

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3594

ANSWERED ON:19.08.2003

BALANCE CONFIRMATION LETTERS FROM DEBTORS CREDITORS AND OTHER PARTIES

BHASKAR RAO PATIL;NARESH KUMAR PUGLIA;SHYAMA SINGH

Will the Minister of COAL be pleased to state:

(a) whether the Comptroller and Auditor General of India has criticised the CoalIndia Ltd. for not introducing balance confirmation letters from debtors, creditors and from other parties are reported in the Statesman dated May 19, 2003.

(b) if so, the facts of the matter reported therein and reaction of the Government thereto;

(c) whether the CIL has taken any corrective steps on the basis of the C & AG observations;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRAHLAD SINGH PATEL) :

(a) Yes, Sir.

(b) It was reported that the company was yet to introduce balance confirmation letters from debtors, creditors and other parties.

(c) to (e) While CIL is already obtaining balance confirmation from banks, financial institutions, its subsidiary companies regarding their outstanding loans, deposits, etc. such procedure remains to be enlarged to cover other parties, debtors, creditors, etc. for which efforts are being made. In fact, such endeavour of obtaining confirmation from debtors and creditors earlier had met with poor response from parties.