

*Annual Report &
Accounts
1992-93*



MAHANADI COALFIELDS LIMITED

CONTENTS

	Page No.
1. Management/Bankers/Auditors	2
2. Notice	3
3. Directors' Report	7
4. Comments of the Comptroller & Auditor General of India	21
5. Balance sheet as at 31st March, 1993	22
6. Profit & Loss Account for the period ended 31st March, 1993	23
7. Schedules forming part of the Balance sheet and Profit & Loss Account	25
8. Auditors Report and Management Replies there to :- Addendum to Directors Report	86
9. Particulars of Employees	98

MAHANADI COALFIELDS LIMITED
(A Subsidiary of Coal India Limited)

MANAGEMENT DURING (1992-1993)

Director-in-Charge

Dr. A. S. Prasad (up to 29.9.92)

Chairman-cum-Managing Director

Dr. A. S. Prasad (From 30.9.92)

Part-time Directors

Shri G. C. Mrig, CMD, BCCL, Dhanbad
Shri P.K. Sengupta, Director (F), CIL, Calcutta
Dr. S. K. Ghosh, Director(T) CIL, Calcutta
Shri Sunil Soni, Dy. Secretary, Coal, New Delhi

Company Secretary

Shri S.C. Behera (from 3.8.1992) A.C.S.

Present Management

Chairman-cum-managing director

Dr. A. S. Prasad

Functional Director

Late H.N. Mulpury (From 19.5.93 to 10.7.93)

Part-time Directors

Shri G.C. Mrig CMD, BCCL, Dhanbad	Shri P.K. Sengupta Director(F), CIL, Calcutta
Dr. S. K. Ghosh Director(T), CIL, Calcutta	Shri Sunil Soni Dy. Secretary, Coal, New Delhi

Company Secretary

Shri S.C. Behera A.C.S.

Bankers

State Bank of India, Uco Bank, Union Bank of India, Canara Bank, Indian Overseas Bank, Andhra Bank, United Bank of India

Auditors

M/s. S.K. Singhania & Co.,
Chartered Accountants, Calcutta

Branch Auditors

M/s S. Ghosh & Co.
Chartered Accountants, Bhubaneswar

Registered Office

Bishop's House, Ainthapalli, Sambalpur-768004, Orissa

NOTICE**FIRST ANNUAL GENERAL MEETING**

Notice is hereby given to all Shareholders of Mahanadi Coalfields Limited that the First Annual General Meeting of the Company will be held on 25th day of September, 1993 at 11.00AM at the Registered Office of the Company, Bishop's House Ainthapalli, Sambalpur to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1993 and Profit & Loss Account for the period ended on that date together with the Reports of Statutory Auditors', Comptroller and Auditor General of India and the Board of Directors of the Company thereon.
2. (i) To re-appoint a Director in place of shri G.C. Mrig who retires in terms of Article 34e (iii) of the Articles of Association of the Company and is eligible for re-appointment.
- (ii) To re-appoint a Director in place of shri P.K. Sengupta who retires in terms of Article 34e (iii) of the Articles of Association of the Company and is eligible for re-appointment
- (iii) To re-appoint a Director in place of shri Sunil Soni who retires in terms of Article 34e (iii) of the Articles of Association of the Company and is eligible for re-appointment.
- (iv) To re-appoint a director in place of Dr. S.K. Ghosh who retires in terms of Article 34e (iii) of the Articles of Association of the Company and is eligible for re-appointment.

SPECIAL BUSINESS

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

Resolution No. 1

"Resolved that the object clause III(B) of the Memorandum of Association be altered by inserting immediately after sub-clause 56 the following new sub-clause No. 57 which reads as under :

III(B)-57 : To empower Coal India Limited to borrow money or to receive money or deposit or issue bonds for the purpose of financing the business of the CIL including its subsidiary Companies either without security or secured by Debentures, Bonds, stock (perpetual or terminable) mortgage or other security charged on the undertaking all or any of the assets of the MCL including its uncalled capital and to increase, reduce or pay off any such securities."

Resolution No. 2

“Resolved that the Article 48(11) of the Articles of Association be amended by substituting the following which reads as under :

Article 48(11); To create such posts below board level in the scales of pay not equivalent to or higher than the posts of Board level as they may consider necessary for efficient conduct of the Company’s affairs and determine the scale of pay and other terms thereof.”

The statements of material facts pursuant to section 173(2) of the Companies Act, 1956 in respect of the above two resolutions are annexed herewith.”

By order of the Board of Directors,
for Mahanadi Coalfields Limited

(S. C. Behera)
Asst. Company Secretary

Registered Office :
Bishop House, Ainthapalli,
Sambalpur – 768004

NOTE :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself and that the proxy need not be a member of the Company.
2. The shareholders are requested to give their consent for calling the Annual General Meeting at a shorter notice pursuant to the provisions of the Sec. 171 (2) (i) of the Companies Act, 1956.

To
All shareholders
Auditors

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT FOR RESOLUTION NO. 1**

Company Secretary, Coal India Limited (the Holding Company) vide his letter No. CIL/XI (D)/04017/880/92 dated 2nd. July, 1992 has informed that Ministry of Coal vide letter No. 48016/1/92-CA, dated 5th. May, 1992 communicated the approval to the proposal of Coal India Ltd. to amend the "Object clause" of Memorandum and Articles of Association of CIL to empower it to mortgage or create charge on the fixed assets of Coal India Limited and its subsidiary companies to provide for the coverage of security in favour of the trustees of CIL Bond Holders. He has further stated that "Object clause" of Memorandum and Articles of Association of Mahanadi Coalfields Limited is required to be amended to empower Coal India Ltd. to mortgage or create charge on fixed assets of Mahanadi Coalfields Ltd. against the issue of CIL Bonds to provide for coverage of security in favour of the trustees of CIL Bond Holders.

As per Section 17 of the Companies Act, 1956 a Company may by special resolution subject to confirmation of Company Law Board alter the provisions of its memorandum with respect to the objects of the Company so far as may be required to enable it :-

- (a) to carry on its business more economically or more efficiently;
- (b) To attain its main purpose by new or improved means;
- (c) to enlarge or change the local area of its operations;
- (d) to carry on some business which under existing circumstances may conveniently or advantageously be combined with the business of the Company;
- (e) to restrict or abandon any of the objects specified in the Memorandum;
- (f) to sell or dispose of the whole, or any part of the undertaking, or of any of the undertaking of the Company; or
- (g) to amalgamate with any other company or body of persons.

The fund allocation for capital and revenue expenditure to various subsidiary companies is done centrally at the level of Coal India Ltd., (the holding company) keeping in view their fund requirement. This arrangement facilitates availability of funds to subsidiary companies in equitable manner at economical cost. It also avoids multiplicity of procedure and formalities which are required to be followed in obtaining loan, invite deposits, issue of bonds etc. Therefore, to meet the financial requirements of CIL and its subsidiary companies, Coal India Ltd. is required to borrow money and has to provide security. Thus the above amendment in the Object clause of the Memorandum of Association will enable the Company to carry on its business more economically/efficiently.

The above referred letter of Company Secretary, Coal India Limited and Memorandum and Articles of Association can be inspected at the Registered office of the Company on any working day during the office hours. These will also be available at the meeting.

Approval/consent of the Company at General Meeting is required by a special resolution under section 17 of the Companies Act, 1956 for the alteration of "Object clause" of Memorandum of Association of the Company.

The alteration of the "Object clause" is subject to confirmation by the Company Law Board.

The above resolution was approved by the Board of Directors at their 2nd meeting held on 30.9.92 and now being placed before the shareholders in the General Meeting.

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

Explanatory Statement for resolution No. 2

Company Secretary CIL has directed to take necessary action keeping in conformity with the directives from Ministry of Coal to amend the Articles of Association of the Company.

As per Section 31 of the Companies Act, 1956 a Company may by special resolution amend the provisions of the Articles of the Association.

The copies of the above referred letter of the Company Secretary, CIL and the letters from Ministry of Coal are attached herewith.

The above resolution was approved by the Board of Directors at their 2nd meeting held on 30.9.92 and now being placed before the Shareholders in the General Meeting.

None of the Directors are interested in the above Resolution.

By order of MCL Board

Sd/-
(S.C. Behera)
Asst. Company Secretary

DIRECTOR REPORT

To
The Shareholders,
Mahanadi Coalfields Limited

Gentlemen,

On behalf the Board of Directors, I have pleasure in presenting the First Annual Report and Accounts of your Company from 3rd April'92 to 31st March, 1993 together with the reports of the Statutory Auditors and the Comptroller and Auditor General of India.

CAPITAL STRUCTURE

The authorised share capital of your Company was Rs. 500 crores and paid-up share capital was Rs. 9000/- during the year. Your Company continued to be a subsidiary of Coal India Limited.

FINANCIAL REVIEW

The financial results of the Company for the fiscal year 1992-93 are as under :

	(Rs. in crores)
(a) Gross profit before depreciation, Interest, Contribution towards CPRA and Prior Period Adjustments	287.34
(b) Depreciation	44.69
(c) Interest	46.68
(d) Net Profit before contribution towards CPRA and prior Period Adjustments	195.97
(e) Adjustments relating to Prior Period	-
(f) Net Profit before Contribution towards CPRA	195.97
(g) Contribution towards CPRA	152.24
(h) Net Profit after contribution to CPRA	43.73
(i) Profit carried to Balance Sheet	43.73

Sundry Debtors :

The position of Sundry Debtors as on 31.3.93

is as under :

	(Rs. in crores)
(i) Outstanding for more than six months	121.81
(ii) Other debts	48.02
TOTAL	169.83

The Sundry Debtors represent about 3.83 months turnover during 1992-93.

The Total Provision for Doubtful Debts has been made for Rs. 50.98 Crores upto 31.3.93

Payment of Royalty, Cess, Sales, Tax, stowing excise duty to state Govt. and Central Govt.

	(Rs. in crores)
Royalty	63.14
Cess	-
State Sales Tax	11.00
Central Sales Tax	15.84
Stowing Excise Duty	6.88
Octroi & other Taxes	2.09
TOTAL	98.95

Capital Expenditure

During the period ending 31st March, 1993 an amount of Rs. 165.42 Crores was incurred as capital expenditure on the projects under construction as well as on the existing Mines/ Units for maintenance of production.

Production performance :

The production of raw coal by the Company during the year 1992-93 has been 23.138 Million Tonnes as against the previous year's production of 20.701 Million Tonnes there by registering a growth rate of 11.77% over the previous year.

PRODUCTION FROM OPENCAST MINES :

- (i) Out of production of 23.138 Million Tonnes during the year 1992-93, the production from Opencast Mines has been 21.227 Million Tonnes as against the previous years production of 18.70 Million Tonnes thereby registering a growth of 13.51%
- (ii) The total quantum of overburden removed during the year 1992-93 has been 23.60 Million Cu.m. as against the quantum of 20.82 Million Cu.m. during the year 1991-92, registering a growth rate of 13.35%

HEMM Category	Population at the end of the year		% Availability		% Utilisation	
	92-93	91-92	92-93	91-92	92-93	91-92
Dozer	81	75	75	70	54	55
Drill	71	62	77	70	52	50

Reasons : - For low availability and low utilisation of shovels, than last year :-

- (1) Frequent failure of Hydl. Excavators.
- (2) Electrical failures - crowd Motor, Propel motor and breakage of shaft.
- (3) Shortage of Power - During 2nd quarter of 92-93 utilisation of Shovels affected due to power shortage particularly in Jagannath Area.

PRODUCTIVITY :

The overall OMS for the year 1992-93 has gone up to 4.79 from the previous years performance of 4.30 registering a growth rate of 11.40%.

PRODUCTION LOSS :

The Loss of Production during the year 1992-93 was 9.884 Lakh Tonnes during the year against 8.68 Lakh Tonnes during the year 1991-92. The details are as under :

Constraints	Loss of Production (In Lakh Tonnes)	
	1991-92	1992-93
A. Power	1.52	3.555
B. Absenteeism	2.42	0.540
C. Labour Unrest	1.42	0.040
D. Other Constraints	3.32	5.749
TOTAL	8.68	9.884

POPULATION AND PERFORMANCE OF HEMM EQUIPMENT

The availability and utilisation of HEMM during the year 1992-93 was as under :

HEMM Category	Population at the end of the year		% Availability		% Utilisation	
	92-93	91-92	92-93	91-92	92-93	91-92
Dragline	7	6	86	79	72	67
Shovel	46	43	77	81	53	58
Dumper	305	279	83	72	48	48

E & M ACTIVITIES**(A) Coal Handling Plants**

- (i) One circuit at Lillari OCM and one circuit at Kalinga OCM have been commissioned by installing feeder breakers and conveyors which increased the capacity of crushing and transportation at Lajkura, CHP from 5000 TPD to 9000 TPD.

(B) Power Supply

- (i) Un-interrupted and reliable power supply in Talcher Coal-fields by installation and commissioning of 20MVA transformer at Nandira 132 KV Sub station, as a result of which power feeding points from OSEB has reduced to one against previous three feeding points.
- (ii) Re-organisation of Power supply in Samleswari Open cast Project and Power supply to Lillari and Lakhanpur Projects.

(C) Communication

- (i) Hotlines (speech circuits) have been established between Sambalpur and Talcher, Sambalpur and Ib Valley.

- (ii) RABMN has been commissioned at Sambalpur HQ.
- (iii) EPABX exchanged have been commissioned at Sambalpur HQ and Ib Valley Area HQ.

(D) Electronic Road Weigh Bridge

Efforts have been made for the installation of 9 nos. electronic Road Weigh bridges at different projects and collieries and ensured coal leaving the projects/collieries are weighed fully.

(E) Specific Energy Consumption

Against the target of 6.2 KWH/Tonne of coal produced, MCL has achieved specific energy consumption of 5.77 KWH Tonne of coal produced during 1992-93.

CIVIL ENGINEERING WORKS

Workshops

The Central HEMM W/Shops are under construction one each at Ib-Valley & Talcher Coalfields costing nearly Rs. 17.0 crores. All modern facilities with EOT cranes will be provided in these workshops for maintenance of heavy equipments.

COAL HANDLING PLANTS

Adequate crushing arrangements have been provided in all the Open Cast Projects and only crushed coal is despatched to the consumers. Coal is loaded in to the stationery wagons with front-end-loaders on a wharf wall loading platform. The status of CHPs in progress and proposed to be constructed is given below :

Belpahar CHP :

Civil & structural work for the CHP has been awarded to M/s H.S.C.L for a value of Rs. 7.11 crores on 04.03.93. The work will be completed in a period of 2 years. The

installation of conveyors and equipments will take 9 months. The CHP will be commissioned by March, 96. Timely action for procurement of conveyors and equipments will be taken depending on the lead time for supply of equipments.

Lakhanpur

Arrangements are being made for loading of coal into OPGC wagons through a wharf wall loading platform, pending construction of permanent coal handling plant with the rapid loading system. OPGC has not made any commitment for payment of difference between operating cost of wharf wall loading system and the permanent coal handling plant with rapid loading system. However, preparation of NIT for permanent coal handling plant has been taken up.

Lingaraj OCP

A rapid loading system with back up coal handling plant has been planned for Lingaraj OCP. The NIT has been prepared and is under scrutiny. Tenders for the construction of rapid loading system and CHP will be issued shortly. However, NTPC has not made any commitment for payment of difference in operation cost of loading system and the wharf wall loading arrangement.

Coal Washeries

MCL has no coal washery at present. It is proposed to take up the construction of the following washeries.

- i) Ananta CPP
- ii) Bharatpur CPP
- iii) Kalinga CPP

Tender documents have been issued to the pre-qualified tenderers and the tenders will be received for taking up the work on turn-key basis by end of November'93. It is expected that the construction will be started by April'94.

SALES & MARKETING PERFORMANCE

The current financial year has been a period of all round excellence in MCL's Sales and Marketing performance.

Despatches

MCL has achieved an all time record coal despatch of 226 million tonnes. This is about 3 Million tonnes more than the despatches during the last financial year. MCL has, thus registered a growth of more than 15% despite a gradual decline in the SLC linkage to the core sectors. The coal despatches in the current financial year has been 105% of the external and 101% of the internal targets.

Power Sector

Coal supplies to power sector have shown an excellent growth of more than 26% i.e. an increase of more than 26 lakh Tonnes over last year despite the reluctance of GSEB in taking coal from MCL. More than 125 lakh Tonnes of coal has been supplied to different power Houses compared to 99 lakh Tonnes last year.

Steel Plants

One of the most remarkable features of the current year's despatches has been the coal supplies to the steel plants. During the year, MCL has shown a growth of more than 18.5% over the least year. MCL has supplied about 24 lakh tonnes of coal compared to 20 lakh Tonnes last year.

Cement Plants

There has been an exceptionally high growth rate of 52%, for coal supplies to Cement Plants despite a general recession in the cement industry.

MODE

Rail

MCL has achieved the highest ever wagon loading 1795 FWS per day in the year

92-93 which is 330 FWS/day more than the same achieved in the last year. The overall growth in the wagon loading over the last year is more than 22.5% which incidentally is the highest in CIL. The actual loading was 1795 FWS/Day against a yearly daily average wagon loading target of 1800 FWS. Talcher Field has achieved the wagon loading target but Ib Field has marginally failed by 0.3%. MCL was in a position to load more than the target of 850 wagons at Ib Valley, but Rly., due to their own reason were not able to supply sufficient wagons during the first six months and also failed the increase the wagon supply in the last six months to compensate the loss.

There has been appreciable improvement in the quantity of coal despatched by Rail, During the period MCL has despatched 15% more than the last year, amounting to an increase of more than 29 lakh Tonnes.

This has been achieved despite a gradual decline in the SLC linkage to core sector from MCL and also the Dhanmandal siding yet to be operational as planned earlier. The despatch could have been better but for the closure of ICCL in the middle of the year.

Road

Despite the frequent strikes and Bandhs at Talcher Field, MCL has been able to improve the Road sales by 3% over the last year. The road despatches could have been better but for the inability of FCI and Cement Plants to lift the coal.

Other means

The despatch of coal by other means have gone down marginally. The fall in the despatch by Belt is due to a severe cash crunch at FCI leading their inability to pay, resulting in a shortfall of more than 3.6 lakh tonnes of coal. The materialisation has only been 57% of the linkage. The despatches by MGR could have been even better but for the closure of two units at NALCO, Angul.

Stock

Although there has been an increase in the production by more than 12 lakh tonnes over the plan, the stock has moved up by 5 lakh tonnes only. In the year 92-93 the percentage increase in the stock over the last year is 12.5% compared to 34% in 91-92 i.e. a relative decrease of about 21.5%.

Quality Control

Orient siding has been earmarked for industrial consumers, changed to Box "N" siding to serve the sensitive consumers effectively.

Higher quality of coal is being transported to other sidings to be fed to the power houses in order to improve the quality of intake.

Additional feeder breaker has been installed in the Ib Valley for better size satisfaction to customers.

Constraints

1. Highest achievement in wagon despatch in spite of severe shortage of manpower (both Officers and Staffs) in the Marketing Department.
2. Failure of Nalco and FCI to take their linked quantity of coal has neutralized the increased rail despatches at Talcher Fields.
3. Huge accumulation of stock at South Balanda, Lingaraj and Kalinga OCP due to imbalances of linkage with production necessitating immediate steps for the evacuation of the same.
4. Railway's inability to increase the desired level of wagon supply.

(1) Offtake

(Fig. in Million Tonne)

Target 92-93	Actual 92-93	% Achieved	Actual 91-92	% growth Over 91-92
21.5	22.6	105	19.7	15

(2) Sector-wise Demand and Offtake

(fig. in Million Tonne)

Sector	Demand 92-93	Offtake 92-93	% Satisfaction	Offtake 91-92	% over 91-92
Power	14.80	12.53	85	9.84	26
Steel	2.90	2.38	82	2.07	18.5
Cement	0.30	0.81	270	0.51	52
Others	4.79	6.78	142	7.14	- 5
Colliery consumption	0.11	0.10	91	0.13	- 23
TOTAL	22.90	22.60	99	19.69	15

(3) Mode-wise Despatch

(Fig. in Million Tonne)

Mode	1992-93	1991-92	% Growth
Rail	15.40	12.50	23
Road	2.37	2.29	3
Belt	1.50	1.66	- 10
MGR	3.23	3.11	4
TOTAL	22.50	19.56	15

Wagon Lading

Target 92-93	Actual 92-93	% Satisfaction	Actual 91-92	% growth Over 91-92
1800	1795	99.7	1465	23

QUALITY IMPROVEMENT

An all out efforts have been made to ensure maximum consumer satisfaction regarding, quality of coal despatches and the quality has been monitored at different levels. The Company has loaded 22.50 Million Ton during 92-93 and the almost cent percent has been despatched without any major complaint on quality. Thus the trend of 100% consumer satisfaction has been maintained during 92-93.

To avoid complaint of short loading, electronic weigh-bridge has been working at Lajkura 1 & 2 sidings and action has been taken to instal 3 electronic weigh-bridges.

PROJECT FORMULATION/CAPITAL PROJECTS

There are 14 sanctioned Projects in MCL with a Capital outlay of Rs. 1602.62 crores with an ultimate capacity of 37.23 Mty. of coal, out of which 6 have already been completed. The total capital outlay of 6 completed Projects is 287.13 Crores with a capacity of 9.30 Mty.

(1) Completed projects : 6 Nos.

		Capital in Mty.	Capital in Rs. Crs.
1.	Bharatpur O/C	3.50	158.97
2.	Lajkura O/C	1.00	38.98 (RCE)
3.	Jagannath O/C	2.00	29.73
4.	Jagannath O/C Phase-I	1.00	19.75
5.	Jagannath O/C Phase-II	1.00	19.92
6.	Lilari O/C	0.80	19.78
		<u>9.30</u>	<u>287.13</u>

The production achieved from completed Projects in 92-93 has been 11.71 Million against the P.R. Provision of 9.30 Mty. giving a performance of 125.9% above the sanctioned P.R. Provision.

2. On going projects

There are 8 on going Projects in MCL with a capital outlay of Rs. 1332.29 Crores with an ultimate capacity of 27.93 Mty. as shown below :-

		Capacity in Mty.	Capital in Rs. crs.
a.	Lingaraj O/C	5.00	229.84
b.	Ananta O/C	4.00	156.49
c.	Kalinga O/C	8.00	485.77
d.	Lakhanpur O/C	5.00	221.51
e.	Samaleswari O/C	3.00	126.85
f.	Belpahar (E) O/C	2.00	57.38
			(RCE of Rs. 122.37 Crs. awaiting Govt.'s approval)
g.	Basundhara (E) O/C	0.60	19.69
h.	Nandira U/G (Augmentation)	0.33	17.96
		<u>27.93</u>	<u>1315.49</u>
TOTAL of all Projects		<u>37.23</u>	<u>1602.62</u>

Out of 8 on going Projects 6 are going ahead of schedule and 2 Projects i.e. Belpahar & Basundhara (E) have been delayed, while Belpahar O/C has achieved the planned rated capacity of Production of 2 Mty. Other infrastructure like Rly. siding & CHP are lagging behind mainly due to delay in possession of land and delay by the Railways. Basundhara(E) O/C has yet to start on account of non-availability of land. Land acquisition has been a major constraint in all projects and matter is being pursued with the Govt. of Orissa.

3. Expansion Projects : approved by CIL

		Capacity in Mty.	Capital in Rs. Crs.
a.	Ananta O/C	1.5	46.99
b.	Bharatpur	1.5	48.02
		<u>3.0</u>	<u>95.01</u>

4. Coal preparation plants : approved by CIL

		Capacity in Mty.	Capital in Rs. crs.
a.	Ananta CPP	2.6	48.85
b.	Bharatpur CPP	2.6	48.60
c.	Kalinga CPP	8.0	(included in KIMCB)
	(approved by Govt. with Kalinga IMCB)		

The prequalification Tenders have been finalised for all 3 CPPs, NITs are being issued.

5. Advance action :

The following projects have been approved for advance Action.

		Capacity in Mty.	Total Capital in Rs. Crores	Advance Action Capital in Rs. Crs.
a.	Gopalprasad (E) O/C	6.00	178.73	6.24
b.	Basundhara (W)	2.40	101.50	5.006

6. Projects processed for approval :

	Incremental Capacity in Mty.	Incremental Capital in Rs. Crs.
a. Lakhanpur O/C Expansion	5.0	430.60
b. Advance action for Bhubaneswari OCP	10.0	490.54
	9.98	(for Advance Action)

7. Projects to be processed in 93-94

	Capacity in Mty.	Capital in Rs. Crs.
a. Hinhula O/C	8.0	284.03
b. Kaniah	3.5	208.64
c. Samaleswari O/C (DPP under preparation)	1.0	40.00 (approx)

8. Major non-mining projects of MCL :-

	Capital outlay in Rs. Crores
a. Power supply Phase-I Ib-valley Area	33.35
b. Power supply scheme/Talcher Coalfields Ph-I	13.14
c. Central Excavation Workshop, Talcher Adtl.	15.81
d. Central Hospital (RCE)	14.277
e. Central Excavation Workshop	13.32
f. Integrated CHP, Lajkura, Samaleswari	40.07
g. Belpahar CHP	39.19
h) Arterial Road	17.80
i Other projects	115.81
TOTAL	302.77

They are at various stages of completion.

Details of projects under implementation :**A) On investment basis :**

Sl. No.	Category of Project	No. of Projects	Sanctioned Capital Rs. Crs.	Ultimate Capacity	92-93 P.R. sch mty.	Actual mty.	Status No. on sch	Delayed
1.	Rs. 100 Crs. & above	6	1379.43	28.50	6.90	8.33	6	-
2.	Rs. 50 Crs. to Rs. 100 Crs.	1	57.38	2.00	2.0	2.0	-	1
3.	Rs. 5 Crs. to 50 Crs.	7	165.81	6.73	6.73	8.70	6	1
		14	1602.62	37.23	15.63	19.03	12	2

B) On Technology basis :

Sl. No.	Category of Project	No. of Projects	Sanctioned Capital Rs. Crs.	Ultimate Capacity	92-93 P.R. sch mty.	Actual mty.	Status No. on sch	Delayed
1.	O/C	13	1584.66	36.90	15.43	18.84	11	2
2.	U/G	1	17.96	0.33	0.20	0.19	1	-

C) On type basis

Sl. No.	Category of Project	No. of Projects	Sanctioned Capital Rs. Crs.	Ultimate Capacity	92-93 P.R. sch mty.	Actual mty.	Status No. on sch	Delayed
1.	New Projects	11	1544.99	34.93	13.43	16.84	9	2
2.	Reorganisation/Expansion	3	57.63	2.30	2.20	2.19	3	-
		14	1602.62	37.23	15.63	19.03	12	2

Status of important Projects :

- a) *Kalinga IMCB Project* : The coal production has started, and in 1992-93, it has produced 1.20 mt. of coal. There is no offtake at present.
- b) *Lakhanpur O/C* : Work is going on schedule.
- c) *Lingaral O/C* : The project is suffering due to non-acquisition of land and adverse geo-mining condition.
- d) *Ananta O/C* : The mine has produced 3.89 mt. of coal in 1992-93 against P.R. schedule of 2 mty.
- e) *Belpahar* : The project has produced 2.0 mt. of coal in 1992-93 against rated capacity of 2 mty. Because of delay in Rly. siding & CHP the project has been delayed. RCE pending with the Govt. for approval.
- f) *Samaleswari* : The mine has produced 1.40 mt. of coal in 1992-93 against P.R. Schedule of 0.70 mt.
- g) *Basundhara (East) O/C* : The mine has yet to start, as land acquisition has been delayed. The matter is being pursued at the Orissa Govt. level.

EXPLORATION :

During 92-93 a total of 37352.92 meters of drilling for exploration purpose was done. About 760.0 MT of reserve was proved in 92-93.

**ENVIRONMENT, ECOLOGY & AFFOR-
ESTATION :**

The Company has put thrust on implementing the environmental plan for arresting the ecological imbalance that is likely to be caused by mining. All projects are being planned with environmental measures as an integrated sub-system of mine management. Accordingly comprehensive EMP for each project is being prepared to safeguard the environment.

Presently the EMPs of 8 projects have been submitted for approval. The EMPs of 2 projects are under preparation.

The following general measures for environmental protection are being followed regularly in all MCL mines and Projects on a continual basis.

1. All measures provided in the approved EMP report are being under-taken on a regular continual basis.
2. Minimum use of Forest land is being done within the area cleared by MOEF.
3. Monitoring of air, water, noise etc. parameters of environment are being done on a quarterly basis and when the analysis results exceed prescribed tolerance limit, abatement measures for their control are adopted.
4. Back filling is being done in the excavated quarries.
5. For O/C mines, Dumpers are being maintained as per the norm of EMP.
6. All dust suppression measures such as Black Topping of Haul Road, provision of water sprinkler etc. in CHP and other dust producing/concentration spots are fully adopted.
7. Plantation and provision of 300 meters green belt is being followed meticulously in all opencast project.
8. Rehabilitation of land oustees and their socio-economic settlement are being done and monitored on a continuing basis as per the norms given by the state govt.
9. Water supply are being provided to all dwelling habitats under the project.
10. Sewerage disposals are being conducted on a continuing basis.
11. Provision for compensatory afforestation is being completely fulfilled.
12. For water pollution, following measures are being provided :
 - Provision of oil and grease traps settling tanks for industrial effluents from workshops and vehicle depots.
 - Provision of rapid gravity filter with chlorination tanks.
 - Provision of oxidation pond for domestic effluents.
 - Provision of septic tanks and soak pits for domestic sewerage.
 - Provision of settling tank for mine water before disposal.
 - Provision of garland drain around OB dumps.
13. Air pollution is being controlled on a continual basis with the following.
 - Provision of green belt and vegetation.
 - Provision of water sprinkler.
 - Black topping of Haul road and other roads.
 - Regular maintenance of the HEMM and P&M.
14. For noise pollution, following abatement measures are being followed :
 - HEMM provided with sound proof cabin.

- Equipments in workshops are enclosed in sound absorbing enclosures.
- In CHPs, chute linings are provided.
- Vibration absorbing foundations are being provided in machines.
- Silencers are provided as and where they are necessary.

Besides both Mines Rescue Stations of MCL in IBV at Brajarajnagar and Talcher-are being properly manned and equipped with modern Mines Rescue Equipments to fulfil the statutory requirements of Mine Rescue Rules, 1986 so that these MRS can rise to the occasion in the event of an emergency.

COMPUTERISATION

A comprehensive computerisation plan integrating the communication system was drawn up to efficiently meet the functional requirement. During the year under report 18 nos. PC-XT-286, PC-AT-386 including Desk Top Publishing system have been installed alongwith the utilities for application of -

- 1) Word processing
- 2) Database Management
- 3) Financial accounting & costing
- 4) Project monitoring by using "PRISM" software.
- 5) Personnel management system
- 6) Desk Top publishing using Laserprinter "Page Maker/Software".
- 7) Sales & Realisation application

Besides this, computerised maintenance system (CMMS) has also been introduced at Jagannath and South Balanda and will be extended to Bharatpur, Ananta, Samaleswari, Lingaraj and Lajkura OCPs. 70 nos. of executives/Non-executives have also been trained as office automation, electronic mailing, decision making by using computerised information and local area networking using noble ethernet software to provide communication between computers and sharing of information in an open system, also for sharing resources such as Printers, Plotters and hard disks by using file server.

MINES SAFETY

From its inception on 3.4.1992, the Mahandi Coalfields Limited is making a concerted drive on reduction of accidents rates in MCL to the level of Zero Accident Potential. Though the goal is very lofty but the constant drive to create safety awareness among workers, staff and officers through safety education and training at vocational training centers of the company is found to bring about good results. Lot of materials on safety have been distributed to all areas and units to exhibit safe and unsafe practices to inculcate in to the employees of sense of safety consciousness and realisation with a emphasis on the slogan of "Accident starts where safety ends."

The tabulated accidents statistics of MCL of last three years is given below which pinpoints the downward trend of accident rates in MCL where production, productivity, despatches and growth rates etc. are above the target set by the Govt.

ACCIDENT STATISTICS

	1991	1992	1993 (March)
1. No. of Fatality	7	3	1
2. No. of Serious Injury	12	9	8
3. Rate of fatality per Mill. ts. output	0.36	0.14	0.14
4. Rate of fatality per 3 lakhs manshifts.	0.72	0.19	0.23
5. Rate of serious injury per mill. ts. output	0.61	0.42	1.14
6. Rate of serious injury per 3 lakhs manshifts	1.24	0.57	1.84

MAN POWER POSITION

		Over All Man power As on 31.3.93	Over All Man power As on 31.3.92	Man power increased/ Decreased
		21732	21742	10
Sl. No.	Category	31.3.93	31.3.92	
1.	Executives	882	793	Recruitment of SC/ST has been made as per instructions contained in the presidential directives
2.	Supervisory	1278	1273	
3.	Highly Skilled	4936	4575	
4.	Semi Skilled			
	I/R	8253	8380	
	P/R	3794	3911	
5.	Ministerial	1459	1263	
6.	Casual	01	-	
7.	Badlies	1008	1196	
8.	Apprentice	88	351	
9.	Ex-CMWO	33	-	
TOTAL		21732	21742	

Absenteeism

The percentage of absenteeism during the year 1991-92 was 26.26 which has come down to 23.27 during the period 92-93 i.e. a reduction of 2.9%

Industrial Relations

(a) *Strike* : During the year 92-93, there was one strike with a manshift loss of 1337 in Ib Valley Area by AITUC for one day. This was an All India Strike on 16.6.92 called by the Opposition parties which partially affected Ib Valley Area.

(b) *Stoppage/Obstruction of work* : during the year 92-93 there were three (3) incidents of stoppage/obstruction of work at Jagannath Area by local villagers demanding peripheral development such as water supply, electricity, road, etc in adjacent villages.

Trade Union and I.R. Meetings

There are three major operative Unions in the Areas which are :

- 1) OCMS & RKKMS – affiliated to the INTUC
- 2) BCMWU – affiliated to the AITUC
- 3) OCMLF – affiliated to HMS

During the year 1992-93, 101 meetings were held with different Trade Unions at Unit/Project level and 19 meetings at Area level. At Company/Corporate level, there were 12 meetings. Almost all the agreed points have been implemented.

The Industrial Relation in the Company during the year 92-93 was harmonious & peaceful except the above mentioned incidents of strike and stoppage/obstruction of work.

Welfare Activities

Concerted efforts have been made by MCL in providing Welfare facilities like Housing/Water Supply/Medical facilities/Educational facilities/Sports & Cultural activities, as well as community development activities under the 20 point Programme, since its formation on 3rd April, 1992.

Specific action plan has been drawn for improving and accelerating the housing satisfaction, water supply, medical & education facilities on different collieries/projects. A Welfare Board has been constituted at the corporate level which comprises representatives of the central trade unions as well as the management. Policy on welfare activities is being formulated, through the Welfare Board at the corporate level. The Welfare Budget is finalised in consultation with the Welfare Board. Welfare activities

of your company may be grouped as under :-

1. Housing
2. Water supply
3. Medical
4. Education
5. Sports, Cultural & Recreational activities & other related matters.
6. Environment
7. Community development under revised 20 point programme.

The status position and progress made on welfare activities during the financial year 92-93 is given below.

Housing : At the time of formation of the company there were 11,666 quarters available, and the housing satisfaction was 55.33%. On 1.4.93 the total number of quarters has been increased from 11,666 to 12,214 and the percentage of housing satisfaction has increased to 56.2%.

Water supply : The company is continuously making intensive efforts to ensure adequate water supply to the working population and their family members living in the coalfields. Water supply has been ensured for a population of 64,285. At the time of formation of the company, 61,320 people were covered. Filtered water supply generated in 1992-93 is 5.82 MGD.

Medical : Though your Company is a new company it has made considerable progress in providing medical facilities to its employees. MCL is having 4 Hospitals, 10 Dispensaries and these are well maintained, properly equipped and staffed. Besides this, two nos. of Aurvedic Dispensaries are functioning, one at Ib-Valley and another at Talcher coalfield. The present bed ratio is 1:104. At present, there are 25 Specialists & 45 Medical Officers with a complement of 93 paramedical staff on our roll. Ambulance services are available

in the Area. Specialised services with modern diagnostic facilities are available in the field of radiology, pathology and Ultra sound, endoscopy, besides curative facilities and preventive measure.

In MCL family welfare programme and Eye camps are being organised keeping in view the directives of Govt. of India. During the year 92-93, 628 cases have been operated against the target of 575 cases. As regards, Eye camps total of 365 cases have been operated during the year 92-93 and to organise two number of Eye camps the company has spent Rs.1,18,558.58.

Construction, expansion and renovation of central Hospital in Ib-Valley Area and Nehru satabdi Central Hospital, Talcher are in progress. Action is being taken for construction of dispensary buildings at Bundia Mines of Orient Area, Ananta Project of Jagannath Area and Anand Vihar of MCL Headquarter.

Education : Your Company has been giving considerable emphasis on providing educational facilities to the children of its employees. At present, there are 21 primary, 08 middle, 07 High Schools besides 2 (two) Central Schools and 1 (one) DAV School. MCL is bearing the entire recurring and non-recurring expenditure of the Schools run by Central School Committee and DAV Managing Committee. Besides this financial assistance to Schools in form of grant-in-aid is being sanctioned on the recommendation of the School Managing Committee/GMs concerned. During the year 92-93, an amount of Rs.44,76,000.00 was spent for Central and DAV Schools. The Company is also running 15 school buses for the benefit of the children of the employees. Scholarship to the wards of the employees is also being awarded. Your Company has made arrangement with IGIT, Sarang to reserve 40 seats for the wards of the employees (this includes 16 seats at OSME, Keonjhar and 24 seats at IGIT, Sarang) and as per the agreement made with the Govt. the company will bear 40% recurring expenditure.

Sports, Cultural and Recreational Activities:

Annual sports calendar is being drawn out to conduct sports and games and cultural activities for the employees to build up team spirit and recreational activities are being organised in the coalfield. Inter Area Tournaments, employees children sports are also being organised. The company has at present 8 play grounds, 2 stadiums, 5 Auditoriums, 7 children parks and 16 recreational Clubs.

Protection of Environment

MCL has undertaken large scale environmental social forestry and plantation in and around the residential colonies, approach roads, on mine and reclaimed land. With a view to arrest the environmental pollution arising out of heavy dust, smokes, etc. water sprinklers are being used on Colliery roads. The target for tree plantation during the year 92/93 was fixed at 4,40,000 trees but the tree plantation in MCL against the said target is 4,42,000 trees.

Community Development Programme

During the year 92-93, an amount of Rs.60,08,883.00 were spent on community development under various heads such as construction of community centres, Digging/Deepening/Renovation of wells/tubewells, construction of roads, Drain work, construction of School building, Medical Aid, etc. Mobile dispensaries are also operating in the coalfield Area to extend basic medical facilities to the peripheral people.

Besides, welfare activities it has been decided at company level to open more Bank and extension counters in the coalfields to induce saving habits among the workers and safeguard them from the clutches of money lenders. To improve the quality of life of the workers and as a welfare measure, we have a net-work of co-operative credit societies and consumer commodities at cheaper rate and loan at lower rate of interests.

Arrangements has also been made at some of the stores for supplying domestic gas in collaboration with M/s. I.O.C. at present there are five Co-operative Stores and five Societies functioning in the Coalfields.

HRD Activities

HRD efforts continued in the year as in past when the company was part of SECL. More than 20 executives were nominated to outside seminars/workshops. For workmen and supervisors, the Group vocational Training Centers at Jagannath, Talcher and Orient Collieries imparted special training in the various facts of coalmining. More than 300 workers, supervisors benefitted from these programmes.

The modern state-of-the-art training system is in the process of creation at Belpahar in Ib-Valley coalfield. Building is ready and so other development works. Staff and equipment are to be provided.

Hindi In Official Work

During the year under report your company made special drive for promotion of Hindi in official work. Your company comes under Region "C" as per guidelines issued by Govt. of India. Deptt. of Official Language Ministry of Home Affairs in the Annual Programme for the year 1992-93. HINDI WEEK w.e.f. 14.9.92 to 19.9.92 was celebrated both at Headquarters as well as at Areas., to train more employees to carry out the work in Hindi.

During this week a two day Hindi workshop was organised. Essay and debate competitions were also organised in two groups one for Hindi speaking and other for Non-Hindi speaking and the winners were suitably rewarded.

The letters which were received in Hindi were replied in Hindi, Notesheets/letters connected with Hindi cell were written in Hindi and all comments/notings on any document in Hindi were made in Hindi only.

On 15th Feb.'93 Parliamentary Committee on Official Languages visited Sambalpur, MCL HQ.. During the visit, the committee appreciated the efforts made by MCL, the newly born company, for the progress of Hindi as an Official Language.

Award For Excellence In 92-93

You will be happy to know, on Coal India basis your company has been adjudged best on 3 parameters i.e. Gross profit, Offtake and Safety.

Auditors

Under Sec.619(2) of the Companies Act, 1956 the following Audit firms were appointed as Statutory/Branch Auditors for the year 1992-93.

Statutory Auditors

S.K. Singhania & Co. Chartered Accountants, Calcutta.

Branch Auditors

M/s. S. Ghosh & Co., Chartered Accountants, Bhubaneswar.

Replies of the Management on the observations made by the Statutory Auditors on the Accounts for the year ended 31st March, 1993 are given in the Annexure, forming part of the report. Comments of the Comptroller & Auditor General of India Under Sec.619 (4) of the Companies Act, 1956, on the accounts of the company for the year ended 31st March, 1993, are enclosed as Annexure.

Particulars of Employees

The particulars of employees whose remuneration is :-

- (a) Not less than Rs. 1,44,000/- per financial year and
- (b) Not less than Rs. 12,000/- per month are given in Annexure forming part of the report, as required Under Sec.217 (2A) of the Companies Act, 1956, read with Companies (Particulars of employees) (Amendment) Rules, 1990.

Board Meetings

Five Board Meetings were held during the year 1992-93.

Board Of Directors

The Company had the following directors on the Board as on 25.9.1993 i.e. till the date of the last Annual General Meeting.

Director-in-Charge	Dr. A.S. Prasad (up to 29.9.92)
Chairman-cum- Managing Director	Dr. A.S. Prasad (from 30.9.92)
Functional Directors	Shri H.N. Mulpuray Director (Technical) (from 19.5.93 to 10.7.93)
Part time Directors	Shri G.C. Mrig, CMD. BCCL, Dhanbad Shri P.K. Sengupta, Director(F) CIL, Calcutta Dr. S.K. Ghosh, Director(T) CIL, Calcutta Shri Sunil Soni, Dy. Secretary Ministry of Coal Shastry Bhawan, New Delhi

Acknowledgements

Your Directors wish to place on record their sincere appreciation for the support and guidance received from the Management of Coal India Limited and Ministry of Coal, Govt. of India, to the attainment of the objectives and targets of the Company. Your Directors also extend their thanks to the various departments of the Central Government/State Government in particular, Orissa Govt. and other agencies and its officials including those at the District level for their co-operation and valuable assistance extended to the Company.

Your Directors place on record their sincere appreciation of the contribution made by the employees at all levels in achieving the targets in production and in all other activities to attain the objectives of the company and are confident that the employees would

continue to strive hard to maintain and improve the performance of the company.

Your Directors also wish to place on record their appreciation of the services rendered by the Statutory Auditors and Officers and Staff of the Comptroller and Auditor General of India.

For and on behalf of the Board of Directors.

Sambalpur
Dated 24.9.93

(Dr. A.S. Prasad)
Chairman-cum-
Managing Director

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF
INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956, ON
THE ACCOUNTS OF MAHANADI COALFIELDS LIMITED**

I have to state that the Comptroller and Auditor General of India has no comments upon or supplement to the Auditors Report under Section 619(4) of the Companies Act, 1956 on the accounts of Mahanadi Coalfields Limited for the year ended 31st March, 1993.

Dated the 6th September, 1993
Calcutta.

(U. Bhattacharya)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board - II
Calcutta.

BALANCE SHEET AS AT 31ST MARCH, 1993

	Financial Code		As at 31st March '92 Rs.
I. SOURCES OF FUNDS			
1. Shareholder's Fund			
i) Share Capital	Sch-1	9,000.00	-
ii) Amount and or consideration received against equity pending allotment	610101	-	-
iii) Reserves & Surplus	Sch-2	46,81,40,350.97	46,81,49,350.97
2. Loan Funds :			
i) Secured	Sch-3(a)	5,10,12,080.24	-
ii) Unsecured	Sch-3(b)	774,62,88,565.00	779,73,00,645.24
3. Deferred Credits			
	810105	7,74,18,291.09	
Less : Interest on Deferred Payment	341000	58,19,185.43	7,15,99,105.66
4. Inter Area Current Account :			
i) With Sambalpur HQ	375000	-	-
ii) For Sales transactions	Sch-A	-	-
iii) For transactions other than sales	Sch-B	-	-
TOTAL		-	833,70,49,101.87
II. APPLICATION OF FUND			
1. Fixed Assets :			
Gross Block	Sch-4	688,24,99,050.24	-
Less : Depreciation		228,50,15,210.54	-
Net Block		459,74,83,839.70	
Add : Capital Work-in-Progress		107,34,67,747.69	567,09,51,587.39
2. Investments			
	Sch-5		6,800.00
3. Current Assets, Loans & Advances			
i) Inventories	Sch-6	146,95,95,292.98	
ii) Sundry Debtors	Sch-7	118,84,88,709.86	-
iii) Cash & Bank balances	Sch-8	8,52,62,723.28	
iv) Loans & Advances	Sch-9	124,12,78,398.55	-
SUB TOTAL		398,46,25,124.67	-
Less : Current liabilities & Provisions	Sch-10	135,77,81,760.12	
Net current assets		262,68,43,364.55	262,68,43,364.55
4.			
i) Misc. expenditure (to the extent not written off or adjusted)	Sch-11	3,92,47,349.93	
ii) Profit & Loss A/c			3,92,47,349.93
5. Inter Area Current Account :			
i) with Sambalpur HQ	375000	-	-
ii) for Sales Transactions	Sch-A	-	-
iii) for transactions other than sales	Sch-B	-	-
TOTAL		-	833,70,49,101.87
Notes on Accounts	Sch. 26 & 27		
Accounting Policies.	Sch. 28		

S.C. Behera
Asst. Company Secretary

P.P. Rao
General Manager (Finance)

P. K. Sen Gupta
Director (Finance)

Dr. A. S. Prasad
Chairman-cum-Managing Director

As per our report of even date annexed.
For S.K. Singhanla & Co.
Chartered Accountants
(P.K. Singhanla)
Partner
19, Chowringhee Road,
Calcutta-700 087, Dt. 18.8.93

**PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 3.4.92 TO
31ST MARCH, 1993**

	Financial Code	Period ending 31st March '93 Rs.
INCOME :		
Sale of Coal, Coke etc.	Sch-12	532,00,44,148.64
Coal issued for other purposes per contra	Sch-13	3,88,66,012.36
Contribution from coal price regulation A/c	000310	-
Other receipts	Sch-14	49,14,77,762.52
Accretion in stock	Sch-15	24,13,98,433.45
TOTAL		609,17,86,356.97
EXPENDITURE :		
Decretion in stock	Sch-15	-
Employees remuneration and benefits	Sch-16	100,63,30,443.59
Consumption of stores & spare parts	Sch-17	78,00,63,622.85
Power & Fuel	Sch-18	20,23,68,284.56
Repairs & Maintenance	Sch-19	15,89,25,018.43
Contractual expenses (Transportation & other work)	Sch-20	57,43,80,928.08
Social Overhead (including free issue of coal to employees Rs. 2,70,92,418.02 (Previous year Rs ... as per contra)	Sch-21	12,95,08,393.43
Internal consumption of coal per contra	001321	1,17,73,594.34
Depreciation	005101	14,38,32,053.98
	005103	29,08,50,377.73
Interest	Sch-22	46,68,18,773.41
Provisions	Sch-23(a)	10,86,94,089.24
Write offs	Sch-23(b)	10,60,06,205.85
Contribution to Coal Price Regulation Account	003801	152,24,08,862.54
Other expenditure	Sch-24	15,25,49,561.76
Net profit for the period carried down		43,72,76,147.18
TOTAL		609,17,86,356.97
Net profit for the period brought down Balance (Loss) transferred to Balance Sheet		43,72,76,147.18
TOTAL		43,72,76,147.18

**PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 3.4.92 TO
31ST MARCH, 1993 (Contd.)**

	<u>Financial Code</u>	<u>Period ending 31st March '93</u> Rs.
Profit/ Loss brought forward from preveious year	630000	-
Prior period adjustment (Net)	Sch-25	-
Provision for Income Tax (for HQ only)	004816	-
Transfer to Investment Allowance Reserve	-	-
Balance (profit) transferred to Reserves & Surplus (vide Sch No. 2)		<u>43,72,76,147.18</u>
TOTAL		<u>43,72,76,147.18</u>
Notes forming part of the Accounts	Sch. 26 & 27	
Accounting Policies	Sch. 28	

S.C. Behera
Asst., Company Secretary

P.P. Rao
General Manager (Finance)

P. K. Sen Gupta
Director (Finance)

Dr. A. S. Prasad
Chairman-cum-Managing Director

As per our report of even date annexed.
For S.K. Singhanía & Co.
Chartered Accountants
(P.K. Singhanía)
Partner
19, Chowringhee Road,
Calcutta-700 087, Dt. 18.8.93

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 1****Share Capital**

	<u>As at 31st March '93</u>
	Rs.
50,00,000 Equity shares of Rs 1,000 each	500,00,00,000.00
Issued, Subscribed & Paid up : 9 Equity shares of Rs. 1,000 each Fully Paid for consideration received in other than cash	9,000.00
TOTAL	<u>9,000.00</u>

Note : All the above shares are held by Coal India Ltd.,
the Holding Company and its nominees.

SCHEDULE - 2**Reserves & Surplus**

	<u>As at 31st March '93</u>
	Rs.
A. RESERVES	
i) Capital reserves :	
as per last accounts	-
Additions during the year	-
ii) Housing Subsidy :	
as per last accounts	-
iii) Investment Allowance utilised Reserve :	
as per last accounts	-
Transfer from investment Allowance Reserve A/c.	
iv) Investment Allowance Reserve Transfer from P/LA/C during the year	-
SUB TOTAL (I + II + III + IV)	-
Overburden Suspense (*) Accumulated reserve for future overburden removal	45,23,17,602.79
Less : Expenditure on advance stripping (Quarry)	42,14,53,399.00
SUB TOTAL (V)	3,08,64,203.79
TOTAL (A)	<u>3,08,64,203.79</u>
B. PROFIT & LOSS ACCOUNT	
Balance transferred from Profit & Loss A/c.	43,72,76,147.18
GRAND TOTAL (A+B)	<u>46,81,40,350.97</u>

(*) Note : If accumulated provision for future OBR (360002) is more than Expenditure on advance stripping (360001) the should be shown in this Schedule, otherwise the same should be shown under Sch-11).

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 3 (a)****Secured Loans**

	As at 31st March '93
	Rs.
From State Bank of India on cash credit/facilities (Against hypothecation of stock of coal, coke, stores & spare parts, book debts & other assets)	5,10,12,080.24
TOTAL	<u>5,10,12,080.24</u>

SCHEDULE - 3 (b)**Unsecured Loans**

	As at 31st March '93
	Rs.
Due to coal India Limited, Holding Co.	
On account of Purchase consideration	606,49,59,569.09
on account of funds provided	161,26,98,926.21
On account of interest accrued and due	-
Book Over draft	6,86,30,069.70
TOTAL	<u>774,62,88,565.00</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 4

Fixed Assets (Revenue & Development Mines)

Sl. No. Particulars	GROSS BLOCK				
	As on 3.4.92 Rs.	Adjustment during the period Rs.	Deduction during the period Rs.	Addition during the period Rs.	Total as on 31.3.93 Rs.
1. LAND					
i) Freehold	7,22,742.33	-	2,800.00	-	7,19,942.33
ii) Leasehold	27,95,26,050.83	-	-	2,63,90,234.50	30,59,16,285.33
2. BUILDINGS :					
i) Township	41,59,27,949.88	-	6,188.16	10,89,85,543.38	52,49,07,305.10
ii) Other than Township	11,53,85,429.71	-	958.77	3,62,49,632.04	15,16,34,102.98
iii) Roads & culverts (Mining Area)	8,62,19,792.76	-	-	2,41,75,799.27	11,03,95,592.03
3. PLANT & MACHINERY	407,18,74,772.52	-	1,46,836.50	64,61,57,918.86	471,78,85,854.88
4. FURNITURE & FITTINGS & OFFICE EQUIPMENTS	5,51,35,251.98	-	56,352.04	1,34,67,856.73	6,85,46,756.67
5. RAILWAY SIDING	5,49,56,945.18	-	-	9,17,24,098.08	14,66,81,043.26
6. VEHICLE	5,81,56,933.18	-	1,53,231.67	1,25,24,515.99	7,05,28,217.50
7. PROSPECTING & BORING	34,15,67,820.29	-	1,14,15,109.45	5,91,02,201.07	38,92,54,911.91
8. DEVELOPMENT EXPENDITURE	24,56,96,082.51	(1,60,49,225.80)	7,26,092.00	16,71,08,273.54	39,60,29,038.25
SUB TOTAL (A)	572,51,69,771.17	(1,60,49,225.80)	1,25,07,568.59	118,58,86,073.46	688,24,99,050.24

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 4 (contd.)****Fixed Assets (Revenue & Development Mines)**

Sl. No. Particulars	GROSS BLOCK				
	As on 3.4.92 Rs.	Adjustment during the period Rs.	Deduction during the period Rs.	Addition during the period Rs.	Total as on 31.3.93 Rs.
9. CAPITAL WORK- IN-PROGRESS :					
i) Building under construction					
a) Township	19,93,88,675.65	-	5,36,84,899.55	14,65,12,305.26	29,22,16,081.36
b) Other than Township	6,11,78,578.47	-	1,81,19,213.90	7,28,05,034.21	11,58,64,398.78
c) Roads & Culverts (Mining Area)	1,19,02,641.37	-	-	1,05,33,850.02	2,24,36,491.39
ii) Plant & Machinery :					
a) Under erection/ installation	31,62,03,908.34	-	7,96,65,261.36	16,72,68,273.78	40,38,06,920.76
b) in stores	4,75,50,156.27	-	28,11,82,618.80	31,59,06,096.41	8,22,73,633.88
c) in transit & awaiting inspection	10,30,887.22	-	13,06,864.08	2,75,976.86	-
iii) Railway Siding under construction	11,80,85,759.17	-	806,41,877.92	5,30,10,222.94	9,04,54,104.19
iv) Construction material in stores	-	-	-	6,64,16,117.33	6,64,16,117.33
SUB TOTAL (B)	75,53,40,606.49	-	51,46,00,735.61	83,27,27,876.81	107,34,67,747.63
TOTAL (A + B)	648,05,10,377.66	(1,60,49,225.80)	52,71,08,304.20	201,86,13,950.27	795,59,66,797.83

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 4 (contd.)****Fixed Assets (Revenue & Development Mines)**

Sl. No. Particulars	DEPRECIATION					NET BLOCK	
	As on 3.4.92 Rs.	Adjustment during the period Rs.	Deduction during the period Rs.	Addition during the period Rs.	Total as on 31.3.93 Rs.	As on 31.3.93 Rs.	
1. LAND :							
i) Freehold	-	-	-	-	-	719942.33	
ii) Leasehold	33559225.55	-	-	11029562.80	44588788.35	261327496.98	
2. BUILDINGS :							
i) Township	48892980.65	-	2270.27	9394113.14	58284823.52	466622481.58	
ii) Other than Township	16557305.87	-	-	5702423.96	22259729.83	129374373.15	
iv) Roads & Culverts (Mining Area)	13565593.06	-	-	3072935.89	16638528.95	93757063.08	
3. PLANT & MACHINERY :	1543314280.49	-	46762.50	385725958.13	1928993476.12	2788892378.76	
4. FURNITURE & FITTINGS & OFFICE EQUIPMENTS	12396318.54	-	3806.80	3177344.63	15569856.37	52976900.30	
5. RAILWAY SIDING	7262617.98	-	-	25620510.37	32883128.35	113797914.91	
6. VEHICLE	28649952.64	-	19955.63	5343652.61	33973649.62	36554567.88	
7. PROSPECTING & BORING	40469772.24	-	1654979.30	5768628.86	44583421.80	344671490.11	
8. DEVELOPMENT EXPENDITURE	70647025.57	(750000.00)	119102.80	17461884.86	87239807.63	30,87,89,230.62	
SUB TOTAL	1815315072.59	(750000.00)	1846877.30	472297015.25	2285015210.54	4597483839.70	
Capital Work-in-Progress (Sub total (B) of Previous year)	-	-	-	-	-	1073467747.69	
GRAND TOTAL	1815315072.59	(750000.00)	1846877.30	472297015.25	2285015210.54	5670951587.39	

NOTES :

1. In the column Adjustments during the year only the following should be shown :
 - a) i) Entries passed at HQ on behalf of Areas subsequently incorporated in the Area books.
 - ii) Adjustments due to incorrect booking under the various fixed assets heads :
 - iii) Inter Area transfer of fixed assets :
 - iv) If Adjustments' column is used for the purpose mentioned in items (a) (i) to (ii) above, for the company as a whole there will not be any balance and increase or decrease in the total value of the assets.

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 4 (Contd.)

Notes (Contd.)

- b) Details of all adjustments shown under the column Adjustments during the year must be furnished alongwith the Balance Sheet.
- 2 In the column 'Deductions during the year' only the following should be shown :
- i) Assets sold, scrapped, discarded, Surveyed off, etc :
- ii) Assets transferred to CIL or other sister subsidiaries, e.g. ECL, CCL, BCCL, CMPDIL etc.
- iii) Capital work-in-progress, i.e. Building under construction, Plant under erection etc. completed during the year should be shown under Deduction during the year column under capital work-in-progress and shown under the column Additions during the year under completed head of assets i.e. Buildings, Railway Sidings, Plant and Machinery.
3. In the balance under the head Development Expenditure shown at schedule 'C' is negative same should be shown a negative balance under the head Development expenditure in the Fixed Assets Schedule (Schedule-4) and shown as Capital Reserve.
- 4 (a) Details of adjustments to "Gross Block" shown under the column Adjustments during the year.

Sl. No.	Nature Assets Devp. Expenditure :	Amount (Rs.)	Details of adjustments
	HQ. Entry (1991-92)	1,50,00,000.00	DM No. Dy. CFM : IBV : CA : 92-93 : DM : 63 dated 31.3.1993
	HQ. Entry (1991-92)	10,49,225.80	DM No. Dy : CFM : IBV : CA : 92-93 : DM : 63 dated 31.3.1993
		1,60,49,225.80	

4. (b) Details of deduction to "Gross Block" shown under the column Reduction during the year.

Sl. No.	Nature of Assets	Amount (Rs.)	Details of deductions
1.	Free hold land	2,8000.00	DM No. Dy., CFM : IBV : CA : 92-93 : DM : 02 dated 30.9.1992. LM No. Dy. CFM : IBV : CA : 92-93 : DM : 01 dated 30.9.1992 for transfer of Domnara & Baroud.
2.	Residential Bldg. Residential (2nd class)	958.77 6,188.16	- do -
		7,146.93	
3.	O.H. Transmission Line Main Pump Face Pump	68,321.50 10,360.00 68,155.00	- do -
		1,46,836.50	
4.	F&F in Admn. Office F&F in Schools F&F In Factory and Mines	43,655.00 6,197.04 6,500.00	- do -
		56,352.04	
5.	Cycle Jeep	700.00 1,52,531.67	- do -
		1,53,231.67	

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 4 (Contd.)

Notes (Contd.)

Sl. No.	Nature of Assets	Amount (Rs.)	Details of deductions
6.	Prospecting & Boring	<u>1,14,15,109.45</u>	DM No. Dy., CFM : IBV : CA : 92-93 : DM : 02 dated 30.9.1992. LM No. Dy. CFM : IBV : CA : 92-93 : DM : 01 dated 30.9.1992 for transfer of Domnara & Baroud.
7.	CMPDIL Expn.	42,536.00	
	Dev. - Others	6,17,556.00	- do -
	Tech. Collaboration	<u>66,000.00</u>	
		<u>7,26,092.00</u>	
8.	Grand Total	<u>1,25,07,568.59</u>	- do -
9.	i) Building U/C.		
	a) Township	43,419.68	- do -
	b) Other than Township	17,181.86	- do -
10.	Railway siding I/C.	4,47,805.00	Abandoned siding : Hence transferred to Discarded Surveyed off assets in Store A/C.
4.	(C) Details of adjustments to "Depreciation" shown under the column Adjustments during the year.		
1.	Development Expenditure	7,50,000.00	HQ entry for 1991-92 LM No. Dy. CFM L IBV : CA : 92-93 : DM : 63 dated 31.3.93
		<u>7,50,000.00</u>	
(d)	Details of deduction to "Depreciation" shown under the column deduction during the year.		
1.	Buildings - Township	2,270.27	DM No. Dy. CFM : IBV : CA : 92-93 : DM : 02 dated 30.9.92
2.	Plant & Machinery	46,762.50	DM No. Dy. CFM : IBV : CA : 92-93 : DM : 01 Dated 30.9.92 or transfer of Domnara & Baroud.
3.	Furniture & Fittings	3,806.80	- do -
4.	Vehicle	19,955.03	- do -
5.	Prospecting & Boring	16,54,979.30	
6.	Development Expenditure	<u>1,19,102.80</u>	
		<u>18,46,877.30</u>	

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 4 (contd.)****NOTES (contd.)**

As at
31st March '93

(Rs)

5. ALLOCATION OF DEPRECIATION :		
a) Profit & Loss A/c. for Revenue projects	14,28,48,785.32	-
b) Depreciation on Workshop Equipment (Revenue)	9,83,268.66	-
c) Profit & Loss A/c. for HEMM	<u>29,08,50,377.73</u>	43,46,82,431.71
d) Profit & Loss A/c. for Social Overhead (Sch.-21)		
i) Township	1,01,89,082.36	-
ii) Other Social Overhead Assets	<u>20,54,703.27</u>	1,22,43,785.63
e) Chargeable to Development Account (Sch.-G)	2,30,94,553.06	2,30,94,553.06
f) Prior Period Adjustment For 2 dys (Sch-25) SECL	22,76,244.85	<u>22,76,244.85</u>
TOTAL	-	<u>47,22,97,015.25</u>
6. i) Discard/Survey off of Assets during the year :		
a) Gross value		
b) Less Depreciation Provision		
SUB TOTAL :		
c) Less 5% Residual value kept in discarded/surveyed off Assets in store Account (code 310107)		
d) Loss in Discard/survey off Assets (code 004891)		
ii) Sale of discard/surveyed off assets in stores :		
a) Surveyed off value of the assets sold (310107)		
b) Less : Amount realised on sale		
c) Gain/Loss on sale of assets (000600/004891) (Sch-14/Sch-24)		

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 4 (Cond.)

Details of fixed Assets deployed in development mines as on 31.3.93

Sl. Particulars No.	GROSS VALUE OF ASSETS					DEPRECIATION					NET VALUE OF ASSETS	
	Cost as on 31.3.92 Rs.	Adj. during the period Rs.	Deduc- tions during the period Rs.	Additions during the period Rs.	Cost as on 31.3.93 Rs.	As on 31.3.92 Rs.	Adjustment during the period	Deduction during the year	Additions during the year	Total as on 31.3.93 Rs.	As on 31.3.93 Rs.	
1. LAND :												
i) Freehold	-	-	-	-	-	-	-	-	-	-	-	-
ii) - Lease hold	62086225.56	-	-	4294374.49	66380600.05	130583.28	(130583.28)	-	278384.17	278384.17	66102215.88	
2. BUILDINGS :	5156114.66	-	-	12796774.45	17952889.11	222089.73	(8117.40)	-	3722907.00	3936879.33	14016009.78	
3. PLANT & MACHINERY :	86781861.92	-	-	145320690.01	232102551.93	5826335.04	(766821.37)	-	16842903.53	21902417.20	210200134.73	
4. FURNITURE & FITTINGS & OFFICE EQUIPMENTS	520337.04	-	-	319055.12	839392.16	15542.52	(2242.20)	-	28242.64	41542.96	797849.20	
5. RAILWAY SIDING	-	-	-	-	-	-	-	-	-	-	-	
6. VEHICLE :	1475701.38	-	-	1017088.80	2492790.18	158356.93	(29625.36)	-	279082.36	407813.93	2084976.25	
7. PROSPECTING & BORING :	53256242.06	-	-	22244794.40	75501036.46	-	-	-	986714.38	986714.38	74514322.08	
8. DEVELOPMENT EXPENDITURE	68142319.53	-	-	70676428.61	138818748.14	-	-	-	956318.98	956318.98	137862429.16	
9. CAPITAL WORK-IN-PROGRESS												
i) Building under construction	9677089.79	-	-	50815494.52	60492584.31	-	-	-	-	-	60492584.31	
ii) Plant & Machinery :												
a) under erection	-	-	-	38951981.56	38951981.56	-	-	-	-	-	38951981.56	
b) in stores	-	-	-	119400.00	119400.00	-	-	-	-	-	119400.00	
c) in transit	-	-	-	-	-	-	-	-	-	-	-	
iii) Railway siding under construction	5600000.00	-	-	100000.00	5700000.00	-	-	-	-	-	5700000.00	
TOTAL	292695891.94	-	-	346656081.98	639351973.90	6352907.50	(937389.61)	-	23094553.08	28510070.95	610841902.95	

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 4 (Contd.)****Gross value of Fixed Assets on account of Social overhead/amenities**

		As at 31st March '93
		<u>Rs.</u>
A.	BUILDINGS :	
i)	Township buildings	38,77,69,138.33
ii)	Hospital buildings	66,16,993.11
iii)	Educational buildings	1,69,88,621.46
iv)	Other Welfare buildings	4,28,08,224.97
v)	Roads & Culverts	6,47,03,281.87
vi)	Township buildings under construction	13,71,90,973.97
vii)	Hospital buildings U/c	8,03,60,235.81
viii)	Educational buildings U/c	2,25,63,772.01
ix)	Other Welfare buildings U/c	3,51,98,656.37
x)	Roads & Culverts under construction	2,31,00,573.02
	TOTAL (A)	<u>81,73,00,470.92</u>
B.	PLANT & MACHINERY :	
i)	Transformer & Switch gears (Township)	10,96,396.94
ii)	Overhead Transmission line (Township)	99,30,373.84
iii)	Other installation street lights (Township)	23,95,816.78
iv)	Sewerage plant	-
v)	Overhead tank	28,27,894.82
vi)	Water Treatment plant	5,50,24,753.62
vii)	CMWO Water supply arrangement including Pumps & Pump House	1,86,31,084.01
viii)	CMWO Water supply scheme under construction	3,16,45,661.98
ix)	X-Ray equipments	4,21,115.96
x)	Surgical equipments	7,52,886.19
xi)	Other Hospital equipments	51,70,300.00
	TOTAL (B)	<u>12,78,96,284.23</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 4 (Contd.)**

	<u>As at 31st March '93</u>
	Rs.
C. FURNITURE, FITTINGS & OFFICE EQUIPMENTS :	
i) Furniture & Fittings in hospital	7,82,505.05
ii) Furniture & Fittings in School/other educational Institutions	43,23,682.16
iii) Furniture & Fittings other Welfare Centres	19,65,171.84
TOTAL (C)	<u>70,71,359.05</u>
D. VEHICLES :	
i) Ambulance	32,21,575.72
ii) School Bus	44,20,877.56
iii) Others	13,60,734.81
TOTAL (D)	<u>90,03,188.09</u>
E. DEVELOPMENT :	
i) Sinking of Wells	41,75,844.99
ii) Water supply others	1,67,67,494.23
TOTAL (E)	<u>2,09,43,339.22</u>
TOTAL (A+B+C+D+E)	<u>98,22,14,641.51</u>

SCHEDULE - 5

	<u>As at 31st March '93</u>
	Rs.
INVESTMENTS :	
Quoted :	-
Unquoted :	
i) 680 shares of Rs. 10/- each fully paid (of Employees Co-operative. Society Ltd.)	6,800.00
TOTAL	<u>6,800.00</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 6**

		As at 31st March '93
		Rs.
INVENTORIES :		
A	i) Stock of stores & spare parts	32,25,45,116.04
	ii) Stores & Spare part in transit	19,87,323.94
	iii) Discarded/Surveyed off assets in stores	7,45,842.00
	iv) Stock Adjustments	-
	SUB-TOTAL	32,52,78,281.98
Less :		
	i) Provision for obsolescence	18,22,339.69
	ii) Provision for difference / shortage	18,28,929.47
	SUB-TOTAL	32,16,27,012.82
B.	Stock of Coal Schedule-D(")	
	i) In revenue mines	120,82,86,308.18
	ii) In Capital projects	3,70,23,299.69
	SUB-TOTAL	124,53,09,607.87
SS :	i) Provision for rehandling changes	1,35,12,832.65
	ii) Provision for shortage of coal	-
	iii) Provision for deterioration of coal due to fire or longer storage	8,38,28,495.06
	TOTAL (B)	114,79,68,280.16
C.	Workshop manufactured :	
	i) Manufactured items	-
	ii) Work-in-Progress	-
	TOTAL	-
D.	Loss of assets	20,93,877.77
	Less : Provision	20,93,877.77
	TOTAL (D)	-
GRAND TOTAL (A+B+C+D)		146,95,95,292.98

Note : Stock of coal coke etc. should include Coal, Coke, etc. in Wagons (loaded within 31st March, 1993 for which the despatch documents are dated after 31st March, '93)

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 7**

		As at 31st March '93
		<u>Rs.</u>
A.	SUNDRY DEBTORS :	
i)	Outstanding for more than six months	121,81,24,059.86
ii)	Other Debts	48,01,64,650
	SUB-TOTAL	<u>169,82,88,709.86</u>
	Less :	
	Provision for doubtful debts	50,98,00,000.00
	TOTAL	<u>118,84,88,709.86</u>
B.	Classification	
i)	Considered good and in respect of which the company is fully secured	22,09,13,000.00
ii)	Considered good for which the company holds no security other than the debtors personal security(*)	96,75,75,709.86
iii)	Considered doubtful	50,98,00,000.00
	TOTAL	<u>169,82,88,709.86</u>
C.	i) Due by directors or other officers of the company or any of them either severally or jointly with any other person or due by firms or private companies respectively in which any director is a partner or a member	Nil
	ii) Due from other Companies under the same management within the meaning of Sec. 370(1B)	54,59,000.00
	iii) The maximum amt. due at any time during the year.	Nil
(*)	Unsecured amount includes Rs. (Previous year Secured by Bank Guarantee	

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 8**

		<u>As at 31st March '93</u>
		Rs.
CASH BANK BALANCES		
i.	a) Cash/Stamp in hand	4,48,634.29
	b) Cheques/demand drafts in hand	42,434.54
	c) Cash balance with colliery manager/imprest holder	12,980.85
ii.	Remittance-in-transit	37,56,731.19
iii.	Cash at bank in respect of Staff Security Deposit	-
iv.	Cash at Postal Savings Bank in respect of GPF	-
v.	Banance with Scheduled Banks :	
	a) in current account (bank balance includes Rs. 168886,51 maintained under the name of south Eastern Coalfields Ltd.)	8,09,65,942.41
	b) in Cash Credit Account	-
vi.	Soiled/Mutilated notes	-
	TOTAL	<u>8,52,62,723.28</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 9**

	As at 31st March '93
	Rs.
LOANS & ADVANCES :	
(Advances recoverable in cash or in hand or for value to be received)	
A. Advances to Suppliers :	
i) For Capital Goods :	
1. P & M Advances (in country)	11,62,56,681.88
2. P & M Advance (foreign country)	-
ii) For Stores & Others :	
1. Stores Advance (in country)	10,48,84,542.42
2. Stores Advances (foreign country)	1,42,153.16
3. Other works in country	1,70,43,525.74
4. Other work (foreign)	-
TOTAL (A)	23,83,26,903.20
B. Advance to contractors :	
1 Stores to contractors on Loan	2,96,24,288.02
TOTAL (B)	2,96,24,288.02
C. Advance to Employees :	
1. House Building advance	1,14,62,151.44
2. Motor Car Advance	25,73,401.93
3. Motor Cycle/Scooter	2,55,534.60
4. Other Conveyance advance	3,078.00
5. Festival Advance	9,284.11
6. Pay Advance	8,63,520.61
7. Medical Advance	11,28,616.30
8. Flood/Drought Relief adv.	1,099.00
9. Leave Salary Advance	5,76,180.00
10. Local Purchase Advance	18,59,909.46
11. Misc. Advance	54,23,166.48
12. Travelling Advance	29,84,811.25
13. L.T.C. Advance	6,71,791.38
14. Advance (Others)	7,64,433.63
15. Frieght Advance/Self	5281.00
16. Study Advance/Self Development Loan	5,500.00
17. Other Receivbles	34,927.80
TOTAL (C)	2,86,22,686.99

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 9 (Contd.)**

		As at 31st March '93
		Rs.
D.	Advances to Others :	
1.	Railway Siding Advance	1,41,89,740.00
2.	Advances to Co-operative Societies	45,910.18
3.	Port Trust Advance	-
4.	Customs Duty	-
5.	Tax deducted at source	-
6.	Advance Income Tax (Company)	-
7.	Income Tax (Co) Deposit under protest	-
8.	Advance Sales Tax	39,37,456.42
9.	ST deposit under protest	2,12,42,250.73
10.	Advance to Subsidiary Company	17,12,150.21
11.	Advance to Holding Co.	-
12.	Advance Recoverable from Government	3,91,48,752.97
13.	Stevedening charges receivable	-
14.	Survey Charges Receivable	-
15.	Other Receivables	9,80,20,000.75
	TOTAL (D)	17,82,96,261.26
E.	Deposits :	
1.	Soiled notes sent to Reserve Bank of India	3,130.39
2.	Other deposits :	
	i) with P & T Deptt.	1,64,615.50
	ii) with Electricity	73,06,738.88
	iii) with others	3,86,01,210.81
	TOTAL (E)	4,60,75,695.58
F.	Prepaid Expenses	15,32,663.20
	TOTAL (F)	15,32,663.20

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 9 (Contd.)**

		As at 31st March '93
		<u>Rs.</u>
G.	Claim Receivables	
1.	Subsedy	63,73,387.00
2.	Railways	1,66,817.33
3.	Insurance	21,066.90
4.	Freight & Consignment	14,349.24
5.	Stores	-
6.	Fidelity	64,737.00
7.	Sales Tax	-
8.	Cess	3,40,944.45
9.	Others	1,76,85,291.62
	TOTAL (G)	<u>2,46,66,593.54</u>
H.	In Current Account with subsidiaries of Holding Co.	
1.	Eastern Coalfields Limited	-
2.	Bharat Cooking Coal Limited	-
3.	Central Coalfields Limited	-
4.	Western Coalfields Limited	1,579.70
5.	CMPDIL	34,26,930.45
6.	Northern Coalfields Limited	2,000.00
7.	SECL	69,13,81,346.16
	TOTAL (H)	<u>69,48,11,856.31</u>
I.	Contribution Receivable on account of Coal Price Regulation Account	-
	TOTAL (I)	-
	GRANND TOTAL (A+B+C+D+E+F+G+H+I)	<u>124,19,56,948.10</u>
	Less : Provision for doubtful advances	6,78,549.55
	NET TOTAL	<u>124,12,78,398.55</u>
II.	CLASSIFICATION	
a)	Considered good in respect of which the company is fully secured	1,42,91,088.00
b)	Consider good for which the company holds no security other than Party's personnel security	122,69,87,310.55
c)	Considered doubtful	6,78,549.55
	TOTAL	<u>124,19,56,948.10</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 9 (Contd.)**

		As at 31st March '93
		<u>Rs.</u>
III	a) Due by directors or other officers of the Company or any of them either severally or jointly with any other Person or due by firms or Private Companies respectively in which any director is partner or member	
	B) Due from other Companies under the same management within meaning of Sec. 370(1B)	69,48,11,856.31
	c) The maximum amount due at any time during the year	
	TOTAL	<u>69,48,11,856.31</u>

Note : House building, Car & Motor Cycle/Scooter advance for Rs. 1,42,91,088.00 included under Loans & Advances (unsecured) considered good are secured by Equitable Mortgage on the assets concerned.

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 10

	As at 31st March '93
	Rs.
CURRENT LIABILITIES & PROVISIONS :	
I. Current Liabilities :	
A. Sundry Creditors :	
i) For Capital Goods	6,48,09,342.06
ii) For Stores & Others	
	17,30,31,642.66
TOTAL (A)	23,78,40,984.72
B. Advances & Deposits from customers	7,72,28,404.99
C. Deposit from 810202-03 customers & others	10,25,97,462.40
D. Employees Remuneration and Benefits	
i) Salaries Wages & Allowances	14,68,25,150.32
ii) Attendance Bonus	76,72,293.31
iii) Ex-gratia/Annual Bonus	4,53,64,729.29
iv) Unpaid Salaries, Wages, etc.	32,02,861.47
TOTAL (D)	20,30,65,034.39
E. Other Expenses :	
i) Power & Fuel	2,27,08,683.45
ii) Contractual Expenses (Transportation & other works)	8,44,62,260.23
iii) Others	
a) Acceptances	5,13,062.09
b) Gratuity	40,51,128.29
c) Workmen Compensation	43,113.00
d) Outstanding Expenses Capital	10,47,45,714.43
e) Outstanding Expenses Revenue	4,41,24,458.87
f) Demurrage	1,50,000.00
g) Audit Fees & expenses	1,46,128.00
h) Repairs & Maintenance	56,86,053.65
i) Others	12,74,141.02
TOTAL (E)	26,79,04,743.03

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - 10 (Contd.)**

		As at 31st March '93
		Rs.
F.	Current Account Balance with other subsidiaries of Coal India Ltd.	
i)	Eastern Coalfields Ltd.	1,182.00
ii)	Bharat Coking Coal Ltd.	20,500.00
iii)	Central Coalfields Ltd.	1,08,679.00
iv)	Western Coalfields Ltd.	-
v)	CMPDIL	-
vi)	Nothern Coalfields Ltd.	-
vii)	South Eastern Coalfields Ltd.	-
	TOTAL (F)	1,30,361.00
G.	Statutory Dues	
i)	Provident Fund	1,01,67,969.98
ii)	Pension Fund	3,23,83,548.07
iii)	Sales Tax	3,08,29,901.02
iv)	Royalty on coal & Others	6,25,08,944.23
v)	Cess on Coal	9,26,03,030.64
vi)	Contra Excise Duty	2,15,832.25
vii)	Stowing Excise Duty	6,54,93,201.57
viii)	Other Cess :	
	a) Rescue Cess	33,751.48
	b) CMLW Cess	3,80,507.25
	c) Cess on Royalty on Coal	16,96,07,833.85
	d) Cess on storage of Coal	-
	e) Others	11,826.16
ix)	Income Tax (TDS)	15,28,170.30
x)	a) Surface Rent & Dead Rent	53,758.00
	b) Land Revenue	47.00
xi)	Others Statutory Dues	17,17,561.41
xii)	Professional Tax	820.00
	TOTAL (G)	46,75,36,703.21

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 10 (Contd.)

	As at 31st March '93
	Rs.
H. Other Liabilities :	
i) LIC Premium (SSS)	4,57,225.92
ii) CTD Post Office	1,65,651.78
iii) AE CD (Wages)	81,375.67
iv) A.E.C.D. (DA)	32,320.34
v) Dues to canteen	(40,353.75)
vi) Dues to Co-operative societies	2,11,122.09
vii) Prime Minister's Relief Fund	1,58,410.73
viii) Benevolent Fund	1,97,510.57
ix) Welfare Fund	-
x) S.T, Set off Claim	-
xi) Others	2,14,803.03
TOTAL (H)	14,78,066.38
I. Contribution Payable on account of CPRA	-
TOTAL (I)	-
TOTAL OF CURRENT LIABILITIES (A+B+C+D+E+F+G+H+I)	135,77,81,760.12
II. Provisions :	
a) for reclamation of land	-
b) for Taxation (for HQ use only)	-
GRAND TOTAL (II + I)	-

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 11

		As at 31st March '93
		<u>Rs.</u>
MISCELLANEOUS EXPENDITURE		
(To the extent not written off of adjusted)		
A.	i) Preliminary expenses	72,18,000.00
	ii) Share issue expenses	-
	iii) Pre-incorporation loss	-
	iv) HEMM Rehabilitation Exp.	3,20,29,349.93
	v) Freight handling charges suspense	-
	vi) Others	-
	SUB TOTAL (A)	<u>3,92,47,349.93</u>
B.	Overburden suspense Expenditure advance stripping (Quarry)	-
	Less : Accumulated provision for overburden removal	-
	SUB TOTAL (B)	<u>-</u>
	GRAND TOTAL (A+B)	<u>3,92,47,349.93</u>

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 12

		Period ending 31st March '93
		Rs.
SALES		
1.	Coal Value	
	i) Raw coal	532,47,19,440.02
	ii) Washed Coal	-
	iii) Middlings	-
	iv) Soft Coke	-
	v) Hard Coke	-
	vi) Brickets	-
	vii) Byc-Products	-
	viii) Raw Coal Sale of Development Mines	1,76,59,574.77
	SUB TOTAL (1)	534,23,79,014.79
2.	Statutory Levies :	
	i) Royalty on Coal	67,77,90,972.21
	ii) Cess on Coal	-
	iii) Stowing Excise Duty	7,88,58,415.50
	iv) Sales Tax-Central	14,98,78,606.86
	v) Sales Tax-State	10,99,21,009.33
	vi) Cess on Royalty of Coal	-
	vii) Cess on storage of Coal	-
	viii) Other Cess	-
	ix) Other rates & taxes (Octroi)	9,58,405.80
	SUB TOTAL (2)	101,74,07,409.70
	TOTAL (1+2)	635,97,86,424.49
3.	Credit Notes (for current year sales only) Coal value	46,75,291.38
4.	Statutory levies (in respect of credit Notes as mentioned in 3 above) :	
	i) Royalty on Coal	16,070.25
	ii) Cess on coal	-
	iii) Stowing Excise Duty	4,756.50
	iv) Sales Tax-Central	-
	v) Sales Tax-State	1,97,425.96
	vi) Cess on Royalty of Coal	-
	vii) Cess on Storage of Coal	-
	viii) Other Cess	-
	ix) Other rates & taxes (Octroi)	-
	SUB TOTAL (4)	2,18,252.71
	TOTAL (3+4)	48,93,544.09
	TOTAL (1+2) - (3+4)	635,48,92,880.40
	Less : Statutory Levies (2-4 above)	101,71,89,156.99
	Less : Transferred to development as per contract with schedule C (Coal value only)	1,76,59,574.77
	NET SALES :	532,00,44,148.64

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 13

	<u>Period ending 31st March '93</u>
	Rs.
Coal issued for other purposes per contra :	
1. Internal consumption of coal	
i) For workshop boiler etc.	1,17,73,594.34
ii) For power generation etc.	-
2. Free issue of coal to employees	2,70,92,418.02
TOTAL	<u><u>3,88,66,-12.36</u></u>

SCHEDULE - 14

	<u>Period ending 31st March '93</u>
	Rs.
Other receipts	
1. Subsidy	94,68,000.00
2. Revenue from workshop	10,15,89,632.02
3. Transportation charges on despatches	31,66,75,704.48
4. Interest Received	
i) from investments	-
ii) from Loans to employees	1,97,755.70
iii) Others	16,37,108.00
5. Profit on sale of Assets	-
6. Rent from outsiders	11,27,948.18
7. Penalty/Liquidated damages recovered	1,22,70,539.83
8. Tender fees	10,40,023.68
9. Service charges from customers for joint sampling	38,37,818.63
10. Rebates, discount & allowances	3,30,542.03
11. Others	
i) Claims from Railways	-
ii) Claims from others	1,577.91
iii) Sale of scrap	7,45,971.17
iv) Sale of rejects	-
v) Guest house recoveries	14,537.76
vi) Sales Tax Set off Claims	-
vii) Other Misc. receipts	4,25,40,603.13
TOTAL	<u><u>49,14,77,762.52</u></u>

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3.4.92 TO 31ST MARCH, 1993**

SCHEDULE - 15

	<u>Period ending 31st March '93</u>
	Rs.
ACCRETION/DECRETION OF STOCK	
I. Stock of coal :	
A. Closing Stock (revenue mines only) as on 31.3.93	120,82,86,308.18
Less :	
i) Provision for rehandling charges	1,35,12,832.65
ii) Provision for deterioration of coal due to fire or longer storage (Should agree with Schedule-b)	8,38,28,495.06
iii) Provision for shortage of coal 005433	-
TOTAL (A)	<u>111,09,44,980.47</u>
B. Opening stock (revenue mines only) as on 3.4.92	94,17,98,523.24
Less :	
i) Provision for rehandling charges (opening)	1,01,23,064.97
ii) Provision for deterioration of coal due to fire or longer storage (total prov. of last year should be shown here)	6,67,10,750.64
iii) Prov. for shortage of Coal (opening)	-
SUB TOTAL	<u>86,49,64,707.63</u>
Add :	
i) Adjustment of opening stock (details to be given as a foot note)	13,60,795.57
ii) Development stock brought to revenue	-
Less :	
a) Provision for deterioration	1,26,741.34
b) Provision for rehandling	4,17,740.43
TOTAL (B)	<u>86,57,81,021.43</u>
NET TOTAL (A + B)	<u>24,51,63,959.04</u>
II. Workshop Work-in-Progress Closing Stock	-
Less : Opening Stock	37,65,525.59
NET TOTAL of II	<u>(37,65,525.59)</u>
III. Finished Goods in Workshop Closing Stock	-
Less : Opening Stock	-
NET TOTAL of III	-
GRAND TOTAL (I+II+III)	<u>24,13,98,433.45</u>

Note 1. Stock of coal, coke etc. should include Coal, Coke, etc. in wagons (loaded within 31st March, 1993) for which the despatch documents are dated after 31st March, 1993).

2. Provision for deterioration of coal due to fire or longer stocking should be shown the total provision on 31.3.93 (under F.C. 820134) and the same should agree with the figure shown in sch-6. i.e. the amount shown against Sl. No. IA (ii) above should agree with Sl.N. B (iii) of schedule 6, similarly, against Sl.No. B(ii) above, the total provision should be shown, i.e. opening balance against F.C, 820134 should be shown.

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 16

		<u>Period ending 31st March '93</u>
		Rs.
EMPLOYEES REMUNERATION AND BENEFITS		
A.	Salaries Wages, Bonus & Allowances	
1.	Wages & Allowances Piece-rated employees	7,64,19,288.85
2.	Wages & Allowances Quarry	1,07,06,781.33
3.	Salaries, Wages & Allowances Time-rated employees	47,01,47,860.49
4.	Overtime	9,79,12,736.98
5.	Leave Wages	4,73,33,888.78
6.	Paid holiday wages	74,28,369.59
7.	Salaries & Allowances Executives	5,54,70,095.60
8.	Leave Encashment	7,26,654.52
9.	i) Director's salary	1,20,572.19
	ii) Adhoc relief	-
10.	Other Allowances & Benefits	
i)	Night Shift allowances	26,17,917.84
ii)	Special incentive	16,99,291.42
iii)	City compensatory allowances	-
iv)	Foreign Service contribution	-
v)	House Rent Allowance	59,48,275.82
vi)	Transport Subsidy	1,02,28,076.29
vii)	Rescue Allowance	61,272.38
viii)	Parade allowance	86,353.88
ix)	Washing Allowance	3,14,524.73
x)	Educational assistance	-
xi)	Ad-hoc relief (officers)	13,315.74
	TOTAL (A)	<u>78,72,35,276.43</u>
B.	1. Contribution to Provident Fund & other Funds (including administrative charges)	7,19,77,052.43
	2. Directors P.F.	11,214.00
	3. Contribution to Pension Fund	-
	TOTAL (B)	<u>7,19,88,266.43</u>

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 16 (Contd.)

	Period ending 31st March '93
	Rs.
C. Attendance Bonus	2,94,36,171.97
D. Ex-Gratia/Annual bonus	4,10,62,828.06
E. LTC/LLTC/RRF	4,88,86,547.81
F. Pension	2,25,88,257.41
G. Gratuity	1,31,67,808.00
H. Workman compensation	8,89,855.13
I. Rewards/Incentive Bonus	90,71,977.16
J. DLI	1,85,126.34
K. Life cover Scheme	7,65,067.50
TOTAL (A to K)	<u>102,52,77,182.24</u>
Less : Transferred per contra to social overhead (Sch-21)	-
1. Maintenance services (Township & Water supply)	33,21,592.05
2. Medical & Health Services	1,50,92,307.39
3. School & Educational services	-
4. Educational Assistance	-
5. Over time	-
6. Provident Fund	-
7. Other Fringe benefits	5,32,839.21
SUB TOTAL	<u>1,89,46,738.65</u>
NET TOTAL	<u>100,63,30,443.59</u>

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 17

		<u>Period ending 31st March '93</u>
		Rs.
CONSUMPTION OF STORES & SPARES PARTS		
1.	Explosives & Detonators	18,20,68,345.70
2.	Timber	1,03,76,450.15
3.	Petrol, Oil, Diesel & Lubricant	15,37,99,777.43
4	i) Consumable stores (indigenous)	18,88,45,351.33
	ii) Consumable Stores (Imported)	-
5.	Upkeep & Maintenance of	
A.	Vehicles :	
	POL and stores	
	Spare Parts	73,72,647.56
B.	Plant & Machinery	
	i) Spares for mining & other Plant & Equipments (indigenous)	2,17,67,409.63
	ii) Spares for mining & other Plant & equipments (imported)	34,496.00
	iii) HEMM Spares (indigenous)	2231,71,792.61
	iv) HEMM Spares (imported)	-
C.	Stores on Account of Social Overhead :	
	i) Township water supply Hospital & Other Welfare services	15,00,029.04
	ii) Cars, Jeeps, Ambulance & other Welfare Vehicles (POL & Stores)	3,88,661.19
	SUB TOTAL	<u>78,93,85,561.44</u>
Less :		
	i) Transferred to Social Overhead (Schedule-21) (Total of item 5 (c) above)	
	ii) Transferred to other Expenditure (Sc-24)	73,72,647.56
	NET TOTAL	<u>78,00,63,622.85</u>

**SCHEDULE TO PROFIT LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 18

	<u>Period ending 31st March '93</u> Rs.
POWER AND FUEL	
1. For Industrial Power & Light (including administrative use)	20,23,68,284.56
2. For Township & other Welfare Centres	1,15,68,626.34
3. Own coal used for Power for contra	-
TOTAL	<u>21,39,36,910.90</u>
Less : Transferred to Social Overhead (Sch-21) (As, shown in Sl. No. 2 above)	1,15,68,626.34
NET TOTAL	<u>20,23,68,284.56</u>

SCHEDULE - 19

	<u>Period ending 31st March '93</u> Rs.
REPAIRS & MAINTENANCE :	
1. Factory & Office Buildings	33,34,845.51
2. Plant & Machinery	14,28,91,934.96
3. Vehicles	89,36,886.86
4. i) Siding Maintenance charges	31,60,486.63
ii) Others	6,00,864.47
TOTAL	<u>15,89,25,018.43</u>

SCHEDULE - 20

	<u>Period ending 31st March '93</u> Rs.
CONTRACTUAL EXPENSES :	
1. Transport charges for :	
i) Coal, Coke, etc.	49,06,45,703.37
ii) Sand	34,91,810.94
iii) Others	10,10,183.37
2. Hiring of HEMM	-
3. Other contractual works	7,92,33,230.40
TOTAL	<u>57,43,80,928.08</u>

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 21

		Period ending 31st March '93
		<u>Rs.</u>
SOCIAL OVERHEAD :		
A.	1. Salary, Wages & Allowances per contra	1,89,46,738.65
	2. Free issue of coal to employees per contra	2,70,92,418.02
	3. i) Medical Reimbursement	38,64,478.11
	ii) Directors Medical expenses	8,472.88
	4. Medical cash grant	98,364.17
	5. i) Medicines	89,06,194.57
	ii) Diet Expenses	16,82,443.60
	6. Canteen upkeep & Refreshments	44,851.51
	7. Educational Expenses (Central schools & other schools)	77,13,189.56
	8. Training Expenses	12,89,519.22
	9. Repairs & Maintenance of	
a.	i) Township	2,46,88,380.73
	ii) Hospital buildings & equipments	6,18,497.79
	iii) Educational buildings	2,00,599.54
	iv) Other welfare centres	11,44,548.16
b.	Social overhead vehicles :	
	i) Repairs	3,52,525.70
	ii) Vehicle Tax & Registration fee	59,420.00
	iii) Insurance	52,763.00
	10. Creche expenses	-
	11. Depreciation	1,22,43,785.63
	12. Power & Fuel per contra	1,15,68,626.34
	13. Consumption of Stores per contra	19,49,291.03
	14. Sports Recreation and Grants	5,15,170.65
	15. Other Welfare expenses :	
	i) Grants to co-operatives	-
	ii) Community development	46,57,172.64
	iii) Uniforms	22,14,477.52
	iv) Expenses on family welfare programme	1,41,832.53
	v) Others	13,14,355.29
	TOTAL (A)	<u>13,13,68,116.84</u>
RECOVERIES :		
	1. House rent	12,03,072.81
	2. School Bus, Water, Electricity & Others charges	3,97,318.65
	3. Hospital charges	2,59,331.95
	4. Hospital subsidy	-
	TOTAL	<u>18,59,723.41</u>
	NET TOTAL (A-B)	<u>12,95,08,393.43</u>

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 22

	<u>Period ending 31st March '93</u>
	Rs.
INTEREST	
1. On dues to Coal India Ltd. Holding company	46,03,10,933.39
2. On bank Overdraft	10,06,482.46
3. On deferred payment	28,43,310.40
4. Chargeable to development Units	3,98,70,145.02
5. Others	26,58,047.16
SUB TOTAL	<u>50,66,88,918.43</u>
Less : Interest Capitalised during the year (as shown in serial no. 4 above)	3,98,70,145.02
NET TOTAL	<u>46,68,18,773.41</u>

SCHEDULE - 23

	<u>Period ending 31st March '93</u>
	Rs.
PROVISIONS & WRITE OFFS	
A. Provisions for	
1. Doubtful debts	10,58,00,000.00
2. Obsolescence of stores	18,22,339.69
3. Reclamation of land	-
4. Shortage/difference in stores & spares	3,93,200.00
5. Doubtful Advances	6,78,549.55
6. Loss of Assets	-
TOTAL (A)	<u>10,86,94,089.24</u>
B. Write off of	
1. Bad/Doubtful debts	10,52,04,205.85
2. Bad/Doubtful Advances	-
3. Stores & spares	-
4. Preliminary Expenses W/off	8,02,000.00
TOTAL (B)	<u>10,60,06,205.85</u>

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 24

	<u>Period ending 31st March '93</u>
	Rs.
OTHER EXPENDITURE :	
1. Traveling	
ii) Director's	5,67,815.28
ii) Others	1,27,04,760.54
2. Printing & Stationary	60,75,483.27
3. Postage, Telephone etc.	47,16,962.60
4. Freight Charges	85,73,844.42
5. Advertisement etc.	
i) Publicity & Public relation	2,68,433.26
ii) Advertisement	16,17,201.10
6. Demerriage	86,98,502.97
7. Rent	37,54,957.89
i) Surface Rent/Dead Rent	4,69,417.93
8. Insurance	9,91,190.72
9. i) Rates & Taxes	36,28,679.11
ii) Land Revenues	6,93,317.32
10. Legal Expenses	17,48,960.36
11. Royalty & Cess	24,82,772.72
12. Service charges of Hold. co.	2,32,95,000.00
13. Other Administrative expenses	16,79,080.00
14. Loss on Sale/of stores Survey off of Assets	-
15. Loss on sale of stores	-
16. Auditors Remuneration :	
i) Audit Fees	69,500.00
ii) Travelling & out of Pocket expenses	44,500.00
iii) Other capacity	31,750.00
17. Bank charges	2,97,806.71
18. Accounting charges	9,657.00
19. Rescue & Safety	12,47,358.24
20. Isolation & Ventilation	7,44,234.97

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 24 (contd.)

	<u>Period ending 31st March '93</u>
	Rs.
OTHER EXPENDITURE :	
21. Consultant/Retainers Fees	9,49,301.51
22. Hire Charges of	
i) Computers	14,69,214.00
ii) Helicopters	3,22,436.37
iii) Others	26,18,946.30
23. Entertainment	372.00
24. Books & Periodicals	2,54,866.86
25. Conference & Meetings	19,37,270.41
26. Purchase of water	19,14,652.64
27. Maintenance of Cars, Jeeps etc.	
i) Vehicle Tax & Registration Fees	16,35,742.86
ii) Insurance	2,64,778.12
iii) Stores & Spare parts per contra	73,72,647.56
28. HEMM Rehabilitation Exp. W/off	1,88,95,441.56
29. Overburden Removal adjustment	70,64,036.57
30. Donation/grant	67,000.00
31. Internal Audit Expenses (External) :	
i) Fees	58,710.44
ii) Travelling & Out of Pocket Expenses	17,145.99
32. Other Miscellaneous expenses	2,32,95,812.16
TOTAL	<u>15,25,49,561.76</u>

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM
3RD APRIL, 1992 TO 31ST MARCH, 1993**

SCHEDULE - 25

		Period ending 31st March '93
		Rs.
PRIOR PERIOD ADJUSTMENTS		
Debit :		
1.	Employees remuneration & benefits	-
2.	Social Overhead	-
3.	Consumption of Stores & Spare parts	
4.	Power & Fuel	-
5.	Repairs & Maintenance	-
6.	Interest	-
7.	Depreciation	-
8.	Contractual Expenses	-
9.	Other Expenditure	
	i) Royalty & Cess	-
	ii) OBR Adjustment	-
	iii) Rates & Taxes	-
	iv) Demurrage	-
	vi) Others	-
	TOTAL (A)	Nil
Credit		
1.	Sales	-
2.	Other Income	-
	TOTAL (B)	Nil
	NET TOTAL (A-B)	Nil

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - 26

Notes forming part of accounts as at and for the period ended 31st March, 1993

		As at 31st March '93
		Rs.
1. Claims against the company not acknowledged as debts :		
i) Suits against company		2,61,44,551.45
ii) Demurrage		-
iii) Sales Tax		3,18,74,934.00
iv) Other Claims		24,24,04,818.33
TOTAL		30,04,24,303.78
2. Estimated amount of contract remaining to be executed on capital account and not Provided for :		
i) Land		5,63,64,211.36
ii) Building		29,84,05,816.22
iii) Plant & Machinery		4,86,95,760.83
iv) Railway siding		7,80,92,552.07
v) Prospecting & Boring		-
vi) Development		1,63,22,826.11
TOTAL		49,78,81,166.59
3. Expenditure in foreign Currency :		
i) Travelling Exp.		
4. Particulars of employees who are in receipt of	Remuneration not less than Rs 1,44,000/- for persons employed through out the year	Remuneration not less than Rs. 12,000/- PM for persons employed for part of the year
i) Number of employees	4	-
ii) Salaries & Wages	5,88,832.44	-
iii) Contribution to Provident Fund	47,263.00	-
TOTAL (II + III)	6,36,095.44	-

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - A**

	As at 31st March, 1993	
	Debit Rs.	Credit Rs.
	<u> </u>	<u> </u>
INTER AREA CURRENT ACCOUNT FOR SALES TRANSACTIONS :		
1. Calcutta Sales Office	-	-
2. Ib Valley Arc	-	-
3. Talcher Area	-	-
4. Jagannath Area	-	-
TOTAL	-	-
NET BALANCE	-	-

Schedule - B

INTER AREA CURRENT ACCOUNT FOR OTHER THAN SALES TRANSACTIONS :		
1. Ib Valley Arc	434,66,39,350.66	-
2. Talcher Area	121,79,09,159.26	-
3. Jagannath Area	594,80,77,069.30	-
4. Sambalpur Office	-	1151,26,25,579.22
TOTAL	<u>1151,26,25,579.22</u>	<u>1151,26,25,579.22</u>
NET BALANCE	<u>-</u>	<u>-</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - C

	As at 31st March, 1993 <hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> (Rs.)
DEVELOPMENT EXPENDITURE :	
1. Sinking of Shaft	11,73,641.37
2. Driving of Inclines	1,03,33,004.41
3. Fan House	1,72,176.54
4. Drift for stowing	1,28,212.68
5. Sumps	4,92,105.19
6. Drifts	89,67,318.83
7. Sinking of well	41,75,844.99
8. CMPDIL Expenses	15,84,91,569.52
9. Technical collaboration (PR etc.)	35,74,447.32
10. Water Supply (others)	1,67,67,494.23
11. Pilot washeries	-
12. Technical Assistance (foreign collaboration)	27,04,736.77
13. Research & Development	3,578.16
14. Others	7,87,21,704.06
15. Haul Road	6,16,85,981.62
16. Other revenue expenses charged to development	8,29,36,860.91
17. Opening stock of coal of mines under development (net of provisions for rehandling charges)	2,05,72,902.00
18. Provision for rehandling charges of stock of coal of development mines for current year	-
SUB TOTAL (A)	<hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> 45,09,01,578.60
1. Sale of coal of the mines under development for current year (as per contra with Sch-12)	1,76,59,574.77
2. Free issue of coal to employees	1,89,665.89
3. Closing stock of coal of the mines under development	3,70,23,299.69
SUB TOTAL (B)	<hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> 5,48,72,540.35
NET TOTAL (A-B)	<hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> 39,60,29,038.25 <hr style="width: 100%; border: 0.5px solid black; margin: 0;"/>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - D****Stock of Coal, Coke etc. (Balance sheet item)**

	As at
	31st March, 1993
	Rs.
I. Cost of coal, coke etc. (Book stock at selling price where the variance between book stock and measured stock is up to $\pm 5\%$ and where the variance is beyond $\pm 5\%$ measured stock quantity at selling price)	124,53,09,607.87
Less :	
i) Provision for deterioration of coal due to fire or longer storage	8,38,28,495.06
ii) Provision for shortage of coal	-
iii) Provision for rehandling charges	1,35,12,832.65
NET TOTAL	<u>114,79,68,280.16</u>
II. Allocation of stock	
i) Colliery/Washery under revenue	120,82,86,308.18
ii) Colliery/Washery under development	3,70,23,299.69
SUB TOTAL	<u>124,53,09,607.87</u>
Less :	
a) Provision for deterioration due to fire or longer storage	
i) Revenue	8,38,28,495.06
ii) Development	-
b) Provision for rehandling charges :	
i) Revenue	1,35,12,832.65
ii) Development	-
SUB TOTAL	<u>9,73,41,327.71</u>
NET TOTAL	<u>114,79,68,280.16</u>

(*) Note : Stock of coal, coke, etc. should include Coal, Coke etc. in wagons (loaded within 31st March, 93 for which the despatch documents are dated after 31st March'93.

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - D (Contd.)

Stock of Coal, Coke etc. (Balance sheet item)

		As at 31st March, 1993
		Rs.
I.	Reconciliation of production/ Despatch stock (Quantity only)	
A.	1. Opening stock (as adopted) in last year's A/c.	
	i) Revenue mines :	
	Raw coal at colliery	39,77,766.137
	Washed coal	
	Middlings	
	SUB TOTAL OF A-1 (i)	39,77,766.137
	Less :	
	a) Adj of opening stock	-
	b) Write off	-
	NET TOTAL A-1 (i)	39,77,766.137
	ii) Development Mines :	
	Raw coal at colliery	
	Washed Coal	99,386.00
	Middlings	
	SUB TOTAL A-1 (II)	99,386.00
	2. Production as per production record :	
	i) Revenue Mines :	
	Raw coal	2,29,03,133.03
	Washed coal	
	Middlings	
	ii) Development Mines :	
	Raw coal	1,40,214.00
	Washed coal	
	Middlings	
	SUB TOTAL OF 2 (ii)	1,40,214.00
	TOTAL (A)	2,71,20,499.137
B.	1. Despatch to customers :	
	i) Revenue Mines :	
	Raw coal	2,23,43,120.654
	Washed coal	
	Middlings	
	SUB TOTAL OF B 1 (i)	2,23,43,120.654
	ii) Develment Mines :	
	Raw coal	78,889,549
	Coal Wahsed coal	
	Middlings	
	SUB TTOAL OF B 1 (ii)	78,889,549

N. B. Details of adjustments of opening stock and write off should be given as foot note.

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - D (Contd.)

Stock of Coal, Coke etc. (Balance sheet item)

	As at 31st March, 1993 <u>Rs.</u>
2. Coal issue free to employees	75,405.01
3. Colliery consumption	24,662.305
4. Closing stock as adopted in the Accounts (refer continuation sheet or Sch-D, IV, column No. 7	-
i) Revenue Mines/ Washeries Raw coal at collieries Washed coal Middlings	44,38,569.318
SUB TOTAL OF 4 (i)	44,38,569.318
ii) Development Mines :	
Raw coal at collieries Washed coal Middlings	1,59,852.301
SUB TOTAL OF 4 (ii)	1,59,852.301
5. Difference above $\pm 5\%$ between book stock and measured (as shown in column 6 of continuation sheet of Sch D. IV	-
TOTAL (B)	2,71,20,499.137

Note : Total (A) should agree with total of (B)

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED
31ST MARCH, 1993**

**SCHEDULE - E
(Sub-Schedule to Schedule 24)**

	Period ending 31st March, 1993
	<u>Rs.</u>
OTHER MISCELLANEOUS EXPENSES :	
1. Loco Hire Charges	24,975.00
2. Weigh Bridge charges	11,28,3-80.57
3. Fire Blanketing expenses	4,79,578.75
4. Loss of Cash	-
5. Office contingent expenses	15,55,488.64
6. Closed/suspended mines running expenses	-
7. Re-imbusement of conveyance exp.	8,54,253.43
8. Payments to clubs	5,460.00
9. Environment/Ecology improvement	31,97,758.89
10. Expenses on quarries	-
11. Security expenses (C.I.S.F.)	1,06,34,570.88
12. Guest House expenses	6,86,800.02
13. Directors Sitting Fees	-
14. Subscription	630.00
15. Land/Crop Compensation	31,314.04
16. Others	46,96,601.94
TOTAL	<u>2,32,95,812.16</u>

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 1993

SCHEDULE - F

Particulars	Jagannath		Ib Valley		Talcher		Total	
	Qty. Cum	Value Rs.	Qty. cum	Value Rs.	Qty. Cum.	Value Rs.	Qty. Cum	Values Rs.
A. ADVANCE STRIPPING :								
i) Opening balance as on 3.4.92	4388514	316968000	538800	24321882	-	-	4927314	341289882
ii) Additions during the year (Sch-I)	10218570	682853000	4899522	236987644	-	-	15118092	919840644
SUB TOTAL	14607084	999821000	5438322	261309526	-	-	20045406	1261130526
iii) Closing balance as on 31.3.93	5043513	377562000	893100	43891399	-	-	5936613	421453399
iv) Total charge during the year (i.e. i+ii+iii)	9563571	627330000	4545222	217418127	-	-	14108793	844748127
B. Ratio Variance :								
i) Opening balance as on 3.4.92	3061542	180695605	4769297.65	184394444.22	-	-	7830839.65	365090049.27
ii) Add/Less further provisions/write back during the year (Strike out whichever is not applicable)	83143	26759000	1291943.48	60468553.57	-	-	1375086.48	87227553.57
iii) Closing balance as 31.3.93	3144685	207454605	6061241.13	244862997.79	-	-	9205926.13	452317602.79
C. Expenditure on overburden removal charged to P & L A/c write back of cost of OBR								
		(-) 33835000		40899036.57	-	-	-	7064036.57
(A(i) + B(ii) - A(iii))								
i.e. opening advance stripping & further provision/write back of ratio variance minus closing balance stripping)								
	-	-	-	-	-	-	-	-
D. i) Standard ratio of OBR & Coal								
	-	-	-	-	-	-	-	-
ii) Coal extracted from quarry during the year in M.T.)								
	13790240		3410072		-	-	17200312	

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - G****Schedule of expenditure of revenue nature in projects/Mines under development
(As shown in Schedule-c)**

	<u>As at 31st March, 1993</u> Rs.
A. Expenses of revenue nature charged to development (upto the end of the previous year)	(2,68,56,247.72)
B. Expenses of revenue nature charged in nature during the year	
Employees remuneration & Benefits	
i) Salary & Wages	1,41,76,264.45
ii) Contribution to Provident Fund & other Funds	10,95,338.29
iii) Attendance Bonus	4,92,257.84
iv) Ex-gratia/Annual bonus	12,57,748.72
v) LTC/LLTC/RRF	8,01,287.50
vi) Pension	18,340.80
vii) Gratuity	-
viii) Workmen compensation	1,975.41
ix) Rewards/Incentive Bonus	1,87,147.00
x) DLI	7,122.00
xi) Life cover scheme	-

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - G (Contd.)

Schedule of expenditure of revenue nature in projects/Mines under development (As shown in Schedule-c)

	As at 31st March, 1993
	Rs.
2. Staff welfare & Social overhead	
i) free issue of coal to employees	1,89,665.89
ii) Medical	82,124.65
iii) Medical cash Grant	-
iv) Medicines & exp	-
v) Canteen upkeep & amounts	-
vi) Educational expenses	-
vii) Training expenses	19,930.00
viii) Repairs & maintenance of	
a) Township hospital & other welfare buildings & equipments	6,65,968.07
b) Social overhead vehicles	-
ix) Creche expenses	18,22,732.38
x) Depreciation	-
xi) Power & Fuel	-
xii) Consumption of Stores	2,076.00
xiii) Sports & recreation & Grants	1,250.00
xiv) Other welfare expenses	9,648.00
Less Recoveries	
i) House Rent	25,165.72
ii) School bus, water, elec.	11,268.35
iii) Hospital charges	-
iv) Hospital subsidy	-
3. Consumption of stores	
i) Explosives & detonators	6,33,310.05
ii) Timber	-
iii) Petrol Oil, Diesel & Lubricants	78,91,744.82

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - G (Contd.)

Schedule of expenditure of revenue nature in projects/Mines under development (As shown in Schedule-c)

			As at
			31st March, 1993
			Rs.
3.	iv)	a) Consumable stores (indigenous)	60,39,600.62
		b) Consumable stores (imported)	172554
	v)	Upkeep & Maintenance of	
		a) Vehicles	1,80,312.91
		b) Plant & Machinery	30,88,233.10
4.		Power & Fuel	
	a)	Industrial Power & Light	58,33,407.13
	b)	Own coal used for power	-
5.		Contractual total expenses	
	a)	Coal coke etc.	1,95,506.16
	b)	Sand transport	-
	c)	Others transport	-
	d)	Others	5,000.00
6.		Other contractual work	4,80,502.64
7.		Repairs & Maintenance	
	i)	Factory & Office bldg.	5,44,351.69
	ii)	P & M	15,48,852.19
	iii)	Vehicles	1,84,834.65
	iv)	a) Siding maintenance charges	-
		b) Others	8,330.50
8.		Interest	3,98,70,145.02
9.		Depreciation	2,13,10,213.51
10.		Other Expenditure	
	i)	Travelling	2,63,656.63
	ii)	Printing & stationery	55,901.00
	iii)	Postage & Telephones	24,301.50

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993

SCHEDULE - G (Contd.)

Schedule of expenditure of revenue nature in projects/Mines under development (As shown in Schedule-c)

	As at 31st March, 1993
	Rs.
iv) Freight	21,772.50
v) Advertisement etc.	272.00
vi) Demurrage	-
vii) a) Rent	24,492.00
b) Surface rent/dead rent	-
b) Land revenue	-
viii) Insurance	-
ix) Rates & Taxes	8,413.00
x) Legal expenses	34,757.00
xi) Royalty & cess	-
xii) Administrative exp.	-
xiii) Bank charges	280.50
xiv) Accounting charges	-
xv) Rescue & Safety	425.00
xvi) Isolation/ventilation	-
xvii) Consultant/retainer fee	-
xviii) Hire charges	17,400.00
xix) Books & periodicals	4,154.30
xx) Conference & meetings	1,03,623.25
xxi) Purchase of water	-
xxii) Maintenance of vehicles	2,08,636.00
xxiii) Others	12,93,703.10
11. Credit Notes	
i) For current period sales	174980
ii) For prior period sales (issued during the current period)	175549
12. Internal consumption fo coal	173121
SUB TOTAL	8,38,14,367.98

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1993**SCHEDULE - G (Contd.)****Schedule of expenditure of revenue nature in projects/Mines under development
(As shown in Schedule-c)**

	<u>As at</u> <u>31st March, 1993</u>
	Rs.
Less	
a) Other receipts	
i) Subsidies	-
ii) Revenue from workshop	-
iii) Transportation on despatches	10.00
iv) Interest	-
v) Rent form outsiders	35,243.00
vi) Penalty/liquidated damages	1,518.23
vii) Tender fees	14,419.00
viii) Service charges from customers for joint sampling	-
ix) Rebates, discounts & allowances	-
x) Others	8,26,316.84
b) i) Internal consumption of coal	-
SUB TOTAL	<u>8,77,507.07</u>
NET BALANCE	<u>8,29,36,860.91</u>

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH, 1993**

SCHEDULE - H

Statement of statutory levies billed during the period

	Period ending 31st March, 1993
	Rs.
I. STATUTORY LEVIES	
Sales Tax Central	14,98,94,982.18
Sales Tax State	10,97,25,390.37
Stowing Excise Duty	7,88,53,659.00
Royalty on Coal	67,77,74,901.96
Cess on Coal	-
CMLW Cess	-
Rescue Cess	-
Cess Royalty on Coal (M.P. State)	-
Cess on Royalty on Coal (Orissa State)	-
Cess on Storage of Coal	-
Other statutory levies, if any billed to be shown separately	
i) Royalty on others	7,17,467.31
ii) Other rates & taxes	9,58,405.80
TOTAL (I)	101,79,24,806.62
II. PAYMENT TO CENTRAL EXCEQUER (Actual on cash basis)	
1. Sales Tax (Central)	15,84,02,734.32
2. Central Excise Duty	-
3. Stowing Excise duty	6,88,42,274.40
4. CMLW Cess	-
5. Rescue Cess	-
6. Income Tax	-
7. Custom Duty	-
8. Corporate Tax	-
9. Other Taxes & duties	-
TOTAL (II)	22,72,45,008.72

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED
31ST MARCH, 1993**

SCHEDULE - H (Contd.)

Statement of statutory levies billed during the period

	Period ending 31st March, 1993
	<u>Rs.</u>
III. PAYMENT TO STATE EXCHEQUER	
(Actuals on cash basis)	
1. Sales Tax (State)	10,99,55,482.00
2. Excise Duty	-
3. Royalty on coal	63,07,37,240.85
4. Royalty on others	6,35,992.84
5. Cess on Royalty on coal	-
6. Cess on storage of coal	-
7. Other Taxes, Duties & Cess (Octroi & Road Tax etc)	2,08,73,401.00
TOTAL (III)	<u><u>76,22,02,116.69</u></u>

**SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED
31ST MARCH, 1993**

SCHEDULE - I

**Schedule of overburden removal expenditure
(Additions during the period of advance stripping)**

	Period ending 31st March, 1993
	Rs.
1. Employees' remuneration & Benefits	13,74,12,632.00
2. Consumption of Stores & Spare parts	24,69,00,160.11
3. Power & Fuel	3,11,74,644.91
4. Repairs & Maintenance	6,41,75,168.25
5. Contractual expenses	2,35,65,589.82
6. Social Overhead	28,52,279.19
7. Free issue of coal to employees	11,31,000.00
8. Internal consumption of coal	1,86,000.00
9. Interest	17,70,85,016.24
10. Depreciation	17,83,24,830.33
11. Provisions & Write offs	48,30,000.00
12. Other expenses	<u>7,20,00,277.26</u>
SUB TOTAL	93,96,37,598.11
Less : Other receipt	<u>1,97,96,954.11</u>
NET TOTAL	<u>91,98,40,644.00</u>

Note : Financial codewise details of the above expenditure for each project should be submitted along with the Annual Account.

SCHEDULE 27**NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1993 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 3RD APRIL'92 TO 31ST MARCH, 1993.****1. ACQUISITION OF ASSETS AND LIABILITIES**

- a) In accordance with the directive of the Government of India, Ministry of Coal, New Delhi vide their letter dt. 26.3.92, the Assets & Liabilities of the Coalfields of Orissa Region in the Sambalpur Division of South Eastern Coalfields Ltd. shall be transferred to Mahanadi Coalfields Ltd. Consequently this company was incorporated on 3rd April, 1992 and the Assets & Liabilities as of the closing figures on 2nd April, 1992 of Sambalpur Division consisting of IB Valley, Talcher & Jagannath Area of Orissa Region were transferred at their Book Value as per the respective Books of Account on a going concern basis. The legal formalities for transfer of such Assets and Liabilities to the company are yet to be completed. For such transfer of assets, the purchase consideration has provisionally been determined at Rs. 60649.60 lakhs which is subject to further adjustment.
- b) The accounts of the company had initially been prepared for the period from 1.4.92 to 31.3.93. Since the company was incorporated on 3.4.92, as such the sales and other income for 1st and 2nd of April'92 on actual basis and corresponding expenses calculated on an average basis of the current year has been transferred to Coal India Ltd., the Holding Co.
- c) The collieries namely Domnara and Baroud not belonging to the Sambalpur division in the Orissa region but included under the IB Valley area were vested with SECL and the opening book figures of all assets and liabilities of the said collieries has been transferred to South Eastern Coalfields Ltd.

2. BALANCE WITH COAL INDIA LIMITED, THE HOLDING COMPANY AND ITS SUBSIDIARIES

- a) Holding Company : - Unsecured loans includes amount due to Coal India Ltd., towards purchase consideration, funds received from or paid to them, adjustment for contribution to Coa Price Regulation Account, Interest & Apex Office charges. The balance due to them Rs. 76776.58 lakhs is yet to be confirmed.
- b) Inter Company Transactions :- Transactions have been reconciled upto a certain stage. The balance as on 31.3.93 of these companies are subject to reconciliation and confirmation. The transactions with other subsidiaries of the Holding Company are free of interest.

3. FIXED ASSETS

- a) On abolition of Coal Mines Welfare Organisation and Coal Mines Rescue Organisation, the assets taken over at different areas have not been incorporated in the accounts, pending finalisation of purchase consideration for these assets which includes Hospital, Rescue Stations, Welfare Centres and others.

- b) Land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 has been shown as land lease-hold' in Fixed Assets. Title Deeds and/or lease deeds of land and buildings and Mining Rights are not available with the Company as the transfer formalities from the Holding Company and its other Subsidiaries have not been completed and consequently some documents continue to be held in the name of the Holding Company or its other Subsidiaries, Transfer of land and Mining Rights from State Government of Orissa to this company after its formation have been effected on the basis of notification issued by the Orissa State Government.
- c) It has been decided by the Management to physically verify Plant & Machineries valued at Rs. 1.00 lakh or more in each case and the same has been accordingly carried out and reconciled with the Plant Cards.
- d) Physical verification of other Fixed Assets like land, building, Rly. Siding and other immovable assets are to be carried out once in every three years.
- e) Job-wise details for Capital Work-in-progress Register has been maintained. Payment to Railway authorities for construction of Siding have been shown under Capital Work-in-Progress, pending receipt of completion certificate and/or other necessary particulars from the concerned authority. In some cases, jobs shown in capital work-in-progress including some old brought forward balances whether completed or not could not be ascertained. Pending ascertainment/identification of these items, they have not been capitalised in the account and depreciation thereon has not been provided for.
- f) Capital work-in-progress in the Fixed Assets Schedule includes Plant & Machinery in stores and Plant & Machinery in transit.

4. DEVELOPMENT EXPENDITURE:

- a) Expenditure incurred on behalf of the Company by the Central Mines Planning & design Institute Ltd. (A Subsidiary of Coal India Ltd.) on planning, designing, exploration and development and other development expenditure incurred by the Company have been capitalised in respect of sanctioned projects. The expenditure relating to the projects yet to be sanctioned or construction yet to be taken up has been carried forward under Prospecting & Boring. The development expenditure includes Rs. 398.70 lakhs towards capitalisation of interest in respect of Capital Expenditure incurred on the respective development projects and is after deduction of Rs. 176.60 lakhs being sale of coal and Rs. 370.23 lakhs being closing stock of coal at development mines.
- b) In some mines under development, the sale and closing stock of coal exceeds the total development expenditure resulting in negative capitalisation of substantial amounts which are netted off against the expenditure on other development mines.
- c) A sum Rs. 310 lakhs is being carried forward under the head Development being excess of realisation over expenses in certain Development Mines, which had already been declared as Revenue Mines.

5. CURRENT ASSETS, LOANS & ADVANCES

a) Valuation of Inventory

- (i) The closing stock of stores and spares at Sub Stores/Regional Stores/

Colliery Stores have been considered in the accounts as per balances appearing in the Financial Ledger. Reconciliation between Priced Stores Ledger and Numerical Ledgers are carried out periodically. Discrepancies arising out of physical verification of stock of stores & spares are adjusted, provided for periodically. However, physical verification of stores and spares have not been conducted during the year and the discrepancy arising out of such verification and reconciliation could not be ascertained and quantified.

(ii) Stores and Spare also include loose tools.

b) Stock of Coal

(i) Closing stock of coal has been physically verified at all projects of the company. The Book Stock of coal has been taken as closing stock as per the policy of Coal India Limited as the variance between Book Stock and physically measured stock is within +/-5%.

(ii) Government has notified Retention price for the financial year 1992-93 @ Rs. 170/- per m.t. The stock of coal has been valued at lower of selling price based on the notification of declared grades as on 31.3.93 or net realisable value based on the actual realisations on the despatch of coal during the last quarter of the year (January to March, 1993) less provision @ 1.5% of value of production during the year towards deterioration of value due to fire, abnormal stocking etc. A provision of Rs. 15224.09 lakhs being the amount payable on despatches during the year under Retention price scheme has been made in the accounts. However, as per the policy of the Company, retention price has not been taken into consideration for valuation of closing stock of coal.

(iii) Provision for rehandling wherever necessary has been made in respect of stock lying at Pit-head to meet the transportation and loading cost from the Pit-head to the Rly. siding at the prevalent rates during the year.

c) Sundry Debtors/Sales

Sales have been accounted for on the basis of 'D' notes issued by Rly. authorities/ Transit pass for road despatches, contractors receipt of despatches. Sales/Credit Notes in respect of revenue mines have been taken into profit & loss account whereas Sales/Credit Notes in respect of development mines have been adjusted against expenses capitalised in respect of such mines.

d) Cash & Bank Balances

Bank balances includes Rs. 168886.51 lying in the bank Account maintained under the name of South Eastern Coalfields Ltd., erstwhile company.

e) Loans & Advances

(i) Some of the amounts of advances appearing in the books of accounts are very old, appropriate classification of which between good and doubtful as well as secured and unsecured advance could not be ascertained correctly.

- (ii) Pending complete linkage of the relevant liabilities with corresponding advances for purchase of stores, machinery, to employees for expenses etc. both liabilities and advances remain overstated and the impact of the above on Profit & Loss account could not be ascertained.
- (iii) Advances recoverable from Government on account of pension payable by the Central Govt. in respect of employees of Ex-State Govt./Rly. Collieries has been shown under advance to others pending finalisation of proportionate liability of capitalised value of pension, and the impact thereof on Profit & Loss A/c could not be ascertained.

6. SECURED LOAN :

The Current Assets including stock of coal, stores and spares, book debts of the company along with similar assets of Coal India Ltd. and its other subsidiaries are hypothecated to State Bank of India against the cash credit limit of Rs. 183 crores granted to Coal India Ltd., out of which a sum limited to Rs. 5.00 crores is allocated to the Company.

7. CURRENT LIABILITIES :

- (i) Sundry-creditors and other liabilities, represents General Ledger Balances and includes many old debit balances which have been netted against the other credit balances of sundry creditors and other liabilities, quantum thereof is unascertained pending linking up.
- (ii) Deductions made from the wages of the employees covered under National Coal Wage Agreement (NCWA) @ 2% of basic wages + D.A. towards Post Retirement benefit w.e.f. 1.4.89 amounting to Rs. 323.84 lakhs has been kept separately, under other liabilities pending consideration and approval of appropriate scheme by the Govt. of India.

8. BALANCE CONFIRMATION :

Confirmation of balances of Sundry Debtors, Sundry Creditors, various loans and advances, Deposit etc. as on 31.3.93 have not been obtained and the impact on Profit & Loss Account can not be ascertained.

9. CONTRIBUTION ON ACCOUNT OF COAL PRICE REGULATION ACCOUNT

The Govt. of India vide its Notification No.SO-217(E) dt. 30.3.93 has fixed Rs.170/- per M.T. as retention price for the financial year 1992-93. In pursuance of this notification, a sum of Rs. 15224.09 lakhs in respect of despatches for the year have become payable to the C.P.R. Account. The amount has been arrived at on the basis of coal despatches during the year from revenue mines only. The said amount, subject to confirmation of Coal India Ltd. has been charged to Profit & Loss Account.

10. GRATUITY :

This is the first year of the incorporation of company and the erstwhile Company had not provided accrued Gratuity Liability of the retiring employees as on 2.4.92. As such the company has taken over the actual gratuity of all the Employees of erstwhile company transferred to this company. However, The Gratuity Liability has neither been provided for, nor actuarially determined. The Gratuity Liability in respect of employees retired/died on or before 31.3.93 to the extent not paid, within that date has been provided for in the accounts and except for that, the gratuity has been accounted for on cash basis.

11. Interest receivable from Debtors on Delayed payments are accounted for on cash basis
12. Current year expenses includes Rs. 187.22 lakhs towards depreciation, Rs. 356.11 lakhs towards Arrear VDA and Doctors Salary, Rs. 11.04 lakhs towards afforestation and Rs. 71.93 lakhs towards others aggregating to Rs. 626.30 lakhs relating to the period prior to the incorporation of this company. Since no provision has been made by the erstwhile company for such expenses, the same have been borne by this company and shown under respective heads of expenses.
13. The Orissa Govt. by virtue of the Orissa Rural Employment, Education and Production Act., levied land tax @ Rs. 32,000/- per acre per annum with effect from 1.2.93 on the Coal bearing land held by the Company. Accordingly a sum of Rs. 33.62 crores approx. is payable for the period. Consequently the company has started raising bills on its customers @ Rs. 90/-per M.T. on despatches of coal during the period from 1.2.93 to 31.3.93 towards the realisation of the above land tax. However, the said Act has been challenged by the Company in the Hon'ble High Court, Orissa and the matter is subjudice. Since the matter is pending, the company has neither provided the said disputed demand nor accounted for the bills raised on the customers.
14. The Orissa Govt. has claimed road tax amounting to Rs. 540.32 lakhs under the Motor Vehicles Act on HEMM Dumpers from the year 1987-88. Since the claim has been challenged and contested by the Company, no provision has been made for the said amount.
15. Sales Tax demand for Rs. 531.17 lakhs has been made on the Company for Sales made by South Eastern Coalfields Limited the erstwhile Co. which has been disputed by the company and not provided for. However a sum of Rs. 212.42 lakhs has been paid under protest.
16. Orissa State Electricity Board had made a deduction of Rs. 168.19 lakhs from the coal supply bills which was disputed by the company and not provided for.
17. Since this is the first year of incorporation of the company, there are no previous years figures.

18. CONTINGENT LIABILITIES NOT PROVIDED FOR

	<u>Current year</u> (Rs. in lakhs)
i) Claims against the Company not acknowledged as debts :	
a) Suits against the Company :	261.45
b) Sales Tax/Levies :	318.75
c) Others :	2424.05
ii) Additional liability, if any on incomplete assessments of royalty, cess, stowing excise duty, sales tax, various other liabilities and also liability for the period prior to 3.4.92 arising on completion of various statutory assessments relating to assets and liabilities taken over have not been determined and not provided for.	

19. CAPITAL COMMITMENTS :

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to Rs. 4978.81.

20. Additional information as required in Paragraph 3 & 4 of Part-II of the Schedule-VI to the Companies Act, 1956, for the period ended 31st March, 1993.

Coal

- a) Licensed capacity - Not applicable
 Installed capacity - No applicable
- b) Statement of Opening Stock, Production, Turnover, Closing stock of coal are as under :-

	<u>Current Year</u>	
	<u>Quantity</u> (000'MT)	<u>Value</u> (Rs. in lakhs)
Opening Stock :		
Revenue Mines :	3977.77	8657.81
Development Mines :	99.39	205.73
Adjustment of Stock :	-	-
Production :		
Revenue Mines :	22903.13	56040.74
Development Mines :	140.21	343.00
Sales (Excluding Levies) :		
Revenue Mines :	22343.12	53200.44
Development Mines :	78.89	176.60
Own Consumption :		
Free issue & Boiler Consumption :	100.07	390.56
Plant consumption of Coal :	-	-

		<u>Current Year</u>	
		<u>Quantity (000'MT)</u>	<u>Value (Rs. in lakhs)</u>
Closing Stock :			
Revenue Mines	:	4438.57	11109.45
Development Mines	:	159.85	370.23

c) **Value of Imports Calculated on CIF Basis :**

		<u>Current Year</u>
Stores/Spare Parts & Components	:	Nil
Capital Goods	:	

d) **Expenditure in foreign Currencies :**

Travelling	:	Nil
Know how & Consultancy	:	Nil

e) **Value of Imported/Indigenous Raw Materials Stores & Spares consumed :**

		<u>Raw Materials Value</u>		<u>Stores & Spares Value</u>	
		%			%
Imported	:	Nil	0.34	0.004	
Indigenous	:		7893.51	99.996	

4. **Particulars of employees who are in receipt of remuneration not less than 144000/- per annum or Rs. 12000/- per month when employed for a part of the year.**

		Employed throughout the year	Employed for part of the year
a) No. of employees	:	4 (four)	-
b) Salaries & allowances etc.	:	Rs. 5,88,832.44	-
c) Contribution to Provident Fund & other funds.	:	Rs. 47,263.00	-
d) TOTAL	:	Rs. 6,36,095.44	-

**ACCOUNTING POLICIES FOR THE PERIOD
ENDED 31ST MARCH, 1993**

SCHEDULE 28

1. ACCOUNTING CONVENTION :

The Financial statements are prepared under Historical cost convention.

2. FIXED ASSETS :

i) Land :

Land includes cost of acquisition, compensation, afforestation etc. and also rehabilitation expenditure for displaced persons whose land are acquired.

ii) Building :

Building includes cost of roads, culverts falling within township, cost of electrical fittings, water supply arrangements and sanitary fittings. Depreciation on such fittings and arrangements have been provided for at the rate prescribed for buildings.

iii) Railway siding :

Payments made to the Railway Authorities for construction of Railway sidings are shown under Capital-work-in-progress, until completion certificate is received.

iv) Plant & Machinery :

Plant & Machinery includes cost and expenses incurred towards erection/ installation for bringing the assets to use. Installation expenses wherever incurred departmentally, other than stores are not capitalised. Gross block as well as depreciation on surveyed-off Plant & Machinery are taken-out of the fixed assets and the book value or surveyed value whichever is lower are transferred to current assets.

v) Development :

Expenses, net of income of the Projects/Mines under development including proportionate interest and administrative expenses are capitalised and booked to development account by way of transfer from appropriate heads of Income/ Expenses Account.

Projects/Mines under development are brought to revenue immediately after the financial year in which the unit achieved 25% of targetted production or from the next financial year after completion of development period as per project report whichever event occurs earlier.

On projects/Mines coming to revenue, such development expenses are amortised over 20 years or life of the projects/Mines whichever is less.

vi) Depreciation :

Depreciation on fixed assets is provided on straightline method in accordance with Sec. 205 read with Schedule-XIV to the Companies Act, 1956 (as amended). The depreciation on the addition to assets made during the year is taken pro-rata on month to month basis, in which the assets have been commissioned or completed. Depreciation on lease-hold land is charged on the basis of life of the project or lease period whichever is lower.

vii) Profit/Loss on sale of surveyed-off assets are charged to Profit & Loss Account.

viii) Fixed assets other than buildings and certain items of assets requiring erection have been treated as commissioned/completed based on stores issue vouchers where date of commission/completion have not been made available.

3. INVENTORIES :

i) Imported spares and related custom duty thereon are accounted for on the basis of debit advice received from Coal India Limited.

ii) Stock of stores and spare parts are valued at weighted average cost. Workshop manufactured item and work-in-progress are valued at estimated cost. Charged-off stores and spares lying at the close of the year at Colliery Sub-stores consuming centres are valued at the year end issue price of Central Stores/Regional Stores.

iii) Book stock of coal is taken for the purpose of closing stock where the variance between book stock and physically verified stock (as per survey measurement team) is upto +/-5% and in case the variance is beyond +/-5%, the physical stock is taken as the closing stock. Stock of coal is valued at lower of declared grade selling price or net realisable value based on the actual realisation of the despatch of coal during the last quarter of the year less provision @1.5% of value of production at Revenue Mines during the year towards deterioration in value and unrecoverable rehandling charges. The provision of 1.5% of value of production of coal is created for deterioration in value is reduced by the provision already existing in the books of accounts.

iv) Coal issued to employees (free issue) and for boiler consumption are accounted for on the basis of norms fixed by the management and taken to profit & loss A/c. at relevant grade selling price as per Contra.

v) Stock of medicines and stationary are not considered for inventory purpose and the expenses on these accounts are charged to revenue.

4. INVESTMENT :

Investments are stated at cost.

5. GRATUITY AND LIFE COVER SCHEME & LEAVE ENCASHMENT :

i) Gratuity and life cover scheme are accounted for on Cash-cum-Retirement and/or death basis. Accrued liability for gratuity is neither actuarially ascertained nor accounted for.

ii) Leave Encashment is accounted for on Cash basis.

6. TRANSACTIONS IN FOREIGN CURRENCIES :

Payments for import transactions are made in rupee currency by opening letter of credit. The same is accounted for at exchange rates prevailing at the date of transactions. If there is any exchange difference arising out of foreign currency, the same is dealt with in the Profit & Loss Account. However, exchange differences related to the acquisition of fixed assets are adjusted in the value of fixed asset on the basis of advice received from Coal India Limited.

7. PRIOR PERIOD ADJUSTMENT :

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

8. SUBSIDY AND/OR GRANTS :

Subsidy and/or grants received on account of capital are deducted from the cost of specified assets to which they relate and those on account of revenue are charged to profit & loss account.

9. SALES :

Sales are accounted for on the basis of Despatch Notes issued by Railway authorities/ Transit Pass for road despatch and billed at the declared grade price as notified by the relevant authorities. Sales does not include statutory levies and other charges.

10. PRICE RETENTION :

Necessary adjustment is made in the Profit & Loss A/c. for the difference between the net coal sale price during the year and retention price, as notified under Coal Price Regulation Account. No such adjustments are considered in respect of prior period adjustment of sales.

11. OVERBURDEN REMOVAL EXPENSES :

In Opencast projects, overburden removal/advance stripping are ascertained by survey measurement. In such projects of above one million tonnes projected capacity (as per Project Report), the cost of over-burden removal expenses is charged on average ratio evaluated at current working cost of removal of over-burden at each Project with due adjustment for advance stripping and ratio variance account. Expenses of projects with capacity upto 1 million tonnes are charged directly to Revenue head.

12. SYSTEM OF BOOKING OF INCOME & EXPENSES :

All expenses and income including for projects/Mines under development are initially booked to natural head of accounts and then transferred to functional head of a/cs., wherever necessary.

13. APEX OFFICE CHARGES AND INTEREST :

- i) Apex Office charges is accounted for as per apportionment made and advised by the Coal India Limited, and the allocation to Units is done on the basis of production of revenue mines.
- ii) Interest on dues to Coal India Limited is accounted for as per apportionment made and advised by Coal India Limited, and the allocation to the Units is done by the Company on the basis of opening gross fixed assets of individual units.

14. LAND RECLAMATION :

Land reclamation expenses is charged to Profit & Loss Account when incurred.

15. DEFERRED REVENUE EXPENDITURE :

Rehabilitation expenditure (Heavy repairs) of Heavy Earth Moving Machineries are treated as Deferred Revenue Expenditure and are written-off over a period of the extended life of the asset but not exceeding four years including the year in which expenditure is first incurred, as per policy guidelines issued by Coal India Limited, the Holding Company.

16. CLAIMS :

- i) Sales claims are accounted for on final determination and settlement of such claims.
- ii) Railway/Insurance Claims are accounted for on the ascertainment of such claims on an estimated basis.
- iii) Subsidy for stowing and protective work is accounted for on realisable basis in proportion to the actual receipts and/or acceptance of first half year of the concerned financial year to the total claim.

17. INTEREST :

Interest on house-building/Conveyance advance loans are accounted for on accrual and due basis.

18. CONTINGENT AND OTHER LIABILITIES :

- i) Contingent liability are not accounted for but disclosed separately by way of notes after careful evaluation of the facts of the case.
- ii) Additional liability for royalty, cess, sales-tax etc. is accounted for either in the year in which final assessment order is received or on payments made.

ADDENDUM TO DIRECTORS' REPORT**AUDITOR'S REPORT****MANAGEMENT'S REPLY**

To
The Members of
Mahanadi Coalfields Ltd.

We have audited the attached Balance Sheet of MAHANADI COALFIELDS LIMITED as at 31st March, 1993 and the annexed Profit & Loss Account for the period from 3rd April, 1992 to 31st March, 1993 in which have been incorporated the accounts of Talcher and Jagannath Area as audited by another firm of Chartered Accountants and report that :-

1. Our observation and comments are given in annexure - 'A' to this report.
2. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988 and on the basis of such test checks of the books and records of the Company as were considered appropriate and according to the information and explanations given to us in the course of our audit, we enclose in Annexure - 'B' a statement on the matters specified in Paragraph 4 and 5 the said order.
3. Subject to our comments contained in Annexure - 'A' and Annexure - 'B' to this report, we report that :-
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of audit.
 - b) In our opinion, proper books of Accounts as required by law have been kept by the Company so far as it appears from the examination of such books.
 - c) The Balance Sheet and Profit & Loss Account dealt with in this

report are in agreement with the books of accounts produced to us.

- d) To the best of our information and according to the explanations given to us the said accounts read with the Notes on Account, schedule 26 & 27 and Accounting Policies, Schedule-28 give the information required by the Company's Act, 1956 in the manner so required and give a true and fair view :-
- i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1993 and
- ii) in the case of the Profit & Loss Account of the profit of the Company for the period ended on that date.

19A, Chowringhee Road
Calcutta-7000 087

For S. K. Singhania & Co.
Chartered Accountants

Dated : 18.08.93

(P. K. SINGHANIA)
Partner

ANNEXURE - A

AUDITORS' REPORT

MANAGEMENT'S REPLY

- | | |
|---|---|
| 1. Note No.1(a) & (c) of Schedule-27 regarding completion of legal formalities for documents relating to acquisition/transfer of Assets & Liabilities to the Company and determination of purchase consideration on of provisional basis subject to final adjustment. | After the completion this Audit of Accounts the legal formalities for transfer/acquisition of Assets and Liabilities to this Company and determination of Purchase consideration will be done. |
| 2. Note No.1(b) regarding transfer of Income & Expenditure of 1st & 2nd April,92 to Coal India Limited. | No comment. |
| 3. Note No.2 of Schedule-27 regarding balances with Holding Company and other subsidiaries under reconciliation and confirmation. | This is a continuous job. The un-reconciled balances with the Holding Company as well as other subsidiaries will be again reconciled during the next Financial Year. |
| 4. Note No.3(a) of Schedule 27 regarding non-accounting of certain Assets and Liabilities pending finalisation of purchase consideration. | On abolition of C.M.W.O and CM Rescue Organisation the assets taken over at different Areas are not yet incorporated in the Accounts pending finalisation of purchase consideration by the Government of India. |
| 5. Note No.3(b) of Schedule 27 regarding non-availability of documents of title to land acquired and/or transfer to the Company. | Action is being taken. |
| 6. Note No.3(e) of Schedule 27 regarding non-availability of detailed schedule and information of the old items included in Capital Work-in-Progress, we are unable to verify the same. | The old items under work-in-Progress are continuously under review and scrutiny. Many items have already been finalised. Some are still under scrutiny. |
| 7. Extra shift depreciation on Fixed Assets wherever applicable are not provided, amount unascertained. | No extra shift allowance wherever applicable, have been provided for as the amount involved is negligible. |
| 8. Note No.4(c) of Schedule 27 regarding non adjustment of Rs.310 Lakhs being credit balance of development mines declared as revenue mines. | Action is being taken after consultation with the Holding Company and other subsidiaries. |
| 9. Note No.5(a)(i) of Schedule 27 regarding non-determination of obsolete and damaged stores and in absence of physical verification of stores, discrepancy if any, due to non- | Being the first year, this field could be partially attended to. The action is being taken for the remaining parts. |

reconciliation of book stock with physical stock and non provision of slow non moving items of stores over three years of Jagannath Area Rs.297 Lakhs.

- | | | |
|-----|---|---|
| 10. | Note No.5(b)(i) of Schedule 27 regarding non provision for net shortage of coal on physical verification by survey team of Coal India Ltd., amount not ascertained. | When the difference between book and measured stock of coal is within 5%, no provision is required to be made as per the policy of the Company. |
| 11. | Note No.5(b)(ii) of Schedule 27 regarding non exclusion of profit element of Rs.4537 Lakhs from the valuation of closing stock of coal for adjustment of retention price. | No comment. |
| 12. | Note No. 5(d) of Schedule 27 regarding Bank Balance of Rs 169 Lakhs held in the name of South Eastern Coalfields Limited, the erstwhile Company. | Due to unavoidable circumstances some of the Bank Accounts are still operated in the name of S.E.C.L. These will be discontinued in due course. |
| 13. | Note No. 5(e) (i) of Schedule 27 regarding classification of advances between secured and unsecured, good and doubtful in absence of complete details. | No comment. |
| 14. | Note No. 5(e) (ii) of Schedule 27 regarding reconciliation and linking up of the advances with corresponding liabilities, pending which both the accounts are overstated. | This linking of advances with liabilities is a continuous process. Action is being taken. |
| 15. | Note No. 5(e) (iii) of Schedule 27 regarding amounts recoverable from Government pending finalisation of liability of pension. | Action is being taken. |
| 16. | Note No. 7 of Schedule 27 regarding old debit balance in Sundry Creditors and Liabilities which has been shown after netting off the same. | Action is being taken. |
| 17. | Note No. 8 of Schedule-27 regarding confirmation of Balance not obtained from Debtors, Creditors, Loans & Advances and deposits and adequate or otherwise of further provision of doubtful debts Rs. 1058 lakhs made during the year. | No comment. |
| 18. | Regarding non-availability of title deeds of land retained by way of equitable | Action is being taken. |

- mortgage against house building loan given to the employees.
19. Regarding non-availability of share certificates for Investment in shares of Co-operative Society. Action is being taken.
20. Note No. 9 of Schedule-27 regarding provisional adjustment for amount payable Rs. 15224.09 lakhs under Coal Price Regulation Account on despatches of Coal during the period. No comment.
21. Note No. 10 of Schedule-27 regarding non-ascertainment of gratuity liability in respect of employees of South Eastern Coalfields Ltd., the erstwhile Co., retiring as on 2-4-92 and transferred to the Company. Such liability being the liability prior to incorporation of this Company has been taken over by the Company which has neither been ascertained nor provided for. No Comment.
22. Regarding interest received from Debtors are accounted for on cash basis and interest from employees on House Building/Conveyance advances etc. on accrued and due basis. No comment.
23. Note No. 12 of Schedule-27 regarding expenditure aggregating to Rs. 626.30 lakhs in respect of period prior to incorporation of the Company included and shown in the current year under the respective heads of expenses. No comment.
24. Regarding pre-takeover dues of Rs. 9.63 lakhs of Talcher not provided for. Action is being taken.
25. Note No. 13 of Schedule 27 regarding amount payable Rs. 3362 lakhs appx. for Land Tax under Orissa Rural Employment, Education and Production Act. The matter is under sub-judice.
26. Note No. 14 of Schedule 27 regarding amount payable Rs. 540.32 lakhs for Road Tax on HEMM DUMPERS for the year 1983-84 and onwards. The matter is under Sub-Judice

27. Note No. 15 of Schedule-27 regarding non-provision of Sales-tax demand under protest Rs. 318.75 lakhs (net of payment under protest). The matter is under various levels of appeal.
28. Note No. 16 regarding deduction of Rs. 168.19 lakhs by Orissa State Electricity Board (OSEB) from Coal Supply Bill. The matter is being followed up with O.S.E.B. for refund.
29. Liabilities, if any, that may arise towards Income Tax on the Profit of the Company for the period ended 31st March, 1993 could not be ascertained and not provided for, due to non-availability of adequate details from erstwhile Company. The matter is under scrutiny.

The impact of all the above adjustments on over/under statement of Assets and Liabilities as well as Net Worth of the Company and on the Current Period profit are not ascertainable.

ANNEXURE - B**AUDITORS REPORT****MANAGEMENT'S REPLY**

- | | |
|--|--|
| <p>1.1. Fixed Assets Register/Plant Cards have generally been properly maintained showing full particulars and quantitative details. Except for land, situation of fixed Assets are by and large properly recorded. Further in few cases location of Plant & Machinery are yet to be recorded.</p> | <p>No comment.</p> |
| <p>1.2 As informed, as per the programme of verifying the item of Plant & Machinery over Rs 1 lakh in each case, the Company has generally carried out such verification and no significant discrepancies were noticed. We have been informed that there is a programme of verification of other assets periodically over a period of 3 years but the same has not commenced during the period.</p> | <p>Action is being taken</p> |
| <p>2. None of the Assets have been revalued during the period.</p> | <p>No comment.</p> |
| <p>3.1 Physical verification of stock of coal has been conducted by a team of independent surveyor deputed by the Coal India Ltd., after the close of the year. The Stock of stores and spares have not been physically verified during the period.</p> | <p>No comments. Action is being taken for physical verification of stock of stores & spares.</p> |
| <p>3.2 The procedure for the physical verification of stock of coal followed by the management appears to be reasonable and adequate in relation to the size of the Company and the nature of its business. Since no physical verification of stores and spares was conducted during the period, we are unable to comment whether the procedure for physical verification of stores and spares is reasonable or adequate in relation to the size of the company and nature of the business. In our opinion system of continuous stock taking should be introduced.</p> | <p>No comment. The suggestion made by the auditors is noted.</p> |

- 3.3 Shortage/excess found on physical verification in respect of coal in this +/- 5% tolerance compared to book records have been ignored in the books of accounts. In absence of physical verification of stores and spares during the period, we are unable to comment about the discrepancy, if any, arising out of such verification. No comment.
- 3.4 As regards the valuation of stock of coal as per the policy of the company no adjustment has been made for the difference between the selling price/net realisable value and the notified retention price of coal in the coal stock valuation. Subject to above, the valuation of stock of coal is fair, proper and in accordance with the normally accepted accounting principles. Stock of stores and spares have been taken into account as per general ledger balance pending complete reconciliation between price stores ledger balance and general ledger balance, and pending physical verification. Adjustment for discrepancy, if any, will be made there-after. Subject to the above, the valuation of stock stores and spares is fair and proper. This being the 1st year of the company, the question of change in the basis of valuation of stock does not arise. No comment.
4. The Company has not taken any loans, secured or unsecured from Companies, Firms or other parties listed in the register maintained under Sec 301 of the Companies Act, 1956 and/or from the companies from the same management as defined under Sec. 370(1B) of the said Act other than unsecured loans from 'Coal India Limited'. The interest on the said loan is accounted for, based on debit/credit notes issued by the holding company. In absence of information about the rate of interest and other terms and conditions of such loans, we are unable to comment whether or not these are prejudicial to the interest of the Company. No comment.

5. As explained to us, the Company has not granted any loans secured or unsecured to the companies, firms or other parties as listed in the register maintained under Sec. 301 of the Companies Act, 1956, and/or Companies under the same management as defined under sub sec.(1B) of Sec. 317 of the Companies Act, 1956, except in case of routine transactions with sister subsidiary companies. No comment.
- 6.1 The company has given loans and advances in the nature of loans to its employees and the same are generally recovered as per stipulations. No Comment.
- 6.2 In case of loans and advances in the nature of advances to other parties, in absence of complete details of old balances, we are unable to comment whether the same are secured or unsecured and good or doubtful of recovery. Action is being taken to analyse and clear the old balances of advances.
- 7.1 The internal control procedures in respect of purchase of stores and spares including components, plants, equipments and other assets are in our opinion, adequate and commensurate with the size of the company and nature of its business except occasional delay in accounting of stores, spares, plant & machineries etc., adjustment of advances and accounting of suppliers bills. No comment.
- 7.2 In our opinion, adequate internal control procedure commensurate with the size and nature of its business exists in the company with regard to the sale of goods. No comment.
8. The company has entered into transaction for purchase of goods, materials and sale of goods, materials and services, made in pursuance of Contracts of arrangements entered in the register maintained under Sec. 301 of the Companies Act 1956, aggregating during the period of Rs. 50,000/- or No comment.

more in respect of each party. However, in absence of availability of comparative prices, we are unable to comment upon the reasonability of such transactions.

9. Since physical verification has not been done, we are unable to comment whether the company has an adequate system for determination of un-serviceable and/or damaged stores and spares. In some areas, significant value of slow-moving/non-moving stock of stores & spares have accumulated over the years. The total book value of such un-serviceable/damaged/slow-moving/non-moving stock of stores and spares has not been fully ascertained. Action is being taken for physical verification of stock and spares.
10. The Company has not accepted any deposits from the Public as defined under section 58A of the Companies Act 1956, and the rules framed thereunder. No comment.
11. Scrap arising out of un-serviceable stores/spares, discarded Plant & Machinery etc., are accounted for at the time of sale. Adequate records for disposal have been maintained by the Company. We are given to understand that there are no realisable by-product. No comment.
12. The company has an internal audit department which is not commensurate with the size and nature of the business of the company. The Holding Company i.e. COAL INDIA LIMITED, generally appoints firms of Chartered Accountants as Internal Auditors of different areas of its subsidiary companies. During the year under review, the company appointed firms of Accountants to conduct the audit of various areas of the company and action is being taken on such reports wherever received. No comment.
13. As explained to us by the Management, the Central Govt., has not prescribed No comment.

maintenance of cost records under Sec. 209(1) (d) of the Companies Act, 1956.

14. According to the records of the Company No Comment.
adhoc amounts are generally paid in the next month of deduction of Provident Fund from the employees and the balance, if any, is generally paid within the next month after compiling the details from the various areas. As regards Provident Fund dues other than those covered by Coal Mines Provident Act, the deposit to the appropriate authorities are generally regular. We have been given to understand that coal mines workers are not under the purview of the Employees State Insurance Scheme.
15. The undisputed liability outstanding No Comment.
for more than six months in respect of Stowing Excise Duty, Cess on mineral etc., amounting to Rs. 1879.26 lakhs on minerals remains unpaid. There is no undisputed liability outstanding for more than six months towards, Wealth Tax, Customs Duty etc.
16. During the course of our audit of the No comment.
books of accounts carried out in accordance with generally accepted auditing practices and according to the information and explanation given to us no personal expenses of employees or directors, other than those payable under contractual obligation or in accordance with prevailing business practices have been charged to revenue account.
17. This being a Govt. Company, Sick No. comment.
Industrial Companies (Special Provisions) Act, 1985 is not applicable.
18. It appears to us that there is reasonable system of authorisation at proper levels with necessary control on the issue of

stores and allocation of stores and labour to jobs. It appears from our test check that the system of internal control is commensurate to the volume and nature of the business of the Company.

19A, Chowringhee Road
Calcutta-7000 087

For S. K. Singhania & Co.
Chartered Accountants

Dated : 18.08.93

(P. K. SINGHANIA)
Partner

ANNEXURE TO THE DIRECTORS' REPORT

Particulars of employees as required under Sec. 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Amendment Rule. 1990 and forming part of Directors' Report

LIST OF EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION OF RS. 1,44,000 OR MORE DURING THE PERIOD 1992-93 (EMPLOYED THROUGHOUT THE YEAR)

Sl. No.	Name	Designation	Qualification	Place of posting	Remuneration (Rs.)	Experience years	Date of commencement of Employment	Age	Last Employment held
1.	S.D. Tripathy	GM, (T) Area	BE	Talcher Area Talcher	1,61,313.34	25 yrs.	1.12.1967	53 yrs.	SECL
2.	B.N. Saigal	S.O. Mining	1st Class. coalmines manager	Talcher GM Unit	1,49,610.12	20 yrs.	31.1.1973	51 yrs.	SECL
3.	Samunder Singh	Dy. CME	BE	Deulbera Colliery	1,66,594.18	24 yrs.	19.1.1969	54 yrs.	SECL
4.	T.P. Nandi	Supdt. of mines Rescue station	BE	M.R.S. South Balanda	1,58,577.80	32 yrs.	6.7.1968	55 yrs.	Central Coal mine Rescue Station Committee

Note : None of the above employee is a relative of any Director