

**GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA**

UNSTARRED QUESTION NO:6949
ANSWERED ON:13.05.2002
WESTERN COALFIELDS LIMITED
NARESH KUMAR PUGLIA

Will the Minister of COAL AND MINES be pleased to state:

to the reply given to Unstarred Question No. 3405 on April 15, 2002 regarding Western Coalfields Limited and state :

(a) whether the production in almost all operational areas under the jurisdiction of the Western Coalfields Limited (WCL) has increased but the profit has declined sharply from Rs. 476.58 crores in 1998-99 to Rs. 28.23 crores in 2000-2001;

(b) if so, the reasons therefore;

(c) the profit earned and loss suffered by WCL during 2001-2002;

(d) whether the Government have set up any inquiry Committee to look into the matter and fix responsibility;

(e) if so, the details thereof ; and

(f) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR COAL AND MINES (SHRI RAVI SHANKAR PRASAD)

(a) : Yes, Sir. Coal production in Western Coalfields Limited (WCL) has increased from 317.45 lakh tonnes in 1998-99 to 352.00 lakh tonnes in 2000-01. The profit have declined from Rs. 476.58 crores in 1998- 99 to Rs. 28.23 crores in 2000-01.

(b) : The reduction in profit in 1999-2000 and 2000- 01 is mainly on account of provision for wage arrears under National Coal Wage Agreement- VI with effect from 1.7.96 for non-executives and pay revision with effect from 1.1.97 for executives. The provision made for the wage arrears were of the order of Rs. 80 crores in 1999- 2000 and Rs. 375 crores in 2000-01.

(c) : The annual accounts of WCL for 2001-02 are under finalisation. However, the firm figures for the profit and loss of WCL will be available after its accounts are audited and adopted in the Annual General Meeting. The provisional profit as per quick estimate report for WCL during the year 2001-02 is Rs. 315 crores.

(d) to (f) : Coal India Limited (CIL) and its subsidiaries including WCL have well defined accounting policies, which are in compliance with the accounting standards and commonly accepted accounting practice, relying on which the financial statement and the annual report of CIL and its subsidiaries are prepared.

Financial statement forming part of annual accounts of CIL and its subsidiaries are regularly audited by the statutory auditor as per the Companies Act, and followed up by supplementary audit by the Comptroller and Auditor General of India as required under Section 619 of the Companies Act, 1956. Therefore, the question of setting up of any inquiry committee by the Government does not arise.