident that with dedicated performance at all levels, CIL will continue to scale new heights and achieve its goals and objectives with a high degree of self-discipline and commitment.

I would like to thank our consumers, suppliers, State Governments, Ministry of Coal and other Ministries/Departments in the Central Government, all the Trade Unions and all the employees and their families for their unstinted support, co-operation and guidance.

(P. K. Sengupta)
Chairman

Calcutta,
September, 28, 1995



Control Room of a Merry Go Round (SILO)

OPERATIONAL STATISTICS

(CONSOLIDATED FOR COAL INDIA LIMITED & ITS SUBSIDIARY COMPANIES)

Year Ending 31st March	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986
1. (a) Production of Raw Coal (Million Tonnes)										
Under Ground	55.61	56.55	57.06	56.82	56.09	58.71	61.28	59.04	60.07	59.95
Opencast	167.46	159.55	154.16	147.34	133.56	119.89	110.22	99.98	84.70	74.16
Total	223.07	216.10	211.22	204.16	189.65	178.60	171.50	159.02	144.77	134.11
(b) Overburden Removed (Million Cub.Mts)	340.13	325.46	308.94	298.30	284.76	278.44	246.22	212.04	185.62	149.52
2. Off take (Raw Coal) (Million Tonnes)										
Power	148.29	144.39	131.31	124.54	109.72	100.38	89.24	82.18	71.26	65.03
Steel/Hard Coke	21.30	21.48	21.22	16.59	20.40	19.49	20.32	19.47	19.11	20.30
Railway	0.59	1.78	2.81	3.93	4.58	5.11	5.57	6.36	6.83	7.91
Domestic & Boiler Use	3.16	3.27	3.38	4.36	3.46	3.47	3.50	3.48	3.54	3.62
Others	49.20	45.61	49.47	48.75	44.99	45.14	46.39	42.44	40.91	38.06
Total	222.54	216.53	208.19	198.17	183.15	173.59	165.02	153.93	141.65	134.92
3. Average Manpower	648519	659647	667459	672217	670515	669072	672231	674004	672960	671336
4. Productivity										
(A) Average per Man per Year (tonnes)	343.97	327.60	316.45	303.71	282.84	266.94	255.12	235.93	215.12	199.77
(B) Output per Manshift (OMS)										
(i) Under Ground (Tonnes)	0.56	0.55	0.55	0.53	0.54	0.55	0.57	0.54	0.54	0.53
(ii) Open Cast (Tonnes)	4.35	4.00	3.80	3.70	3.34	3.06	2.91	2.65	2.44	2.24
(iii) Overall (Tonnes)	1.63	1.52	1.46	1.40	1.31	1.21	1.15	1.08	0.99	0.92
5. Information - As per Cost Report										
(i) Earning per Manshift (Rs.)	237.78	208.52	191.79	170.85	153.76	146.21	129.75	111.52	104.29	91.35
(ii) Avg. Cost in Rs. Per Tonne of Net Saleable Coal produced	380.45	364.35	334.31	301.67	277.18	264.69	252.91	229.46	221.54	213.97
(iii) Avg. Sale Value in Rs. Per Tonne of Net Saleable Coal produced	418.80	400.12	356.38	302.16	268.17	273.64	252.29	215.41	202.80	190.87

FINANCIAL POSITION

(CONSOLIDATION OF AUDITED RESULTS OF COAL INDIA LIMITED & ITS SUBSIDIARY COMPANIES)

(RS. IN CRORES)

Year Ending 31st March	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986
(A) What is owned										
Gross Fixed Assets	15570.04	13554.87	11902.43	10423.77	8917.20	7506.93	6425.84	5495.21	4701.06	4029.65
Less Depreciation	6530.28	5667.04	4853.87	4124.66	3480.56	2900.54	2417.72	2011.72	1661.19	1400.49
(1) Net fixed Assets	9039.76	7887.83	7048.56	6299.11	5436.64	4606.39	4008.12	3483.49	3039.87	2629.16
(2) Capital Work-in-progress	2326.80	2737.41	2701.92	2373.09	2124.47	2133.83	1824.16	1443.68	1179.63	834.09
(3) Deferred Credit & Others	234.65	165.69	104.61	69.92	60.57	37.94	4.57	5.81	8.34	5.23
(4) Investment (Co-op. & Others)	0.10	0.08	0.08	0.10	0.08	0.08				
(5) Current Assets :										
(a) Inventory of coal & coke	1374.86	1656.35	1660.64	1404.69	999.53	875.21	793.03	585.79	530.96	481.65
(b) Inventory of Stores & Others	942.82	852.70	786.06	718.64	680.16	588.45	530.09	485.01	451.26	410.78
(c) Sundry Debtors	2555.55	2443.31	2090.73	1390.30	1433.75	1441.93	988.49	722.73	465.45	399.55
(d) Cash & Bank Balances	340.59	218.13	186.63	146.33	181.75	174.90	161.71	142.37	141.70	118.68
(e) Loans & Advances, Oth.C/Assets	735.11	761.87	978.55	849.39	1082.09	820.06	564.97	657.01	780.70	883.09
(f) O.B.R.Adj.	(-144.21)	20.09	3.42	47.73	10.00	(-110.69)	(-148.84)	(-15.33)	44.50	
Total Current Assets (5a to f)	5904.72	5952.45	5706.03	4557.08	4387.28	3889.86	2989.45	2587.58	2414.57	2293.75
(6) Current Liabilities & Provision (Excl. intt. accr. & due)	4816.42	4278.21	3767.04	2839.13	2478.22	2142.43	1858.50	1514.74	1645.84	1210.81
(7) Net Current Assets (5-6)	1088.30	1674.24	1938.99	1717.95	1909.06	1747.43	1130.95	1072.84	768.73	1082.94
Total (A)	12689.61	12465.25	11794.16	10460.17	9530.82	8525.67	6967.80	6005.82	4996.57	4551.42
(B) What is owed										
(1) Govt. Loan	3813.58	3813.67	3947.08	3874.23	3804.27	3744.60	3319.60	3090.13	2715.62	2528.37
(2) Overdue Interest	1122.64	1289.26	1334.31	1025.53	921.45	685.90	605.09	580.05	278.02	341.27
(3) Intercompany	130.00	300.00	500.00	225.00	100.00	125.00	100.00			
(4) Term Loan (F.Intt. & Banks)	116.13	59.38								
(5) Bonds	1100.00	800.00	600.00	600.00	600.00	200.00				
(6) Others	941.10	759.04	619.52	447.51	258.43	110.98	46.67	40.20	25.46	
Loan (1 to 6)	7223.45	7021.35	7000.91	6172.27	5684.15	4866.48	4071.36	3710.38	3019.10	2869.64
Bank Borrowing (Cash credit)	472.37	692.41	455.12	341.49	355.04	333.98	168.41	189.63	200.27	122.00
Total (B)	7695.82	7713.76	7456.03	6513.76	6039.19	5200.46	4239.77	3900.01	3219.37	2991.64
Net Worth (A-B)	4993.79	4751.49	4338.13	3946.41	3491.63	3325.21	2728.03	2105.81	1777.20	1681.78
Represented by :										
(1) Equity Capital (incl. pending allotment)	6316.36	6104.84	6097.85	6000.76	5713.31	5223.86	4764.16	4120.34	3559.50	3012.31
(2) Reserves	324.80	414.53	334.81	299.24	277.30	280.95	289.64	245.22	251.42	206.82
(3) Profit/Loss (+) (-)	(-11647.37)	(-1767.88)	(-2094.53)	(-2553.99)	(-2498.98)	(-2249.60)	(-2325.77)	(-2259.75)	(-2033.72)	(-1659.35)
Total (1 to 3)	4993.79	4751.49	4338.13	3946.01	3491.63	3255.21	2728.03	2105.81	1777.20	1559.78
Capital Employed [A1+A4+(A7 - B2)]	9005.52	8272.89	7653.32	6991.63	6424.33	5668.00	4533.98	3976.28	3530.58	3370.83

INCOME AND EXPENDITURE STATEMENT

(CONSOLIDATION OF AUDITED RESULTS OF COAL INDIA LIMITED & ITS SUBSIDIARY COMPANIES)

(RS. IN CRORES)

Year Ending 31st March	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986
(A) Earned From :										
Gross Sales	11778.51	11103.62	9564.92	7475.50	6295.95	6278.32	5600.09	4398.47	3741.26	3293.10
Less Coal from develop- ment Mines	31.51	11.38	25.15	12.08	46.35	51.01	97.58	27.69	26.82	6.22
Less Levies (Royalties, cesses etc.)	2429.43	2209.00	1979.52	1454.00	1154.58	1408.28	1314.09	946.77	759.22	573.97
(1) Net Sales	9317.57	8883.24	7560.25	6009.42	5095.02	4819.03	4188.42	3424.01	2955.22	2712.91
(2) Accretion/Decretion in Stocks	-298.68	-3.99	288.89	394.76	108.19	79.13	236.89	60.07	51.77	-32.88
(3) Boiler & Domestic Consum- ption Coal, Cokes etc.	188.25	177.36	142.39	136.98	140.02	123.31	115.03	100.72	92.05	87.21
(4) Other Revenue Receipts:										
(a) C.M.P.D.I.L.	79.74	70.27	61.05	59.21	62.58	60.33	57.73	43.42	39.37	32.58
(b) Others	263.02	205.10	156.07	138.55	97.13	100.24	77.92	58.67	69.33	90.63
(c) Coal Price Regulation Account	2.57	39.39	-41.59	—	—	—	36.62	59.82	-29.83	-48.45
(A) Total (1 to 4)	9552.47	9371.37	8167.06	6738.92	5502.94	5182.04	4712.61	3746.71	3177.91	2842.00
(B) Paid to/Provided for										
Employees Remu. & benefits (Gross-Rev.)	4178.51	3624.55	3347.78	2842.66	2555.02	2406.75	2309.61	1775.59	1756.69	1467.11
Less: Trans. to oth. rev. heads	210.47	214.83	313.88	171.73	178.13	194.65	311.34	85.83	140.48	100.31
(1) Net Salary & Wages (excl. V.R.S. Payment)	3968.04	3409.72	3033.90	2670.93	2376.89	2212.10	1998.27	1689.76	1616.21	1366.80
Social Overheads (incl. LLTC & Domestic coal)	696.71	621.80	591.57	454.92	364.82	316.42	331.83	284.77	235.89	196.55
Less : S/O Dep. & Int.	39.39	38.15	32.77	29.51	24.77	18.89	16.48	14.22	14.83	10.50
(2) Net Social Overheads (included in Dep. & Int.)	657.32	583.65	558.80	425.41	340.05	297.53	315.35	270.55	221.06	186.05
Stores & Spares (Gross-Rev.)	1599.99	1462.19	1254.64	1058.91	895.11	780.48	657.59	588.18	519.43	448.60
Less : Trans. to oth. rev. heads	31.01	30.08	33.59	30.63	33.14	37.71	26.30	19.25	33.41	16.16
(3) Net Stores & Spares	1568.98	1432.11	1221.05	1028.28	861.97	742.77	631.29	568.93	486.02	432.44
(4) Power & Fuel (excl. coal consumed)	707.16	644.20	537.16	447.98	376.65	329.41	282.53	248.40	220.63	184.42
(5) Boiler & Colliery Consumption	46.47	44.38	41.70	44.79	27.97	32.42	32.19	26.62	25.41	25.39
(6) Contractors (Net of Recovery)	565.59	464.94	381.63	333.93	309.83	292.97	228.03	205.08	177.92	188.89
(7) Misc. Expenses & Provisions	414.66	708.04	462.75	423.59	379.61	303.39	364.75	264.82	241.11	315.08
(8) Interest	497.96	708.93	727.99	566.95	472.23	366.77	279.53	319.47	166.12	228.09
(9) Depreciation	969.82	912.63	786.09	670.59	578.65	469.69	422.99	376.19	306.78	265.45
(10) O.B.R. Adjustment	63.01	-19.28	42.91	7.98	-20.61	-29.67	42.56	49.89	-2.26	1.79
(11) Prior Period Adj. (excl. int. dep. & C.P.R.A.)	63.73	81.73	84.80	-48.58	52.87	84.53	138.38	-48.36	50.66	51.78
(12) I. T. Written Back			-2.99							
(B) Total (1 to 12)	9522.74	8971.05	7875.79	6571.85	5756.11	5101.91	4735.87	3971.35	3509.66	3246.18
Profit/loss for the year (A-8)	29.73	400.32	291.27	167.07	-253.17	80.13	-23.26	-224.64	-331.75	-404.18
Investment Allowance Reserve	91.42	-72.75	-31.22	-21.62	4.38	-0.09	-42.34	—	-42.19	-39.31
Income Tax	-0.64	-0.92	-0.60	-0.46	-0.59	-3.87	-0.42	-1.39	-0.43	—
Cummulative profit/loss b/f from prev. year	-1767.88	-2094.53	-2353.99	-2498.98	-2249.60	-2325.77	-2259.75	-2033.72	-1659.35	-1215.86
Cummulative profit/loss trans. to Balance Sheet	-1647.37	-1767.88	-2094.54	-2353.99	-2498.98	-2249.60	-2325.77	-2259.75	-2033.72	-1659.35

IMPORTANT FINANCIAL INFORMATION & RATIOS

(A) FINANCIAL INFORMATION

(CONSOLIDATION OF AUDITED RESULTS OF COAL INDIA LIMITED & ITS SUBSIDIARY COMPANIES)

(RS. IN CRORES)

Year Ending 31st March	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986
(A) Related to Assets & Liabilities										
(1) Shareholder's Funds :										
(a) Equity	6316.36	6104.84	6097.85	6000.76	5713.31	5223.86	4764.16	4120.34	3559.50	3012.31
(b) Reserve & Surplus	324.80	414.53	334.81	299.24	277.30	280.95	289.64	245.22	251.42	206.82
(c) Accumulated loss	-1647.37	-1767.88	-2094.54	-2353.99	-2498.98	-2249.60	-2325.77	-2259.75	-2033.72	-1659.35
Net Worth (a+b+c)	4993.79	4751.49	4338.13	3946.01	3491.63	3255.21	2728.03	2105.81	1777.20	1559.78
(2) Loan	7223.45	7021.35	7000.91	6172.27	5684.15	4866.48	4071.36	3710.38	3019.10	2869.64
(3) Capital Employed	9005.52	8272.89	7653.32	6991.63	6424.33	5668.00	4533.98	3976.28	3530.58	3370.83
(4) (a) Net Fixed Assets	9039.76	7887.83	7048.56	6299.11	5436.64	4606.39	4008.12	3483.49	3039.87	2629.16
(b) Current Assets	5904.72	5952.45	5706.03	4557.08	4387.28	3889.86	2989.45	2587.58	2414.57	2293.75
(c) Net Current Assets (Working Capital)	1088.30	1674.24	1938.99	1717.95	1909.06	1747.43	1130.95	1072.84	768.73	1082.94
(5) Current Liabilities (Excl. Intt. Accr. & Due)	4816.42	4278.21	3767.04	2839.13	2478.22	2142.43	1858.50	1514.74	1645.84	1210.81
(6) Sundry Debtors (Net-before CMPDIL)	2533.48	2431.26	2086.08	1390.30	1433.75	1441.93	988.49	722.73	465.45	399.55
(7) Closing Stock of :										
(a) Stores & Spares (Net)	896.72	810.37	750.49	691.83	655.06	566.76	501.47	471.39	438.03	400.59
(b) Coal, Cokes etc. (Net)	1374.86	1656.35	1660.64	1404.69	999.53	875.21	793.03	585.79	530.96	481.65
(c) Others (Net)	46.10	42.33	35.57	26.81	25.10	21.69	28.62	13.62	13.23	10.19
(8) Average Stock of Stores & Spares only (Net)	853.55	780.43	721.16	673.45	610.91	534.12	486.43	454.71	419.31	385.81
(B) Related to Profit/Loss										
(1) (a) Gross Margin	1497.51	2021.88	1805.35	1404.61	797.71	916.59	679.26	471.02	141.15	89.36
(b) Gross Profit	527.69	1109.25	1019.26	734.02	219.06	446.90	256.27	94.83	-165.63	-176.09
(c) Net Profit (before Tax & Invnt. Allowance)	29.73	400.32	291.27	167.07	-253.17	80.13	-23.26	-224.64	-331.75	-404.18
(2) (a) Gross Sales	11778.51	11103.62	9564.92	7475.50	6295.95	6278.32	5600.09	4398.47	3741.26	3293.10
(b) Net Sales (after Levies & Develop.)	9317.57	8883.24	7560.25	6009.42	5095.02	4819.03	4188.42	3424.01	2955.22	2712.91
(c) Paid/Payable Amount of Royalty, cess etc.	2429.43	2209.00	1979.52	1454.00	1154.58	1408.28	1314.09	946.77	759.22	573.97
(c) Avg. Net Sales per Month	776.46	740.27	630.02	500.79	424.59	401.59	349.04	285.33	246.27	226.08
(3) Cost of Goods Sold (Sales-Profit)	9287.84	8482.92	7268.98	5842.35	5348.19	4738.90	4211.68	3648.65	3286.97	3117.09
(4) (a) Total expenditures	9522.74	8971.05	7875.79	6571.85	5756.11	5101.91	4736.44	3968.29	3509.66	3246.18
(b) Sal. & Wages (Gross-rev. only)	4178.51	3624.55	3347.78	2842.66	2555.02	2406.75	2309.61	1775.59	1756.69	1467.11
(c) Stores & Spares (Gross-rev. only)	1599.99	1462.19	1254.64	1058.91	895.11	780.48	657.59	588.18	519.43	448.60
(d) Power & Fuel	707.16	644.20	537.16	447.98	376.65	329.41	282.53	248.40	220.63	184.42
(e) Int. & Depreciations (Gross-rev. only)	1467.78	1621.56	1514.08	1237.54	1050.88	836.46	702.52	695.66	472.90	493.54
(5) Avg. Consumption of Stores & Spares (gr.) p.m.	133.33	121.85	104.55	88.24	74.59	65.04	54.80	49.02	43.29	37.38
(6) (a) Social Overheads (Inclcd. LTC/LLTC)	696.71	621.80	591.57	454.92	364.82	316.42	331.83	284.77	235.89	196.55
(b) Social Overheads per employee (Rs. '000)	10.74	9.43	8.86	6.77	5.44	4.73	4.94	4.23	3.51	2.93
7 (a) Value added (Rs. Crore)	6964.27	7006.19	6252.66	5079.32	4139.22	3977.21	3652.06	2784.27	2406.35	2157.57
(b) Value added per Employee (Rs. '000)	107.39	106.21	93.68	75.56	61.73	59.44	54.33	41.31	35.76	32.14

(B) FINANCIAL RATIOS

(CONSOLIDATION OF AUDITED RESULTS OF COAL INDIA LIMITED & ITS SUBSIDIARY COMPANIES)

(RS. IN CRORES)

Year Ending 31st March	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986
(A) PROFITABILITY RATIOS										
1. As % of Net Sales										
(a) Gross Margin	16.07	22.76	23.88	23.37	15.66	19.02	16.22	13.76	4.78	3.29
(b) Gross Profit	5.66	12.49	13.48	12.21	4.30	9.27	6.12	2.77	(-)5.60	(-)6.49
(c) Net Profit	0.32	4.51	3.85	2.78	(-)4.97	1.66	(-)0.56	(-)6.56	(-)11.23	(-)14.90
2. As % of Total Expenditure										
(a) Sal. & Wages (Gross-Rev.)	43.88	40.40	42.51	43.26	44.39	47.17	48.77	44.71	50.05	45.19
(b) Stores & Spares (Gross-Rev.)	16.80	16.30	15.93	16.11	15.55	15.30	13.89	14.81	14.80	13.82
(c) Power & Fuel	7.43	7.18	6.82	6.82	6.54	6.46	5.97	6.25	6.29	5.68
(d) Interest & Depreciation	15.41	18.08	19.22	18.83	18.26	16.40	14.83	17.52	13.47	15.20
3. As % of Capital Employed										
(a) Gross Margin	16.63	24.44	23.59	20.09	12.42	16.17	14.98	11.85	4.00	2.65
(b) Gross Profit	5.86	13.41	13.32	10.50	3.41	7.88	5.65	2.38	(-)4.69	(-)5.22
(c) Net Profit	0.33	4.84	3.81	2.39	(-)3.94	1.41	(-)0.51	(-)5.65	(-)9.40	(-)11.99
4. Operating Ratio [(Sales-Profit)/Sales]	1.00	0.95	0.96	0.97	1.05	0.98	1.01	1.07	1.11	1.15
(B) LIQUIDITY RATIOS										
1. Current Ratio (Current Assets/Current Liab.)	1.23	1.39	1.51	1.61	1.77	1.82	1.61	1.71	1.47	1.89
2. Quick Ratio (Quick Assets/Current Liab.)	0.60	0.62	0.60	0.54	0.65	0.75	0.62	0.57	0.37	0.43
3. Working Capital as % of :										
(a) Capital Employed	12.08	20.24	25.34	24.57	29.72	30.83	24.94	26.98	21.77	32.13
(b) Net Fixed Assets	12.04	21.23	27.51	27.27	35.11	37.93	28.22	30.80	25.29	41.19
(C) TURNOVER RATIOS										
1. Capital Turnover Ratio (Net Sales/Capital Employed)	1.03	1.07	0.99	0.86	0.79	0.85	0.92	0.86	0.84	0.80
2. Working Capital Turnover Ratio (Net Sales/Working Capital)	8.56	5.31	3.90	3.50	2.67	2.76	3.70	3.19	3.84	2.51
3. Sundry Debtors as no. of months :										
(a) Gross Sales	2.58	2.63	2.62	2.23	2.73	2.76	2.12	1.97	1.49	1.46
(b) Net Sales	3.26	3.28	3.31	2.78	3.38	3.59	2.83	2.53	1.89	1.77
4. As a ratio of Net Sales :										
(a) Sundry Debtors	0.27	0.27	0.28	0.23	0.28	0.30	0.24	0.21	0.16	0.15
(b) Coal Stocks	0.15	0.19	0.22	0.23	0.20	0.18	0.19	0.17	0.18	0.18
5. Stock of Stores & spares :										
(a) Av. stock/annual consumption	0.53	0.53	0.57	0.64	0.68	0.68	0.74	0.77	0.81	0.86
(b) Closing stock as months consumption	6.73	6.65	7.18	7.84	8.78	8.71	9.15	9.62	10.12	10.72
(D) STRUCTURAL RATIOS										
1. Debt : Equity	1.14	1.15	1.15	1.03	0.99	0.93	0.85	0.90	0.85	0.95
2. Debt : Networth	1.45	1.48	1.61	1.56	1.63	1.49	1.49	1.76	1.70	1.84
3. Networth : Equity	0.79	0.78	0.71	0.66	0.61	0.62	0.57	0.51	0.50	0.52
4. Net Fixed Assets : Net Worth	1.81	1.66	1.62	1.60	1.56	1.42	1.47	1.65	1.71	1.69

Directors' Report

**To
The Members
Coal India Limited**

Gentlemen,

I have great pleasure in presenting to you, on behalf of the Board of Directors, the Twenty Second Annual Report of Coal India Limited and Audited Accounts for the year ended 31st March, 1995 together with the report of the Statutory Auditors and report and review of the Comptroller and Auditor General of India.

During the year the Company continued to have eight fully owned Subsidiary Companies viz :

Eastern Coalfields Limited
Bharat Coking Coal Limited

Central Coalfields Limited
Western Coalfields Limited
South Eastern Coalfields Limited
Northern Coalfields Limited
Mahanadi Coalfields Limited
Central Mine Planning &
Design Institute Limited

The mines in Assam through its North Eastern Coalfields Division and Dankuni Coal Complex continue to be managed directly by Coal India Limited. Your Directors decided to lease the Carbonisation Plant (Dankuni Coal Complex) to South Eastern Coalfields Limited (a Subsidiary of Coal India Limited) for a period of five years on rental charges effective from 1.4.1995 for viable and economical operation of the unit.



Mining activities in an open cast mine

WAGE NEGOTIATION — NCWA-V

On expiry of NCWA-IV on 30.6.91 discussions on wages with a Core Group of Trade Union Leaders started. The JBCCI-V could be constituted only on 11.11.94 as there was an injunction from the Calcutta High Court on the Writ Petition filed by NFITU.

Pursuant to the agreement in the 2nd meeting of JBCCI-V on 10.1.95 an interim relief @10% of basic plus FDA (as on 30.6.91) subject to a minimum of Rs.150/- per month was paid to the workers w.e.f. 1.7.91.

After protracted discussions with the representatives of INTUC, AITUC, HMS, BMS and CITU in the JBCCI-V on 29.4.95 an MOU was signed between the management and four Central Trade Unions viz. INTUC, AITUC, HMS and BMS covering almost all the items relating to wages and allowances i.e. minimum basic, increments, underground allowance, HRA and other allowances etc.

HIGHLIGHTS OF PERFORMANCE

The table below shows salient features of performance of Coal India Limited including its Subsidiaries, in the year 1994-95 compared to previous two years.

	1994-95	1993-94	1992-93
Production (in million tonnes)	223.07	216.10	211.22
Despatches of Coal (in million tonnes)	215.26	209.90	204.98
Sales (Gross) (Rs. in Crores)	11778.51	11103.62	9565.92
Gross Profit (Rs. in Crores)	527.69	1109.25	1019.26
Capital Employed (Rs. in Crores)	9065.42	8272.89	7653.32
Net Worth (Rs. in Crores)	4993.81	4751.49	4338.13
Net Profit (Rs. in Crores)	29.73	400.32	291.27
Gross Profit to Capital Employed	5.82%	13.41%	13.32%
Net Profit to Net Worth	0.6%	8.43%	6.71%
Coal Stock in terms of No. of Months Net Sales	1.76	2.24	2.64
Sundry Debtors (Net in terms of No. of Months Gross Sales)	2.58	2.63	2.62

2.0 WORKING RESULTS

Your Directors are happy to report that CIL and its Subsidiaries, in the fourth consecutive year made a profit. The profit earned in 1994-95 before write-back of investment allowance of Rs.91.43 Crores and before taxes is Rs.29.73 Crores. The profit of Rs.29.73 Crores has been arrived at after charging of Rs.494.39 Crores towards impact of MOU on NCWA-V for the period 1.7.1991 to 31.3.1995 beyond the interim relief paid and charged in the accounts of the respective years including the year 1994-95.

Subsidiary Company-wise position before and after considering contribution from/to Coal Price Regulation Account (CPRA) and impact of MOU on NCWA-V is given hereunder:

(Rs. in Crores)			
BEFORE CONTRIBUTION FROM/TO CPRA			
Company	1993-94	1994-95	
		Before MOU on NCWA-V	After MOU on NCWA-V
ECL	(-) 477.98	(-) 422.40	(-) 575.54
BCCL	(-) 341.87	(-) 449.48	(-) 560.48
CCL	127.19	(-) 95.38	(-) 164.44
NCL	392.50	441.64	430.87
WCL	84.17	224.04	158.14
SECL	397.61	525.53	463.40
MCL	206.97	298.04	284.37
CMPDIL	2.64	5.95	2.77
CIL, NEC, DCC	(-) 30.30	(-) 6.39	(-) 11.93
Total CIL	360.93	521.55	27.16
AFTER CONTRIBUTION FROM/TO CPRA			
Company	1993-94	1994-95	
		Before MOU	After MOU
ECL	(-) 70.40	44.67	(-) 108.47
BCCL	21.56	(-) 43.63	(-) 154.63
CCL	62.06	(-) 49.90	(-) 118.96
NCL	225.23	201.57	190.80
WCL	31.59	137.48	71.57
SECL	139.84	153.91	91.78
MCL	21.27	81.68	68.01
CMPDIL	2.64	5.95	2.77
CIL, NEC, DCC	(-) 33.47	(-) 7.61	(-) 13.14
Total CIL	400.32	524.12	29.73

Note: The difference in Profit/Loss for CIL as a whole before and after CPRA is on account of balance in the Coal Price Regulation Account, being the difference between contribution to and claim from this account.

3.0 COAL MARKETING

3.1 Demand

The demand of coal on Coal India Limited increased by 8.31 million tonnes from 223.19 million tonnes of 1993-94 to 231.50 million tonnes in 1994-95. The actual off-take of coal increased by 5.92 million tonnes to 222.54 million tonnes in 1994-95 from 216.62 million tonnes in 1993-94. The demand satisfaction during 1994-95 worked out to 96.13%. The following table shows sector-wise demand, off-take and demand satisfaction for the years 1994-95 and 1993-94.

SECTOR-WISE ASSESSED DEMAND AND ACTUAL OFF-TAKE

(Figs. in Million Tonnes)

Sector	1994 - 95			1993 - 94		
	Demand	Off-take	% Satisfaction	Demand	Off-take	% Satisfaction
Power (utility)	147.70	148.29	100.40	140.22	142.54	101.65
Raw Coal (Middlings)	(2.80)	(2.72)	(95.36)	(2.65)	(2.92)	(100.40)
Steel	24.00	21.30	88.75	21.47	21.76	101.35
Loco	2.00	0.59	29.50	3.09	1.78	57.61
Cement	10.50	8.53	81.24	9.59	8.29	86.55
Fertilizer	3.50	3.86	110.29	4.00	4.11	102.75
Soft-Coke making	0.60	0.33	55.00	0.75	0.56	74.67
Export	0.40	0.09	22.50	0.20	0.09	45.00
BRK/Others	39.31	36.39	92.57	40.30	34.20	84.86
Colliery consumption	3.49	3.16	90.54	3.57	3.28	91.88
Overall	231.50	222.54	96.13	223.19	216.62	97.06

It would be observed from the table that demand satisfaction for Power and Fertilizer sectors had been more than 100%. The demand satisfaction for lower priority consumers had been 92.57% as against 84.86% in the previous year.

3.2 Despatches

3.2.1 Despatches of Coal and Coal Products by Various Modes

Total despatches of coal and coal products by various modes were 215.26 Million Tonnes compared to 209.90 million tonnes of the previous year showing an increase of 5.36 million tonnes resulting in a growth rate of 2.6% over previous year. Modewise despatches during the last 2 years are shown in the following table.

(Figures in Million Tonnes)

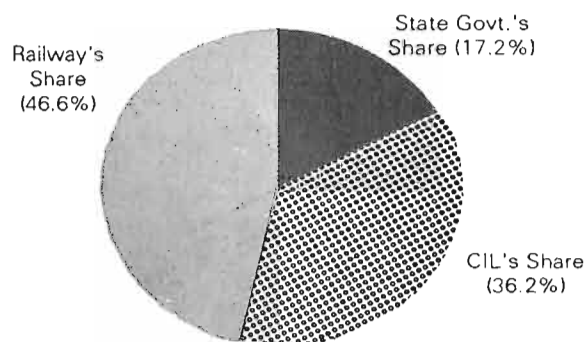
Year	Rail	Road	MGR	Belt	Rope	Overall
94 - 95	130.73	30.19	43.69	5.78	4.89	215.26
93 - 94	128.03	29.24	41.08	6.58	4.97	209.90
Increase/Decrease	2.70	0.95	2.61	(-) 0.80	(-) 0.08	5.36

It would be seen from the table that there had been an increase in despatches by Rail (2.7 million tonnes) and by MGR (2.61 million tonnes). Despatches by Belt declined due to lower off-take by the fertilizer units concerned.

3.2.2 Off-take of Raw Coal

Off-take of raw coal during the year 1994-95 was 222.54 million tonnes against a target of 231.50 million tonnes showing 96% achievement of target. The company-wise target

PRODUCER'S SHARE IN DESTINATION PRICE OF COAL



Grade 'E' Coal for a haul distance of 750 KM in West Bengal

and off-take for the year 94-95 compared to the previous year are as follows :

(Figs. in Million Tonnes)

Company	1994 - 95			1993 - 94		
	Target	Off-take	% Achievement	Target	Off-take	% Achievement
ECL	25.93	25.23	97.30	26.96	23.23	86.16
BCCL	31.45	29.14	92.70	29.51	29.39	99.59
CCL	36.23	31.50	87.00	36.30	33.46	91.96
NCL	32.50	32.94	101.30	31.40	32.40	103.18
WCL	27.38	27.60	100.70	26.00	25.88	99.54
SECL	50.34	48.27	95.90	47.93	47.40	98.89
MCL	26.67	27.00	101.20	22.90	24.08	105.15
NEC	1.00	0.86	86.00	1.00	0.78	78.00
Overall CIL	231.50	222.54	96.20	222.00	216.62	97.54

It would be observed from the above table that the off-take from NCL, WCL and MCL was higher than the target whereas there was significant short-fall in off-take from BCCL, CCL and SECL. In ECL the shortfall was marginal.

3.2.3 Loading of Wagons

The wagon loading target for the year 1994-95 was fixed at 16580 wagons/day. The actual loading for the year on an average was 15937 wagons/day showing 96.2% achievement of the target. The actual loading in the previous year was 15671 wagons per day. Company-wise target and actual achieved for

the year 1994-95 and actual for 1993-94 are tabulated below:

(Figs. in FWWS/day)

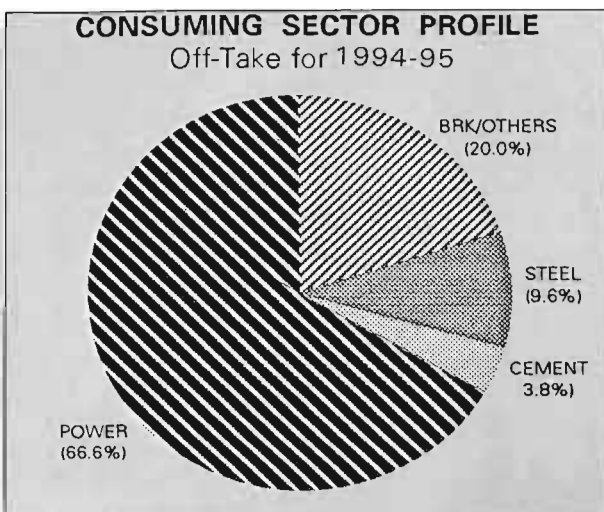
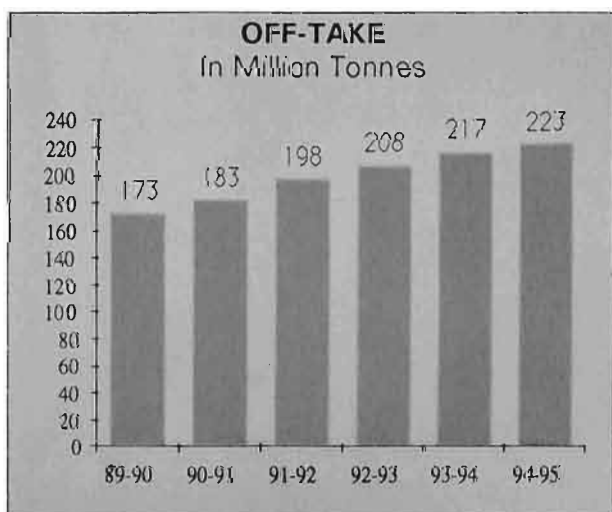
Company	1994 - 95			1993 - 94		Growth over Last Year
	Target	Actual	% age achievement	Actual	Absolute	% age achievement
ECL	1950	1998	102.46	1914	84	4.39
BCCL	3027	2826	88.36	2807	19	0.67
CCL	3342	2924	87.49	3061	(-) 137	(-) 4.45
NCL	720	832	115.55	955	(-) 123	(-) 12.88
WCL	1783	1913	107.29	1838	75	4.08
SECL	3454	3124	90.45	3051	73	2.39
MCL	2212	2237	101.13	1970	267	13.55
NEC	92	83	90.22	75	8	10.67
CIL Overall	16580	15937	96.12	15671	266	1.7

From the above table it would be seen that actual loading in NCL, WCL, MCL and ECL was higher than the targets. Loading in Dhanbad, Ranchi and Bilaspur Divisions suffered frequently due to derailment of wagons. The supply of wagons in some sections of the Railways was less than the requirements.

3.2.4 Consumer Satisfaction

The following steps have been taken to improve consumer satisfaction.

- (a) *Quality assessment of coal:* Coal samples are regularly taken at the loading points, both departmentally as well as through Public Analysts. Moreover, Coal



Controller's Organisation (CCO) has undertaken the task of sampling/analysis as Third Agency for independent assessment of quality of coal. All major consumers of coal have been given the facility of associating with Joint Sampling of coal at the loading points.

- (b) *Supply of sized coal* : As at the end of 1994-95 the total capacity of crushing/sizing of coal through CHP/Feeder Breakers is 205 million tonnes per year resulting in supply of 90% sized coal to the consumers.
- (c) *Weighment of coal* : For weighment of coal before despatch, 122 Nos. of wagon weighbridges (out of which 117 Nos. are electronic weighbridges with printout system) and 278 Nos. of road weighbridges have been installed. During the year 1994-95, 77% of the total despatch of coal by Rail has been weighed (71% of Despatch was weighed through electronic weighbridges).
- (d) *Consumer complaints* : As a result of various steps taken by the coal companies besides supplying sized and weighed coal to consumers, there was improvement in consumer satisfaction, as can be read from gradual drop in the number of complaints received from the consumers.

	Total No. of Companies	No. of Complaints per million tonnes of despatch
93 - 94	361	1.69
94 - 95	311	1.42

- (e) *Joint sampling of coal at loading points* : Pursuant to the decision taken by the Committee of Secretaries, Government of India and the decisions taken by the Ministry of Coal, all necessary infrastructure facilities have been provided at the loading points for sampling of coal. But most of the Power Houses/SEBs, who are drawing coal by rail are still not

associating in Joint Sampling at loading points. However, the pithead power houses drawing coal by road, MGR belt conveyor etc. are participating in Joint Sampling at loading points. Other major consumers like Cement, Fertilizers etc. are also participating in Joint Sampling at loading points.

- (f) *Beneficiation of coal* : For supplying coking coal to Steel Plants, 15 washeries with a total installed washing capacity of 27.84 million tonnes/year are already in operation. 2 more washeries with an aggregate installed washing capacity of 5.1 million tonnes/year are under construction at Kedla and Madhuband. A global tender has been invited for setting up of a coking coal washery at Tikok in



*A Thermal Power Station
surrounded by Green*

NEC with a washing capacity of 0.6 million tonnes per year under Build-Own-Operate (B-O-O) scheme.

For supplying beneficiated non-coking coal to consumers in power Sector and other industrial sectors, letters of intent have been issued for setting up of 4 washeries namely Dipka in SECL, Anant, Bharatpur and Kalinga in MCL, and Sasti in WCL under B-O-O scheme with an aggregate washing capacity of 20.07 million tonnes per year. Global tender has been issued for setting up of a washery with a washing capacity of 0.6 million tonnes per year at Raigarh in SECL for supplying washed coal to Sponge Iron Plant.

3.3 Stock of Coal

Value of pit head stock of coal and other products at the close of the year 1994-95 was Rs.1374.87 crores which was equivalent to 1.87 month's value of raw coal production. Subsidiary Companywise value of stock as at 31.3.95 & 31.3.94 before and after provision for deterioration etc. is shown in table below :

(Rs. in Crores)

Company	1994-95 As on 31.3.95			1993-94 As on 31.3.94		
	Value of stock (gross)	Provision for deterioration etc.	Value of stock (net)	Value of stock (gross)	Provision for deterioration etc.	Value of stock (net)
ECL	202.10	113.82	88.28	201.72	106.12	95.60
BCCL	452.90	77.70	375.20	572.27	69.30	502.97
CCL	292.00	24.67	267.33	521.33	42.88	478.45
NCL	60.00	19.67	40.33	74.95	17.65	57.30
WCL	143.81	19.10	124.71	151.49	17.93	133.56
SECL	306.65	32.10	274.55	242.67	29.97	212.70
MCL	133.47	14.66	118.81	124.92	13.37	111.55
NEC/CIL	105.03	19.37	85.66	78.04	13.82	64.22
Total	1695.96	321.09	1374.87	1967.39	311.04	1656.35

3.4 Coal Sales Dues

Dues as on 31.3.95 are Rs.2533.48 crores (Previous year Rs.2431.26 crores) after provision of Rs.1217.32 crores (Previous year Rs.1270.93 crores) for doubtful debt. The dues are equivalent to 2.58 months Gross Sales (previous year 2.63 months). Dues from Power Sector account for nearly 80% of the total dues. Subsidiary-wise dues as on 31.3.95 before provision for doubtful debt and after provision are shown below :

(Rs. in Crores)

COAL SALES DUES AS ON 31.3.95

Company	Gross	Net (after provision for doubtful debt)
ECL	597.78	472.10
BCCL	1057.40	439.85
CCL	881.55	801.35
NCL	274.23	201.40
WCL	256.52	195.71
SECL	407.29	232.59
MCL	233.22	150.92
NEC/CIL	42.81	39.56
Total	3750.80	2533.48

The amount disputed by the consumers is increasing mainly because of the fact that power houses are not accepting loading point as the venue for quality inspection as decided in the meeting of Standing Committee of Secretaries on Industrial Infrastructure held on 15.10.1991. A number of consumers like Badarpur, DVC and UPSEB are not paying even the undisputed dues. Coal companies have not been able to enforce 'cash and carry' system in the large interest of uninterrupted power generation.

3.5 Coal Price

The pit head price of coal is fixed by Central Government under the Colliery Control Order, 1945. Effective from 16.6.1994 average ROM Price of Coal produced by CIL was revised from Rs.381.00 to Rs.401.00 per tonne. The percentage increase in coal price allowed is 5.25%.

3.6 Payment of Royalty, Cess and Sales-tax

During the year 94-95, CIL and its subsidiaries paid Rs.2440.98 crores (Previous year Rs.2002.14 Crores) towards Royalty, Cess and Sales-tax.

	(Rs. in Crores)	
	1994 - 95	1993 - 94
Royalty	1418.69	1183.25
Cess (including other levies)	564.86	395.31
Sales-tax	457.43	423.58
	2440.98	2002.14

4. PRODUCTION

Production of coal during 1994-95 was an all time high of 223.07 million tonnes as against 216.10 million tonnes in the previous year.

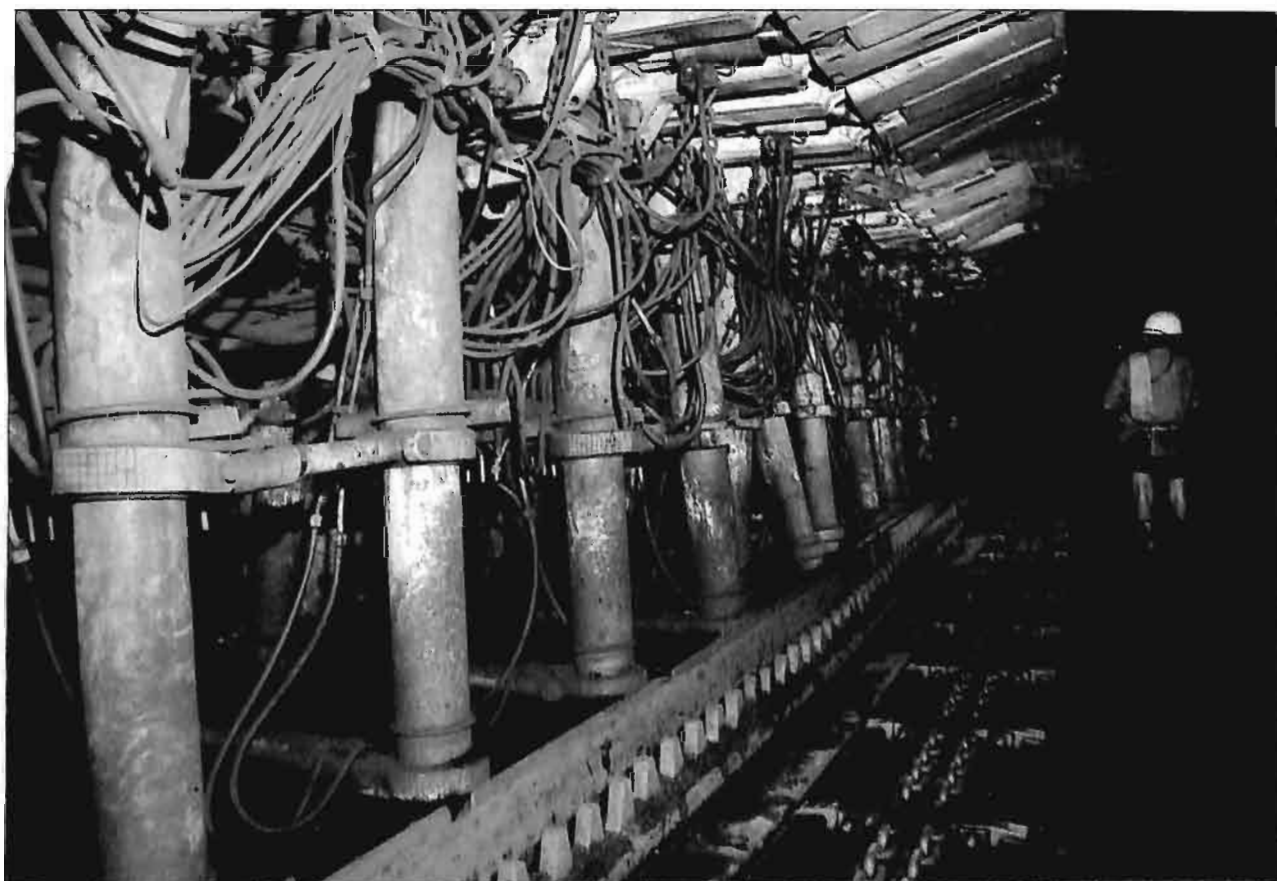
Growth during the year 1994-95 was 3.2%. The subsidiary-wise position is as below :

4.1 Raw Coal Production

(Figs. in Million Tonnes)

Company	Raw Coal Production					
	Coking*		Non-Coking		Total Coal	
	94-95	93-94	94-95	93-94	94-95	93-94
ECL	0.55	0.61	24.41	22.00	24.85	22.61
BCCL	22.77	23.31	5.98	5.73	28.75	29.04
CCL	13.25	15.55	17.96	17.96	31.21	33.51
NCL	—	—	32.50	31.41	32.50	31.41
WCL	0.85	0.76	26.39	25.74	27.24	26.50
SECL	0.13	0.12	49.87	47.41	50.00	47.53
MCL	—	—	27.33	24.30	27.33	24.30
NEC	—	—	1.19	1.20	1.19	1.20
Overall CIL	37.44	40.35	185.63	175.75	223.07	216.10

* Coking coal includes coal declared as 'Coking' but are used for non-metallurgical purpose.



Use of modern technology, Longwall Support in an Underground Mine

4.2 Break-up of Underground and Opencast Production

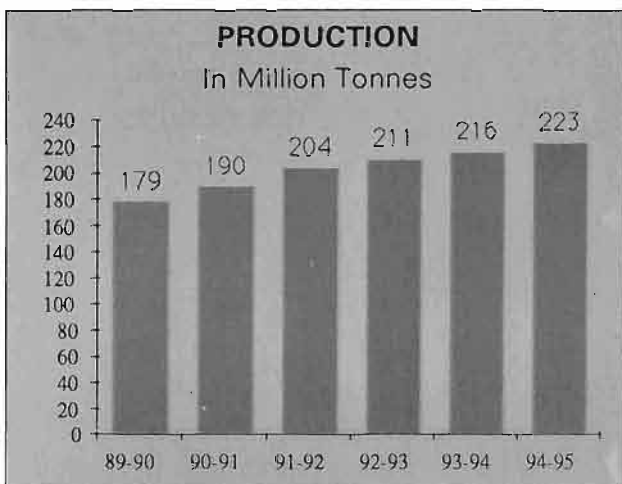
There is a marginal negative growth of 0.93 million tonnes (1.6%) in underground coal production in 1994-95. Opencast coal production continued to be about 75% of the total production.

(Figs. in Million Tonnes)

Company	Underground Production		Opencast Production		Total Production	
	94-95	93-94	94-95	93-94	94-95	93-94
ECL	13.61	14.17	11.24	8.44	24.85	22.61
BCCL	11.49	11.72	17.26	17.32	28.75	29.04
CCL	4.01	4.33	27.20	29.18	31.21	33.51
NCL	—	—	32.50	31.41	32.50	31.41
WCL	9.60	9.53	17.64	16.97	27.24	26.50
SECL	14.55	14.40	35.45	33.13	50.00	47.53
MCL	1.94	1.98	25.39	22.32	27.33	24.30
NEC	0.41	0.41	0.78	0.79	1.19	1.20
Total CIL	55.61	56.54	167.46	159.56	223.07	216.10

4.3 Soft Coke, Hard Coke and Washed Coal

The production of soft coke, hard coke and washed coal in 1994-95 was 2.46 lakh tonnes, 2.07 lakh tonnes and 89.46 lakh tonnes respectively as against production of 4.33 lakh tonnes, 2.72 lakh tonnes and 92.36 lakh tonnes respectively in 1993-94. Subsidiary-wise position is as below :



(Figs. in Lakh Tonnes)

Company	Soft Coke		Hard Coke		Washed Coal	
	94-95	93-94	94-95	93-94	94-95	93-94
ECL	0.71	1.14	—	—	—	—
BCCL	0.47	0.68	2.03	2.55	43.08	40.66
CCL	1.28	2.51	0.04	0.17	42.48	48.00
WCL	—	—	—	—	3.90	3.70
Total CIL	2.46	4.33	2.07	2.72	89.46	92.36

4.4 Overburden Removal

Quantum of overburden removal in 1994-95 was 340.03 million Cu. Mtrs as against 325.37 million Cu.Mtrs. in 1993-94 showing a growth of 4.5%. Subsidiary-wise position is as below :

(Figs. in Million Cu. Mtrs.)

Company	1994 - 95	1993 - 94
ECL	24.68	20.92
BCCL	34.92	35.71
CCL	48.30	50.95
NCL	93.92	90.53
WCL	51.49	47.25
SECL	54.15	50.30
MCL	27.70	25.05
NEC	4.87	4.66
Total	340.03	325.37

5.0 POPULATION OF EQUIPMENT

Keeping in view the need for optimising equipment utilisation in opencast mines of CIL, efforts are made to ensure that only minimum equipment is added commensurate with production programme. The population of HEMM as on 1.4.95 and performance of major equipment in terms of %age achievement of CMPDIL norms are tabulated below :

Equipment	No. of Machines	Indicated as % of CMPDIL norms			
		Availability		Utilisation	
		94-95	93-94	94-95	93-94
Dragline	38	92	90	94	91
Shovel	857	85	83	63	62
Dumper	4124	86	85	51	52
Dozer	1075	79	78	57	56
Drill	826	83	82	59	59

It may be seen from the above table that there has been a marginal improvement in availability and utilisation of HEMM during 94-95 compared to 93-94. The marginal decrease in utilisation of Dumpers is mainly due to very poor performance of 50 T BEML make Dumpers.

6. CONSTRAINTS

Coal production during 1994-95 was affected due to heavy unprecedented rain falls during the months of June, July and August, 1994. The worst affected companies were WCL, SECL, NCL and CCL. In July, 1994, the whole of Vidarbha and the WCL mining areas in Nagpur and Chandrapur districts received rainfalls so much so that previous 96 years record was broken. The coalfields of SECL located in Bilaspur, Sarguja, Shahdol and Raigarh districts were badly affected by heavy rains, drowning a few opencast mines, flooding of railway sidings and Coal Handling Plants. In most of the areas of SECL, the rainfall was three times higher than the previous year. In NCL, the average rainfall during June, July and August, 1994 was 1125 mm in comparison to 575 mm in the previous year. Such heavy rains adversely affected mining operations. In CCL, the average rainfall during June, July and August, 1994 was 1540 mm against 447 mm during the same period of the previous year. Dip workings of many underground and opencast mines were drowned by water seepage from the Strata.

The production of Eastern Sector coal companies adversely affected due to disruption in power supply from DVC in June, 1994. There were breakdown in power supply at DVC end for 11 days in June '94 and 9 days in July '94.

Delay in physical possession both forest and non-forest land, particularly for projects of CCL and BCCL was also a major constraint in coal production.

7.0 AVAILABILITY OF POWER

ECL, BCCL and CCL operating in Eastern Region receive major part of power from DVC either directly or through BSEB, DPS and WBSEB. The power supply of ECL, BCCL and CCL during 94-95 improved considerably

compared to 93-94 due to segregation of coal feeders for direct power supply from DVC. The power supply to ECL from WBSEB also improved during 94-95 compared to 93-94.

The statement showing the position of power supply during 94-95 and 93-94 is indicated below :

A. DVC Source

Company	Demand in MVA		Availability in MVA		Interruption in Nos.		Feeder hours lost	
	94-95	93-94	94-95	93-94	94-95	93-94	94-95	93-94
ECL	90.0	115.0	86.7	87.3	2057	2061	1659	1663
BCCL	180.0	218.0	174.3	188.6	2404	4017	2725	4706
CCL	102.7	114.9	98.7	103.0	2142	1281	2152	1955
Total	372.7	448.3	359.7	378.9	6603	7359	6536	8324

B. WBSEB Source

Company	Demand in MVA		Availability in MVA		Interruption in Nos.		Feeder hours lost	
	94-95	93-94	94-95	93-94	94-95	93-94	94-95	93-94
ECL	29.5	29.5	29.0	28.4	986	1038	1565	2617

In order to combat the power shortage, action was taken for installation of coal/washery reject based captive thermal power plants at the following locations :

- (i) Chinakuri, ECL 2 x 10 MW stoker fired boiler coal based (commissioned in 90-91)
- (ii) Moonidih, BCCL 2 x 10 MW FBC boiler washery reject based (on trial run for final commissioning)
- (iii) Kathara, CCL 2 x 10 MW FBC boiler washery reject based (on trial run for final commissioning)

In addition to above, CIL has already initiated following action to set up washery reject based captive power plants on "Build-Own-operate" basis.

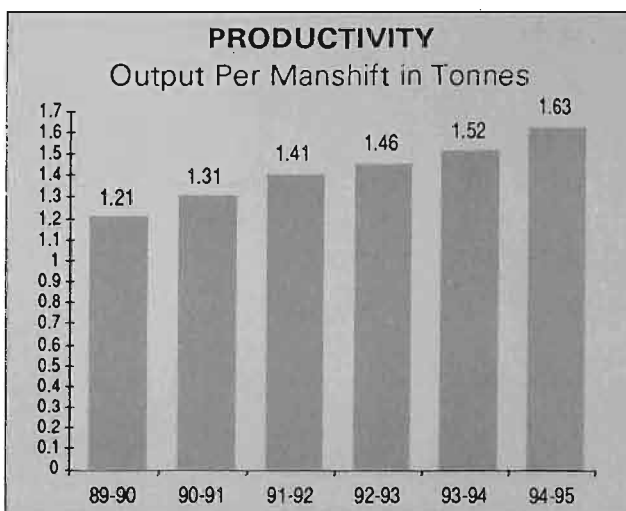
Location	Capacity	Remarks
Gidi	1 x 10 MW	Agreement signed
Rajrappa	1 x 10 MW	Agreement signed
Bhojudih	1 x 10 MW	Agreement signed
Piparwar	1 x 10 MW	Agreement signed
Gidi (Expn)	1 x 10 MW	Agreement signed
Dugda	1 x 10 MW	Agreement signed
Madhuband	1 x 10 MW	Agreement signed
Sudamdih	1 x 10 MW	Agreement signed

8.0 PRODUCTIVITY-OUTPUT PER MANSHIFT (OMS)

Productivity-output per manshift (OMS) for the year under review has increased to 1.63 tonnes from 1.52 tonnes in 1993-94 registering a growth of 7.2%. The Company-wise OMS position is as under :

(Figure in Tonnes)

Company	Underground		Opencast		Overall		%age increase/decrease in 94-95 over 93-94
	94-95	93-94	94-95	93-94	94-95	93-95	
ECL	0.43	0.42	2.51	1.73	0.69	0.59	16.9
BCCL	0.50	0.48	2.25	2.20	0.93	0.90	3.3
CCL	0.45	0.48	2.60	2.49	1.60	1.62	(-) 1.2
NCL	—	—	7.68	7.62	7.68	7.62	0.8
WCL	0.69	0.68	3.58	3.63	1.45	1.43	1.4
SECL	0.84	0.84	8.12	7.50	2.35	2.22	5.9
MCL	0.68	0.69	12.13	11.94	5.46	5.02	8.8
NEC	0.50	0.49	5.58	5.26	1.26	1.22	3.3
Overall CIL	0.56	0.55	4.35	4.01	1.63	1.52	7.2



9.0 PLANNING

Annual Action Plan for the year 1994-95 as approved by Ministry of Coal was periodically monitored. Annual Action Plan 95-96 formulated on the basis of Annual Plan 1995-96 approved by the Central Government will be monitored periodically.

The salient features of Annual Plan for 1995-96 are stated below :

	1994-95		1995-96 Plan
	Plan	Actual	
1. Production (Million tonnes)	223.00	223.07	241.00
2. Despatches (Million tonnes)	219.50	215.26	245.46
3. Productivity (OMS in tonnes)	1.53	1.63	1.66
4. Plan expenditures (Rs. in Crores)	2062.92	1604.56	2260.00

9.1 Project Formulation

CMPDIL has prepared a total of 144 reports during 1994-95. This includes 39 Project Reports, 9 Revised Project Reports, 7 Revised Cost Estimates, 39 other Reports, 19 Environmental Management Plans (EMPs) and 31 Geological Reports.

9.2 Project Implementation

Implementation of projects has been given due attention and concentrated effort. During 1994-95, 68% milestones have been achieved for the projects under construction. Production contribution from projects has been 185.87 million tonnes against total coal production of 223.07 million tonnes in 1994-95. This accounts for about 83% of total output. During the year 94-95, 10 projects have been completed. Implementation of some of the projects are delayed due to constraints like non-availability of land, problem of rehabilitation, forest clearance etc.

9.3 Investment in Projects/Schemes

There are 376 coal projects as on 31.3.95 each having an initial capital outlay of Rs.2 crores and above. The total ultimate capacity of

these projects is 311.49 Mty and the aggregate sanctioned capital outlay Rs.15934.60 crores. Projects where coal reserves have exhausted and projects for which construction has been deferred due to various unavoidable reasons, have been excluded from these figures.

Out of total 376 projects, 243 projects are completed and 133 projects are in different stages of construction.

Besides these coal projects, there are 205 non-mining projects/schemes, each having an initial capital outlay of Rs. 2 crores and above. The total sanctioned capital outlay is Rs.2647.70 crores. Major non-mining projects under construction are Madhuband washery (BCCL), Kedla washery (CCL) and Captive Power Plants at Moonidih (BCCL) and Kathara (CCL). 20 Advance Action Schemes for Coal Projects are also under implementation.

9.4 Projects Sanctioned During 1994-95

During 1994-95, CIL Board sanctioned the following eleven projects (including RPRs/RCES).

No.	PR/RPR/RCE	Company	Capacity (Mty)	Capital (Rs. in Crores)
1.	Patherdih Washery Modernisation (RCE)	BCCL	2.00	48.49
2.	Central Workshop Chandrapur (RCE)	WCL	—	42.38
3.	ASHOK Ph-I OC	CCL	1.50	48.13
4.	Sangam Expn. OC	CCL	0.50	32.66
5.	Telwasa OC	WCL	0.45	42.10
6.	Churcha West PSLW UG	SECL	0.65	48.61
7.	RPR Rajendra PSLW UG	SECL	0.64	48.57



Afforestation over OB Dumps near Opencast Mine

8.	Behraband UG	SECL	0.60	48.39
9.	RPR, Balrampur PSLW UG	SECL	0.54	47.79
10.	New Kumda PSLW UG	SECL	0.60	45.31
11.	RPR, Churcha West UG	SECL	0.60	43.26

9.5 Project Reports and Revised Cost Estimates sanctioned by the Govt. During 1994-95

During 1994-95 the following Project Reports and Revised Cost Estimates have been sanctioned by Govt. of India.

Sl. No.	Project	Type	Company	Latest sanctioned capacity in (Mty)	Latest sanctioned capital (Rs. in Crores)
1.	Sonepur Bazari (RCE)	OC	ECL	3.00	652.21
2.	Urimari	OC	CCL	1.30	95.33
3.	Mugoli	OC	WCL	0.80	83.63

9.6 Identification and Allotment of Mining Blocks for Captive Use

During 1994-95, three proposals for captive mining for power generation purpose have been cleared by the Screening Committee constituted by the Ministry of Coal.

10.0 EXPORT AND FOREIGN EXCHANGE EARNING

During 1994-95, CIL exported 1.19 lakh tonnes of coal to Nepal and Bangladesh and earned a revenue of Rs.15.52 crores (previous year exports of 98.700 tonnes) which includes foreign exchange earning of US \$ 2.04 million.

11.0 CAPITAL EXPENDITURE

Expenditure on capital account during 1994-95 was Rs.1604.56 Crores as against Rs.1687.92 of the previous year. An amount of Rs.858.09 crores internally generated funds of 1994-95, was ploughed back for investment on

Plant and Machinery, Development, Railway siding and infrastructure etc.

The Company-wise break-up of investment for 94-95 is as under :

(Rupees in Crores)		
Company	1994-95	1993-94
ECL	282.59	356.60
BCCL	143.02	161.91
CCL	344.10	402.02
NCL	283.37	248.04
WCL	129.00	138.02
SECL	198.48	200.16
MCL	198.68	139.44
CMPDIL	5.58	7.88
NEC, DCC & CIL Hqrs.	21.74	34.05
	1604.56	1687.92

Gross investment during the year 1994-95 (gross fixed assets and capital work-in-progress) is Rs.1604.56 crores against Rs.1687.92 crores in the previous year. This investment has been financed from the following sources :

Budgetary Support	319.52 Crores
Bonds	300.00 Crores
Term Loan from Banks	67.14 Crores
Suppliers' Credit	59.81 Crores
Internal Resources Ploughed back for Investment	858.09 Crores

12. CAPITAL STRUCTURE

The authorised share capital of the Company as on 31.3.1995 was Rs.8000 crores and the paid-up capital was Rs.6316.36 crores (including Rs.256.93 crores worth of shares issued to the Govt. of India towards the value of land acquired).

Total investment by the Government of India in CIL and Subsidiaries as on 31.3.95 was Rs.10,129.94 crores.

(Rupees in Crores)		
	As on 31.3.95	As on 31.3.94
Share capital	6316.36	6104.84
Plan loan	3374.01	3374.09
Non-plan loan	439.57	439.57
Total	10,129.94	9,918.50

13. BORROWINGS

13.1 Borrowings from Government of India

During the year a sum of Rs.108.00 crores was received from the Government of India as loan. A sum of Rs. 108.09 crores was paid to Government of India during 1994-95 towards repayment of loan and Rs.335.39 crores towards payment of interest after availing rebate of Rs. 1.91 crores.

13.2 Bonds and Public Deposits

During the year 1994-95 CIL issued Bonds worth Rs.300 Crores. The value of Bonds issued upto 31.3.95 is Rs. 1100 crores (Rs.450/- crores 13% taxable, Rs. 500 crores 15.5% taxable and Rs.150 crores 9% tax-free).

During the year 1994-95 an amount of Rs. 5.05 crores was received from the depositors under the Public Deposit Scheme and repayment of Rs.0.96 crores to the depositors on maturity of their deposits has been made. Thus the total amount on public deposits as on 31.3.1995 was Rs.17.03 crores.

Your Directors decided to discontinue fresh receipt of deposits under Public Deposit Scheme effecting from 1st April, 1995 as the level of deposits is not commensurate to high cost of administering the deposits.

14.0 FOREIGN COLLABORATION

14.1 To meet country's growing demand for coal, foreign collaboration with advanced coal producing countries are considered for :

- (a) Bringing in new technologies and training for absorbing these technologies.
- (b) Seeking bilateral funds on soft terms for import of equipment.
- (c) Bringing foreign financial assistance to meet the investment requirement.

With the liberalisation of economy and

more thrust on financial independence, effort is also being made to get foreign investment/ credits on competitive basis. Joint working group on coal have been set-up with Poland, UK, France, Germany, Russia, Canada, Australia and China to identify areas and projects for bilateral co-operation.

14.2 Co-operation with Russia

The erstwhile USSR was assisting CIL in the implementation of the Nigahi OCP (NCL), Khadia OCP (NCL), Jhanjra UG (ECL) and modernisation of Patherdih Washery (BCCL). The cost of imported equipment for these projects was funded from credit, while the payment for deputation of experts for rendering technical assistance was made in Indian Rupees under the Bilateral Trade Plan.

In the wake of political change in the erstwhile USSR, no party was able to supply spares for the Russian equipment in use in CIL mines. CIL deputed teams to CIS for placing order for various spares of opencast and underground equipment directly on the manufacturers. Substantial progress has been made in this regard.

Deputation of experts are made under contracts with Machinoimport/Equipment suppliers for which payment is directly made by Coal Companies in Indian Rupees.

A proposal for entering into MOU between CMPDIL and Gyproshahkt for the purpose of enhancing mutual technical capabilities and for offering technical services to prospective clients is under consideration and expected to be finalised by December, 1995.

Hydraulic mining is proposed to be introduced in Namdang mine of NEC with expertise from Russian side.

The Phase-I of the S&T project on underground coal gassification has been completed with Russian collaboration. But the Phase-II of the proposal involving establishment of a pilot plant has not been found to be feasible due to apprehension of contamination of existing limited resources of unnerground acquifers in Rajasthan.

14.3 Co-operation with Ukraine

Ukraine Govt. has shown interest in forming an Indo-Ukraine Working Group under the Indo-Ukraine Joint Commission for trade, economic, scientific, technological, industrial and cultural co-operation. In view of a number of equipments of Ukraine origin in CIL mines, CIL would benefit by formation of a Working Group for mutual co-operation and implementation. Supply of spares and deputation of experts are being arranged under contract with concerned agencies in Ukraine.

14.4 Co-operation with France

France has developed expertise in thick seam underground mining where advanced technologies like 'Blasting Galleries' and "Longwall Sub-level Caving" are being practised. France has assisted India in introduction of

"Blasting Gallery method" at East Katras (BCCL) and Chora (ECL). France has also assisted in the introduction of sub-level caving technology at East Katras mine of BCCL.

Training centre at Burradhemmo (ECL) has been formally inaugurated in April, 1994 and phased training programme with French assistance is in progress. It has been proposed that this should be treated as a National Institute and should also be utilised by SCCL and other private mines. "Single lift High Longwall Face" at Kottadih mine (ECL) has become operational from July, 1994. The face has achieved National Record of production of 6850 tonnes in one day from a longwall face in October, 1994.

Agreement regarding "Process Identification of Coal Briquetting" with French assistance is under execution. CdFI have



Coal habitat amidst nature

conducted laboratory scale tests with Dankuni Coal/Coke and Pitch/Tar samples in September, 1994. Further tests are envisaged in near future.

14.5 Co-operation with UK

The UK Government had granted in 1987 a 31 million pound aid package for the Indian coal sector mainly to cover UK costs of longwall sets supply. A part of this grant was also agreed to be used for import of spares for draglines, longwall sets, road headers etc. and other small value imports from the United Kingdom. This grant of 31 million pound has been fully committed on existing projects.

UK provided technical and financial assistance for introduction of sustainable efficient mining procedures and a management system with a view to produce 4 million tonnes of coal per annum at Amlohri Opencast Project (NCL).

A proposal of refurbishment of Churcha PSLW equipment by ODA is under examination. The equipment is proposed to be shifted to Jhanjra mine of ECL after refurbishment.

UK Government is also extending training facilities to Indian mining personnel under the technical co-operation programme, though on a much reduced scale.

14.6 Co-operation with Germany

Germany has provided a grant for Bina Deshalling Plant of NCL under its capital goods credit programme.

Besides, several other smaller projects are under various stages of implementation/consideration with German assistance in coal sector. This includes study of subsidence and strata control in multi-seam deposits etc. in coal sector.

14.7 Co-operation with Australia

Piparwar opencast project of CCL is under implementation by White Industries Australia Limited on a turn-key basis. The import cost of this project is being financed by 0% interest loan from Export Finance and Insurance Co-operation (EFIC) of Australia.

Introduction of fine coal circuit in Moonidih washery of BCCL has been decided for implementation. An amount of Rs. 29.17 crores has been sanctioned for the purpose. Govt. has agreed to pass a grant funding of Aus \$ 6.845 million to CIL. The project is to be taken up for implementation during current year.

A proposal for training of Indian engineers in Australia as per decision taken in Indo-Australian Working Group meeting held in July, 1992, is under consideration.

14.8 Co-operation with Canada

The expansion of Rajmahal opencast (ECL) from 5 Mty to 10.5 Mty has been completed by the Canadian Commercial Corporation on a turn key basis with concessional financing of the Canadian goods and services by Export Development Corporation of Canada.

A proposal for further expansion from 10.5 Mty to 14 Mty has not been found practicable.

The Annual Report on the project on "Identification and Delineation of Abandoned unknown and unsurveyed underground colliery workings" in Raniganj by Geophysical method has been received in November, 1994. The project has been undertaken jointly by CMPDI, University of Laval, Quebec (Canada) and Mine, Geological, and Metallurgical Institute (India) and is funded by Coal S & T, Government of India (CEIA) and International Development Research Centre (IDRC), Canada (819-1028-01).

14.9 Co-operation with China

During visit of a Government of India delegation under the leadership of Hon'ble Minister (Coal) in January, 1994 a Joint Working Group has been constituted for continued bilateral co-operation between the Indian and Chinese Coal Industries. The Chinese side submitted offers for supply of suitable PSLW equipment and proposed for hard roof management in CIL mines. Eventually after techno-commercial negotiation with the Chinese side, draft agreement of hard roof in

one of the SECL mines (Churcha West) has been finalised and the same is under consideration of the Government.

A Chinese delegation visited CIL, CMPDIL and BCCL to examine geological data etc. for possibility of development of Parbatpur mine (BCCL) with the Chinese assistance. Since the project is not likely to be viable, it has been decided not to pursue the project further.

During 2nd Indo-China Working Group meeting on coal in December, 1994, the Chinese side agreed to consider the Indian proposal for development of opencast mines in China with Indian expertise. A Chinese team is expected to visit India in this connection shortly.

14.10 Introduction of Modern Technology for Underground Mines

To augment coal production from underground mines global bidding have been invited for the introduction of modern mining technique. The following seven underground mines of SECL have been identified for the purpose :

- | | |
|-----------------|--------------|
| (i) Kapildhara | (ii) Churcha |
| (iii) Chirimiri | (iv) Pinowra |
| (v) Vindhya | (vi) Kalyani |
| (vii) Somna | |

14.11 World Bank Assisted Coal Projects

Presently the following projects are being assisted by World Bank/IDA :

Project	Company	Capacity Mty	Amt. of Loan in US \$ Millions	Closing date
Sonepur Bazari	ECL	3.0	97.86	30.9.95
Gevra	SECL	10.0	64.92	30.9.95
Jharia Mine Fire Technical Asstt. Project	BCCL	Technical study	12.00	30.6.96

The scope of co-operation for Gevra project is mainly for procurement of equipment and construction of workshop and training

centres. For Sonepur Bazari the scope is mainly for equipment procurement and construction of workshop, training centre and coal handling plant.

All activities of Gevra project have been completed. The project has achieved a production of 14.63 million tonnes in the year 1994-95. A sum of US \$ 56.105 million has been utilised for this project upto 31.3.95.

For Sonepur Bazari project, action for procurement of equipment has been completed. Construction of training centre and workshop are in advanced stage. A sum of US \$ 85.25 million has been utilised for this project upto 31.3.95. The project is scheduled to be completed by 31.3.96.

Jharia mine fire technical assistance project: The proposed study of Jharia Coalfield would assist BCCL/CIL in adopting means to :

- Salvage valuable coking coal reserves blocked by fires.
- Prevent further environmental degradation as well as damage to town and infrastructure facilities.
- Reduce the need for resettlement and evolve resettlement programme wherever necessary.

To achieve the objectives, two International reputed Consultants have been engaged for preparation of a Fire Fighting Programme and Environmental Management Plan. Work is progressing and the project is expected to be completed by June, 1996.

15.0 GEOLOGICAL EXPLORATION AND DRILLING

Main thrust were given towards exploration of coal for proving coking coal resources, superior grade coal and power grade coal to enhance reserve base for future mine planning. Detailed explorations for proving coking coal resources were carried out in Jharia, East and West Bokaro, Sohagpur, Pench Kanhan coalfields and North Karanpura coalfields. Superior grade non-coking coal was also

explored in Raniganj, Bisrampur and parts of Wardha Valley and other coalfields. The major resources were deployed however, for proving quarriable potentiality of coal resources suitable for power generation in North Karanpura, Ib Valley, Talcher, Singrauli and Mand-Raigarh coalfields. For detailed coal exploration an average of 106 drills per month were deployed out of which 45 drills belongs to CMPDIL and others were engaged on contractual basis. Detailed exploration continued in 142 blocks spread over 23 coalfields in the states of West Bengal, Bihar, Orissa, Madhya Pradesh, Maharashtra, Assam and Meghalaya. Out of drilling target of 2,70,000 metres, actual *meterage drilled* was 2,73,647 metres registering a growth of 101%. The overall productivity of drill attained a new height of 216 metre per drill per month as against 211 metre in the previous year. CMPDIL has been in the forefront in introducing new technologies in detailed coal exploration. Multi-parametric well logging, Seismic Refraction Survey Magnetic Survey, Gravity Survey, Electrical Resistivity Survey, for detailed coal exploration have been routinised. In its pursuit for introducing new technologies, Electrical Resistivity and Seismic Tomographic Survey for underground void detection continued during the year.

During the year, multi-parametric well logging was carried out in 228 bore holes covering 39709 depth metres. Besides this, 60 vertical electrical soundings and about 72 line Kms of other surface geophysical surveys which included electrical resistivity profiling, magnetic survey and ground check by infrared scanner were also carried out.

Thematic mapping viz. forest cover, land use, land cover, hydrogeological maps etc. were carried out for mother sub-basin of Singrauli, Karkata Ray sectors of North Karanpura, East and West Bokaro Coalfields for creating environmental data base through remote sensing technology.

For evaluation of coal quality chemical laboratory of CMPDI continued to provide support. Against a target of 2000 metres of coal

core processing, 1818 metres were processed. A total of 13631 determinations of various parameters was conducted. The coal petrographic laboratory also continued to provide support in evaluation of maceral composition of coal particularly for coking coals.

During the year, 31 geological reports were prepared establishing a reserve of 2868 million tonnes of which 1948 million tonnes fell under the 'proved' category.

As a diversification of exploration activities, exploration for manganese deposits in Keonjhar District of Orissa was completed as a part of consultancy work for Orissa Mining Corporation. Exploration for coal in Ramnagar-Indikata block of IISCO was completed. The coastal management studies were carried out for land use/land cover mapping of Goa using remote sensing techniques.

16.0 RESEARCH & DEVELOPMENT

As a Nodal Agency for co-ordination of research and development activities in the coal sector CMPDI was involved in some of the following major R & D projects :

1. Mechanised depillaring of 6 m thick Seam-III of Chirimiri with cable bolted supports is being implemented by SECL an CMRI to maximise recovery and improve production and productivity.
2. Failure analysis of certain cage suspension gear components and standardisation of ultra-sonic testing technique for examination of suspension gear components is being jointly implemented by CMPDI, HEC, Ranchi, MAMC, Durgapur and DGMS, Dhanbad.
3. Control of massive and hard roof by water injection under high pressure by CMRI, Dhanbad.

A number of new technologies for beneficiation of fine coal such as flotation column, slurry jig and spiral concentrators were under implementation.

Outside Consultancy

In addition to the fulfilment of planning requirement of CIL and its Subsidiary Companies CMPDI is also offering services to other organisations both within the country and outside.

Besides completion of the prestigious World Bank aided project on "Techno-Economic Study for Coal Washeries of Cement Industry" for Government of India. CMPDI has also bagged the African Development Bank aided project (contract value : US\$ 2.326 million) for preparation of "Pre-feasibility and Feasibility Study at Muchuchama Colliery and Associated Thermal Power Plant" in Tanzania.

17.0 ENVIRONMENT AND REHABILITATIONS POLICY

17.1 Coal Sector Rehabilitation Project

Your Company has approached the World Bank for a loan of about one billion US \$ to finance the purchase of major plant & machinery

for 31 (6 underground & 25 opencast) mining projects, over the next 4-5 years. The Coal production during 1994-95 from these mines is 72.5 million tonnes (overall OMS 5.0 t) which is expected to increase to 106 million tonnes (overall OMS 10.34 t) within the next 5-6 years. A Project Preparation Fund (PPF) loan of 2.0 million US \$ has been approved by the World Bank for carrying out various studies to meet the Bank's guidelines.

17.2 Major Activities Completed towards Project Preparation

Procurement

With the assistance of International Mining Consultants of UK, the detailed equipment specification and bid documents for the entire P & M requirement have been prepared. These are grouped in 72 packages. The final three bid documents were sent to the Bank on 11th January, 1995 for their approval. Five more bid documents have been sent on 22nd June '95. These are being appraised by the World Bank.



Coal miner's housing colony

17.3 Sectoral Environmental Assessment (SEA) Report

Coal India prepared a SEA report and submitted to the World Bank on 5th May '95. As desired by the Bank, consultation with representatives of project affected persons and local Non-Government Organisations on the SEA report were held at the Projects and Coal India Headquarters in the last week of May '95.

17.4 Corporate Policy on Environment

A comprehensive Corporate Environment Policy and detailed operational plans for the next 4-5 years has been formulated by your Company with a view to bring all its mines to meet the environmental standards set out in the consent letters from the Ministry of Environment & Forest and the Central & State Pollution Control Boards.

17.5 Resettlement and Rehabilitation (R&R)

A detailed RR policy has been formulated by your Company to meet the World Bank guidelines which has been accepted by them. Detailed rehabilitation action plan for all 20 projects involving resettlement has been prepared on the basis of proper socio-economic survey of all project affected families. Currently the work of preparation of Indigenous Peoples Development Plans (IPDP) is in hand. The first phase of this study covering six mines is expected to be completed shortly. Thereafter, the World Bank may authorise a formal appraisal of this Coal Sector Rehabilitation Project.

18.0 COMMUNICATION SYSTEM

Keeping in view that effective and reliable communication is vital to the functioning of a core sector organisation for decision making, Your Company has developed its own Information System - COALNET - to ensure better co-ordination of its operations over the various subsidiary companies at all levels. With the commissioning of the Piparwar - Ranchi digital UHF link, the implementation of Phase-I and Phase-II programmes of COALNET projects has been completed. Speech and data

connectivities upto areas/projects and mines level are being extended from the subsidiary Co. Hqrs. using State-of-the-art technologies like, UHF, VHF and digital MART communication systems.

A digital microwave communication system working at freq. band 18 GHz linking the Coal India Hqrs. and its Marketing Division at 15 Park Street has been put to operation. The link is playing a very effective roll in extending all the COALNET facilities (Hot line speech and data circuits from the subsidiary Cos.) to the Marketing Division. The salient features of this system are that it can transmit and receive communication through telephone voice, FAX, teleprinter and data upto a high speed of 64 kits bits per second. With the installation of the facility, CIL has notched the fourth pedestal in the coveted coterive-the other three being Indian Railways, DOT and GAS Authority of India Limited.

E-Mail and GPSS (Gateway Packet Switched Services) facilities have been introduced at CIL Hqrs. for Electronic Mail transfer to World Bank Hqrs. Washington, USA with the help of dial-up PSTN lines. GPSS connectivity has facilitated accessing the various global computer networks line INTERNET etc. by the World Bank Project Division of CIL for updating data files as per CCITT protocol X.25.

About 82 nos. of VSATs working with RABMN system of DOT have been installed in various remote areas of ECL, MCL, SECL, RIs of CMPDIL and RSOs for on wards data communication, collecct prodution, despatch, power availability report quickly.

The above mentioned communication gears would help affectively in achieving the target and contribute to overall growth of national economy with increased productivity alongwith higher safety levels.

19.0 COMPUTERISATION

Computerisation of business functions has been an on-going process at CIL. More and more application areas have been covered by CIL's computerisation programme resulting in

an effective Management Information System operating in the organisation. The important milestones achieved during the year are enumerated as below :

1. Software for marketing information system has been developed and implementation of the system is in the process. Once completed the system will provide on-line information for coal allotment, loading and despatches, bills outstanding etc.
2. Hospital management systems based on networked PCs have been installed at a number of hospitals of the Subsidiary Companies. The computerised system takes care of day-to-day administrative activities like patient registration, maintenance of hospitals store records, billing in addition to maintenance of all important case-history of the patients.
3. Computerised project monitoring system has been introduced for all the projects to funded by the project's time schedules and cost. The highly user friendly system has become an effective tool for the Project Managers to plan, monitor and control the project activities.

20.0 MINES SAFETY

In order to ascertain maximum safety Standard in the mines, a new system for monitoring of the safety status of each individual mine was introduced resulting in closer monitoring and improved safety performance during the year. The table below shows that during 1994-95 the lowest ever fatality rate of 0.53 per million tonnes of coal output and serious injury rate of 1.86 per million tonne were achieved during the year. The total fatalities were contained at 120 in 104 fatal accidents and serious injuries were contained at 416 in 390 accidents.

Company	No. of fatal accidents (Fatalities)		No. of Serious accidents (Serious Injuries)	
	1994-95	1993-94	1994-95	1993-94
ECL	15 (15)	26 (81)	121 (125)	105 (110)
BCCL	34 (42)	28 (29)	123 (137)	137 (138)
CCL	22 (25)	12 (13)	35 (37)	22 (28)
NCL	4 (4)	5 (6)	2 (2)	6 (6)
WCL	15 (17)	17 (17)	57 (59)	79 (89)
SECL	11 (13)	22 (29)	33 (36)	52 (58)
MCL	3 (3)	5 (5)	19 (20)	25 (25)
NEC	—	2 (10)	—	1 (1)
CIL	104 (120)	117 (190)	390 (416)	427 (455)

In order to make close monitoring of the safety activities of mines, the following actions were taken :

- (i) A comprehensive compilation of all information regarding safety in coal mines was prepared by your company in the form of a Safety Manual which is the first such compilation for Indian coal mining industry.
- (ii) Introduction of Safety Audit for all mines.
- (iii) A system of monthly monitoring of Safety Status for every mine.
- (iv) Formulation of programmes for corrective action on the basis of information received from various levels and appraisal by the Sub-committee of the Safety Board.
- (v) Close monitoring with the ISO of the Subsidiary Companies and implementation of the recommendations of 8th Conference on Safety in Mines, Standing Committee on Safety in Coal Mines and CIL Safety Board.
- (vi) Continued thrust on the implementation of the Report of the Paul Committee for roof support.
- (vii) Continuous training and retraining of the workmen with revised modules considering the technological upgradation in the mines.

- (viii) Revamping of rescue services and quick communication network.

21.0 MINES RESCUE SERVICES

In order to ensure proper and quick rescue services six rescue stations, eleven rescue rooms with refresher training facilities and eight rescue rooms are presently functioning in different subsidiary companies of your company. These rescue stations/rooms have been provided with modern training galleries and equipments. Further provision of additional Rooms is being examined by a Committee as per recommendation of the Dubey Committee to ensure arrival of rescue team in shortest possible time.

22.0 HUMAN RESOURCE DEVELOPMENT AND TRAINING

An integrated approach to Human Resource Development was taken and a Corporate HRD Plan was drawn in the year 1994-95.

Total number of employees trained during 1994-95 are as follows :

Executive	11,580
Supervisor	8,028
Workmen	110,955
Total	1,30,563

During the year 43 executives and 3 Non-executives were trained abroad.

Indian Institute of Coal Management (IICM) at Ranchi was established to operate as an Apex Centre of Executive Training for CIL.

23.0 MANPOWER

23.1 The total manpower of the Company including its subsidiary companies as on 31.3.95 was 6,41,093 as against previous year's total manpower of 6,55,944.

Subsidiary Company-wise position of manpower as on 31.3.95 was as follows :

Company		Execu- tives	Super- visor/ Clerical	Skilled/ Semi- skilled/ Un-ski- lled	Non- Cate- gorised other	Total
ECL	31.3.95	3450	19985	139769	581	163805
	31.3.94	3511	20398	146966	832	171727
BCCL	31.3.95	3572	17884	126992	1524	149972
	31.3.94	3637	18246	132913	1780	156576
CCL	31.3.95	3318	12103	77265	1718	94404
	31.3.94	3263	12026	78628	1757	95676
WCL	31.3.95	2332	9992	71418	637	84309
	31.3.94	2305	9572	72012	696	84585
SECL	31.3.95	3039	12589	82214	529	96371
	31.3.94	2795	12286	81541	901	97523
MCL	31.3.95	1094	3079	18005	464	22642
	31.3.94	954	2886	17663	555	22060
NCL	31.3.95	1282	2582	12431	3	16298
	31.3.94	1212	2626	12323	4	16165
NEC	31.3.95	154	676	4064	0	4894
	31.3.94	152	633	4313	0	5098
CMPDIL	31.3.95	1128	1084	1870	4	4086
	31.3.94	1180	1100	1877	23	4180
CIL (HQ) & DCC	31.3.95	502	1062	746	0	2312
	31.3.94	512	1094	748	0	2354
CIL as a whole	31.3.95	19871	80966	534796	5460	641093
	31.3.94	19521	80871	549004	6548	655944

23.2 The Presidential directive for Scheduled Castes/Scheduled Tribes has been implemented in all the Subsidiaries/Units of Coal India Limited. Since the availability of SC/ST through local Employment Exchange continue to be poor, Special Recruitment drives were undertaken for recruitment of SC/ST candidates vide Office Memorandum No. 6/19/93-DAE (SC-ST Cell) dated 18.9.93. 27% reservation has also been provided to other Backward Classes (OBC).

The representation of SC/ST employees in total manpower of Coal India and its subsidiary companies as on 31.12.94 is given below :

Scheduled Caste		Scheduled Tribe	
Nos.	Percentage	Nos.	Percentage
1,58,760	24.57	81,728	12.65

24.0 INDUSTRIAL RELATIONS

During the year under review, industrial Relation remained cordial except for stray incidents resorted to by individual unions. The Subsidiary-wise strikes, law & order disturbances, mandays lost & loss of production were as follows :

Company	Year	No. of Strikes	No. of incidents	Mandays lost	Production lost (in tonnes)
ECL	93 - 94	50	118	32685	55090
	94 - 95	13	52	7962	11218
BCCL	93 - 94	04	46	31308	62060
	94 - 95	03	44	441	1477
CCL	93 - 94	02	71	4458	12936
	94 - 95	02	68	13197	135400
WCL	93 - 94	07	20	15091	18109
	94 - 95	05	21	15384	30255
SECL	93 - 94	08	03	3725	9409
	94 - 95	03	00	3406	8219
NCL	93 - 94	01	23	00	00
	94 - 95	01	19	00	00
MCL	93 - 94	01	07	2429	30804
	94 - 95	00	04	00	00
NEC	93 - 94	00	00	00	00
	94 - 95	01	00	729	500
CMPDIL	93 - 94	00	02	00	00
	94 - 95	00	00	00	00
DCC	93 - 94	00	00	00	00
	94 - 95	00	00	00	00
CIL as a whole	93 - 94	73	290	89696	188408
	94 - 95	28	208	41119	187069

From the overall review of the IR situation of CIL as a whole, it can be observed that there has been marked reduction in the mandays lost.

The company had to face difficult situation during the year due to numerous problems on

account of agitation and obstruction by Regional political parties, land oustees and unemployed youths resulting in interruption of work in progress, in construction of projects, in working of mines and also in transportation of coal.

25.0 EMPLOYEES' WELFARE AND SOCIAL SECURITY SCHEME

25.1 Welfare Activities

Since its inception, Coal India and its subsidiaries have been endeavouring to improve the quality of life at work place and at living place of their employees. Efforts have been made to improve basic needs and facilities of the employees. With a view to improve the standard of living of coal-miners, housing, water supply, medical and educational facilities, have been the major thrust area of welfare activities of the management. Welfare of coal-miners



Ties of Kinship

enjoys the same importance in CIL as production, productivity and safety.

25.2 Educational Facilities

Keeping in view the high percentage of illiteracy in Coalfield areas the Management has been making continuous efforts to extend financial and other infrastructural assistance to improve the educational facilities in the coalfield areas. At present 1,322 nos. of Educational Institutions are functioning within the operational areas of CIL and its subsidiaries against 287 nos. at the time of nationalisation.

25.3 Housing

At the time of Nationalisation, there were only 1,18,366 houses including sub-standard houses. Immediately after Nationalisation Coal Companies addressed to the task of providing better residential accommodation to their employees. Emphasis was laid on construction of Standard houses as against age old Dhowras

during the pre-nationalisation days. The availability of houses has increased during the years to 3,82,782 Nos. and the overall housing satisfaction has reached 59.43% approx. During the year 1994-95, 6527 Nos. of houses were constructed by the Coal Companies.

25.4 Water Supply

As against only 2.27 lakh population having access to potable water at the time of nationalisation, today 22.55 lakhs population have been covered under the water supply schemes of the different subsidiary coal Companies. By concerted efforts of the management the position is likely to improve further as many water supply schemes are under execution in the companies.

26.0 PROGRESSIVE USE OF HINDI

26.1 The year 1994-95 has been the era of spectacular achievements in the field of implementation of official language at the CIL hqrs. as well as its subsidiary companies. The



Education for the Children of the Coal Family

well oriented planing initiated for training of the Non-Hindi speaking personnel together with generation of a climate for acceptance of Hindi by those who are not at home in the same has started yielding satisfactory results. All the directives of the Ministry of Home Affairs, Rajbhasha Department as well as Ministry of Coal have been implemented.

There is an increasing trend in the use of Hindi in original correspondences at CIL hqrs. The efforts have also been made for increase in the total number of Hindi type writers and purchase of bi-lingual electronic equipment.

The publication of the house magazines, periodicals, wall posters and other literature's have been taken up at larger scale at CIL and subsidiary companies.

"Khanan Bharti", one of the premier magazines of the public sector published by CIL has been lauded at the national level. Its special issues on various national themes including one on Mahatma Gandhi - "Satya Se Stayagrah" has been lauded by Members of Parliament and Hindi Committee members of Koyla Mantranalaya. The contribution of 'Saurav', 'Pallav', 'Vasundhara', 'Pratibimb', 'Pankhudian', 'Jyotsna' and few other magazines have been well appreciated.

Another major achievements in the field of Hindi implementation has been the holding of the meeting of Koyla Mantranalaya Hindi Salahkar Samity at Calcutta. On this occasion a Hindi Priyadarshani of CIL's publication was arranged. Five coveted awards of national level for implementation of Hindi have been bagged by CIL during the period under reference.

27.0 PARTICULARS OF EMPLOYEES IN RECEIPT OF Rs.25,000/- PER MONTH OR Rs.3 LAKHS PER ANNUM

None of the employees were in receipt of Rs.25,000/- per month or Rs.3,00,000/- per annum as salary in full or part of the year as per provisions of Sec. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended in 1995.

BOARD OF DIRECTORS

During the year under review, Shri S. K. Chowdhary, Chairman retired on 31.12.1994 and Shri P. K. Sengupta, took over the charge as Chairman (Officiating) from 31.12.1994 (AN) and was appointed as Chairman on 4.9.1995, Shri R.A.P. Singh as Director (P&IR) and Shri T. K. Deb as Director (Technical) continued.

Shri B. N. Makhija, Additional Secretary, Ministry of Coal continued as part-time Director of the Company, Shri Vivek Mehrotra, Joint Secretary & Financial Adviser, Ministry of Coal was appointed as Part-time Director w.e.f. 16.2.1995 in place of Shri K. Kosal Ram who has been transferred for repatriation to Andhra Pradesh Govt. on 20.10.1994.

Shri U. K. Mittal Director (Operation) Steel Authority of India Limited was appointed as Part-time Director on 8.12.1994.

Shri M. K. Misra, Adviser (Traffic) Railway Board ceased from the Directorship on 5.7.95 and Shri B. Sengupta, member (Grid Operation) Central Electricity Authority ceased from the Directorship w.e.f. 22.6.95 consequent to their transfers.

Shri M. A. Ubaid, Chairman-cum-Managing Director, Central Coalfields Limited and Shri C.R. Das, Chairman-cum-Managing Director, Mahanadi Coalfields Limited were appointed as Part-time Directors on 2.11.94 and 15.3.95 respectively in place of Shri R. N. Mishra, Chairman-cum-Managing Director, ECL and Shri U. Kumar, Chairman-cum-Managing Director, SECL.

Your Directors wish to place on record their deep sense of appreciation for the valuable guidance and services rendered by Shri S. K., Chowdhary as Chairman, Shri K. Kosal Ram, Shri M. K. Misra, Shri B. Sengupta, Shri R. N. Mishra and Shri U. Kumar as Directors during their tenure on the Board.

In terms of Article 33 d (iii) of the Articles of Association of the Company all the Directors



excepting the Chairman and whole-time Directors shall retire at the forthcoming Annual General Meeting and they are eligible for re-appointment.

The Board of Directors held 9 (nine) meetings during the year 1994-95.

ACCOUNTS OF THE SUBSIDIARIES

The copies of Accounts of the subsidiary companies for the year 1994-95 are attached in Vol - II of the Annual Report and Accounts in compliance with requirement of Sec.212 of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors sincerely appreciate the contribution made by the employees at all level of your Company and its subsidiary companies and are confident that the employees would continue to strive hard to improve performance in the years to come. Your Directors also wish to place on record their sincere thanks for the support and guidance received from the various departments of the Central Government, particularly from the Ministry of Coal, as also

the concerned State Governments. Your Directors also acknowledge with thanks the assistance and guidance rendered by Statutory Auditors, Tax Auditors, the Comptroller and Auditor General of India, Members of the Company Law Board and Registrar of Companies, West Bengal.

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 31.3.95
- (iii) Statement pursuant to Sec.212(i) (e) of the Companies Act, 1956.

For and on behalf of the
Board of Directors

Calcutta
Dated, 25th Sept. 1995

P. K. Sengupta
Chairman

Annual Accounts

1994-95

Balance Sheet

As At 31st March, 1995

(Rs. in '00,000)

	Schedule	Current Year	Previous Year
I. SOURCES OF FUND			
A. Shareholders' Fund			
(a) Share Capital	A	631636.44	610344.40
(b) Share Money Pending Allotment	B	—	140.04
(c) Reserve & Surplus	C	1134.85	837.68
B. Loan Fund			
(a) Secured	D	28937.31	47487.11
(b) Unsecured	E	618325.89	621587.39
		647263.20	669074.50
		1280034.49	1280396.62
II. APPLICATION OF FUND			
A. Fixed Assets	F		
(a) Fixed Assets		27874.70	24044.37
Less : Depreciation		8893.74	7542.21
		18980.96	16502.16
(b) Capital Work-in-Progress		2835.97	4493.05
B. Investment	G	623053.00	622842.09
C. Current Assets, Loans & Advances			
Inventories	H	9464.95	7330.34
Sundry Debtors	I	3955.83	2813.23
Cash & Bank Balances	J	367.34	357.41
Loans & Advances	K	629787.83	643052.93
		643575.95	653553.91
Less : Current liabilities & Provisions	L	34148.51	41579.92
		609427.44	611973.99
D. Miscellaneous Expenditure (To the extent not written-off or adjusted)	M	1110.02	1272.11
E. Profit & Loss Account		24627.10	23313.22
		1280034.49	1280396.62
Accounting Policies and Notes to the Accounts are forming part of the Accounts	N		

Sd/-
U. Suryanarayana
Company Secretary

Sd/-
S. K. Sanyal
General Manager (F)

Sd/-
T. K. Deb
Director (T)

Sd/-
P. K. Sengupta
Chairman

Calcutta
Dated : The 16th September, 1995

As per our separate report of even date :
For Mitra Kundu & Basu
Chartered Accountants
Sd/-
(S. C. Basu)
Partner

Profit & Loss Account

For The Year Ended 31st March, 1995

(Rs. in '00,000)

	Schedule	Current Year	Previous Year
INCOME			
Sales	1	13526.22	10043.62
Coal Issued for other purposes	2	287.18	296.11
Accretion/Decretion in Stock	3	2255.24	1613.71
Other Income	4	4821.39	2935.21
		20890.03	14888.65
EXPENDITURE			
Purchase of Coal & Coke etc.	5	6306.54	3478.81
Consumption of Stores & Spares	6	978.98	728.67
Coal Issued for other purposes	7	25.09	14.10
Employees' Remuneration and Benefits	8	4341.48	4489.93
Impact of MOU on JBCCI-V		553.75	—
Social Overhead	9	1088.47	907.98
Power & Fuel	10	852.99	701.95
Repairs	11	298.97	275.31
Contractual Expenses	12	2706.58	2297.69
Other Expenditure	13	2525.82	1870.97
Interest	14	758.36	2568.48
Finance Charges	15	2.29	45.75
Depreciation		1283.00	1013.90
Contribution to/from Coal Price Regulation Account		121.35	316.79
Provisions	16	360.24	193.49
		22203.91	18903.82
PROFIT/LOSS FOR THE YEAR		-1313.88	-4015.17
Prior Period Adjustment	17	—	667.76
NET PROFIT/LOSS BEFORE TAXATION		-1313.88	-3347.41
Provision for Income Tax		—	—
PROFIT/LOSS AFTER TAX		-1313.88	-3347.41
Profit/Loss upto the previous year		-23313.22	-19965.81
Balance carried to the Balance Sheet		-24627.10	-23313.22
Statement on Significant Accounting Policies	N		
Notes on Accounts			

The Schedules referred to above form an integral part of Accounts

Sd/-
U. Suryanarayana
Company Secretary

Sd/-
S. K. Sanyal
General Manager (F)

Sd/-
T. K. Deb
Director (T)

Sd/-
P. K. Sengupta
Chairman

Calcutta
Dated : The 16th September, 1995

As per our separate report of even date :
For Mitra Kundu & Basu
Chartered Accountants
Sd/-
(S. C. Basu)
Partner

Schedule to Balance Sheet

As At 31st March, 1995

SCHEDULE - A

	(Rs. in '00,000)	
	Current Year	Previous Year
SHARE CAPITAL		
Authorised		
8,00,00,000 Equity Shares of Rs.1000/- each (Previous Year 8,00,00,000 Equity Shares of Rs.1000/- each)	800000.00	800000.00
Issued, Subscribed and Paid up		
6,05,94,305 Equity Shares of Rs.1000/- each fully paid in cash (Previous Year 5,84,65,101 Equity Shares of Rs.1000/- each)	605943.05	584651.01
25,69,339 Equity Shares of Rs.1000/- each allotted as fully paid up for consideration received other than cash (Previous Year 25,69,339 Equity Shares of Rs.1000/- each)	25693.39	25693.39
	631636.44	610344.40

SCHEDULE - B

	(Rs. in '00,000)	
	Current Year	Previous Year
SHARE MONEY PENDING ALLOTMENT		
Amount and/or consideration received from Government of India against Equity Shares pending allotment :		
For Land Compensation	—	140.04
	0.00	140.04

SCHEDULE - C

	(Rs. in '00,000)	
	Current Year	Previous Year
RESERVE & SURPLUS		
Investment Allowance Reserve (Utilised)	344.77	344.77
Bond Redemption Reserve	790.08	492.91
	1134.85	837.68

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - D

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
SECURED LOAN		
Cash Credit from Scheduled Banks (secured by hypothecation of stock of Stores & Spare parts, Stock of Coal & Coke, Book Debts & other Assets)		
State Bank of India	14150.57	21758.00
Punjab National Bank	5000.00	3754.36
United Bank of India	921.64	1595.00
Canara Bank	1676.54	1383.69
Bank of Baroda	1167.38	3974.73
Dena Bank	2960.39	2443.06
Bank of Rajasthan	666.96	550.00
State Bank of Travancore	2080.56	1715.00
	<u>28624.04</u>	<u>37173.84</u>
Commercial Paper	—	10000.00
Interest accrued & due (Secured by Govt. Guarantee)	313.27	313.27
	<u>28937.31</u>	<u>47487.11</u>

SCHEDULE - E

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
UNSECURED LOAN		
Long term loan from Government of India	381358.47	381367.40
Secured Bonds (To be secured by equitable mortgage/hypothecation of Fixed Assets of Northern Coalfields Ltd.)		
15.5% Non-convertible	50000.00	20000.00
13% Non-convertible	45000.00	45000.00
9% Non-convertible (Tax Free)	15000.00	15000.00
	<u>110000.00</u>	<u>80000.00</u>
Short Term Loan from Neyveli Lignite Corporation Ltd. Unit Trust of India	5000.00 8000.00	10000.00 20000.00
	<u>13000.00</u>	<u>30000.00</u>
Public Deposits Fixed Cumulative	1310.29 393.10	1045.30 248.39
	<u>1703.39</u>	<u>1293.69</u>
Interest Accrued & Due	112264.03	128926.30
	<u>618325.89</u>	<u>621587.39</u>

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - F

(Rs. in '00,000)

FIXED ASSETS

	COST				DEPRECIATION				NET BLOCK	
	As on 01.04.94	Addition during the year	Adj/Sales/ Trans. during the year	Total as on 31.03.95	As on 01.04.94	Addition during the year	Adj/Sales/ Trans. during the year	Total as on 31.03.95	As on 31.03.95	As on 31.03.94
LAND										
(a) Freehold	582.83	83.74		666.57					666.57	582.83
(b) Leasehold	6.47		(-) 4.26	2.21	0.69	0.02	(-) 0.45	0.26	1.95	5.78
BUILDING	3837.00	1724.59	(-) 4.45	5557.14	505.73	104.18	(-) 0.07	609.84	4947.30	3331.27
PLANT & MACHINERY	12768.90	1467.96	(-) 0.13	14236.73	5363.76	696.74	(-) 0.11	6060.39	8176.34	7405.14
FURNITURE & FITTINGS/ OFFICE EQUIPMENTS	475.42	382.27	8.22	865.91	127.97	127.69	(-) 0.10	255.56	610.35	347.45
RAILWAY SIDING	1069.06	8.46		1077.52	189.16	50.92		240.08	837.44	879.90
VEHICLES	258.39	27.80	(-) 3.97	282.22	129.05	24.50	(-) 4.00	149.55	132.67	129.34
AIRCRAFT	1572.12			1572.12	246.57	178.70		425.27	1146.85	1325.55
TELECOMMUNICATION	240.00	51.55	(-) 24.65	266.90	48.90	11.23	(-) 0.98	59.15	207.75	191.10
DEVELOPMENT	2602.87	113.20		2716.07	795.09	130.73		925.82	1790.25	1807.78
PROSPECTING & BORING	631.31			631.31	135.29	32.53		167.82	463.49	496.02
TOTAL	24044.37	3859.57	(-) 29.24	27874.70	7542.21	1357.24	(-) 5.71	8893.74	18980.96	16502.16
CAPITAL WORK-IN- PROGRESS	4493.05	447.25	(-)2104.33	2835.97					2835.97	4493.05
GRAND TOTAL	28537.42	4306.82	(-)2133.57	30710.67	7542.21	1357.24	(-) 5.71	8893.74	21816.93	20995.21
PREVIOUS YEAR										
FIXED ASSETS	21196.89	2850.65	(-) 3.17	24044.37	7092.03	1106.31	(-) 656.13	7542.21	16502.16	14104.86
CAPITAL WORK-IN- PROGRESS	3935.47	794.18	(-) 236.60	4493.05					4493.05	3935.47

ALLOCATION OF DEPRECIATION

	CURRENT YEAR	PREVIOUS YEAR
Profit & Loss Account	1283.00	1013.90
Social Overhead	58.00	58.92
Power & Fuel	8.41	—
Prior Period Adjustment	—	(-) 631.22
Development	8.17	4.25
Other Adjustment	—	4.33
Transfer In/Out	(-) 6.05	—
	1351.53	450.18

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - G

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
INVESTMENT (Unquoted) (Valued at Cost)		
In Fully Paid Equity Shares of Subsidiary Companies :		
1,03,90,000 fully paid Equity Shares of Rs.1000/- each in Eastern Coalfields Ltd. (Previous Year 1,03,90,000 Equity Shares of Rs.1000/- each)	103900.00	103900.00
94,00,000 fully paid Equity Shares of Rs.1000/- each in Central Coalfields Ltd. (Previous Year 94,00,000 Equity Shares of Rs.1000/- each)	94000.00	94000.00
1,12,20,000 fully paid Equity Shares of Rs.1000/- each in Bharat Coking Coal Ltd. (Previous Year 1,12,20,000 Equity Shares of Rs. 1000/- each)	112200.00	112200.00
71,10,000 fully paid Equity Shares of Rs.1000/- each in Western Coalfields Ltd. (Previous Year 71,10,000 Equity Shares of Rs.1000/- each)	71100.00	71100.00
1,17,84,728 fully paid Equity Shares of Rs.1000/- each in Northern Coalfields Ltd. (Previous Year 1,17,63,637 Equity Shares of Rs.1000/- each)	117847.28	117636.37
1,12,10,000 fully paid Equity Shares of Rs.1000/- each in South Eastern Coalfields Ltd. (Previous Year 1,12,10,000 Equity Shares of Rs.1000/- each)	112100.00	112100.00
10,00,009 fully paid Equity Shares of Rs.1000/- each in Mahanadi Coalfields Ltd. (Previous Year 10,00,009 Equity Shares of Rs.1000/- each)	10000.09	10000.09
1,90,400 fully paid Equity Shares of Rs.1000/- each in C.M.P.D.I.L. (Previous Year 1,90,400 Equity Shares of Rs.1000/- each)	1904.00	1904.00
In Fully Paid Equity Shares of Other Company :		
16,334 Equity Shares of Rs.10/- each in Management and Technology Appliances (India) Ltd. (Previous Year 16,334 Equity Shares of Rs. 10/- each)	1.63	1.63
	<u>623053.00</u>	<u>622842.09</u>

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - H

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
INVENTORIES		
(As valued and certified by the Management)		
Stock of Stores & Spare parts (at cost)	921.71	953.50
Less : Provision for slow-moving/ non-moving obsolescence/shortage	41.94	59.88
	<u>879.77</u>	<u>893.62</u>
Stores-in-transit (at cost)	8.69	12.34
	<u>888.46</u>	<u>905.96</u>
Stock of Coal (At net selling price in NEC and at cost in CMO and DCC)	9966.82	6965.58
Coke (At net realisable value)	24.01	607.54
Coal Fines (At cost)	73.28	229.64
Other By-products (At net realisable value)	438.40	230.85
	<u>10502.51</u>	<u>8033.61</u>
Less : Provisions	1936.72	1611.04
	<u>8565.79</u>	<u>6422.57</u>
Stock of Bricks (at cost)	10.70	1.81
	<u>9464.95</u>	<u>7330.34</u>

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - I

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
SUNDRY DEBTORS (UNSECURED)		
Debts outstanding for period exceeding 6 months	1808.97	1249.12
Other Debts	2472.16	1708.70
	<u>4281.13</u>	<u>2957.82</u>
Less : Provision	325.30	144.59
	<u>3955.83</u>	<u>2813.23</u>

CLASSIFICATION

Considered good	3955.83	2813.23
Considered doubtful	325.30	144.59

	<u>Maximum amount due at any time</u>		<u>Closing Balance</u>	
	<u>During Current Year</u>	<u>During Previous Year</u>	<u>During Current Year</u>	<u>During Previous Year</u>
Due by the Companies under the same management with the names of the companies	—	—	—	—
Due by the parties in which the Director(s) of the companies is/are interested	—	—	—	—

SCHEDULE - J

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
CASH AND BANK BALANCES		
Cash, Cheques, Drafts, Stamps etc. in hand	4.99	22.05
Remittance-in-transit	30.51	28.93
In Current Account with Scheduled Banks	316.28	302.11
With Post Office Savings Bank Account	0.67	3.16
Public Deposit Account	14.89	1.16
	<u>367.34</u>	<u>357.41</u>

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - K

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
LOANS & ADVANCES		
Loans & Advances (Unsecured)		
(Advance Receivable in cash or in kind or for value to be received)		
ADVANCE TO SUPPLIERS		
For Capital	1185.81	259.59
For Others	74.79	48.39
	<hr/> 1260.60	<hr/> 307.98
ADVANCE TO CONTRACTORS		
For Capital Works	21.71	63.01
For Others	0.06	2.35
	<hr/> 21.77	<hr/> 65.36
ADVANCE TO EMPLOYEES		
For House Building	357.70	325.32
For Motor Car & Other Conveyance	41.97	40.60
For Others	28.15	22.11
	<hr/> 427.82	<hr/> 388.03
DEPOSITS		
For Custom duty & Port Charges	63.41	147.98
For Deposit with Bank for Bond redemption	—	1803.91
For Other Deposits	210.79	206.03
	<hr/> 274.20	<hr/> 2157.92
Short Term Loan to IDPL	150.00	150.00
Other Receivable	170.26	123.57
Other Advances	83.91	72.93
AMOUNT DUE FROM GOVERNMENT OF INDIA		
For transaction on behalf of Ex-Coal Board	9.69	10.05
For Interest subsidy on non-plan loan	1551.62	1551.62
For subsidy receivable	151.83	—
	<hr/> 1713.14	<hr/> 1561.67
Claims Receivable	462.42	497.26
Prepaid Expenses	46.56	35.85
In Current Account with Subsidiaries of Holding Co.	625547.82	637914.30
	<hr/> 630158.50	<hr/> 643274.87
Less : Provision	370.67	203.28
Less : Transfer Out Op. Bal. - Bhopal	—	18.66
	<hr/> 629787.83	<hr/> 643052.93
CLASSIFICATION		
Considered good	629787.83	643052.93
Considered doubtful	370.67	221.94

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - K (Contd.)

(Rs. in '00,000)

AMOUNT DUE FROM SUBSIDIARY COMPANIES

	Maximum amount due at any time during the year		Closing Balance	
	Current Year	Previous Year	Current Year	Previous Year
Eastern Coalfields Limited	189794.15	171670.67	163630.56	152402.63
Bharat Coking Coal Limited	234164.37	226387.55	200728.79	211332.76
Central Coalfields Limited	98172.97	94136.83	98172.97	94136.83
Western Coalfields Limited	32666.21	36639.86	32666.21	36639.86
Northern Coalfields Limited	45118.73	53626.65	45118.73	53626.65
South Eastern Coalfields Limited	11118.42	15052.05	11118.42	15052.05
Mahanadi Coalfields Limited	70926.72	73375.80	70926.72	73375.80
Central Mine Planning & Design Institute Limited	7402.10	3269.36	3185.42	1347.72

Notes : House Building and cars/scooters advance for Rs.399.67 lakhs (Previous year 365.92 lakhs) included under Loans & Advances (unsecured) considered good and are secured by equitable mortgage on assets concerned.

SCHEDULE TO BALANCE SHEET (CONTD.)

SCHEDULE - L

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
CURRENT LIABILITIES & PROVISIONS		
SUNDRY CREDITORS		
For Capital including Revenue Stores	354.43	1393.12
For Coal	1191.46	519.41
	1545.89	1912.53
Advance from Customer	1624.10	347.67
Deposits	1058.32	409.98
Advance Deposit (Pre-Nationalisation)	20.85	20.85
EMPLOYEES' REMUNERATION & BENEFITS		
Salaries, Wages & Allowances	869.66	742.34
Attendance Bonus	4.15	3.53
Ex-gratia	156.24	167.16
Unpaid salaries, Wages etc.	22.67	19.55
Gratuity	47.80	46.93
	1100.52	979.51
OTHER EXPENSES		
Power & Fuel	192.38	54.42
Contractual Expenses	1186.73	824.64
Others	232.82	531.69
	1611.93	1410.75
VRS GRANTS (National Renewal Fund)	2217.50	12000.00
Bank Overdraft	196.18	7432.76
Due to Government of India	297.67	339.34
(including ex-owner's Accounts)		
Interest accrued but not due on Loan	21728.40	14831.66
Assam Land Tax	216.54	324.23
SALES TAX		
State	41.78	31.45
Central	45.36	48.67
	87.14	80.12
Public Deposit Fixed due (Bank Overdraft)	1.22	14.98
Royalty & Cess on Coal	1030.70	53.06
Provident Fund	359.55	322.45
INCOME TAX		
Public Deposit	0.38	4.84
Employees	11.34	8.75
Contractors	13.75	11.40
	25.47	24.99
Professional Tax	5.64	6.17
Other Liability	1020.89	1068.87
	<u>34148.51</u>	<u>41579.92</u>

SCHEDULE - M

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Discount on Bonds	877.71	1272.11
VRS Expenses carried forward	232.31	—
	<u>1110.02</u>	<u>1272.11</u>

Schedule to Profit & Loss Account

For The Year Ended 31st March, 1995

SCHEDULE - 1

(Rs. in '00,000)

SALES

PARTICULARS	PRODUCTS						TOTAL	
	Raw Coal	Hard Coke	Soft Coke	Coal Gas	Bye Products	CIL Coke	Current Year	Previous Year
Quantity (in '000 M.T.)	912.9	—	2.0	—	353.3	108.3	1376.5	1374.7
(In '000 Therm)	—	—	—	6163.4	—	—	6163.4	3259.2
Gross Sales Value	8776.83	—	80.91	685.34	4512.47	1787.59	15843.14	10781.45
Less : Rebate	—	—	—	—	345.78	346.43	692.21	—
Net Sales Value (A)	8776.83	0.00	80.91	685.34	4166.69	1441.16	15150.93	10781.45
Less : Statutory Levies								
Royalty on Coal	1001.79	—	—	—	—	—	1001.79	78.84
Stowing Excise Duty	29.23	—	—	—	—	—	29.23	26.35
Assam Land Tax	—	—	—	—	—	—	—	275.17
Sales Tax								
Central	276.61	—	—	—	19.71	3.69	300.01	174.55
State	—	—	3.11	10.96	75.66	51.71	141.44	182.92
Turnover Tax	95.11	—	—	13.46	43.64	0.03	152.24	—
Total Levies (B)	1402.74	0.00	3.11	24.42	139.01	55.43	1624.71	737.83
Net Value (A - B)	7374.09	0.00	77.80	660.92	4027.68	1385.73	13526.22	10043.62

SCHEDULE - 2

(Rs. in '00,000)

COAL ISSUED FOR OTHER PURPOSES

	Current Year	Previous Year
Boiler Consumption	117.81	136.34
Free Issue to Employees	144.28	145.67
Others	25.09	14.10
Total	287.18	296.11

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 3

(Rs. in '00,000)

ACCRETION/DECRETION OF STOCK

	<u>Current Year</u>	<u>Previous Year</u>
Stock of Coal/Coke etc.		
A. Closing Stock (Revenue Mines only) as on 31.03.95		
Raw Coal	8132.95	5422.60
Soft Coke	1.85	1.95
CIL Coke	22.16	488.57
Bricks	10.70	1.81
Coal Tar	41.67	28.22
Other Bye-Products	436.19	420.15
Coal & Coke in transit	78.07	206.70
	<hr/> 8723.59	<hr/> 6570.00
Less : Deterioration of Coal value due to fire or longer stocking	<hr/> 147.09	<hr/> 145.62
Total (A)	<hr/> 8576.50	<hr/> 6424.38
B. Opening Stock (Revenue Mines only) as on 01.04.94 :		
Raw Coal	5422.60	
Less : Adjustment of Opening Stock	<hr/> 103.12	
	<hr/> 5319.48	3095.62
Soft Coke	1.95	—
CIL Coke	488.57	564.60
Bricks	1.81	7.29
Coal Tar	28.22	227.30
Other Bye-Products	420.15	800.93
Coal & Coke in transit	206.70	114.93
	<hr/> 6466.88	<hr/> 4810.67
Less : Deterioration of Coal value due to fire or longer stocking	<hr/> 145.62	<hr/> —
Total (B)	<hr/> 6321.26	<hr/> 4810.67
Net Total (Total A – Total B)	<hr/> 2255.24	<hr/> 1613.71

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 4

(Rs. in '00,000)

OTHER INCOME

	<u>Current Year</u>	<u>Previous Year</u>
Subsidy (Stowing)	154.65	217.59
Recovery of Apex Office Charges	4052.00	2340.32
Contractual Recoveries	4.37	1.93
Interest received	10.32	8.49
Profit on Sale of Assets	1.58	0.23
Rent (Outsider)	1.03	1.56
L.D./Penalty received	21.01	10.51
Tender Fees	6.29	6.05
Service charges from customers	299.03	254.02
Provision/Liability Write backs		
For Stores	17.94	—
For Excess liability	2.43	—
	20.37	—
Others	250.74	94.54
	4821.39	2935.24
Less : Transferred to Development	—	0.03
Total	4821.39	2935.21

SCHEDULE - 5

(Rs. in '00,000)

PURCHASE OF COAL & COKE ETC.

	<u>Current Year</u>	<u>Previous Year</u>
Raw Coal	5531.67	3034.68
P. O. L. for Plant	12.65	13.93
Chemical for Plant	77.47	46.16
Railway Freight	641.09	359.12
Coke	43.66	24.92
Total	6306.54	3478.81

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 6

(Rs. in '00,000)

CONSUMPTION OF STORES & SPARES

	<u>Current Year</u>	<u>Previous Year</u>
Explosives	147.59	84.47
Timber	196.67	180.71
Petrol, Oil and Lubricants	192.68	115.15
Other Consumable Stores & Spares		
(a) HEMM	83.69	230.83
(b) Others	496.97	261.02
	<u>580.66</u>	<u>491.85</u>
	1117.60	872.18
Less : Transfer to		
Social Overhead	43.85	64.55
Development	13.77	13.71
Power & Fuel	40.53	25.18
Repair & Maintenance	0.27	0.04
Other Expenditure	40.20	40.03
	<u>138.62</u>	<u>143.51</u>
Total	<u>978.98</u>	<u>728.67</u>

SCHEDULE - 7

(Rs. in '00,000)

COAL ISSUED FOR OTHER PRUPOSES

	<u>Current Year</u>	<u>Previous Year</u>
Boiler Consumption	117.81	136.34
Free Issue to Employees	144.28	145.67
Others	25.09	14.10
	<u>287.18</u>	<u>296.11</u>
Less : Transfer to		
Power & Fuel	117.81	136.34
Social Overhead	144.28	145.67
	<u>262.09</u>	<u>282.01</u>
Total	<u>25.09</u>	<u>14.10</u>

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 8

(Rs. in '00,000)

EMPLOYEES' REMUNERATION AND BENEFITS

	Current Year	Previous Year
SALARIES, WAGES AND ALLOWANCES		
Salaries & Wages (Incl. Transport Subsidy)	3221.48	3581.53
Overtime		
(a) Normal	96.01	87.69
(b) Sunday Production	1.01	—
(c) Sunday Maintenance	0.27	—
	97.29	87.69
Incentive	4.01	—
Leave Encashment	1.12	1.49
Contribution to Provident Fund and Other Funds (including Administrative Charges)	370.48	337.56
Attendance Bonus	120.92	122.40
Ex-gratia		
(a) PPLB - Non Executive	151.26	165.71
(b) PPLR - Executive	7.44	8.32
	158.70	174.03
LTC/LLTC/RRF	214.49	211.24
Pension	3.50	3.71
Gratuity	219.81	101.58
Workmen Compensation	7.12	13.62
Group Insurance	10.11	10.20
D. L. I.	2.33	1.25
Life Cover Scheme	4.50	7.05
V. R. S.	77.44	—
Others	0.17	—
	4513.47	4653.35
Less : Transfer to		
Social Overhead	145.64	137.89
Power & Fuel	1.40	—
Development	24.95	25.53
	171.99	163.42
Total	4341.48	4489.93

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 9

(Rs. in '00,000)

SOCIAL OVERHEAD

	<u>Current Year</u>	<u>Previous Year</u>
Salaries, Wages & Allowances	154.67	137.89
Free Issue of Coal to Employees	144.28	145.67
Medical Facilities		
(a) Medical Reimbursement	110.67	
(b) Medicine	55.46	
(c) Diet Expenses	8.02	
(d) Medical Grants	16.33	
	<u>190.48</u>	194.80
Grants to		
(a) Schools & Institutions	19.10	25.53
(b) Sports, Recreation	80.76	23.50
	<u>99.86</u>	49.03
Canteen and Creche		
Canteen up-keep	16.92	13.23
House Rent	35.44	18.70
Power	81.38	63.84
Repairs & Maintenance		
(a) Township (Incl. residential buildings)	77.20	
(b) Other welfare buildings	27.33	
(c) Plant & Machineries	1.36	
	<u>105.89</u>	134.60
Maintenance of Vehicles		
(a) Petrol & Diesel	1.48	
(b) Repairs	4.11	
(c) Road Tax	0.36	
(d) Insurance	0.12	
	<u>6.07</u>	—
Consumption of Stores & Spares	43.85	48.88
Depreciation	58.00	58.92
Community Development	73.02	6.96
Environmental expenses		
Tree Plantation	36.56	27.92
Family welfare	0.62	0.34
Uniform	8.22	4.10
Training Expenses		
(i) Within the Co.	26.98	
(ii) Outside the Co.	6.19	
	<u>33.17</u>	12.83
Others	25.73	30.63
	<u>1114.16</u>	948.34
Less : Recoveries		
House Rent	10.39	8.82
Hospital Charges	1.40	2.61
Electricity	3.39	3.12
	<u>15.18</u>	14.55
Less : Transferred to Development	9.03	25.81
Less : Transferred to Other Expenditure	1.48	—
Total	<u>1088.47</u>	<u>907.98</u>

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 10

(Rs. in '00,000)

POWER & FUEL

	<u>Current Year</u>	<u>Previous Year</u>
Purchase of Electricity	770.81	608.84
Power Generation		
Consumption of Coal	117.81	136.34
Consumption of Stores	40.53	25.18
Depreciation	8.41	—
	<u>166.75</u>	<u>161.52</u>
	937.56	770.36
Less : Transfer to		
Social Overhead	81.38	63.84
Development	3.19	4.57
	<u>84.57</u>	<u>68.41</u>
Total	<u>852.99</u>	<u>701.95</u>

SCHEDULE - 11

(Rs. in '00,000)

REPAIRS

	<u>Current Year</u>	<u>Previous Year</u>
Building	215.51	309.09
Plant & Machinery		
Outside Agency	104.08	54.18
Others		
(a) Office Equipment	33.93	26.41
(b) Vehicles	6.12	—
(c) Consumption of Stores per contra	0.27	0.04
(d) Others	52.76	20.58
	<u>93.08</u>	<u>47.03</u>
	412.67	410.30
Less : Transfer to		
(a) Social Overhead	110.00	134.60
(b) Development	3.70	0.39
	<u>113.70</u>	<u>134.99</u>
Total	<u>298.97</u>	<u>275.31</u>

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 12

(Rs. in '00,000)

CONTRACTUAL EXPENSES

	<u>Current Year</u>	<u>Previous Year</u>
Transportation Charges		
Coal, Coke	135.78	139.91
Stores	14.02	8.14
	<u>149.80</u>	<u>148.05</u>
Other Contractual work	2556.78	2150.95
	<u>2706.58</u>	<u>2299.00</u>
Less : Transferred to Development	—	1.31
Total	<u>2706.58</u>	<u>2297.69</u>

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 13

(Rs. in '00,000)

OTHER EXPENDITURE

		Current Year	Previous Year
Travelling			
(a) In country	308.10		327.08
(b) Outside country	38.03		1.59
		346.13	328.67
Printing & Stationery		145.46	100.47
Postage		10.90	—
Telephone		201.02	212.36
Advertisement & Publicity			
(i) Advertisement for			
(a) Recruitment	18.54		
(b) Tender	61.33		
(c) Publicity	73.02		
(d) Others	3.10		
		155.99	205.81
Freight Charges		89.14	2.19
Demurrage		112.84	48.44
Donation		48.00	29.89
Subscriptions		16.83	7.68
Security expenses		85.60	72.63
Hire Charges			
(a) Computer	29.52		23.48
(b) Others	89.52		67.78
		119.04	91.26
Maintenance of Cars & Jeeps			
(a) Petrol & Diesel	41.68		40.03
(b) Repairs	38.77		34.25
(c) Road Tax & Insurance	11.98		19.74
		92.43	94.02
Legal Expenses		15.58	17.50
Bank Charges		29.86	21.25
Guest House expenses	54.15		30.58
Less : Recoveries	2.23		1.85
		51.92	28.73
Consultancy fees		39.76	25.95
Office Contingency expenses		57.65	38.97
Underloading Charges		—	2.64
Loss on sale/discard of assets		—	0.01
Auditors' Remuneration			
(a) Audit fees	0.93		0.93
(b) Tax Audit fees	0.31		0.31
(c) Travelling & Out-of-pocket exp.	0.47		0.47
		1.71	1.71
Internal Audit fees and expenses		2.47	0.66
Apex Office Charges		29.96	12.89
Royalty & Cess		9.09	0.39
Assam Land Tax		62.07	22.20
Rent, Rates & Taxes		209.96	207.08
Insurance		47.42	24.99
Dead Rent		5.38	6.88
Surface Rent		1.93	2.09
Land Compensation		19.86	17.77
Siding Maintenance Charges		55.71	28.29
Others		497.05	347.32
		2560.76	2000.74
Less : Transferred to Development		34.94	129.77
Total		2525.82	1870.97

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 14

(Rs. in '00,000)

INTEREST

	<u>Current Year</u>	<u>Previous Year</u>
HOLDING COMPANY		
(a) Government Loan		
(i) Plan loan	49555.59	65241.40
(ii) Non-plan loan	104.08	6013.93
(b) Bank Overdraft	3967.41	6077.95
(c) Bonds	14950.00	7233.97
(d) Public Deposit	260.27	237.10
(e) Inter-corporate/Financial Institutional Loan		
(i) N.L.C.	934.65	3015.32
(ii) U.T.I.	3154.08	4084.63
(f) Pension Fund	128.59	33.71
	<u>73054.67</u>	<u>91938.01</u>
Less : (a) Recovered from Subsidiaries	71474.67	83456.89
(b) Interest received on short-term deposits	32.62	48.55
(c) Interest subsidy received	—	5807.58
(d) Rebate on Interest	190.63	56.51
	<u>71697.92</u>	<u>89369.53</u>
	<u>1356.75</u>	<u>2568.48</u>
Less : Waiver of Penal Interest for earlier years	598.39	—
Total	<u>758.36</u>	<u>2568.48</u>

SCHEDULE - 15

(Rs. in '00,000)

FINANCE CHARGES

	<u>Current Year</u>	<u>Previous Year</u>
I. COAL INDIA LIMITED		
(a) Discount on issue of Bond/CP	394.39	694.52
(b) Commission on issue of CP	—	28.25
(c) Guarantee of CP	—	18.90
(d) Other expenses for issue of Bond & Public Deposits including certification fees of Rs.5,000/- to auditors	181.68	155.90
	<u>576.07</u>	<u>897.57</u>
Less : Recoveries made from Subsidiaries	573.78	851.82
Total	<u>2.29</u>	<u>45.75</u>

SCHEDULE TO PROFIT & LOSS ACCOUNT (CONTD.)

SCHEDULE - 16

(Rs. in '00,000)

PROVISIONS	Current Year	Previous Year
Provision for		
Doubtful Debts	180.71	74.85
Doubtful Advances	167.39	45.73
Others	12.14	72.91
Total	360.24	193.49

SCHEDULE - 17

(Rs. in '00,000)

PRIOR PERIOD ADJUSTMENT	Current Year	Previous Year
DEBITS		
Purchase of Coal, Coke etc.	—	47.94
Employees' Remuneration & Benefits	—	143.99
Financial Expenses	—	1.26
Contractual Expenses	—	10.85
Depreciation	—	-631.22
Social Overhead	—	1.23
Repairs (Purchase)	—	0.84
Other Expenditure	—	81.20
Consumption of Stores & Spare parts	—	18.31
	—	-325.60
CREDITS		
Interest Waived	—	200.96
Provision for Doubtful Advance/Claims written back	—	1.82
Recoveries from Subsidiaries : Interest	—	92.75
Other Receipts	—	46.63
	—	342.16
Net : Credit (+) / Debit (-)	—	667.76

SCHEDULE - N

A. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention :

The financial statements are prepared under the historical cost basis, as per Accounting Standards and generally accepted accounting practices, except otherwise stated in the Accounting Policy and Notes on Accounts.

2. BASIS OF ACCOUNTING

2.1 All expenses are booked initially in the natural heads of accounts and then transferred to functional heads.

2.2 Accrual basis of accounting has been followed except in the following cases :

- (a) Gratuity and Life Cover Scheme are accounted for on cash-cum-retirement basis. Actuarial valuation of gratuity liability for the year and as at the end of the year have neither been ascertained nor accounted for.
- (b) Interest on advance to employees e.g. House Building, Purchase of Car etc. Demurrage, Liquidated damages, Sale of scrap are provided on realisation/cash basis.
- (c) Advances for T.A./L.T.C. etc. are directly charged to revenue account.
- (d) Insurance/Railway claim and escalation claims are accounted for on the basis of admission/final settlement.
- (e) Additional Liability for royalty, cess etc. — if any are accounted for in the year in which final assessment orders are received.

3. SUBSIDY/GRANTS

3.1 Subsidies/grants received on Capital Account are deducted from the cost of respective assets to which they relate.

3.2 Subsidy claims for the accounting year which are yet to be received/confirmed from the appropriate authorities are accounted for on estimated basis. This estimate is based on the amount of subsidy received pro-rata to the claim preferred in the immediately preceding quarter.

4. FIXED ASSETS

4.1 LAND : Land includes cost of acquisition, compensation and rehabilitation expenses incurred for concerned displaced persons.

4.2 BUILDING : Building includes roads and culverts situated in colliery and townships as well as cost of electrical fittings water supply arrangements and sanitary fittings.

4.3 PLANT & MACHINERY : Plant & Machinery includes cost and expenses incurred for erection/installation and other attributable cost of bringing those assets to working condition for their intended use.

- 4.4 RAILWAY SIDING : Payments made to Railway authorities are shown under Capital Work-in-progress. As and when Railway Siding is completed and brought to working condition for its intended use, the same is transferred to Railway Sidings under the head "Fixed Assets."
- 4.5 Expenses net of income of the Projects/Mine under development including proportionate interest capitalised are booked to development accounts.

Projects/mines under development are brought to revenue either.

- (a) From the beginning of the financial year immediately after the year in which the unit achieves physical coal output of 25% of rated capacity as per approved project report, OR
- (b) From the same financial year in which the value of production is more than the total expenses.

————— whichever is earlier.

- 4.6 Installation expenses wherever done departmentally are not capitalised.
- 4.7 Terminal Benefits under Voluntary Retirement Scheme is charged off to Profit & Loss Account in four equal annual instalments.

5. DEPRECIATION

Depreciation is provided at the rates specified in Schedule XIV to the Companies Act, 1956 as amended on straight line basis except that :

- (a) Depreciation for lease hold land has been charged equitably on the basis of lease period or life of the project whichever is less.
- (b) Depreciation on land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 has been charged on the basis of balance life of the project.
- (c) Prospecting, Boaring and Development expenditure are amortised over a period of 20 years or the life of the project whichever is less.
- (d) Assets attracting 100% depreciation, are depreciated in full in the year in which the assets have been commissioned/completed.
- (e) Assets acquired prior to 2.4.87 in NEC are charged at the rates prevailing upto 2.4.87 (i.e. before the amendment).

6. INVENTORIES

- 6.1 Stock of stores, spare parts, work in progress, workshop jobs are valued at cost.
- 6.2 Book stock of Coal, Coke, etc. is taken for the purpose of closing stock, where, the variance between the book stock and measured stock is upto $\pm 5\%$, and in case the variance is beyond $\pm 5\%$, the measured stock is taken for the purpose of closing stock.

6.3 Stock of Coal (and Coke Stock if applicable) is valued at net realisable value, based on actual realisation on despatches during the last quarter of the year and after adjusting provision for deterioration @1.5% of the value of coal & coke produced during the year with estimated net transportation/rehandling charges (if applicable).

6.4 In D.C.C., Stock of coal and coal fine are valued at cost and stock of CIL coke, coke fines, coal tar and tar chemicals are valued at net realisable value.

6.5 Stock of medicines and stationery are not considered for the purpose of inventory valuation. The expenses on this account are charged to Revenue.

7. PRIOR PERIOD ADJUSTMENT/EXTRA ORDINARY ITEMS

Income and expenditure pertaining to earlier years but not provided for in the books of accounts of related years are treated as per Accounting Standard-5 issued by the Institute of Chartered Accountants of India, except where such income and expenses relate to development period.

8. OVERBURDEN REMOVAL EXPENSES

In accordance with company's policy, the overburden removal expenses in respect of O.C. projects having capacity of less than one million tonne, are charged directly to revenue heads in the year in which operation commences and/or coal is exposed. The permissible tolerance of measured overburden with reference to the reported overburden, as per guidelines circulated vide letter no.CH:TS:26, dated 10.1.94 is indicated below :

Annual Quantum of OBR of the Project	Permissible Limits of Variance (whichever is less)	
	%	Quantum MI.Cu.m.
Less than 1 MI.Cu.m.	(+/-) 5%	0.03
Between 1 & 5 MI.Cu.m.	(+/-) 3%	0.02
More than 5 MI.Cu.m.	(+/-) 2%	—

9. APEX OFFICE CHARGES AND INTEREST ON CIL DUES

Apex Office charges (including expenditure of Delhi Office and IICM) are allocated to subsidiaries and revenue mines directly under Coal India Ltd. in proportion to their production ratio for the year. Net expenditure of Coal Marketing Organisation (including RSOs) are allocated to subsidiaries in the proportion of service rendered to such subsidiaries.

10. REVENUE RECOGNITION

Revenue from transactions involving the sale of goods is recognised when property in the goods passes to the buyer for a consideration and the Co. retains no effective control of the goods transferred to a degree usually associated with ownership, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the same goods.

Revenue arising from the use of the Company's resources by others are only recognised when no significant uncertainty as to measurability or collectibility exists.

11. INVESTMENT

Investments are valued at cost.

12. INTEREST

Interest on Govt. Loans, Intercompany Loans, Bank Overdrafts, Bonds, Public Deposits and interest received on Short Term Deposits for the year is allocated to the subsidiaries and units in the ratio of Net Block of Fixed Assets (including Capital Work-in-progress) as on 31.3.94 of such subsidiaries and units.

(B) NOTES ON ACCOUNTS

1.0 CONTINGENT LIABILITIES/CAPITAL COMMITMENTS

- 1.1 The amount (including the amount on behalf of the Subsidiaries) remains to be executed on Capital Account not provided is Rs.11413.35 lakhs (previous year Rs.14332.32 lakhs).
- 1.2 Claims against the Company not acknowledged as debts for Rs.1145.18 lakhs as against previous year figures of Rs.1247.24 lakhs.
- 1.3 As on 31.3.95 outstanding Letters of Credits amounted to Rs.1655.58 Lakhs; outstanding deferred payment guarantee issued by Banks amounted to Rs.4390.16 Lakhs and outstanding guarantee/counter guarantee issued by the Govt. of India on behalf of the Company amounted to Rs.74305.01 lakhs.

2.0 FIXED ASSETS

- 2.1 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.
- 2.2 The immovable properties vested with and owned by the Company under Coal Mines (Nationalisation) Act, 1973, have been depreciated in full excepting in some cases where a token value of Re.1/- per asset are being maintained in the Books of Accounts.
- 2.3 Fixed Asset Register/Plant Card in respect of assets have been maintained.
- 2.4 Jobwise details for Capital Work-in-Progress have been maintained.
- 2.5 Pending decision, expenses relating to Advance Action has been kept in Development account and no provision has been made in the accounts.

3.0 INVENTORIES

Stores & Spares

- 3.1 The closing stock of stores and spare parts has been considered in the Accounts as per balances appearing in priced stores ledger of the Regional Stores and as per physically verified stores lying at the collieries/units.

3.2 Pending determination of unservicable or obsolete spares adhoc provision for Rs.41.94 Lakhs has been made in the Accounts.

3.3 Stores & Spares also include loose tools.

3.4 The Stock of Coal at the Stockyard has been valued at cost on weighted average basis.

4.0 SUNDRY DEBTORS

4.1 An amount of Rs.180.71 lakhs has been provided in the Accounts (previous year Rs.74.85 lakhs) towards Bad & Doubtful Debts and considered adequate.

5.0 PUBLIC DEPOSIT

5.1 The Company has invited deposits from the Public as per provision of the Companies (Acceptance of Deposits) Rules, 1975 and the balance of the Public Deposit Account as on 31st March 1995 stood at Rs.1703.39 lakhs.

6.0 LOANS & ADVANCES

6.1 Company has issued on Private placement basis 13% non-convertible secured Bonds amounting to Rs.450 crores, 15.5% non convertible secured Bonds amounting to Rs.500 crores and 9% (Tax-free) non-convertible secured Bonds of Rs.150 crores both redeemable at par to Nationalised Banks/their subsidiaries and the said bonds are to be secured by equitable mortgage/hypothecation of fixed assets of Subsidiary coal companies.

6.2 The fund available with the Company against Cash, Bank Balances Road coupons etc. taken over by the Company from the Management Period of non-coking coal mines i.e. on 1.5.1973 has been adjusted against the deposit made by the company to the Commissioner of Payments on behalf of Govt. of India towards amount due for the Management Period's Surplus in respect of Non-Coking coalmines.

6.3 In pursuance to a decision of Board of Directors vide 112th meeting dated 12/11/90 item no.112.4 (f) for creation of CIL Bond Redemption Fund, and vide approval of Board of Directors meeting no.117.4 (g) dated 31.7.91, Rs.1311 lakhs was deployed in 1991-92 under the Portfolio Management Scheme in Canbank Financial Services (Rs.531 lakhs) and Punjab National Bank Capital Services (Rs.780 lakhs). A return of 15.5% compounded on a quarterly basis was indicated by these Agencies. The investments have been fully liquidated with return during the year' 94-95. Aggregate amount received is Rs.2101.08 lakhs. The indicated return has been earned in case of both the deposits.

6.4 Claims receivable includes Rs.234.51 lakhs due from Govt. of India, Ministry of Rail for diversion/missing of wagons.

6.5 Pending linking, certain credit balance in current assets and corresponding debit balance in current liabilities have been netted from gross amount.

7.0 SECURED LOAN

7.1 Cash Credit

Pending registration of transfer of assets and liabilities of erstwhile C.M.A.L. and its Divisions, now Coal India Limited the overdraft balance of Coal India Limited has been

secured by creating charge against Stock of Coal, Stock of Stores & Spareparts and Book Debt of the Subsidiary Companies. The O.D. facilities enjoyed by the Subsidiaries/Units are out of total O.D. facilities enjoyed by Coal India Ltd.

8.0 CURRENT LIABILITIES & PROVISIONS

- 8.1 The provisions made in the Accounts against Stock of Coal & Coke on account of deterioration due to fire, longer period of stocking etc. slow moving/non-moving and obsolete stores, claims receivable, advance etc. are considered adequate to cover possible loss that may arise in future on disposals.
- 8.2 Other liability under "Current liability and Provisions" includes Rs.193.65 lakhs (Fund Rs.175 and interest Rs.18.65 lakhs) being the amount deducted @2% of basic wages plus DA) from the wages of the employees covered by NCWA from 1.4.89 towards contribution under proposed pension scheme. Pending consideration and approval of such scheme by Govt. of India, the accounts do not include any revenue charge in respect of company's contribution as may arise (amount not ascertainable). Interest as applicable for CMPF is considered in the accounts.
- 8.3 The balances with the Subsidiary Companies have been reconciled but the final balances remained unconfirmed.

9.0 PROFIT & LOSS ACCOUNT

- 9.1 The Government of India, Ministry of Energy, Department of Coal, New Delhi vide No.28012 (3). 81-CA dated 5.3.1983 has introduced Retention Price Scheme and authorised Coal India Ltd. to operate the Coal Price Regulation Account on behalf of the Government of India. As per the said Scheme, total contribution to the said account during the year amounts to Rs.91618.72 Lakhs. This amount alongwith opening balance of Rs.220.75 lakhs has been distributed to the claimant Subsidiary Companies.
- 9.2 A provision of Rs.553.75 lakhs has been made on account of estimated impact of salary & wages arising out of MOU signed by JBCCI on 29.4.95.
- 9.3 Directors are allowed to use the Company's cars for personal use for which recovery is being made.
- 9.4 Rs.129.35 lakhs (debit) arising out of transactions relating to the previous period has been accounted for in the current year's accounts.
- 9.5 As per past practice, goods purchased by CIL on behalf of Subsidiaries are accounted for in the books of Subsidiary Companies.
- 9.6 Penal Interest accrued on overdue repayment of Govt. loan and interest as on 31.3.92 upto periods ending 31.3.95 aggregating to Rs.415.43 crores has been waived by the Govt. vide their letter no.28011/10/93-1F dated 25th Aug.'95 and the same has been accounted for in the current year's accounts.

10.0 OTHERS

- 10.1 As per Management's decision, assets and liabilities of Bhopal Regional Sales Office as on 31.3.94 have been transferred to SECL with effect from 1.4.94 through Current Account maintained at Coal India Ltd.

10.2 Previous year's figures have been regrouped and rearranged wherever necessary and same is not comparable with those of the current year in view of transfer of Assets and Liabilities of Bhopal RSO to SECL with effect from 01.04.94.

11.0 CHANGE IN ACCOUNTS DUE TO REVISION

11.1 The Accounts together with notes thereon approved by the Board of Directors of the Company in the meeting held on 11th August, 1995 and reported upon by the Statutory Auditors on 12th August, 1995 have been revised to comply with the observation of the Comptroller and Auditor General of India and waiver of Penal Interest received from Govt. of India. The revision has affected the accounts for the year as follows :

(a) Profit & Loss Account :	(Rs. in lakhs)
(i) The loss of the Company has increased at the instance of Comptroller and Auditor General of India by Rs.87.00 lakhs	
(ii) The loss of the Company has decreased on account of waiver of Penal Interest by Rs.897.59 lakhs	810.59
(b) Balance Sheet	
(i) Unsecured Loan decreased by (on account of waiver of Penal Interest)	41542.59
(ii) Inventories decreased by	87.00
(iii) Loans & Advance decreased by	40645.00

Note no. 9.6 has been inserted in Notes to the Accounts of the Revised Accounts.

Schedules A to M form part of the Balance Sheet as on 31st March, 1995, 1 to 17 form part of the Profit & Loss Account for the year ended on that date and Schedule -N represents Accounting Policies and Explanatory Notes on the Accounts. Additional information required as per Schedule -VI (Part-II) of the Companies Act, 1956 are given in the Annexure to Schedule-N.

Signature to Schedules A to N and 1 to 17.

Sd/-
U. Suryanarayana
Company Secretary

Sd/-
S. K. Sanyal
General Manager (F)

Sd/-
T. K. Deb
Director (T)

Sd/-
P. K. Sengupta
Chairman

Calcutta
Dated : The 16th September, 1995

As per our separate report of even date :
For Mitra Kundu & Basu
Chartered Accountants
Sd/-
(S. C. Basu)
Partner

SCHEDULE TO BALANCE SHEET (CONTD.)

ANNEXURE TO SCHEDULE - N

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
I. Directors' Remuneration :		
(i) Salaries	7.14	6.14
(ii) Company's Contribution to Provident Fund & Other Funds	0.58	0.63
(iii) Medical Benefits	0.31	0.62
(iv) Perquisites	0.29	0.47
II. Particulars of employees who are in receipt of not less than Rs.3,00,000 per annum or Rs.25,000 per month (Previous year Rs.1,44,000 and Rs.12,000 respectively) when employed for a part of the year :		

(Rs. in '00,000)

	<u>Employed throughout the year</u>		<u>Employed for part of the year</u>	
	<u>1994-95</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1993-94</u>
(i) Number of employees (Nos.)	Nil	19	Nil	3
(ii) Salaries, Allowances etc. (Rs.)	Nil	33.63	Nil	3.92
(iii) Contribution to Provident Fund (Rs.)	Nil	2.75	Nil	0.30
III. The information required in paragraph 3 & 4 of Part (ii) of Schedule-VI of Companies Act, 1956, 3 (b) value of imports on CIF basis :				

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
(i) Raw Material	Nil	Nil
(ii) Capital Goods	Nil	1129.77
(iii) Stores, Spares & Components	Nil	Nil
IV. Expenditure incurred in Foreign Currency on account of :		

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
(i) Know how	Nil	7.90
(ii) Interest	Nil	Nil
(iii) Exchange variation	Nil	Nil
(iv) Commission to Foreign Agents	Nil	Nil
(v) Training expenses and payments to Foreign Technicians	0.95	Nil
(vi) Travelling	38.03	27.68
(vi) Medical Treatment	Nil	Nil

SCHEDULE TO BALANCE SHEET (CONTD.)

ANNEXURE TO SCHEDULE - N (Contd.)

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
V. Earning in Foreign Exchange on account of		
(i) Export of Goods (calculated on FOB basis)	63.24	Nil
(ii) Exchange variation	Nil	Nil
(iii) Miscellaneous	Nil	Nil

VI. Total consumption of Stores during the year :

(Rs. in '00,000)

	<u>Current Year</u>	<u>Previous Year</u>
(i) Imported materials	Nil	Nil
(ii) Indigenous (100%)	1117.60	872.18

Additional information required in paragraph 3 & 4 of Part-II of Schedule VI to the Companies Act, 1956 for the year ended 31st March, 1995.

(i) Installed Capacity	Not Applicable	Not Applicable
(ii) Licenced Capacity	Not Applicable	Not Applicable

VII. Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal, Coke and Other Product and by-product including its trading activities :

(Rs. in '00,000)

(Quantity in '000 M.T.)

(CIL Gas Qty. in '000 Therm.)

	<u>Current Year</u>		<u>Previous Year</u>	
	Qty.	Value	Qty.	Value
Opening Stock :				
Coal & Coke	967.2	5963.48	557.1	3775.15
Other Products & by-products	36.7	459.09	85.6	1028.23
Transfer Out / Adj. (Coal)	(-) 13.1	(-) 103.12	Nil	Nil
Production :				
Coal & Coke	1275.9	Nil	1201.0	Nil
Other Products & by-products	369.8	Nil	230.0	Nil
Purchase :				
Coal & Coke	565.5	5575.33	332.8	3059.60
Other Products	0.4	90.12	0.2	60.09
Sales : (Adjusted & excluding Levies)				
Coal & Coke	1023.2	8837.62	1154.5	7125.91
CIL Gas	6163.4	660.92	3259.2	312.61
Other Products & by-products	353.3	4027.68	220.2	2605.10
Own Consumption :				
Free issue and Boiler Consumption	24.2	Nil	26.7	Nil
Plant Consumption of Coal	507.5	Nil	299.2	Nil
Plant Consumption of Gas	419.8	Nil	459.6	Nil
Plant Consumption of POL etc.	9.8	Nil	0.2	Nil
Closing Stock :				
Coal & Coke	1240.6	8087.93	967.2	5963.48
Other Products & by-products	43.8	477.86	36.7	459.09

**STATEMENT PURSUANT TO SECTION 212 (1) (E) OF
THE COMPANIES ACT, 1956
As At 31st March, 1995**

Subsidiary (Fully owned)	No. of Equity Shares held by Coal India Limited	No. of Equity shares held by CIL in nominees' Name	Total paid-up value Rs. in Crores	Profit (+) Loss (-) for the year ended 31.3.1995 Rs. in Crores	Profit (+) Loss (-) balance as on 31.3.95 cumulative (after Tax provisions and investment allowance Reserve) Rs. in Crores
Eastern Coalfields Limited	1,03,89,997	3	1039	(-) 108.47	(-) 1000.24
Bharat Coking Coal Limited	1,12,19,997	3	1122	(-) 154.63	(-) 1293.03
Central Coalfields Limited	93,99,997	3	940	(-) 118.96*	(+) 74.11
Western Coalfields Limited	71,09,997	3	711	(+) 71.57	(-) 91.14
Northern Coalfields Limited	1,17,84,725	3	1178.4728	(+) 190.80	(+) 571.93
South Eastern Coalfields Ltd.	1,12,09,997	3	1121	(+) 91.78	(+) 187.10
Mahanadi Coalfields Limited	10,00,006	3	100.0009	(+) 68.01	(+) 133.01
Central Mine Planning & Design Institute Limited	1,90,397	3	19.04	(+) 2.77*	(+) 17.15
NEC/DCC/CIL	—	—	—	(-) 13.14	(-) 246.27
				(+) 29.73	(-) 1647.38

* Before tax provision for Rs.0.64 Crores (CMPDIL) and investment allowance reserve written back of Rs.91.42 Crores (CCL)

**COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA
UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE
ACCOUNTS OF COAL INDIA LIMITED, FOR THE YEAR ENDED
31ST MARCH, 1995**

Management's Reply

Noted.

The accounts of the company have been revised as a result of the observations made by the Comptroller & Auditor General of India as indicated at item no.11 of Notes forming part of accounts. The following further comments is made upon or to supplement to the Auditors Report under section 619(4) of the Companies Act, 1956 on the accounts of the Company.

Balance Sheet

- Current Liabilities & Provisions (Sch. L)
- Other Liabilities Rs.1020.89 lakhs

Profit & Loss Account

- Loss for the year Rs.1313.88 lakhs.

In terms of Government of India instructions of 24th April, 1992 and 9th September, 1992 Guarantee fee payable on the loan of Rs.100 crores drawn by the Company in April, 1991 from UTI and Guaranteed by the Government of India works out to Rs.275.00 lakhs for the period from April, 1991 to August, 1993 (month of repayment of loan). As the Company had not paid the guarantee fee equal amount (Rs.275.00 lakhs) is payable as penalty. Out of the total amount of Rs.550.00 lakhs so payable, a provision of Rs.190.86 lakhs has been made in the Accounts. This has led to under provision of liability and understatement of loss by Rs.359.14 lakhs.

The Management stated that the Govt. circular regarding imposition of penalty of non-payment of guarantee fee was not received by them. However, they assured to provide the liability in the next year's Accounts. The fact remains that the under-provision of liability exists in terms of the aforesaid Govt. of India circular.

Dated, Calcutta
The 26th September, 1995

(B. K. Chattopadhyay)
Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board-II
Calcutta

REVIEW OF ACCOUNTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH, 1995 BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA

Note : Review of accounts has been prepared without taking into account the qualifications contained in the Statutory Auditors Report.

The table below summarises the Financial position of the company under broad headings for last three years.

1. FINANCIAL POSITION :

	<i>(Rs. in Crores)</i>		
Liabilities	1992-93	1993-94	1994-95
(a) Paid up capital	6097.84	6104.84	6316.36
(b) Reserves & Surplus :			
(i) Free Reserves & Surplus	—	—	—
(ii) Committed Reserves	6.77	8.38	11.35
(c) Borrowings from :			
(i) Govt. of India	3947.08	3813.67	3813.58
(ii) Others	1423.02	1584.68	1533.28
(iii) Interest Accrued and due	1337.44	1292.39	1125.77
(d) Current Liabilities & Provisions	262.42	415.80	341.49
Total	13074.57	13219.76	13141.83
Assets			
(e) Gross Block	211.97	240.44	278.75
(f) Less cumulative depreciation	70.92	75.42	88.94
(g) Net Block	141.05	165.02	189.81
(h) Capital Work-in-Progress	39.35	44.93	28.36
(i) Expenditure capitalised	16.66	12.72	11.10
(j) Investments	6128.42	6228.42	6230.53
(k) Current Assets, Loans & Advances	6549.43	6535.54	6435.76
(l) Cumulative Losses	199.66	233.13	246.27
Total	13074.57	13219.76	13141.83
Capital Employed (g + k - d - c(iii))	5090.62	1992.37	5153.31
Net Worth (a+b(i) - (i+l))	5881.52	5858.99	6058.99

2. DEBT – EQUITY RATIO

The debt equity ratio of the company was 0.84:1 in 1992-93, 0.81 : 1 in 1993-94 and 0.80 :1 in 1994-95.

3. SOURCES & UTILISATION OF FUNDS

Fund amounting to Rs.233.06 crores were generated from internal and external sources and utilised during the year as given below :

Sources of Fund :		(Rs. in crores)
(a) Increase in Share Capital		211.52
(b) Interest received on investment of Bond Redemption Fund		2.97
(c) Decrease in Capital work-in-progress		16.57
(d) Funds applied for operation :		
Loss for the year	(-) 13.14	
Add Depreciation	13.52	
Add Misc. Expenditure written off	1.62	2.00
	Total	233.06

Utilisation of Fund :

(e) Decrease in borrowed Fund	51.49
(f) Addition to Fixed Assets	38.30
(g) Increase in Working Capital	141.16
(h) Increase in Investments	2.11
	Total
	233.06

4. LIQUIDITY

- The liquidity of the company in terms of percentage of the current assets to the total net assets (excluding accumulated loss) of the company was 1.10% in 1992-93, 1.20% in 1993-94 and 1.39% in 1994-95.
- The percentage of Current Assets to Current liabilities (including provision and interest accrued and due on loans) which is measure of liquidity was 8.83% in 1992-93, 9.16% in 1993-94 and 12.29% in 1994-95.
- The percentage of Quick Assets (Sundry Debtors, Loans & Advances, Cash & Bank balances) to current liabilities (including provisions) which is another measure of liquidity was 5.83 in 1994-95, 4.86 in 1993-94 and 5.30 in 1992-93.

5. WORKING RESULTS

The working results of the company and inventory levels of finished stock for the last 3 years are as under :

(Rs. in Crores)

	1992-93	1993-94	1994-95
(a) Sales	98.63	100.44	135.26
(b) Loss after prior period adjustments	41.40	33.47	13.14
(c) Finished stock	48.11	64.24	85.77
(d) Percentage of finished goods in stock to sales	48.77%	63.96%	63.41%

6. SUNDRY DEBTORS

The percentage of Sundry Debtors to sales in the last three years is given below :

(Rs. in Crores)

	1992-93	1993-94	1994-95
(a) Sales	98.63	100.44	135.26
(b) Total Sundry Debtors	15.48	29.58	42.81
(c) Provision for doubtful debts	0.70	1.45	3.25
(d) Percentage of Sundry debtors to sales	15.70%	29.45%	31.65%

(B. K. Chattopadhyay)

Pr. Director of Commercial Audit &
Ex-officio Member Audit Board-II
Calcutta

Dated ; Calcutta
the 26th September, 1995

Auditor's Report

Management Reply

**The Members of Coal India Ltd.
10, Netaji Subhas Road,
Calcutta - 700001**

We have audited the attached Balance Sheet of Coal India Limited as at 31st March, 1995 and the annexed Profit and Loss Account for the year ended on that date which are in agreement with the books of account.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 and on the basis of such examination of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of our audit we report that in our opinion :

- | | |
|--|--------------|
| 1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. The fixed assets of the Company have been physically verified by the Management at reasonable intervals and no material discrepancies between book records and physical inventory were noticed. | No comments. |
| 2. None of the fixed assets have been revalued during the year. | No comments. |
| 3. Physical verification of stock of Coal, Coke, other by-products have been carried out by the Management except at stockyard of Regional Sales Offices. | No comments. |
| 4. In our opinion and according to the informations and explanations given to us the procedure of physical verification of stock followed by the Management are generally reasonable and adequate in relation to the size of the Company and the nature of its business. | No comments. |
| 5. On physical verification of stock the discrepancies between the physical stock and book records are material in some cases and have been properly dealt with in the books of accounts except stores and spares of NEC. | Noted. |

Auditor's Report

Management Reply

- | | |
|--|--|
| <p>6. On the basis of information and explanation given to us, valuation of stock is fair and proper and in accordance with the normally accepted accounting principles. There has been no change in the basis of valuation of stock as followed in the preceding year.</p> | <p>No comments.</p> |
| <p>7. The Company has not taken any loan from Companies, Firm or other parties listed in the register maintained u/s 301 of the Companies Act or from Companies under the same management u/s 370(1b) of the Companies Act, 1956.</p> | <p>No comments.</p> |
| <p>8. The Company has not granted any loan, secured or un-secured to Companies, Firm or other parties listed in the register maintained u/s 301 of the Companies Act, 1956. However, the Company has routed funds through Current Account to other subsidiaries, the terms and conditions of which are not prejudicial to the interest of the Company.</p> | <p>No comments.</p> |
| <p>9. In respect of Loans or Advances in the nature of loans, where repayments have been stipulated or restipulated the parties are repaying the principal amounts as stipulated or as restipulated, except the following :-</p> <p>(a) Loan to IDPL amounting to Rs.150.00 lakhs.</p> <p>(b) Interest on loans to Jessop & Co. Ltd. amounting to Rs.53.35 lakhs.</p> <p>Loans and/or advances in the nature of loan given by the Company to employees are generally recovered with interest wherever applicable as stipulated excepting in few cases.</p> | <p>The matter has been taken-up with IDPL for re-stipulation of payment of loan and interest.</p> <p>Regarding interest receivable from M/s. Jessop & Co. Ltd. necessary adjustment is being made from their dues from CIL as agreed to by M/s Jessop & Co. Ltd.</p> |
| <p>10. In our opinion, though there are adequate internal control procedure commensurate with the size of the Company and nature</p> | <p>Noted.</p> |

Auditor's Report

Management Reply

of its business relating to purchase of stores and spares including component, plant & machinery, equipment and the sale of goods, this needs to be strengthened in respect of NEC for:-

- (i) Expediting accounting for goods received.
- (ii) Correlating the advances with the corresponding liabilities.

- | | |
|--|------------------------------|
| 11. There were no transactions for the purchase of goods and materials and sale of goods, materials and services in pursuance of contract or arrangement recorded in the register maintained u/s 301 of the Companies Act, 1956 and aggregating during the year to Rs.50,000/- or more. However, the Company is purchasing coal from its subsidiaries at notified selling price. | No comments. |
| 12. The Company has determined unservicable or damaged stock of raw material and finished goods, except stores and spares against which an adhoc provision exists in the accounts. | No comments. |
| 13. In our opinion and according to the information and explanations given to us the Company has complied with the provisions of Sec. 58A of the Companies Act, 1956 and their applicable rules framed thereunder with regard to the deposits accepted from the public except in respect of Rule 3A regarding maintenance of liquid assets 15% of deposit maturing. | No comments. |
| 14. Reasonable records have been maintained by the Company for the sale and disposal of realisable by-products, except for scraps at NEC. | Noted for action in 1995-96. |
| 15. The Company has an internal audit system commensurate with its size and the nature of its business. However, at NEC internal | No comments. |

Auditor's Report

Management Reply

audit could not be started by the appointed firm of Chartered Accountants due to unavoidable circumstances.

- | | | | | | | | | | | | | | | |
|----------------|---|---|------------|-------|---------|------------|-------|------|----------|-------|----------------|-----------|-------|---|
| 16. | The maintenance of cost records has not been prescribed by the Central Government u/s 209(1)(d) of the Companies Act, 1956. | No comments. | | | | | | | | | | | | |
| 17. | According to the records of the Company Provident Fund dues have been regularly deposited during the year with the appropriate authorities except considerable delay in the case of NEC. The Employees State Insurance Act is not applicable to the Company. | No comments.
Provident Fund dues of NEC have since been cleared. | | | | | | | | | | | | |
| 18. | The undisputed amount outstanding as at 31st March, 1995 for a period of more than 6 months from the date they become payable are:-

<table border="0" style="margin-left: 40px;"> <tr> <td>Assam Land Tax</td> <td>Rs. 216.54</td> <td>lakhs</td> </tr> <tr> <td>Royalty</td> <td>Rs. 318.07</td> <td>lakhs</td> </tr> <tr> <td>Cess</td> <td>Rs. 0.88</td> <td>lakhs</td> </tr> <tr> <td>Provident Fund</td> <td>Rs. 80.39</td> <td>lakhs</td> </tr> </table> | Assam Land Tax | Rs. 216.54 | lakhs | Royalty | Rs. 318.07 | lakhs | Cess | Rs. 0.88 | lakhs | Provident Fund | Rs. 80.39 | lakhs | Provident Fund & Cess has since been paid in full. Royalty as admissible has also been paid. Regarding Assam Land Tax, arrangement for payment is being made. |
| Assam Land Tax | Rs. 216.54 | lakhs | | | | | | | | | | | | |
| Royalty | Rs. 318.07 | lakhs | | | | | | | | | | | | |
| Cess | Rs. 0.88 | lakhs | | | | | | | | | | | | |
| Provident Fund | Rs. 80.39 | lakhs | | | | | | | | | | | | |
| 19. | According to the informations and explanations given to us no personal expenses has been charged to revenue other than those payable under contractual obligation and/or in accordance with the generally accepted business practice. | No comments. | | | | | | | | | | | | |
| 20. | The provisions of the Sick Industrial Companies (Special Provisions Act, 1988) are not applicable to this Company. | No comments. | | | | | | | | | | | | |
| 21. | In respect of the Companies trading activities, as explained to us, by the Management, there are no damaged goods except to the extent provided for. | No comments. | | | | | | | | | | | | |

We further report that subject to our comments below :

- | | | |
|----|--|----------------------------|
| 1. | Interest receivable from Jessop & Co. Ltd. amounting to Rs.53.35 lakhs is doubtful for recovery. | Same as reply to item no.9 |
|----|--|----------------------------|

Auditor's Report

Management Reply

- | | | |
|----|---|---|
| 2. | At NEC there is some overcharging of depreciation (amount unascertainable) due to capitalisation on the date of issue ignoring the date of commissioning and/or put into use. | Noted for action in 1995-96. |
| 3. | Rs.61.12 lakhs receivable from and Rs.54.63 lakhs payable to Custom Authorities which represent some old amount lying in reconciliation which have not been accounted for by the Company. | Pending reconciliation/adjustment, amount paid to Custom Authorities has been shown under the head "Loans & Advance - Custom Duties". |
| 4. | Net shortage of Rs.0.08 lakh tonnes of coal at NEC valued at Rs.65.00 lakhs have been adjusted in the books of accounts in pursuant to Accounting Policy item No. 6.2. | Noted. |
| 5. | Item No. 2.2 (a) of Significant Accounting Policies of Schedule N. | No comments. |
| 6. | Item No.9.4 of the Notes on Accounts of Schedule N. | No comments. |
| 7. | Legal opinion may be taken regarding validity of the practice referred to in note No. 9.5 of Schedule N. | Noted. |
-
- (i) We have obtained all the informations and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit.

(ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company as appears from our examination of the books.

(iii) In our opinion, and to the best of our informations and according to the explanations given to us, the said accounts, read with Accounting Policies and Other Notes, give information required by the Companies Act, 1956 in the manner



Auditor's Report

Management Reply

so required, and give true and fair view :

- (a) in the case of Balance Sheet of the state of the Company's affairs as at 31st March, 1995 and
- (b) in the case of Profit & Loss Account of the Loss of the Company for the year ended on that date.

8. The Balance Sheet as at 31st March, 1995 and Profit & Loss Account for the year ended on that date together with Notes thereon which were approved by the Board of Directors of the Company on 11th August, 1995 and reported upon by us on 12th August, 1995 have been revised. We further report that in view of information/explanations subsequently furnished to us, we have suitably amended/modified our report dated 12th August, 1995. The revision has affected the Accounts of the Company as per Note 11.0(11.1) of Schedule "N".
- No comments.

For **Mitra Kundu & Basu**
Chartered Accountants
Sd/-

(S. C. Basu)

Partner

Calcutta

Dated 16th September, 1995