

ANNUAL REPORT & ACCOUNTS 2001-2002



CENTRAL MINE PLANNING AND DESIGN INSTITUTE LIMITED
(A Subsidiary of Coal India Limited)
GONDWANA PLACE, KANKE ROAD, RANCHI 834 008

MANAGEMENT DURING 2001-2002

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COMPANY SECRETARY

Shri V. Prekash Rao

BANKERS

State Bank of India,
United Bank of India,
Union Bank of India,
Bank of India,
Canara Bank,
Bank of Maharashtra,
Central Bank of India,
Indian Overseas Bank,
State Bank of Hyderabad,
Co-operative Bank of India

AUDITORS

M/s S. K. Datta & Co.
Chartered Accountants
Kolkata

REGISTERED OFFICE

Gandwana Place, Kankar Road,
Bachchan - 824 009
Jharkhand, India

MANAGEMENT DURING 2001-2002**FULL - TIME**

- | | | | |
|----|----------------------|---|--|
| 1. | Shri B. Akala | : | Chairman-cum-Managing Director |
| 2. | Shri J. P. Singh | : | Director |
| 3. | Shri M. K. Sinha | : | Director (Upto 17.08.2001) |
| 4. | Shri A. Mukhopadhyay | : | Director (Upto 01.06.2001) |
| 5. | Shri N. P. Bhati | : | Director (Upto 11.04.2001) |
| 6. | Shri R. N. Sharma | : | Director (From 01.01.2002) |
| 7. | Shri Lalit Mohan | : | Director (From 02.01. 2002) |
| 8. | Shri H. R. Surana | : | Director (From 02. .01.2002 to 15.10.2002) |
| 9. | Shri B. N. Mishra | : | Director (From 16.01. 2002) |

PART -TIME

- | | | | |
|-----|-------------------|---|-------------------------------|
| 10. | Shri M. K. Thapar | : | Director (Upto 30.09. 2001) |
| 11. | Shri K. P. Verma | : | Director (From 24.12. 2001) |
| 12. | Shri N. K. Sharma | : | Director (Upto 06. 02.2002) |
| 13. | Shri M. K. Sinha | : | Director (From 22.08.2001) |
| 14. | Prof. A. K. Ghose | : | Director |
| 15. | Prof. S. K. Bhan | : | Director |
| 16. | Dr. L. K. Singhal | : | Director |

COMPANY SECRETARY

: Shri V. Prakasa Rao

BANKERS: State Bank of India,
United Bank of India,
Union Bank of India,
Bank of India.
Canara Bank
Bank of Maharastra
Oriental Bank of Commerce
Indian Overseas Bank
State Bank of Indore
Central bank of India**AUDITORS**: M/s S. K. Basu & Co.
Chartered Accountants
Kolkata.**REGISTERED OFFICE**: Gondwana Place, Kanke Road,
Ranchi - 834 008
Jharkhand, India

PRESENT MANAGEMENT

FULL - TIME

- | | | | |
|----|-------------------|---|--------------------------------|
| 1. | Shri B. Akala | : | Chairman cum Managing Director |
| 2. | Shri J. P. Singh | : | Director |
| 3. | Shri R. N. Sharma | : | Director |
| 4. | Shri B. N. Mishra | : | Director |

PART - TIME

- | | | | |
|----|-------------------|---|----------|
| 5. | Shri Shashi Kumar | : | Director |
| 6. | Shri K. P. Verma | : | Director |
| 7. | Prof. S. K. Bhan | : | Director |
| 8. | Dr. L. K. Singhal | : | Director |
| 9. | Prof. A. K. Ghose | : | Director |

BANKERS

State Bank of India
 United Bank of India
 Union Bank of India
 Bank of India
 Canara Bank
 Bank of Maharashtra
 Oriental Bank of Commerce
 Indian Overseas Bank
 State Bank of India
 Central Bank of India

AUDITORS

M/s S. K. Basu & Co.
 Chartered Accountants
 Kolkata

REGISTERED OFFICE

Gandhari Place, Kolkata Road,
 Ranchi - 834 008
 Jharkhand, India

NOTICE FOR 27TH ANNUAL GENERAL MEETING

Ref. no. CS/AGM-27/2002/4347

Dated : 20.09.2002

Notice is hereby given to all the shareholders of Central mine Planning & Design Institute Limited that the 27th Annual General meeting of the Company will be held on Thursday the 26th September, 2002 at 3.00 P.M. at the Registered Office of the Company, Gondwana Place, Kanke Road, Ranchi to transact the following business :

1. Adoption of the annual Accounts:

To receive and adopt the Balance sheet as on 31st march 2002. Profit & Loss Account for the year ended on that date along with the schedules attached thereto and the Auditors' Report thereon with the replies given by the management.

2. Adoption of the Directors' Report :

To receive and adopt the Report of the Board of Directors for the year 2001-2002.

3. Fixation of remuneration to Auditors for the year 2002-03 and onwards:

The meeting may pass the following resolutions with or without modification —

"Resolved that the remuneration payable to Statutory Auditors for the financial year 2002-2003 is hereby recommended at Rs. 75,000/- plus out of pocket expenses towards travelling, boarding, lodging etc. as approved and recommended by the Board at its 124th Meeting held on 18.7.2002."

Further resolved that the Board of Directors are hereby authorised to fix the remuneration of Statutory Auditors in future years also.

4. Appointment of Part-time Directors:

The meeting may pass the following resolutions with or without modification :

- (i) To appoint a Director in place of Shri Shashi Kumar who retires in terms of Article 34 (1)(e)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
- (ii) To appoint a Director in place of Shri K. P. Varma who retires in terms of Article 34(1)(e)(iii) of the Articles of Association of the company and is eligible for re-appointment.
- (iii) To appoint a Director in place of Prof. S. K. Bhan who retires in terms of Article 34(1)(e)(iii) of the Articles of Association of the company and is eligible for re-appointment.
- (iv) To appoint a Director in place of Prof. A. K. Ghose who retires in terms of Article 34 (1)(e)(iii) of the Articles of Association of the company and is eligible for re-appointment.

By order of the Board of Directors
For Central Mine Planning & Design institute Limited

Sd/-

(V. Prakasa Rao)
Company Secretary

N.B. : A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.

To
All the Shareholders, Directors and Auditors of the Company.

DIRECTOR'S REPORT

To

The Shareholders.

Gentlemen,

Your Directors have great pleasure in presenting the 27th Annual Report on the working of your Company along with the Accounts for the year ended 31st March, 2002 and Auditors' Report thereon.

The main functional area of your Company is to provide adequate and up-to-date planning, design and technological supports to Coal India Limited and its coal producing subsidiaries to enable them to produce the planned quantity of coal efficiently and economically with due attention to safety, conservation, quality and environment. In addition your company also provides the necessary consultancy services for the clients outside Coal India Limited in India and abroad. The Quality Management System of CMPDI, Ranchi is certified under international standard – ISO 9001: 1994 by BVQI (UK) and now covers the following services:

- (i) Consultancy in Mineral Exploration and Environmental Management:
- (ii) Planning & Design in Mining, Civil & Architectural Engineering, Coal Preparation & Utilisation, Electrical & Mechanical Engineering, Mining Electronics, Geomatics and Mine Construction.
- (iii) Laboratory testing facilities for the above.
- (iv) Technical & Management Training in Mineral & Mining Sector.

Major services offered by your Company are:

- **Geological exploration & drilling:** Detailed geological exploration of regionally explored blocks with a view to project adequate and reliable geological and geo-engineering data for preparation of mining project report and choice of projects,

geophysical survey through multi-probe geophysical logging, identification of coal bed methane resources, high resolution shallow seismic survey etc., Hydrogeological investigation.

- **Geomatics :** Remote sensing through aerial photos, satellite data & air borne scanner for preparation of Thematic maps, making studies for river pollution, urban sprawl etc. Survey related services: Topographical, contour, Traverse & correlation, OB & coal measurement, GIS, GPS.
- **Project Planning :** Preparation of pre-feasibility reports, bankable feasibility reports and detailed feasibility report, detailed Project Reports and working drawings for mines, coal and mineral beneficiation and utilisation plants, coal handling plants, workshops, captive thermal power stations and other ancillary units and infrastructure facilities including techno-economic evaluation of various schemes and project reports for investment decisions.
- **Detailed Design of System & Sub-system :** Detailed design of system and sub-system for mines, beneficiation and utilisation plants, Coal Handling Plants, Power Supply Systems, Workshops and other units.
- **Research & Development :** Applied research and development in the field of mining, beneficiation, utilisation, environment, exploration etc. serving as nodal agency for all S&T schemes funded by Ministry of Coal and R&D schemes funded by R&D Board of CIL.
- Laboratory testing and data generation.
- Environment
- Human Resource Development
- Information Technology

In addition to above following Specialised services are also offered by your company:

- Ventilation & Gas survey
- Controlled Blasting
- Performance evaluation of new explosives
- Mining Electronics
- Mine capacity Assessment
- Mine Support Design, Rock Mass Rating (RMR)
- Non-Destructive Testing

Your Company has been and is actively involved in the identification, critical examination and evaluation of all bilateral projects for transfer of various technologies for coal mining, so as to improve the production, productivity and conservation in CIL mines.

Your Company is functioning with seven Regional Institutes located at Asansol, Dhanbad, Ranchi, Nagpur, Bilaspur, Singrauli & Bhubaneswar with its headquarters at Ranchi.

1.0 CORPORATE PERFORMANCE

During the year under review your Company sustained a net loss of Rs. 6.21 Lakhs (after tax). The working results of the company are given below:

(Rs. in lakhs)

Sales	13,135.04	
Less: Total Net Expenditure	12,661.30	
Gross Profit :		473.74
Less : Depreciation	217.10	
Interest	28.07	
Provision	7.99	253.16
Profit for the year		220.58
Less: Prior Period Adjustment		(-) 59.77
Profit before Taxation		280.35
Less: Provision for Taxation		286.56
Net loss after Tax		6.21

2.0 PROJECT PLANNING & DESIGN

During 2001-2002, CMPDI was engaged in preparation of project reports for new/expansion/re-organisation mines for building of additional production capacity.

In addition to this, the following jobs were undertaken:

- Revision of project reports / cost estimates
- Special reports for safety, development of infrastructures, operation plans for large OC mine, EMPs etc.
- Detailed design and drawings, drawal of specifications, NIT, tender scrutiny etc.
- Mine capacity assessment of underground & opencast mines of CIL.
- Various technical studies relating to operation of opencast & underground mines,
- Performance analysis of HEMM deployed in OC mines, PSLW of Powered Support Longwall faces and intermediate technology using SDLs and LHDs in CIL mines.

During the year 2001-2002, expert consultancy services were also provided to subsidiary companies of Coal India Limited in the field of Environmental Management and Monitoring, Remote Sensing, Energy Audit, Physico-mechanical Test on Rock and Coal Samples, Subsidence Studies, Strata Control, Non Destructive Testing (NDT), Controlled Blasting & Vibration Studies and Explosive Utilisation, Mining Electronics, Slope stability etc.

During 2001-2002, a total of 251 reports have been prepared.

The break-up of reports prepared has been given below in Table-1:

Table - 1

GEOLOGICAL REPORTS	18
PROJECT REPORTS	11
REVISED PROJECT REPORTS	4
REVISED COST ESTIMATES	6
SPECIAL REPORTS	15
OPERATIONAL PLAN	31
OTHER STUDIES	148
EMPs	18
TOTAL	251

During the year Operation plan (2001-02) for Sonapur-Bazari OCP, ECL & FR for Krishnashila OCP, NCL were prepared completely through Mine Planning Software (MINEX).

3.0 OUTSIDE CONSULTANCY

3.1 Apart from fulfilling the consultancy needs of CIL & its subsidiary companies your company is also rendering its expert services to organisation outside CIL. During the year 2001-2002, 12 outside consultancy jobs were completed for ten organisations. Some of the important clients / organisations to whom services were provided are Punjab State Electricity Board, The Singareni Collieries Company Limited, Uranium Corporation of India Ltd. Jadugoda, National Thermal Power Corporation Ltd. Seepat, Indian Airlines, Tata Iron & Steel Company Ltd., Bihar State Mineral Development Corporation etc. Presently, 18 outside consultancy jobs are in hand for 13 organisations like Central Pollution Control Board, Madhya Pradesh Pollution Control Board, Ministry of Environment and Forest, National Bank for Agriculture and Rural Development, Indian Bureau of Mines - Nagpur, Damodar Valley Corporation, Tata Iron & Steel Company Ltd. (Tata Steel), National Thermal Power Corporation Ltd. - Noida, Indian School of Mines - Dhanbad, National Aluminum Corporation Ltd., Neyveli Lignite Corporation, Coal Mines Provident Fund - Nagpur, etc.

During the year 2001-2002, 25 jobs worth Rs. 250.49 lakhs from 16 organisations were procured by CMPDI.

4.0 EXPLORATION

With the objective to provide consultancy support in coal exploration, CMPDI continued the Detailed Exploration in CIL and Non CIL blocks and Promotional (Regional) Exploration during the year 2001 - 2002. The exploratory drilling was carried out departmentally along with the resources of Mineral Exploration Corporation Ltd.

(MECL), State Govts. of M.P., Chhattisgarh and Orissa on contractual basis.

4.1 Drilling Performance for 2001-2002

During the year 2001 - 2002, eighteen coalfields were selected for exploration and drilling was conducted in 104 blocks. Out of it, 79 blocks belong to CIL subsidiaries, 21 blocks were Non-CIL blocks and four blocks were taken up for Promotional (Regional) Exploration. The Detailed Exploration in Non-CIL blocks was taken up in Raniganj (2), North Karanpura (3), Kamptee / Katol (1), Wardha Valley (1), Sohagpur (5), Hasdo-Arand (2), Korba (1), Singrauli Main Basin (2) and Talcher coalfields (2). The Promotional (Regional) Exploration was conducted in North Karanpura (2), Kamptee (1) and Wardha Valley Coalfield (1). The exploration in CIL blocks was funded by subsidiaries of CIL while Ministry of Coal & Mines funded the exploration in Non-CIL / Promotional blocks.

The overall performance of exploratory drilling by CMPDI and its contractual agencies during 2001-2002 is given below:

Agency	Annual Target 2001-02 (m)	Achievement 2001-02 (Detailed Drilling in CIL & Non-CIL Blocks and Promotional Drilling)			Achieved 2000-01 (m)
		Achieved (m)	Achieved %	+/- (m)	
CMPDI	192,000	1,96,678	102	4678	196194
MECL	38,500* (63,000)	38,518	100	18	48350
State Govt.	10,000	9,125	91	- 875	8705
Pvt. Parties	—	—	—	—	43
Total	2,40,500 (2,65,000)	2,44,321	102	3821	253292

Note : * MECL could be allotted 38,500m drilling in Non-CIL blocks due to the reduced allocation of fund.

The actual achievement of drilling by all agencies was 2,44,321m, which is 102% of the revised target. No drilling target was allotted to MECL and Pvt. Parties in CIL blocks during the year. CMPDI's drills have achieved 1,96,678m of drilling which is

102% of the target. This is 484m more than the achievement of previous year.

4.1.1 Detailed Exploration in Non-CIL Blocks:

Consequent upon the reduction in allocation of fund of Rs. 7.95 Crores at RE stage for Detailed Exploration in Non-CIL blocks during 2001-02, the targets of drilling in Non-CIL blocks were revised from 86,000m to 66,900m for CMPDI and from 63,000m to 38,500m for MECL. The performance of Detailed Drilling in Non-CIL blocks, during 2001-02, is given below accordingly:

Agency	Company Command Area	Coalfield	Block	Target	Achiev. Drilling (m)
MECL	ECL	Raniganj	Biharinath, Jaydeb - Khagra		431
		WCL	Wardha	Lohra West Extn.	128
	SECL	Hasdo-Arand	Gidamuri, Tara		21,800
		Korba	Kesla North		4,220
	NCL	Singrauli Main Basin	Amelia, Amelia North		11,939
Sub Total MECL				38,500	38,518
CMPDI	CCL	North Karanpura	Kerandari 'A'		12,392
			Kerandari 'C', Babupara		
		West Bokaro	Padraangi, Duni		2005
	WCL	Katol (Kamptee)	Gondkhatri		9226
	SECL	Sohagpur	Bodri, Bodri nath, Batura Dhanpura, Dhanpura West		23,799
	MCL	Talcher	Baitarni, Konark		20,356
Sub Total CMPDI				66,900	67,778
Grand Total				1,05,400	1,06,296

It may be seen from the table above that the target set for Detailed Exploration in Non-CIL blocks, according to the budget, were achieved. The exploration in Non-CIL blocks has been discontinued at the end of 2001-02 and will be taken up after the approval of the scheme for X plan. The working Group on Coal & Lignite for X Plan has proposed for the continuation of the scheme of Detailed Exploration in Non-CIL blocks during the X Plan. The Planning

Commission has considered the allocation of fund for the first year of X Plan i.e. 2002-03. However, the clearance by Expenditure Finance Committee is yet to be obtained.

4.1.2 Promotional exploration: CMPDI concluded the Promotional Exploration in Pakri-Barwadih block of N Karanpura coalfield and Area Between Visapur & Hindustan Lalpet block of Wardha Valley coalfield during 2001-02. The promotional exploration was continuing in Tandwa - Magadh (South) blocks of North Karanpura coalfield. A new block - Baratwada was taken up in the area between Tondakhari - Khandala of Kamptee coalfield and Bokhara coalfield. The overall drilling achievement for Promotional Exploration during the year 2001-02 was 13,266m as detailed below:

Command Area	Coalfield	Block	Target (m)	Achieved (m)
CCL	North Karanpura	Pakri-Barwadih		230
		Tandwa South		4,663
WCL	Wardha Valley	Area Between Visapur/ H.Lalpet		5,937
	Kamptee	Baratwada		2,436
Total			14,200	13,266

The exploration in Promotional blocks will be discontinued after the completion of boreholes taken up by the end of 2001-02 and will be taken up after the approval of the scheme for X plan. The Working Group on Coal & Lignite for X Plan has proposed for the continuation of the scheme of Promotional Exploration in coal and lignite during the X Plan. The Planning Commission has considered the allocation of fund for the first year of X Plan i.e. 2002-03. However, the clearance by Expenditure Finance Committee is yet to be obtained.

4.2 Geological Reports

4.2.1 During the year 2001-02, a total of 18 Geological Reports were submitted for detailed exploration of coal. This includes six reports from detailed exploration in Non-CIL Blocks. CMPDI has taken a lead role in

preparation of "Sub-Group -II on Coal & Lignite Exploration and Coal Bed Methane for the formulation of X Plan" in association with GSI, MECL, SCCL, NLC and MoC etc.

4.2.2 A total of 2.8 Bt. of reserves were estimated from these GRs, out of which 2.7 Bt. of reserves are under "Proved" category and 0.1 Bt. are under "Indicated" category. Out of the proved reserves of 2.7 Bt., 2.4 Bt are non-coking in nature and 0.2 Bt. is coking coal.

4.3 Hydrogeology

During 2001-02 two reports pertaining to Ground Water Availability in Karst topography of NTPC plant, Seepat, Bilaspur and Mine Water Inrush at Jaynagar inclines of Bishrampur CF were submitted. Hydrogeological investigation for Meera incline, Dhanpuri OCP (Sohagpur CF) and Simaria Colliery (Johilla CF) were also completed during the year. The Hydrogeological investigation in Hasdeo Area of SECL, Magadh -Amrapali and part area of South Karanpura coalfield in CCL was initiated in 2001-02. The investigations for water supply project in Rajmahal Area of ECL were also completed.

4.4 Geophysical Surveys

4.4.1 During the year 2001-2002, a total 71 boreholes were subjected to the down the hole multi-parameter geophysical logging. About 15,028m of geophysical logging was carried out for the same purpose in CIL, non-CIL and promotional boreholes. Apart from it, surface geophysical surveys were also conducted. A total of 115 line km. of Electrical Resistivity Profiling, 101 nos of Vertical Electrical Sounding (VES), 42 line km. of Magnetic Survey, 12 line km. of Seismic Refraction Survey and 12.6 line km. of S. P. survey were carried out under the category. A total of 23 reports were submitted for geophysical investigations.

4.4.2 Application of Ground Penetrating Radar Technique in WCL, BCCL & ECL underground mines have been taken up

under the S&T Scheme. This work is carried out by CMPDI along with NIRM, Bangalore.

CMPDI has also carried out Geophysical Surveys for selection of tube well sites in Ranchi town ship area to provide potential ground water location points.

4.5 Geosystem

4.5.1 Geological modeling package - MINEX has been routinised in all the Regional Institutes, except RI-II. Training to geologists and continuous support in software maintenance was extended to concerned users. Geological modelings (through MINEX) of Sonapur - Bazari-II of Raniganj CF, Mehrauli block of Singrauli CF and Ponri block of Korba CF, for the preparation of geological reports, were completed during the year 2001-02. The geological model for operational plan for Parej East OCP in West Bokaro CF was also completed during the year.

4.5.2 Routinisation/maintenance/training was continued on in-house developed software - CEMPGEODOC. This software was installed in various camps of different RI's e.g. RI-I (two camps), RI -IV (one camp), RI -V (two camps) and RI -VII (three camps) and the concerned geologists were trained for the use of package.

4.5.3 Training and support services were extended to SCCL, Singareni for the CEMPGEODOC software, under the annual maintenance provisions. Training on MINEX and CEMPGEODOC software was also provided to CCL geologists under the pilot project on Argada block for CIL R&D project on "Geomining Statistical Database of South Karanpura Coalfield, CCL". The pilot project was completed and report submitted in Dec. 2001.

4.5.4 In-house developed software - SASLINT was utilized for geophysical log interpretation of non-coring boreholes of Giddi 'C' block of South Karanpura coalfield in CCL.

4.6 Exploration Laboratory

4.6.1 The exploration laboratory of CMPDI has processed and analysed 3312 meters of coal core from CCL area during 2001-02. A total of 9140 samples were analysed for various parameters.

4.6.2 One plastometer unit for determination of fluidity (ddpm) for characterization of coking coal has been commissioned in the laboratory under CIL (R&D) funded project. Ten number of samples from low volatile coking coal areas of Jharia & East Bokaro coalfield were analysed by the instrument to judge the coking potentiality.

4.6.3 Besides catering the need of CCL for chemical analysis of coal core samples, the laboratory has also taken up analysis job from out side agencies e.g. M/s. TISCO, West Bokaro Colliery during the period.

5.0 COAL BED METHANE (CBM)

5.1 **Joint development of CBM by consortium of CIL & ONGC in Jharia & Raniganj Coal fields :** Govt. of India has cleared a proposal for granting joint PEL on nomination basis for development of CBM by consortium of CIL & ONGC in 356 sq. km area of Raniganj coalfield and 84 sq. km area of Jharia coalfield. These developments are the result of several round of technical / administrative deliberations, which took place between ONGC & CIL / CMPDI in accordance with a MoU signed in this regard.

As per Govt. of India CBM policy, the consortium has to enter into a contract (based upon Govt. formulated model contract) with Govt. of India for CBM development, wherein besides other matters, respective participative interest and minimum work programme has to be committed. Besides, both the company will have to enter into an operating agreement to specify the operational aspects of joint CBM development. Deliberations are under progress to evolve joint stands in regard of these crucial matters. The participative

interest of CIL will be in the form of services to be provided by CMPDI.

5.2 **Scheme for generation of CBM specific data from Promotional Drilling to be funded as per provision of X plan document :** Sub-Group-II on Coal & Lignite Exploration for the X plan has recommended a scheme for generation of CBM specific data from the selected coalfields alongwith the promotional drilling. The proposal has been considered by planning commission for the Annual Plan 2002-03. The clearance by Expenditure Finance Committee is awaited.

5.3 Coalbed Methane – Project (GEF/ UNDP/GOI)

The demonstration project titled "Coalbed Methane Recovery & Commercial Utilisation" has been approved by the Government of India on 15.9.1999 under the S&T plan of the Ministry of Coal at an estimated cost of Rs. 76.85 Crores. The project is being funded jointly by the Global Environment Facility (GEF), United Nations Development Programme (UNDP) and the Government of India (GOI). The duration of the project is 5 years. The project is to be implemented at the Sudamdih and Moonidih mines of BCCL. The CMPDI and BCCL are the implementing agencies on behalf of GOI.

During the year 2001-02, following activities have been undertaken or are in progress:

- (i) The scheme for establishing Integrated Information System for the CBM Project, already implemented at CMPDI (HQ) and is under implementation at BCCL (HQ) and RI-II, CMPDI, Dhanbad and project at Moonidih and Sudamdih.
- (ii) On account of constraints in the availability of the required equipment budget, the following measures were proposed / undertaken for the implementation of the project:-
 - (a) CIL and ONGC was separately approached for co-funding the

costliest equipment i.e. hydraulic fracturing equipment.

- (b) The number of surface production wells were planned for reduction from 17 in the project document to 7, thereby resulting in savings in expenditures required for furnishing each well. For technical reasons, 10 Gob wells projected in the project document, were not feasible, and hence 2 was considered adequate by the Experts.
- (c) The planned execution of 7 production wells and 2 Gob wells would be carried out through one Vertical drill rig against provision of two in the project document, resulting in savings in the cost of one rig.
- (d) It has been planned to drill the UG horizontal wells at the two project sites - Sudamdih and Moonidih in series, for which one horizontal Long hole drill machine has been considered adequate, against the provision of two in the project document, thereby resulting in savings in the cost of one drill machine.
- (e) Certain equipment like Mud logging Unit and Two Phase Testing tool were not considered in the 1st category of essential items and were dropped.

- (iii) ONGC has agreed to the proposal for co-funding of two costly equipment i.e. Cementation equipment and Hydraulic fracturing equipment on 50 : 50 cost sharing basis. A Draft MOU to be executed between ONGC and CMPDIL in this respect is under finalisation.

6.0 PERSPECTIVE PLANNING & PROJECT APPRAISAL

Following jobs were carried out during 2001-02:

- (i) Planning Preparedness for terminal year of X Plan.

- (ii) Road Map for the X Plan projects requiring approval at Govt. level.
- (iii) Assistance in assessment of coal demand on CIL as well as in finalisation long term linkages of coal for various sectors such as Power, Cement etc.
- (iv) Extended help to Ministry of Coal & Coal India in allocation of Captive Blocks to private parties and actively participated in Screening Committee meeting for allotment of Captive Mining blocks.
- (v) Assistance in formulation of report of Sub Group - I on Coal Demand, Supply, Movement, Quality, International Trade & Infrastructure Development of the Working Group on Coal & Lignite for the X Five Year Plan.
- (vi) Progresses of implementation of ongoing projects costing more than Rs. 20 Crores were monitored. Annual Cost Updation of ongoing projects costing Rs. 50 Crores & above and report on need for preparation of RCE requiring EFC/PIB/CCEA approval were arranged to be sent to MOC.

7.0 COAL PREPARATION & UTILISATION

Broad spectrum Technology Services ranging from concept to commissioning of Coal Washeries, Mineral Beneficiation Plants and Modification / Modernization of existing plants can be rendered. The broad technological services encompasses exhaustive laboratory studies, Project Report preparation and Project Planning, Detail Design, Construction management and a wide range of R&D activities.

The major works done during the year 2001-2002 in the area of Coal Preparation are:

7.1 Reports / Studies

- (i) RCE for Madhuband Washery, BCCL
- (ii) Completion Report for Madhuband Washery, BCCL

- (iii) Feasibility Report on installation of Dreshaling Plant at Block - B, NCL

7.2 Testing of coal

(i) Washability & Characterisation Studies	: 65 Samples
(ii) Proximate Analysis	: 131 Samples
(iii) Swelling Index	: 15 Samples
(iv) LTGK	: 14 Samples
(v) GCV	: 54 Samples
(vi) H.G.I	: 26 Samples
(vii) Ash% & Moisture% of Band by Band Analysis	: 22.72 Metres

7.3 COAL TECHNOLOGY

Following major jobs have been undertaken in Coal Technology for the year 2001-2002:

- (i) Report on Global Tender for ascertaining the possibilities of setting up of Coal Liquefaction Plant in India has been prepared for CIL.
- (ii) Report on Techno - Economic Study for Giridih Coke Plant has been prepared and submitted to CCL.

8.0 MINING LABORATORY

8.1 A total of 1702 m of rock/coal cores and 57 samples of rock / coal from 40 underground workings were tested for physico-mechanical properties. Rock Mass Rating of roof strata was determined for 44 mines.

8.2 A CIL R&D Board sponsored project on "Establishment of Longwall Strata Control Services" is in progress.

Subsidence prediction was carried out for 6 underground mines, namely Murpar UG Mine, WCL, Datima UG Project, SECL, Karkati East UG Mine, SECL, Tandsi UG Mine, WCL, Gayatri UG Project, SECL, Rehar UG Project, SECL.

8.3 Non-destructive testing of mine winder components of 26 installations, 27 sets of cage suspension gear, 7 dragline and

shovels, one CHP structure, one in-pit crusher, 8 head and tail rope attachments and 3 powered supports were carried out.

9.0 RESEARCH AND DEVELOPMENT PROJECTS

9.1 S & T Projects Funded by MOC

The Research & Development activities in Coal Sector are being administered through an Apex Scientific body known as Standing Scientific Research Committee (SSRC) with Secretary (Coal) as its Chairman. The high level committee is entrusted with the vital task of planning, programme, budgeting and overseeing the implementation of R&D programmes in coal sector and also seeking application of research findings. The SSRC is assisted by four Standing Sub-Committees each dealing with one of the four relevant major areas of research viz.

- Production, productivity & Safety
- Coal Beneficiation
- Coal Utilisation
- Environment & Ecology.

CMPDI acts as a nodal agency and co-ordinates R&D / S&T activities in Coal / Lignite sectors. The nodal agency invites the project proposals related to identified thrust areas from various implementing agencies, who have capability and necessary infrastructure in concerned field. CMPDI processes the same for funding through SSRC.

9.2 As on 31.3.2002, 42 projects are under various stages of implementation. During the year 2001-2002, 12 projects were sanctioned and 6 projects were completed and 4 projects were terminated.

The following 6 projects have been completed during 2001-2002:

- (i) Integrated monitoring and communication system for toxic and combustible gases in mines using ceramic based sensors - MT/102.

- (ii) Development of micro-processor based solid state controller for improving haulers' efficiency - MT/113
- (iii) Demineralisation of North Eastern Coal using chemical dispersants - CP/30.
- (iv) Performance evaluation of Tri-flow Separator - CP/31.
- (v) Beneficiation of non-coking coal by dry method - CP/34.
- (vi) Development of operator friendly simulation package for coal preparation plant - CP/35.

The summarised position of the status as on 31.3.2002 is as follows:-

Ongoing projects as on 01.04.2001	—	40
Projects sanctioned during 2001-2002	—	12
Projects completed during 2001-2002	—	06
Projects dropped during 2001-2002	—	04
Projects on-going (as on 31.3.2002)	—	42

9.3 R&D PROJECTS FUNDED BY CIL R&D BOARD

R&D Board of CIL was constituted by Coal India in August, 1995. Field oriented research projects including transfer and absorption of new technologies are taken up in line with the identified thrust areas of the subsidiaries of CIL.

As on 31.03.2002, 13 R&D projects are under various stages of implementation. The summarised position as on 31.03.2002 is as follows:

(i) On - going projects as on 01.04.2001	—	10
(ii) Projects sanctioned during 2001 -2002	—	06
(iii) Projects completed during 2001-2002	—	03
(iv) Projects dropped during 2001-2002	—	NIL
(v) Projects on-going (as on 31.3.2002)	—	13

10.0 GEOMATICS

Appreciating the need for synergizing multi-discipline expertise in the fields of remote

sensing, image processing, terrain mapping, GIS, GPS, cartography, base map and other topographical related sciences, CMPDI has established a separate "Geomatics Division" w.e.f. 1st January 2001. The Division has been entrusted with the task of planning, formulation and implementation of projects related to remote sensing, GIS, GPS based topographical survey, digital cartography, coal petrography etc. During the period under reference, following jobs were carried out :

10.1 Remote Sensing

- (i) Preparation of land use/cover map of Bhotang & Digchu Copper Mines, Sikkim for IBM, Nagpur.
- (ii) Thematic mapping for study of environmental problems of Aravali Hill region in Gurgaon and Alwar Dist. for CPCB.
- (iii) Thematic mapping for Integrated Spatial Environmental Management Planning of Korba Region for MPPCB
- (iv) Thematic mapping for Integrated Spatial Environmental Management Planning of Satna-Rewa Limestone belt, M.P. for MPPCB.
- (v) Landuse plan based on the satellite data of the year 2001 for REMP of Singrauli CF for NCL.
- (vi) Landuse mapping of Tatapani-Ramkola and Nakia coalfields of SECL for SECL
- (vii) Land use/cover mapping of buffer zone of Bharatpur OCP for MCL.
- (viii) Land use/cover mapping of buffer zone of Rajrappa OCP for CCL.
- (ix) Land use/cover mapping of Rajmahal OCP for ECL.

10.2 Survey and Drawing

- (i) Pursuant to the decision taken during the CMDs 4th meet held on 2nd May 2001 at CIL, Kolkata, CMPDI has

been entrusted to carry out OBR check measurement in coal mines having OBR of 3 million cu.m. and above per annum as per the project to be identified by the respective CMDs. Accordingly, CMPDI has taken up periodic OBR check measurement survey in 6 OC projects in SECL, 4 OC projects in CCL, 3 OC projects in ECL, 9 OC projects in MCL, 3 OC projects in WCL and 8 projects in NCL.

- (ii) Correlation survey of underground mines of 59 pits in Jharia CF for BCCL.
- (iii) Underground check survey of 3 mines in BCCL.
- (iv) Topographical survey for Triple Court Complex at Jamshedpur, Gramodalay Darshan Park, Bishunpur for Govt. of Jharkhand.
- (v) Initial baseline survey of 4 OC patch deposits in ECL.
- (vi) 115 existing colliery plans from BCCL, CCL and ECL have been converted from f.p.s. (imperial) to m.k.s. (metric).

10.3 Coal Petrography

- (i) Coal maceral and Vitrinite reflectance studies were carried out of 345 samples from the coalfields of CCL, WCL, SECL and ECL.
- (ii) For mineralogical studies of coal samples, one X-ray Diffractometer (XRD) has been commissioned at Petrography lab and about 35 samples were analysed.
- (iii) R&D project funded by CIL R&D Board titled "Resource survey characterization and blending studies of low volatile high rank coals for their use in steel industry", were pursued from 20 samples drawn from East Bokaro and Jharia CF. The final report is scheduled to be submitted by September 2002.

11.0 INFORMATION TECHNOLOGY

11.1 Enhancement of Computer Systems, Networking facilities, usability of the existing and extended features have been taken up in a big way throughout this year. Besides development of web based database management and MIS report generation for CMPDI and its RIs, the consultancy services to subsidiary companies of CIL and to external agencies for the establishment of Intranet and internet on LAN and WAN systems, development of web based software and establishment of related database based on GIS applications have been done on payment basis.

11.2 During the year, the following new jobs have been accepted for development.

- (i) Land information System for CCL's Land and Revenue Department.
- (ii) CCL LAN and internet at HQ through 2 mbps leased line between CMPDI and CCL using CMPDI intranet connection.
- (iii) CCL Internet connection of Areas using above system and RIs and DMART communication facilities.
- (iv) S&T Information System for S&T Division which is being used since Dec. 2001.
- (v) Environment Monitoring Capacity Building Task-5 for the Ministry of Environment & Forest (MOEF), Government of India.

12.0 ENVIRONMENTAL MANAGEMENT

12.1 EIA / EMPs

- (i) During the year, CMPDI formulated 18 EMPs for Projects of the Coal Companies.
- (ii) Baseline Environmental data was generated for 4 projects of SECL in Lakhanpur coalfield, 2 projects of CCL for preparation of EIA / EMP and also of Singrauli coalfield for preparation

of REMP. Baseline data generation for Rajmahal OCP and Chuperbita OCP projects of ECL is in progress. Besides Baseline data generation for preparation of Regional EMP for Korba coalfield is also under progress.

12.2 Environmental Monitoring for Air, Water and Noise

The details of environmental monitoring work done by CMPDI during 2001-02 is given below:

Company	No. of projects
ECL	21
CCL	59
WCL	66
SECL	44
NCL	9
MCL	18
TOTAL	217

12.3 Co-ordination of EMSC Schemes

CMPDI is the Nodal Agency for co-ordination and monitoring of ongoing environmental upgradation schemes sanctioned by Ministry of Coal and Mines under the head "Environmental Measures and Subsidence Control". CMPDI undertakes technical scrutiny of new proposals, preparation of agenda and minutes of the review meetings, fields visits to Projects sites and disbursement of funds to the implementing agencies. During the year 4 numbers of EMSC schemes have been completed and 21 schemes are under implementation including 4 fire control schemes sanctioned in 2001-2002.

Ministry of Coal has constituted an Expert Committee comprising CMD, CMPDI as Chairman & Director (T), CMPDI as convener for monitoring and review of the implementation of EMSC schemes.

12.4 Special Studies

A. R&D studies

- (i) Optimisation of ambient air quality monitoring networks and application of mathematical models for control of air pollution in NK coalfield of CCL.

The study has been completed in association with BIT Mesra and the report prepared.

- (ii) Utilisation of overburden material through modification of Physico-mechanical properties for the construction of Haul Roads:

The field study has been completed:

B. Environment Management Capacity Building - Technical Assistance Project: Mining Sub-component:

World Bank has funded grants of MoEF for undertaking the above project for non-coal mining sector. CMPDI has been selected as National Consultant to assist CME, ISM, Dhanbad, the Executing Agency for Activity-II A of this sub-component of the project along with M/s Montgomery Watson Harza as the International Consultant. The Activity-II A contains Institutional strengthening of government agencies at Central & State level who are responsible for policy making, legislating standard setting and enforcement as well as strengthening of counterpart institutions as resource groups/consultants for central and state government agencies including mining companies.

- C. Study of Environmental Problems of Aravalli Hills and preparation of Action Plan for restoration of environmental quality.

The above job has been awarded by Central Pollution Control Board. The study has been undertaken for Gurgaon district of Haryana and Alwar district of Rajasthan. This study will continue for 2.5 years. The data collection / generation has completed and the interim report has been submitted to CPCB.

D. Zoning Atlas : Under the Zoning Atlas studies (a World Bank aided project), Madhya Pradesh Pollution Control Board has awarded EMP for Satna Limestone belt and EMP for Korba Region. This requires preparation of Environmental Status Maps to be prepared using Remote Sensing Data, the work is in progress and scheduled to be completed by end of June, 2002.

E. Dust Survey of N.K. Area of CCL: The study on dust survey of NK area of CCL has been completed and the report submitted to CCL WBP Division.

13.0 HUMAN RESOURCE DEVELOPMENT

13.1 Staff Training College (STC) imparted training to 772 persons through its 46 programme against a target of 32 programmes to train 580 persons during the year 2001-2002.

These programmes were imparted under five major categories: (i) Technical, (ii) Managerial (iii) Computer application (iv) Quality Skills and (v) Transformational Programmes. Out of a total of 46 programmes conducted during the year, 30 training programmes were for the duration of 5 days or more training 375 persons.

For the promotion of Rajbhasha in official work, a Hindi Karyashala was organized.

13.2 In addition to above programmes organized at STC, 157 executives were sent for different types of training outside the company out of which 80 executives were sent to IICM and one executive was sent to Vienna (Austria).

13.3 CMPDI met its social obligation of extending vocational training facilities to 146 under graduate and post graduate students belonging to institutions spread all over India during 2001-02.

14.0 Management System Consultancy

14.1 CMPDI diversified into management consultancy in 1998. Under this, consultancy for establishing ISO- 9000 Quality Management System (QMS) and

ISO 14000 Environmental Management System (EMS) is provided through its Management System Division. The scope of this consultancy includes:

- Creation of management system.
- Providing training support.
- Implementation, certification and post certification support

14.2 Management consultancy for CIL and its subsidiary companies

CMPDI is presently providing management consultancy worth Rs. 1.34 Crores in about 40 establishments within the coal industry. These includes some of the prestigious coal mines like Gevra, Dipka, Kusmunda (SECL), Rajmahal, Chinakuri (ECL), Padmapur, Umrer (WCL), Piparwar, KD Hesalong (CCL) and Samleswari (NCL) - in addition to many other HEMM workshops, and central hospitals of CCL and NCL. Out of these, 3 workshops have been certified against the latest 2000 version of ISO 9001 standard.

14.3 The above consultancies were provided to 16 workshops, 8 mines and 1 hospital of CIL subsidiary companies as per the following details:

ECL: Workshops : Sonepur-Bazari OCP and Rajmahal OCP for ISO 9000 certification.

Mines ; Rajmahal OCP

CCL: Workshops : HEMM workshops of Piparwar and Kathara, Rajrappa, Regional workshops of NK, Jarangdih and Hazaribagh, Unit workshops of Parej, KD Hesalong, Urimari, Sel. Dhori and Pundi for ISO 9000 certification.

Central workshop, Barkakana has already achieved ISO 9000 certification.

Mines : Piparwar and KD Hesalong OCPs for ISO 9000 and ISO 14000 certification.

Hospital : Central Hospital, Gandhinagar for ISO 9000 and ISO 14000.

WCL:Mines : Padmapur OCP for ISO 9000 and ISO 14000 and Umrer OCP for ISO 9000.

SECL: Workshops : Korba, Gevra, Bijuri and Korea for ISO 9000 certification.

Mines : Gevra, Dipka and Kusmunda OCPs for ISO 14000 certification.

14.4 Efforts have been made to broaden the clientele's base. A beginning has been made by providing consultancy to ONGC, Kolkata for ISO 9000 certification.

15.0 ENGINEERING SERVICES

Apart from providing consultancy services for CHP, Workshops, Power supply, distribution & control systems, Industrial & residential buildings, Road & Railway siding, Townships, the following major Engineering Services were provided during 2001-2002.

15.1 Energy Audit Management

After evaluation of three energy audit reports of CMPDI. Petroleum Conservation Research Association (under ministry of Petroleum and Natural Gas), Govt. of India, has empanelled CMPDI as Energy Auditor on PCRA's Panel.

8 nos. of energy audit / conservation reports were prepared for UG/OC mines of CIL.

15.2 Inspection Services

E & M Engineering Service of CMPDI has taken up the work of third party inspection of materials purchased by SECL, MCL, CCL, BCCL, WCL, NCL and ECL.

Inspection of materials / equipment worth Rs. 100 Crores (approximately) has been inspected and CMPDI has earned inspection fee of Rs. 31 lakhs.

LOI has been placed by Jharkhand State Electricity Board for inspection of materials/equipment purchased by them.

15.3 PROJECT MANAGEMENT CONSULTANCY

(i) Consultancy job for different buildings of ISM Dhanbad.

(ii) Won jobs through Architectural competition.

(a) District Complex at Jamshedpur.

(b) Jharkhand Bhawan in Delhi.

15.4 Job Diversification in New Areas

(i) Dynamic Analysis for assuring safety & stability for Rapid Loading Station, Bharatpur, MCL

(ii) Design for Flood Protection-cum-River training work including Road diversion over High Embankment, 7KM long, at Kulda OCP, MCL in progress.

(iii) Assessment and restoration of fire damage of BCCL Head Quarter Building, Dhanbad.

16.0 MINE CONSTRUCTION SERVICES

16.1 The following activities for the year 2001-02 were as under:

(i) Detailed designs services for new shafts of SECL (Sheetaldhara, Navapara, Bagdeva) and associated winding installation were provided.

(ii) Detailed designs relating to underground works were prepared for Hirakhand Bundia Colliery, MCL (Support for incline) , Bhowra (N) colliery, BCCL. (Dam construction)

(iii) Services for Analysis, strengthening/ modification designs of existing winding installations were provided for Jhagrakhand, West Colliery, Banki & Surakachar Shafts, SECL, Rawanwara Khas Colliery Pit nos. 1 & 3, WCL Hindustan Lalpet Colliery Pit no. 1, WCL, Pootkee colliery pit no. 1, BCCL .

(iv) Study to check the effect of increasing the winder drum diameter on the winding system Ballarpur colliery Pit no. 4, WCL.

17.0 MANPOWER (AS ON 31. 3. 2002)

EXECUTIVE	—	881
NON-EXECUTIVE :		
Monthly Rated	—	1542
Daily Rated	—	1063
		2605
GRAND TOTAL		3486

17.1 Rajbhasha

Your Company continued to implement the statutory provisions of the official language Act and the directives of the Ministry of Coal, Home Affairs (Official Language) and Coal India Limited made multi-dimensional efforts to enhance the progressive use of rajbhasha in Official work during the period under review.

Your company continued to impart in-house, in-service Hindi training under the Hindi Teaching Scheme of GOI. Hindi Shorthand and Typing training was also started following the directives of the Ministry of Coal and the decision taken and the HQ Official Language Implementation Committee during the period under review.

Besides documents under section 3(3) of the official language Act, the monthly report of your company, minutes of the Board of Directors' and other important meetings, Company's Annual Reports & Accounts continued to be prepared bilingually. The publications of the 'Desh Kaal Sampda' also continued to motivate the creative writing.

The Hindi Fortnight was also organized during the period under review in which five Hindi competitions were organized and the winning officers and staff were suitably awarded. Besides the above, four Hindi workshops (One for MI & M2 Level officers) were organized to facilitate the use of official, Language Hindi in day to-day official work during the period under review.

18.0 VIGILANCE**18.1 Vigilance Awareness Week**

As per the directives of CVC, Govt. of India, New Delhi, vigilance awareness week was

observed in CMPDI, HQ and its different Regional Institutes from 31st October, 2001 to 6th November, 2001. During the week a pledge was administered by CMD, CMPDI to all the employees of CMPDI. Various banners / posters on Vigilance awareness were displayed at the prime locations of the office. A seminar of all the Heads of Department, posted at CMPDI, Hqrs and Regional Directors of CMPDI was organized on 1.11.2001 on various aspects of Vigilance like preventive vigilance, punitive vigilance, surveillance and detection etc. An essay competition was organized for the employees posted at CMPDI, Hqrs. A debate competition was also organized in CMPDI among the employees of CMPDI.

18.2 Expediting Completion of Investigation/ Oral Inquiries

(a) The pending Disciplinary Proceeding cases of CMPDI are being reviewed by CMD, CMPDI every month.

(b) Every quarter a Committee comprising of Director (Operation), Chief Vigilance Officer and General Manager (P&A), CMPDI reviews the cases pending under the stages of Disciplinary Proceeding, suspension and Prosecution and a report is sent to Ministry with copy to CVO, Coal India Ltd., Kolkata every quarter regularly.

(c) During the period from 1.4.2001 to 31.3.2002, 11 (eleven) complaints were disposed of and 3 (three) investigations were completed. During the same period 1 (one) minor penalty proceeding was completed resulting in imposition of minor penalty to 1 (One) person.

19.0 DIRECTORS' RESPONSIBILITY STATEMENT

19.1 In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

19.2 The directors had selected such accounting

policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

19.3 The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

19.4 The directors had prepared the annual accounts on a going concern basis;

20.0 FORMATION OF AUDIT COMMITTEE

CMPDIL, at its 121st Board Meeting held on 19.10.2001 has constituted an Audit Committee in line with the instructions received from Coal India Limited with the following members :

- (i) Shri J. P. Singh, Director (O)
- (ii) Shri K. P. Varma, Part-Time Director
- (iii) Prof. A. K. Ghose, Part-Time Director
- (iv) Prof. S. K. Bhan, Part-Time Director

AUDITORS

On the advice of the Comptroller and Auditor General of India M/S. S. K. Basu & Co., Chartered Accountants, Kolkata were appointed as Auditors of the Company for the financial year 2001-2002.

They were also appointed Tax-Auditors for the year U/S 44(AB) of the Income-Tax Act, 1961.

ACKNOWLEDGEMENT

Your Directors are grateful to the Government of India particularly the Ministry of Coal, Coal India Ltd., and its Subsidiaries, State Governments and other Public Undertakings with whom your Company has to work in close contact for their co-operation and encouragement in fulfilling the tasks of the Company. We are thankful to our esteemed clients, Singareni Collieries Company Limited, Punjab State Electricity Board, Uranium Corporation of India Ltd., Jadugoda, Indian Airlines, Bihar State Mineral Development Corporation, Tata Iron & Steel Company Limited, National Thermal Power Corporation Limited, Neyveli Lignite Corporation Limited for the confidence reposed in us and the patronage extended to us.

ADDENDUM

Particulars of employees required under Section 217 (2A) of the Companies Act, 1956 (Nil Report) and Comments of the Comptroller & Auditor General of India under section 619(4) of the Companies Act, 1956 are attached.

For and on behalf of
The Board of Directors

Ranchi

(J. P. Singh)

20.09.2002

In-charge Chairman-cum-Managing Director

AUDITORS' REPORT

MANAGEMENT'S REPLY

The Members,
Central Mine Planning & Design Institute Limited,
Ranchi, Jharkhand

We have audited the annexed Balance Sheet of Central Mine Planning & Design Institute Limited as at 31st March, 2002 and the Profit & Loss Account of the Company for the year ended on that date. The Balance Sheet as at 31st March 2002 and the Profit & Loss Account for the year ended on that date together with the Notes thereon approved by the Board of Directors in their meeting held on 17th July, 2002 have been amended based on the audit conducted by the Comptroller & Auditor General of India as explained in Para 4.3.5 of the Notes on Accounts (Schedule - 18) and have been approved by the Board of Directors by way of Circular Resolution on 13th September, 2002.

The impact of the amendments are as under :-

	Rs. (Lakh)
1. Profit & Loss Account	
A. Decrease in Profit	
(i) Increase in expenses [Employees Remuneration & Benefits (Schedule 7)]	568.41
Increase in Provision for Doubtful Debts (Schedule 14)	6.14
	<u>574.55</u>
B. Increase in Profit	
Increase in Sales of Services	513.49
Decrease in Provision for Income-tax	19.55
	<u>533.04</u>
Net Decrease in Profit after Tax	<u>41.51</u>
2. Balance Sheet	
A. (i) Decrease in Reserves & Surplus (Schedule C)	41.51
(ii) Increase in Sundry Debtors (Schedule J)	531.91
	<u>573.42</u>
B. (i) Increase in Current Liabilities & Provision (Schedule N)	573.42
(ii) Decrease in Net Current Assets	41.51
	<u>614.93</u>
[B - A]	<u>41.51</u>

We report as follows :-
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such examination of books and records as we considered appropriate and according to the information and explanations given to us during the course of our audit we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our observations in the Annexure referred to in paragraph 1 above we report that :-

- (A) Comments on Accounts :-
- Depreciation has not been provided at appropriate rates on plant and machinery included in Buildings (Policy No. 3.2.1 and 3.3.1 in Schedule 17).
 - Buildings Cost or WDV include Rs. 938.45 lakh standing on land belonging to other CIL Subsidaries which has not been conveyed in favour of the Company (Note 1.3 of Schedule 18).

AUDITORS' REPORT

We report as follows :

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such examination of books and records as we considered appropriate and according to the information and explanations given to us during the course of our audit we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our observations in the Annexure referred to in paragraph 1 above we report that :

(A) Comments on Accounts :

- (i) Depreciation has not been provided at appropriate rates on plant and machinery included in Buildings (Policy No. 3.2.1 and 6.3.1 in Schedule 17).
- (ii) Buildings Cost or WDV include Rs. 998.45 lakh standing on land belonging to other CIL Subsidiaries which has not been conveyed in favour of the Company (Note 1.1.3 of Schedule 18).

MANAGEMENT'S REPLY

This is the Accounting Policy of the Company followed since inception.

No Comments.

AUDITORS' REPORT

MANAGEMENT'S REPLY

- (iii) No depreciation has been charged on Buildings included in Gondwana Land (Note No. 1.2.1 in Schedule 18).

This is the Accounting Policy of the Company followed since inception. The depreciation of the old Building purchased alongwith land could not be charged in absence of separate value of the Building.

- (iv) We are unable to express our opinion to the extent of realisability of old debts due from CIL Subsidiaries of Rs. 30 lakh outstanding since 31/3/1993 (Note No. 3.1.2 in Schedule 18).

The entire amount is recoverable after the reconciliation.

- (v) As indicated in Note No. 3.1.2 in Schedule 18 some balances in Loans & Advances/Debtors are unconfirmed. Some balances of creditors are also not confirmed.

Efforts are being made to obtain confirmation.

- (vi) As indicated in Note No. 9.2.1 in Schedule 18 there are certain suits pending in courts arising out of industrial and other disputes. The quantum of contingent liability in this regard could not be ascertained by the management.

No Comments.

- (vii) Impact of the above comments (i) to (v) on profit/loss or assets/liabilities is unascertained. There is no impact of the comment (v) on any of them.

No Comments.

(B) Subject to our comments in paragraph (A) above :

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books;
- (c) the Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;

(i) in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2002 and

(ii) in the case of the Profit & Loss Account of the Profit of the Company for the year ended on first date

For S.K. Basu & Co.
Chartered Accountants
Sd/-
(S.K. Chakravarti) Partner

Place : Kolkata
Dated : 14th September, 2002

AUDITORS' REPORT

MANAGEMENT'S REPLY

- (d) in our opinion, the Profit & Loss Account and Balance Sheet comply with the requirements of the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (e) as per the records that could be produced before us and on the basis of representation made by the Chairman-cum-Managing Director and the Company Secretary and as recorded by the Board of Directors we report that no director of the Company is disqualified from being appointed as Director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts with Schedules thereto and read with Significant Accounting Policies (Schedule 17) and Notes on Accounts (Schedule 18), give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2002 and
- (ii) in the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.

For S.K.Basu & Co.
Chartered Accountants
Sd/-
(S.K.Chakravarti)
Partner

Place : Kolkata

Dated : 14th September, 2002

- (iii) No objection has been expressed on Buildings included in Schedule 18. (Note No. 1.2 in Schedule 18).
- (iv) We are unable to express our opinion on the extent of realisability of old debts due from CIL Subsidiaries of Rs. 30 lakh outstanding since 31/3/1993 (Note No. 3.1.2 in Schedule 18).
- (v) As indicated in Note No. 3.1.2 in Schedule 18 some balances in Loans & Advances/Debtors are unconfirmed. Some balances of Debtors are also not confirmed.
- (vi) As indicated in Note No. 3.2.1 in Schedule 18 there are certain suits pending in courts arising out of industrial and other disputes. The quantum of contingent liability in this regard could not be ascertained by the management.
- (vii) Impact of the above comments (i) to (v) on profits or assets/liabilities is unascertained. There is no impact of the comment (v) on any of them.
- (B) Subject to our comments in paragraph (A) above :
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
- (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.

ANNEXURE TO THE AUDITORS' REPORT

MANAGEMENT'S REPLY

(Referred to in Paragraph 2 of our report of even date on the accounts of Central Mine Planning & Design Institute Limited for the year ended 31st March 2002)

1. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets. A major portion of the assets has been physically verified by the Management in accordance with a phased programme of verification adopted by the Company. As explained to us, no material discrepancies were noticed on such verification.
2. None of the fixed assets of the Company has been revalued during the year.
3. The stock of high value stores and spare parts has been physically verified by the Management during the year. Some low value items have also been verified on test basis. In our opinion, the frequency of verification is reasonable.
4. In our opinion, and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification of stock as compared to book records were not material and have been properly dealt with in the books of account.
6. In our opinion and on the basis of our examination, the valuation of stock is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 ("The Act"). The

No Comments

No Comments

No Comments

No Comments

No Comments

No Comments

No Comments

ANNEXURE TO THE AUDITORS' REPORT

MANAGEMENT'S REPLY

Company has taken unsecured loan from its Holding Company, Coal India Ltd. However, the Company being a Government Company, the provisions of section 370 (1B) of "The Act" are not applicable.

8. The Company has not granted any loan, secured or unsecured, to Companies, firms or other parties listed in the register maintained under section 301 of "The Act". However, the Company being a Government Company, the provisions of section 370 (1B) of The Act, 1956 are not applicable.
9. Advances in the nature of loans given by the Company to its employees have generally been recovered regularly, with interest, as stipulated. In some cases unadjusted amounts against advances given for official purposes are being recovered from salary.
10. In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, spare parts, components, plant & machinery, equipment and other assets and for sale of services.
11. In our opinion and according to the information and explanations given to us, transactions of purchase of goods, materials, services and sale of services, made in pursuance of contracts or arrangements entered in the register maintained under section 301 of "The Act", 1956, aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market price for such goods, materials or services or the prices at which transactions for similar goods or services have been made with the other parties.

No Comments

No Comments

No Comments

No Comments

ANNEXURE TO THE AUDITORS' REPORT

MANAGEMENT'S REPLY

- | | |
|---|---|
| 12. The company has last determined obsolete /surplus stores in the year 1998-99 and has made adequate provision in the accounts for loss arising on the items so determined. The Company feels immediately further review is not needed due to change of purchase procedures leading to minimization of generation of such stores. | No Comments. |
| 13. The Company has not accepted deposits from the public within the meaning of section 58A of "The Act" and the rules framed there under. | No Comments. |
| 14. The Company did not have any manufacturing activity during the year, hence the question of maintaining records for sale and disposal of realizable by-products and scrap does not arise. However, reasonable records for the sale & disposal of used stores, spare parts and surveyed-off assets which are termed by the Company as scrap, have been maintained. | No Comments. |
| 15. The Company has appointed outside agencies of Chartered Accountants/Cost Accountants for Internal Audit of Head Quarter and Regional Institutes, except Regional Institute - I, II & III (second half of the year) at Asansol, Dhanbad and Ranchi respectively. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business. Locational and functional coverage, however, should be increased. | The Company has appointed firms of Chartered Accountants / Cost Accountants for Internal audit of H.Qr. and Regional Institutes for the year 2001-02 including RI-III, Ranchi except the Regional Institute No. I & II at Asansol & Dhanbad respectively. The internal audit of RI-I, Asansol & RI-II, Dhanbad has been carried out continuously upto the Financial year 1999-2000. The functional coverage during the year 2001-02 has also increased as compared to earlier years. In case of CMPDIL, H.Qr., the functional coverage has increased widely. Thus, locational and functional coverage has improved. |
| 16. We have been informed that the maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of "The Act". | No Comments. |
| 17. The Company has been generally regular during the year in depositing provident fund dues with the appropriate authorities. According to the information given to us, Employees' State Insurance Scheme is not applicable to the Company. | No Comments. |

ANNEXURE TO THE AUDITORS' REPORT

MANAGEMENT'S REPLY

18. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income-tax, Sales-tax, Customs Duty and Excise Duty which are outstanding as on 31st March, 2002 for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us and records of the Company examined by us in accordance with the generally accepted auditing practices, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
20. The Company is not a sick industrial company within the meaning of clause (O) of sub-section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. In our opinion and according to the information and explanations given to us, the Company has a reasonable system of recording receipts, issues and consumption of stores commensurate with its size and nature of its business.
22. The Company has a reasonable system of allocating man days utilized to the relative jobs, commensurate with its size and nature of its business.
23. There is a reasonable system of authorization at proper levels and an adequate system of internal control commensurate with the size of the company and the nature of its business, on issue of stores; and allocation of store and labour to jobs.

For S.K.Basu & Co.
Chartered Accountants
Sd/-
(**S.K.Chakravarti**)
Partner

Place : Kolkata

Dated : 14th September, 2002

No Comments.

No Comments.

No Comments.

No Comments.

No Comments.

No Comments.

We have been informed that the maintenance of cost records has not been prescribed by the Central Government under section 209 (1) of The Act.

The Company has been generally regular during the year regarding provision of dues with the appropriate authorities. According to the information given to us, Employees' State Insurance Scheme is applicable to the Company.

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MANAGEMENT'S REPLY TO CAG'S COMMENTS IS AS FOLLOWS

Discarded / Surveyed off Fixed Assets (awaiting disposal) that have been retired from active use are being shown in Inventory Schedule as per the suggestions of the Committee constituted vide Office Order No. CIL/CGM (F)/SBD/06/53 dated 31.05.99 to bring uniformity in CIL Accountings with a disclosure in Accounting Policy.

In view of the comments from CAG , such assets will be shown separately in the Fixed assets Schedule as per relevant Accounting Standard in the Financial Accounts of 2002 - 03 and onwards.

20. The Company has a work in progress (WIP) account in the Inventory Schedule. The balance in this account is Rs. 1,00,00,000. The Company has not provided any details of the nature and extent of the work in progress.

No Comments
The said September 2002
Gandhi, Kolkata

21. The Company has a provision for doubtful debts of Rs. 1,00,00,000. The Company has not provided any details of the nature and extent of the provision.

No Comments

22. The Company has a provision for doubtful debts of Rs. 1,00,00,000. The Company has not provided any details of the nature and extent of the provision.

No Comments

23. There is a provision for doubtful debts of Rs. 1,00,00,000. The Company has not provided any details of the nature and extent of the provision.

No Comments

(S.K. Chakravarti)

Manager

Place : Kolkata

Date : 14th September, 2002

**REVIEW OF ACCOUNTS OF
CENTRAL MINE PLANNING & DESIGN INSTITUTE LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2002
BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA**

Note : Review of Accounts has been prepared without taking into account comments under section 619 (4) of the Companies Act, 1956 and qualification contained in the Statutory Auditors' Report.

1. FINANCIAL POSITION :

Rs. in Lakh

	1999-2000	2000-2001	2001-2002
LIABILITIES :			
(a) Paid up Capital :	1904.00	1904.00	1904.00
(i) Government	0.00	0.00	0.00
(ii) Others (All Shares are held by Coal India Limited - Holding Company)	1904.00	1904.00	1904.00
(b) Reserves & Surplus :			
(i) Free Reserves & Surplus	2524.10	1984.64	1978.43
(ii) Share Premium Account	0.00	0.00	0.00
(iii) Capital Reserve	1854.06	1592.36	1974.65
(c) Borrowings :			
(i) From Govt. of India	0.00	0.00	0.00
(ii) From Financial Institutions	0.00	0.00	0.00
(iii) From Foreign Currency Loans	0.00	0.00	0.00
(iv) Cash Credit	0.00	0.00	0.00
(v) From Holding Company	160.57	160.57	160.57
(vi) Interest accrued and due	20.87	20.87	20.87
(d) (i) Current Liabilities & Provisions	9487.07	14131.54	13876.33
(ii) Provision for Gratuity	281.12	848.86	1389.79
Total	16231.79	20642.84	21304.64
ASSETS :			
(e) Gross Block	10331.58	11368.25	11807.73
(f) Less : Depreciation	4824.25	5285.90	5684.47
(g) Net Block	5507.33	6082.35	6123.26
(h) Capital Work-in-Progress	1213.99	356.65	426.94
(i) Investments	0.00	0.00	0.00
(j) Current Assets, Loans & Advances	9226.98	13855.19	14399.80
(k) Miscellaneous Expenditure not written off	283.49	348.65	354.64
(l) Accumulated Losses	0.00	0.00	0.00
Total	16231.79	20642.84	21304.64
(m) Working Capital [k - d(i) - c (vi)]	-280.96	-297.22	502.60
(n) Capital Employed [g+m]	5226.37	5785.13	6625.86
(o) Net Worth [a+b(i) + b(ii) - k - l]	4144.61	3539.99	3527.79
(p) Net worth per Rupee of paid up Capital (in Rs.)	2.18	1.86	1.85

2. WORKING RESULTS :

The working results of the Company for the last three years ended 31st march 2002 are as under :

	1999-2000	2000-2001	2001-2002
(i) Sales	9266.57	15598.32	13135.04
(ii) Other Miscellaneous Income	93.23	191.43	74.42
(iii) Profit/Loss before tax and Prior Period Adjustments	115.88	-502.67	220.58
(iv) Prior Period Adjustments	45.07	- 121.90	- 59.77
(v) Profit/Loss before tax	70.81	-380.77	280.35
(vi) Tax Provision	69.20	71.65	286.56
(vii) Profit after tax	1.61	- 452.42	- 6.21
(viii) Proposed Dividend	0.00	0.00	0.00

Rs. in Lakh

3. RATIO ANALYSIS :

Some important financial ratios on the financial health and working of the Company at the end of last three years are as under :

	1999-2000	2000-2001	2001-2002
(A) Liquidity Ratio	97.04	97.90	103.62
Current Ratio $[j/\{d(i)+c(vi)\}]$			
B. Debt Equity Ratio			
Long term debt to Equity			
$[c(i) \text{ to } c(v) \text{ excluding short term loans} / a]$	8.43	8.43	8.43
C. Profitability Ratios :			
(a) Profit before tax to :			
(i) Capital employed	1.35	- 6.58	4.23
(ii) Net Worth	1.71	- 10.76	7.95
(iii) Sales	0.76	- 2.44	2.13
(b) Profit after tax to Equity	0.08	- 23.76	- 0.33
(c) Earning per share (in Rupees)	0.85	- 237.62	- 3.26

In Percentage

4. SOURCES AND UTILISATION OF FUNDS :

Funds amounting to Rs. 774.65 lakh from internal & external sources were generated and utilised during the year as per details given below :

(Rs. in lakh)

SOURCES OF FUNDS :			
(a) Fund from Operations :			
(i) Profit after tax		- 6.21	
(ii) Add : Depreciation	398.57		
less : Depreciation Charged to Capital Reserve	143.79	254.78	248.57
(b) Capital Grants received			526.08
Total			774.65

CENTRAL MINE PLANNING & DESIGN INSTITUTE LIMITED

APPLICATION OF FUNDS :

(a)	Additions to Fixed Assets & Capital Work-in-progress	509.77
(b)	Increase in Working Capital (Including Provision for Gratuity)	250.00
(c)	Increase in Miscellaneous Expenditure	5.90
Total		774.65

5. INVENTORY LEVELS :

The inventory levels of stock of stores and spares at the end of three years ending 31st March, 2002 are as under :

			Rs. in lakh

6. SUNDRY DEBTORS :

The Sundry Debtors vis-a-vis Sales in the last three years ending 31st March, 2002 are as follows :

<i>Rs. in lakh</i>					
Year	Considered Good	Considered doubtful	Total	Sales	Percentage of Debtors to Sales
31.03.2000	2589.81	117.00	2706.81	9266.57	29.21
31.03.2001	9623.86	36.92	9660.78	15598.32	61.93
31.03.2002	8622.93	36.76	8659.69	13135.04	65.93

The age-wise break-up of Sundry Debtors as at the end of the year 2001-02 is as follows :

Debtors outstanding for	Dues from Govt. Deptt.	Dues from PSUs/Corporation/Board	Dues from private Parties	Total
Less than 6 months	1163.09	3678.00	0.00	4841.09
More than 6 months but less than 1 year	52.56	232.25	0.13	284.94
More than 1 year but less than 3 years	38.91	2168.28	14.85	2222.04
Above 3 years	18.36	1281.74	11.52	1311.62
Total	1272.92	7360.27	26.50	8659.69

Dated : Kolkata
The 23rd September, 2002

Sd/-
(P. R. Acharya)
Principal Director of Commercial Audit
& Ex-officio member Audit Board-II
Kolkata

BALANCE SHEET AS AT 31ST MARCH, 2002

	Schedule	As at 31st March 2002 (Rs. in Lakh)	As at 31st March 2001 (Rs. in Lakh)
SOURCES OF FUNDS :			
Share Holders' Funds :			
(a) Share Capital	A	1904.00	1904.00
(b) Share Money pending allotment	B	0.00	0.00
(c) Reserves & Surplus	C	3953.08	3577.00
Loan Funds :			
(a) Secured	D	0.00	0.00
(b) Unsecured	E	181.44	181.44
Total Funds Employed :		6038.52	5662.44
APPLICATION OF FUNDS :			
Fixed Assets :			
(a) Gross Block	F	11807.73	11368.25
Less : Depreciation		5684.47	5285.90
Net Block		6123.26	6082.35
(b) Capital Work In Progress	G	426.94	356.65
Investment	H	0.00	0.00
Current Assets, Loans & Advances :			
(a) Inventories	I	343.10	373.19
(b) Sundry Debtors	J	8622.93	9623.86
(c) Cash & Bank Balances	K	3726.53	2334.36
(d) Loans & Advances	L	1178.70	1093.38
(e) Other Current Asset	M	529.54	430.40
Total Current Assets, Loans & Advances		14399.80	13855.19
Less : Current Liabilities & provisions	N	15266.12	14980.40
Net Current Assets		66.32	- 1125.21
Miscellaneous Expenditure (To the extent not written off or adjusted)	O	354.64	348.65
		6038.52	5662.44
Accounting Policy	17		
Notes on Accounts	18		
The schedules referred to above form an integral part of Accounts.			
Sd/- V. Prakasa Rao Company Secretary	Sd/- N. P. Dhar General Manager (F)	Sd/- B. N. Mishra Director (P&D)	Sd/- J. P. Singh Director (Operations) Incharge CMD

In terms of our report of even date attached

For S. K. Basu & Co.
Chartered AccountantsSd/-
(S. K. Chakravarti)
PartnerCamp : Ranchi
Dated : 14th September, 2002

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2002

	Schedule	As at 31st March 2002 (Rs. in Lakh)	As at 31st March 2001 (Rs. in Lakh)
INCOME :			
Sale of Services	1	13135.04	15598.32
Coal issued for other purpose	2	—	—
Accretion/Decretion(-) in stock	3	—	—
Workshop job for own purpose	4	—	—
Other income	5	74.42	191.43
Total Income :		13209.46	15789.75
EXPENDITURE :			
Consumption of Stores & Spares	6	623.26	572.90
Employees Remuneration & Benefits	7	8795.99	11541.75
Social overhead	8	791.20	768.97
Power & Fuel	9	148.70	170.98
Repairs	10	166.75	169.72
Contractual Expenses	11	1149.39	1729.39
Miscellaneous Expenses	12	1060.43	987.34
Total Expenditure :		12735.72	15941.05
GROSS OPERATING PROFIT (+)/LOSS(-)		473.74	- 151.30
Interest	13	28.07	33.21
Depreciation		217.10	304.02
Provisions	14	7.99	14.14
PROFIT(+)/LOSS (-) FOR THE YEAR		220.58	- 502.67
Prior Period Adjustment	15	- 59.77	- 121.90
Extra ordinary items	16	—	—
NET PROFIT(+)/LOSS (-) BEFORE TAXATION		280.35	- 380.77
Provision for Taxation		286.56	71.65
PROFIT (+)/LOSS (-) AFTER TAX		- 6.21	- 452.42
Transferred to General Reserve		—	—
PROFIT(+)/LOSS(-) AFTER TRANS. TO GENERAL RESERVE		- 6.21	- 452.42
PROFIT UPTO THE PREVIOUS YEAR		1767.10	2306.56
INCOME TAX FOR EARLIER YEARS		1760.89	1854.14
BALANCE CARRIED TO BALANCE SHEET		0.00	87.04
		1760.89	1767.10

Accounting Policy
Notes on Accounts
The schedules referred to above form
an integral part of Accounts.

Sd/-
V. Prakasa Rao
Company Secretary

Sd/-
N. P. Dhar
General Manager (F)

Sd/-
B. N. Mishra
Director (P&D)

Sd/-
J. P. Singh
Director (Operations)
Incharge CMD

In terms of our report of even date attached

For **S. K. Basu & Co.**
Chartered Accountants

Sd/-
(S. K. Chakravarti)
Partner

Camp : Ranchi
Dated : 14th September, 2002

SEGMENTWISE INCOME & EXPENDITURES STATEMENT OF CMPDIL FOR THE YEAR 2001-02

(Rs. in Lakh)

Sl. No.	Particulars	P&D	Exploration	Environment	Common	Total
SEGMENT-WISE INCOME :						
1.	Segment-wise sale of services	5079.71	7408.91	646.42		13135.04
2.	Segment-wise Misc. income	62.61	10.03	1.78		74.42
3.	Segment-wise total Income (1 + 2)	5142.32	7418.94	648.20		13209.46
SEGMENT-WISE EXPENDITURES :						
4.	Salaries & Wages	3001.59	3424.75	320.72	2048.93	8795.99
5.	Other Expenses	910.00	2388.46	119.17	739.20	4156.83
6.	Total Expenditure (incl. Dep. but excl. Interest, PP Adj. and Provisions) (4+5)	3911.59	5813.21	439.89	2788.13	12952.82
7.	Share of Common cost	1250.15	1404.59	133.39	-2788.13	- 0.00
8.	Total Expenses with share of Common Cost (6 + 7)	5161.74	7217.80	573.28		12952.82
9.	Segment-wise Profit (+)/Loss (-) before Interest, PP Adj. & Tax (3 - 8)	- 19.42	201.14	74.92		256.64
10.	Interest	13.87	14.12	0.08		28.07
11.	PP Adjustments Credit (-)/Debit (+)	- 53.13	- 7.12	0.48		- 59.77
12.	Segment-wise Profit (+)/Loss (-) before Tax (9-10-11)	19.84	194.14	74.36		288.34
13.	Provisions					7.99
14.	Net Profit (+)/Loss (-) Before Tax (12-13)					280.35
15.	Provision for Taxation					286.56
16.	Net Profit after Tax (+)/Loss (-) (14 - 15)					- 6.21

Sd/-
V. Prakasa Rao
Company Secretary

Sd/-
N. P. Dhar
General Manager (F)

Sd/-
B. N. Mishra
Director (P&D)

Sd/-
J. P. Singh
Director (Operations)
Incharge CMD

In terms of our report of even date attached

For **S. K. Basu & Co.**
Chartered Accountants

Sd/-
(S. K. Chakravarti)
Partner

Camp : Ranchi
Dated : 14th September, 2002

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - A****SHARE CAPITAL**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Authorised Capital :		
500000 Equity Shares of Rs. 1000/- each	5000.00	5000.00
	<u>5000.00</u>	<u>5000.00</u>
Issued subscribed & paid up :		
(Held by Coal India Ltd., the Holding Co. & its nominees)		
8 Equity Shares of Rs. 1,000/- each fully paid in Cash (Previous Year 8 Equity shares of Rs. 1,000/- each)	0.08	0.08
85392 Equity Shares of Rs. 1,000/- each allotted as fully paid up for consideration received other than cash (Previous Year 85392 Equity Shares of Rs. 1,000/- each)	853.92	853.92
105000 Equity Shares of Rs. 1000/- each allotted as fully paid for Cash to Holding Company by converting loan in equity	1050.00	1050.00
	<u>1904.00</u>	<u>1904.00</u>

Schedule - B**SHARE MONEY PENDING ALLOTMENT**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
	NIL	NIL
TOTAL		

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

FOR THE YEAR 2001-02

Schedule - C

RESERVE & SURPLUS

	CURRENT YEAR (Rs. in Lakh)	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
CAPITAL RESERVE :			
Grants for purchase of Capital equipment			
Energy Coal S&T Grants :			
As per last Account	1454.56		1744.27
Additions during the year	329.32		88.28
	1783.88		1832.55
Less : Depreciation written-off during the year	113.85	1670.03	377.99
			1454.56
UNDP Grant :			
As per last Account	10.74		16.36
Addition during the year	0.00		0.00
	10.74		16.36
Less : Depreciation written off	1.94	8.80	5.62
			10.74
CCDA Grant :			
As per last Account	70.84		88.20
Addition during the year	0.00		0.00
	70.84		88.20
less : Depreciation written off	17.36	53.48	17.36
			70.84
EMSC Grants :			
As per last Account	3.70		5.23
Addition during the year	0.00		0.00
	3.70		5.23
less : Depreciation written off	1.53	2.17	1.53
			3.70
CIL R&D Grants :			
As per last Account	52.52		0.00
Addition during the Year	196.76		53.64
	249.28		53.64
Less : Depreciation written off	9.11	240.17	1.12
			52.52
GENERAL RESERVE :			
Balance of Profit transferred from Profit & Loss Account		1974.65	1592.36
		217.54	217.54
		1760.89	1767.10
TOTAL		3953.08	3577.00

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - D
SECURED LOAN

PARTICULARS	CURRENT YEAR (Rs. in Lakh)		PREVIOUS YEAR (Rs. in Lakh)	
	As at 31.03.02	As at 31.03.01	As at 31.03.00	As at 31.03.99
Secured Loan	160.57	160.57	160.57	160.57
Interest accrued & due	20.87	20.87	20.87	20.87
TOTAL	181.44	181.44	181.44	181.44

Schedule - E
UNSECURED LOAN

PARTICULARS	CURRENT YEAR (Rs. in Lakh)		PREVIOUS YEAR (Rs. in Lakh)	
	As at 31.03.02	As at 31.03.01	As at 31.03.00	As at 31.03.99
Due to Coal India Ltd., the Holding Company	160.57	160.57	160.57	160.57
Interest accrued & due	20.87	20.87	20.87	20.87
TOTAL	181.44	181.44	181.44	181.44

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - F FIXED ASSETS

(Rs. in Lakh)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As at 1.4.2001	Addition During the Year	Adjust- ment for Dispo- sal/Disc- arded of Fixed Assets.	Total Cost As at 31.3.2002	Depre- ciation As at 1.4.2001	Depre- ciation for the year	Adjust- ment for dispo- sal/Disc- arded etc.	Total Depre- ciation upto 31.3.2002	Net Block As at 31.3.2002	Net Block As at 31.3.2001
A. FIXED ASSETS : (Excluding S&T, CCDA, EMSC, UNDP & CIL R&D Assets)										
Land :										
Freehold	107.30	0.00	0.00	107.30				0.00	107.30	107.30
Leasehold	117.62	0.00	0.00	117.62	39.25	3.38	0.00	42.63	74.99	78.37
Building :										
Freehold	4019.55	9.14	0.00	4028.69	746.25	74.78	0.00	821.03	3207.66	3273.30
Leasehold	—	—	—	—	—	—	—	—	—	—
Plant & Machinery	2993.35	52.95	-58.40	2987.90	2213.33	110.17	-4.13	2319.37	668.53	780.02
Furniture Fittings & Office Equipment	1067.69	11.05	-1.38	1077.36	793.07	44.46	-1.31	836.22	241.14	274.62
Vehicle	641.29	45.55	-6.96	679.88	443.69	34.04	-6.61	471.12	208.76	197.60
TOTAL (A)	8946.80	118.69	-66.74	8998.75	4235.59	256.83	-12.05	4490.37	4508.38	4711.21
B. S&T, CCDA, EMSC, UNDP & CIL R&D Assets :										
Building	4.18	0.00	0.00	4.18	1.04	0.10	0.00	1.14	3.04	3.14
Plant & Machinery	2404.49	333.47	54.06	2792.02	1040.38	143.06	0.00	1183.44	1608.58	1364.11
Furniture, Fittings & Office Equipment	8.85	0.00	0.00	8.85	5.70	0.26	0.00	5.96	2.89	3.15
Vehicle	3.93	0.00	0.00	3.93	3.19	0.37	0.00	3.56	0.37	0.74
TOTAL (B)	2421.45	333.47	54.06	2808.98	1050.31	143.79	0.00	1194.10	1614.88	1371.14
TOTAL (A+B)	11368.25	452.16	-12.68	11807.73	5285.90	410.62	-12.05	5684.47	6123.26	6082.35
PREVIOUS YEAR :										
(i) Fixed Assets (Excluding S&T, CCDA, EMSC & UNDP)	8919.16	328.34	-300.70	8946.80	4177.56	345.92	-287.89	4235.59	4711.21	4741.60
(ii) S&T, CCDA, EMSC & UNDP Assets	1412.42	1009.03	0.00	2421.45	646.69	403.62	0.00	1050.31	1371.14	765.73
TOTAL	10331.58	1337.37	-300.70	11368.25	4824.25	749.54	-287.89	5285.90	6082.35	5507.33

(Supporting notes at Annexure-F1)

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - F (Annexure-F1)****FIXED ASSETS****NOTE 1:**

ALLOCATION OF DEPRECIATION :

(Rs. in lakh)

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>	<u>• Depreciation on Assets purchased against Grants:</u>	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
1. Profit & Loss Account			Energy Coal S&T	113.85	377.99
(a) 100% Depn. on Assets costing below Rs. 5000/-	3.07	2.35	UNDP	1.94	5.62
(b) Others	214.03	301.67	CCDA	17.36	17.36
2. Social overhead	54.51	53.59	EMSC	1.53	1.53
3. Prior Period Adjustment	- 4.78	- 11.69	CIL R&D	9.11	1.12
4. Capital Assets against Grants*	143.79	403.62	Total	143.79	403.62
Total	410.62	749.54			

NOTE 2:SOCIAL OVERHEAD ASSETS INCLUDED IN THE SCHEDULE EXCLUDING
FURNITURE, FITTINGS & OFFICE EQUIPMENTS ARE AS FOLLOWS :

	<u>COST As At 31st March 2002</u>	<u>COST As At 31st March, 2001</u>
(a) Building	2603.05	2600.38
(b) Vehicles	44.58	44.58
TOTAL	2647.63	2644.96

NOTE 3:

RECONCILIATION OF DISPOSAL OF FIXED ASSETS :

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
1. Provision for Depreciation	0.00	31.91
2. Bank	0.00	2.99
3. Loss(+)/Profit (-) of Fixed Assets	0.00	- 1.31
Disposal of Fixed Assets (Gross Cost)	0.00	33.59

NOTE 4:

RECONCILIATION OF DISCARDED FIXED ASSETS :

	<u>As At 31st March, 2002</u>	<u>As At 31st March, 2001</u>
Gross Cost	411.88	399.19
Provn. for Depn.	391.31	379.26
Machinery held for disposal shown in Inventories	20.57	19.93

NOTE 5:

RECONCILIATION OF DEPRECIATION FUND:

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Opening Balance :	5285.90	4824.25
Add : Depreciation provided during the Year	410.62	749.54
	5696.52	5573.79
Less : Net Outflow of Fund for Surveyed/Written off and disposed off Assets	12.05	287.89
Less : Outflow Fund — Inter Company	—	—
Closing Balance	5684.47	5285.90

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - G

CAPITAL WORK IN PROGRESS

(Rs. in Lakh)

PARTICULARS	COST			PROVISION				NET ASSETS		
	Cost As at 1.4.2001	Addition During the Year	Adjustment for Capitalisation/ Disposal/ Discard	Cost As on 31.3.2002	As On 1.4.02	During the Year	Withdrawal/ Adjustment During the Year	Total As On 31.3.2002	Net Assets As on 31.3.2002	Net Assets As on 31.3.2001
(A) Capital Work-in-Progress: (Excluding S&T/R&D Assets)										
Buildings	70.74	0.00	- 4.67	66.07	0.00	0.00	0.00	0.00	66.07	70.74
Plant And Machinery and Capital Stores in Stores	65.17	0.90	- 64.47	1.60	0.44	0.00	0.00	0.44	1.16	64.73
TOTAL (A)	135.91	0.90	- 69.14	67.67	0.44	0.00	0.00	0.44	67.23	135.47
(B) Capital Work-in-Progress (For S&T):										
Plant and Machinery and Capital Stores in Stores	221.18	327.25	- 203.31	345.12	0.00	0.00	0.00	0.00	345.12	221.18
(For R&D) Coal Tailing Treatment Plant	—	14.59	—	14.59	—	—	—	—	14.59	—
TOTAL (B)	221.18	341.84	- 203.31	359.71	0.00	0.00	0.00	0.00	359.71	221.18
TOTAL (A+B)	357.09	342.74	- 272.45	427.38	0.44	0.00	0.00	0.44	426.94	356.65

NOTE : Social Overhead assets included in the Schedule are as follows :

	As at 31st March 2002	As at 31st March 2002
(i) Buildings	65.31	65.31
(ii) Roads & Culverts	—	—
(iii) Others (Water Supply)	—	—
TOTAL	65.31	65.31

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - H

INVESTMENT (AT COST)

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Trade investment at Cost (Unquoted)	NIL	NIL

Schedule - I

INVENTORIES

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
(As valued and certified by the management)		
Stock of Stores & spare Parts at weighted average cost	306.63	332.07
Less : Provision for slow moving/non-moving/ obsolescence	58.08	58.08
	248.55	273.99
Stationary & other stores at purchase price	73.98	70.63
	322.53	344.62
Add : In Transit/Under Inspection	0.00	8.64
Discarded/Surveyed off Assets in stores	20.57	19.93
	343.10	373.19
TOTAL	343.10	373.19

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - J****SUNDRY DEBTORS**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Debts outstanding for a period :		
Exceeding Six months	3818.60	1939.25
Others	4841.09	7721.53
Total	8659.69	9660.78
Less : Provisions for doubtful debts	36.76	36.92
Balance :	8622.93	9623.86
Classification :		
Unsecured & considered good	8622.93	9623.86
Unsecured & considered doubtful	36.76	36.92
	8659.69	9660.78
Due from the Companies under the same management :		
Eastern Coalfields Limited	2219.14	1444.19
Bharat Coking Coal Limited	970.90	694.15
Central Coalfields Limited	1859.26	2237.79
Northern Coalfields Limited	589.43	584.14
Western Coalfields Limited	410.36	993.73
South Eastern Coalfields Limited	297.58	993.32
Mahanadi Coalfields Ltd.	830.16	856.76
Indian Institute of Coal Management	1.39	0.00
North Eastern Coalfields	1.17	4.11
Bharatpur CHP (MCL)	0.73	0.73
Dankuni Coal Complex (CIL)	6.67	6.67
Kari CHP (NCL)	14.08	14.08
TOTAL	7200.67	7829.67

Schedule - K**CASH & BANK BALANCE**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Cash, Cheques, Drafts & Stamps in hand	217.0	7.87
Remittance in-transit	885.53	654.72
Balance with Scheduled Bank :		
In Current Account	2332.81	1374.61
In Deposit Accounts*	290.15	297.16
Total	3725.53	2334.36

* Rs. 29.13 lakhs encumbered for issue of Bank Guarantee
(Previous year Rs. 4.15 lakhs)

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - L****LOANS & ADVANCES**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Advance recoverable in Cash or for value to be received :		
Advances to Suppliers:		
For Capital Works	0.00	0.00
For Other Stores	0.92	1.15
Advances to Contractors:		
For Capital Works	19.96	19.96
For Other Stores	28.45	12.24
Advances to Employees:		
For House Building	333.42	371.00
For Motor Car & Other conveyances	38.37	50.96
For Others	54.57	48.86
Deposits for P&T, Electricity, Gas etc.	44.37	36.47
Advance payment of statutory Dues :		
Income Tax	536.25	462.25
Sales Tax	1.82	1.98
Wealth Tax	0.93	0.93
Subsidiaries Suspense Accounts	16.30	0.31
Advance to Bharat Coking Coal Limited on —		
Capital Account	19.54	19.54
Pre-paid Expenditure	11.82	13.01
Income Tax deducted at source	59.59	50.56
Advances to Other Government Agencies	19.04	11.06
Total	1185.35	1100.28
Less : Provisions	6.65	6.90
Balance	1178.70	1093.38
Notes :		
(i) Secured & Considered good	371.79	421.96
Unsecured & Considered good	806.91	671.42
Unsecured & considered doubtful	6.65	6.90
	1185.35	1100.28
(ii) Amount due from an Officer of the Company Rs. 0.05 lakh (Prev. year Rs. 0.32 lakh). Maximum balance due at any time during the year Rs. 0.43 lakh. (Prev. year 0.45 lakh)		
(iii) Amount due from directors of the Company Rs. 0.75 Lakh (Prev. year Rs. 0.50 Lakh). Maximum amount due at any time during the year Rs. 2.63 Lakh. (Prev. year 1.14 Lakh)		

Company Secretary has been considered to be an officer of the company for the above disclosure.

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - M

OTHER CURRENT ASSETS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Claims Receivables :		
(i) Railway	—	—
(ii) Insurance	—	—
(iii) Others	6.64	5.77
Other Receivables :		
(i) Employees	437.76	418.00
(ii) Others	83.14	6.63
Total	529.54	430.40

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - N****CURRENT LIABILITIES & PROVISIONS**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Creditors for goods (small Scl Industries) :		
Capital	—	—
Revenue	23.79	33.76
Creditors for goods (others) :		
Capital	35.60	38.14
Revenue	1.95	1.95
Sundry Creditors for contractual expenses :		
Capital	90.68	92.51
Revenue	1013.45	1549.97
Sundry Creditors for other expenses :		
Power & fuels	79.99	70.99
Others	517.74	460.29
Employee Remuneration & Benefits :		
Salaries, Wages & Allowances (gross)	2896.67	5522.56
Gratuity	1389.79	848.86
Attendance Bonus	34.91	34.06
Exgratia	110.40	115.98
Unpaid Salaries/Wages	46.43	5.67
Leave encashment	539.52	573.32
Statutory Dues :		
Income Tax deducted at source :		
From Employees	230.33	7.30
From Contractors	0.59	0.34
Service Tax	588.34	459.94
Advances & Deposits :		
From Customers	1174.42	330.65
From Contractors & Others	88.76	100.98
Government Grants pending disbursement :		
Energy Coal (S&T) Grants (Annex N-1)	367.88	930.50
Other grants (Annex. N-2)	1992.62	1519.25
CIL R&D Fund (Annex. N-3)	20.05	59.71
Current Account Balances with Holding Co. & its subsidiaries		
Coal India Ltd., Holding Co.	3204.69	1918.64
Other Liabilities :		
Retirement Pension Fund dues	169.41	120.44
Provident Fund dues	193.49	21.50
Cooperatives/Benevolent Fund/Recreation Club	10.87	5.90
Provisions :		
Provision for Taxation — Income Tax	442.73	156.17
Provision for Taxation — Wealth Tax	1.02	1.02
Total	15266.12	14980.40

Clarification :

Deposit includes Earnest Money, Security deposits for Energy Coal S&T
Grant Rs. 8.63 Lakh (Previous year Rs. 8.50 Lakh)

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - N (Annexure N-1)

ENERGY COAL S&T GRANTS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Opening Balance	930.50	797.44
Amount received from Ministry of Energy-Coal (S&T) Grant	17.00	0.00
Refund from Implementing Agencies	122.99	608.99
Interest	20.36	8.52
Amount received from CIL R&D	100.00	0.00
Amount received from CCL	80.00	0.00
Other receipts	2.81	7.39
	1273.66	1422.34
Disbursement to various Implementing Agencies :		
Central Mining Research Institute	57.48	113.71
Central Fuel Research Institute	261.00	26.40
Indian School of Mines	13.50	1.00
Annamalai University, Madras	7.00	0.00
National Institute of Rock Management	22.00	0.00
Tamil Nadu Agriculture University	10.00	21.00
Osmania University	0.00	1.51
T. M., Bhagalpur University	3.00	0.00
Nayveli Lignite Corporation	0.00	38.00
Vinoba Bhave University	0.00	0.21
Regional Research Laboratory, Bhubaneswar	0.50	9.00
Regional Research Laboratory, Jorhat	0.00	3.50
Regional Research Laboratory, Bhopal	11.00	0.00
Indian Institute of Science	0.00	5.00
Singreni Coal Companies Ltd.	0.00	1.50
Steel Authority of India	8.00	32.00
IIT, Kharagpur	0.00	15.00
KREC, Karnataka	5.00	0.00
IICT, Hyderabad	45.00	0.00
CMPDI Limited (Both as Nodal and Implementing Agency)	462.30	224.01
	905.78	491.84
Closing Balance	367.88	930.50

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - N (Annexure N-2)****OTHER GRANTS**

(Rs. in Lakh)

Name of Government Grants		Opening Balance as on 1.4.2001	Addition During the Year	Total	Disbursed during the Year	Balance as on 31.3.2002
		A	B	A+B (C)	D	C-D
Mining Electronic Grants	Curr. Year	0.52	—	0.52	—	0.52
	Prev. Year	0.52	—	0.52	—	0.52
Promotional Regional Exploration Grants	Curr. Year	700.67	3163.00	3863.67	2103.61	1760.06
	Prev. Year	2276.35	3037.00	5313.35	4612.68	700.67
Environmental Measures Subsidence Control Grants	Curr. Year	739.49	330.95	1070.44	916.97	153.47
	Prev. Year	612.07	630.00	1242.07	502.58	739.49
Testing laboratory Grants	Curr. Year	28.00	—	28.00	—	28.00
	Prev. Year	28.00	—	28.00	—	28.00
United Nations Development Programme Grants	Curr. Year	26.82	—	26.82	—	26.82
	Prev. Year	26.82	—	26.82	—	26.82
Coal Conservation Development Advisory Grants	Curr. Year	23.75	0.00	23.75	0.00	23.75
	Prev. year	23.75	0.00	23.75	0.00	23.75
Rehabilitation Control of Fire (RCFS) & Subsidence	Curr. Year	0.00	724.00	724.00	724.00	0.00
	Prev. Year	0.00	0.00	0.00	0.00	0.00
TOTAL	Curr. Year	1519.25	4217.95	5737.20	3744.58	1992.62
	Prev. Year	2967.51	3667.00	6634.51	5115.26	1519.25

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002

Schedule - N (Annexure N-3)

CIL R&D FUND

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Opening Balance	59.71	36.98
Amount received from Coal India	310.00	92.00
Other receipts	67.15	21.22
Total Receipt	436.86	150.20
Disbursement to various Implementing Agencies :		
National Environmental Engg. Research Institute, Nagpur	1.50	3.00
Eastern Coalfields Ltd.	0.00	0.00
Central Mining Research Institute, Dhanbad	15.00	0.00
Central Coalfields Ltd.	114.59	0.00
CMPDI Limited	211.72	87.49
Western Coalfields Ltd.	74.00	0.00
	416.81	90.49
Closing Balance	20.05	59.71

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2002**Schedule - 0****MISCELLANEOUS EXPENDITURE****(To the Extent not written-off)**

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Deferred Revue Expenditure :		
1. <i>Tubulars :</i>		
As per last Account	247.95	209.64
Addition during the year	229.28	265.11
	<u>477.23</u>	<u>474.75</u>
Less : Written off during the year	236.01	226.80
	<u>241.22</u>	<u>247.95</u>
2. <i>Voluntary Retirement Scheme :</i>		
As per last Account	100.70	73.85
Addition during the year	74.46	82.76
	<u>175.16</u>	<u>156.61</u>
Less : Written off during the year	61.74	55.91
	<u>113.42</u>	<u>100.70</u>
BALANCE	354.64	348.65

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 1

SALE OF SERVICE

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Exploration	7408.91	8864.60
Planning & Design	9079.71	6175.60
Natural Resource Management	646.42	558.12
Total Sales	13135.04	15598.32

Schedule - 2

COAL ISSUED FOR OTHER PURPOSE

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
APPLICABLE TO CIL'S OTHER SUBSIDIARIES		

Schedule - 3

ACCRETION/DECRETION IN STOCK

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
APPLICABLE TO CIL'S OTHER SUBSIDIARIES		

Schedule - 4

WORKSHOP JOB FOR OWN PURPOSE

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
APPLICABLE TO CIL'S OTHER SUBSIDIARIES		

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 5

OTHER INCOME

	PREVIOUS YEAR (Rs. in Lakh)	CURRENT YEAR (Rs. in Lakh)	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Interest received :				
On Loan to Employees			38.05	39.26
On Bank Deposit			4.08	4.78
Rent received from outsiders			3.17	2.45
Profit/Loss (+/-) on Sales of Assets			0.00	1.22
Tender Fees			1.20	0.48
Sale of Scrap			0.00	10.74
Liquidated Damage			4.57	6.01
Exchange Fluctuation			- 0.16	0.33
Rent Vehicles			0.85	0.53
Others			14.90	31.90
Provision for Bad Debt written Back			7.76	93.73
Total			74.42	191.43

Schedule - 6

CONSUMPTION OF STORES

	PREVIOUS YEAR (Rs. in Lakh)	CURRENT YEAR (Rs. in Lakh)	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
POL			176.77	164.34
Stores & Spares			183.38	152.32
Other stores & consumable			27.10	29.44
Deferred Rev. Exp. written-off			236.01	226.80
Total			623.26	572.90

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 7

EMPLOYEES REMUNERATION AND BENEFITS

	PREVIOUS YEAR (Rs. in Lakh)	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Salaries & Wages		8124.96	8676.45
Overtime	80.80	54.83	76.75
Incentives	80.4	201.18	187.45
Leave encashments	77.6	276.74	496.29
Other allowances	80.0	193.44	154.52
Contribution to PF (Annex.1)	85.7	808.84	967.73
Attendance Bonus	80.0	171.10	113.80
Exgratia :			
(a) PPLB — Non Executives	80.0	52.42	85.02
(b) PPLB — Executives	80.0	54.54	28.61
LTC/LLTC/RRF	80.0	65.40	213.10
Pension :			
(a) Ex NCDC Employees	80.0	8.07	4.41
(b) Others	80.0	852.92	700.15
Gratuity	80.0	0.00	1.60
Workman's compensation	80.0	15.87	12.22
D.L.I.	80.0	4.80	3.30
Life Cover Scheme	80.0	61.74	55.90
V R S			
Total		8959.85	11777.30
Less : Transferred to Social Overhead (Sch.-8)		183.86	235.55
BALANCE		8795.99	11541.75

Schedule - 7 (Annexure-1)

CONTRIBUTION TO PROVIDENT FUNDS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Coal Mines Provident Fund	662.40	667.95
Coal Mines Family Pension Fund	46.88	72.44
CMAL Provident Fund	28.07	31.94
Other Provident Funds	71.49	195.40
Total	808.84	967.73

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 8

SOCIAL OVERHEAD

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Salary Wages Allowances (From Schedule-7)	163.86	235.55
Free issue of Coal to employees	14.53	8.59
Medical Facilities :		
Medical Reimbursement	129.92	133.60
Medicines & Hospital Expenses	77.39	51.50
Grant to :		
(a) Schools	0.00	0.02
(b) Sports & Recreations	9.24	9.37
Canteen upkeep	8.06	7.78
House Rent	3.61	1.65
Power (from Schedule 9)	173.99	125.48
Repairs & Maintenance (Transferred from Sch. 10) :		
(a) Township	31.06	29.07
(b) Other Welfare Buildings	73.90	44.09
(c) Plant & Machinery	4.28	4.61
(d) Others (Maintenance of School Bus/Ambulance)	19.66	26.46
Training Expenses :		
(a) Within Co.	4.01	6.26
(b) Outside Co.	0.00	0.20
Depreciation on Social Overhead Assets (Ref : Sch-F/F1)	54.51	53.59
Community & Tribal developments	0.00	0.73
Family Planning Expenses	0.05	0.05
Uniforms/Stitching Charges	13.23	13.58
Other Benefits	39.83	43.69
Sub Total	821.13	795.87
Less : Recoveries :		
House Rent	11.47	12.02
Electricity	16.99	13.23
School bus Charges	1.47	1.65
	29.93	26.90
BALANCE	791.20	768.97

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 9

POWER AND FUELS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Purchased	322.69	296.48
Sub Total	322.69	296.48
Less : Transferred to : Social overhead Sch.-8	173.99	125.48
TOTAL	148.70	170.98

Schedule - 10

REPAIRS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Office Building	38.36	53.88
Repair & maintenance Township/Residential Building	104.96	73.16
Plant & Machinery	84.01	75.92
Office equipment & Furniture	30.70	26.81
Vehicle	66.49	66.50
Repair & maintenance School bus/Ambulance	19.66	26.46
Others	1.81	3.39
Sub Total	345.99	326.12
Less : Transferred to Social overhead Sch.-8	128.90	104.23
less : Transferred to Misc. Expenses Sch.-12	50.34	52.17
TOTAL	166.75	169.72

Schedule - 11

CONTRACTUAL EXPENSES

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Contractual Works :		
Drilling — MECL	955.76	1514.33
Drilling — Others	96.18	89.77
Coal testing	88.93	118.20
Survey	0.00	0.32
Remote Sensing etc.	8.52	6.77
TOTAL	1149.39	1729.39

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 12

MISCELLANEOUS EXPENSES

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Travelling :		
In Country	262.22	206.27
Outside Country	0.53	3.42
Printing & Stationery	70.68	55.90
Postage	3.06	3.63
Telephone	49.36	46.94
Advertisement & Publicity :		
(i) Advertisement for :		
(a) Tender	9.96	1.89
(b) Others	0.00	0.07
(ii) Publicity	2.77	1.45
Freight Charges	0.08	0.10
Subscriptions	5.00	3.77
Security Expenses	143.07	135.28
Hire Charges :		
(a) Computer	109.40	76.59
(b) Others	36.32	29.78
Maintenance of Cars & Jeeps :		
(i) Petrol & Diesels	51.76	49.97
(ii) Repairs (From Schedule 10)	50.34	52.17
(iii) Road Tax	20.00	18.48
(iv) Insurance	5.05	4.12
Legal Expenses	9.50	7.20
Bank Charges	11.93	7.46
Consultancy Charges (CIL subsidiaries & Other jobs)	64.89	16.67
Auditor's Remuneration :		
As Auditor	0.79	0.79
Travelling & Out of Pocket Expenses	1.80	1.36
In other capacity — Tax Audit	0.26	0.26
Internal Audit Expenses	3.94	6.02
Rates & Taxes	23.90	17.77
Rent	29.79	25.01
Insurance	0.61	0.54
Lands/crops compensation	0.40	0.30
Others :		
Software Licensing fees	27.50	30.06
Conference & Seminar etc.	6.25	4.13
Tents & Hutments	18.77	28.20
Shifting & Settling Exp.	17.81	18.04
Entertainment	0.15	0.04
R&D Expenses	0.43	4.53
Horticulture	3.63	2.56
Filing Fees	0.02	0.03
Misc. Expenses	18.44	17.20
Bad Debt Written off	0.02	109.34
Wealth Tax	0.00	0.00
TOTAL	1060.43	987.34

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 13

INTEREST

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
Coal India Limited Holding Co.	20.87	20.87
Interest on Retirement Pension Fund	7.20	12.34
Total	28.07	33.21

Schedule - 14

PROVISIONS/WRITE-OFF

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
(a) Provision :		
Doubtful debts	7.73	13.65
Doubtful Advances	0.26	0.49
Reduction in value of assets (Capital assets awaiting installation)	—	0.00
Total	7.99	14.14

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

Schedule - 15

PRIOR PERIOD ADJUSTMENTS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
DEBIT :		
Employees Remuneration & Benefits :		
(a) Salary, Wages & Allowances	- 16.80	4.74
(b) Contribution to P. F.	0.22	—
(c) Ex-gratia	—	0.75
	- 16.58	5.49
Director's Salary & Allowances	0.27	—
Repairs	- 1.78	- 15.20
Depreciation Expenses	- 4.78	- 11.69
Miscellaneous Expenses	12.22	- 50.98
Consumption of stores & Spares	0.12	- 0.83
Contractual Payments	1.25	- 8.65
Power & Fuel	0.05	- 34.85
Interest :		
(a) Pension		
(b) Others	- 1.36	- 12.89
	- 1.36	- 12.89
TOTAL DEBIT	- 10.59	- 129.60
CREDIT :		
Employees Remuneration & Benefits :		
(a) C. M. Bonus		
(b) Life Cover Scheme	- 0.20	- 0.20
Interest on Loan to employees	3.66	—
other Receipts	1.58	- 0.05
Sale of Services	44.14	- 7.45
	49.18	- 7.70
TOTAL CREDIT	49.18	- 7.70
NET CREDIT (-)/DEBIT (+)	- 59.77	- 121.90

Schedule - 16

EXTRAORDINARY ITEMS

	CURRENT YEAR (Rs. in Lakh)	PREVIOUS YEAR (Rs. in Lakh)
--	-------------------------------	--------------------------------

NIL

NIL

SCHEDULE - 17

ACCOUNTING POLICY FOR 2001-02**1.0 ACCOUNTING CONVENTION**

The financial statements are prepared on accrual basis based on historical cost following Going Concern concept, Accounting Standards and generally accepted accounting principles except as otherwise stated, if any, in the Accounting Policy and Notes on Accounts.

2.0 BASIS OF ACCOUNTING

- 2.1 All expenses and incomes, if material, are booked initially in the natural heads of accounts and then transferred to functional heads of accounts, wherever required.
- 2.2 Two per cent of the total Employees' Remuneration & Benefits were transferred to Social overheads upto 2000-01. Employees' Remuneration & Benefits for Social Overheads is now accounted for at actuals.

3.0 FIXED ASSETS**3.1 Land**

Land includes cost of acquisition including incidental expenses incurred thereon.

3.2 Buildings

- 3.2.1 Buildings include cost of lifts, electrical fittings, water supply arrangements and sanitary fittings.
- 3.2.2 Expenditure like partitions and modifications etc in old buildings and area development in township is being charged to Revenue as Repairs & Maintenance expenses.

3.3 Plant & Machinery

- 3.3.1 Plant & Machinery include cost and expenses incurred for erection/installation and other attributable costs of bringing those assets to working condition for their intended use. However, expenses are not capitalised whenever such works are done departmentally.
- 3.3.2 All softwares acquired on annual licence fees basis and softwares costing upto Rs 10 lakhs each acquired on perpetual licence basis are not capitalised but charged as revenue expenditure.
- 3.3.3 Insurance spares supplied alongwith a specific machine, which are of infrequent use, are capitalized alongwith the machine. Such Insurance spares are depreciated at the rate applicable to the particular machine.

4.0 INVESTMENTS

- 4.1 Long term Investments, if any, are valued at cost.
- 4.2 Fixed Deposits with Banks are shown under balance with Banks.

5.0 INVENTORIES**5.1 Stores & Spares**

- 5.1.1 Stock of Stores and spares of Central Drilling Stores (C.D.S.) , Barkakana are valued at weighted average cost whereas such items at Drilling Camps / sites are valued at issue price from C.D.S., Barkakana. Stores issued to Drilling Camps / Sites are charged off.
- 5.1.2 Stores & spare parts include loose tools also but do not include machine specific spares of infrequent use.
- 5.1.3 Tubulars in stores are valued at weighted average cost and value of issues to the drilling sites is treated as Deferred Revenue Expenditure.

5.2 Other items

- 5.2.1 Stock of stationery and other consumable miscellaneous stores is valued at purchase price.
- 5.2.2 Stock of medicines are not considered for inventory purposes and the expenses thereof are charged off to revenue accounts.
- 5.2.3 Discarded / Surveyed off Fixed Assets are stated at written down value till final disposal / sale and are included in the inventories.

5.3 Obsolete Stores

Provisions are made at the rate of 100% against identified obsolete stores.

6.0 DEPRECIATION**6.1 Rates specified in Schedule - XIV to the Companies Act, 1956 (as amended) except in some special cases.**

- 6.1.2 Depreciation on the assets added / disposed off during the year is provided on pro-rata basis with reference to the month of addition / disposal.
- 6.1.3 Assets whose actual cost does not exceed Rs 5000/- are depreciated at 100% leaving a token value of Re 1/- for each of such assets.

6.2 Special Rates

- 6.2.1 High value computer utility software costing more than Rs 10 lakh individually which are acquired on perpetual licence basis, in the absence of any specific rate of depreciation in Schedule XIV to the Companies Act 1956, is depreciated over its useful life as per the technical experts' opinion and the licensing agreement.

6.2.2 The Earth Science Museum : 5.15 per cent

6.2.3 All Plants & Equipment at Drilling sites,
Scanner, equipments & Instruments
used in the Laboratories for analysis
work and all models of photocopiers : 11.31 percent

6.2.4 High Volume Samplers and Respiratory
Dust Samplers : 33.33 percent

6.2.5 Value of Leasehold Land is amortised within the lease period.

6.3 Others

6.3.1 Lifts etc forming part of Building as stated in 3.2.1 above at rates prescribed for buildings.

6.3.2 Buildings constructed on leasehold land and land belonging to other subsidiaries of CIL : at the rate applicable to buildings on freehold land.

7.0 BALANCE WITH COAL INDIA LTD (HOLDING COMPANY)

Amount due to Coal India Limited (CIL) on account of loan after adjustment to equity from time to time is shown as unsecured loan. Amount due for revenue nature transactions in Current Account is shown under Current Liabilities / Current Assets.

8.0 INTEREST TO HOLDING COMPANY

Interest to CIL ie, Coal India Limited (Holding Company) is accounted for as per advice from them.

9.0 DEFERRED REVENUE EXPENDITURE

9.1 The value of tubulars issued to the drilling site as noted in 5.1.3 above is charged off over a period of three years.

9.2 Ex-gratia under Voluntary Retirement Scheme is charged off over a period of four years.

10.0 PRIOR PERIOD ADJUSTMENT

The charges or credits, in excess of Rs 10000/- in each case, arising in current year as a result of errors and omissions in preparation of the financial statement (s) of earlier year (s) are accounted for under this head.

11.0 RESEARCH & DEVELOPMENT EXPENSES

Research & Development expenses of revenue nature are charged to Profit and Loss Account in the year in which they are incurred and expenses of capital nature are capitalised.

12.0 GRANTS

12.1 Grants received for fixed assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account.

12.2 Grants received as Nodal / Implementing Agency directly or through CIL are accounted for on the basis of receipts and disbursements.

13.0 EMPLOYEES' BENEFITS ON SEPERATION

13.1 Gratuity

13.1.1 Liability for Gratuity has been provided for on the basis of Actuarial Certificate.

13.1.2 Debits/ Credits to and from CIL (Holding Company) and its Subsidiaries on account of gratuity on transfer of employees are not raised.

13.2 Leave Encashment

Liability for Leave encashment is accounted for on the basis of actuarial valuation.

13.3 Life Cover Scheme and Pension

Payments under Life Cover Scheme of Rs 30000/- on date of any non-executive employee and pension payments to a few ex-railway employees whose services were taken over through NCDC are accounted for on accrual basis.

13.4 Provident Fund and Retirement Pension Fund

Provident Fund & Retirement Pension Scheme Liabilities are accounted for on accrual basis and transferred to authorities in appropriate cases.

14.0 WRITE BACK

14.1 Stale cheques which are more than three years old at the end of the financial year are written back except certain cases.

14.2 Earnest Money and Security Deposit which are more than five years old at the end of the financial year are written back except certain cases involving Court cases etc.

15.0 REVENUE RECOGNITION**15.1 Billing to CIL/CIL Subsidiaries for Exploration & P&D Services**

15.1.1 Billing for services rendered to Coal India Subsidiaries, except cases covered in 15.1.2 below, is done on 'Cost Plus' basis. Unit of cost for the purpose is taken as :

- | | | | |
|------|--|---|-------------------|
| (i) | For exploration services | : | Drilling Meterage |
| (ii) | For planning & design
or specialized services | : | Engineering Day |

15.1.2 Billing on CIL Subsidiaries is done during the year at pre-determined/Budgeted rates. Bills or differential amounts are raised on the basis of actual cost for that particular year on finalisation of accounts.

15.2 Outside Parties for Civil Consultancy Contracts

In the case of consultancy contracts with parties outside CIL, revenue is recognized at proportionate contract value based on the percentage of work completed or amount realizable, whichever is lower.

15.3 Miscellaneous Jobs

Hydrogeological Services, Physico-Mechanical Analysis, Data Processing, Coal Core Analysis, Geophysical Investigations, E.M.P.Work, Contractual Work etc. are billed on cost/cost plus basis or on mutually agreed rates, as the case may be.

15.4 Sales shown in accounts are exclusive of Service Tax.

16.0 TRANSACTIONS IN FOREIGN CURRENCIES

- 16.1 Expenses during the year in foreign currencies are converted / translated at an average rate and the sales are booked at the rate prevailing at the time of billing. Outstanding at the end of the year are converted at the year end rate.
- 16.2 Current Assets & Liabilities in Foreign Currencies are converted / translated at year end exchange rates and the loss/gain on conversion, if any, is recognised in the year.

17.0 CHANGE IN ACCOUNTING POLICIES

Redrafting of any Accounting Policy to clarify, to rationalize or to more precisely enunciate the existing practice is not considered as change in Accounting Policy.

SCHEDULE - 18**NOTES ON ACCOUNTS FOR 2001-02****1.0 FIXED ASSETS & DEPRECIATION****1.1 Fixed Assets**

1.1.1 Legal transfer of assets and liabilities from the Holding Company, Coal India Limited (CIL) on its reorganisation on 01/11/1975 is yet to be effected.

1.1.2 There are certain assets taken over from erstwhile NCDC/Coal Board, the value of which could not be linked up. An amount of Rs. 4.80 lakh realised on disposal of old assets received from earthlier NCDC and Coal Board could also not be linked up with the acquisition value. Pending adjustment the amount is lying credited to Sale of Assets Suspense Account.

1.1.3 The Company has got constructed houses and office complex in BCCL Township in Danbad (Rs. 444.31 lakh), NCL Township in Singrauli (Rs. 322.32 lakh) and CCL Township in Rajrappa (Rs. 235.52 lakh) on the land belonging to other subsidiaries of the Holding Company.

1.1.4 The buildings at Rajrappa CPTI (Coal Preparation Training Institute) Project are continued to be shown in Fixed Assets with usual depreciation although it is not functioning in view of the fact that services of the Institute are expected to be commercially exploited as soon as the non-coking coal washeries in the pipeline become operational, as it is the only Institute in India having expertise in training in the field of coal washeries.

1.2 Depreciation

1.2.1 Land at Gondwana Place (Rs. 32.99 lakh) includes an old building. In absence of separate value for the old building no depreciation could be charged thereon.

2.0 STOCK OF STORES & SPARE PARTS

2.1 As machine-specific spares are capitalized along with the machines there are no spares being machine-specific and of the infrequent use which are to be capitalized in terms of Accounting Standard AS 2 read with AS 10.

2.2 The value of obsolete and surplus items of stores was last estimated in 1998-99 at Rs. 58.08 lakh against which full provision was made in the Financial Year 1998-99. Further review of the estimate is not considered necessary at this stage in view of change in purchase procedure to ensure that addition to obsolete/surplus stores is minimal.

3.0 LOANS & ADVANCES/DEBTORS**3.1 Current Accounts and Sundry Debtors Accounts**

3.1.1 Reconciliation of inter company transactions in Current Accounts with other Subsidiaries of CIL has been carried out upto 31/3/2002. The agreed Current Account balances with CIL Subsidiaries as on 31/3/2002 were transferred to CIL Current Account in the month of May, 2002. Subsequently, if during the course of audit or otherwise and debit/credit

advice is received/sent from/to the Subsidiaries with respect to the periods upto 31.03.2002 the same is charged to Subsidiary Suspense Account.

- 3.1.2 Sundry Debtors include Rs. 7200.87 lakh due from CIL Subsidiaries. Since 01/4/1993 the system of acceptances of bills by CIL Subsidiaries was introduced for adjustment of account with CIL. Balance upto 01.04.93 amounting to Rs. 263.00 lakh in total is under reconciliation.

Acceptances of bills are regularly monitored. Bills in the process of acceptance amount to Rs. 8659.69 lacs on 31.03.2002 and confirmation of accounts could not be obtained.

3.2 Others

Income tax advance of Rs. 536.25 lakh includes payments under protest against assessments for the years upto Assessment Year 1998-99. Income tax provisions of Rs. 156.17 lakh represents provisions for pending assessments from Assessment Years 1999-2000 to 2001-2002.

4.0 CURRENT LIABILITIES & PROVISIONS

4.1 Current Accounts with CIL and its Offices

Reconciliation of Current Accounts with CIL and its offices as well as of CIL Loan Account is done regularly, but it is not known if all the items appearing in Reconciliation statement are accounted for by CIL within the year. Loan Account and Current Account balances as on 31.03.2002 have been reconciled.

4.2 Liabilities under Coal Mines Pension Scheme

- 4.2.1 Monthly contributions & deductions with respect to CMPF members are being regularly remitted to the authorities.
- 4.2.2 Current Liabilities include Rs. 114.49 lakh deductions which could not be remitted due to certain employees being non-CMPF members.
- 4.2.3 There is also liability for Rs. 54.92 lakh payable to the Scheme being the additional increments granted by the Company w.e.f. 01/7/1995.
- 4.2.4 The above amounts of liabilities are inclusive of interest at the rate applicable to CMPF.
- 4.2.5 As against these liabilities Rs. 55.50 lakhs is held in Fixed Deposits with Bank.

4.3 Others

- 4.3.1 The liability for contractual drilling is provided on the basis of 100% value of meterage drilled during the year less payments made against such drilling.
- 4.3.2 Provision was made in respect of arrear salary payable on account of wages/pay revision (w.e.f. 01.01.97 for Executives and w.e.f. 01.07.96 for Non-Executives) after deducting adhoc provision @ Rs. 10,000/- consolidated per head for 3672 employees in the year 1999-2000. The total amount involved is Rs. 5022.41 lakh.
- 4.3.3 Gratuity for the year has been considered at incremental liability plus gratuity actually accruing in the year as per the recommendation of the actuary.
- 4.3.4 No amount of Rs. 1.0 lakh or more was overdue to SSI units for more than 30 days as on 31.03.02

- 4.3.5 Accounts together with notes thereon approved by the Board of Directors on 17th July 2002 and reported upon by the Auditors have been amended based on the audit conducted by the Comptroller and Auditor General of India. These amendments have resulted in decrease in profit before tax by Rs. 61.06 lac due to increase in expenditure and decrease in profit after tax by Rs. 41.51 lac involving changes in Schedules J&N of Balance Sheet and in Schedules 1,7 & 14 of P&L Account. The amendments have also resulted increase in Current assets by Rs. 531.91 lac and Current Liabilities by Rs. 573.42 lac. Notes on accounts at Para 1.1.3 above has also been revised.

5.0 THEFT & SNATCHING CASES

Theft cases involving an amount of Rs. 0.72 lakh (Previous Year 7.90 lakh) have been reported during the year. These are under investigation of the police department. Most of the items covered under the reported thefts are charged off items and as such provision against such losses in the accounts has not been made. On finalisation/confirmation from the police regarding recovery or otherwise of these cash/materials, adjustment if required, shall be made.

6.0 DIRECTOR'S REMUNERATION

		Rs. in lakh	
		Current Year 2001-02	Previous Year 2000-01
(i)	Salary & Allowance including LTC/Leave Encasement	12.55	31.02
(ii)	Provident Fund	1.62	2.95
(iii)	Medical Expenses	0.92	0.44
(iv)	Value of Perquisites	0.82	0.02
(v)	Gratuity Paid	3.63	6.87

Provision of arrear salary for pay revision at the minimum of the revised scale has been made in respect of continuing and retired Directors in absence of pay fixation by the Administrative Ministry. However full provisions for such enhancement have been made in case of one retired Director on the basis of receipt of pay fixation.

7.0 EARNINGS, EXPENDITURE ETC. IN FOREIGN CURRENCY

7.1 Expenditure in Foreign Currency :

		Rs. in lakh	
		Current Year 2001-02	Previous Year 2000-01
(i)	Foreign training/tour, books & others	1.45	3.02
(ii)	Consultancy fee	—	4.80
Total		1.45	7.82

7.2 Value of Imports Calculated on CIF Basis :

	Rs. in lakh	
	Current Year 2001-02	Previous Year 2000-01
(i) Capital Goods	74.33	99.10
(ii) Spares & Components	0.25	2.33
Total	74.58	101.43

7.3 Value of imported and indigenous stores and spare parts consumed and percentage thereof to the total consumption :

	Rs. in lakh			
	Current Year 2001-02		Previous Year 2000-01	
	Value	Percentage	Value	Percentage
Imported	3.92	0.63	0.01	0.00
Indigenous	619.34	99.37	572.89	100.00
Total	623.26	100.00	572.90	100.00

8.0 OFFICE BUILDING (PART) HANDED OVER TO GOVT

Part of an Office Building at Ranchi has been occupied by the Government of Jharkhand with effect from 04.12.2000. In absence of agreement no provision for rent receivable has been made.

9.0 CONTINGENT LIABILITY**9.1 Claims against the Company not acknowledged as debt**

- 9.1.1 Income tax matters : In respect of completed assessment pending in appeal Rs., 182.66 lakh (Previous Year Rs. 243.60 lakh)
- 9.1.2 Service tax matters : In respect of completed assessment pending in appeal Rs. 40.24 lakh (Previous Year Rs. 40.24 lakh)
- 9.1.3 Other disputed claims pending in the courts and not provided for amount to Rs. 1177.81 lakh (Previous Year Rs. 1371.75 lakh).

9.2 Other matters

- 9.2.1 There are certain suits pending in courts arising out of industrial and other disputes. The quantum of contingent liability in this regard could not be ascertained.

9.2.2 There is counter guarantee of Rs. 29.13 lakh (Previous Year Rs. 4.15 lakh) issued by the Company in favour of Bank for issuing Bank Guarantee on behalf of the Company.

10.0 CAPITAL COMMITMENT

Estimated value of contracts remaining to be executed on capital account and not provided for amounts to Rs. 34.17 lakh (previous year Rs. 17.28 lakh)

11.0 FIXED DEPOSITS

Fixed deposits with Bank include Rs. 225 lakh invested against S & T Grants received from the Government of India pending disbursements to the Implementing Agencies.

12.0 PRIVATE COMPANY

The Company was incorporated as a Private Ltd Company and subsequently became a deemed Public Company under section 43A of the Companies Act, 1956. With the abolition of the said section once again it has been a Private Ltd. Company.

13.0 PREVIOUS YEAR'S FIGURES

Previous Year's figures have been regrouped and rearranged wherever considered necessary.

Signatures to Schedules A to O for Balance Sheet, Schedules 1 to 16 for Profit & Loss Account and Schedules 17 & 18 for Accounting Policy and Notes on Accounts.

Sd/-
V. Prakasa Rao
Company Secretary

Sd/-
N. P. Dhar
General Manager (F)

Sd/-
B. N. Mishra
Director (P&D)

Sd/-
J. P. Singh
Director (Operations)
Incharge CMD

8 0 3 8 5 2

In terms of our report of even date attached

For S. K. Basu & Co.
Chartered Accountants

Sd/-
(S. K. Chakravarti)
Partner

Camp : Ranchi

Dated : 14th September, 2002

3 9 5 3 0

1 8 1 4 4

1 1 1

3 5 4 6 4

1 9 0 4 0

1 9 0 4 0

1 1 1

8 2 5 0 2 0

8 8 3 2

1 1 1

INFORMATION AS REQUIRED BY PART - IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile 03 Jharkhand (State Code)

I. REGISTRATION DETAILS :

Registration No.

0 0 1 2 2 3

State Code :

0 3

Balance Sheet Date

3 1 0 3 2 0 0 2

Date

Month

Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000) :

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. '000)

Total Liabilities

6 0 3 8 5 2

Total Assets

6 0 3 8 5 2

Sources of Funds :

Paid-up Capital

1 9 0 4 0 0

Reserve & Surplus

3 9 5 3 0 8

Secured Loans

N I L

Unsecured Loans

1 8 1 4 4

Application of Funds :

Net Fixed Assets

6 5 5 0 2 0

Investments

N I L

Net Current Assets

(-) 8 6 6 3 2

Misc. Expenditure

3 5 4 6 4

Accumulated losses

N I L

IV. PERFORMANCE OF COMPANY (Amount in Rs. '000) :

Turnover

1 3 1 3 5 0 4

Total Expenditure

1 2 8 5 4 6 9

+/-

Profit/Loss before Tax

+ 0

2 8 0 3 5

+/-

Profit/Loss after Tax

- 0

6 2 1

[(+) for profit, (-) for Loss]

Earning per share in Rs.

N I L

Dividend

N A

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY
(As per monetary terms):

Item Code No. (ITC Code) N O T A V A I L A B L E

Product Description M I N E P L A N N I N G &
D E S I G N

Item Code No. (ITC Code) N O T A V A I L A B L E

Product Description G E O L O G Y &
D R I L L I N G

Item Code No. (ITC Code) N O T A V A I L A B L E

Production Description N A T U R A L R E S O U R C E
M A N A G E M E N T A N D
F I E L D S E R V I C E S

Signed for Schedules A to O and 1 to 18.

V. Prakasa Rao
Company SecretaryN. P. Dhar
General Manager (Finance)B. N. Mishra
Director (P&D)J. P. Singh
Incharge
Chairman-cum-Managing Director

**ANNEXURE FORMING PART OF DIRECTORS' REPORT
FOR THE YEAR ENDED 31.3.2002 INFORMATION
AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956
READ WITH COMPANIES
(PARTICULARS OF EMPLOYEES) RULES 1988**

Sl. No.	Name	Designation/ Nature of work	Remuneration during the year (Rs.)	Nature of employment permanent/ temporary	Qualification	Experience (Yrs.)	Date of commencement	Age on 31st March 2002 (Yrs.)	Last employment held
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.

- (a) Employed through out the financial year under review and were in receipt of remuneration for that financial year in the aggregate of not less than Rs. 24,00,000/-

..... NIL

- (b) Employed for the part of the financial year under review and were in receipt of remuneration for any part of that financial year at a rate which in the aggregate was not less than Rs. 2,00,000/- per month.

..... NIL

Signed for Board A to O and 1 to 18.

J. P. Singh
Chairman-cum-Managing Director

B. N. Mishra
Director (P&G)

V. Prakash Rao
Company Secretary

M. P. Dhar
General Manager (Finance)