



CENTRAL COALFIELDS LIMITED

A Miniratna Company



2012-13

Annual Report & Accounts

Deeper insights into
India's progress

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Board of Directors

(As on 25th May, 2013)



Shri Gopal Singh
Chairman-cum-Managing Director

FUNCTIONAL DIRECTORS



Shri T. K. Nag



Shri R. R. Mishra

GOVERNMENT NOMINEES



Shri S. K. Singh
Jt. Secy., MOC



Shri R. Mohan Das
Dir. (P&IR), CIL

INDEPENDENT DIRECTORS



Shri S. Chakrabarti



Shri Anand Kumar



Prof. K. V. Ramani

PERMANENT INVITEES



Shri Deepak Nath
*Chief Operations Manager
East Central Railway*



Shri S. K. Barnwal
*Secretary, Mines & Geology Deptt.
Govt. of Jharkhand*

COMPANY SECRETARY



Shri C.V.N. Gangaram

PRESENT MANAGEMENT

As on 25th May, 2013

(i.e on the date of the Fifty Seventh Annual General Meeting)

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

FUNCTIONAL DIRECTORS

Shri T.K. Nag : Director (Tech./Oprn.)
Shri R. R. Mishra : Director (Personnel)

PART TIME OFFICIAL DIRECTORS

Shri S. K. Singh, IAS : Jt. Secretary
Ministry of Coal,
Govt. of India, New Delhi

Shri R. Mohan Das : Director(P&IR),
Coal India Limited,
10, N.S. Road, Kolkata

PART TIME NON-OFFICIAL DIRECTORS (INDEPENDENT DIRECTORS)

Shri S. Chakrabarti
Shri Anand Kumar, and
Prof. K. V. Ramani

PERMANENT INVITEES

Shri Deepak Nath, IRTS : Chief Operations Manager
East Central Railway, Hajipur (Bihar)

Shri S. K. Barnwal, IAS : Secretary, Mines & Geology Deptt.
Govt. of Jharkhand

COMPANY SECRETARY :

Shri C. V. N. Gangaram

MANAGEMENT DURING 2012-2013

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

FUNCTIONAL DIRECTORS

Shri T. K. Nag : Director (Tech./Oprn.)
Shri A. Chattejee : Director (Finance) (Upto 31.10.2012)
Shri R. R. Mishra : Director (Personnel)

PART TIME DIRECTORS

Shri Shailesh Kumar Singh, IAS : Jt. Secretary, Ministry of Coal
Govt. of India, New Delhi
Shri R. Mohan Das : Director(P&IR),
Coal India Limited, Kolkata.

PART TIME NON-OFFICIAL DIRECTORS (INDEPENDENT DIRECTORS)

Shri Gautam Basu : From 27.04.2010 to 26.04.2013
Shri S. K. Sarkar : From 27.04.2010 to 26.04.2013
Shri S. Chakrabarti : W.e.f. 23.02.2011
Shri Anand Kumar, and : W.e.f. 23.02.2011
Prof. K. V. Ramani : W.e.f. 23.02.2011

PERMANENT INVITEES

Shri Deepak Chhabra, IRTS : Chief Operations Manager,
East Central Railway, Hajipur (Bihar)
(From 10.10.11 to 01.05.12)
Shri Deepak Nath, IRTS : Chief Operations Manager,
East Central Railway, Hajipur (Bihar)
(From 02.05.12) (MOC Letter No. 21/21/2008-ASO
dated 22.05.2012)
Shri A. K. Sarkar, IAS : Addl. Chief Secretary, Mines & Geology Deptt.
Govt. of Jharkhand (From 04.04.2011 to 01.03.2013)
Shri S. K. Barnwal, IAS : Secretary (Mines & Geology)
Govt. of Jharkhand
(w.e.f. 02.03.2013) (MOC Letter No. 21/21/2008-ASO
dated 07.05.2013)

COMPANY SECRETARY

Shri C. V. N. Gangaram

BANKERS

Allahabad Bank	ICICI Bank Ltd.
Andhra Bank	Indian Overseas Bank
Bank of Baroda	State Bank of India
Bank of India	Oriental Bank of Commerce
Bank of Maharashtra	Punjab National Bank
Canara Bank	Syndicate Bank
Central Bank of India	UCO Bank
Corporation Bank	Union Bank of India
Dena Bank	United Bank of India

STATUTORY AUDITORS

M/s. V. Singhi & Associates
Four Mangoe Lane
Surendra Mohan Ghosh Sarani, Ground Floor
Kolkata – 700 001, West Bengal

BRANCH AUDITORS

M/s. K. C. Tak & Co.
1, New Anantpur,
Ranchi

M/s. NKD & Co.
2nd Floor, Radha Gouri,
Goushala Chowk,
North Market Road, Upper Bazar,
Ranchi – 834 001, Jharkhand

M/s. KPMB & Associates
408B, Shivam Apartment
Near AG Office
Ranchi-834002

REGISTERED OFFICE

Darbhanga House
Ranchi 834 029
(Jharkhand)

NOTICE

Ref. No. : Secy. 3(2)/57/2013/626

Dated : 21.05.2013

FIFTY SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given to all Shareholders of Central Coalfields Limited that the Fifty Seventh Annual General Meeting of the Company will be held on Saturday, the 25th day of May, 2013 at 12.00 O'Clock (Noon) at Darbhanga House, Ranchi to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended on that date together with the Reports of the Statutory Auditors, Comptroller & Auditor General of India and the Board of Directors of the Company thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2013 as proposed by the Board.
3. To re-appoint Shri S. K. Singh, Joint Secretary, Ministry of Coal, Govt. of India, as a Part-time Director of the Company as per the provisions of Article 34 (iii) of the Articles of Association of the Company.
4. To re-appoint Shri R. Mohan Das, Director (P&IR), Coal India Limited as a Part-time Director of the Company as per the provisions of Article 34 (iii) of the Articles of Association of the Company.

By order of the Board of Directors
Central Coalfields Limited
Sd/-
(C.V.N. Gangaram)
Company Secretary

Registered Office : Darbhanga House
Ranchi 834 029
(Jharkhand)

Note : A member entitled to attend and vote at the meeting is also entitled to appoint a proxy or proxies to attend and vote instead of himself and the proxy need not be a member of the Company.

The Shareholders are also requested to accord their consent for convening the Annual General Meeting at a shorter notice pursuant to the provisions of the Sec. 171(2)(i) of the Companies Act, 1956.

MEMBERS

The Coal India Limited, Member
(Through Chairman, CIL)
10, Netaji Subhas Road,
Kolkata- 700 001

Shri S. Narsing Rao
Chairman,
Coal India Limited,
10, Netaji Subhas Road,
Kolkata- 700 001

Shri Gopal Singh
Chairman-cum-Managing Director,
Central Coalfields Limited,
Darbhanga House,
Ranchi – 834 029

Shri Abhijit Chatterjee
Director (Finance),
Coal India Limited,
10, Netaji Subhas Road,
Kolkata- 700 001

CHAIRMAN – AUDIT COMMITTEE, CCL

Shri Anand Kumar
508, Sneh Kunj
Sector – 62, C – 58/13,
NOIDA – 201307

STATUTORY AUDITORS

M/s. V. Singhi & Associates
Four Mangoe Lane,
Suendra Mohan Ghosh Sarani,
Kolkata – 700 001, West Bengal

VISION

To emerge as a Global player in the Primary Energy Sector, committed to provide energy security to the Country, by attaining environmentally and Socially Sustainable Growth , through best practices from Mine to Market.

MISSION

The Mission of Central Coalfields Limited (CCL) is to produce and market the planned quantity of Coal and Coal products efficiently and economically with due regard to Safety, Conservation and Quality.

OBJECTIVES

The major objectives of Central Coalfields Limited (CCL) are —

1. To optimize generation of internal resources by improving productivity of resources, prevent wastage and to mobilize adequate external resources to meet Investment need.
2. To maintain high standards of Safety and strive for an accident free Mining of Coal.
3. To lay emphasis on afforestation, protection of Environment and Control of Pollution.
4. To undertake detailed exploration and plan for new Projects to meet the future Coal Demand.
5. To modernize existing Mines.
6. To Develop technical know-how and organizational capability of Coal Mining as well as Coal beneficiation and undertake, wherever necessary, applied research and development work related to Scientific exploration for greater extraction of Coal.
7. To improve the quality of life of employees and to discharge the corporate obligations to Society at large and the community around the Coalfields in particular.
8. To provide adequate number of skilled manpower to run the operations and impart Technical and Managerial Training for up gradation of skill.
9. To improve the Consumer Satisfaction.
10. To enhance the CSR activities specifically in the field of Health, Sanitation and Drinking Water in the Surrounding Villages.

OPERATIONAL STATISTICS

Year Ending 31st March	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
1. (a) Production of Raw Coal : (Million Tonnes)										
Underground	1.02	1.09	1.27	1.47	1.56	1.83	1.96	2.31	2.66	2.75
Opencast	47.04	46.91	46.25	45.61	41.68	42.32	39.36	38.20	34.73	34.58
TOTAL	48.06	48.00	47.52	47.08	43.24	44.15	41.32	40.51	37.39	37.33
(b) Overburden Removal : (Million Cu.Mts.)	63.31	65.68	62.52	56.05	55.63	55.22	45.90	49.97	46.68	48.10
2. Off take (Raw Coal) (Million Tonnes)										
Steel	1.07	4.04	4.95	4.31	4.37	4.14	4.85	5.49	5.82	5.44
Power	31.56	33.68	30.76	28.89	29.80	29.25	25.29	27.29	25.35	26.35
Cement	0.00	0.11	0.22	0.08	0.05	0.07	0.05	0.05	0.05	0.07
Fertilizer	0.64	0.95	0.94	0.83	0.88	0.59	0.75	0.60	0.60	0.90
Others	8.98	9.25	9.50	9.79	8.55	7.53	7.12	5.37	3.98	3.15
Coal Feed to Washeries	10.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Colliery Consumption	0.01	0.01	0.01	0.01	0.02	0.02	0.04	0.06	0.09	0.19
TOTAL	52.89	48.04	46.38	43.91	43.67	41.60	38.10	38.86	35.89	36.10
3. Average Manpower	* 49076	51156	53171	55305	57681	60209	62905	65536	68335	71100
4. Productivity :										
(A) Average per Man per Year (Tonnes)	979.30	938.32	893.72	851.28	749.65	733.28	656.86	618.14	547.16	525.04
(B) Output per manshift (OMS) :										
(i) Underground (Tonnes)	0.33	0.32	0.34	0.35	0.36	0.39	0.40	0.43	0.47	0.47
(ii) Opencast (Tonnes)	6.09	5.79	5.45	5.24	4.65	4.66	4.02	4.12	3.75	3.75
(iii) Overall (Tonnes)	4.42	4.19	3.88	3.66	3.27	3.22	2.81	2.75	2.51	2.48
5. Information — As per Cost Report										
(i) Earning per Manshift (₹)	2174.95	1862.96	1615.93	1445.82	1616.43	1099.19	868.48	781.13	774.22	659.51
(ii) Avg. Cost of Production of Net Saleable Coal (₹ P.T.)	1020.42	1038.67	844.65	802.07	914.03	696.70	630.71	600.00	644.03	608.20
(iii) Avg. Sale Value of Production of Net Saleable Coal (₹ P.T.)	1423.22	1258.70	1072.82	1021.59	977.45	868.97	807.04	798.25	768.30	667.41

* Raw Coal Offtake has been re-arranged from the Financial Year 2012-13.

FINANCIAL POSITION

As per Revised Schedule VI

(₹ in Crore)

For the Year Ending 31st March	2013	2012
(A) What is owned		
Gross Fixed Assets	4805.64	4778.18
Less Depreciation & Impairment	3407.82	3290.34
(1) Net Fixed Assets	1397.82	1487.84
(2) Capital Work -in -Prog	321.96	259.15
(3) Deferred Tax Assets	579.37	502.51
(4) Non Current Investments	18.85	28.27
(5) Long Term Loans & Advances	208.66	171.16
(6) Current Assets		
(i) (a) Inventory of coal, coke etc.	1103.23	1379.68
(b) Inventory of stores & Spares etc.	149.67	146.87
(c) Other Inventories	5.74	4.95
(ii) Trade Receivables (Net)	1533.87	1078.66
(iii) Cash & Cash Equivalents	3560.44	3986.20
(iv) Current Investments	109.42	9.42
(iv) Short Term Loans & Advances	577.04	576.65
(v) Other Current Assets	439.54	370.68
Total Current Assets (6)	7478.95	7553.11
(7) Less Current Liab & Prov.	4017.45	4351.98
Trade Payables	78.99	74.39
Other Current Liabilities	2362.29	2468.81
Short Term Provisions	1576.17	1808.78
Net Current Assets (6-7)	3461.50	3201.13
TOTAL (A)	5988.16	5650.06
(B) What is owed :		
(1) Long Term Borrowing	69.92	87.54
(2) Other Long Term Liabilities	17.09	3.26
(3) Long Term Provisions	1893.07	2121.88
TOTAL (B)	1980.08	2212.68
Net Worth (A-B)	4008.08	3437.38
Represented by		
(1) Equity Capital	940.00	940.00
(2) Reserves	1307.04	1012.96
(3) Profit/Loss(+)/(-) (Surplus)	1761.04	1484.42
Net Worth (1 to 3)	4008.08	3437.38
Capital Employed	4859.32	4688.97

FINANCIAL POSITION**As per Earlier Schedule VI**

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005	2004
(A) What is owned								
Gross Fixed Assets	4590.13	4659.00	4484.91	4378.64	4198.81	4036.93	3811.03	3769.39
Less Depreciation	3204.05	3142.81	3038.01	2982.93	2783.73	2696.42	2467.28	2367.02
(1) Net Fixed Assets	1386.08	1516.19	1446.90	1395.71	1415.08	1340.51	1343.75	1402.37
(2) Capital Work -in -Prog	408.34	343.04	311.35	323.38	267.08	271.74	436.35	323.22
(3) Misc expenditure (others)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(4) Investment	47.12	56.54	65.96	75.39	84.81	94.23	94.23	94.23
(5) Deferred Tax Assets	493.16	507.28	565.00	343.57	214.06	166.19	129.72	0.00
(6) Current Assets:								
(i) (a) Inventory of coal, coke etc.	1292.31	1006.38	806.26	858.04	682.68	578.82	442.69	335.06
(b) Inventory of stores & Spares etc.	143.57	154.79	141.99	129.87	127.93	135.18	145.18	146.36
(c) Other Inventories	11.11	16.01	19.81	3.27	3.02	1.85	18.00	19.43
(ii) Trade Receivables	941.64	512.45	745.26	541.31	472.17	611.07	659.84	649.23
(iii) Cash & Cash Equivalent	2582.77	2607.01	1815.88	1115.47	334.09	234.82	184.11	111.56
(iv) Loans & Advances (incl. Other C/Assets & Adj)	1677.16	1369.81	2740.92	2236.96	2076.97	1881.82	796.48	253.73
(v) O.B.R. Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets (6)	6648.56	5666.44	6270.13	4884.92	3696.86	3443.55	2246.30	1515.35
(7) Less Current Liab & Prov. (Excl. intt Accd. but not Due)	5854.34	5316.80	6218.54	4713.91	3408.48	3097.81	2295.29	1478.61
Net Current Assets (6-7)	794.22	349.64	51.59	171.00	288.38	345.74	—48.99	36.74
TOTAL (A)	3128.92	2772.69	2440.80	2309.05	2269.41	2218.41	1955.07	1856.56
(B) What is owed :								
(1) Govt Loan/CIL	0.00	0.00	157.27	307.28	457.28	757.28	907.27	1057.28
(2) Interest Accrued but not Due	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.73
(3) Term Loan (F.intt & Banks)	90.91	112.05	136.70	115.60	125.85	138.66	151.43	239.80
TOTAL (B)	90.91	112.05	293.97	422.88	583.13	895.94	1058.70	1298.81
Net Worth (A-B)	3038.01	2660.64	2146.83	1886.17	1686.28	1322.48	896.37	557.75
Represented by								
(1) Equity Capital (incl. pending allotment)	940.00	940.00	940.00	940.00	940.00	940.00	940.00	940.00
(2) Reserves	792.18	580.47	405.54	325.80	222.28	116.50	0.00	0.00
(3) Profit/Loss(+)/(-)	1305.83	1140.17	801.29	620.37	524.00	265.98	—43.63	—382.25
Net Worth (1 to 3)	3038.01	2660.64	2146.83	1886.17	1686.28	1322.48	896.37	557.75
Capital Employed	2180.30	1865.83	1498.49	1566.72	1703.46	1686.25	1294.76	1437.38

INCOME AND EXPENDITURE STATEMENT

As per Revised Schedule VI

(₹ in Crore)

For the Year Ending 31st March	2013	2012
(A) Earned From		
Gross Sales	10580.10	9005.34
Less Levies (Royalties, Cess etc.)	2023.86	1473.22
1. Net Sales	8556.24	7532.12
2. Other Income (a to d)	681.64	565.28
(a) Interest on Bank Deposits	359.81	293.31
(b) Subsidy for Sand Stowing & Protective Works	2.01	2.53
(c) Recovery of Transportation & Loading Cost	199.47	203.89
(d) Other non-operating Income	120.35	65.55
TOTAL(A)	9237.88	8097.40
(B) Paid to/Provided for		
1. Employees' Benefit Expenses	3522.47	3492.50
(a) Salary, Wages, Allowances, Bonus etc.	2454.02	2244.21
(b) Contribution to PF & Other Funds	383.30	245.80
(c) Gratuity	177.06	481.61
(d) Leave Encashment	102.43	167.69
(e) Others	405.66	353.19
2. Accretion\Decretion in Stock	275.71	– 86.50
3. Welfare Expenses	63.31	24.56
4. Cost of Material Consumed	625.73	577.27
5. Power & Fuel	358.82	265.45
6. Contractors (Including Repairs)	669.13	638.37
7. Finance Cost	7.55	3.58
8. Depreciation/Amortisation/Impairment	235.21	220.80
9. Provisions & Write-off	279.36	183.37
10. Over Burden Removal Adjustment	– 43.53	188.59
11. Other Expenses	584.23	659.66
12. Prior Period Adj.	– 23.67	– 40.49
TOTAL (B)	6554.32	6127.16
Profit/Loss for the Year (A-B)	2683.56	1970.24
Tax on Profit	797.95	650.69
Proposed Dividend	1131.37	791.74
Tax on Dividend	183.54	128.44
Trans to General Reserve	268.36	197.02
Trans to Reserve for CSR	24.00	23.76
Trans to Reserve for SD	1.72	0.00
B/F from Prev. Year	1484.42	1305.83
Cumulative Profit/Loss trans to Balance Sheet	1761.04	1484.42
Cumulative P&L (Before transfer to Reserves)	2055.12	1705.20

INCOME AND EXPENDITURE STATEMENT

As per Earlier Schedule VI

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005	2004
(A) Earned From								
Gross Sales	7083.13	6291.92	5978.37	5060.54	4506.41	4512.91	4043.73	3488.52
Less Coal from Development Mines	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less Levies (Royalties, Cess etc.)	1041.43	803.70	767.49	697.60	605.68	602.90	551.62	532.74
(1) Net Sales	6041.70	5488.22	5210.89	4362.94	3900.73	3910.01	3492.12	2955.79
(2) Accretion/Depletion in Stock	285.81	162.44	-69.94	136.58	72.70	137.62	109.11	54.12
(3) Coal Issued For Other Purposes (including washery)	0.00	1093.13	1038.45	1078.00	1059.72	1029.39	1037.03	911.55
(4) Other Revenue Receipts — Others	398.91	505.86	464.58	365.53	418.48	260.12	221.39	244.14
TOTAL(A)	6726.42	7249.65	6643.97	5943.06	5451.63	5337.14	4859.65	4165.59
(B) Paid to/Provided for								
Employees' Benefit Expenses (Gross -Rev)	2588.50	2360.03	2621.29	1799.90	1451.16	1311.86	1706.95	1350.13
Less Trans to Oth Rev Heads	0.00	44.67	46.41	33.41	30.73	24.88	24.26	19.64
(1) Net Employee Benefit Expenses (Excl'd V.R.S Payment)	2588.50	2315.36	2574.87	1766.49	1420.43	1286.98	1682.68	1330.49
(2) V.R.S Payment	10.91	13.40	14.41	24.43	30.82	35.94	35.77	53.26
(3) Welfare Expenses	86.55	202.93	193.01	165.27	143.60	119.78	116.45	115.47
Less : Social Overheads Dep & intt	0.00	6.41	7.49	6.42	7.70	7.43	8.18	8.91
Welfare Expenses (Excl'd. Dep & Int)	86.55	196.52	185.52	158.85	135.90	112.34	108.28	106.56
(4) Cost of Material Consumed (Gross-Rev)	533.19	507.18	484.91	488.35	424.18	441.07	423.54	393.46
Less: Trans to oth. Rev. Heads	0.00	4.21	5.11	6.79	7.49	6.50	8.87	8.08
Cost of Material Consumed (Net)	533.19	502.97	479.80	481.55	416.69	434.57	414.67	385.39
(5) (i) Power & Fuel	202.52	266.90	256.29	225.95	226.52	219.53	211.52	201.11
(ii) Coal issued for other purposes (including washery)	0.00	1053.15	1020.17	1037.73	1024.89	1042.94	1032.42	874.99
(6) Contractors (Including Repairs)	545.93	488.51	492.78	438.92	380.97	370.77	319.28	288.82
(7) (a) Other Expenses	334.48	336.09	375.35	280.46	183.56	249.51	162.56	123.70
(b) Provisions/Write-off	200.34	132.06	185.93	91.91	52.09	97.48	95.15	24.21
(8) Interest	8.96	17.39	43.51	64.26	89.18	97.98	109.62	119.90
(9) Depreciation	242.54	208.05	192.08	238.64	194.89	325.73	192.23	192.01
(10) O.B.R. Adjustment	100.63	185.02	71.98	103.57	263.83	21.79	59.22	127.40
(11) Financial Charges	1.57	1.86	3.31	1.74	2.02	2.36	2.66	4.40
(12) Prior Period Adj.	10.08	-0.68	-15.83	-6.68	9.53	-125.78	-4.23	-37.01
TOTAL (B)	4866.20	5716.60	5880.17	4907.81	4431.32	4172.16	4421.84	3795.21
Profit/Loss for the Year (A-B)	1860.22	1533.05	763.80	1035.25	1020.30	1164.98	437.81	370.38
Fringe Benefit Tax	0.00	0.00	11.89	10.51	9.11	7.52	0.00	0.00
Provision for Income Tax	601.49	506.59	483.41	461.23	409.31	445.66	228.92	34.53
Provision for Deferred Tax	14.12	57.72	-221.43	-62.06	-47.86	-36.47	-70.97	0.00
Provision for I. Tax for Earlier Years	-2.22	2.96	0.00	0.00	0.00	-10.11	0.00	0.00
Trans to General Reserve	186.02	153.31	79.74	103.52	105.78	116.50	0.00	0.00
Trans to Reserve for CSR	25.69	21.62	0.00	0.00	0.00	0.00	0.00	0.00
Dividend (Including Dividend Tax)	869.46	451.98	229.28	292.76	285.94	332.27	0.00	0.00
Cumulative Profit/Loss b/f from Prev. Year	1140.17	801.29	620.37	391.07	265.98	-43.63	-323.50	-718.11
Cumulative Profit/Loss trans to Balance Sheet	1305.83	1140.17	801.29	620.37	524.00	265.98	-43.63	-382.25

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Revised Schedule VI

(A) FINANCIAL INFORMATION

(₹ in Crore)

For the Year Ending 31st March		2013	2012
(A) Related to Assets & Liabilities			
(1)	(i) No. of Equity Shares of ₹ 1000 each	9400000	9400000
	(ii) Shareholders' Fund :		
	(a) Equity	940.00	940.00
	(b) Reserves	1307.04	1012.96
	(c) Accumulated Profit/Loss (+)/(-) (Surplus)	1761.04	1484.42
	Net Worth	4008.08	3437.38
(2)	(a) Long Term Borrowings incl. current maturities	86.90	104.32
	(b) Long Term Borrowings excl. current maturities	69.92	87.54
(3)	Capital Employed	4859.32	4688.97
(4)	(i) Net Fixed Assets	1397.82	1487.84
	(ii) Current Assets	7478.95	7553.11
	(iii) Current Liabilities	4017.45	4351.98
(5)	(a) Trade Receivables (Net)	1533.87	1078.66
	(b) Cash & Cash Equivalents	3560.44	3986.20
(6)	Closing Stock of :		
	(a) Stores & Spares (Net)	149.67	146.87
	(b) Coal & Cokes etc. (Net)	1103.23	1379.68
	(c) Other Inventories (Net)	5.74	4.95
(7)	Average Stock of Stores & Spares (Net)	148.27	145.22
(B) Related to Profit/Loss			
(1)	(a) Gross Margin	2924.86	2192.89
	(b) Gross Profit	2689.65	1972.09
	(c) Profit Before Tax	2683.56	1970.24
	(d) Net Profit (After Tax)	1885.61	1319.55
	(e) Net Profit (After Tax & Dividend)	570.70	399.37
(2)	(a) Gross Sales	10580.10	9005.34
	(b) Net Sales (after levies)	8556.24	7532.12
	(c) Sale Value of Production	8280.53	7618.62
(3)	Cost of Goods Sold (Sales–Profit)	5872.68	5561.88
(4)	(a) Total Expenditure	6554.32	6127.16
	(b) Employee Benefit Expenses	3522.47	3492.50
	(c) Cost of Material Consumed	625.73	577.27
	(d) Power & Fuel	358.82	265.45
	(e) Finance Cost & Depreciation	242.76	224.38
(5)	Avg. Consump. of Stores & Spares (Gross) per month	52.14	48.11
(6)	Avg. Manpower Employed during the year	49076	51156
(7)	(a) Value Added	7296.51	6776.45
	(b) Value Added per employee (₹ '000)	1486.78	1324.66

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Earlier Schedule VI

(A) FINANCIAL INFORMATION

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005	2004
(A) Related to Assets & Liabilities :								
(1) Shareholders' Fund :								
(a) Equity	940.00	940.00	940.00	940.00	940.00	940.00	940.00	940.00
(b) Reserve & Surplus	792.18	580.47	405.54	325.80	222.28	116.50	0.00	0.00
(c) Profit/Loss (+)/(-)	1305.83	1140.17	801.29	620.37	524.00	265.98	-43.63	-382.25
Net Worth	3038.01	2660.64	2146.83	1886.17	1686.28	1322.48	896.37	557.75
(2) Loan	90.91	112.05	293.97	422.88	583.13	895.94	1058.70	1298.81
(3) Capital Employed	2180.30	1865.83	1498.49	1566.72	1703.46	1686.25	1294.76	1437.38
(4) (i) Net Fixed Assets	1386.08	1516.19	1446.90	1395.71	1415.08	1340.51	1343.75	1402.37
(ii) Current Assets	6648.56	5666.44	6270.13	4884.92	3696.86	3443.55	2246.30	1515.35
(iii) Net Current Assets (W/C)	794.22	349.64	51.59	171.00	288.38	345.74	-48.99	36.74
(5) Current Liabilities								
(Excl. intt. accrued & due)	5854.34	5316.80	6218.54	4713.91	3408.48	3097.81	2295.29	1478.61
(6) (a) Trade Receivables (Net)	941.64	512.45	745.26	541.31	472.17	611.07	659.84	649.23
(b) Cash & Cash Equivalents	2582.77	2607.01	1815.88	1115.47	334.09	234.82	184.11	111.56
(7) Closing Stock of :								
(a) Stores & Spares (Net)	143.57	154.79	141.99	129.87	127.93	135.18	145.18	146.36
(b) Coal & Cokes etc. (Net)	1292.31	1006.38	806.26	858.04	682.68	578.82	442.69	335.06
(c) Other Inventories (Net)	11.11	16.01	19.81	3.27	3.02	1.85	18.00	19.43
(8) Average Stock of Stores & Spares (Net)	149.18	148.39	135.93	128.90	131.56	140.18	145.77	147.53
(B) Related to Profit/Loss :								
(1) (a) Gross Margin	2080.04	1758.49	999.39	1338.14	1304.37	1588.70	739.67	682.29
(b) Gross Profit	1869.17	1550.44	807.31	1099.50	1109.49	1262.96	547.43	490.29
(c) Net Profit (Before Tax & Invest Allowance etc.)	1860.22	1533.05	763.80	1035.25	1020.30	1164.98	437.81	370.38
(2) (a) Gross Sales	7083.13	6291.92	5978.37	5060.54	4506.41	4512.91	4043.73	3488.52
(b) Net Sales (after levies & Dev. etc.)	6041.70	5488.22	5210.89	4362.94	3900.73	3910.01	3492.12	2955.79
(c) Paid/Payable Amount of Royalty, Cess etc.	1041.43	803.70	767.49	697.60	605.68	602.90	551.62	532.74
(d) Avg. Net Sales per Month	503.47	457.35	434.24	363.58	325.06	325.83	291.01	246.32
(3) Cost of Goods Sold (Sales-Profit)	4181.48	3955.17	4447.08	3327.70	2880.42	2745.03	3054.30	2585.40
(4) (a) Total Expenditure (Excl. Recov. & others)	6206.18	5716.60	5880.17	4907.81	4431.32	4172.16	4421.84	3795.21
(b) Employee Benefit Expenses	2576.25	2360.03	2621.29	1799.90	1451.16	1311.86	1706.95	1350.13
(c) Cost of Material Consumed	533.22	507.18	484.91	488.35	424.18	441.07	423.54	393.46
(d) Power & Fuel	206.74	266.90	256.29	225.95	226.52	219.53	211.52	201.11
(e) Int. & Depreciations (Gross rev. only)	219.82	225.44	235.59	302.90	284.07	423.72	301.85	311.91
(5) Avg. Consump. of Stores & Spares (Gross) per month	44.44	42.26	40.41	40.70	35.35	36.76	35.30	32.79
(6) (a) Avg. Manpower Employed during the year	53171	55305	57681	60209	62905	65536	68335	71100
(b) Welfare Expenses	86.55	202.93	193.01	165.27	143.60	119.78	116.45	115.47
(c) Welfare Expenses/Employee (₹ '000)	16.28	36.69	33.46	27.45	22.83	18.28	17.04	16.24
(7) (a) Value Added	5587.48	4881.40	4405.78	3793.27	3332.71	3398.10	2982.48	2437.01
(b) Value Added per employee (₹ '000)	1050.85	882.63	763.82	630.02	529.80	518.51	436.45	342.76

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Revised Schedule VI

(B) FINANCIAL RATIOS/PERCENTAGES

For the Year Ending 31st March	2013	2012
(A) PROFITABILITY RATIO		
(1) As % Net Sales		
(a) Gross Margin	34.18	29.11
(b) Gross Profit	31.43	26.18
(c) Profit before Tax	31.36	26.16
(2) As % Total Expenditure		
(a) Employee Benefit Expenses	53.74	57.00
(b) Cost of Material Consumed	9.55	9.42
(c) Power & Fuel	5.47	4.33
(d) Interest & Depreciation	3.68	3.63
(3) As % Capital Employed		
(a) Gross Margin	60.19	46.77
(b) Gross Profit	55.35	42.06
(c) Profit before Tax	55.23	42.02
(4) Operating Ratio (Sales-Profit/Sales)	0.69	0.74
(B) LIQUIDITY RATIO		
(1) Current Ratio (Current Asset/Current Liability)	1.86	1.74
(2) Quick Ratio (Quick Asset/Current Liability)	1.27	1.16
(C) TURNOVER RATIO		
(1) Capital Turnover Ratio (Net Sales/Capital Employed)	1.76	1.61
(2) Trade Receivables as No. of months		
(a) Gross Sales	1.74	1.44
(b) Net Sales	2.15	1.72
(3) As Ratio of Net Sales		
(a) Trade Receivables	0.18	0.14
(b) Stock of Coal, Coke, W/Coal etc.	0.13	0.18
(4) Stock of Stores & Spares		
(a) Avg. Stock/Annual Consumption	0.24	0.25
(b) Closing Stock in terms of No. of months consumption	2.87	3.05
(5) Stock of Coal, Coke, W/Coal etc.		
(a) As No. of months Value of production	1.60	2.17
(b) As No. of months of cost of goods sold	2.25	2.98
(c) As No. of months Net Sales	1.55	2.20
(D) STRUCTURAL RATIO		
(1) Debt : Equity	0.07	0.09
(2) Debt : Net Worth	0.02	0.03
(3) Net Worth : Equity	4.26	3.66
(4) Net Fixed Assets : Net Worth	0.35	0.43
(E) SHAREHOLDERS INTEREST		
(1) Book Value of Share (₹) (Net Worth/No. of Equity)	4263.91	3656.79
(2) Dividend per Share (₹)	1203.59	842.28

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Earlier Schedule VI

(B) FINANCIAL RATIOS/PERCENTAGES

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005	2004
(A) PROFITABILITY RATIO :								
(1) As % Net Sales :								
(a) Gross Margin	34.43	32.04	19.18	30.67	33.44	40.63	21.18	23.08
(b) Gross Profit	30.94	28.25	15.49	25.20	28.44	32.30	15.68	16.59
(c) Net Profit	30.79	27.93	14.66	23.73	26.16	29.79	12.54	12.53
(2) As % Total Expenditure								
(a) Employee Benefit Expenses	41.51	41.28	44.58	36.67	32.75	31.44	38.60	35.57
(b) Cost of Material Consumed	8.59	8.87	8.25	9.95	9.57	10.57	9.58	10.37
(c) Power & Fuel	3.33	4.67	4.36	4.60	5.11	5.26	4.78	5.30
(d) Interest & Depreciation	3.54	3.94	4.01	6.17	6.41	10.16	6.83	8.22
(3) As % Capital Employed								
(a) Gross Margin	95.40	94.25	66.69	85.41	76.57	94.22	57.13	47.47
(b) Gross Profit	85.73	83.10	53.88	70.18	65.13	74.90	42.28	34.11
(c) Net Profit	85.32	82.16	50.97	66.08	59.90	69.09	33.81	25.77
(4) Operating Ratio (Sales-Profit/Sales)	0.69	0.72	0.85	0.76	0.74	0.70	0.87	0.87
(B) LIQUIDITY RATIO :								
(1) Current Ratio (Current Asset/Current Liability)	1.14	1.07	1.01	1.04	1.08	1.11	0.98	1.02
(2) Quick Ratio (Quick Asset/Current Liability)	0.60	0.59	0.41	0.35	0.24	0.27	0.37	0.51
(3) Working Capital as % of								
(a) Capital Employed	36.43	18.74	3.44	10.91	16.93	20.50	-3.78	2.56
(b) Net Fixed Assets	57.30	23.06	3.57	12.25	20.38	25.79	-3.65	2.62
(C) TURNOVER RATIO								
(1) Capital Turnover Ratio (Net Sales/Capital Employed)	2.77	2.94	3.48	2.78	2.29	2.32	2.70	2.06
(2) Working Capital Turnover Ratio (Net Sales/Working Capital)	7.61	15.70	101.00	25.51	13.53	11.31	-71.28	80.45
(3) Sundry Debtors as no. of months								
(a) Gross Sales	1.60	0.98	1.50	1.28	1.26	1.62	1.96	2.23
(b) Net Sales	1.87	1.12	1.72	1.49	1.45	1.88	2.27	2.64
(4) As Ratio of Net Sales								
(a) Sundry Debtors	0.16	0.09	0.14	0.12	0.12	0.16	0.19	0.22
(b) Coal Stocks	0.21	0.18	0.15	0.20	0.18	0.15	0.13	0.11
(5) Stock of Stores & Spares								
(a) Avg. Stock/Annual Consumption	0.28	0.29	0.28	0.26	0.31	0.32	0.34	0.37
(b) Closing Stock as no. of months consp.	3.23	3.66	3.51	3.19	3.62	3.68	4.11	4.46
(D) STRUCTURAL RATIO								
(1) Debt : Equity	0.10	0.12	0.31	0.45	0.62	0.95	1.13	1.38
(2) Debt : Net Worth	0.03	0.04	0.14	0.22	0.35	0.68	1.18	2.33
(3) Net Worth : Equity	3.23	2.83	2.28	2.01	1.79	1.41	0.95	0.59
(4) Net Fixed Assets : Net Worth	0.46	0.57	0.67	0.74	0.84	1.01	1.50	2.51

DIRECTORS' REPORT

To

The Shareholders,
Central Coalfields Limited
Members,

I on behalf of the Board of Directors have great pleasure in presenting to you the 57th Annual Report of your Company along with the Audited Accounts for the year ended 31st March, 2013. The Audited Statements of Accounts, report of the Statutory Auditors and Management's reply thereon as well as comments of the Comptroller & Auditor General of India on the audited Accounts are annexed to this report.

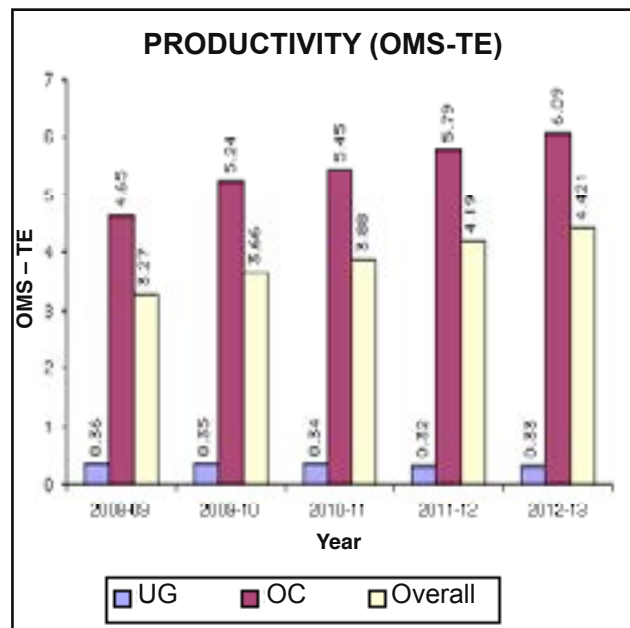
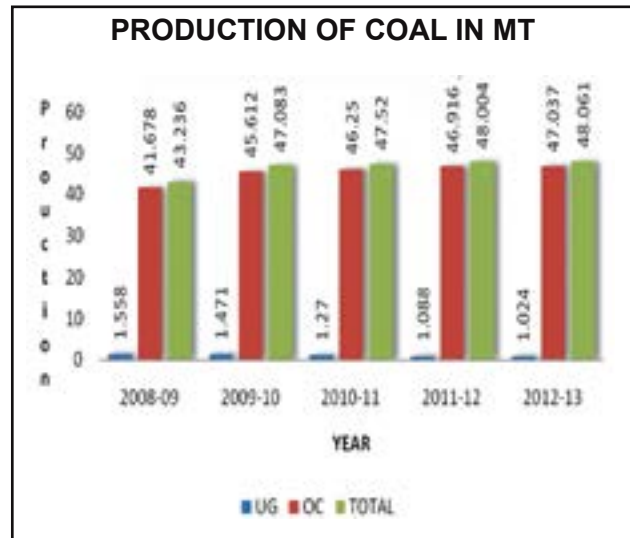
1. PRODUCTION

The Production and Productivity figures achieved by your Company during the year 2012-13 as compared to the actual of 2011-12 is as under :

Particulars	2012-13		2011-12		%age Growth over last year
	Target	Actual	Actual	Actual	
Production					
From OC (MT)		53.650	47.037	46.916	0.26
From UG (MT)		1.350	1.024	1.088	(-).588
TOTAL (MT)		55.000	48.061	48.004	0.12
OBR (MM³)		68.000	63.308	65.676	(-).3.61
Composite					
Production (MM³)		107.05	97.431	95.559	(-).3.44
Washed Coal (Coking)					
Production (MT)		1.801	1.239	1.334	(-).7.10
Dispatch (MT)		—	1.288	1.373	(-).6.19
Washed Coal (Non-Coking)					
Production (MT)		7.330	7.217	7.641	(-).5.55
Dispatch (MT)		—	7.334	7.697	(-).4.70
Productivity (OMS-Te)					
OC	6.930	6.093	5.790	5.233	
UG	0.380	0.325	0.320	1.562	
OVERALL		4.850	4.421	4.190	5513

2. WASHERY PERFORMANCE

Your Company is in the business of washing Coking Coal as well as Non-Coking Coal. There are four Coking Coal Washeries and three Washeries for washing / beneficiation of Non-Coking Coal.



The Washeries have contributed ₹ 512.99 Crore towards overall profit during the year 2012-13 compared to ₹ 555.88 Crore in 2011-12.

COKING COAL WASHERIES

Washed Coking Coal production during 2012-13 has been 12.390 lakh tonne against 13.336 lakh tonne during 2011-12.

Coking Coal Washery have contributed a profit of ₹ 278.14 Crore during 2012-13 against ₹ 283.85 Crore during 2011-12.

All the Coking Coal Washeries are under major renovation due to their ageing. Their Capacity utilization have decreased. As per MOU with SAIL/RINL, 10.42 lakh tonne of Raw Coal was supplied to SAIL and RINL during 2012-13. The equivalent clean coal at 42.42% yield comes to 4.420 lakh tonne. Thus total Clean Coal Production from Coking Coal Washeries of your Company may be taken as 16.811 (12.391+4.420) lakh tonne against last year's figure of 15.782(13.336 +2.446) lakh tonne.

Washery-wise production and yield during 2012-13 vis-à-vis the previous year are given below :

Washery	Prodn. (in lakh tonnes)		Yield%	
	2012-13	2011-12	2012-13	2011-12
Kathara	1.394	1.4595	31.34	33.19
Sawang	1.674	2.0235	38.98	40.16
Rajrappa	6.531	6.0734	47.26	49.31
Kedla	2.791	3.7800	41.99	44.39
Total	12.390	13.3364	42.42	44.06
Equivalent Clean Coal production for Raw Coking Coal diverted to SAIL-ISP	4.420	2.4460	42.42	44.06
Grand Total	16.810	15.7824	42.42	44.06

NON-COKING COAL WASHERIES

The Washed Non-Coking Coal production during 2012-13 has been 72.1706 lakh tonne against 76.4132 lakh tonne during 2011-12.

Non-coking Coal Washeries have contributed a profit of ₹234.85 Crore during 2012-13 against ₹272.03 Crore during 2011-12.

The Washery-wise production and yield during 2012-13 vis-à-vis the previous year is given below :

Washery	Prodn. (in lakh tonnes)		Yield%	
	2012-13	2011-12	2012-13	2011-12
Piparwar	65.2085	68.9147	93.13	88.18
Kargali	5.1721	5.4290	90.18	93.45
Gidi	1.7900	2.0695	56.78	58.86
Total	72.1706	76.4132	91.46	87.35

2 (A) STATUS OF NEW WASHERIES PROPOSED FOR CONSTRUCTION

1. Ashok Washery (10.0 MTY)

- MOEF Clearance has been obtained based on which application for consent to establish has been submitted to State Pollution Board on 24.01.2013.
- Action for obtaining Factory Clearance has been initiated on 1st Nov.'2012.
- LOA has been issued to the bidder on 20.07.2012.
- Contract Agreement is under preparation at CMPDI.

2. Karo Washery (2.5 MTY)

Identification of Site & Other activities will be started after Forest Clearance.

3. Konar (3.5 MTY)

Site Selection is in Process.

4. Dhori Washery (2.5 MTY)

EMP clearance awaited.

3. OFFTAKE

The total Offtake of Raw Coal during 2012-13 was 52.891 Million Tonnes. The Mode-wise details of Offtake compared to that of last year is as under :

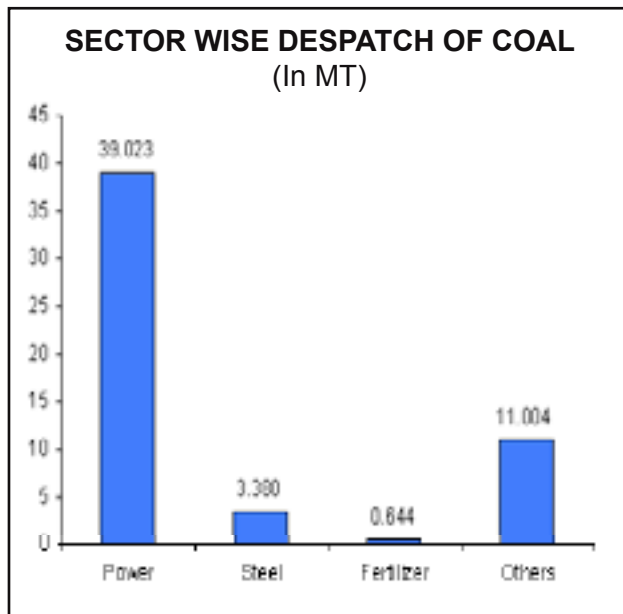
<i>(Fig. In Million Tonnes)</i>		
Mode	2012-13	2011-12
Rail	29.021	26.105
Road	13.230	10.299
Feed to Washery	10.634	11.629
Colliery Consumption	0.006	0.008
Total Off-Take	52.891	48.041

The total despatch during 2012-13 was 54.052 Million Tonnes. Sector-wise despatches of coal and its different by-products during the year 2012-13 are given below :

(Figs. in Million Tonnes)

Sector	Raw Coal	Clean Coal	Non-Coking washed Coal	Washed Coal Power	Slurry	Rejects	Total
Power	31.555	-	7.024	0.444	-	-	39.023
Steel	1.073	1.288	0.310	0.709	-	-	3.380
Fertilizer	0.644	-	-	-	-	-	0.644
Others*	8.979	-	-	-	0.679	1.346	11.004
Total	42.251	1.288	7.334	1.153	0.679	1.346	54.052

* Others include e-auction, erstwhile noncore consumers, Sponge Iron and State Agencies.



4. COAL STOCK

The stock of Raw Coal(*) as on 31st March 2013 stood at 11.504 Million Tonnes as against 16.33 Million Tonnes as on 31.03.2012.

(* Raw Coal stock at all producing units, washeries and coke plant).

5. TURNOVER AND SALES REALIZATION

During the year under reference the Gross Sales Turnover of the Company was ₹ 10580.10 Crore and the Sales Realisation was ₹ 10303.81 Crore. The Sector wise position of Debtors (Gross) as on 31st March 2013 is given below :

(Figs. in ₹ Crore)

SECTOR	As on 31.03.2013	As on 31.03.2012
Power	1701.75	1201.76
Steel	378.70	269.99
Others	0.00	0.00
Total	2080.45	1471.75

6. POPULATION AND PERFORMANCE OF HEMM

The population of HEMM in Mechanized Opencast Mines of CCL as on 31.03.2013 against that of 31.03.2012 are given below :

HEMM	POPULATION AS ON	
	31.03.13	31.03.12
Shovel	104	112
Dumper	502	563
Dozer	159	167
Drill	107	116

The performance of HEMM in terms of Availability and Utilization percentage against CMPDIL norms during the year 2012-13 vis-à-vis 2011-12, is given as under :

HEMM	Norms	% Availability		% Utilization		
		Actual	Actual	Actual	Actual	
		2012-13	2011-12	2012-13	2011-12	
Shovel	80	72	72	58	46	42
Dumper	67	63	64	50	37	37
Dozer	70	59	60	45	25	23
Drill	78	80	79	40	28	29

7. SYSTEM CAPACITY UTILISATION

System Capacity for 2012-13 assessed as on 01.04.12 (MM ³)	Achievement of Production by OC Mines (2012-13)			% Capacity Utilisation	
	Coal (MT)	OBR (MM ³)	Composite (MM ³)	2012-13	2011-12
108.79	47.037	63.308	97.431	89.56	95

Under Ground Capacity Utilization for 2012-13 is 57.66%. Overall System Capacity Utilization for 2012-13 is 84.88% against MoU 2012-13 target of 93% for Excellent Rating.

8. COAL MARKETING

8.1 Demand Satisfaction as per AAP

(Fig. in Million Tonne)

Sector	Demand (AAP)	Despatch	% Sastisfaction	Demand (AAP)	Despatch	% Satisfaction
	2012-13	2012-13	2012-13	2011-12	2011-12	2011-12
Steel	3.180	3.380	106	3.180	2.563	81
Power	39.720	39.023	98	34.400	33.008	88
Fertiliser	1.000	0.644	64	1.000	0.947	95
Cement	0.220	0.000	0	0.190	0.108	57
Others	12.480	11.005	88	13.230	11.825	89
Total	56.600	54.052	95	52.000	48.451	93

Circulation of Model FSA for New Power Plants having PPA as per Govt. directives was done by 20.04.2012. Thus CCL achieved excellent rating against MoU 2012 target for excellent rating as on 07.05.2012.

8.2 Wagon Loading

The coalfield wise wagon loading position for the year 2012-13 is given below :

(Fig. in FWW/Day)

RAILWAY FIELDS	2012-13	2011-12
South Karanpura	714	698
North Karanpura	2150	2062
Sub Total Karanpura	2864	2760
Jharia	908	765
Total E.C.Railway	3772	3525
Giridih	57	49
Total Eastern Railway	57	49
Adra	204	174
Total S.E.Railway	204	174
Total CCL	4033	3748

8.3 e-Auction of Coal

The performance of spot e-auction during the period 2012-13 is as under :

Period	SpotOffered e-Auction Scheme	Booked Quantity (MT)	Gain over Quantity (MT) (₹ in lakh)	% Gain Notified Price	Over Notified
2012-13	Rail	0.498	0.372	4154.4	77
	Road	4.988	4.403	55951.5	71
	Slurry	0.806	0.65	3068.0	27
	Rejects	1.168	0.861	6587.5	75
Total	7.460	6.286	69761.4	67	

e-Auction of coal during 2012-13 was 13.07% of coal production against MoU 2012-13 target of 7% of coal production for excellent rating.

9. SIZING AND CRUSHING OF COAL

For crushing ROM Coal, one Inpit Crusher and four (4) Coal Handling Plants are in operation. From Inpit Crusher coal is directly fed to washery through a series of belt conveyors. The CHPs have the facilities of Primary Crushing and loading into wagons through conveyors. Four more old CHPs are also there at Dakra, KD in N.K. Area, Bachra in Piparwar Area and Sayal in Barka Sayal Area. These old CHPs are in the process of survey off. Crushing and sizing of coal is being done to (-) 200mm size through these crushers.

Besides the above, as on 31st March'2013 there are 31 nos. of Feeder Breakers at different Projects for crushing of ROM coal to (-) 200 mm size (out of these 29 no. are in use, as at Sayal siding, 2 no. of Feeder Breaker are non-operational). During 2012-13, 3 (Three numbers) of Feeder breakers of 0.5 Million Tonne per annum capacity and (-)100 mm size, received from SECL. Out of these 2 nos. are being commissioned at Dhori Area and 1 no. is being commissioned at Kathara Area. Further phase wise survey off of old Feeder Breakers (FB) & CHPs is also under consideration & in place of it (-) 100 mm size FBs & CHPs will be installed. The project/Area wise details of capacity addition are as follows :

Capacity Addition {(-) 100 mm size}

Sl. No.	Area	Size	No.	Capacity (MTY)	Present Status
1.	Dhori	-100 mm	2	0.5	3 Nos. Feeder Breaker with Secondary sizers, Black Diamond make had been released from SECL & in the process of being installed at CCL Areas.
2.	Kathara	-100 mm	1	0.5	

Status of Installation of New Feeder Breakers (Capacity Addition) for Ensuring 100% Crushing

Sl.No.	Location	Area	Number	Capacity (MTY)	Present Status
1	Jarangdih Sdg.P.F.-1	B&K	1	0.5	
2	Jarangdih Sdg.P.F.-2	Kathara	1	0.5	
3	Giridih Sdg.	B&K	1	0.5	
4	Tarmi Sdg.	Dhori	1	0.5	under procurement
5	Dhori Sdg.	Dhori	1	0.5	
6	Jharkhand	H'bagh	1	0.5	
Total			6	3.0	

During 2012-13 about 28.688 Million Tonne of Coal was crushed out of 28.843 Million Tonne available for crushing through CHPs, Feeder Breakers, Inpit Crusher & Surface Miner.

Despatch of sized coal to power sector by rail was 99.43% during 2012-13 against MoU target of 98.5% for excellent rating. Thus, CCL achieved excellent rating in this parameter.

10. PERFORMANCE OF WEIGHBRIDGES

Efforts have been made to ensure 100 % weighment of coal before despatch. Thirty six rail weighbridges were fully functional to weigh the Coal Despatch by rail in the year 2012-13. These thirty six Rail Weighbridges also include seven stand by rail weighbridges located at Ray, Mcluskiganj, Jarangdih, RCM, Tarmi, Chainpur and N.R. Sidings. Further to meet the enhanced dispatch target, 3(Three) new 100 Tonne Rail weighbridges at Gidi(w), Saunda & Amlo are in the process of commissioning and likely to be in operation by Dec'13. To ensure correct Weighment for the satisfaction of Consumers and Railways, regular FIO testing of Rail Weighbridges had been carried out in presence of authorized representative of Weight & Measurement Deptt., Govt. of Jharkhand. The Rail Weigh Bridge of Tori siding is awaiting permission from Railways for commercial operation.

At present for weighment of Coal despatched by road, there are 82 Road weighbridges installed having capacity from 30Te to 50Te. Most of the

weighbridges which have the capacity less than 50 Te have been upgraded to 50 Te. 6 nos. new 50 Te Electronic Road weighbridges are under process of installation. Further Supply order has been placed for additional 18 no. of 50Te Electronic Road weighbridges and supply of equipments have commenced. These will be ready for operation by Dec'13.

All Procurements of weighbridges are indicative of commitment to achieve 100 % weighment.

11. CONSUMER SATISFACTION

The satisfaction of consumers in respect of quantity, quality and size of coal supplies is one of the prime objectives of your Company. CCL has an effective Quality Management Team with well-trained officials and adequate infrastructure, like sampling arrangements, well-equipped coal analysis laboratory etc. at company head quarter as well as in all Areas of the company. Recently, in accordance with the decision of Govt. of India to switch over from Useful Heat Value (UHV) based system of grading and pricing of Non-Coking coal to fully Variable Gross Calorific Value (GCV) based system with effect from 1st January, 2012, company implemented the determination of GCV through its Automatic Bomb Calorimeters, at Head Quarter Ranchi and at other Area Laboratories.

For strengthening the system further and cater to the need in the future, your company is in process of procuring and installing more Bomb Calorimeters in all Areas. Training for this purpose to the concerned Officials has already been provided and in a process of continuous improvement. Further, effective measures were taken for achieving better "Consumer Satisfaction" through delivery of sized coal of proper Quality and Quantity. In pursuance of National Coal Distribution Policy (NCDP), your company has adopted the system of Joint Sampling/ Joint Analysis of rakes as per provisions of FSA executed by Power Houses under NCDP to ensure consumers' satisfaction. Dispatch covered under agreed sampling to power sector by rail was 98.58% during 2012-13 against MoU 2012-13 target of 99% for Excellent Rating.

As per Govt. of India directives, the Annual Coal Grade determination, samples for the year 2013-14, as collected from different mines of CCL have been analysed at CIMFR, Ranchi for proximate analysis and GCV determination. Accordingly, the Coal Grades has been declared based on the results of the Analysis provided by the CIMFR. Necessary measures have been taken to redress the Consumers Grievances. Your Company is establishing mechanism through website for handling consumers complain and no complain should be kept pending for more than three months. 90% is MoU 2012-13 target for Excellent Rating whereas CCL achievement is 91.66% in this regard.

12. ENERGY CONSERVATION & AUDIT

Energy is the basic input for any country for keeping the wheels of its economy running. It is needless to emphasize that energy is the prime mover of development process. In the highly mechanized and the fast-moving world today, the consumption of Energy has become an important yard-stick of a country's prosperity. Oil, Coal, Natural Gas are non-renewable sources of Energy. Formation of such Energy resources takes thousands of year and considering the speed at which we are consuming the resources, we may run out of these recourses in the near future. Life without energy is impossible. Therefore Energy conservation is emerging as a sector of global concern. The need of Energy conservation in our country assume greater significance because of increasing gap between demand and supply of Energy. Conservation of Energy can be achieved by bringing down the total energy consumption by minimizing and reducing the losses through Energy Audit, implementing Energy efficient technologies and application of renewable sources of Energy. Total R&D expenditure as % of PAT of 2011-12 is more than 0.5% i.e. Rs. 6.91 Crore against MoU 2012-13 target of 0.5% of PAT of 2011-12 for Excellent Rating.

Performance/Achievement of CCMC Department

- Energy Audit & Benchmarking (Electrical & Diesel) of all Opencast & Underground

Projects of CCL in collaboration with CMPDIL(14 nos. by CMPDIL & 42 nos. by CCMC) and implementation of 'Energy Audit Recommendation' for Energy Conservation in Mines.

- Checking, Calibration and Maintenance of all Diesel Dispensing Units of company with the help of different Oil companies, like IOC, HPCL & BPCL to optimize HSD consumption.
- Compilation & Publication of Energy Audit report of 2011-12 of all underground & Opencast Projects of CCL and circulated to all concerned.
- Monitoring of 'Diesel Consumption & Record Keeping by surprise inspection of 14 OCPs of CCL.
- Guidelines were re-circulated in respect of Receipt, Issue & Consumption of HSD in the Project to monitor the consumption of HSD, regularly.
- In compliance of the directive of the Board, a benchmark for "Specific Diesel Consumption (SDC)" mine-wise has been drawn and monthly performance being monitored. For 2012-13, approved Benchmarking of the company for SDC is 0.95 Ltr/Cum. Continuous monitoring resulted in achieving SDC is 0.92 Ltr/Cum.
- In CCL mines, Specific Diesel Consumption has decreased by 0.14% in 2012-13 in comparison to 2011-12.
- Improvement in power factor in one mine of CCL (Rajrappa OC) completed by Dec'12 giving excellent rating. The MoU 2012-13 target for excellent rating is 15th Feb'13.
- In CCL, Specific Power Consumption has increased by 5.28% in 2012-13 in comparison to previous year 2011-12.
- Detail Benchmarking of Specific of one selected MOU Project, Tapin North, was conducted with the help of CMPDIL and regular monitoring was done for

implementation of its recommendation. As a result of which achievement of Specific Diesel Consumption of the Project stood at 1.00 litres/cum., against the MOU target of 1.08 liters/cum., i.e. improvement of 107.41%.

Improvement of HSD consumption of Tapin North OCP, MOU Projects of CCL

For the Financial Year 2012-13 :

MOU Target of SDC of Tapin North OCP for 2012-13	1.08 Ltr./Cum
Achieved SDC for the period April, 2012 to March, 2013 of Tapin North OCP	1.00 Ltr./Cum
Improvement in Specific diesel Consumption	0.08 Ltr./Cum
%age improvement in Specific diesel Consumption	7.41%
Target achievement	107.41%

Thus improvement in specific HSD consumption in one mine (Tapin OC) of CCL, completed by Dec'12 giving excellent rating. The MoU 2012-13 target for excellent rating is 15th Feb'2013.

13. COMMUNICATION ARRANGEMENT & INFORMATION SYSTEM

A. Mobile Closed User Group Network for CCL

In order to have on the spot Mobile communication from the farthest point of command area of your Company to CCL (HQ), Ranchi, the work order for Closed User Group Network mobile phone along with FCTs and PRI connectivity in CCL EPABX was placed to M/s BSNL on 19-05-2012 for 1428 connections. The 1st phase CUG voice communication becomes operational in CCL in Aug-2012. During the Second phase, additional 1500 connections were provided to meet the additional requirement. This has become operational by end of 31.03.2013. As on today, we are operating 2950 CUG connection in CCL Command Areas. All the projects, weighbridges,

centralized areas are covered by this CUG network. The Closed User Group facility provides free calling facility among various Operational/ Managerial Executives in the entire CCL. Apart from voice communication, system provides SMS, GPRS and other facilities for the CUG users. Now this CUG has become backbone of Voice and data communication of CCL.

B. WAN/LAN network of CCL

To have data transfer facility from all the Units, Projects, Road weighbridges, Rail weighbridges and Regional Stores of Areas of CCL to CCL (HQ) and Central Units located in the command areas to CCL (HQ) and vice versa, the WAN/LAN network was designed by E&T Deptt. of your Company. The same was tendered and the work order was placed for setting up WAN in CCL on rental basis for 5 yrs. The order has been placed to M/s Telecommunication Consultant India Limited, New Delhi. M/S Bharti Airtel Ltd will provide bandwidth service for MPLS, VSAT and ILS. The e-Tendering from the area will be done through this WAN platform. This system is going to be installed and operational by Sep-2013. This will ensure online data exchange between various location of all Area Offices, Central and Regional Store, Project Offices, Central Hospital, Mine Rescue Station etc. on real time basis. The WAN point is provided in 176 locations and all WAN point of Area office will have minimum 20 points of LAN ports and all project office will have 5 Points of LAN ports. All future development of any data based network will be on the communication Network of the WAN/LAN platform. Now we have made a scheme for providing GPS/GPRS and RFID with CCTV enabled road transportation for all the Mines through WAN/LAN backbone. In this way, we will be able to monitor vehicles on real time basis from all Project offices, Area office and CCL HQ.

C. Modernization of steering control and PLC system of 1 no. of Mobile In-pit Crusher and 2 nos. of Belt Wagon of Piparwar Project

Mobile In-pit Crusher with two Belt Wagon was installed at Piparwar Mine during 1992-93. The average production of the machine

is 15,000TPD. Since we were not getting any spares of steering, travelling, lifting and PLC control system of in-pit crusher from OEM M/s ThyssenKrupp, German as they had indicated that the system become obsolete and no spares are available. The steering, travelling, lifting and PLC control system is the heart of the In-pit crusher and belt wagon. The average production from the machine is gradually decreasing because of non availability of spares. To sustain production upto 15,000 TPD from the machine, the modernization of Electronic steering control & PLC system of In-pit crusher and belt wagon is very much essential. Accordingly offer was collected from the OEM and the work order was placed on 27-3-2012 at the cost of Euro 646,310 to M/s ThyssenKrupp, Germany (OEM). The up gradation work will ensure the maximum production of In-pit Crusher.

D. RFID based weighing Control and Monitoring system for Ashoka OCP

In order to Check pilferage of coal on enroute from Ashoka Project to RCM siding ,the RFID with CCTV Based weighing control and monitoring system was designed by E&T Deptt of your Company, The same was tendered and the work order will be placed soon. This system will ensure both way weighment with CCTV monitoring . The weighing data will be passed on to Area HQ and receiving end on real time basis. This will ensure reconciliation of no. of trips and tallying of quantity of despatch at the receiving end. Any difference of quantity will be recovered from the transporter.

This is the pilot system for CCL and later on it will be implemented in all transporting routes of CCL Command areas. For implementing it in all transporting routes, the assessment work was completed during March-2013. The scheme is being prepared for implementing the RFID with CCTV based weighing control and monitoring system in CCL Command areas.

E. GPS/GPRS based Vehicle Tracking System for CCL Command areas

As per the directives received from Ministry of Coal for setting up of a monitoring system

for movement of coal in the mines and from mines to the railway siding through GPS (Global Positioning System) in all mines of CIL, a pilot project of GPS/GPRS based vehicle tracking system for departmental truck was installed and commissioned during Dec-2012 at Piparwar mine. The system is working satisfactory. For implementing GPS/GPRS based vehicle tracking system in all mines, The assessment work was completed during March-2013. The detailed scheme is prepared for providing GPS/GPRS enabled Vehicle Tracking system for all 60 Mines of CCL. For communication backbone, the WAN platform of CCL will be used.

F. Online Tele monitoring system for Gases in UG at Swang UG mine of Kathara Area.

It is proposed to install online Tele monitoring system at Swang UG Mine of Kathara area for the safety purpose of Mine for monitoring the Gases present in the UG Mine on 24 hrs. basis for CH₄, CO, O₂. The centralized control room will be located on the Pithead of the mine with 24HRs manning. The audio and Video alert will be generated and flashed time to time in presence of any abnormality. The Hourly report will be taken and will be informed to manager and safety officer of the mine for taking any preventive action. This system will provide complete monitoring of Gases present in the mine and its air velocity. By taking preventive action the Safety of the Mine will improve and any untoward incident will be completely avoided . Draft NIT has been submitted by CMPDIL. Final NIT is under preparation by CMPDIL considering the suggestion from CCL.

G. ACM system for UG Mine of CCL Command area

All UG Mines are being provided with intrinsically safe (DGMS approved) auto cum manual UG communication system. This system will provide communication upto coal face besides the communication provided at all strategic points of Mines such as pump station, electric substation and all coal transfer points. The ACM system is interfaced with automatic EPABX which enables to have direct dialing facility from Surface to Underground and Vice-versa. The Emergency/

Loud hauling facility available in the centralized control room provides Public Address System in all phones parallelly to listen any Emergency Announcement. This system helps in improving the Safety and Production of the Mines. For 3 nos of UG system for Bhurkunda UG, Urimari UG and Saunda'D' UG of Barka Sayal Area, it was tendered and the order will be placed very soon.

14. SAFETY

Safety has always been one of the priority areas of your Company for providing safe and healthy environment to the workers. A meticulously planned and structured approach towards safety in mines as well as in allied operations like workshops has gone a long way to ensure the safety of men, material and machines.

Every incident ranging from "Near misses" to Fatal are thoroughly enquired into detail and its recommendations are religiously discussed at all safety forums i.e. at Unit, Area and Corporate level. Training on Risk Analysis and preparation of Safety Management Plan have been imparted to key officials of every mine by SIMTARS trained faculties from CIL.

Underground Mines

One of the major causes of Fatal/ Serious accidents in underground coal mines had been fall of roof and side. In line with the recommendations of the Xth Safety Conference, Strata Control Cell has been constituted at Corporate, Area and Unit level to have a better understanding of strata behavior and control to minimize the risks associated with it. Proper thrust is being given to the support of "Green Roof" with steel supports i.e. Steel cogs, Pit props, Roof Bolts, W-straps etc. The culture of "No work other than support work after blasting" has been introduced and is being monitored. The inspection of the face, equipments and their required maintenance are carried out with a well equipped team of skilled work force. Further in compliance of the recommendations of the safety conference, special drive is being made to make all underground mines loader-less with a view to increase safety and productivity. A total of 23 nos. of SDLs and 6 nos. of LHDs are working

in U/G mines of your Company. The loaders are planned to be engaged gainfully in some other activities. Check survey with modern instruments have been done in all the mines having potential danger of inundation. Isolation / Sectionalisation work has been taken on priority to prevent any incident of fire / explosion. SCSR have been provided to all the UG mines to ensure the Safe escape of persons in case of any Emergency. Mechanised Roof Bolting Machines have been distributed among U/G mines to ensure timely and safe bolting of roof beds to avoid bed separation. LED cap lamps have been put in use on trial basis in Saunda D U/G mine which are lighter in weight and have better illumination. Crisis Management & Safety Awareness Programmes have been successfully conducted in areas to deal with any crisis. Emergency Organization Plan for every underground mines with marking of escape route were formulated and displayed at the mine entrances to make all the workers aware of the same. Mock rehearsal/drill were also done to keep the workers prepared. Sectionalisation of workings of U/G Mines is in progress. Lighting of U/G mines have been improved. U/G mines where depillaring is done in conjunction with sands, subsidy is taken from CCDA.

Opencast Mines

As Opencast mines contribute majority of share to the total output of the company, special thrust is being given to ensure safety and health of the employees. Training has been given special impetus on the growing mechanization in terms of higher capacity and technology. Regular training to HEMM operators /maintenance crews for the operation and maintenance of HEMM is being imparted. A simulator is under procurement to impart better training to operators of HEMM. Different drives are conducted throughout the year related to various activities of opencast mining e.g. haul roads, bench stability, Safe Operating Procedures (SOPs), Traffic Rule etc. As Contractors Participation in Production is gradually increasing, proper attention is being given on their training and health. Emergency Organisation to deal with fire in OCP and HEMM was made during the year. Lighting in OC Mines

has improved with the introduction of High Mast Cluster Tower. Periodical illumination survey is being done for review and improvement.

Scientific Study

1. Determination of RMR of Bermo Seam south panel district of Kargali U/G in B&K Area.
2. Conducting Controlled Experimental/ Trial Blasting and induced vibration study at Kathara OCP.
3. Vibration Study due to Blasting at Purnadih OCP in NK Area.
4. Determination of Slope Stability and ultimate Slope angle for Kathara OCP.
5. Determination of RMR in VIII Seam MN Incline of Topa UG of Kuju Area.
6. Preparation of NIT for Environmental Tele-Monitoring System of Swang Colliery of Kathara Area.
7. Subsidence Measurement and Subsidence Prediction Study at Sayal –D UG of Barka-Sayal Area.
8. Gas Survey for ascertaining the degree of Gassiness of VIII Seam MN Incline of Topa UG of Kuju Area.
9. Improvement in powder factor in one opencast mine of CCL is completed by Dec'12 giving excellent rating. The MoU 2012-13 target for excellent rating is 15th Feb'13.

Annual Safety Week

Annual Safety Week 2012 was observed from 28th January to 3rd February 2013 in DGMS/SEZ Zone. During the week, special emphasis was laid on wide publicity of Safety rules, Regulation and Practices. Final day function was celebrated at Barka- Sayal Area on 8th April' 2013. The function was presided over by Shri Gopal Singh, the CMD, CCL and Shri Rahul Guha, Director General of Mines Safety was the Chief Guest on that occasion. Best performers for Special Safety Drives, Trade Test and Annual Safety Week were given prizes during the function.

Annual Safety Week 2012 was observed from 14th January'2013 to 19th January'2013 in Central Zone covering the Area Dhori, B&K and Kathara of your Company.

Special Safety Drives

1. Roof Support and Anchorage Testing of Roof Bolts.
2. Monsoon Preparation & Dust suppression Drive.
3. Haul Road Traffic Rules and Safety of Contractor's Worker in OC Mines.
4. Drive on Mine Ventilation and Sectionalisation/ Isolation Stoppings.
5. Special Safety Drive for Regional Substations and Overhead line.
6. Special Safety Drive for PME Centres.
7. Special Safety Drive on maintenance of Group VTC

Area Level Safety Committee Inspection

Area Level Safety Committee comprising senior area level executives like GM, all HODs of area, PO, Manager, Safety Officer of the concerned mine and related member of Tripartite committee has been constituted for better and effective implementation of decisions taken during fortnightly visit and inspection of one of the mines of the areas.

V.T. CENTRES

In order to improve and refresh the skills of our manpower through Basic, Refresher and Special Training, Modern training aid such as LCD Projector, Models, Training Gallery etc. have been provided in Vocational Training Centres.

Training of Workman Inspector and Structure

Training of Workman Inspector and Structure training of Supervisors has been given to improve the Safety Standard in the Mines of your Company.

National Safety Awards

Safety Awards: The Ministry of Labour & Employment has instituted the National Safety

Awards (Mines) to recognize and encourage exemplary performance for prevention of accidents in mines. Following mines & concerned persons have been awarded for National Safety Award (Mines), 2010 in the year 2012.

Sl.No.	Name of the Mine	Category of Prize	Prize
1.	Sirka UG	Lowest Injury Frequency Rate, Cat (1)	Winner
2.	Ashok	Lowest Injury Frequency Rate, Cat (3)	Winner

Best Performance by CCL in All India Mines Rescue Competition 2012

All India Mines Rescue Competition was organized by SCCL (A.P.) at MRS, Ramagundam from 27th to 29th November 2012. Total 18 teams participated in the competition. Two teams from CCL namely 'A' & 'B' participated in the competition. The rescue team of CCL performed well in the competition and received five prizes.

The result of the competition is as below :

1.	Best Team in "Rescue & Recovery Work (Composite) "	- CCL 'A' team
2.	Second Best team in "Recovery Work "	- CCL 'A' team
3.	Third Best Team in "Rescue Work "	- CCL 'A' team
4.	Fourth Overall Best Team	- CCL 'A' team
5.	Best Member "Rescue Team" - Shri B. T. Banerjee	- CCL 'A' team

Special Emphasis on safety

To enhance Safety following jobs have been undertaken in 2012 :

Sl. No.	Special Emphasis
A	4 nos. Universal Drilling Machines have been given in the mines to enhance Mechanized Drilling.
B	Officials of CCL are being sent for special training at BHU-IIT, MSHA Dhanbad etc.
C	Operator Independent Truck Dispatch System (OITDS) is being introduced at Piparwar Open Cast Mines for better communication.
D	HEMMs are being purchased with advanced safety feature such as Proximity Warning device, Blind Spot Mirror, Rearview Camera, battery Cut-off Switch etc.
E	Pressure & quantity Survey in the Under Ground Mines of CCL are being conducted by ISM, Dhanbad, CIMFRI and BHU-IIT.
F	Internal Audit of UG Mines have been completed by a team consisting of officers from adjoining areas.

Month of Bipartite and Tripartite meeting in area and HQ :

Area	Month of Area level Tripartite/ Bipartite Safety Committee Meeting
Barka-Sayal	Bipartite in Oct.2012 & Tripartite in March 2013
Argada	Tripartite-January 2013
Kuju	Tripartite-January 2013
Hazaribagh	Tripartite-January 2013
B&K	Tripartite & Bipartite – February 2013 & April 2012
Dhori	Tripartite & Bipartite – May 2012
Kathara	Tripartite-May 2012
Rajrappa	Tripartite-January 2013
N.K	Tripartite & Bipartite – January 2013
Piparwar	Tripartite-January 2013
CCL HQ.	Tripartite- May 2012 and February 2013

Accident statistics pertaining to CCL Mines for the Year 2012-13 as compared to Year 2011-12 :

Details	2012-13	2011-12
Fatal accidents	7	5
Fatalities	8	5
Serious accident	10	9
Serious injuries	10	9

Place-wise Classification of Accident :

	2012-13	2011-12
Fatal:		
Underground	1(2)	0(0)
Opencast	6(6)	4(4)
Aboveground	0(0)	1(1)
Total	7(8)	5(5)
Serious:		
Underground	2(2)	4(4)
Opencast	8(8)	5(5)
Aboveground	0(0)	0(0)
Total	10(10)	9(9)

Rate of Accident:

	2012-13	2011-12
Overall		
Fatality rate per million cub. meter	0.0825	0.05
Fatality rate per 3 lakh man shift	0.24	0.14
Serious Injury rate per million cub. meter	0.103	0.09
Serious Injury rate per 3 lakh man shift	0.30	0.26
Under Ground		
Fatality rate per million cub. meter	2.80	0.00
Fatality rate per 3 lakh man shift	0.19	0.00
Serious Injury rate per million cub. meter	2.80	5.25
Serious Injury rate per 3 lakh man shift	0.19	0.35
Open Cast		
Fatality rate per million cub. meter	0.06	0.12
Fatality rate per 3 lakh man shift	0.26	0.17
Serious Injury rate per million cub. meter	0.08	0.15
Serious Injury rate per 3 lakh man shift	0.32	0.22

- A. There is no reduction in fatality rate (fatalities/million cu. mtr. of material excavated) with respect to previous year (2011-12) against MoU 2012-13 target for excellent rating.
- B. The reduction in serious injury rate (serious injuries/million tonne of material excavated) with respect to previous year (2011-12) is 46.72% against MoU 2012-13 target of 4% for excellent rating.
- C. There is no reduction in fatality rate (fatalities/million tonne of UG Coal) with respect to previous year (2011-12) against MoU 2012-13 target of 4% for excellent rating.
- D. There is no reduction in serious injury rate (serious injuries/million cu. mtr. of total material excavated) with respect to previous year (2011-12) against MoU 2012-13 target of 4% for excellent rating.

Cause wise breakup of Fatal and Serious Accident :

Cause	2012-13		2011-12	
	Fatal	Serious	Fatal	Serious
Roof /side fall	—	—	—	1(1)
Haulage/conveyor	—	—	1(1)	—
Electricity	1(1)	—	—	—
Other Machinery/Shovel	1(1)	—	—	1(1)
Fall of Person	—	5(5)	2(2)	4(4)
Fall of Object/Bench Slide	1(1)	3(3)	—	1(1)
Dumper & Truck	2(2)	—	2(2)	1(1)
Misc.UG/Water in rush	1(2)	—	—	—
Fall of roof	—	—	—	1(1)
Misc. Surface/Motor Grader	1(1)	1(1)	1(1)	—
Total	7(8)	10(10)	5(5)	9(9)

Area-wise breakup of Accident :

Area	2012-13		2011-12	
	Fatal	Serious	Fatal	Serious
Barka-Sayal	NIL	1(1)	NIL	3(3)
Argada	NIL	4(4)	1(1)	1(1)
Kuju	1(1)	NIL	1(1)	NIL
Hazaribagh	1(1)	NIL	NIL	NIL
B&K	NIL	NIL	NIL	NIL
Dhori	3(4)	NIL	1(1)	1(1)
Kathara	NIL	1(1)	2(2)	2(2)
Rajrappa	NIL	1(1)	NIL	NIL
N.K	1(1)	3(3)	NIL	1(1)
Piparwar	1(1)	NIL	NIL	1(1)
Rajahra	NIL	NIL	NIL	NIL
Total	7(8)	10(10)	5(5)	9(9)

Note:

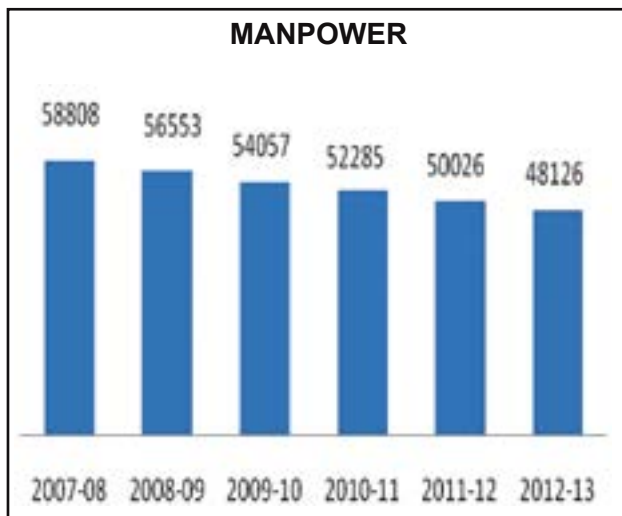
Figures outside bracket indicate accidents whereas the same in the brackets denote fatalities and injuries.

15. PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS

The manpower strength of the company as on 31.03.2013 was 48126 as against 50026 as on 31.03.2012. The category wise break up of manpower strength as on 31.03.2013 vis-à-vis 31.03.2012 is given below :

Category	31.3.2013	31.3.2012
Executive	2824	2686
Supervisory	3324	3490
Highly Skilled/ Skilled	15446	15663
Semi Skilled / Unskilled (TR)	16567	16136
Semi Skilled / Unskilled (PR)	5284	7466
Ministerial Staff	4231	4085
Others	540	500
Total	48126	50026

The manpower strength over a period of six years is depicted in the chart below :



During the year 2012-13 the overall reduction in manpower was to the tune of 1900, while the number of employees in the Company came down by 3268 during the year under reference, 1368 employees were added to the existing manpower. The aforesaid reduction and addition has been under the following heads :

REDUCTION :

Manpower reduction under the head	No. of Employees
Retirement / Superannuation	2419
VRS (Golden Hand Shake)	61
Death	513
Termination / Dismissal	30
Resignation	12
Inter Company Transfer	212
Medically Unfit	21
Total Reduction	3268

ADDITION :

Manpower Addition under the head	No. of Employees
Appointment under 9.3.0	687
Appointment under 9.4.0	03
Appointment under Dependent of deceased executives	01
Appointment under Land Loser's Scheme	156
Inter Company Transfer	252
Reinstatement	02
Fresh Recruitment	260
Award Case	07
Total	1368

At the beginning of the year 2012-13, 831 cases relating labour and industrial disputes were pending before different courts, authorities and industrial tribunals. While 92 cases of labour and industrial disputes were added, 71 cases were disposed off during the year. Thus 852 cases in total remained pending on 31.03.2013.

The Industrial Relations scenario was peaceful and harmonious throughout the year 2012-13, due to sincere effort and approach by the IR Department in handling and resolving the workmen's disputes and grievances. There were regular bipartite meetings held with the representatives of different trade unions at unit, Area and Corporate level. Industrial Relation Machinery (IRM) consisting of JCC at Company level, ACC at Area level and PCC at Unit level have sorted out major Collective Bargaining issues through discussions and this has created a lot of goodwill amongst the workers.

With a view to maintaining harmonious Industrial Relation as well as to serve the society as a responsible Corporate citizen, the Company has approved a total of 752 cases of compassionate appointment/monetary compensation under Para 9.3.0/9.4.0 to dependents during 2012-13. During 2012-13, 9077 employees were benefited by way of Promotion, Conversion and Service Linked Promotion (SLP). Out of above, 3169 employees were promoted, 1947 nos. of surplus Piece Rated Workers were converted in Time Rated and 3961 employees were given benefit of SLP. Apart from this, 26 nos. of employees were selected to the post of Mining Sirdar during 2012-13. In summary, the manpower profile of the Company have been accessible to poor and marginalized section of

the society. During the year 2012-13, two external recruitments cycle of Staff Nurse and Accountant were completed. For Staff Nurse 75 vacancies were advertised out of which 38 for GEN. 9 for SC, 19 for ST and 09 for OBC (out of which 8 for Ex-Service Men and 3 for PH). For Posts of Accountants, 38 Vacancies were advertised out of which 19 for GEN., 10 for OBC, 6 for SC and 3 for ST.

16. HUMAN RESOURCE DEVELOPMENT

The training /workshops/seminars attended by different segments in different institute in 2012-13 is as under :

	Training		Wrokshop/Seminar	
	Executives	Non Executives	Executives	Non Executives
In Company				
MTC	630	348	491	97
BTTI	22	605		
CETI	10	531		
STI		46		
GVTC/VTCs		6628		
Sub Total	662	8158	491	97
External (Out of Company CCL/CIL)				
	289	21	21	5
Indian Institute of Coal Management (IICM)				
	259	45	188	—
Grand Total	1210	8224	700	102

Achievements during 2012-13

1. Befitting with the aim to connect to society at large as well as to cater for the future need of the industry, 334 Students from various Mining Institutions completed their PDPT/VT courses during the year.
2. 667 students from different institutions/colleges doing Engineering/MBA/BBA/MCA/BCA were provided on the job practical training
3. With a view to create a pool of specialist group of project managers, 6 executives attended Certified Course of Project Management training and 9 executives attended certified course on Contract Management Training.
4. To create a supply chain of talents for the organization as well as to facilitate employability of its extended stakeholders of project affected people and others in its command area, CCL intends to establish under the aegis of HRD, one Polytechnic College in Rajrappa as Rajrappa Polytechnic and three Nos. at BTTI, CETI and Piparwar. Of these Rajrappa Polytechnic will get ready by the next academic year. ITI, BTTI will be ready by this academic year.
5. With the advent of modern tool of Risk Analysis, your company took initiatives to train the executives in the field on Risk Management and assist in creating Safety Management Plans of all the mines. HRD in coordination of Safety Deptt succeeded to train 233 no of Executives of almost all the opencast mines. The next drive for Executives working at underground mines will start in the next year.
6. In a drive to cultural coding of mentoring or building mentor-protégé relationship specially with the new recruits, your company has trained 16 mentors this year and aspires to extend its ambit far more in the organization in the near future.
7. In an effort to give a proper orientation about the process, people and places of work in CCL, to ensure smooth transition of new recruits from campus life to corporate and coalfields, HRD, has started full fledged Orientation Course from this training year end (from January to March, 2013 and onwards). Complemented by two/three field visits, HRD, CCL has given orientation to 100 no. of management trainees/ technical entrants of different disciplines by exposing them to multifarious processes we follow in coal excavation as well as sales, logistic, beneficiation etc.
8. Nine number of executives completed Certified training in Contract management against MoU 2012-13 target of six number of executives for excellent rating.
9. Six number of executives completed Certified training in Project management against MoU 2012-13 target of six number of executives for excellent rating.

Annexure – XIV

Human Resource Management

Sl. No.	Dynamic Parameters	MoU 2012-13 target for Excellent Rating	MoU 2012-13 Actual Achievement
1.	% actualization of Training Plan & Training days per employee per year	15 & 0.075	44.21
2.	Developing critical mass of leaders through a system of career planning & development	1.5	19.8
3.	Training Budget as % of employee cost	0.15%	0.31%
4.	% fulfilment of Training Plan for Multi skilling/Skill upgradation of Non executives	20	16.6
7.	Training interventions in new/advanced technology – % fulfilment of training plan in new technology	10	23.25
11.	Linkage of Development plan of Executives with Performance Management System	Yes	Yes
12.	Implementation of PRP linked to PMS	Yes	No
13.	Manpower rationalization through :		
	Voluntary Retirements	1	0.12
	Redeployment	6	10
	Any other		
14.	Attrition as % of total employees	0.2	0.02
15.	Presence of Mentorship Development Programme – Nos. of Mentors and Mentees	Yes. No. of mentors 24/ every new executive who joins co.	16 mentors & 20 mentees
16.	Formulation/Implementation of systems for Management of Talent such as – Job rotation system, reward system, sponsoring Sr. executives for advanced management Programme, growth opportunities	100%	100%
17.	No. of nominations/entries submitted for National Awards (PM Shram Awards, Vishwakarma Rashtriya Puraskar)	5	4
18.	Number of suggestion generated per employee per year	0.002	0.023
19.	% of Quality Circle projects completed against total Quantity Circle projects under taken in a year	30%	83.87
20.	Effectiveness of grievance settled vis-a-vis received during the year	80	82
21.	Pension, Medicare, Yoga classes to reduce stress where job is stressful setting up of wellness centre such as Gym etc.	4 programmes by Mar, 2013	3
22.	Employee satisfaction survey ESI measure %	50	50
23.	Formulation/Implementation of social security scheme	Yes, Implementation by Nov., 2012	Yes, Implementation by Nov'12
24.	No. of structured meetings with employees representatives	12	15
25.	Benchmarking projects undertaken in area of HR	100%	100%

17. WELFARE & COMMUNITY DEVELOPMENT

Central Coalfields Limited adopts a multi-disciplinary approach for welfare incorporating health, family welfare, education, drinking water and sanitation, while utilizing the Welfare Funds, more emphasis is laid on the projects for providing Clean Drinking Water, Health & Medical Care and Education.

Main thrust area

- ❖ Development of Infrastructural Facilities
- ❖ Health Care and Family Welfare
- ❖ Education
- ❖ Promotion of Sports and Culture

The activities undertaken under the above thrust areas are as under :

Development of Infrastructural Facilities

Development of Infrastructural Facilities : Your Company has been endeavoring to improve the quality of life of their employees by providing better welfare amenities.

- **Housing** : There has been significant improvement in repair/maintenance/upkeep of quarters and sanitation jobs in the colonies. Total no. of permanent houses are 60405. Percentage of satisfaction of permanent houses as well as temporary house is 100% as on date.

- **Water Supply** : Through operation of different water supply schemes 18.111 MGD water was supplied to 3.24 lakhs beneficiaries. The water Supply status during the year as follows :

IWSS	13 nos.
Pressure Filter Plant	79 nos.
Deep Bore Holes	99 nos.
Hand Pumps	150 nos.
Open Wells	100 nos.

Health Care and Family Welfare : CCL has 14 nos. of Hospital and 52 nos. of Dispensary having strength of 795 nos. of bed with the

availability of 250 nos. of Doctors. Company owns 111 nos. of Ambulances. Medical cards are issued not only to the existing employees but also retiring employees. Medical/Health Camps on Family Planning, Immunization, AIDS awareness, Pulse Polio, Eye, Blood Donation, Pre and Post-Natal Care, Homeopathic Medicine etc. are being organized at regular interval for health awareness and benefits of employees and villages of Coal field vicinity.

Education : Specific emphasis is being given by your company for providing quality educational facilities to the wards of its employees. There are number of schools running on 10+2, CBSE pattern in the vicinity of CCL.

- **Schools :** One no. of Kendriya Vidyalay , 14 nos. of DAV Public Schools and 43 nos. of Privately Managed Schools are getting financial assistance as well as infrastructural support to schools. CCL is sponsoring/organizing rural sports/games, sports meets/events and supporting education and research activities etc.
- **Scholarship :** The CCL awards scholarships for the meritorious students under the following schemes.
 - ❖ CIL Scholarship
 - ❖ Scholarship under the CCEBF Scheme
- **Tuition fee reimbursement :** CCL awards scholarships to meritorious students pursuing full-time courses in Engineering/Medical to nurture and support talent among the deserving students belonging to families of non executive under NCWA IX.

Promotion of Sports and Culture : Company is paying special attention to develop Sports/Games & Cultural activities amongst the employees and their wards. CCL has 30 nos. of Play Ground and 10 nos. of Stadium.

Achievements

- CCL Football team was the joint winner of 25th CIL Inter Company Football Tournament 2012.
- CCL won the bronze medal in high jump in all India Public Sector Athletic Meet held at Ranchi in 2012.
- CCL won the bronze medal in Shot-Put throw in All India Public Sector Athletic Meet held at Ranchi in 2012.
- CCL won 2 gold medals in 3rd Jharkhand State Karate Championship held at Jamshedpur in 2012.

Other Welfare Activities

- ❖ Co-operative stores are functioning in the Coalfield areas to supply essential commodities & consumables at cheaper rate
- ❖ To provide financial assistance, co-operative credit societies are functioning.
- ❖ 55 nos. of canteen are functioning at different locations.
- ❖ Infrastructural facilities are being provided to Nationalized Banks to facilitate the works to draw their Salaries.
- **CCEBFS (Central Coalfields Employees Benevolent Fund Society) :** Employees are getting Scholarship benefits , Sickness Benefit, Death Payment, Silver Coins as departure gift, Daughter's Marriage Advance.
- **"SAMMAN SAMAROH" :** Every month "SAMMAN SAMAROH" is organized at HQ and different areas to felicitate employees, who are retiring every month.

Welfare Inspection Team

- ❖ A Welfare Inspection Team consisting of the members of CCL Welfare Board was constituted, who visited all areas of CCL and inspected the ongoing welfare activities in the areas. The inspection report is placed

for consideration and further planning and execution of the welfare programs.

18. CORPORATE SOCIAL RESPONSIBILITY

Achievement of CSR activities against the MOU target for 2012-13

Sl. No.	Name of the Project	Target	Achievement till March 2013
1.	Conducting Medical Camps	35000 beneficiaries	66972 beneficiaries
2.	Drinking water facility	In 10 villages	In 11 villages
3.	Construction of Community Mandap	In 10 villages	In 12 villages
4.	Training of PAPs for Self Employment	50	a. 25 got training from ICAR b. 41 trained in tailoring and sewing. Total - 66
5.	Providing Solar Lanterns	In 10 villages	In 11 villages

CCL CSR Expenditure

Year	Expenditure (₹ in Cr.)
2012-13	13.66

Thus, expenditure on CSR (0.5% of PAT of 2011-12) is more than 100% i.e. ₹13.66 Cr. against MoU 2012-13 target of 100% for excellent rating.

Highlights of CSR Works during the year 2012-13

A. Jan Arogya Kendra – A 10-Bedded CSR Hospitals for BPL families at Gandhi Nagar Ranchi has been started .

B. CCL – Ke – Lal-

Eleven(11) meritorious students from different command areas are selected for getting the following facilities:

- a. Admission in Class-XI at DAV, Gandhinagar School, Ranchi
- b. Free coaching for getting admission in reputed technical institutions of the country.
- c. Free Boarding & Lodging facility at Ranchi.



C. Training to the villagers of the adopted village at ICAR centres : 25 villagers of Lupung toil have been trained at ICAR centre, Palandu on agriculture.



Agriculture training at ICAR, Palandu, Namkum, Ranchi

D. Operation Jyoti : 3 Mega Eye Camps & Cataract operations conducted at Gandhinagar Hospital, Ranchi.

E. Distribution of solar lights – Solar lanterns have been distributed among villagers of 11 villages situated in the periphery of the command areas of the company.



GM (CSR) handing over Solar Panel to villagers at Semar Toli



SO (P) Magadh Amrapali handing over Solar Lamps to the villagers

F. Promotion of Education

G. Drinking water – For provision of supply of drinking water, 11 villages have benefitted in the form of installation of hand pumps, digging of wells, bore holes etc.

H. Infrastructure –

- **Roads** – Construction/Repair of 16 nos. of rural roads have been done during the year 2012-13
- **School Buildings** – Construction of classrooms & Repair works have been done in 34 rural schools.
- **Community Centers** – Community Centers / Mandaps have been constructed in 12 peripheral villages of the command areas during the year 2012-13.

Village Adoption

1. **28 number of village health camps** have been organized in Semar Toli and Lupung Toli giving benefit to 3484 number of beneficiaries.
2. **Distribution of Items at Lupung Toli** : Two (2) Sewing Machines, two Footballs, two Volleyballs along with Nets, Jerseys for village Sports team & 1500 Fruit Bearing plants distributed amongst villagers of Lupung Toli.

3. **25 number of villagers at Lupung Toli** have been given Agricultural Training at ICAR Plandu, Ranchi.

Sharing & Caring Programme

Under this programme, a CCL CSR scheme, different Institutions & Schools for physically and visually challenged, differently abled persons have been visited by a team of the company for providing moral support to the inmates of these institutions.

During the year 2012-13, 12 number of Medical Camps have been organized giving benefit to 981 beneficiaries.

CSR Awards

- CCL has the honor to receive the CIL Award on Foundation Day Celebration (1.11.2012) for doing commendable CSR activities.
- During the year 2012-13, Institute of Public Enterprises, Hyderabad, honored CCL with the Best Corporate Governance award in Taj Lands, Mumbai.

19. SAMADHAN SCHEME

A Grievance cell has been established on 27/4/2012, for redressal of grievances for employees, contractors and consumers and other stake holders of your company. The complainants lodge their grievance either in writing or over toll free no 1800 3456 501 or verbally being present in the office himself. The complaints are registered in a register having a serial no. and the receipt of the complaint is given to them indicating the probable date, keeping in view the nature for redressal of their grievances. Attempt is made to inform the respective HODs over phone regarding receipt of the complaint. Subsequently, a letter is written annexing the complaint to the respective HODs requesting them to redress the same within a time mentioned therein. On non-receipt of reply the HODs are reminded over phone as well as in writing. The reply received from the HODs are examined and if found satisfactory, the complainant are informed. In case of reply of HODs are not being found satisfactory, proposal is sent to Director (Personnel) to take up the matter with the concerned department to re-examine the case.

The nature of complaints being received in the Samadhan Cell are as follows :

1. Grievance of CCL employees- regarding non-payment of their gratuity, CMPF, and other retirement benefits.
2. Grievance of CCL employees- with regards to anomaly in their pay
3. Grievance of CCL employees- with regards to re-fixation of their increment, seniority and promotion.
4. Grievance of CCL employees- with regards to repair and maintenance of CCL quarters
5. Grievance of Contractors, Consumers against respective departments where they have under taken any contractual job or are consumers for Coal.
6. Grievance of Dependents- demanding compassionate appointment after death of father/ mother.
7. Grievance of local People with regards to their employment and rehabilitation after acquisition of the land.
8. Grievance of CCL employees- for non-payment of medical reimbursement Bill
9. On receipt of family dispute emerging on compassionate appointment between employee and his mother/ brother/ sister and so on.
10. Any other grievance /complaints brought to the notice of this cell.

Achievement

Since inception of Samadhan Cell from 27/4/2012, 348 complaints have been received upto 31/3/2013, out of which 286 complaints have been disposed off and 62 are under process. The overall achievement is 82.18%.

20. CAPITAL EXPENDITURE ON SOCIAL OVERHEAD ASSETS TILL 31.03.2013

Till 31.03.2013, the cumulative amount spent by your Company towards social overhead assets is ₹394.42 Crore, details of which are tabulated below :

(₹ in Cr.)

Sl. No.	Particulars	2012-13	2011-12
(i)	Building	298.79	281.65
(ii)	Plant & Machinery	52.82	51.03
(iii)	Furniture & Fittings	16.65	16.14
(iv)	Vehicles	7.75	6.78
(v)	Developments	18.41	18.11
Total		394.42	373.71

21. FINANCIAL PERFORMANCE

The financial results of your Company during 2012-13 as compared to 2011-12, are as under :

(₹ in Cr.)

Sl. No.	Particulars	2012-13	2011-12
i)	Gross profit before Depreciation and Interest	2901.19	2152.40*
ii)	Depreciation	235.21	220.80
iii)	Interest	6.09	1.85
iv)	Net profit before prior period adjustment	2659.89	1929.75
v)	Adjustment pertaining to Prior period (Cr.)	(23.67)	(40.49)
vi)	Net profit after prior period adjustment	2683.56	1970.24
vii)	Extraordinary Items	—	—
viii)	Profit before Tax	2683.56	1970.24
ix)	Provision for Income Tax	897.45	669.05
x)	Income tax for earlier year	(22.64)	(9.01)
xi)	Provision for Deferred Tax (Cr)	(76.86)	(9.35)
xii)	Net Profit after tax	1885.61	1319.55

* Due to re-grouping as per revised Schedule-VI.

The Board of Directors of your Company has paid an Interim Dividend of ₹695 Cr. (Previous year- Nil) and recommended a final dividend of ₹436.37 Cr. (Previous Year – ₹791.74 Cr.). Total dividend in 2012-13 is ₹1131.37 Cr. (dividend per equity share is ₹1203.58, including interim dividend on 94,00,000 equity shares of ₹1000.00 each – previous year ₹842.28).

22. CAPITAL EXPENDITURE

The capital expenditure during the year 2012-13 has been ₹397.42 Cr. compared to ₹320.99 Cr. in the previous year. The head-wise

details of capital expenditure during the year 2012 - 13, are detailed below :

(₹ in Cr.)			
Sl.No.	Heads of expenditure	2012-13	2011-12
i)	Land	17.00	2.05
ii)	Building	11.54	6.06
iii)	Plant & Machinery	114.74	271.88
iv)	Furniture & Fittings	3.63	1.52
v)	Railway Siding	0.00	0.00
vi)	Vehicles	1.14	0.00
vii)	Prospecting & Boring	0.00	0.00
viii)	Other Developments	5.31	3.09
ix)	Capital work in progress	244.06*	36.39
TOTAL		397.42	320.99

* Capital work in progress (including long term capital advance) for the year 2012-13 is gross amount before adjustment of refund of ₹ 104.29 Crore by M/s RITES for construction of balance work of Piparwar Railway siding.

23. CONTRIBUTION TO EXCHEQUER

The contribution to the State/Central Exchequer during the year 2012-13 vis-à-vis 2011-12 is detailed below :

(₹ in Cr.)			
Sl. No.	Particulars	2012-13	2011-12
i)	Royalty on Coal	916.56	682.66
ii)	Sales Tax / VAT	273.05	255.10
iii)	Stowing Excise Duty	52.13	47.70
iv)	Income Tax	764.27	706.31
v)	Dividend Tax	241.18	121.36
vi)	Service Tax	20.67	5.33
vii)	Clean Energy Cess	259.91	189.10
viii)	Central Excise on Coal	547.08	398.12
TOTAL		3074.85	2405.68

24. CAPITAL STRUCTURE

During the year under report, the Authorised Share Capital and the Paid-up Share Capital of your Company remained unchanged viz. ₹ 1100.00 Cr. and ₹ 940.00 Cr. respectively. The net worth of the Company as on 31 March 2013 is ₹ 4008.08 Cr. compared to ₹ 3437.38 Cr. as on 31 March 2012.

25. LOAN

During the year, your Company has repaid installments of IBRD and JBIC loan to the tune of ₹ 7.28 Cr. and ₹ 9.81 Cr. respectively. Moreover, outstanding loan amount has decreased by ₹ 0.33 Cr. due to favourable foreign exchange rate fluctuation. Thus the total outstanding loan amount has decreased to ₹ 86.90 Cr. at the year-end against previous year's outstanding balance of ₹ 104.32 Cr.

26. STATUS OF PROJECT IMPLEMENTATION

Till 31.3.2013, a total number of 62 mining projects with ultimate capacity of 116.76 MTY and 26 Non-mining projects of each costing ₹ 2.00 Cr and above, were sanctioned by different competent authorities. Out of these projects, 51 Projects (31 mining & 20 non- mining) have already been completed. The remaining 31 mining ongoing projects having an aggregate ultimate capacity of 88.54 Million Tonnes per annum at a sanctioned capital cost of ₹ 5691.55 Cr and six non-mining Projects at a sanctioned capital cost of ₹ 113.42 Cr., (including DRD AAP) are at various stages of implementation. Beside above In Principle Approval (First stage approval) have been obtained for different projects having ultimate capacity of 54.35 MTY.

Category wise details are tabulated below :

Projects	Total No. of Projects (Incl. Compl. Proj.)	Capital Outlay (₹ Cr.)	Ultimate Capacity (MTY)(Coal)
ABOVE ₹ 150 CRORE			
MINING	12	4970.42	71.56
NON-MINING	1	130.41	—
₹ 50 CR. TO ₹ 150 CR.			
MINING	12	1183.17	23.56
NON-MINING	2	161.34	—
₹ 20 CR. TO ₹ 50 CR.			
MINING	6	204.32	4.55
NON-MINING	1	48.78	—
₹ 2 CR. TO ₹ 20 CR.			
MINING	32	480.77	17.09
NON-MINING	22	178.70	—
MINING	62	6838.68	116.76
NON-MINING	26	519.23	—
GRAND TOTAL	88	7357.91	116.76

Details of 51 completed projects are as under:

Projects	Number			Sanc. Capital (₹ Cr.)			Ultimate Capacity (MTY) (Coal)
	Min.	Non-Min.	Total	Min.	Non-Min.	Total	
Above ₹ 150 Cr.	2	1	3	479.00	130.41	609.41	6.25
Between ₹ 50 Cr to ₹ 150 Cr.	3	2	5	200.53	161.34	361.87	5.75
Between ₹ 20 Cr to ₹ 50 Cr.	4	–	4	122.00	0.00	122.00	2.75
Between ₹ 2 Cr to ₹ 20 Cr.	22	17	39	345.61	114.06	459.67	13.47
Sub-Total	31	20	51	1147.14	405.81	1552.95	28.22

Implementation status of 37 ongoing projects costing ₹ 2 Cr. and above :

Projects	Number			Sanc. Capital (₹ Cr.)			Ultimate Capacity (MTY) (Coal)
	Min.	Non-Min.	Total	Min.	Non-Min.	Total	
Above ₹ 150 Cr.	10	–	10	4491.42	–	4491.42	65.31
Between ₹ 50 Cr to ₹ 150 Cr.	9	–	9	982.64	–	982.64	17.81
Between ₹ 20 Cr to ₹ 50 Cr.	2	1	3	82.32	48.78	131.10	1.80
Between ₹ 2 Cr to ₹ 20 Cr.	10	5	15	135.16	64.64	199.80	3.62
Sub-Total	31	6	37	5691.54	113.42	5804.96	88.54

Out of 22 delayed projects (mining) three have yet to start, namely Hurlong UG & Tisri UG and Konar OCP, The remaining 19 projects are delayed due to :

- (a) Land Acquisition and possession including forest land : 10
 (b) Adverse Geo-Mining condition : 4
 (c) Change/Finalisation of Technology & others : 5

Projects commissioned/approved during the XII Plan Period (2012-13)

Following mining projects have been commissioned/ approved during XII Plan period.

Sl. No.	Name of Project	Capacity (in MTY)	Proposed Capital Outlay (in ₹ Cr.)	Approval from CCL/ CIL Board	Govt.'s approval/ Present Status
1.	RCE Kathara	1.9	128.94 (Additional)	Approved in the 390th Meeting of Board of Directors of CCL held on 01.10.2012	Under Implementation

In addition to the above “In Principle Approval” following 5 Projects have been approved

Sl. No.	Name of Project	Capacity (in MTY)	Approval from CCL/ CIL Board	Present Status
1.	Tapin South Expansion OC	2.00	Approved from CCL Board in Aug'12	EC, FC under progress
2.	Hesalong OC	1.70	Approved from CCL Board in Oct'12	EC, FC under progress
3.	Sanghmitra OC	20.00	Approved from CCL Board in Dec'12	EC, FC under progress
4.	Topa Expansion OC	5.25	Approved from CCL Board in Feb'13	EC, FC under progress
5.	Aswa OC	1.00	Approved from CCL Board in Feb'13	EC, FC under progress
6.	Amla- Dhori UG	0.57	Approved from CCL Board in Dec'12	EC, FC under progress

Amla Expansion OCP (2.5 MTY) has been completed successfully and its completion report has been approved by the Board of Directors of your Company, in its meeting held on 01.10.2012 as against MoU 2012-13 target for excellent rating in Oct'12 itself.

Sl. No.	Capacity creation through approval of new/expansion project	MoU 2012-13 target for Excellent Rating	MoU 2012-13 Actual Achievement
1.	Stage I Approval (in Principle Approval) of PRs	12 MTY	22.7 MTY
2.	Commissioning/Completion of New /Expansion projects	1 No.	1 No.
3.	Utilization of Capital Expenditure of AP 2012-13 (₹ in Cr.)	425.00	397.42
4.	Major Project Activities		
	(i) Approval of Implementation Plan for 5 years for Magadh OCP in view of delay due to non construction of Tori Shivpur Hazaribagh Rly Line	July'12	Aug'12
	(ii) Commissioning of HEMM ordered during 2011-12 of Tapin OC (1 Shovel – 5 Cum)	Oct'12	July'12
	(iii) Finalization of initial alignment of Railway Siding for North Urimari OC by P&P Department	Aug'12	Aug'12
	(iv) Signing of agreement between CCL & EC railway for railway siding of Ashok OC	Jan'13	Nov'12
	(v) Floating EOI for engaging agency for scientific study for finalization of site of low level bridge at Rajrappa OC	Oct'12	Oct'12
	(vi) Commissioning of Diesel Excavator (1 No.) of Purnadih OC	Jan'13	May'12
	(vii) Supply order for HEMM for Karma OC (1 No. Dumper)	Jan'13	Dec'12
	(viii) Holding Pre NIT meeting for Churi UG mine for deployment of Continuous Miner	Jan'13	Jan'13

Your Company's production level in 2013-14 is expected to be as follows :

(Fig. in MT)

GROUP	2012-13 (Actual)	BE (2013-14)
Existing Mines & Completed Projects	16.31	18.70
On Going Projects	31.75	35.80
New Projects/Future Projects	–	–
TOTAL	48.06	53.50

27. ENVIRONMENT MANAGEMENT**1. No. of Projects for which Environmental Clearance Received : 09**

1. Ara-OCP – (0.76 /0.87 MTPA)
2. Chainpur/Sarubera OCP – (0.5/0.58 MTPA)
3. Sarubera UGP – (0.18/0.21 MTPA)
4. Rai-Bachra UGP – (0.3 MTPA)
5. Dhori OCP – 0.6/0.690 MTPA,
6. NSD UGP – 0.080/ 0.092 MTPA
7. Dhori Khas UGP – 0.166/ 0.190 MTPA
8. Dakra OCP – 0.55/ 0.63 MTPA
9. Integrated Ashok Washery Cum FBC (2x30 MTPA) – 10MTPA

2. No. of Projects for which Form-I has been submitted to MoEF : 05

1. Argada OC (1.7/2.0)
2. Selected Dhori Group of mines (8.25/11.0)
3. Tarmi (25%)(1.25/1.7)
4. Piparwar (25%) (12.45/14.5)
5. Pundi OCP and Washery (2.5/3.0)

3. No. of Projects for which ToR has been approved by MoEF : 02

1. Argada OC (1.7/2.0)
2. Kuju OC(1.3/1.5)

4. No. of Projects for which EMP has been prepared : 07

1. Piparwar Mangardaha (1.38/1.587)
2. Tarmi (25%)(1.25/1.7)
3. Piparwar (25%) (12.45/14.5)
4. Ara-OCP (0.76 /0.87 MTPA)
5. Chainpur/Sarubera OCP (0.5/0.58 MTPA)
6. Sarubera UGP (0.18/0.21 MTPA)
7. KDH Extension (4.5)

5. No. of Projects for which Public hearing has been held : 05

1. Urimari UGP
2. Argada UG
3. Sirka UG
4. Sirka OC
5. Ashok Expansion (15/20) MTPA

B. Afforestation:

During the year 2012-13, 3,03,000 no. of saplings were planted over 119.12 Ha of land and 12.345 km of avenue plantation. The expenditure incurred was 274.30 lakh. The plantation has been done through State Forest Department.



Plantation at Ashok OCP of CCL



Plantation on Backfilled area of Piparwar OCP of CCL

C. Other Environment Related Activities :

1. Regular air, water and noise monitoring at all the mines have been done through CMPDIL on quarterly basis for the full year. A total of about 2260 samples have been analyzed annually.

2. The large producing mines are being monitored for land reclamation by Remote Sensing techniques through CMPDIL. The mines like Piparwar, Ashoka are being monitored and it can be seen by the analysis that the reclamation/ afforestation has increased. The mines being monitored are Ashoka, Piparwar, KDH, Parej OCP and Rajrappa OCPs.
3. The Company has undertaken filling of abandoned mine voids in B&K, Argada and Rajrappa areas by fly ash from BTPS, CTPS, DLF, HINDALCO etc.
4. The closed water recirculation system has stopped the effluent discharge from the washeries. Besides this, arrangements of water sprinkling in coal transfer points, good housekeeping and plantation etc is being done in the washeries for overall improvement.



Lagoon at Piparwar OCP of CCL



Migratory bird finding sheter at Piparwar OCP

5. Development of water bodies/ lagoons in mining areas for sedimentation of fines as well for improvement of aquatic life.
6. Remote Sensing Survey for analysis for land use improvement in large mines : The large producing mines are being monitored for land reclamation by Remote Sensing techniques through CMPDI on annual basis. The mines like Piparwar OCP, Ashoka OCP, Parej East OCP, KDH and Rajrappa OCP are being monitored since 2006.

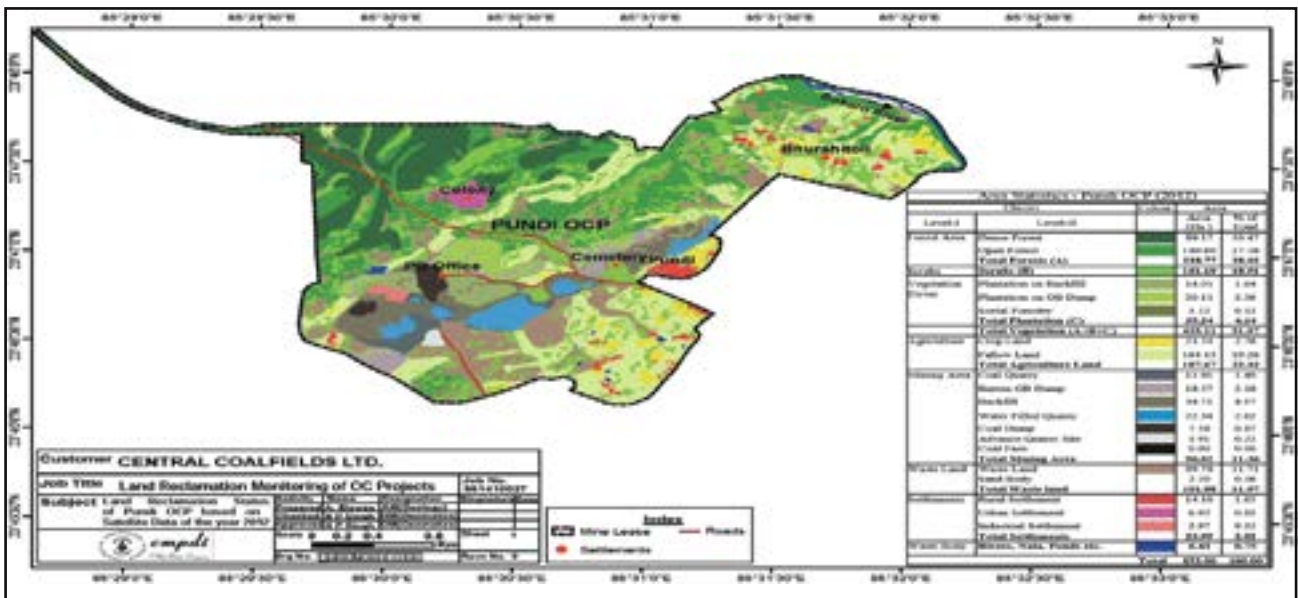
Out of the mine leasehold area of 47.14 Sq. KM of the five OCPs viz. Ashoka, Piparwar, KD Hesalong, Parej East and Rajrappa considered for monitoring during the year 2012-13; total excavated area is only 25.33 Sq. KM(53.74%). Out of which 16.33 Sq. KM(64.47% of Total excavated area) has been planted, 4.30 Sq. KM(16.98%) area has been backfilled and 4.70 Sq. Km area (18.55%) is under active Mining. It is evident from the Analysis that 81.45% areas of the OC Projects has already been reclaimed and balance 18.55% is under active mining.

On comparing the Status of land reclamation carried out in the year 2012 with respect to year 2011 in different projects, it is evident from the Analysis that Area of reclaimed land has increased from 20.39 Sq. KM(in the Year 2011) to 20.63(Yr. 2012). This increase of 0.24 Sq. Km of Area of Land reclamation in one year is the result of the efforts made by your Company. Area of Plantation has also increased from 15.95 Sq. Km to 16.33 in above mentioned five OCPs of CCL.

12 OC projects producing less than 5 million m³ (Coal + OB together) of your Company have been taken up during the year 2012 for land reclamation monitoring:, these are Tetariakhar, Dakra, Magadh, Amrapali, Giddi-A, Pundi, Kedla, Jarangdih, Kathara, Konar, Karo, Karma, Study reveals that 72.35% of excavated area has already been reclaimed by CCL in the OC projects, out of which 38.69% area has been planted and 33.67% area are backfilled.



Map showing the Remote Sensing Imagery of Ashoka Project



Map showing the Remote Sensing Imagery of Pundi OCP

D. ISO Certification

At present, 14 mines, one washery and one Hospital are having both ISO 14001: 2004 Environmental Management System and ISO 9001: 2008 QMS certification. Three Regional Repair Shop namely Dakra, Tapin and Jarangdih, and CRS, Barkakana and Central Hospital Gandhinagar are ISO 9001: 2008 QMS certified. The company has also obtained ISO 18001 – 2007 certification for 11 mines and one washery.

E. Sustainable Development

Your Company is instrumental in promoting sustainable coal mining operations in Coal India Limited. It is committed to create eco friendly mining. The concept of sustainable development is taken into account from the project planning stage itself. There is an integrated approach in project planning incorporating the environmental concerns of mining and beneficiation projects.

Keeping in view the sustainable development objectives in mind, a designated committee at the corporate level has been constituted for preparation of specific sustainable development plans and approval of the budget for implementation of sustainable development activities. This committee was constituted in the 385th Meeting of CCL Board held on 24.02.2012 at Ranchi and had the following members :

1.	Sri Gautam Basu, Non-Official Part-time Director	—	Member – Chairman
2.	Sri Anand Kumar, Non-Official Part-time Director	—	Member
3.	Sri R. Mohan Das, D (P&IR), CIL	—	Member
4.	Sri T. K. Nag, D(T/O), CCL	—	Member/Invitee

The SD Committee had finalized the Sustainable Development plan for the year 2012-13 where five activities were selected based on the DPE guidelines (Schedule A and Schedule B) with goals of water and energy conservation, land restoration & reclamation monitoring, training & awareness and transparency and accountability towards the stakeholders. The activities selected for the year 2012-13 were as follows :

Project Activity	Performance Indicator
Schedule A	
Bio-Diversity (Eco Restoration)	No. of trees planted (in Lakh) Eco Park
Water Management (Recycling of sewage water)	No. of Projects undertaken
Water Management (Rainwater harvesting)	No. of schemes completed
Schedule B	
Training (Training/Workshop on Sustainable Development)	No. of programmes conducted
SD reporting (Appointment of External Independent Consultant, Study of baseline parameters, monitoring and Reporting) + Study of baseline parameters	Completion date

All the projects/activities were undertaken in the year 2012-13 with an estimated budget of ₹ 171 Lakh. The actual expenditure incurred was ₹ 200.94 lakh which is more than the requirement as per MoU guidelines [i.e. ₹ 195.15 lakh {50 lakh + (0.11% of PAT i.e. ₹ 145.15 lakh)}]. PAT being ₹ 1319.55 crore for 2011-12. This shows that Central Coalfields Limited is highly committed to promote sustainability.

CCL has published its first sustainability report this year for the activities undertaken in the year 2012-13. This report gives information about Economic, Environmental and Social performance of the organization. The reporting is a method to internalize and improve an organization's commitment to sustainable development in a way that can be demonstrated to both internal and external stakeholders. It also aligns with CCL's philosophy of maintaining high level transparency in its activities and conveying its strategic and tactical approaches. Moreover, a number of government/non-government bodies have issued mandates and guidelines for publication of sustainability reports to disclose the performance of an organization towards their goals on sustainable development. Apart from satisfying

a number of such guidelines and mandates, the Sustainability Report intends to communicate the sustainable development programs and their impact on the company's stakeholders in a structured, transparent and assured manner.

The following activities were started under SD programme in 2012-13 :

1. Bio – Diversity – plantation of 2.85 lakh saplings.
2. Eco park development at Piparwar(Eco Restoration).
3. Water Management (Recycling of treated water) at Rajrappa OCP.
4. Rainwater Harvesting at Ashok workshop and Nai-Sarai Hospital.

Excellent rating has been achieved in all the above mentioned four activities against the MOU 2012-13 target.

Apart from above work, two numbers of training/workshop on “Sustainable Development in coal mining station – CSR and R&R issues” and “Energy conservation in Building & Carbon management in coal mines.” were held on 27.12.12 & 21.3.13 respectively. All together about 85 participants attended training. This is also a MoU 2012-13 activity, where we have attained excellent rating against MoU 2012-13 target of one.

F. Forest Land Clearances

Total number of seven forest proposals which were stuck up at different levels of State Forest Department has been forwarded to MoEF, Govt. of India by Jharkhand state during the year 2012-13.

Also, two projects got Stage-II forestry clearance from MoEF, GOI, namely Konar OCP (288.26 Ha) and Jharkhand OCP (6.59 ha) and one project got Stage-I clearance (in principle approval) namely Rohini OCP(74.81 ha).

Payment of ₹9.43 crore as forest compensation has been made to State Forest Department (CAMPA).

The clearance under ST & OTFD (Recognition of forest Rights) Act, 2006 has been received for 8 (Eight) proposals in 2012-13.

28. LAND ACQUISITION STATUS

Under CBA (A&D) Act 1957 :

During the year further progress has been made in the following proposals for acquisition of land under the above Act.

Name of the Project	Area in acres	Acquisition
KDH Extension	390.95	Sec. 4(1) completed
Argada OCP	527.00	Sec. 4(1) completed
Ara Reorganisation	441.49	Sec. 4(1) completed
Pindra OCP	195.11	Sec. 4(1) completed
Kaitha UCG Block (Rajrappa)	1330.48	Sec.4(1) (extension) taken
Pichhri	344.71	Sec. 4(1) completed
Koed Manatu	3061.96	Sec. 7(1) completed
Masilung (Magadh & Amrapali) for sub-station	16.25	Sec. 7(1) completed
Ramgarh Block-II	1040.00	Sec. 9(1) completed
Ashoka West	1045.00	Sec. 9(1) completed

844.13 Ha. of land was acquired under section 9(1) and 116.36 Ha. of land was possessed during the year 2012-13 against MOU 2012-13 target of 818 hectares for acquisition of land and 91 hectares for physical possession of land resulting in achievement of Excellent rating.

Payment of Compensation :

During the year under reference, for land and other interest acquired earlier under the provision of CBA (A&D) Act, 1957 compensation amounting to ₹202.73 lakh have been disbursed. 04 number of payment camps were held in different Areas for payment of compensation.

During the year an amount of ₹136.35 lakh has been sanctioned by the competent authorities

for payment of compensation of land and other interest to DLAO Ramgarh for LA Case involving 31.227 acres of land for Topa project in Kuju Area & 0.72 acres of land in Charhi (Hazaribagh) Area.

₹12.90 lakh have been sanctioned by competent authority for compensation amount under land, houses & trees. ₹218.39 lakh has also been sanctioned for rehabilitation and resettlement benefits including lump sum grant and subsistence allowance in KD-H and North Urimari Projects.

- Sanction of ₹75 lakh against one time lump-sum grant and other rehabilitation benefits for 25 no. of PAPs of KDH Project.
- Sanction of rehabilitation & resettlement benefit amounting to ₹143.39 lakh for one time lump sum grant and subsistence allowance for 49 nos. of PAFs in village Jojo tola, Potange of North Urimari Project of Barka Sayal Area.

Employment :

During the year 2012-13, 143 fresh employments have been provided to land losers or their nominees in different Areas/units enabling the Company to take 287.41 acre of land in physical possession.

Rehabilitation & Re-settlement :

63 families were rehabilitated in different Projects.

29. RAILWAY SIDING

In your company there are 26(Twenty Six) no. of sidings under operation, having total daily loading capacity of 4220 (FWW).

New Sidings under Construction :

(A) Piparwar Siding

The Piparwar Siding taking off from Mc-Cluskieganj Railway Station of East Central Railway, is under construction.

Status of Construction of Piparwar Siding:

For completing the left over work of M/s IRCON, your company has engaged M/s RITES Ltd. at an awarded cost of ₹90.61 Crore – on deposit term basis. At

present, out of 30.5 Km total length, the formation work in nearly 26.50 Km length and track linking in 12 Km length have been completed. The work is in progress by M/s. RITES. It has requested for provisional extension of time up to December'2013 for completion of the work.

Electrification, Signaling & Tele-communication and Track linking for 1.683 Km. at Junction point are to be completed by EC Railway as deposit work of your Company.

(B) Construction of Tori-Shivpur-Hazaribagh (Kathotia) New B. G. Railway Line (with 100% CCDA Assistance)

The forestry clearance proposal Tori-Shivpur- Hazaribagh new BG rail line (length 93.28 Km) under execution by EC Railway, Patna was earlier rejected by MoEF on 31.08.2010.

Present Status

The revised proposal of EC Railway(by modifying original alignment at some places) was re-submitted to MoEF, New Delhi on 05.02.2011 through Govt. of Jharkhand for their re-consideration towards granting Forestry Clearance.

Tori-Shivpur

Stage – I clearance for the modified alignment of Tori-Shivpur section only was granted by MoEF on 29.04.2011. After compliance of Stage – I conditions, EC Railways has applied for Stage – II Forestry Clearance, which has been forwarded by Govt. of Jharkhand to MoEF on 05.03.2013.

Railways have awarded two contracts for Earth Work & Minor Bridges for a length of 6 KM and contracts for further 5 KMs are in process of finalisation and work shall be started by Railways after grant of Stage-II Clearance by MoEF.

Shivpur-Kathotia (Revised alignment of Shivpur-Hazaribagh)

Forestry Clearance of Shivpur-Hazaribagh Section was rejected by MoEF on grounds

of high density forest and presence of schedule-1 animals in the forest.

In view of persistent reservation of MOEF regarding alignment of Shivpur–Hazaribagh line, Railways vide its letter dtd. 17/06/2011 informed your company that it is considered prudent to examine the feasibility of any other alignment superior from forest conservation and wild life angles.

Forest Advisory Committee (FAC) meeting at MOEF held on 28/11/2011 at New-Delhi have asked for an alternative alignment in place of Shivpur-Hazaribagh, which should pass through lesser dense forest. Main concern of MOEF has been fragmentation of the dense forests by the Shivpur-Hazaribagh rail line, MOEF has been insisting on the alignment which avoids/reduces fragmentation of dense forests.

EC Railways proposed alternative alignment namely Shivpur-Kathotia alignment (Modified length of this alignment-47.7 Km). Your Company in consultation with CMPDIL agreed to this alignment, with the view of Coal evacuation from, that end.

Final location Survey (FLS) for Shivpur-Kathotia Section has been completed and Detail Project Report (DPR) is to be submitted by Railways to your Company. Land acquisition applications are being filed by Railways. Application for obtaining Stage – I Forestry Clearance for this section is to be filed by EC Railways.

In-Principle approval has been accorded by the CCL Board in its 385th meeting held on 24/02/2012 for the “Tori-Shivpur-Kathotia” alignment in place of “Tori-Shivpur-Hazaribagh” along with approval of DPR Cum Revised Estimate amounting to ₹ 1095 Crore (Cost updated upto Oct’2011) for construction of Single Line Section with provision of Formation & Bridges for three lines in Tori-Shivpur Section and tentative cost of ₹ 1250 crore for construction of single

line section with provision of formation and bridges for three lines in Shivpur-Kathara alignment.

Expected date of Completion is 2016-17.

30. GEOLOGICAL SERVICES

A. Drilling

Against the target of 59200.00 meters, a total of 69460.00 meters of drilling has been done during the financial year of 2012-13, achieving a productivity level of more than 1100.00meters per drill per month with 5.25 operating drills from 2 base drilling camps at Topa and Lapanga. This includes the drilling of blast holes for mining services, large diameter boreholes for dewatering and tube wells for potable water and non-coring boreholes for exploration purposes.

B. Project Documentations and Related works

(I) On Geology

During the year 2012-13 the following activities have been completed. Majority of them being related to production support mining services and for future mining activities:

1. Development of Coal Mine Methane (CMM) in Asnapani-Jarangdih Shaft Mine under Commend Area.
2. Scanning and Plotting to required scale plans of related to different project for environment and L&R department.
3. Interaction with GM (Exploration), RI-III in respect of Location Plan of the running blocks where exploration is being taken up in CIL blockes of CCL Command Area, Geological information in the MPR and pendency of coal cores.

- | | |
|--|---|
| <p>4. Studied the relevant plans of Giridih Coalfields, regarding coal bearing areas/non coal bearing areas as desired by project authorities in respect of land transfer to district authorities.</p> <p>5. Scanning & Digitization of the Working Plans of CCL command area.</p> <p>6. Prepared the Geological reserve in different sectors of Giridih Coalfields as per the record available in this department.</p> <p>7. Monitoring of Geological Exploration to be carried out in CCL Command area by RI-III, CMPDI, Ranchi.</p> <p>8. Study of Geophysical Well Logging conducted in Mandu block by RI-III, CPMDI.</p> <p>9. Study of BH data (R-I/90,91&105) of Ramgarh Block I, II & IV for the proposed site of bridge on Damoder river.</p> <p>10. Compilation of Coal reserve in CCL command area as on 01.04.12. A total of 42.368 B.T. of coal reserve is in CCL command area. Total coal inventory in India as on 01.04.12 is 293.497 B.T.</p> <p>11. Study of Geological aspects of Amlo Outsourcing block.</p> <p>12. Scaling of working plan to Topa colliery in 1:4000 and output given to the project authorities as desired by DGMS.</p> <p>13. Organized training programme for the student of BHU in consultation with CMPDI, HQ and RI-III, Ranchi with specific reference to preparation of</p> | <p>Geological report, logging sampling, scanning, digitization, etc. in CCL command area.</p> <p>14. Scaling of working plan of KDH colliery in 1:4000 and output given to the project authorities as desired by DGMS.</p> <p>15. Geological study (Coal/OB ratio) of Tetarikhar Block for Outsourcing purpose.</p> <p>16. Geological study (Coal/OB ratio) Amlo Block for Outsourcing purpose.</p> <p>17. Geological study (Coal/OB ratio) of Kalyani Block for Outsourcing purpose.</p> <p>18. Geological study (Coal/OB ratio) of Dhori Block for Outsourcing purpose.</p> <p>19. Geological study of Scheme for Outsourcing OBR and Coal of Sayal seam, Upper Balkundra seam at Balkundra Colliery of Bhurkunda 'A' Colliery.</p> <p>20. Geological study (Coal/OB ratio) of Pichri Block for Outsourcing purpose.</p> <p>21. Geological study of Scheme for Outsourcing OBR and Coal of Pindra Block Kujju Area.</p> <p>22. Toposheet provided to Areas for forest clearance.</p> <p>23. Geological study of Scheme for Outsourcing OBR and Coal of Dhori Block, Dhori Area .</p> <p>24. Geological study of Scheme for Outsourcing OBR and Coal of Ashoka Expansion Block, NK Area.</p> <p>25. Geological study of Scheme for Outsourcing OBR and Coal of Argada Block, Argada Area .</p> |
|--|---|

26. Geological study of Scheme for Outsourcing OBR and Coal of Gobindpur Block, Kathara Area & Jharkhand Block Charhi Area.

(ii) On Captive Mine Blocks

1. A total of 48 blocks in CCL command Area has been allocated by MoC to Private/Govt. parties for using coal in their captive use.
2. Replies given to the queries to various authorities on Captive Mine Blocks.

(iii) Others

1. Finalization of exploration programme of CMPDI in CIL blocks during 2013-14.
2. Replies to the Parliament Question as per record available with this department.
3. Preparation of District wise reserves in CCL command area.

C. Hydrogeology

A total of 61 nos. deep tube well boreholes have been drilled for meeting the requirement of potable water in different Areas of CCL.

D. Specialised services and computerization work

The Geology Department has completed two major projects funded by CIL R&D on GIS based Interactive Geo-Mining model of SKCF and NKCF in collaboration with IIT Kharagpur, BIT Mesra, CMPDI, MECL, and Jadavpur University. Final report incorporates the findings of all results from different agencies.

The department maintains all the basic data including borehole and map data, processed outputs and documents.

Application softwares like Minex, Autocad Map, and SQL-Server are being used for processing of basic data, geological modeling and various other applications.

E. Coal Reserves

The geological reserves as compiled & computed by Geological Survey of India as on 01/04/2012 in Proved, Indicated and Inferred categories together within the CCL Command Area amount to 42.368 billion tonnes (up to a depth of 1200 mtrs.). The details of coal reserves are as under :

(Fig. in billion tonnes)

Type of Coal	Proved	Indicated	Inferred	Total
Coking	7.815	8.984	1.661	18.459
Non-coking	12.751	7.982	3.176	23.909
Total	20.566	16.966	4.837	42.368

31. COMPUTERISATION & IT ENABLED SERVICES

Your company has embarked upon the following IT-enabled Projects/Services

● **Office Automation**

To expand the base of office automation throughout your company, a large number of PCs along with office suits have been procured and installed at HQ, Areas and Project Offices which exceeds 1550 in number out of which 219 PCs have been replaced and additional 50PCs have been procured for WB bill reconciliation at Project level.

● **Online Property Return System**

Online Property Return Software is a platform where the executives of CCL can file their property return online on a supportive interface. Introduction to this new system have enabled the executives to file the property return with convenience from anywhere and have also overcome the burden of filling forms manually.

● **Online Recruitment System**

Online Recruitment Software is a platform via which the Recruitment Department of CCL can advertise vacancy online and the candidates will be able to view and apply for the vacant post of non executive cadre online.

● **IT Infrastructural Development**

Work order for WAN(Wide Area Network) connecting HQ, Areas, Projects, Stores, Central Workshop, Central Hospitals, Weigh Bridges (Road & Rail), and CCL sales office at Kolkata has already been placed. Installation and commissioning of WAN is under process and likely to be completed by Sept'2013. Once the WAN is implemented, the same would enhance the automation of data flow and ensure Networking. This in turn would facilitate important business processes like Sales & Marketing, Financial Accounting, Online Coal billing/ Exercise Invoicing at Weigh Bridges and integrated OMMS (Online Material Management System) etc of the Company. It will also support installation and implementation of ERP package being planned at CIL level.

32. SECURITY MANAGEMENT

The Security Department of your Company has mitigated the risk involved in production and dispatch of coal despite naxal activities in various command areas thus playing its given role in achieving of overall target of the company. The security department has been able to provide safe and secure working condition to the employees of CCL, which has led to uninterrupted production and dispatch of coal even in difficult circumstances.

In order to provide advanced standard of living to the security personnel, the company has accelerated the infrastructure development work of constructing family and bachelor accommodation, construction of security related barracks and magazines at B&K, Dhori, NK Dakra and Piparwar areas. The company has also taken up the initiative of extending the medical facility to the dependents of CISF personnel.

The Security Department of CCL has taken an initiative of gainfully utilization the Special Female Voluntary Retirement Scheme (SFVRS) appointees in PR jobs by converting them into TR/MR job. The selection of suitable SFVRS candidates from different Areas/units/Projects of CCL for placing them as Security Guard is under process.

The number of security personnel required in various projects is going to increase particularly in the wake of opening of new projects such as Magadh, Amrapali and other new projects in Barka Sayal, Argada and Charhi Area. The management has taken a proactive step to fill this shortage of security personnel by inducting 500 Security Guards by direct recruitment.

In order to provide growth opportunities to personnel working in security Department, the management has promoted 102 employees in different grades of Security Cadre and regularized 12 employees from Cat-I to Security Guard (Trainee).

The DGR Sponsored security services have done a commendable job in bringing down the number of theft incidents considerable. Their services have remarkably improved the security standards.

Under the supervision and control of the Security Department in coordination with the Company Management/ State Administration, the number of cases of illegal mining, theft/pilferage of coal and other clandestine activities has reduced significantly.

To strengthen the Security infrastructure in respect of CISF, advanced equipment, arms and ammunitions have been procured. This will help increase the security standards manifold.

33. RAJBHASHA IMPLEMENTATION

During the year, your Company made special drive for promotion of Hindi in official work in Headquarters and Areas. Workshops have also been organized at Headquarters and Areas so as to train more employees to carry out their official work in Hindi.

September 2012 was celebrated as "Rajbhasa Month". During this month, Essay and Elocution competitions for employees in two groups – one for Hindi speaking and the other for non-Hindi speaking were organized and the winners were suitably rewarded.

Hindi Implementation Committee meetings were held quarterly to monitor the progress of the Hindi Implementation Programme at the

Headquarter Level. Hindi Computer Training Programmes were conducted at H.R.D., CCL, Ranchi. Hindi UNICODE programme/software is installed in all the Computers so that the employees can take maximum benefit from this software. Meetings of "NARAKAS" were organized under the Chairmanship of C.M.D., C.C.L.

An Award for best performance for Hindi Implementation was given to C.C.L. by Rajbhasha Sansthan,, Dehradun and Rajbhasha Sansthan, New Delhi.

34. ACTIVITIES AND ACHIEVEMENTS OF VIGILANCE DEPARTMENT

The Vigilance Department of your company is an integral organ of the Company, manned by 21 executives and 24 non-executives and headed by a Chief Vigilance Officer. This department has been rendering its services effectively in creating a conducive environment for achievement of organizational goals and objectives. A brief overview of important activities and achievements of the Vigilance Department on preventive, investigation and punitive fronts during the year 2012-13 is given below :

1. Investigation

During the year 2012-13, 13 new Regular Investigation (RI) cases were taken up and action in respect of 13 RI cases was completed after carrying out exhaustive investigation. Besides above, 630 complaints, received by this department were scrutinized and suitable action was initiated during this fiscal.

2. Punitive Actions

18 disciplinary proceedings arising out of Vigilance investigations were fully completed during this year resulting in imposition of major penalty in 12 cases involving 22 persons and minor penalty in 6 cases involving 12 persons.

In addition to above, 04 disciplinary proceedings arising out of Vigilance investigations were partly completed during this fiscal resulting in imposition of major

penalty in 01 cases involving 01 persons and minor penalty in 3 case involving 5 persons.

3. Preventive

During the year 2012-13, 25 Surprise Inspections were conducted by the Vigilance teams in various units of CCL leading to institution of 05 cases of Regular Investigation. On the basis of irregularities observed in the prevailing system during the course of investigations and Surprise checks conducted by CCL Vigilance in this fiscal, following measures were recommended to the competent authority for system improvement:

- i. During the course of vigilance investigation relating to weigh bridge and road roller, it has been suggested to take appropriate action for maintaining proper record of plant and machineries and it was also suggested to strengthening the physical audit of unused plant and machinery.
- ii. During the course of vigilance investigation relating to old HEMM, it has been suggested to maintain the proper record of inventory of HEMM scrap/unused spares for their further utilization/ disposal.
- iii. During the course of investigation in matter related with refilling and repairs of portable type extinguishers it has been suggested that suitable revision of warranty period not less than one year and periodicity of refills may be decided as per fire safety guidelines and necessary technical checks for verification of refilling/ repair works need to be incorporated in consultation with the technical department to maintain the extinguishers in a trustworthy condition and attaining more transparency in repairing works. It has also been suggested that whenever extinguishers are

- recharged, a tag or label must be attached to each extinguisher that indicate the month and year when recharging was performed and name of the person or company performing the service.
- iv. During the course of a Vigilance Investigation relating to settlement of CMPF claim in favour of successor of the nominee it has been observed that at present there is no system in place at colliery end to verify the succession certificate before forwarding the same to CMPF. It has been suggested to take appropriate action in the matter.
 - v. In another case it has been seen that in some instances necessary records having financial implication are not maintained properly for future audit. It has been suggested to take necessary action on the above issue.
 - vi. It has also been suggested to the management to take appropriate action to rotate the executives of the company from sensitive to non-sensitive posts who are continuing in the sensitive posts for more than 3 years (five years in case of PO/ Manager of the project). A list of such executives has also been forwarded to the management.
 - vii. In course of several Vigilance investigation it has been observed that the rates of procurement of identical store item were varying in different Regional Stores of CCL and in some of the cases it was also found that items which were available in one Regional Store was purchased by the other Areas of the Company. In this connection it was suggested to inter connect all Regional Stores and Central Stores of CCL through internet to enable any executives to see the stock position and LPP of the items of other Areas while finalizing the purchase proposal.
- On recommendation & follow-up of vigilance department, a Wide Area Network (WAN) has been proposed to be set up vide which online status of inventory of all Stores including moving, non-moving and critical items can be seen. Besides this, online billing at weighbridges and other sale points will also be more transparent, uniformity in maintenance of production, dispatch and stock records shall be made available on daily basis at various level and it will also be helpful in eliminating the area wise variations in the system of pay roll maintenance with manpower data consistency. Tender for WAN has already been floated and opened on 7.11.12 and work order for 'setting-up of WAN in CCL on Rental Basis for 5 years' has been placed to M/s TCIL on 18.02.2013 for ₹36,58,62,134.02. Installation and commissioning of which is to be completed by Sept.2013. The exercise for identification of spares of obsolete models of HEMM in different Regional Stores has been initiated and the process of identification / flagging exercise is likely to be completed by 31.03.2013. The entire process of WAN and allied activities is likely to be completed by December 2013.
- viii. During verification of a complaint regarding generation of disputed amount with various power houses, it was observed that receipt of stone and other foreign material are mixed with coal was also one of the reasons for such dispute and it was also observed that due to grade slippage deduction from coal bills was being made. In this regard competent authority has been advised to take appropriate steps as deemed fit to improve the system/ operations in maintaining quality of coal.

- ix. During the course of verification of complaint regarding misappropriation of HSD at Urimari Project, some shortcomings/irregularities were noticed pertaining to control of Diesel consumption and function of DDU and posting of Store Staff . The above issues have been brought to notice of management for appropriate action.
- x. In course of a Vigilance investigation pertaining to Contractual work of HEMM at Rajrappa Washery, it has been observed that improper estimate was prepared by taking different rates for the same items in different proposals and compounding similar nature of cost factor, no gate pass and challan was found available in the files showing that items required to be sent outside for repairs were actually sent outside or not. It has been referred to Management for perusal and appropriate remedial action.
- xi. During course of scrutiny of information/data relating to refund of EMD uploaded by MM,CMC and Civil departments of CCL on the website of CCL for the month of October 2012 some deficiencies, were observed. It was advised to concerned department to take corrective action in this matter.
- xii. During the course of vigilance investigation in matter of checking of attendance at Dhori Colliery, it was noticed that certain employees who are absenting since quite long period, are still on the roll of the company. It was advised to issue appropriate guidelines/ instructions to GMs/ SO(P)s of all Area. As replied by GM(P&IR) matter is being actively persuaded for corrective measure.
- xiii. Executives are filing the property returns manually by 31st January of financial year. However, since 26.12.2012 filing of property return online for executives of CCL has been made operational.
- xiv. For the first time online recruitment system has been launched in CCL.
- 4. Observance of Vigilance Awareness week**
- a. In pursuance of directive of Central Vigilance Commission, the Vigilance Awareness Week was observed with much fervor and enthusiasm in all units, Areas and Headquarters of CCL from 29th October'2012 to 3rd November'2012. The observance of Vigilance Awareness Week started with taking of pledge by all the employees. The pledge was administered by CMD, CCL and was attended by the CVO, D(T) Oprn. And D(P), CCL. CMD, D(T)Opn., D(P) and CVO, CCL read out the messages of the Hon'ble President of India, Hon'ble Vice President of India, Hon'ble Prime Minister of India and Central Vigilance Commission regarding observance of Vigilance Awareness Week. CVO, CCL explained about the importance of observance of Vigilance Awareness Week and synopsis of programmes scheduled to be held during the week at HQ Ranchi and different areas/ units of CCL.
- The observance of Vigilance Awareness Week in the different Areas of CCL also commenced with the PLEDGE taken by the employees on 29th October' 2012 at 11.00 AM. The PLEDGE was administered by the highest functionary present i.e. Chief General Manager/ General Manager. Banners and posters containing thought-provoking slogans were displayed at conspicuous places in all the units/ offices.
- b. This year the theme of Vigilance Awareness Week was "TRANSPARENCY IN PUBLIC PROCUREMENT". The Commission has advised to strengthen integrity and to create awareness, transparency, accountability & probity in public procurement.
- c. On this occasion CVO, CCL released a message for the employees of CCL in which special thrust was given on

“Transparency in Public Procurement”. It was emphasized that a good and effective Public Procurement Policy is an engine of development decision making and good governance and that such a policy will be meaningful and sustainable and shall stand the scrutiny of public faith only if it is based on the dictum of total and uncompromising transparency which is not only inherent but apparent.

Vigilance Department ran a special campaign during this week to create awareness among the employees as well as public. To inculcate the importance of good values and ethics in the minds of school children, one Essay competition on the topic “Honest hearts produce honest actions” was also organized in all the schools, being funded/ helped by CCL at Area level. A Slogan Competition was also organized in the Areas of CCL. Apart from above, talks on anticorruption/ vigilance related topics were also organized in different areas/ projects of CCL for creating awareness amongst the employees of the company.

d. CCL Vigilance organized three workshops/ seminars during Vigilance Awareness Week and highlights of above workshops/ seminars are noted below:

- Two workshops on topic “Common Irregularities in Civil & Purchase contracts” were organized at Piparwar and B&K Areas of CCL on the occasion of observance of Vigilance Awareness Week which was attended by the executives of NK, Piparwar, B&K, Kathara and Dhori Areas of CCL. This was followed by an interactive session of around 2 hours held in both the Areas wherein queries, raised by the participants on common irregularity in tendering and execution of civil contracts were replied by the above officials of CCL Vigilance.
- On 31st October 2012 a seminar on “Award of Transportation &

Outsourcing Contracts through e-tendering & Reverse Bidding” was organized at Vichar Manch, Darbhanga House, CCL, Ranchi which was attended by HODs of HQ, SO(Min.) of different areas, officials dealing with transportation, outsourcing & civil contracts and 40 prominent vendors. Total number of participants were around 140-150. The key talk was delivered by Sri Anand, Sr.Mgr(M),CMC & Shri Raj Sodhi, representative of M/s C1-India (Service Provider). The above seminar was also graced by CMD, CVO, Director (Tech) Oprn., and Director (P),CCL. The salient features of existing system of e-tendering & reverse bidding in CCL were explained by the CMC department of CCL. The main features of website of M/s C1 India Pvt.Ltd. (Service Provider) and methodology of uploading of bid/tender which is used for e tendering by CCL for award of different transportation & out sourcing contracts through reverse bidding was deliberated at length by the representative of the service provider. In an interactive session many questions were raised by the vendors which were replied by the D(T) Opn, CCL, GM (CMC), & the representative of service provider. Suggestions were also invited from the vendors to make prevailing aforementioned system of e-tendering & reverse bidding more healthy and transparent.

- On 5th November’ 2012 one workshop on topic “Transparency in Public Procurement” was organized by the CCL Vigilance at IICM, Ranchi in order to enhance the knowledge and functioning capabilities of executives of CCL. The above seminar was attended by annual 250/260 executives of different disciplines, posted in HQ and different Areas/

units of CCL and senior officials of other subsidiaries of CIL Shri R Sri Kumar, Vigilance Commissioner, CVC, New Delhi who was the Chief Guest of the programme advocated introducing information technology in the tendering process, so as to make it more transparent and fair. He deliberated on reverse bidding. He informed the audience regarding the concept of value for money required to be ruled in the public and private procurement. He also deliberated on the concept of probity in public procurement. He informed the gathering about the project VIGEYE of CVC as an effective tool of the whistle blowers.

Shri Anil Singhal, Chief Technical Examiner (CVC) informed the participants about the common irregularities in public procurement, preparation of NIT & tender document, award of contract on nomination basis, appointment of consultant, mobilization advance and implementation of leveraging of technology drawing examples from case studies.

Shri KP Varma, President, Public Procurement Group, New Delhi talked about various aspects of public procurement including its relevance in the present scenario. Public procurement influences economic growth of the country & quality of life of citizen. It is an important tool to meet social and economic objectives.

Shri Manoj Kumar, CVO (CIL) stressed that public procurement should be given wider publicity and all the tenders should be uploaded on the website of the company as well as on the government tender portal. He also informed the audience that leveraging of technology is an effective tool to fight out corruption in procurement of material & services.

The above seminar was also graced by FDs of CCL, CMPDIL and CVOs of other subsidiary companies and other PSUs in and around Ranchi. It was followed by a very vibrant interactive session which cleared many doubts of the gathering. At the end of the interactive session, CVO, CCL proposed the formal vote of thanks.

5. Other Special Achievements

- (a) **e-Tendering with reverse bidding** – In compliance to the instruction of CVC regarding leveraging of Technology to curb corruption, e-tendering with reverse bidding has been introduced in CCL with effect from April' 2010. Till date around 236 numbers of NIT has been floated/ invited through e-tendering through reverse bidding systems relating to transportation work.
- (b) **e-Procurement** – In compliance to the instruction of CVC regarding leveraging of Technology to curb corruption, e-procurement has been introduced in CCL w.e.f April' 2010. Two hundred fifty six cases of procurement have been taken up by e-procurement mode upto March 2013, using the portal of Service Provider for e-procurement in order to make award of procurement/ service contracts more transparent
- (c) **e-Payment** – After rigorous follow-up and interaction of CCL Vigilance, e-payment has been introduced and fully implemented in CCL, HQ & CCL Areas. Approximately 96.66% payment has been made through e-payment mode in CCL HQ as well as Areas.
- (d) **Extent of IT usage and the e-governance** – Most of the NITs, Tender Documents, CIL Purchase & Contract Management Manuals, Certified Standing Orders, CDA Rules, Coal Mines regulation 1957, RTI Act 2005 and other important notifications & information have been made available on CCL web site in compliance to the directives of CVC. Apart from above, following other information have also been uploaded on CCL web-site :

- ❖ Details of bill status of CCL, HQ.
 - ❖ Information regarding coal dispatch.
 - ❖ List of Coal customers.
 - ❖ Information/ guidelines regarding e-auction, Forward e-auction & Modified Forward e-auction
 - ❖ Delegation of Power in respect of Board Level executives, Area CGM/ GM and different HODs/executives of CCL, Coal consumer wise balance statement for refund of coal sale.
 - ❖ Global Seniority of executives.
 - ❖ Company residential quarter occupancy status .
 - ❖ Information/ notices regarding employment.
 - ❖ CCL Annual Report for year 2006-07, 2007-08, 2008-09, 2009-10 , 2010-11 & 2011-12.
 - ❖ Details of Safety Policy and status of the Company.
 - ❖ Vendor wise coal lifting details and refund details.
 - ❖ Leave Rules/TA Rules/Medical Rules/ Purchase Rules of CIL.
 - ❖ Category wise manpower of CCL.
 - ❖ Grievance redressal system.
 - ❖ CVC circulars.
 - ❖ Inventory of Critical Items and non-moving items in various stores along with LPP.
 - ❖ Online recruitment of non-executives.
 - ❖ Online filing of property return.
 - ❖ List of DGMS approved items.
 - ❖ List of Centralized items.
 - ❖ HEMM Status
 - ❖ Lodge of complaint
 - ❖ MOU 2012-13
 - ❖ RTGS payment for FSA/E-Auction customers.
 - ❖ Executive transfer policy.
 - ❖ Environment clearance
 - ❖ Party wise balance refund statement
 - ❖ Pension
 - ❖ Order placed by MM Deptt. for procurement of material.
- (e) **Review of Vigilance work by CEO with CVO** – In compliance to the instruction of CVC, Structured Meetings of CVO with CEO is being held wherein various important issues like e-Tendering, e-Procurement, e-Payment and various other task assigned in consonance with the target fixed were deliberated and prompt action undertaken.
- (f) In order to propagate concept of preventive vigilance down the line and enhance the knowledge of employees of CCL, Vigilance department had organized a series of workshop and seminars in addition to Vigilance Awareness Week 2011. The highlights of certain workshops and seminars are noted below:
- (i) Two Workshops/lectures were organized by CCL Vigilance regarding “Property Return provisions, rules and formats”. The above seminars were held at MTC/CCL, Darbhanga House, Ranchi on 11.01.2013 & 17.01.2013, which was attended by 35 executives of Area and 40 executives of CCL HQ respectively.
- (ii) A lecture was organized by CCL Vigilance regarding “Enquiry matters” at MTC, Ranchi on 16.01.2013. The above seminar was attended by around 40 executives of different discipline, posted in HQ and different Areas of CCL.

The Key talk was delivered by Sri BN Mishra, ex-GM(Vigilance), CIL.

- (iii) One lecture was organized by CCL Vigilance at MTC, Ranchi on 16.01.2013 regarding CDA Rules which was attended by around 40 executives of different discipline.
- (iv) Two lectures were organized regarding "Vigilance awareness" at MTC/CCL, Darbhanga House, Ranchi on 12.02.2013 & 16.02.2013, which was attended by 23 fresh Management Trainees and 40 Sr. Management Trainees of CCL respectively.
- (v) For introducing purchase of materials/spares/items through e-procurement at Area/Mines/Units of CCL in compliance to the directives of CVC relating to leveraging of technology, a one day Workshop was organized by Materials Management Dept. CCL on 5th March, 2013, under the guidance of CCL Vigilance which was attended by more than 250 people.

34A. RIGHT TO INFORMATION STATUS

With the advent of RTI Act' 2005, GM(L&R) of Your Company has been given additional responsibility as Public Information Officer, CCL to furnish information of ever growing public request for seeking information on various subjects related to functions of the Company.

Under RTI Act'2005, the details of application dealt during the year 2012-13 are given below :

1.	No. of Applications received	:	619
2.	No. of Applications disposed	:	597
3.	No. of applications under process	:	22
4.	No. of applications transferred under Para 6(3) of RTI Act	:	204
5.	No. of applications rejected	:	nil

35. CORPORATE GOVERNANCE

Your Company, as a Subsidiary of Coal India Ltd., believes that great Companies are built upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behaviour and other good governance practices. As a Subsidiary of a Maharatna Company (Coal India Ltd.), the Corporate Governance practices followed by the Company are compatible with standards and best practices. The Corporate Governance is all about effective management of relationships among constituents of various stakeholders – shareholders, management, employees, customers, vendors, regulatory authorities and the community at large. Your Company strongly believes that this relationship can be strengthened through corporate fairness, transparency and accountability. Your Company places prime importance on reliable financial information, integrity, transparency, empowerment and compliance with the laws in letter and spirit.

A report on Corporate Governance is placed at Annexure-I and a Certification from Auditors regarding compliance of conditions of Corporate Governance by your Company for the year ended 31st March 2013 is also placed at Annexure-II to this report.

Pursuant to office order no. CIL:IX(D):04007:2010:1856 dtd.30.11/01.12.2010 of CGM(F)/Company Secretary, CIL, the Code of Conduct for prevention of Insider Trading as per Reg 12(1) of the SEBI (Prohibition of Insider Trading) Regulations 1992 and as amended in 2008, has been circulated among the designated employees of the Company, which includes Directors, Chief Vigilance Officer, all Executive Directors, all CGM's & GM's and all executives working in the designated departments of the Company.

MoU Achievement of Corporate Governance

Sl. No.	Parameter	MoU 2012-13 target for Excellent Rating	MoU 2012-13 Actual Achievement
1.	Grading on the basis of compliance with guidelines on Corporate governance issued by DPE	85 and above	92.19
2.	Date of submission to DPE of compiled data sheet for PE Survey	15th Sept' 2012	7th Sept' 2012

36. AVAILABILITY OF ANNUAL REPORT AND ACCOUNTS AT THE H.Q. FOR INSPECTION OF SHAREHOLDERS

The Annual Accounts of CCL and the related detailed information has been made available to the shareholders of the Holding and Subsidiary Companies seeking such information at any point of time. The Annual Account of CCL has also been kept for inspection by any Shareholder in the Head Office.

Hence, in compliance with the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, New Delhi and subsequent letter No. CIL:XI(D):04032:2011:2255 dated 8th March, 2011, the Accounts of CCL has been made available at Ranchi (HQ) for providing information to the shareholders of CIL on demand.

37. BOARD OF DIRECTORS

During the year under reference your Directors held 09(Nine) Board Meetings. Your Company had the following Directors on the Board including Non-official Part-time Directors and Permanent Invitees, as on 25.05.2012 i.e. the date of the 56th Annual General Meeting :

1. Shri Gopal Singh, CMD,
2. Shri S. K. Singh, IAS, Jt.Secretary, MoC, Govt. of India, Delhi.
3. Shri R. Mohan Das, Director (P&IR),CIL, Kolkata.
4. Shri T.K. Nag, Director (Tech./Oprn.).

5. Shri A. Chatterjee, Director (Finance).

6. Shri R. R. Mishra, Director (Personnel).

Non-official Part-time Directors :

1. Shri Gautam Basu,
2. Shri S.K. Sarkar,
3. Shri S. Chakrabarti,
4. Shri Anand Kumar, and
5. Prof. K.V. Ramani.

Permanent Invitees:

1. Shri Deepak Nath, IRTS, COM, E/C Rly.
2. Shri A.K. Sarkar, IAS, Addl. Chief Secretary , Mines & Geology Deptt., Govt. of Jharkhand.

After the AGM held on 25-05-2012, 1 Functional Director viz. Shri A. Chatterjee, Director(Finance), CCL ceased to be Director on CCL Board w.e.f. 31.10.2012 on account of elevation to the post of D(F), CIL.

Shri S. K. Barnwal, I.A.S., Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand, has been appointed as Permanent Invitee on the CCL Board of Directors w.e.f. 02.03.2013 (F/N), vice Shri A. K. Sarkar, I.A.S., who relinquished the charge on 01.03.2013(A/N).

Shri Gautam Basu, Non-Official Part Time Director and Shri S. K. Sarkar, Non-Official Part Time Director ceased to be Director on CCL Board w.e.f. 26.04.2013 on completion of their tenure of three years.

Accordingly, your Company has the following Directors including three non-official Part-time Directors on the Board as on 25-05-2013 i.e. the date of the 57th Annual General Meeting :

1. Shri Gopal Singh, CMD,
2. Shri S.K. Singh, IAS, Jt. Secretary, MoC, Govt. of India, New Delhi,
3. Shri R. Mohan Das, Director(P&IR),CIL, Kolkata
4. Shri T.K. Nag, Director(Tech./Oprn.)
5. Shri R.R. Mishra, Director (Personnel).

Non-official Part-time Directors:

1. Shri S. Chakrabarti,
2. Shri Anand Kumar, and
3. Prof. K.V. Ramani.

Permanent Invitees:

1. Shri Deepak Nath, IRTS, COM, E/C Rly.
2. Shri S. K. Barnwal, I.A.S., Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand.

38. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies (Amendment) Act 2000, with respect to Directors' Responsibility Statement, it is hereby confirmed :

That in the preparation of the accounts for the financial year ended 31st March 2013, the Uniform Accounting Policy approved by CIL, the Holding Company, has been followed. The said uniform Accounting Policy has been drawn in compliance with the Accounting Standards issued by the ICAI subject to a few deviations from Accounting Standards which are not material in nature;

That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were considered 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 and loss of the Company for the year under review.

That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

That the Directors have prepared the Financial Statement for the financial year ended 31st March 2013 on a 'going concern' basis.

39. AUDITORS OF THE COMPANY

Under Section 619(2) of the Companies Act, 1956 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for auditing the Financial Accounts of your Company for the year 2012-13 :

Statutory Auditor

M/s. V. Singhi & Associates,
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani,
Ground Floor,
Kolkata – 700 001.

Branch Auditors:

M/s. K. C. Tak & Co.,
1, New Anantpur,
Ranchi -834002
Jharkhand.

M/s. KPMB & Associates,
408B, Shivam Apartment,
Near AG Office,
Ranchi-834002
Jharkhand.

M/s. N. K. D. & Co.,
2nd Floor, Radha Gouri,
Goushala Chowk,
North Market Road,
Upper Bazar
Ranchi
Jharkhand.

40. AUDIT COMMITTEE OF DIRECTORS

Consequent upon the completion of tenure of three years of two Independent Directors, namely Sri S. K. Sarkar and Sri Gautam Basu on 26th April' 2013, the Audit Committee of Directors was re-constituted vide Item No. 4(11) of 395th Board Meeting held on 25.04.2013, consisting of the following Directors :

- | | | | |
|----|---|---------------------|------------|
| 1. | Shri Anand Kumar,
Non-official part-time Director | — Member | — Chairman |
| 2. | Shri Smarajit Chakrabarti,
Non-official part-time Director | — Member | |
| 3. | Prof. K. V. Ramani,
Non-official part-time Director | — Member | |
| 4. | Shri Shailesh Kumar Singh,
Jt. Secy., MoC, GoI | — Member | |
| 5. | Shri R. Mohan Das, D(P&IR), CIL | — Member | |
| 6. | Shri Deepak Nath, CoM, EC Rly. | — Permanent Invitee | |
| 7. | Shri S.K. Barnwal, IAS,
Secy. (Mines & Geology), GoI | — Permanent Invitee | |

Director (Finance), CCL shall be the Special Invitee in the Meeting of Audit Committee.

The Board directed that in the absence of Shri Anand Kumar, Shri S. Chakrabarti shall act as Chairman of the Audit Committee.

The quorum for the meeting of Audit Committee shall be either two members or one third of the members of the Audit Committee whichever is greater, but at least two Independent Directors must be present.

The Board also approved the Terms of reference of the Audit Committee.

During the year ended 31st March,2012, 9 meetings of Audit committee were held on 17.04.2012, 19.05.2012, 23.06.2012, 03.08.2012, 01.10.2012,30.10.2012, 19.12.2012, 01.02.2013 and 22.03.2013. The Company Secretary is also the Secretary to the Audit Committee.

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2012-13 are as under :

Name	Audit Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S. K. Sarkar, Non Official Part time Director	9	9	Chairman of the the Audit Committee
Shri R. Mohan Das, Dir. (P&IR). CIL	9	7	Member
Shri Gautam Basu, Non Official Part time Director	9	9	Member
Prof. K. V. Ramani, Non Official Part time Director	9	8	Member
Shri Anand Kumar, Non Official Part time Director	9	6	Member
Shri Shailesh Kumar Singh, Jt. Secy., MoC	9	6	Member
Shri Deepak Chhabra, COM, EC Rly.	1	—	Invitee
Shri Deepak Nath, COM, EC Rly.	8	8	Invitee

41. ACKNOWLEDGEMENT

Your Directors express their sincere thanks to the Government of India in general and Ministry of Coal and Coal India Limited in particular for their valuable guidance and unstinted support to your Company towards attainment of the objectives of the Company. Your Directors also thank the Government of Jharkhand and other State Governments for their co-operation and valuable assistance extended to your Company. Your Directors convey their thanks to all the employees of the Company for their whole-hearted co-operation and devotion to duty.

Your Directors are fully confident that the employees of all ranks would continue to strive hard to improve the performance of the Company in the coming years. Your Directors also acknowledge, with thanks, the assistance

and guidance rendered by the Statutory Auditors, Tax Auditors, the Comptroller & Auditor General of India and the Registrar of Companies, Bihar & Jharkhand.

42. ADDENDA

The following papers are annexed hereto for your consideration :

- (1) Addendum to the Directors' Report pursuant to Section 217 of the Companies Act, 1956 giving :
 - (a) particulars of employees who were in receipt of remuneration ₹ 60,00,000/- per annum/ ₹ 5,00,000/- per month or more, if employed for the year or part thereof.
 - (b) details of foreign exchange earning & outgo.
 - (c) details about research and

development activities of the Company.

- (2) Comments of the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
- (3) Review of the Accounts of the Company for the year ended 31st March 2013, by the Comptroller & Auditor General of India.
- (4) Addendum to the Director's Report under section 217(3) and 227(2) of the Company's Act, 1956 stating Statutory Auditor's Report and Management's reply thereon.

For & on behalf of the Board of Directors

Sd/-

(Gopal Singh)

Chairman-cum-Managing Director

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY

CCL management continues to strive for excellence in good governance and responsible management practices.

Corporate Governance at CCL is based on the following main principles:

1. Constitution of a Board of Directors of appropriate composition, size, varied expertise and commitment to discharge its responsibilities and duties,
2. Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively,
3. Independent verification and safeguarding integrity of the Company's financial reporting,
4. A sound system of risk management and internal control,
5. Timely and balanced disclosure of all material information concerning the Company to all shareholders,
6. Transparency and accountability,
7. Compliance with all the applicable rules and regulations,
8. Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors.

Your Company as a Corporate Citizen believes in adhering to the highest standards of Corporate Governance. CCL provides appropriate access to information to the citizens of India under the provision of the Right to Information Act, 2005.

It is not merely compliance and simply a matter of creating checks and balances; it is an ongoing measure of superior delivery of Company's objectives with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to national need, shareholders benefit and employee growth, thereby delighting all its stakeholders, while minimizing the risks. The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, fairness, accountability, propriety, equity, sustainable value creation, ethical practices and to develop capabilities and identify opportunities that best serve the goal of value creation, thereby creating an outperforming organization.

2. BOARD OF DIRECTORS

The Board of Directors of your Company as on 31st March, 2013 comprised of 10 Directors, viz. three (3) Functional Directors (including CMD), two Part-Time Official Directors, five Non-Official Part-Time Directors (Independent Directors) and two Permanent Invitees to the Board.

During the financial year ended March 31st, 2013, 9(nine) number of Board meetings were held on 18.04.2012, 19.05.2012, 27.06.2012, 03/04.08.2012, 01.10.2012, 30.10.2012, 20.12.2012, 02.02.2013, 23.03.2013. Thus, the maximum time gap between consecutive Board meetings was not more than two calendar months.

The details of the composition of Board of Directors, Directors attendance at the Board meeting, number of Directorship in other Companies and membership in other committees, etc. during the year are as follows:

Sl.No	Name & Designation	Category	Board meetings		No. of other Directorships	Membership in other committees of Board	
			Held during the tenure	Attended		Audit Committee	Empowered Sub Committee
1.	Shri Gopal Singh Chairman-cum-Managing Director	Functional Director	9	9	Nil	-	Chairman
2.	Shri T.K. Nag Director (Tech.)	Functional Director	9	9	Nil	-	Member
3.	Shri A. Chaterjee # Director (Finance)	Functional Director	6	6	Nil	Permanent Invitee	Member
4.	Shri R.R. Mishra	Functional Director	9	8	Nil	-	-
5.	Shri R. Mohan Das, Director (P&IR), CIL	Part-time Official Director	9	8	(i) CIL (ii) WCL	Member	-
6.	Shri S.K. Singh, Joint Secretary, MoC, Govt. Of India	PartTime Official Director	9	7	MCL	Member	Member
7.	Shri Gautam Basu*	Non-official Part Time Director	9	9	Hindustan Photo Films Ltd.	Member	Member
8.	Sri S.K. Sarkar ##	Non-official PartTime Director	9	9	(i) The Associated Chambers of Commerce and Industry of India (ASSOCHAM) (ii) PHD Chamber Of Commerce and Industry (PHDCCI) (iii) DESFAB Exports India Private Limited	Chairman	-
9.	Prof.K.V. Ramani	Non-official PartTime Director	9	8	NIL	Member	-
10.	Shri Anand Kumar	Non-official PartTime Director	9	6	Solar Industries, Petrotech Society	Member	-
11.	Shri S. Chakraborti	Non-official PartTime Director	9	8	NIL	-	Member
12.	Shri A. K.Sarkar ,. \$\$ Addl. Chief Secretary, Mines & Geology, Govt. of Jharkhand.	Permanent Invitee	9	3	Not applicable.	-	-
13.	Shri Deepak Chhabra**	Permanent Invitee	-	-	Not Applicable	Permanent Invitee	Permanent Invitee
14.	Shri Deepak Nath, COM, EC Rlys.	Permanent Invitee	8	8	Not Applicable	Permanent Invitee	Permanent Invitee
15.	Shri S. K. Barnwal \$\$\$	Permanent Invitee	1	1	Not Applicable	Permanent Invitee	

relinquished the charge of D(F) wef 31.10.2012.

* Ceased to be Non Official Part Time Director w.e.f. 26.04.2013.

\$\$ Shri A.K. Sarkar, IAS, Addl. Chief Secretary, Deptt. Of Forest & Environment, has relinquished the additional charge of Deptt. Of Mines & Geology w.e.f 01/03/2013 (A/N).

\$\$\$ Shri S. K. Barnwal, IAS, Secretary, Deptt. Of Mines & Geology, Govt. of Jharkhand, has assumed the charge on 02.03.2013(F/N).

@ Appointed as Permanent Invitee w.e.f. 2.05.2012.

(a) Details of Disclosure in respect of Shri S.K. Sarkar, Non-official part time Director-

Membership (involving more than 2% of the paid up share Capital of the Company)	DESFAB EXPORTS INDIA PRIVATE LIMITED (CIN:U74899DL1995PTC 067144)
Name of Firms in which the Director or his relatives is/are partners: (with names of partners of such firms)	B.N. MISRA & Co. S-29, MAITRI VIHAR, PHASE-II, CHANDRASEKHAR PUR, BHUBNESHWAR-751023

(b) Sri Sarkar ceased to be Non-official Part-time Director w.e.f. 26.4.2013

** Shri Deepak Chhabra, IRTS, COM, EC Railway relinquished w.e.f. 01.05.2012.

SCHEDULE FOR REMUNERATION OF CMD AND OTHER DIRECTORS FOR THE YEAR 2012-13

A. Functional Directors:

(Amount in Rupees)

Name	Relationship with other Director	Business relationship with the company	Salary & Allow.	Arrear due to revision of Pay	HRA	Leave Encashment	Ex-Gratia	CMPF Cont.	Med. Expenses	LTC	LLTC	Gratuity	Total
Shri Gopal Singh (Joined on 01.03.2012)	Nil	Chairman-cum-Managing Director	1829357.14	0.00	0.00	117525.42	0.00	221978.00	177077.21	0.00	0.00	0.00	2345937.77
Shri R.K. Saha (Superannuated on 29.02.2012)	Nil	Chairman-cum-Managing Director	0.00	0.00	0.00	2158677.95 EL & HPL	0.00	259042.00	0.00	0.00	0.00	1000000.00	3417719.95
Shri T.K. Nag	Nil	Director (Technical/Operation)	1809403.17	0.00	0.00	128071.80	0.00	220590.00	11844.70	26964.00	0.00	0.00	2196873.67
Shri A. Chatterjee (Released on 31.10.2012)	Nil	Director (Finance)	971002.27	0.00	0.00	0.00	0.00	93951.00	200.00	31087.00	0.00	0.00	1096240.27
Shri Rajiv Ranjan Mishra	Nil	Director (Personnel)	1681841.76	0.00	0.00	0.00	0.00	190766.00	10000.00	27498.00	0.00	0.00	1910105.76
TOTAL			6291604.34	0.00	0.00	2404275.17	0.00	986327.00	199121.91	85549.00	85708.00	1000000.00	10966877.42

Service contract

All the Directors of the Company are appointed by the President of India. The terms & conditions of all the whole time Functional Directors are decided by the President of India in terms of Articles of Association of the Company.

B. Part-time Directors:

No remuneration is paid to the Part-time Directors by the Company.

C. Non-official Part Time Directors

No remuneration is being paid, except sitting fee for attending the Board/Committee Meetings, as per the guidelines of DPE and Companies Act, 1956.

Details of sitting fee paid to Independent Directors (Non- Official Part Time Directors) for attending Board Meeting and its Committees during 2012-13, are as under :

Independent Directors (Non- Official Part Time Directors)

(Amount in Rupees)

Name	Gross Sitting Fees paid during 2012-13
Sri Gautam Basu	₹ 4,80,000.00
Sri S.K. Sarkar	₹ 3,15,000.00
Sri S. Chakrabarti	₹ 2,25,000.00
Sri Anand Kumar	₹ 2,40,000.00
Prof. K.V. Ramani	₹ 2,70,000.00

3. BOARD COMMITTEE

(i) Empowered Sub-Committee of Directors

Consequent upon appointment of Shri Shailesh Kumar Singh, Joint Secretary, Ministry of Coal, Government of India as Part-time Official Director on CCL Board vice Shri D.N. Prasad Director, MoC, Govt. of India vide letter no. 21/3/2011-ASO dated 13th January, 2012, the Board of Directors of your Company at its 384th meeting held on 24/01/2012 approved the re-constitution of the Empowered Sub-Committee of Directors comprising the following Members:-

1. Chairman-cum-Managing Director, CCL	—	Chairman
2. Joint Secretary, Ministry of Coal, Govt. of India	—	Member
3. Shri Gautam Basu, Non-official part-time Director	—	Member
4. Shri S. Chakrabarti, Non-official part-time Director	—	Member
5. Director (Tech/Oprn.), CCL	—	Member
6. Director (Finance), CCL	—	Member
7. Shri Deepak Chhabra*, COM, EC Rly.,	—	Invitee

*Shri Deepak Nath, CoM, EC Rly. replaced Shri Deepak Chhabra w.e.f. 02.05.2012.

Consequent upon the completion of tenure of three years of two Independent Directors, namely Sri S. K. Sarkar and Sri Gautam Basu on 26th April' 2013, the Empowered Sub-Committee of Directors consist of the following directors —

1. Chairman-cum-Managing Director, CCL	—	Chairman
2. Joint Secretary, Ministry of Coal, Govt. of India	—	Member
3. Shri S. Chakrabarti, Non-official part-time Director	—	Member
4. Director (Tech/Oprn.), CCL	—	Member
5. Director (Finance), CCL	—	Member
6. Shri Deepak Nath, COM, EC Rly.,	—	Invitee

During the year ended 31st March 2013, 8 meetings of ESCD were held on 18.04.12, 18.05.12, 27.06.12, 30.09.12, 29.10.12, 19.12.12, 01.02.13 and 22.03.13.

(ii) Audit Committee of Directors

Consequent upon the completion of tenure of three years of two Independent Directors, namely Sri S. K. Sarkar and Sri Gautam Basu on 26th April' 2013, the Audit Committee of Directors was re-constituted vide Item No. 4(11) of 395th Board Meeting held on 25.04.2013, consisting of the following Directors :

- | | | | |
|----|--|---|-------------------|
| 1. | Shri Anand Kumar, Non-official part-time Director | — | Member- Chairman |
| 2. | Shri Smarajit Chakrabarti, Non-official part-time Director | — | Member |
| 3. | Prof. K. V. Ramani, Non-official part-time Director | — | Member |
| 4. | Shri Shailesh Kumar Singh, Jt. Secy., MoC, Gol | — | Member |
| 5. | Shri R. Mohan Das, D(P&IR), CIL | — | Member |
| 6. | Shri Deepak Nath, CoM, EC Rly. | — | Permanent Invitee |
| 7. | Shri S.K. Barnwal, IAS, Secy. (Mines & Geology), Gol | — | Permanent Invitee |

Director(Finance), CCL shall be the Special Invitee in the Meeting of Audit Committee.

The Board directed that in the absence of Shri Anand Kumar, Shri S. Chakrabarti shall act as Chairman of the Audit Committee.

The quorum for the meeting of Audit Committee shall be either two members or one third of the members of the Audit Committee whichever is greater, but at least two Independent Directors must be present.

The Board also approved the Terms of reference of the Audit Committee.

During the year ended 31st March,2013, 9 meetings of Audit committee were held on 17.04.2012, 19.05.2012, 23.06.2012, 03.08.2012, 01.10.2012,30.10.2012, 19.12.2012, 01.02.2013 and 22.03.2013. The Company Secretary is also the Secretary to the Audit Committee.

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2012-13 are as under :

Name	Audit Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S.K. Sarkar, Non Official Part time Director	9	9	Chairman of the Audit Committee
Shri R. Mohan Das, Dir.(P&IR),CIL	9	7	Member
Shri Gautam Basu, Non Official Part time Director	9	9	Member
Prof. K.V. Ramani, Non Official Part time Director	9	8	Member
Shri Anand Kumar, Non Official Part time Director	9	6	Member
Shri Shailesh Kumar Singh, Jt. Secy., MoC,	9	6	Member
Shri Deepak Chhabra, CoM, EC Rly	1	—	Invitee
Shri Deepak Nath, CoM, EC Rly	8	8	Invitee

Scope of Audit Committee

The list of functions inter-alia includes the following :

- To hold discussion with Auditors periodically about :
 - Internal control systems compliance and adequacy thereof.
 - Scope of audit including observations of the auditors.
 - Review of the quarterly, half yearly and annual financial statements before submission to the Board.
- To perform the following functions :
 - Overseeing the Company's financial reporting process and system for disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Reviewing with the management, the annual financial statements before submission to the Board for approval , with particular reference to matters required to be included in the Directors Responsibility Statement, change, if any in accounting policies, major accounting entries, significant adjustment made , disclosure of related party transactions and qualifications in the draft audit report.

(iii) Sustainable Development Committee for Sustainable Development

The Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Government of India vide its Office Memorandum no: DPE's O.M. no. 3(9)/ 2010 – DPE(MOU) dated 23rd September, 2011 has issued guidelines on Sustainable Development for Central Public Sector Enterprises (CPSEs).

According to the Guideline, for effective implementation –

- Preparation of Sustainable Development (SD) Plan is needed.
- An Independent External Agency/Expert/ Consultant for evaluation of SD Projects to be made.
- A Board Level Designated Committee has to be constituted to approve the SD Plan and oversee the SD performance.

Consequent upon completion of tenure of three years of Shri Gautam Basu, Non-Official Director, the CCL Board in its 395th meeting held on 25.04.2013, re-constituted SD Committee consisting of the following Directors –

- | | | | |
|----|---|---|------------------|
| 1. | Sri S. Chakrabarti, Non-Official Part Time Director | — | Member-Chairman. |
| 2. | Sri Anand Kumar, Non-Official Part Time Director | — | Member |
| 3. | Sri R. Mohan Das, D(P&IR), CIL | — | Member |
| 4. | Sri T. K. Nag, D(T/O), CCL | — | Member |
| 5. | Sri R. R. Mishra, D(P), CCL | — | Member |

The Committee has been renamed as SD & CSR Committee of Directors.

The details of attendance of Members at the Sustainable Development Committee Meetings of the Company held during the year 2012-13 are as under :

Name	Sustainable Development Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri Gautam Basu, Non Official Par time Director	2	2	Chairman of the SD Committee
Shri Anand Kumar, Non Official Part time Director	2	2	Member
Shri R. Mohan Das, Dir. (P&IR), CIL	2	2	Member
Shri T. K. Nag, Director (Tech./Oprn.), CCL	2	2	Permanent Invitee

STATUTORY AUDITORS

Under Section 619(2) of the Companies Act, 1956 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for auditing the Financial Statements of your Company for the year 2012-13 :

Statutory Auditors:

M/s. V. Singhi & Associates,
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani,
Ground Floor, Kolkata – 700 001.

Branch Auditors:

1. **M/s. K. C. Tak & Co.**
1, New Anantpur, Ranchi-834 002, Jharkhand
2. **M/s. NKD & Co.**
2nd Floor, Radha Gouri,
Goushala Chowk, North Market Road,
Upper Bazar, Ranchi – 834 001.
3. **M/s. KPMB & Associates**
408B, Shivam Apartment
Near AG Office, Ranchi – 834 002.

ANNUAL GENERAL MEETING

Particulars of the Annual General Meetings of the shareholders held during last 3 years :

Year	Date & Time	Location	Attendance	Special Resolution, if any
2009-10	15th May'10 At 10.30 AM	Darbhanga House, Ranchi	1. Shri R.K. Saha, Member & Chairman 2. Shri D.K. Ghosh, Rep. of CIL	N I L
2010-11	21st May'11 At 10.30 AM	Darbhanga House, Ranchi	1. Shri R.K. Saha, Member & Chairman 2. Shri S. Chakraborty Rep. of CIL	N I L
2011-12	25th May'12	Darbhanga House, Ranchi	1. Shri Gopal Singh, Member & Chairman 2. Shri Aniruddha Pal, Rep. of CIL	NIL

N.B. : No special resolution was passed through postal ballot at any of the General meetings of the Members held during the above three years.

4. DISCLOSURES**Related Party Transactions**

As per the disclosures given by the Directors of the Company, there was no material related party transactions that has potential conflicts with the interests of the Company at large.

Code of Conduct for Directors and Senior Executives

A Code of Conduct for Directors and Senior Executives was placed before the Board of Directors of CCL at their 348th meeting held on 2.07.08 and has been uploaded on the website of CCL www.ccl.gov.in. An Acknowledgement of receipt of code of conduct and Affirmation regarding compliance with the same for the year ended March'2013 has been done.

Code of Conduct for Prevention of Insider Trading pursuant to Reg. 12(1) of the SEBI(Prohibition of Insider Trading) Regulations 1992 and as amended in 2008 :

Pursuant to office order no. CIL:IX(D):04007:2010:1856 dtd.30.11/01.12.2010 of CGM(F)/ Company Secretary, CIL, the Code of Conduct for prevention of Insider Trading as per Reg 12(1) of the SEBI (Prohibition of Insider Trading) Regulations 1992 and as amended in 2008, has been circulated among the designated employees of the Company, which includes Directors, Chief Vigilance Officer, all Executive Directors, all CGM's & GM's and all executives working in the designated departments of the Company.

Delegation of Power

Delegation of power of CMD & Board of Directors was revised on 367th meeting of Board of Directors held on 11.05.10. As per direction of CVC and CVO, CCL, Delegation of Powers have been uploaded on the websites of CCL : www.ccl.gov.in. DoP of Functional Directors as well as Area CGM/ GM have been revised and placed in 384th Board Meeting held on 24/01/2012 as information item. The same has been up- loaded in the CCL website.

Accounting Treatment

The Financial Statements are prepared in accordance with applicable Mandatory Accounting Standards and relevant presentational requirements of the Companies Act, 1956.

Risk Management

As a part of strategic business policy, due importance is given to the process of risk identification, assessment and mitigation control in different functional areas of the organization. Inherent risk due to external and internal factors is assessed and necessary mitigation control measures are taken through policies and systems to manage the risk effectively.

5. MEANS OF COMMUNICATION

Operational & Financial Performance of the Company are published in Leading English Newspapers and also in local dailies. In addition to above, the financial results are also displayed in the Company's Website.

6. AUDIT QUALIFICATIONS

It is always the Company's endeavour to present unqualified financial statements. Management Reply to the Statutory Auditors' observation on the Accounts of the Company for the year ended 31st March, 2013 are furnished as an Annexure to Directors' Report. Comments of the Comptroller and Auditor General of India Under Section 619(4) of the Companies Act, 1956 on the Financial Statements of Central Coalfields Limited for the year ended 31st March, 2013 is also enclosed.

7. TRAINING OF BOARD MEMBERS

The Functional Directors are the head of their respective functional areas by virtue of their possessing the requisite expertise and experience and are aware of the business model of the Company as well as the risk profile of the Company's business. The Part-time Directors are fully aware of the Company's business model. The risk profile of the Company's business has been well defined by the Board and the Board Members are appraised periodically on the same.

8. MECHANISM FOR EVALUATION OF PART-TIME DIRECTORS

The performance of Part-time Directors representing the Ministry of Coal & Coal India Limited (Holding Company), is evaluated as per the rules of their respective departments. The Non-Official Part-time Directors are selected by Government of India for appointment as Board Members through Ministry of Coal and Department of Public Enterprises. Generally the appointment is made for a tenure of three years.

9. WHISTLE BLOWER POLICY

Being a PSU, the records of the Company are open for audit by C&AG and open for inspection by Vigilance/CBI etc.

Your Company has an independent Vigilance Deptt., headed by a Chief Vigilance Officer. The Vigilance Deptt. functioning under the overall guidance of the Central Vigilance Commission, mainly lays stress on preventive vigilance.

10 INTEGRITY PACT

An MOU for implementation of Integrity Pact was signed between your Company and Transparency International; India on 11th August 2008 at New Delhi. The said MOU was placed for information to the Board at its 350th meeting held on 23/08/2008.

11. COMPLIANCE BY THE COMPANY

In compliance with the guidelines on Corporate Governance, a quarterly compliance report is sent to MoC as well as to Deptt. of Public Enterprises, Ministry of Heavy Industry & Public Enterprises, New Delhi.

12. UN GLOBAL COMPACT

The Global Compact is a framework for businesses that are committed to aligning their operation and strategies with ten universally accepted principles in the area of human rights, labour, environment and anti-corruption. As the world's largest global corporate citizenship, the Global Compact is first and foremost concerned with exhibiting and building the social legitimacy of business and markets. Top companies of the world are members of UN Global Compact. Your Company had submitted a report on the Corporate Social Responsibility (CSR) activities to UN Global Compact to admit CCL as its member. Based on performance in CSR, UN Global Compact confirmed the membership of your Company. Since then your Company has stepped up its CSR activities with application of business excellence principles and making CSR a key business process. Your Company emphasizes on Triple Bottom Line i.e. People, planet and profit with "People" as its first principle.

Some of the innovative CSR Schemes taken up by your Company are: Operation Joyti, Akshar Joyti, Girl Child Promotion, Model Village Development, etc. CSR activities of your Company has helped to cultivate goodwill of the people in the command areas, State Administration, Media and other stakeholders. Your Company has also received words of praise for its CSR activities from Parliamentary Committee on Labour, Global Compact Society of India, CAG Audit and EAC of MOEF.

13. INCLUSION OF CORPORATE GOVERNANCE IN MOU BETWEEN CCL & CIL

An MoU between Coal India Limited and Central Coalfields Limited has been executed on 31.03.2013. In the said MoU, Corporate Governance has been included as one of the parameters. Compliance with the guidelines of Corporate Governance as circulated by DPE has been assigned a weightage % of 5 for the purpose of evaluation criteria. Submission of data for Public Enterprise Survey, published by DPE, is another parameter. Company Secretary, CCL is the Nodal Officer for ensuring compliance with the guidelines of Corporate Governance as circulated by DPE.

Profile of Directors

Board of Directors of CCL consists of CMD, D(T-O), D(F), D(P), (D(T/P&P)-Vacant), two Govt./CIL Nominee Directors & 3 non-official part time Directors (independent Directors) and two permanent Invitees, one from Chief operations Manager, EC Rly, Hajipur and one from Secretary, Mines & Geology, Govt. of Jharkhand, Ranchi.

Brief resume of all Directors, their qualification, domain, experience & expertise, their membership in professional bodies, Chairman/Directorship in other companies etc are given below :

SHRI GOPAL SINGH



Mr. Gopal Singh joined as CMD, CCL on 01-03-2012 after completing a successful tenure at Director (Technical) of SECL from 27-07-2009 to 28-02-2012. Sri Singh is a Graduate of Mining Engineering with Master Degree in Open Cast Mining (M.Tech) from Indian School of Mines, Dhanbad and also holds MBA in Management. Sri Singh has rich and varied experience spanning over 30 years in Coal Industry, in different positions and handled multi-disciplinary projects. With his extensive experience in project management and execution, Sri Singh has streamlined the operations of the Company for better management of its resources which has resulted in efficient operations and improved profitability.

His exemplary performance and track record of leadership, excellence in strategic envisioning and implementation has resulted in ever increasing revenue and profitability for the Company.

Under his dynamic leadership at SECL, the operation of Mega Projects were smoothed by ensuring implementation of R&R and other welfare measures for the employees as well as project affected people and other stakeholders. Under his leadership, SECL has achieved highest production level of 112 MT of Coal.

He had been bestowed with more than three dozen awards at Company as well as at National level. He is the Chairman of Design Team for Balance Score Card Linked Performance Management System.

SHRI TAPAS KUMAR NAG



Sri Tapas Kumar Nag is working as Director(Tech/Opr), in CCL. He is a Graduate from the Indian School of Mines (ISM), Dhanbad 1979. He joined as JET in Bachra Colliery under NK Coalfields, CCL and rose to the position of Project Officer, Piparwar. In 2002, he was transferred to GEVRA Project under SECL as Project Officer and worked there till February, 2006. In March, 2006, he was shifted to Dipka mines and served as a Project Officer up to April, 2007. He was promoted as CGM in April, 2007 of Sohagpur Area under SECL and continued till May, 2008. He became Director of CCL in May, 2008 & worked as Dir(Tech/P&P) from 24.05.08 to 31.07.2008 and is currently Dir(Tech/Opr) in CCL from 01.08.08 till date.

Sri T.K. Nag was instrumental in raising the production capacity from 18 MT to 26 MT at GEVRA

Project under SECL in a span of 3½ years. He introduced Surface Miner Technology thereby which the capacity of running mining system improved. He has got around 20 years of experience in U/G mining. He was sent to Australia in 1992 and attended a 3½ months course on Advance Under Ground Mining at WOLLONGONG UNIVERSITY in New South Wales and gained exposure on Roof Bolting Technology and Long Wall Mining.

As Director (T/Oprs), he is responsible for overall operations of the company. Under his leadership, CCL introduced e-tendering for all outsourcing/ transport contract with reverse bidding successfully.



SHRI RAJIV RANJAN MISHRA

Sri Rajiv Ranjan Mishra, joined Central Coalfields Limited (CCL) as Director (Personnel) on 12th September, 2011. Prior to joining CCL, he was working with Central Mine Planning and Design Institute Limited (CMPDIL) as Deputy General Manager (P&A).

He has completed about 25 years of service in the field of Personnel, Human Resource Development etc. in different capacities at various subsidiaries of Coal India Limited. Holding a Post Graduate Diploma in Personnel Management & Industrial Relations, Sri Mishra began his career with CMPDIL over three decades ago. Shri Mishra also worked with Northern Coalfields Limited, Singrauli, Coal India Limited, Kolkata, Eastern Coalfields Limited, Sanctoria and again with CMDIL, Ranchi, before joining CCL as Director (Personnel). Shri Mishra has also participated in the Advance Management Programme conducted jointly by IICM, Ranchi and China Coal Information Institute in the year 2011. As Director (Personnel), he is responsible for the formulation and implementation of personnel policies of the Company, including Land & Revenue and System department. He is also presently the In-charge of Sales & Marketing division of the company.



SHRI SHAILESH KUMAR SINGH

Shri Shailesh Kumar Singh an IAS of 1991 Batch, Jharkhand Cadre, is a Member of CCL Board since 13.01.2012.

During his long tenure in Indian Administrative Service, he has served as District Magistrate of Nalanda, Siwan, Bokaro, Singhbhum East, Hazaribagh etc.

He is on Central deputation since 2010. During this tenure, on Central deputation, he has served as Jt. Secretary (Urban Transport), Ministry of Urban Development, Govt. of India and presently serving as Jt. Secretary, Ministry of Coal.



SHRI R. MOHAN DAS

Shri R. Mohan Das, aged 54 years, is the Director(Personnel & Industrial Relations) of Coal India Ltd. Holding a post graduate degree in social work from Madurai University, Shri Das began his professional career over three decades ago with Bharat Heavy Electricals Limited in the Human Resource department.

Shri Mohan Das has participated in the 'Advance Management Programme' at Queen's College, Cambridge, United Kingdom and the 'Management Development Programm' at Wharton School, University of Pennsylvania, United States of America. In the course of his career at Bharat Havy Electricals Limited, Mr. Das was credited with various human resource initiatives such as introduction of an 'Integrated Human Reaource Information System' to usher in the concept of

paper less office in the Nagpur unit and was involved in development and piloting of the 'E-Enabled Performance Management System' for officers with linkage to Balance Scorecard during his stint in the Bhopal office. Prior to joining Coal India, Shri Das was the General Manager (Personnel & Administration) of the state owned Madras Fertilizers Limited, where he concluded long pending promotion policy agreement with unions.

Shri Das has training as a lead auditor for the 'ISO Quality System' and lead assessor for Total Quality Management'. As Director(Personnel & Industrial Relations) of Coal India, Shri Das is responsible for formulation and implementation of personnel policies of Coal India.



SHRI SMARAJIT CHAKRABARTI

Shri Chakrabarti, an eminent Mining Engineer, obtained B.Tech. (Hons.) Engineering in Mining in 1972 and M.Tech. in Mining Engineering in 1983 from Indian School of Mines, Dhanbad. He was awarded First Class Colliery Managers Certificate of Competency in 1976, by the Directorate General of Mines Safety, Govt. of India.

Shri Chakarbarti has worked in various capacities from Junior Executive Trainee to Chief General Manager from 1972 to 2006 in different Coal producing and planning subsidiaries of Coal India Ltd. He has worked as Director (Technical), CMPDI from 2006 to 2007. He has worked as CMD, ECL from 2007 to 2010. Apart from his training in UK and Germany under Colombo Plan and UN Fellowship, Shri Chakrabarti has wide exposure to the Coal Industries in India and other countries.



SHRI ANAND KUMAR

Shri Anand Kumar aged 60 years, B.E. (Chemical Engineer), is Fellow AIMA, a Certified Petroleum Economist from Oxford School of Petroleum Economics, UK, and Lead Assessor in QMS, UK., and has over 36 years of rich experience, behind him, in all facets of downstream Petroleum industry.

He was Chairman, Indian Oil technologies Ltd-a fully owned Subsidiary of Indian Oil Corporation Ltd- a fortune 500 Company, and the largest Indian business entity, with turnover of over US \$ 63 billion. Prior to his superannuation, in July, 2010, he served on the Board of Indian Oil Corporation Ltd, as Director (R&D). He was also the Director In-Charge of Corporate Safety, Health and Environment of Indian Oil Corporation.

During his career in the oil industry spanning over 36 years, in India and abroad, he headed Oil refineries. He worked in diverse areas of oil refining operation, i.e. production, maintenance, inspection, project management, planning & execution of intergrated operations of refineries and pipelines, technology identification, its evaluation, selection, project execution and commissioning, etc. His other areas of specialization include change management, transformation and turnaround through his Company wide innovative leadership, human potential development and institution building.

He has presented many papers in national and international conferences and has over 40 papers published in various journals and 11 patents to his credit.

He is a Non-official Part Time Director of Central Coalfields Limited (CCL), Ranchi, and Director, Petrotech, New Delhi.



PROF. K.V. RAMANI

Prof. K.V.Ramani, obtained his Ph.D degree in Operations Research from Cornell University, USA in 1977. Currently, he is a Professor in the Public Systems Group, Indian Institute of Management (IIM), Ahmedabad, India, and is a Visiting Professor in the University of Leeds, UK. He has also taught at Cornell University, USA; National University of Singapore, Singapore; and Florida International University, Miami, USA. He has been a visiting scholar at Warwick University, UK;

University of Western Sydney, Australia; Helsinki School of Economics and Business Administration, Finland; and the University of Texas, Austin, USA. Prof. Ramani's research interests focus on the governance and management of public systems. His earlier works in the areas on Rail Transportation, Port Management, and Energy Management have received considerable attention from the policy makers. His current research interest on governance and management of the Health Sector focuses on Hospital Management, Logistics Management, MIS, Maternal and Child Health, Urban Health, HIV/AIDS etc. He has published extensively in international referred journals such as Health Policy, Health Policy and Planning, Journal of Health Organization and Management, Simulation, Interfaces, Naval Research Logistics Quarterly etc. He has also been a consultant to several International and Indian organizations. Prof. K.V.Ramani served as a member on the IIMA Board of Governors (2005-07).

He is a Non-official Part-time Director of CCL w.e.f. 23.02.2011.

PERMANENT INVITEES



SHRI DEEPAK NATH

Shri Deepak Nath, IRTS, joined CCL Board on 02.05.2012. At present, Shri Deepak Nath is working as Chief Operations Manager, East Central Railway, Hajipur, Bihar. Shri Nath has varied experience, extensive knowledge and expertise in the Indian Railways.



SHRI S. K. BARNWAL

Shri Barnwal, an IAS of 1997 Batch joined CCL Board wef 02.03.2013 (MOC Letter No. 21/21/2008-ASO dated 07/05/2013). Shri Barnwal is Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand. Shri Barnwal is having rich and varied administrative experience. He has worked as District Magistrate of Chatra, East Singhbhum, Deoghar, Dhanbad etc.

V. SINGHI & ASSOCIATES

Chartered Accountants

To

The Members,
M/s. Central Coalfields Limited.

We have examined the compliance of conditions of Corporate Governance by Central Coalfields Limited, for the year ended 31st March, 2013 although Clause 49 of the Listing Agreement is not applicable to the Company.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Sd/-

(V. K. SINGHI)

Partner

Membership No. : 50051

Place: Ranchi

Date : 21st May, 2013

ANNEXURES FORMING PART OF DIRECTORS' REPORT

(For the Year Ended 31.3.2013)

Annexure-III

**INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956
READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) AMENDMENT RULES, 2012**

LIST OF EMPLOYEES DRAWING ₹ 60.00* (Sixty Lakh Rupees) LAKH OR MORE DURING THE YEAR 2012-13

Sl. No.	Name	Description	Remuneration during the year (Rs.)	Nature of Employment Permanent/ Temporary	Qualification	Experience (in Years)
Nil		NA	NA	NA	NA	NA

EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION AT A RATE WHICH IN THE AGGREGATE WERE NOT LESS THAN ₹ 5.00* (Five Lakh Rupees) LAKH PER MONTH FOR PART OF THE YEAR 2012-13

Sl. No.	Name	Description	Remuneration during the year (Rs.)	Nature of Employment Permanent/ Temporary	Qualification	Experience (in Years)
Nil		NA	NA	NA	NA	NA

FOREIGN EXCHANGE EARNING & OUTGO

- (i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans.

Company is not engaged in export activities

- (ii) Total Foreign Exchange used and earned

(₹ in Cr.)

Sl. No.	Description	2012-13	2011-12
(A)	Foreign Exchange used		
1.	Interest	1.56	1.54
2.	Agency Commission	0.01	0.01
	Total	1.57	1.55

- (B) Foreign Exchange Earned**

No earning by the Company

FORM B**Form for disclosure of particulars with respect to absorption****RESEARCH AND DEVELOPMENT (R&D)**

1.	Specific area in which R&D carried out by the Company	The Company does not have its own Research & Development (R&D) set up. CMPDIL, a subsidiary of Coal India Ltd. (CIL) does the R&D work centrally for all the subsidiaries of CIL.
2.	Benefits derived as a result of the above R&D	NA
3.	Future plan of action	NA
4.	Expenditure on R&D:	NA
	(a) Capital	
	(b) Recurring	
	(c) Total	
	Total R&D expenditure as a percentage of total turnover	NA

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	Nil
2.	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Nil
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :	
	(i) Technology imported	Nil
	(ii) Year of import	Nil
	(iii) Has technology been fully absorbed?	Nil
	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Nil

Annexure-VI

V. Singhi & Associates
Chartered Accountants

Four Mangoe Lane, Surendra Mohan Ghosh Sarani
Ground Floor, Kolkata – 700 001
Ph : 033 – 30287838
Telefax : 033 – 30287839
E-mail : vsinghiandco@gmail.com

To

The Central Coalfields Limited,
Darbhanga House
Ranchi

REPORT OF AUDITOR ON MEMORANDUM OF UNDERSTANDING

1. The achievement stated in attached Performance Evaluation Sheet with respect to Financial and Non-financial Parameters are calculated in terms of the Guidelines for the year 2012-13 of MOU issued by Ministry of Heavy Industries and Public Enterprises and Letter No. CIL/DF/MOU/12-13/44 dated 10.05.2013 of Coal India Limited.
2. The achievements stated against Financial and Non-financial Parameters have been verified by us from the records maintained and produced before us, and found to be correct to the best of our knowledge and belief.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Sd/-
(V. K. Singhi)
Partner
Membership No. : 050051
ICAI Firm Reg. No. : 311017E

Date : 25th May, 2013

MEMORANDUM OF UNDERSTANDING 2012-13 BETWEEN CCL & CIL

SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Means of Verification	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor					
			1	2	3	4	5					

1. Static / Financial Parameters

(a) Financial Indicators - Profit related ratios									Annual Report including Annual Accounts, Director's Report & Auditor's Report			
(i) Gross Margin / Gross Block	%	2	0.4278	0.4237	0.4025	0.3824	0.3633	0.5112	1	2	0.02	
(ii) Net Profit / Net Worth	%	10	0.3739	0.3703	0.3518	0.3342	0.3175	0.4047	1	10	0.1	
(iii) Gross Profit / Capital Employed	%	10	0.4007	0.3960	0.3762	0.3574	0.3395	0.4658	1	10	0.1	
(b) Financial Indicators – Size Related												
(i) Gross Margin	Rs Cr.	8	2295.39	2273.12	2159.46	2051.49	1948.92	2456.57	1	8	0.08	
(ii) Net Sales	Rs Cr.	4	7863.92	7828.44	7437.02	7065.17	6711.91	8556.24	1	4	0.04	
(c) Financial Returns – Productivity												
(i) PBDIT / Total Employed	%	7	0.0498	0.0493	0.0468	0.0445	0.0423	0.0510	1	7	0.07	
(ii) Added Value / Net Sales	%	9	0.2269	0.2250	0.2138	0.2031	0.1929	0.2314	1	9	0.09	
Sub-Total		50										

2. Dynamic Parameters

(d) Quality and Customer Satisfaction		2.5
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Evaluation Criteria	Unit	Weight (in %)	MoU Target					Means of Verification	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor					
(d)&(e) Quality												
Despatch of Coal to Power Sector by Rail												
(i) Despatch covered under agreed sampling to power sector	%	0.5	99.00	97.00	96.00	95.00	94.00	98.58	1.21	0.605	0.00605	
(ii) Sized coal Despatch to power sector by Rail	%	0.5	98.50	98.00	97.00	96.00	95.00	99.43	1	0.5	0.005	
(iii) Establishing mechanism through publicised web site for handling of consumers complain and no complain should be kept pending for more than three month	%	0.5	90.00	80.00	70.00	60.00	50.00	91.66	1	0.5	0.005	
(iv) Circulation of Model FSA for New Power Plants having PPA as per Govt. decisions	Date	1	07.05.12	22.05.12	07.06.12	22.06.12	07.07.12	20.4.12	1	1	0.01	
(f) Human Resources Management												
(i) As per annexure XIV	%	3	As per annexure XIV - Enclosed					Independent Expert Committee/ Annual Report				0.045
(ii) Certified Training in Contract Management	No. of Executives	1	6	5	4	3	2	9	1	1	0.01	
(iii) Certified Training in Project Management	No. of Executives	1	6	5	4	3	2	6	1	1	0.01	
(g&h) R & D / Adoption of Innovative Practices												
		5	As per Annexure XII – Enclosed					Annual Report/ Independent R&D Advisory Committee	Enclosed	1	5	0.05
(i&j) Project Implementation												
		9.5										Annual Report/ Independent Expert Committee

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Means of Verification	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor					
			1	2	3	4	5					
11. Stage – I Approval ("in principle" approval of PRs	Mt	2	12.0	11.800	11.20	10.60	10.10	Copy of Approval	22.7	1	2	0.02
(i) Koed Manatu OC – 10 MTY		1.6	10.0	9.830	9.33	8.83	8.41		20.0			
(ii) Hesalong OC – 1.0 MTY		0.2	1.0	0.980	0.93	0.88	0.84		1.7			
(iii) Aswa OC – 1.0 MTY		0.2	1.0	0.980	0.93	0.88	0.84		1.0			
12. Commissioning/Completion of on going projects**												
(i) AMLO OC – 2.5 MTY	Month	2	Oct'12	Nov'12	Dec'12	Jan'13	Feb'13		Oct'12	1	2	0.02
** Completion of Ashok & Purnadih OC could not be done on schedule due to –												
(a) Ashok OC – RLS/Railway Siding could not be constructed due to delay in physical possession of tenancy land.												
(b) Purnadih OC – PR envisaged working in 3 quarries. But working could be started only in Q-II due to delay in obtaining tenancy land required for other quarries due to resistance from the villagers and their demand beyond R&R Policy of CL.												
13. (i)	Acquisition of land – Notification u/s 9 of CBA Act	Ha	1	818.00	801.80	762.00	724.00	687.00	844.13	1	1	0.01
	Notification u/s 11 of CBA Act	Ha										
(ii)	Possession of Land	Ha	1	91.00	86.50	82.00	78.00	74.00	116.36	1	1	0.01
14.	Utilization of Capital Expenditure of AP 2012-13	Rs. Cr.	1	425.00	382.50	361.25	340.00	318.75	397.42	1.648	1.648	0.01648
15. Other Major Activities/Milestones									Annual Report/ Independent Expert Committee			
(i)	Approval of Implementation Plan for 5 years for Magadh OCP in view of delay due to non construction of Tori – Shivpur – Hazaribagh Rly. Line	Date	0.25	July'12	Aug'12	Sept'12	Oct'12	Nov'12	Aug'12	2	0.5	0.005
(ii)	Commissioning of HEMMs ordered during 2011-12 of Tapin OC (1 Shovel – 5 Cum)	Date	0.5	Oct'12	Nov'12	Dec'12	Jan'13	Feb'13	July'12	1	0.5	0.005
(iii)	Finalisation of initial alignment of Railway Siding for North Urimari OC by P&P Department	Date	0.25	Aug'12	Sept'12	Oct'12	Nov'12		Aug'12	1	0.25	0.0025

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
(iv) Signing of Agreement between CCL & EC Railway for Railway Siding of Ashok OC	Date	0.25	Jan'13	Feb'13	Mar'13			1	0.25	0.0025	
(v) Floating EOI for engaging agency for scientific study for finalisation of site of low level bridge at Rajrappa OCP	Date	0.25	Oct'12	Nov'12	Dec'12			1	0.25	0.0025	
(vi) Commissioning of Diesel Excavator (1 No.) of Purnadith OCP	Date	0.5	Jan'13	Feb'13	Mar'13			1	0.5	0.005	
(vii) Supply Order for HEMMs for Kaima OCP (1 No. Dumper)	Date	0.25	Jan'13	Feb'13	Mar'13			1	0.25	0.0025	
(viii) Holding Pre NIT meeting for Chuni UG mine for deployment of CM	Date	0.25	Jan'13	Feb'13	Mar'13			1	0.25	0.0025	
(k) Extent of Globalization			NOT APPLICABLE								
(l) Corporate Social Responsibility		5									
(i) Corporate Social Responsibility		4	As per Annexure XI – Enclosed					Annual Report/ Independent Expert Committee	1	4	0.04
(ii) Expenditure on CSR (0.5% of PAT of 2011-12)	%	1	100	90	80	70	60	1	1	0.01	
(m) Sustainable Development		5	As per Annexure XIII – Enclosed								
(n) Corporate Governance		5									
(i) Grading on the basis of compliance with guidelines on Corporate Governance issued by DPE (Enclosed)	(%)	4	85 and above	75-84	60-74	50-59	<50	As Score awarded by Ministry	1	4	0.04
(ii) Date of Submission to DPE of completed Data Sheet for PE Survey	Date	1	15th Sept 2012	1st Oct 2012	15th Oct 2012	31st Oct 2012	After 31st Oct 2012	DPE	1	1	0.01

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Means of Verification	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor					
			1	2	3	4	5					
3. Sector Specific Parameters		6						Annual Report				
(i) Off-take (with availability of 30.4 rates/day for excellent target)	Mt.	3	57.17	56.60	53.77	51.08	48.53		52.891	3.326	9.978	0.09978
(ii) Coal Production (Commensurate to corresponding Off take programme without increasing stock as on 01.04.12)	Mt.	2	55.55	55.00	52.35	49.64	47.16		48.061	4.63	9.26	0.0926
(iii) Washed Coal Production (Coking + Non Coking)	Mt.	0.8	9.00	8.55	8.12	7.72	7.33		8.456	2.21	1.768	0.01768
(iv) UG Production	Mt.	0.2	1.36	1.35	1.28	1.22	1.16		1.024	5	1	0.01
4. Enterprise – Specific Parameters		3						Annual Report				
4-a E-Auction of Coal	% of Prodn	0.5	7.00	6.86	6.52	6.19	5.88		13.07	1	0.5	0.005
4-b Man productivity (Output/Manshift) (commensurate to corresponding production target)	Te/ Manshift	1	4.90	4.85	4.61	4.38	4.16		4.42	3.82	3.82	0.0382
4-c System Capacity Utilisation (Commensurate to corresponding production target)	%	0.5	93.00	91.14	86.58	82.25	78.14		84.88	3.39	1.695	0.01695
4-d Safety												
FATALITY RATE												
(i) Reduction in fatality rate (fatalities/Mcum. of total material excavated) w.r.t. previous FY	%	0.25	4	3	2	1	No reduction		Increase	5	1.25	0.0125
(ii) Reduction in fatality rate (fatality/MT of UG Coal w.r.t. previous FY	%	0.25	4	3	2	1	No reduction		Increase	5	1.25	0.0125
SERIOUS INJURY RATE												
(iii) Reduction in Serious injury rate (Serious Injuries/MT of Coal excavated from UG) w.r.t. previous FY	%	0.25	4	3	2	1	No		(-) 46.72	1	0.25	0.0025
(iv) Reduction in Serious Injury rate (Serious Injuries/Mcum. of total material excavated from OC) w.r.t. previous FY	%	0.25	4	3	2	1	No reduction		Increase	5	1.25	0.0125

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Means of Verification	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor					
			1	2	3	4	5					
5. Compliance of DPE Guidelines												
(i) Issue of Bonus shares	Date	4	Not applicable as per guideline					Annual Report				
(ii) Reservation for SC/ST/OBCs in appointments	Y/N	1.00	Yes				No	Yes	1	1	0.01	
(iii) Posting of deputationists	Y/N	0.50	Yes				No	Yes	1	0.5	0.005	
(iv) Implementation of 2007 pay revision	No. of Parameter Implemented	1.00	10	9	8	7	6	10	1	1	0.01	
(v) Switching over from CDA to IDA pattern of pay scales	No. of Parameter Implemented	1.00	4	3	2	1		4	1	1	0.01	
(vi) Submission of compliance of DPE Guidelines	Date	0.50	30th June'12	31st Aug'12	30th Sep'12	31st Oct'12	30th Nov'12	29.06.12	1	0.5	0.005	
Grand Total		100						Composit Score				1.255
								Rank				Excellent

Note : 1. In Annexure III point No. 2 (i&j) SI. No. 15 (iv) East Central Railway has agreed for construction of Railway Sidings on deposits term basis at Ashoka OC vide letter No. ECR/CAO/CON/W/Ashoka/27/3704 dated 18.09.2012 and there is no need for signing of agreement with East Central Railway for the same.

Templates for CSR Review (2012 – 13)

Annexure – XI

Table – 1 Evaluation Template Details of 5 Chosen Projects

Sl. No.	Name of Project	Unit	Weight	MoU Target					Means of Verification	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage * Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
				Excellent	Very Good	Good	Fair	Poor					
1.	Medical Camps (No. of Beneficiaries = 35000)	No. of Beneficiaries	0.8	35000	34300	32550	31150	29400	66972	1	0.8	0.008	
2.	Facility of Drinking water in 10 villages	No. of Villages	0.8	10 Villages	9 Villages	8 Villages	7 Villages	6 Villages	11	1	0.8	0.008	
3.	Construction of Community Mandap in 10 Villages	No. of Constructions	0.8	10 Villages	9 Villages	8 Villages	7 Villages	6 Villages	12	1	0.8	0.008	
4.	Training of PAPs for Self Employment – 50 Nos.	No. of PAPs to be trained	0.8	50	49	47	45	42	66	1	0.8	0.008	
5.	Providing Solar Lanterns in 10 Villages	No. of Villages	0.8	10 Villages	9 Villages	8 Villages	7 Villages	6 Villages	11	1	0.8	0.008	
Total											4	0.04	

Table – 2
Projects Chosen by CPSE (2012-13)

At the time of draft MoU :

Every year, CPSEs shall submit R&D projects (Maharatna & Navratna - Five Projects, Miniratna - I & II and other CPSEs below - Three Projects along with one most important/vital key Performance Indicator to Task Force at the time of draft MoU. The Task Force will approve the same or add any other R&D projects alongwith performance indicator(s).

At the time of MoU Evaluation :

The verification of achievement in respect of approved performance indicator(s) and evaluation/ rating of each R&D project will be done by Independent Expert Research Advisory Committee of CPSE. Such evaluation/rating will be considered/accepted by Task Force during evaluation for allotting MoU score on R&D.

Sl. No.	Projects Chosen (Annexure – I)	Performance Indicator (Annexure – II)	Weightage	Target Value					Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage * Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
				Excellent	Very Good	Good	Fair	Poor				
1	2	3	4	5	6	7	8	9	10			
2.1	Improvement of Powder factor in one mine of CCL	Month	0.833	15 Feb 2013	28 Feb 2013	15 Mar 2013	31 Mar 2013		Dec'12	1	0.833	0.00833
2.2	Improvement of Power factor in one mine of CCL	Month	0.833	15 Feb 2013	28 Feb 2013	15 Mar 2013	31 Mar 2013		Dec'12	1	0.833	0.00833
2.3	Improvement of specific HSD consumption in one mine of CCL	Month	0.834	15 Feb 2013	28 Feb 2013	15 Mar 2013	31 Mar 2013		Dec'12	1	0.834	0.00834
Total											2.5	0.025
Total Score for this Table											2.5	
Score allotted by the Task Force												
Total Score on R&D											5	
Total Allotted Score for both Tables												

Annexure – XIII (2012-13)
SD Performance Target Setting Cum Evaluation Template

1. To be Filled and Submitted by each CPSE to the Task Force prior to Annual Target Setting as well as prior to Performance Evaluation of MoU.
2. Circuit Breaker : Any CPSE which has not got its Specific SD plan and SD Budget passed by its Board or its Designated Committee will automatically be rated as 'Poor' in SD of MoU.
3. CPSE, while submitting self-evaluation report to DPE will not fill up score allotted for each table and the total score, as the same will be awarded by the Task Force at the time of performance evaluation of the MoU.

Sl. No.	Activity	Yes/No and date of Board Resolution
1.	Whether Specific SD Plan and Budget passed by Board or its Designated Committee	Yes. 1st SD Committee Meeting held on 27.03.2012. SD Plan & Budget will be passed by Board.

Table – 1

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SD Committee Details

Board level Designated Committee Name	Chairman of Board level Designated Committee	Number of regular meetings held	Key decisions during the year	Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage * Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
1	2	3	4				
Board Level SD Committee	Shri G. Basu, Independent Director, CCL Board	Target – One Achieved – Two	NIT for appointment of Independent External agency/ Expert/Consultant was approved in 1st meeting held on 19.09.2012 at Kolkata. Matters incorporated as suggested in item No. 1 of the 2nd meeting of the SD Committee meeting of CCL at Ranchi on 20.12.12	2	1	0.5	0.005
Total Score for this Table							0.5
Score allotted by the Task Force							

Table – 2
Total SD Expenditure as a Percentage of PAT (Evaluation Sheet)

Target Value as % of PAT on a five point scale Para 6.5.2 of guidelines	Target Value					Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage * Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
	Excellent	Very Good	Good	Fair	Poor				
1	3	4	5	6	7				
50 Lakh + 0.1% of PAT exceeding 100 Cr	50 Lakh + 0.11% of PAT exceeding 100 Cr	50 Lakh + 0.1% of PAT exceeding 100 Cr	50 Lakh + 0.09% of PAT exceeding 100 Cr	50 Lakh + 0.08% of PAT exceeding 100 Cr	50 Lakh + 0.07% of PAT exceeding 100 Cr	Rs. 200.74 Lakh	1	1	0.01
Achievement for 2012-13	Total SD Expenditure as a percentage of (PAT of 2011-12) for 2012-13 – Rs. 200.94 Lakh								
Total Score for this Table	1								
Score allotted by the Task Force									

Table – 3
Projects Chosen by CPSE

Sl. No.	Schedule A/B	Project/ Activity (Please refer Annex – I)	Performance Indicator (Please refer Annex – II & Para 6.5.3 of Guideline) 4	Duration S/M/L	Target Value					Audited Achievement from April'12 to March'13	Rank or Raw Score	Weightage * Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
					Excellent	Very Good	Good	Fair	Poor				
1	2	3	4	5	6	7	8	9	10	11			
1	A	Bio-Diversity (Eco restoration)	No. of trees planted (in lakh)+ Eco park	S	1.25	1.23	1.17	1.11	1.05	2.85	1	0.5	0.005
2	A	Water Management (Recycling of sewage system)	No. of projects completed	S	2.00	1.00				2.00	1	0.5	0.005
3	B	Training (Training/ Workshop on Sustainable Development)	No. of programmes conducted	S	2.00	1.00				2.00	1	0.5	0.005
4	A	Rainwater harvesting	No. of schemes completed	S	2.00	1.00				2.00	1	0.5	0.005
5	B	SD Reporting (Appointment of External Independent Consultant, study of baseline parameters, monitoring and reporting)	Completion Date	S	Feb'13	Mar'13				Feb'13	1	0.5	0.005
Total											2.5	0.025	
Remarks : 1. Profit after Tax (2011-12) will be considered as per DPE guidelines for the year 2012-13													
Total Score for this Table											2.5		
Score allotted by the Task Force													

Table – 4
Evaluation of Projects
No. of projects (Table 3) evaluated by an Independent External Agency/Expert/Consultant, etc.

Excellent	Target Value			Audited Achievement from April 2012 to March 2013	Rank or Raw Score	Weightage * Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score / 100	
	Very Good	Good	Fair					
5	4	3	2	05 Projects	1	0.5	0.005	
Total Score for this Table							0.5	
Score allotted by the Task Force								

Table – 5
Publication of SD Performance Report

Activity	Yes/No	Mode of SD Report	Audited Achievement from April 2012 to March 2013	Rank or Raw Score	Weightage * Rank OR Raw Score	MoU Composite Score = Weightage * Rank OR Raw Score / 100	
							1
SD Performance Report		Will be evaluable in Web Site. Report will be either stand alone or part of Annual Report	SD Performance report will be stand alone and part of Annual Report 2012-13	1	0.5	0.005	
Achievement : SD Performance Report will be stand alone and also part of Annual Report 2012-13							
Total Score for this Table							0.5
Score allotted by the Task Force							
Total Score of all Tables							5
Total allotted score for all Tables							

Annexure – XIV Template for HRM Performance Evaluation under Memorandum of Understanding

HRM Performance Indicators Executives – 2686 Non Executives – 47340 as on 01.04.12	Unit	Weight (in %)	Performance Rating					Audited Achievement from April 2012 to March 2013	Rank or Raw Score	Weightage * Rank OR Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
2(A) Dynamic Parameters											
A1 Competency and Leadership development		20									
1. % actualization of Training Plan & Training days per employee per year	% fulfillment & days/employee/year	5	15 & 0.075	10 & 0.050	8 & 0.025	5 & 0.020	1 & 0.010	44.21	1	5	0.05
2. Developing critical mass of leaders through a system of career planning & development programmes	% fulfillment of planned leadership development programmes	5	1.5	1	0.8	0.5	0.1	19.80	1	5	0.05
3. Training Budget as % of employee cost	% of employee cost	5	0.15%	0.147%	0.140%	0.133%	0.126%	0.31%	1	5	0.05
4. % fulfillment of Training Plan for Multi skilling/ Skill upgradation of Non Executives	%	5	20	15	10	5	1	166	1.68	8.4	0.084
A2 Optional (out of below five, one is to be taken in the MOU)		5									
7. Training interventions in new/advanced technology – % fulfillment of training plan in new technology	%	5	10	8	5	3	1	23.25	1	5	0.05
8. Performance Management		10									
11. Linkage of Developmental plan of Executives with Performance Management System	Yes/No	5	Yes				No	Yes	1	5	0.05
12. Implementation of PRP linked to PMS	Yes/No	5	Yes				No	No	5	25	0.25
C Recruitment, Retention & Talent Management		20									
13. Manpower rationalization through :											
Voluntary Retirements	%	5	1	0.97	0.8	0.7	0.6	0.12	5	12.5	0.125
Redeployment			6	5.5	5	4.5	4	10	1	2.5	0.025
Any Other											
14. Attrition as % of total employees	%	5	0.2	0.5	0.6	0.7	1	0.02	1	5	0.05

HRM Performance Indicators	Unit	Weight (in %)	Performance Rating					Audited Achievement from April 2012 to March 2013	Rank or Raw Score	Weightage * Rank OR Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
15. Presence of Mentorship Development Programme – Nos. of Mentors and Mentees	Yes/No; Numbers	5	Yes. No. of mentors 24/every new executive who joins Co.	Yes. No. of mentors 18/every new executive who joins Co.	Yes. No. of mentors 15/every new executive who joins Co.	Yes. No. of mentors 10/every new executive who joins Co.	Yes. No. of mentors 05/every new executive who joins Co.	16 mentors & 20 mentees	2.66	13.3	0.133
16. Formulation/Implementation of systems for Management of Talent such as – Job rotation system, reward system, sponsoring Sr. executives for advanced Management Programme, growth opportunities	Schemes/initiatives & their details	5	100%	50%	25%	20%	5%	100%	1	5	0.05
9.1	Enabling Creativity & Innovation	15									
17. No. of nominations/entries submitted for National Awards (PM Shram Awards, Vishwakarma Rashtriya Puraskar)	No. of Nominations/entries submitted to national awards	5	5	4	3	2	1	4	2	10	0.1
18. Number of suggestions generated per employee per year	No. per employee	5	0.002	0.001	0.0005	0.0004	0.0003	0.023	1	5	0.05
19. % of Quality Circle projects completed against total Quality Circle projects under taken in a year	% fulfillment	5	30	20	15	10	5	83.87	1	5	0.05
E	Employee Relation and Welfare	20									
20. Effectiveness of grievances settled vis-a-vis received during the year	% settlement	4	80	60	50	40	20	82	1	4	0.04
21. Pension, Medicare, Yoga classes to reduce stress where job is stressful, setting up of wellness centre such as Gym etc.	No. of programmes/ date of implementation of scheme	4	4	3	2	1	0	3	2	8	0.08
22. Employee satisfaction survey ESI measure in %	%	4	50	40	30	20	10	50	1	4	0.04
23. Formulation/Implementation of social security scheme	Yes/No	4	Yes Implementation by Nov'12	Yes Implementation by Dec'12	Yes Implementation by Jan'13	Yes Implementation by Feb'13	Yes Implementation by Mar'13	Yes Implementation by Nov'12	1	4	0.04

HRM Performance Indicators Executives – 2686 Non Executives – 47340 as on 01.04.12	Unit	Weight (in %)	Performance Rating					Audited Achievement from April 2012 to March 2013	Rank or Raw Score	Weightage * Rank OR Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
24. No. of structured meetings with employees representatives	No. of meetings	4	12	10	8	7	6	15	1	4	0.04
F HR Branding & Excellence – Indicate achievement in this field for Initiatives such as :		10									
25. Benchmarking projects undertaken in area of HR	Details regarding initiatives to be given along with attachments		Hard Cooling Culture of CCL with creativity & innovation to generate 25 raw suggestions in every quarter & at least spot 10 nomination for awarding at CCL level & 5 at national level 100%	80%	70%	60%	50%	100%	1	10	0.1
Grand Total		100									1.507

**MINUTES OF THE 57th ANNUAL GENERAL MEETING OF
CENTRAL COALFIELDS LIMITED HELD IN THE REGISTERED OFFICE
AT DARBHANGA HOUSE, RANCHI ON 25th MAY, 2013 (SATURDAY)**

PRESENT:

1. **Shri Gopal Singh** — Member & Chairman
2. **Shri Piyush Sarkar** — Representative of CIL, a Corporate Member, and Proxy of Shri S. Narsing Rao, Member and Shri Abhijit Chatterjee, Member.

SPECIAL INVITEE

1. Shri Anand Kumar, Chairman, Audit Committee, Non-Official Part time Director
2. Shri D. K. Ghosh, GM(F) – I/C, CCL

IN ATTENDANCE

Shri C. V. N. Gangaram, Company Secretary, CCL.

Shri Gopal Singh, Chairman-cum-Managing Director, took the Chair. Being informed about the receipt of consent for Shorter Notice from all the members of the Company as per Article 22 and about the presence of quorum pursuant to Article 24 of the Articles of Association of the Company, the Chairman welcomed Shri Piyush Sarkar, CIL, representative of CIL, and called the meeting to order.

The Statement of Accounts for the year 2012-13, Reports of Statutory Auditors as well as of Comptroller & Auditor General of India thereon, Management's comments on those Reports, and Review of Accounts by the Comptroller & Auditor General of India along with Directors report to the members, as circulated, were taken as read.

The Members were apprised that as communicated by GM(F)-I/C, CIL vide his letter No. CIL/C-3(A)/DF-Cord./937 dated 17.01.2013, the Audit Fees for Statutory Auditors/Branch Auditors of Central Coalfields Limited from the Financial Year 2012-13, was enhanced by 25% over and above the existing Audit Fees and re-imburement of Out of Pocket Expenses, re-imburement of the Service Tax as per applicable rates, keeping other terms and conditions remaining same, which was recommended by the Audit Committee in its 51st meeting held on 22.03.2013 and approved by CCL Board in its 394th Meeting held on 23.03.2013.

ORDINARY BUSINESS:

1. ADOPTION OF ACCOUNTS

Thereafter, Shri Gopal Singh, Chairman & Member of the Company proposed that the Audited Balance Sheet as on 31st March, 2013 and Profit & Loss Account for the year ended 31st March, 2013, Reports of Statutory Auditors as well as of Comptroller & Auditor General of India thereon, Management's comments on those Reports, and Review of Accounts by the Comptroller &

Auditor General of India along with Directors' Report be received and adopted. The motion was seconded by Shri Piyush Sarkar, Chief Finance Manager – Representative of CIL, a Corporate Member and Proxy of Shri S. Narsing Rao, Member and Shri Abhijit Chatterjee, Member and after detailed discussion, the Accounts were adopted unanimously.

2. A proposal to confirm payment of Interim Dividend paid of Rs. 695 Cr. vide 394th Board Meeting held on 23.03.2013 and proposed Final Dividend of ₹ 436.37 Cr. being 60% of profit after tax (PAT) of ₹ 1,885.61 Cr. i.e. a total of ₹ 1,131.37 Cr. as recommended by the Board at its 396th meeting held on 21.05.2013 was moved by the Chairman and was seconded by Shri Piyush Sarkar. The resolution was adopted unanimously.
3. A proposal as per the provisions of Article 34(iii) of the Articles of Association of the Company for re-appointment of Shri S.K. Singh, Joint Secretary, Ministry of Coal, Govt. of India, as a Part-time Director of the Company was moved by the Chairman and seconded by Shri Piyush Sarkar. The resolution was adopted unanimously.
4. A proposal as per the provisions of Article 34(iii) of the Articles of Association of the Company for re-appointment of Shri R. Mohan Das, Director(P&IR), Coal India Limited, as a Part-time Director of the Company was moved by the Chairman and seconded by Shri Piyush Sarkar. The resolution was adopted unanimously.

There being no other matter for discussion, the meeting ended with a vote of thanks to the Chair.

Sd/-

(C. V. N. Gangaram)
Company Secretary

Sd/-

(Gopal Singh)
Chairman-cum-Managing Director

**COMMENTS OF
THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956
ON THE ACCOUNTS OF CENTRAL COALFIELDS LIMITED, RANCHI
FOR THE YEAR ENDED 31ST MARCH, 2013**

The preparation of financial statements of Central Coalfields Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 21.05.2013.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Central Coalfields Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors report under section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(Yashodhara Ray Chaudhuri)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-II,
Kolkata

Place : Kolkata

Dated : 24.05.2013

Management Discussions and Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Coal – Primary Source of Energy

COAL is one of the prime fuels in India. Coal constitutes 81% of the total generation and will continue to be crucial to the Country's future power needs. India now ranks 3rd amongst the coal producing countries in the World. China is the largest producer of Coal with 3520 Million Tonnes (49.5% of the total world wide production in 2011), followed by United States 992.8 MT (14.4% of the World wide production in 2011).

Coal being the most abundant fossil fuel in India till date, it continues as one of the most important sources for meeting the domestic energy needs and will continue to be the mainstay of its future energy supply. It provides most vital input for accelerating the growth of Indian economy. 52.4% of India's total Energy needs is met by Coal, whereas 41.6% of energy requirement is met by Oil & Natural Gas.

Geological Coal Reserves in CCL Command Area as on 01.04.2012

(In Billion Tonnes)

Type of Coal	Depth (M)	Proved	Indicated	Inferred	Total	Remarks
Coking	0 – 300	6.845	3.760	0.051	10.656	
	300 – 1200	0.970	5.224	1.610	7.790	
	Total	7.815	8.984	1.661	18.460	
Non-Coking	0 – 300	11.901	4.510	1.090	17.501	
	300 – 1200	0.850	3.472	2.086	6.408	
	Total	12.751	7.982	3.176	23.909	
Total	20.566	16.966	4.837	42.369		

It is evident that 66% of Coal Reserve in CCL Command Area lies within 0–300 mtr. depth and rest 34% lies with 300–1200 mtr.

From the above table, it is revealed that out of 293.50 Billion Tonnes of geological resources of coal estimated in India, CCL Command Area has 42.37 BT as on 01.04.2012, which is 14.4% of total Reserve in India.

Coal Demand

The working Group for Coal & Lignite for formulation of XIIth Plan has assessed a coal demand of 980.50 MT & Compounded Annualized Growth Rate (CAGR) of 7.09 in terminal year of XIIth Plan i.e. 2016-17.

Sector wise break-up are as under :

(Million Tonne)

Sector	2016 – 17
Steel (Coking)	67.20
Power (U)	682.08
Power (Captive)	56.36
Cement	47.31
Steel DRI	50.33
Others	77.22
Total Non – Coking	913.30
Total	980.50
Compounded Annualized Growth Rate (CAGR)	7.09

Coal Despatch

Sector-wise Coal despatch of CCL during 2012-13 is 54.052 MT, registering a growth of :

(Fig. in MT)

Sector	2010-11 Actual	2011-12 Actual	2012-13 Actual	Growth Over Last Year	
				Abs.	%
Power	29.888	33.008	39.023	6.015	18.22
Steel	1.756	2.563	3.380	0.817	31.88
Fertilizers	0.945	0.947	0.644	- 0.303	- 31.99
Others*	12.894	11.933	11.004	- 0.929	- 7.78
Total	45.483	48.451	54.052	5.601	11.56

* Others include e-auction, erstwhile Non Core Consumers, Sponge Iron and State Agencies.

Coal Availability

The indigenous all India Coal production assessed in the terminal year of XIIth Plan is projected to be 712 Mt. by working group of XIIth plan, in the terminal year of XIIth plan. The projection of coal production from CIL during the terminal year of XIIth plan of 615 Mt, as per XII th plan documents.

The actual coal production during XIth plan period and production projection during 2013-14 from existing mines, completed projects and on-going projects in CCL is given below :

(Figure in Million Tonnes)

Group	XIth Plan					XIIth Plan	
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13	2013-14 (Proj.)
Existing Mines	2.67	2.27	2.85	2.733	2.977	4.457	4.420
Completed Projects	17.93	17.08	19.33	17.521	15.070	11.826	13.230
On-going & New Projects	23.55	23.89	4.91	27.270	29.960	31.750	35.850
Total	44.15	43.24	47.08	47.520	48.000	48.030	53.500

Productivity

The OMS position of CCL is as below :

(Figure in Million Tonnes)

	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual
UG	0.39	0.36	0.35	0.34	0.32	0.325
OC	4.66	4.65	5.24	5.45	5.79	6.093
Overall	3.22	3.27	3.66	3.88	4.19	4.421

B. STRENGTH AND WEAKNESSES, OPPORTUNITIES AND THREATS

Strength

- High production and huge production potential** : CCL produced 48 MT of coal in 2011-12, which is over 10% of Coal India's Production. The coal reserves in CCL command area is of 42.37 billion tonnes. CCL has about 14.4% of the coal reserves of India. The coal reserves include non coking coal (used in power plants) as well as coking coal (used in steel plants). These reserves are good enough for the next 200 years.
- Infrastructure available in almost all Coal Blocks** : For development and operation of coal mines we need a good rail and road network. All coalfields of CCL have a reasonably Good Rail and Road Network. This Network enables swift movement of Coal to the Consumers.
- Skilled Manpower available in sufficient numbers** : CCL has been in the business of Coal Mining for over forty years. Its manpower strength is 48,500 and which is well conversant in their jobs.
- Very low employee attrition rate** : The salary and wages offered to the employees in CCL are the best in the Coal Mining Industry. This has resulted in a very low attrition of employees. The performance related pay introduced recently for executives has further boosted the morale of employees.

5. **CCL is a Mini-Ratna Category I Company, with a High Financial Autonomy** : On the basis of performance of CCL, the Department of Public Enterprises has granted Mini-Ratna Category I Status to the Company. This means that the company can approve projects up to Rs. 500 Crore without going to the Government and it can also from joint ventures/ subsidiaries/overseas offices.
6. **High cash reserves of Rs. 2950 Crore** : The high cash reserves available with the company can be used for opening of New Mines, acquisition of coal mines abroad, and for diversification.
7. **Debt free company** : As the company is debt free, it can be used to for raising debt from the market for acquisition of energy assets abroad.

Weaknesses

1. **Old mines with Obsolete Technology** : Most of the mines in CCL are old with antiquated equipment. The company has opened a few mines in recent past. State of the art technology is being used in only few mines.
2. **Trade Unionism** : Trade Unionism is rampant in the mines. Every mine has over six Recognized Trade Unions.
3. **Application of information technology is very low** : The application of IT in the mines is very low. This makes the system prone to corruption and inefficiency.
4. **Poor work culture** : On an average employees work for only 4 hours in an eight hour shift.

Opportunities

1. **There is huge and almost insatiable demand for coal** : The demand-supply gap of coal is 15 MT today which is likely to increase to 20 MT by 2016-17.
2. **Outsourcing of production processes** : CCL can go for outsourcing in case of projects, beyond the available capacity of the projects. We also go for outsourcing in case of Marginal Deposits (there are many such Coal Deposits) where deployment of Departmental Equipment is uneconomical. Outsourcing now has the support of Trade Unions.
3. **Opportunities for value addition for it's products through sizing, washing or conversion to Liquid and Gas** : The price of washed coking coal is double the price of mined Coking Coal Washeries may be established to take advantage of the price differential.
4. **Our coal is priced below the international level** : Our coal price is 30% cheaper than the International Price. When the Government deregulates the pricing of coal, we can raise the coal price for higher profitability.

Threats

1. **Captive mining in coal is now permitted in India, ending the complete monopoly of the company** : CCL has now to compete with private players, who have been allotted coal blocks.
2. **There is demand for allowing private coal mining companies to sell all their produce in the open market** : Private players produce coal at 60% of the CCL's cost. If they are allowed to sell coal in the open market then we will be loosing valuable Customers.

3. **Upcoming private players may poach on the highly skilled employees of the company through better Pay, Perks and Other Facilities** : Since the company is a PSU, it can't easily increase the pay and perks etc. of the employees as per demand of the market and competition as it has to follow lengthy procedures for the same.
4. **Law and order problems in coal mining areas** : The law and order situation in mining areas is bad. There are frequent bandhs and extremist groups prevent/interfere with mine development activities. On an average the mines are closed for about 30 days due to poor law and order condition prevailing in Mining areas.
5. **Inordinate delay in release of Forest land** : There is inordinate delay in the processing of Forest land proposals. The State Govt. takes considerable time in recommending forest land proposals to the MoEF for stage I clearance. There is delay in site inspection by MoEF Regional Office, Bhubneswar. It takes about 4-6 years for release of forest land.
6. **Physical possession of acquired land** : Great difficulty is being encountered in the physical possession of acquired land. Forest land which is released by the Govt. often has encroachments, which is not easy to get rid off.
7. **Rehabilitation of project affected persons** : The rehabilitation of project affected persons has become a big bottle neck in the development of new projects, as the demand of PAFs are often, beyond the norms of R&R policy of CIL.

C. PERFORMANCE

Covered in the main report.

D. OUTLOOK

Your company is envisaged to grow at one of the fastest rate in the Coal Industry during the period 2012-20 at CAGR of 20% achieving 200 MT of Coal in 2020. The Major projects like Magadh OCP, Amrapali OCP, Pachra OCP, Sanghmitra OCP are expected to contribute to achieve this growth.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has well established internal control systems and procedures commensurate with its size and nature of business with an approved and well laid down delegation of authority at various levels for ensuring appropriate authorization and approval of transactions. Policy in the form of Purchase Manual, Contract Management Manual, Civil Engineering Works Manual defining the practices & procedures to be adopted for procurement and award of contracts are in place. The internal audit is conducted by external firms of Chartered/Cost Accountants covering all the Offices/Areas/Units of operation and their reports are reviewed by the Audit Committee. Further, the accounts of the Company are subject to Comptroller & Auditor General of India (CAG) audit in addition to the propriety audit conducted by them.

F. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Covered in the main report.

G. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Covered in the main report.

H. ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

Covered in the main report

I. CORPORATE SOCIAL RESPONSIBILITY

Covered in the main report.

J. CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis and Directors' Report prescribing the Company's objectives; projections and estimates, expectations & predictions etc., may be "forward looking statement and progressive within the meaning of applicable laws & regulations. Forward looking statements contained herein are subject to certain risks and uncertainties that would cause actual results to defer materially from those reflected in the forward looking statemtns. Actual results will vary from those expressed or implied depending upon economic conditions."

FINANCIAL RESULTS FOR THE YEAR 2012-13

Annexure 1 of Clause 41 of the Listing Agreement for Companies (Other than Banks)

PART-I

(₹ in Cr.)

Particulars	3 months ended 31.03.2013	3 months ended 31.12.2012	3 months ended 31.03.2012	Current Period ended 31.03.2013 Audited	Year ended 31.03.2012 Audited
1. Income from Operations :					
(a) Net Sales/Income from Operations (Net of Excise Duty & Other Levies)	2268.23	2236.48	2321.80	8556.24	7532.12
(b) Other Operating Income	0.00	0.00	0.00	0.00	0.00
Total Income from Operations	2268.23	2236.48	2321.80	8556.24	7532.12
2. Expenses :					
Changes in Inventories of Finished Goods, WIP & Stock in Transit	(370.38)	141.56	(487.38)	275.71	(86.50)
Cost of Material Consumed	214.48	153.33	189.68	625.73	577.27
Employee Benefit Expenses	890.43	923.13	1282.67	3522.47	3492.50
Power & Fuel	80.98	152.18	87.41	358.82	265.45
Social Overhead	10.88	43.95	7.89	63.31	24.56
Repairs	97.31	27.27	78.57	162.64	136.69
Contractual Expenses	162.97	131.43	174.27	506.49	501.68
Other Expenditures	170.30	154.15	259.58	584.23	659.66
Overburden Removal Adjustment	11.14	(21.21)	198.93	(43.53)	188.59
Depreciation and Amortisation Expenses	69.44	54.64	60.10	231.15	220.80
Impairment	4.06	-	-	4.06	-
Provisions	112.81	64.99	62.79	279.36	183.37
Total Expenses	1454.42	1825.42	1914.51	6570.44	6164.07
3. Profit/(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	813.81	411.06	407.29	1985.80	1368.05
4. Other Income	153.96	167.25	180.17	681.64	565.28
5. Profit/(Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3+4)	967.77	578.31	587.46	2667.44	1933.33
6. Finance Cost	0.40	0.74	0.84	7.55	3.58
7. Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5-6)	967.37	577.57	586.62	2659.89	1929.75
8. Exceptional Items (including Prior Period Adjustment)	16.05	(0.53)	40.49	(23.67)	(40.49)
9. Profit/(Loss) from Ordinary Activities before Tax (7-8)	983.42	578.10	627.11	2683.56	1970.24

PART-I (Contd..)

(₹ in Cr.)

Particulars	3 months ended	3 months ended	3 months ended	Current Period ended	Year ended
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
				Audited	Audited
10. Tax Expense	257.60	164.43	216.05	797.95	650.69
11. Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	725.82	413.67	411.06	1885.61	1319.55
12. Extraordinary Item (net of tax expense)	-	-	-	-	-
13. Net Profit/(Loss) for the period	725.82	413.67	411.06	1885.61	1319.55
14. Share of Profit/(Loss) of associates	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
15. Minority Interest	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
16. Net Profit/(Loss) after taxes, minority interest and share of profit/(Loss) of associates	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
17. Paid-up Equity Share Capital (9400000 Equity share of Rs 1000/- each)	940.00	940.00	940.00	940.00	940.00
18. Reserve excluding Revaluation Reserve as per Balance Sheet of previous accounting year	2497.38	2497.38	2098.01	2497.38	2098.01
19.(i) Earning Per Share (EPS) before Extraordinary items (not annualised)					
a. Basic	772.15	440.07	437.30	2005.97	1403.78
b. Diluted	772.15	440.07	437.30	2005.97	1403.78
19.(ii) Earning Per Share (EPS) after Extraordinary items (not annualised)					
a. Basic	772.15	440.07	437.30	2005.97	1403.78
b. Diluted	772.15	440.07	437.30	2005.97	1403.78

PART-II

(₹ in Cr.)

Particulars	3 months ended	3 months ended	3 months ended	Current Period ended	Year ended
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
				Audited	Audited
A. PARTICULARS OF SHARE HOLDING					
1. Public Shareholding	NIL	NIL	NIL	NIL	NIL
No. of Shares	NIL	NIL	NIL	NIL	NIL
Percentage of shareholding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2. Promoters and promoter group Shareholding					
a. Pledge/Encumbered					
No. of Shares	NIL	NIL	NIL	NIL	NIL
Percentage of Shares (as a % of the total share holding of promoter and promoter group)	-	-	-	-	-
Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-

PART-II (Contd..)

(₹ in Cr.)

Particulars	3 months ended	3 months ended	3 months ended	Current Period ended	Year ended
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
				Audited	Audited
b. Non-encumbered					
Number of Shares	9400000	9400000	9400000	9400000	9400000
Percentage of Shares (as a % of the total share holding of promoter and promoter group)	100%	100%	100%	100%	100%
Percentage of Shares (as a % of the total share capital of the Company)	100%	100%	100%	100%	100%
Particulars	3 Month ended 31.03.2013				
B. INVESTOR COMPLAINTS					
Pending at the beginning of the quarter	Not Applicable				
Received during the quarter	Not Applicable				
Disposed of during the quarter	Not Applicable				
Remaining unresolved at the end of the quarter	Not Applicable				

Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
T. K. Sen
General Manager (Finance)-A

Sd/-
T. K. Nag
Director (Techn./Opm.)

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date
For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017 E)
Sd/-
(V. K. Singhi)
Partner
(Membership No. 050051)

Place : Ranchi
Dated : 21.05.2013

NOTE 1 : STATEMENT OF ASSETS & LIABILITIES

(₹ in Cr.)

Particulars	As at 31.03.2013 (Audited)	As at 31.03.2012 (Audited)
A. EQUITY AND LIABILITIES		
1. Shareholders' Fund		
(a) Share Capital	940.00	940.00
(b) Reserves & Surplus	3068.08	2497.38
(c) Money Received against Share Warrants	–	–
Sub-total Shareholders' Fund	4008.08	3437.38
2. Share Application Money pending Allotment	–	–
3. Minority Interest	–	–
4. Non-Current Liabilities		
(a) Long Term Borrowings	69.92	87.54
(b) Deferred Tax Liabilities (Net)	–	–
(c) Other Long Term Liabilities	17.09	3.26
(d) Long Term Provisions	1893.07	2121.88
Sub-total Non-Current Liabilities	1980.08	2212.68
5. Current Liabilities		
(a) Short Term Borrowings	–	–
(b) Trade Payables	78.99	74.39
(c) Other Current Liabilities	2362.29	2468.81
(d) Short Term Provisions	1576.17	1808.78
Sub-total Current Liabilities	4017.45	4351.98
TOTAL – EQUITY AND LIABILITIES	10005.61	10002.04
B. ASSETS		
1. Non-Current Assets		
(a) Fixed Assets	1719.78	1746.99
(b) Goodwill on consolidation	–	–
(c) Non-Current Investments	18.85	28.27
(d) Deferred Tax Assets (Net)	579.37	502.51
(e) Long Term Loans & Advances	208.66	171.16
(f) Other Non-Current Assets	–	–
Sub-total Non Current Assets	2526.66	2448.93

ANNUAL REPORT 2012-13

Particulars	As at 31.03.2013 (Audited)	As at 31.03.2012 (Audited)
2. Current Assets		
(a) Current Investments	109.42	9.42
(b) Inventories	1258.64	1531.50
(c) Trade Receivables	1533.87	1078.66
(d) Cash & Cash equivalents	3560.44	3986.20
(e) Short Term Loans & Advances	577.04	576.65
(f) Other Current Assets	439.54	370.68
Sub-total Current Assets	7478.95	7553.11
TOTAL ASSETS	10005.61	10002.04

NOTE 2 : Figures for the previous year/period have been regrouped/rearranged wherever necessary.

Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
T. K. Sen
General Manager (Finance)-A

Sd/-
T. K. Nag
Director (Techn./Oprn.)

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date
For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017 E)

Sd/-
(V. K. Singhi)
Partner
(Membership No. 050051)

Place : Ranchi
Dated : 21.05.2013

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)	
I. EQUITY AND LIABILITIES				
(1). Shareholders' Funds :				
(a)	Share Capital	1	940.00	940.00
(b)	Reserves & Surplus	2	3,068.08	2,497.38
(c)	Money Received against Share Warrants		—	—
			<u>4,008.08</u>	<u>3,437.38</u>
(2). Share Application Money pending Allotment				
			—	—
(3). Non-Current Liabilities :				
(a)	Long Term Borrowings	3	69.92	87.54
(b)	Deferred Tax Liability (Net)		—	—
(c)	Other Long Term Liabilities	4	17.09	3.26
(d)	Long Term Provisions	5	1,893.07	2,121.88
			<u>1,980.08</u>	<u>2,212.68</u>
(4). Minority Interest				
			—	—
(5). Current Liabilities				
(a)	Short Term Borrowings	6	—	—
(b)	Trade Payables	7	78.99	74.39
(c)	Other Current Liabilities	8	2,362.29	2,468.81
(d)	Short Term Provisions	9	1,576.17	1,808.78
			<u>4,017.45</u>	<u>4,351.98</u>
TOTAL			<u>10,005.61</u>	<u>10,002.04</u>
II. ASSETS :				
(1). Non-Current Assets :				
(a) Fixed Assets :				
(i)	Tangible Assets – Gross Block	10A	4,482.08	4,453.69
	Less : Depreciation, Impairment & Provisions		<u>3,117.64</u>	<u>3,006.26</u>
	Net Carrying Value		1,364.44	1,447.43
(ii)	Intangible Assets – Gross Block	10A	323.56	324.49
	Less: Depreciation, Impairment & Provisions		<u>290.18</u>	<u>284.08</u>
	Net Carrying Value		33.38	40.41
(iii)	Capital Work-in-Progress	10B	196.68	187.28
(iv)	Intangible Assets under Development	10C	125.28	71.87
(b)	Non-Current Investments	11	18.85	28.27
(c)	Deferred Tax Assets (Net)		579.37	502.51

BALANCE SHEET AS AT 31ST MARCH, 2013 (Contd..)

	Notes	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
(d) Long Term Loans & Advances	12	208.66	171.16
(e) Other Non-Current Assets	13	—	—
(2) Current Assets :			
(a) Current Investments	14	109.42	9.42
(b) Inventories	15	1,258.64	1,531.50
(c) Trade Receivables	16	1,533.87	1,078.66
(d) Cash & Cash Equivalents	17	3,560.44	3,986.20
(e) Short Term Loans & Advances	18	577.04	576.65
(f) Other Current Assets	19	439.54	370.68
		7,478.95	7,553.11
TOTAL		10,005.61	10,002.04
Significant Accounting Policies	33		
Additional Notes on Financial Statements	34		

The Notes referred to above form an integral part of the Balance Sheet.

Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
T. K. Sen
General Manager (Finance)-A

Sd/-
T. K. Nag
Director (Tech./Oprn.)

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date

For V. Singhi & Associates
Chartered Accountants
(Firm Reg. No. 311017 E)

Sd/-
(V. K. Singhi)
Partner
(Membership No. 050051)

Place : Ranchi
Dated : 21.05.2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Notes	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
INCOME :			
Sale of Coal, Coke etc.		10580.10	9005.34
Less : Excise Duty		625.31	423.46
Other Levies		1398.55	1049.76
Revenue from Operations	20	8556.24	7532.12
Other Income	21	681.64	565.28
TOTAL REVENUE		9237.88	8097.40
EXPENSES :			
Cost of Material Consumed	22	625.73	577.27
Purchase of Stock in Trade		—	—
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	23	275.71	(86.50)
Employee Benefit Expenses	24	3522.47	3492.50
Power & Fuel		358.82	265.45
Welfare Expenses	25	63.31	24.56
Repairs	26	162.64	136.69
Contractual Expenses	27	506.49	501.68
Finance Costs	28	7.55	3.58
Depreciation/Amortization/Impairment		235.21	220.80
Provisions	29	279.36	74.02
Write Off	30	—	109.35
Other Expenses	31	584.23	659.66
Overburden Removal Adjustment		(43.53)	188.59
TOTAL EXPENSES		6577.99	6167.65
Profit/(Loss) before Prior Period, Exceptional and Extraordinary Items and Tax		2659.89	1929.75
Prior Period Adjustment (Charges/Incomes) Exceptional Items	32	(23.67)	(40.49)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Continued)

Notes	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Profit/(Loss) before Extra Ordinary Items and Tax	2683.56	1970.24
Extraordinary Items (Charges/Incomes)	—	—
PROFIT/(LOSS) BEFORE TAX	2683.56	1970.24
Less/(Add) : Tax Expenses		
Current Year	897.45	669.05
Deferred Tax	(76.86)	(9.35)
Earlier Years	(22.64)	(9.01)
Profit/(Loss) for the Year from Continuing Operations	1885.61	1319.55
Profit/(Loss) for the Year from Discontinuing Operations	—	—
Tax Expenses of Discontinuing Operations	—	—
Profit/(Loss) for the Year from Discontinuing Operations (After Tax)	—	—
Profit/(Loss) for the Year	1885.61	1319.55
Earning Per Share (in ₹) (Face Value of ₹ 1000/- per Share)		
(1) Basic	2005.97	1403.78
(2) Diluted	2005.97	1403.78
SIGNIFICANT ACCOUNTING POLICIES	33	
ADDITIONAL NOTES ON FINANCIAL STATEMENTS	34	

The Notes referred to above form an Integral part of the Statement of Profit and Loss

Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
T. K. Sen
General Manager (Finance)—A

Sd/-
T. K. Nag
Director (Tech./Oprn.)

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date

For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017E)

Sd/-
(V. K. Singhi)

Partner
(Membership No. 050051)

Place : Ranchi
Dated : 21.05.2013

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note - 1
SHARE CAPITAL

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
a. AUTHORISED :		
110,00,000 Equity Shares of ₹ 1000/- each	1100.00	1100.00
	1100.00	1100.00
b. ISSUED, SUBSCRIBED AND PAID UP		
9400000 Equity Shares of ₹ 1000/- each fully paid up in cash	940.00	940.00
	940.00	940.00

Out of the above 9399997 shares are held by the holding company, Coal India Limited (CIL) and balance 3 shares are held by its nominees.

- c. The Company has issued only one class of Equity Shares having a face value of ₹ 1000/- each. Each holder of Equity Shares is entitled to one vote per share.
- d. The shareholders have the right to declare and approve dividend as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

Note : Shares in the Company held by each shareholder holding more than 5% Shares.

Name of Shareholder	No. of Shares Held (Face value of ₹ 1000/- each)	% of Total Shares
Coal India Limited (Holding Company)	9399997	100

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 2

RESERVES AND SURPLUS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
RESERVES :		
Capital Reserve		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	—	—
Capital Redemption Reserve		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	—	—
Reserve for Foreign Exchange Transactions		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	—	—
CSR Reserve		
As per last Financial Statement	23.72	30.13
Add : Addition during the Year	24.00	23.76
Less : Transfer to General Reserve	13.66	30.17
	34.06	23.72
Sustainable Development Reserve		
Appropriation Out of Surplus	1.72	—
Less : Adjustment during the Year	—	—
	1.72	—
General Reserve		
As per last Financial Statement	989.24	762.05
Add : Transfer from Surplus	268.36	197.02
Add : Transfer from CSR Reserve	13.66	30.17
	1271.26	989.24
Surplus		
As per last Financial Statement	1484.42	1305.83
Profit/(Loss) after Tax for the Year	1885.61	1319.55
	3370.03	2625.38
Profit/(Loss) available for Appropriation	3370.03	2625.38
Less : APPROPRIATION		
Reserve for Foreign Exchange Transaction	—	—
Transfer to General Reserve	268.36	197.02
Transfer to CSR Reserve	24.00	23.76
Transfer to SD Reserve	1.72	—
Interim Dividend	695.00	—
Proposed Dividend on Equity Shares	436.37	791.74
Corporate Dividend Tax	183.54	128.44
	1761.04	1484.42
Miscellaneous Expenditure (to the extent not written off)		
Preliminary Expenses	—	—
Pre-Operational Expenses	—	—
Total :	3068.08	2497.38

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 3

LONG TERM BORROWINGS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
A. Term Loan		
IBRD	36.49	41.76
JBIC	33.43	45.78
Export Development Corp., Canada	—	—
Liebherr France S.A., France	—	—
B. Loan From Coal India Limited	—	—
Total (A+B)	69.92	87.54

CLASSIFICATION 1

Secured	—	—
Unsecured	69.92	87.54

CLASSIFICATION 2

Loans taken under Guarantee

Particulars of Loan	(₹ in Cr.)	Nature of Guarantee
IBRD	44.33	Guaranteed by CIL and Counter Guarantee by Govt. of India
JBIC	42.57	Guaranteed by CIL and Counter Guarantee by Govt. of India

(1) Loan from World Bank outstanding as on 31.03.2013 in foreign currency is as follows :

IBRD – USD 8088782.68

JBIC – JPY 728120964

These loans are repayable in 30 bi-annual (Half Yearly) instalments as per the terms of loan agreement of these banks with Coal India Ltd. and ending on

IBRD 15th November 2017

JBIC (JEXIM) 15th August 2017

(2) Total Unsecured Loan as on 31.03.2013 was as follows :

	As at 31.03.13	As at 31.03.12
IBRD	44.33	48.62
JBIC (JEXIM)	42.57	55.70
	86.90	104.32

Out of the above an amount of ₹ 16.98 Cr. (Previous year ₹ 16.78 Cr.) has been classified as "Other Current Liabilities" and disclosed in Note 8.

(3) Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest is NIL.

(4) Loan from IBRD and JBIC on account of Coal Sector Rehabilitation Project obtained through CIL are covered by guarantee of CIL and counter guarantee by Govt. of India.

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 4

OTHER LONG TERM LIABILITIES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Trade Payable*	—	—
Security Deposits	16.94	3.26
Others	0.15	—
Total	17.09	3.26

CLASSIFICATION

Secured	—	—
Unsecured	17.09	3.26

(1) Amount outstanding in foreign currency is NIL.

(2) *Deferred credit for more than 12 months on payment allowed directly by the supplier is NIL.

Note – 5

LONG TERM PROVISIONS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
For Employee Benefits		
– Gratuity	239.39	547.34
– Leave Encashment	328.82	311.51
– Other Employee Benefits	—	—
For Foreign Exchange Transactions (Marked to Market)	—	—
OBR Adjustment Account		
Accumulated Reserve for future OBR	1555.95	1343.30
Less : Advance Stripping	534.24	278.06
	1021.71	1065.24
Mine Closure	303.15	197.79
For Others	—	—
TOTAL	1893.07	2121.88

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 6

SHORT TERM BORROWINGS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Loan from Bank	—	—
Loans Repayable on Demand	—	—
Other Loans and Advances :		
Deferred Credits	—	—
TOTAL	—	—
CLASSIFICATION 1		
Secured	—	—
Unsecured	—	—

CLASSIFICATION 2

Loan Guaranteed by Directors and Others :

Particulars of Loan	(₹ in Cr.)	Nature of Guarantee
NIL	NIL	NA
NIL	NIL	NA

(1) Amount outstanding in foreign currency is NIL.

(2) Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest is NIL.

Note – 7

TRADE PAYABLES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
For Revenue Stores & Supplies	78.99	74.39
TOTAL	78.99	74.39

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 8

OTHER CURRENT LIABILITIES

	<u>As at 31.03.2013 (₹ in Cr.)</u>	<u>As at 31.03.2012 (₹ in Cr.)</u>
Current Maturities of Long Term Borrowings		
Term Loan From IBRD	7.84	6.86
Term Loan From JBIC	9.14	9.92
Term Loan From Export Development Corp., Canada	—	—
Term Loan From Liebherr France S.A., France	—	—
Loan From Coal India Limited	—	—
Surplus Fund from Coal India	—	—
Current Account with Subsidiaries	—	—
For Capital Goods	54.43	71.97
For Expenses :		
Salary Wages & Allowances	303.41	553.45
Power & Fuel	45.33	64.58
Others	278.85	353.49
	627.59	971.52
Statutory Dues :		
Sales Tax	—	—
Sales Tax/VAT	28.78	7.56
Provident Fund & Pension Fund	191.13	151.66
Central Excise Duty	4.44	3.15
Royalty & Cess on Coal	142.59	130.50
Stowing Excise Duty	10.12	10.58
Clean Energy Cess	47.18	42.15
Others Statutory Levies	25.10	23.32
	449.34	368.92
Income Tax Deducted at Source	70.65	40.79
Security Deposit	58.18	63.37
Earnest Money	35.90	49.76
Advance & Deposit from customers/others	435.09	456.94
Interest Accrued and due on Borrowings	—	—
Interest Accrued but not due on Borrowings	—	—

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 8 (Contd...)

OTHER CURRENT LIABILITIES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Cess Equilisation Account	—	—
Current Account with IICM	—	—
Unpaid Dividend*	—	—
Ex-Owner Account	—	—
Advance Deposit other Pre-Nationalisation	—	—
Other Liabilities	614.13	428.76
Total	2362.29	2468.81

1. (a) Loan from World Bank outstanding as on 31.03.2013 in foreign currency is as follows :

IBRD - USD 8088782.68

JBIC - JPY 728120964

These loans are repayable in 30 bi-annual (Half Yearly) installments as per the terms of loan agreement of these banks with Coal India Ltd. and ending on

IBRD - 15th November, 2017

JBIC (JEXIM) - 15th August, 2017

- (b) Total unsecured loans as on 31.03.2013 were as follows :

	As at 31.03.13	As at 31.03.12
IBRD	44.33	48.62
JBIC(JEXIM)	42.57	55.70
Total	86.90	104.32

Out of the above an amount of ₹ 16.98 Cr. (Previous year ₹ 16.78 Cr.) has been classified as " Other Current Liabilities" and disclosed in NOte 8.

- (c) Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest is NIL.

- (d) Loan from IBRD and JBIC on account of Coal Sector Rehabilitation Project obtained through CIL are covered by guarantee of CIL and counter guarantee by Govt. of India.

2. No amount is due for payment to Investor Education and Protection Fund.

3. Provision for pension @3% of basic Pay + DA and Provision for superannuation benefit @6.84% of basic Pay + DA has been made for executives w.e.f. 01.01.2007 as per Office Memorandum No. CIL/C-5A(vi)/005/35/1210, dtd. 02/07.05.2009 issued by Dir (P&IR), CIL, Kolkata. The Liability for pension @3% and superannuation benefit @6.84% as on 31.03.2013 are ₹ 35.53 Cr and ₹ 81.05 Cr respectively have been made in the Financial Statements accordingly. A separate fund/Trust for the above purpose is still to be created by CIL.

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 9

SHORT TERM PROVISIONS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
For Employee Benefits		
– Gratuity	232.16	242.04
– Leave Encashment	47.36	40.91
– PPLB	128.63	98.17
– PRP	344.44	266.96
– Other Employee Benefits*	223.31	108.24
For Proposed Dividend	436.37	791.74
For Corporate Dividend Tax	70.79	128.44
Provision for Income Tax	—	—
Less : Advance Income Tax/Tax Deducted at source	—	—
For Excise Duty on Closing Stock of Coal	93.11	132.28
For Others	—	—
Total	1576.17	1808.78

- ₹ 791.74 Crores has been paid towards final dividend (pertaining to last financial year) during this year and the said amount has been approved by the members in the AGM held on 25.05.2012.
Interim dividend of ₹ 695 Cr. has been declared by the Board of Directors at their meeting held on 23rd March, 2013 and the same was paid during the year 2012-13.
- Provision for Ex-Gratia for non-executives has been made based on ₹ 26500/- per employee and PRP for Executives has been made based on advise received from CIL.

Notes Forming Part of the Financial Statements as at 31ST MARCH, 2013

Note - 10A

FIXED ASSETS

(₹ in Cr.)

PARTICULARS	GROSS BLOCK		DEPRECIATION		IMPAIRMENT LOSS		Total Depreciation/ Impairment Loss	CARRYING VALUE	
	As at 1.4.2012	Addition During the Year	Adj./Sales/ Transfer During the Year	As at 31.03.2013	As at 1.4.2012	Addition During the Year		Adj./Sales/ Transfer During the Year	As at 31.03.2013
TANGIBLE ASSETS :									
LAND :									
(a) Freehold	16.66	—	—	16.66	—	—	—	16.66	16.66
(b) Leasehold	513.69	17.00	—	530.69	338.73	—	338.73	191.96	195.03
Building/Water Supply/ Road & Culverts	401.15	11.54	2.07	414.76	255.51	—	255.51	159.25	155.79
Plant & Equipment	2982.29	114.72	(126.34)	2970.67	2048.98	—	2048.98	921.69	996.92
Telecommunication	16.87	0.02	(0.15)	16.74	14.07	—	14.07	2.67	3.16
Railway Sidings	87.53	—	—	87.53	68.57	—	68.57	18.96	20.99
Furniture & Fittings/Office Tools & Equipments/Electrical Fittings/Fire Arms	56.30	3.63	(1.02)	58.91	41.30	—	41.30	17.61	16.90
Vehicle	30.57	1.14	(0.40)	31.31	26.48	—	26.48	4.83	4.26
Aircraft	—	—	—	—	—	—	—	—	—
Development	348.63	5.31	0.87	354.81	320.94	3.06	324.00	30.81	37.72
Assets taken on Nationalisation	—	—	—	—	—	—	—	—	—
TOTAL	4453.69	153.36	(124.97)	4482.08	3006.26	222.65	(114.33)	3114.58	3117.64
Tangible Assets (As at 31.03.2012)	4266.58	284.60	(97.49)	4453.69	2926.76	205.47	(125.97)	3006.26	1447.43
INTANGIBLE ASSETS									
Software	—	—	—	—	—	—	—	—	—
Development	278.48	—	(0.93)	277.55	238.57	3.83	1.80	244.20	39.91
Prospecting & Boring	46.01	—	—	46.01	45.51	0.16	(0.02)	45.65	0.50
TOTAL	324.49	—	(0.93)	323.56	284.08	3.99	1.78	289.85	290.18
Intangible Assets (As at 31.03.2012)	323.55	—	0.94	324.49	277.29	6.82	(0.03)	284.08	40.41

Notes Forming Part of the Financial Statements as at 31ST MARCH, 2013

Note - 10B

CAPITAL WORK-IN-PROGRESS

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS		Total Provision/ Impairment Loss	CARRYING VALUE	
	As at 1.4.2012	Addition During the Year	As at 1.4.2012	Addition During the Year	As at 1.4.2012	Addition During the Year		As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS :									
Building/Water Supply/Road & Culverts	30.14	17.96	(10.11)	37.99	10.31	(0.04)	10.31	27.68	20.02
Plant & Equipment	42.21	50.56	(27.32)	65.45	11.79	—	11.79	53.66	30.68
Railway Sidings	66.76	7.71	—	74.47	38.94	—	38.94	35.53	30.94
Development	79.39	2.98	(33.91)	48.46	26.72	—	27.39	21.07	53.26
Others	—	—	—	—	—	—	—	—	—
TOTAL	218.50	79.21	(71.34)	226.37	87.76	(0.04)	88.43	137.94	134.90
Tangible Assets (As at 31.03.2012)	370.04	29.98	(181.52)	218.50	83.60	(2.58)	83.60	134.90	—
Surveyed off Assets	52.38	6.36	—	58.74	—	—	—	58.74	52.38
Surveyed off Assets (As on 31.03.2012)	46.39	6.34	(0.35)	52.38	—	—	—	52.38	—
GRAND TOTAL	270.88	85.57	(71.34)	285.11	87.76	(0.04)	88.43	196.68	187.28
GRAND TOTAL (As on 31.03.2012)	416.43	36.32	(181.87)	270.88	83.60	(2.58)	83.60	187.28	—

(₹ in Cr.)

Notes Forming Part of the Financial Statements as at 31ST MARCH, 2013

Note - 10C

INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Cr.)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS		Total Provision/ Impairment Loss	CARRYING VALUE	
	As at 1.4.2012	Addition During the Year	As at 1.4.2012	Addition During the Year	As at 1.4.2012	Addition During the Year		As at 31.03.2013	As at 31.03.2012
INTANGIBLE ASSETS :									
Development	11.79	21.25	31.44	64.48	1.25	—	1.25	63.23	10.54
Prospecting & Boring	63.54	1.18	(0.46)	64.26	2.21	—	2.21	62.05	61.33
TOTAL	75.33	22.43	30.98	128.74	3.46	—	3.46	125.28	71.87
Intangible Assets (As on 31.03.2012)	75.48	6.41	(6.56)	75.33	2.35	—	1.11	3.46	—

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 11

NON-CURRENT INVESTMENTS - Unquoted at Cost

	Number of Shares/bonds/ securities Current Year/ (Previous Year)	Face Value per Share/bond/ security Current Year/ (Previous Year) (₹)	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
TRADE				
8.5% Tax Free Special Bonds (Fully Paid up) : (on securitisation of Trade Receivables)				
Major State-wise Break-up				
UP	C.Y. 161800 (P.Y.) 242700	1000.00	16.18	24.27
Haryana	C.Y. 26660 (P.Y.) 39990	1000.00	2.67	4.00
Maharashtra	—	—	—	—
Madhya Pradesh	—	—	—	—
Gujarat	—	—	—	—
West Bengal	—	—	—	—
Others	—	—	—	—
Equity Shares in Joint Venture Companies (with name of Joint Ventures)	—	—	—	—
Equity Shares in Subsidiary Companies (with name of Subsidiaries)	—	—	—	—
Others (in Co-operative shares)	C.Y. 100 (P.Y.) 100	25.00	—	—
NON-TRADE				
Total :			18.85	28.27
Aggregate of Quoted Investment			—	—
Aggregate of Unquoted Investment			18.85	28.27
Market Value of Quoted Investment			—	—
Provision made for diminution in the value of Investment			—	—

Note : The current maturities of Non-current Investment has been shown in current Investments (Note – 14).

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 12

LONG TERM LOANS & ADVANCES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
LOANS		
ADVANCES TO SUPPLIERS & CONTRACTORS		
For Capital Goods	—	—
Secured considered good		
Unsecured considered good	206.01	167.88
Doubtful	0.11	0.11
Less : Provision for Doubtful Loans and Advances	0.11	0.11
	<u>206.01</u>	<u>167.88</u>
For Revenue		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	<u>—</u>	<u>—</u>
Security Deposits		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	<u>—</u>	<u>—</u>
Deposit for P&T, Electricity etc.		
Secured considered good	—	—
Unsecured considered good	0.51	0.54
Doubtful	0.14	0.14
Less : Provision for Doubtful Loans and Advances	0.14	0.14
	<u>0.51</u>	<u>0.54</u>
LOAN TO EMPLOYEES		
For House Building		
Secured considered good	2.13	2.72
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	<u>2.13</u>	<u>2.72</u>
For Motor Car & Other Conveyance		
Secured considered good	0.01	0.02
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	<u>0.01</u>	<u>0.02</u>
For Others		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans & Advances	—	—
	<u>—</u>	<u>—</u>
	<u>208.66</u>	<u>171.16</u>
Loan To Subsidiaries	—	—
Total	208.66	171.16

	Closing Balance		Maximum Amount Due	
	Current Year	Previous Year	Current Year	Previous Year
Due by the Companies in which directors of the Company is also a director/member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 13

OTHER NON-CURRENT ASSETS

	<u>As at 31.03.2013 (₹ in Cr.)</u>	<u>As at 31.03.2012 (₹ in Cr.)</u>
Long Term Trade Receivable		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
	<hr/>	<hr/>
Less : Provision for bad and doubtful trade receivables	—	—
	<hr/>	<hr/>
Exploratory Drilling Work		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for bad and doubtful	—	—
	<hr/>	<hr/>
Other Receivables		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for bad and doubtful Receivables	—	—
	<hr/>	<hr/>
	<hr/>	<hr/>
Total	<hr/> — <hr/>	<hr/> — <hr/>

	Closing Balance		Maximum Amount Due	
	Current Year	Previous Year	Current Year	Previous Year
Due by the Companies in which directors of the Company is also a director/member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 14

CURRENT INVESTMENTS - Quoted/Unquoted at Cost

	Number of Units/Shares/ Bonds/Securities Current Year/ (Previous Year)	Face Value per Unit/Share/ Bond/Security Current Year/ (Previous Year) (₹)	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
NON-TRADE				
Mutual Fund Investments				
UTI Mutual Fund	245231.31	1000.00	25.00	—
SBI Mutual Fund	249190.13	1000.00	25.00	—
Canara Robeco Mutual Fund	248632.52	1000.00	25.00	—
LIC Mutual Fund	227686.70	1000.00	25.00	—
TRADE				
8.5% Tax Free Special Bonds (Fully Paid up) : (on Securitisation of Trade Receivables)				
Major State-wise Break-up				
UP	C.Y. 80900 (P.Y.) 80900	1000.00	8.09	8.09
Haryana	C.Y. 13330 (P.Y.) 13330	1000.00	1.33	1.33
Maharashtra	—	—	—	—
Madhya Pradesh	—	—	—	—
Gujarat	—	—	—	—
Tamilnadu	—	—	—	—
West Bengal	—	—	—	—
Others	—	—	—	—
Total			109.42	9.42
Aggregate Value of Quoted Investment			—	—
Aggregate Value of Unquoted Investment			9.42	9.42
Market Value of Quoted Investment (₹ in Cr.)			—	—
Provision made for diminution in the value of Investment			—	—

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 15

INVENTORIES

(Valuation as per Significant Accounting Policy No. 6)

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Stock of Coal	1103.23	1379.68
Coal Under Development	—	—
Less : Provision	—	—
A Stock of Coal (Net)	1103.23	1379.68
Stock of Stores & Spare Parts (at cost)	182.79	179.58
Stores-in-transit	6.10	5.41
Less : Provision	39.22	38.12
B Net Stock of Stores & Spare Parts (at cost)	149.67	146.87
Workshop Jobs :		
Work-in-progress and Finished Goods	2.40	1.85
Less : Provision	—	—
C Net Stock of Workshop Jobs	2.40	1.85
D Press :		
Work-in-progress and Finished Goods	1.25	1.06
E Stock of Medicine at Central Hospital	0.37	0.32
F Prospecting & Boring/Development Exp./Coal Blocks meant for Sale	1.72	1.72
Total (A to F)	1258.64	1531.50

Notes Forming Part of the Financial Statements as at 31st March, 2013

ANNEXURE TO NOTE – 15

TABLE - A

(Qty. in Lakh Tonnes)
(Value in ₹ Cr.)**Reconciliation of closing stock of Raw Coal adopted in the Financial Statements with Book stock as at the end of the Year :**

	OVERALL STOCK		NON-VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening Stock as on 01.04.12	164.55	1191.17	1.21	—	163.34	1191.17
(B) Adjustment in Opening Stock	—	—	—	—	—	—
2. Production for the Year	480.61	8683.58	—	—	480.61	8683.58
3. Sub-Total (1+2)	645.16	9874.75	1.21	—	643.95	9874.75
4. Off-Take for the Year						
(A) Outside Despatch	422.51	8053.32	—	—	422.51	8053.32
(B) Coal feed to Washeries	106.34	866.41	—	—	106.34	866.41
(C) Own Consumption	0.06	0.75	—	—	0.06	0.75
Total (4)	528.91	8920.48	—	—	528.91	8920.48
5. Derived Stock	116.25	954.27	1.21	—	115.04	954.27
6. Measured Stock	113.17	934.52	1.19	—	111.98	934.52
7. Difference (5 – 6)	3.08	19.75	0.02	—	3.06	19.75
8. Break-up of Difference						
(A) Excess Within 5%	0.08	0.76	—	—	0.08	0.76
(B) Shortage within 5%	3.16	20.51	0.02	—	3.14	20.51
(C) Excess beyond 5%	—	—	—	—	—	—
(D) Shortage beyond 5%	—	—	—	—	—	—
9. Closing stock adopted in A/c. (6 – 8A + 8B)	116.25	954.27	1.21	—	115.04	954.27

TABLE - B

Summary of Closing Stock of Coal/Coke etc.

(Qty. in Lakh Tonnes)
(Value in ₹ Cr.)

	Raw Coal		Washed/Deshaled Coal				Other Products*		Total	
	Qty.	Value	Coking		Non-Coking		Qty.	Value	Qty.	Value
			Qty.	Value	Qty.	Value				
Opening Stock (Audited)	164.55	1191.17	1.21	29.89	1.61	17.95	10.48	140.67	177.85	1379.68
Less : Non-vendable Coal	1.21	—	—	—	—	—	—	—	1.21	—
Adjusted Opening Stock (Vendable)	163.34	1191.17	1.21	29.89	1.61	17.95	10.48	140.67	176.64	1379.68
Production	480.61	8683.58	12.39	704.07	72.17	1211.47	14.30	571.69	579.47	11170.81
Offtake										
(A) Outside Despatch	422.51	8053.32	12.89	712.35	73.34	1223.84	16.05	590.59	524.79	10580.10
(B) Coal feed to Washeries	106.34	866.41	—	—	—	—	—	—	106.34	866.41
(C) Own Consumption	0.06	0.75	—	—	—	—	—	—	0.06	0.75
Closing Stock	115.04	954.27	0.71	21.61	0.44	5.58	8.73	121.77	124.92	1103.23
Less : Shortage	—	—	—	—	—	—	—	—	—	—
Closing Stock	115.04	954.27	0.71	21.61	0.44	5.58	8.73	121.77	124.92	1103.23

* Value of Despatch of Other Products includes value of Non-Coking Slurry and Rejects, but quantity of Despatch does not include despatch of Non-Coking Slurry 227551 MT and Rejects (both Coking and Non-Coking) 1345847 MT.

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 16

TRADE RECEIVABLES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Debts outstanding for a period exceeding six months from the due date		
Secured considered good	—	—
Unsecured considered good	1183.97	798.45
Doubtful	490.44	354.07
Less : Provision for bad & doubtful trade receivables	490.44	354.07
	1183.97	798.45
Other Debts		
Secured considered good	—	—
Unsecured considered good	349.90	280.21
Doubtful	56.14	39.02
Less : Provision for bad & doubtful trade receivables	56.14	39.02
	349.90	280.21
	1533.87	1078.66

	Closing Balance		Maximum Amount Due	
	Current Year	Previous Year	Current Year	Previous Year
Due by the Companies in which directors of the Company is also a director/member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Movement of Provision against Trade Receivables

(₹ in Cr.)

Particulars	Amount	Amount
Opening Balance as on 01.04.2012		393.09
Add : Provision made during the year		181.01
Add : Net transfer from Other Liabilities for Negative balance of Customers		
Opening Balance of Other Liabilities as on 01.04.2012	10.82	
Less : Closing Balance of Other Liabilities as on 31.03.2013	6.77	4.05
		578.15
Less : Provision utilized against quality, stone etc. for the previous year		29.17
Less : Provision withdrawn being no longer required		2.40
Closing Balance as on 31.03.2013		546.58

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 17

CASH & CASH EQUIVALENTS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Balance with Scheduled Banks		
In Deposit Accounts with maturity upto 3 months	457.65	908.72
In Current Accounts	22.09	89.99
In Cash Credit Accounts	—	—
Balances with Non-Scheduled Banks	—	—
In Account with Banks outside India	—	—
Remittance-in transit	0.11	0.01
Cheques, Drafts and Stamps in hand	1.44	0.05
Cash on hand	1.79	2.26
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity upto 3 months	—	—
Other Bank Balances		
Balances with Scheduled Banks		
In Deposit Accounts with maturity more than 3 months	3077.36	2985.17
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity more than 3 months	—	—
Total	3560.44	3986.20
Maximum amount outstanding with Banks other than Scheduled Banks at any time during the year	—	—

- Balances with Banks to the extent held as margin money or Security against the borrowings, guarantees, other commitments is NIL.
- Repatriations restrictions in respect of Cash and Bank Balances is NIL.
- Balance with Scheduled Bank – In Deposit Accounts includes ₹ NIL as on 31.03.2013 (Previous Year ₹ NIL) with maturity period of more than 12 months.
- Balance in Escrow Account is NIL.
- Balance of Cash on Hand is as per Cash Verification Report.
- Previous Year balance in Current Account is net of provision of ₹ 0.20 Cr. for the wrong debit by the Bank in earlier years. During the year the amount has been realised from the Bank and the provision has been written back under Note – 29.

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 18

SHORT TERM LOANS & ADVANCES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
LOANS		
ADVANCES		
(Recoverable in cash or in kind or for value to be received)		
ADVANCE TO SUPPLIERS		
For Revenue		
Secured considered good		
Unsecured considered good	40.92	32.51
Doubtful	0.54	0.73
Less : Provision for Doubtful Advances	0.54	0.73
	40.92	32.51
ADV PAYMENT OF STATUTORY DUES		
Sales Tax		
Secured considered good		
Unsecured considered good	26.75	44.88
Doubtful	—	—
Less : Provision for Bad and Doubtful Advances	—	—
	26.75	44.88
Advance Income Tax/Tax Deducted at Source	1248.92	1062.70
Less : Provision for Income Tax	897.45	669.05
	351.47	393.65
Others		
Secured considered good	—	—
Unsecured considered good	69.28	53.84
Doubtful	—	—
Less : Provision for Doubtful Advances	—	—
	69.28	53.84
	447.50	492.37
Advance to Employees		
Secured considered good	—	—
Unsecured considered good	104.98	81.33
Doubtful	—	—
Less : Provision for Bad and Doubtful Advances	—	—
	104.98	81.33

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 18 (Contd...)

SHORT TERM LOANS & ADVANCES

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
Current Account with Coal India Limited & other Subsidiaries of Coal India Limited	(30.64)	(51.18)
Loan Account with Subsidiaries	—	—
Claims Receivables		
Secured considered good	—	—
Unsecured considered good	14.28	21.25
Doubtful	0.81	2.55
Less : Provision for Bad and Doubtful Claims Receivables	0.81	2.55
	<u>14.28</u>	<u>21.25</u>
Prepaid Expenses	—	0.37
	<u>88.62</u>	<u>51.77</u>
Total	<u>577.04</u>	<u>576.65</u>

	Closing Balance		Maximum Amount Due	
	Current Year	Previous Year	Current Year	Previous Year
Due by the Companies in which directors of the Company is also a director/member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Advance to employees includes ₹ 96.19 Cr. recoverable advance paid to executives against provision for Performance Related Pay appearing in Short Term Provisions (Note No. 9).

Notes Forming Part of the Financial Statements as at 31ST MARCH, 2013

Note – 19

OTHER CURRENT ASSETS

	As at 31.03.2013 (₹ in Cr.)	As at 31.03.2012 (₹ in Cr.)
INTEREST ACCRUED		
Investments	1.40	1.80
Deposit with Banks	105.64	99.81
Others	1.13	1.51
Ex Owner's Account	—	—
Other Advances	—	—
Less : Provisions	—	—
	<u>—</u>	<u>—</u>
DEPOSITS		
Deposit for Custom Duty, Port Charges etc.	—	0.53
Deposit with Coal India Limited	—	29.12
Deposit for Royalty, Cess & Sales Tax	159.97	122.57
Less : Provisions	40.25	40.25
	<u>119.72</u>	<u>82.32</u>
Others	3.94	3.94
Less : Provisions	—	0.14
	<u>3.94</u>	<u>3.80</u>
Amount Receivable From Govt. of India for transactions on behalf of Ex-Coal Board	—	—
Less : Provisions	—	—
Other Receivables	208.55	155.73
Less : Provisions	0.84	3.94
	<u>207.71</u>	<u>151.79</u>
Total	<u>439.54</u>	<u>370.68</u>

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 20

REVENUE FROM OPERATIONS

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Sales of Coal, Coke etc.	10580.10	9005.34
Less : Excise Duty	625.31	423.46
Less : Other Levies		
Royalty	807.53	555.07
Stowing Excise Duty	42.24	36.61
Central Sales Tax	136.02	130.01
Clean Energy Cess	211.08	178.96
State Sales Tax/VAT	201.68	149.11
Others Levies	—	—
	1398.55	1049.76
Total Levies	2023.86	1473.22
Revenue From Operations (Net Sales)	8556.24	7532.12

1. Sales includes Incentives from Customers.
2. Bonus claims on customers, as a result of Joint sampling, are accounted for in sales in the year of settlement irrespective of period of despatch.

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 21 OTHER INCOME

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Income From Long Term Investments (Trade)		
Dividend from joint Ventures	—	—
Interest from		
Government Securities (8.5% Tax Free Special Bonds)	3.00	3.80
Income From Current Investments (Non-Trade)		
Dividend from Mutual Fund Investments	5.24	—
Dividend from Subsidiaries	—	—
Income From Others		
Interest (Gross) (Tax Deducted at Source ₹ 37.69 Cr.) (P.Y. ₹ 28.11 Cr.)		
From Deposit with Banks	359.81	293.31
From Loans and Advances to Employees	0.63	0.43
From Income Tax Refunds	—	0.31
From Coal India Limited	11.38	2.11
Others	11.01	—
Apex charges	—	—
Subsidy for Sand Stowing & Protective Works	2.01	2.53
Profit on Sale of Assets	—	—
Recovery of Transportation & Loading Cost	199.47	203.89
Gain on Foreign Exchange Transactions	—	—
Exchange Rate Variance	0.33	—
Lease Rent (Gross) (Tax Deducted at Source ₹ 0.08 Cr.) (P.Y. ₹ 0.08 Cr.)	3.84	3.86
Liability Written Back	—	—
Guarantee Fees from Subsidiaries.	—	—
Other non-operating Income	84.92	55.04
TOTAL	681.64	565.28
Other non-operating Income consists of :		
Penalty/L. D. Recovered	25.27	14.26
Recovery Siding Charges	5.46	—
Recovery from Employees	2.94	3.03
Provision for C.E.D. on Closing Stock of coal, coke etc.	39.16	—
Others	12.09	37.75
	84.92	55.04

Notes Forming Part of the Financial Statements as at 31st March, 2013**Note – 22****COST OF MATERIAL CONSUMED**

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Explosives	125.09	115.14
Timber	1.27	1.55
P O L	293.34	252.34
HEMM Spares	113.21	113.83
Other Consumable Stores & Spares	92.82	94.41
TOTAL	625.73	577.27

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 23

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Opening Stock of Coal	1379.68	1292.31
Add : Adjustment of Opening Stock	—	—
Less : Deterioration of Coal	—	—
	1379.68	1292.31
Less : Closing Stock of Coal	1103.23	1379.68
Less : Deterioration of Coal	—	—
	1103.23	1379.68
A. Change in Inventory of Coal	276.45	(87.37)
Opening Stock of Workshop made Finished Goods and WIP	1.85	2.97
Less : Provision	—	—
	1.85	2.97
Less : Closing Stock of Workshop made Finished Goods and WIP	2.40	1.85
Less : Provision	—	—
	2.40	1.85
B. Change in Inventory of Workshop	(0.55)	1.12
Press Opening Job		
(i) Finished Goods	0.71	0.59
(ii) Work-in-Progress	0.35	0.22
	1.06	0.81
Less : Press Closing Job		
(i) Finished Goods	0.88	0.71
(ii) Work-in-Progress	0.37	0.35
	1.25	1.06
C. Change in Inventory of Closing Stock of Press Job made Finished Goods and WIP	(0.19)	(0.25)
Total Change in Inventory of Stock in Trade (A+B+C) (Decretion/Accretion)	275.71	(86.50)

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 24

EMPLOYEE BENEFIT EXPENSES

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Salary, Wages, Allowances, Bonus & Benefits	2454.02	2244.21
Exgratia	148.89	117.83
PRP	77.32	62.98
Contribution to P.F. & Other Funds	383.30	245.80
Gratuity	177.06	481.61
Leave Encashment	102.43	167.69
VRS	9.86	9.57
Workmen Compensation	10.70	14.75
Medical Expenses	24.72	26.72
Grants to Schools & Institutions	16.86	13.99
Sports & Recreation	0.71	0.66
Canteen & Creche	0.25	0.21
Power – Township	48.22	39.87
Hire Charges of Bus, Ambulance etc.	3.71	3.70
Other Employee Benefits	64.42	62.91
TOTAL	3522.47	3492.50
Details of Other Employee Benefits		
LTC/LLTC	23.98	29.39
LCS	5.51	9.43
HRA	21.93	13.59
Reimbursement of Gas	11.57	9.07
Others	1.43	1.43
	64.42	62.91

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 25

WELFARE EXPENSES

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Medical Expenses for Retired employees	36.81	2.03
CSR Expenses	13.66	15.52
Sustainable Development Expenses	—	—
Environmental Expenses	3.97	3.06
Tree Plantation	2.90	1.20
Other Welfare Expenses	5.97	2.75
TOTAL	63.31	24.56

Note – 26

REPAIRS

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Building	87.03	72.54
Plant & Machinery	67.71	57.26
Others	7.90	6.89
TOTAL	162.64	136.69
Details of Others :		
Roads & Culverts	4.37	3.50
Heavy Vehicles	1.55	1.87
Car & Jeeps	1.17	0.86
Others	0.81	0.66
	7.90	6.89

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 27

CONTRACTUAL EXPENSES

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Transportation Charges :		
— Sand	0.63	1.15
— Coal & Coke	188.26	196.59
— Stores & Others etc.	0.05	0.04
Wagon Loading	16.59	15.36
Hiring of Plant & Machinery	234.73	243.25
Other Contractual Work	66.23	45.29
TOTAL	506.49	501.68
Details of Other Contractual Work		
Other Contractual Expenses	29.80	21.13
Misc. Mining Jobs	36.20	24.07
Others	0.23	0.09
	66.23	45.29

Note – 28

FINANCE COSTS

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
INTEREST EXPENSES		
Deferred Payments	—	—
Bank Over Draft/Cash Credit	—	—
Interest on IBRD & JBIC Loan	1.56	1.54
CIL Fund Loan Interest	4.52	—
Interest to Subsidiaries	—	—
Others	0.01	0.31
TOTAL (A)	6.09	1.85
OTHER BORROWING COSTS		
Guarantee Fees paid to CIL on (IBRD & JBIC) Loan	1.46	1.73
Other Expenses / Bank Charges	—	—
TOTAL (B)	1.46	1.73
TOTAL (A + B)	7.55	3.58

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 29 PROVISIONS

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
(A) PROVISION MADE FOR		
Doubtful Debts	181.01	104.30
Doubtful Advances & Claims	—	—
Foreign Exchange Transaction	—	—
Stores & Spares	1.10	1.55
Reclamation of Land/Mine Closure Expenses	100.35	105.13
Surveyed off Fixed Assets/Capital WIP	—	—
Others	—	—
TOTAL (A)	282.46	210.98
(B) PROVISION WRITTEN BACK		
Doubtful Debts	2.40	133.10
Doubtful Advances & Claims	0.70	—
Foreign Exchange Transaction	—	—
Stores & Spares	—	—
Reclamation of Land/Mine Closure Expenses	—	—
Surveyed off Fixed Assets/Capital WIP	—	—
Others	—	3.86
TOTAL (B)	3.10	136.96
TOTAL (A – B)	279.36	74.02

Note –30

WRITE OFF

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Doubtful Debts	—	109.35
Doubtful Advances	—	—
Others	—	—
TOTAL	—	109.35

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 31

OTHER EXPENDITURE

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
Travelling expenses		
— Domestic	21.51	19.00
— Foreign	0.10	0.33
Training Expenses	3.48	3.99
Telephone & Postage	1.56	1.22
Advertisement & Publicity	5.03	3.98
Freight Charges	0.18	0.47
Demurrage	6.72	6.64
Donation/Subscription	—	—
Security Expenses	89.74	79.27
Service Charges of Coal India Limited	24.03	24.01
Hire Charges	26.55	22.68
CMPDI Expenses	49.38	51.68
Legal Expenses	5.32	3.17
Bank Charges	0.26	0.51
Guest House Expenses	0.33	0.24
Consultancy Charges	0.17	1.25
Under Loading Charges	74.78	57.45
Loss on Sale/Discard/Surveyed off Assets	—	—
Auditor's Remuneration & Expenses		
— As Auditors	0.25	0.21
— For Taxation Matters	0.01	0.01
— For Company Law Matters	—	—
— For Management Services	—	—
— For Other Services	—	—
— For Reimbursement of Expenses	0.12	0.12
Internal Audit Fees & Expenses	1.71	1.13
Rehabilitation Charges	31.83	28.58
Royalty, SED & C. E. Cess	196.49	205.82
Central Excise Duty	—	40.94
Rent	0.69	0.76
Rates & Taxes	2.13	1.59
Insurance	0.80	0.60
Loss on Exchange Rate Variance	—	14.64
Lease Rent	—	—
Rescue/Safety Expenses	2.29	2.25
Dead Rent/Surface Rent	0.03	0.11
Siding Maintenance Charges	7.78	29.95
Land/Crops Compensation	0.07	0.12
Miscellaneous Expenses	30.89	56.94
TOTAL (A)	584.23	659.66

Notes Forming Part of the Financial Statements as at 31st March, 2013

Note – 32

PRIOR PERIOD ADJUSTMENT

	For the Year ended 31.03.2013 (₹ in Cr.)	For the Year ended 31.03.2012 (₹ in Cr.)
(A) EXPENDITURE		
Sale of Coal & Coke	—	—
Stock of Coal & Coke	—	—
Other Income	—	—
Consumption of Stores & Spares	—	—
Employees Remuneration & Benefits	—	—
Power & Fuel	—	—
Welfare Expenses	—	—
Repairs	—	—
Contractual Expenses	1.23	—
Other Expenditure	6.84	—
Interest and other Financial Charges	—	—
Depreciation	—	—
TOTAL (A)	8.07	—
(B) INCOME		
Sale of Coal & Coke	2.45	14.57
Stock of Coal & Coke	—	—
Other Income	17.35	20.67
Consumption of Stores & Spares	2.78	—
Employees Remuneration & Benefits	—	—
Power & Fuel	8.82	—
Welfare Expenses	—	—
Repairs	—	—
Contractual Expenses	—	—
Other Expenditure	—	—
Interest and other Financial Charges	—	1.66
Depreciation	0.34	3.59
TOTAL (B)	31.74	40.49
TOTAL (A – B)	(23.67)	(40.49)

NOTE - 33**SIGNIFICANT ACCOUNTING POLICIES****1.0 ACCOUNTING CONVENTION**

Financial Statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the generally accepted accounting principles in India and the relevant provisions of the Companies Act, 1956 including accounting standards notified there under, except as otherwise stated.

2.0 SUBSIDIES/GRANTS FROM GOVERNMENT

2.1 Subsidies/Grants on capital account are deducted from the cost of respective assets to which they relate. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.2 Subsidies/Grants on revenue account are credited to Statement of Profit and Loss under the head-Other Income and the relevant expenses are debited to the respective heads. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.3 Subsidies /Grants from Government received as on implementing agency

2.3.1 Certain Grant /Funds received under S&T, PRE, EMSC,CCDA etc. as an implementing agency and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received.

2.3.2 Grant/Funds received as Nodal/Implementing Agency are accounted for on the basis of receipts and disbursement.

3.0 FIXED ASSETS**3.1 Land**

Value of land includes cost of acquisition and cash rehabilitation expenses and resettlement cost incurred for concerned displaced persons. Other expenditure incurred on acquisition of land viz. compensation in lieu of employment etc. are, however, treated as revenue expenditure.

3.2 Plant & Machinery

Plant & Machinery includes cost and expenses incurred for erection/installation and other attributable costs of bringing those assets to working conditions for their intended use.

3.3 Railway Siding

Pending commissioning, payments made to the railway authorities for construction of Railway Sidings are shown in Note-12-“Long Term Loans & Advances” under Advances for Capital.

3.4 Development

Expenses net of income of the projects/mines under development are booked to Development Account and grouped under Capital Work-in-Progress till the projects/mines are brought to revenue account, except otherwise specifically stated in the project report to determine the commercial readiness of the project to yield production on a sustainable basis and completion of required development activity during the period of constructions, projects and mines under development are brought to revenue considering the following criteria :

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
- (b) 2 years of touching of coal, or
- (c) From the beginning of the financial year in which the value of production is more than total expenses,

– whichever event occurs first.

4.0 PROSPECTING & BORING AND OTHER DEVELOPMENT EXPENDITURE

The cost of exploration and other development expenditure incurred in one “ Five Year” plan period will be kept in Capital work-in-progress till the end of subsequent two “ Five Year” plan periods for formulation of projects, before it is written-off, except in the case of Blocks identified for sale or proposed to be sold to outside agency which will be kept in inventory till finalisation of sale.

5.0 INVESTMENTS

Current Investments are valued at the lower of cost and fair value as at the Balance Sheet date. Investments in Mutual Funds are considered as Current Investments.

Non-Current investments are valued at cost.

6.0 INVENTORIES

6.1 Book stock of coal/coke is considered in the financial statements where the variance between book stock and measured stock is upto +/-5% and in cases where the variance is beyond +/-5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

6.1.1 Coal & coke fines are valued at lower of cost or net realisable value

6.1.2 Slurry (coking/ semi-coking), middling of washeries and bye-products are valued at net realisable value.

6.2 Stores & Spares

6.2.1 The closing stock of stores and spare parts has been considered in the accounts as per balances

appearing in priced stores ledger of the Central Stores and as per physically verified stores lying at the collieries/units.

6.2.2 Stock of stores & spare parts at Central & Area Stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries/ sub-stores /drilling camps/consuming centres, initially charged off, are valued at issue price of Area Stores, cost/estimated cost. Workshop jobs including work-in-progress are valued at cost.

6.2.3 Stores & spare parts include loose tools.

6.2.4 Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and at the rate of 50% for stores & spares not moved for 5 years.

6.3 Stock of stationery(other than lying at printing press), bricks, sand, medicine(except at Central Hospitals), aircraft spares and scraps are not considered in inventory.

7.0 DEPRECIATION

7.1 Depreciation on Fixed Assets is provided on straight line method at the rates and manner specified in Schedule – XIV of the Companies Act, 1956 (as amended) except for telecommunication equipment and photocopying machine, which are charged at higher rates on the basis of their technically estimated life, as follows :

Telecommunication equipment	—	15.83% p.a. and 10.55% p.a.
Photocopying machine	—	10.55% p.a.

Depreciation on Earth Science Museum and high volume samplers and respiratory dust are charged @ 5.15% and 33.33% respectively on the basis of their technically estimated life.

Further, depreciation on certain equipments/HEMM is charged over the technically estimated life at higher rates viz.11.88%,13.57% and 15.83% as applicable.

Depreciation on SDL and LHD (equipments) are charged @ 19% p.a. and @ 15.83% p.a. respectively on the basis of technical estimation.

Depreciation on the assets added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/disposal, except on those assets attracting 100% depreciation p.a. (SLM basis), which are fully depreciated in the year of their addition. Assets attracting 100% depreciation are taken out from the assets after expiry of two years following the year in which these are fully depreciated.

7.2 Value of land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 is amortised on the basis of the balance life of the project. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier.

7.3 Prospecting & Boring and Development expenditure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

8.0 IMPAIRMENT OF ASSET

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognised as an expense in the Statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

9.0 FOREIGN CURRENCY TRANSACTIONS

9.1 Balance of foreign currency transactions is translated at the rates prevailing on the Balance Sheet date and the corresponding effect is given in the respective accounts. Transactions completed during the period are adjusted on actual basis.

9.2 Transactions covered by cross currency swap options contracts to be settled on future dates are recognized at the rates prevailing on the Balance Sheet date, of the underlying foreign currency. Effects arising out of such contracts are taken into accounts on the date of settlement.

10.0 RETIREMENT BENEFITS/OTHER EMPLOYEE BENEFITS

(a) Defined Contribution Plans

The Company has defined contribution plans for payment of Provident Fund and Pension Fund benefits to its employees. Such Provident Fund and Pension Fund are maintained and operated by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the Company is required to contribute a specified percentage of pay roll cost to the CMPF Authorities to fund the benefits.

(b) Defined Benefits Plans

The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on actuarial valuation basis by applying projected unit credit method. [Further the Company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation.]

(c) Other Employee Benefits

Further liability on Balance Sheet date of certain other employee benefits viz. benefits on account of LTA/LTC, Life Cover Scheme, Group Personal Accident Insurance Scheme, Settlement Allowance, Retired Executive Medical Benefit Scheme and compensation to dependants of deceased in mines accidents etc. are also valued on actuarial basis by applying projected unit credit method.

11.0 Recognition of Income and Expenditure:

Income and Expenditure are generally recognised on accrual basis and provision is made for all known liabilities.

11.1 Sales

- (a) Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer.
- (b) Sale of coal are net of statutory dues and accepted deduction made by customer on account of quality of coal.
- (c) The revenue recognition is done where there is reasonable certainty of collection. On the other hand, revenue recognition is postponed in case of uncertainty as assessed by management.

11.2 Dividend

Dividend income is recognised when right to receive is established.

12.0 BORROWING COSTS

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalized. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 TAXATION

Provision of current Income Tax is made in accordance with the Income Tax Act, 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

14.0 PROVISION

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

15.0 CONTINGENT LIABILITY

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations can not be made.

Contingent liabilities are not provided for in the accounts and are disclosed by way of Note.

16.0 OVERBURDEN REMOVAL(OBR) EXPENSES

In open cast mines with rated capacity of one million tones per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non-Current Assets/Long Term Provisions as the case may be.

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the lower of the two alternative permissible limits, as detailed hereunder :

Annual Quantum of OBR of the mine	Permissible limits of variance	
	I	II
	%	Quantum (In Mill. Cu. Mtr.)
Less than 1 Mill. CUM	± 5%	0.03
Between 1 and 5 Mill. CUM	± 3%	0.20
More than 5 Mill. CUM	± 2%	NIL

However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

17.0 PRIOR PERIOD ADJUSTMENTS AND PREPAID EXPENSES

Income/expenditures relating to prior period and prepaid expenses, which do not exceed ₹ 0.10 Crore in each case, are treated as income/ expenditure of the current year.

NOTE - 34

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

1. CONTINGENT LIABILITIES/CAPITAL COMMITMENT

1.1 Description of Contingent Liabilities which have not been provided in the Financial Statements are as under :

Particulars	Payment under protest and shown under Other Current Assets (Note – 19)			
	2012-13 (₹ in Crore)	2011-12 (₹ in Crore)	2012-13 (₹ in Crore)	2011-12 (₹ in Crore)
(a) Claims against the Company not acknowledged as debt	1216.26	1192.95	0.00	0.00
(b) Sales Tax including ED Liability that may arise in respect of matters in appeal	629.23	580.42	130.12	92.70
(c) Royalty & Cess Liability that may arise in respect of matters in appeal	352.98	345.89	29.86	29.87
(d) Income Tax liability that may arise in respect of which the Company have preferred an appeal	365.79	362.19	385.81	289.16

Un-expired letter of credit as on 31.03.2013 is ₹ 0.42 Cr. (Previous year ₹ 2.14 Cr.)

1.2 Capital Commitment

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) is ₹ 113.67 Cr. as on 31.03.2013 (Previous Year — ₹ 56.44 Cr.).

1.3 Other Commitments

Estimated amount of other commitment (Revenue) remaining to be executed and not provided for is ₹ 990.02 Crores as on 31.03.2013.

2. LOAN FROM WORLD BANK (IBRD & JBIC)

Movement in World Bank Loan (IBRD & JBIC) during the Financial Year 2012-13 is as under :

(₹ in Crore)

	IBRD	JBIC
Opening Balance as on 01.04.2012	48.62	55.70
Repayment	(-) 7.27	(-) 9.81
Exchange Fluctuation	2.98	(-) 3.32
Closing Balance as on 31.03.2013	44.33	42.57

3. LONG TERM PROVISIONS

Liabilities with regard to the Gratuity plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The Opening Liability of Gratuity as on 01.04.2012 was ₹ 789.38 Cr. The liability towards Incremental Gratuity for the year 2012-13 is ₹ 167.98 Cr. The Company has contributed ₹ 485.81 Cr. during the Year 2012-13. The Closing balance of liability for Gratuity is ₹ 471.55 Cr. (Note-5 – ₹ 239.39 Cr. + Note-9 – ₹ 232.16 Cr.). Trustees administered contribution made to the Trust and contribution are invested with Employees Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation of India. The following table sets out the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2013.

TABLE – 1**Showing Change in Present Value of Obligations – Disclosure Item 120 (c)**

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Present value of obligation at the beginning of the year	1638.73	1301.48
Acquisition Adjustment	0.00	0.00
Interest Cost	120.64	91.30
Past Service Cost	0.00	0.00
Current Service Cost	72.46	68.73
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefit Paid	261.41	320.54
Actuarial gain/loss on Obligations	64.42	497.76
Present value of Obligation at the end of the year	1634.84	1638.73

TABLE – 2

Showing Changes in Fair Value of Plan Assets : Disclosure item 120(e)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Fair value of Plan Assets at the beginning of the year	849.35	556.18
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Assets	67.95	44.50
Contributions	474.14	557.59
Benefits Paid	261.41	320.54
Actuarial gain/loss on Plan Assets	33.26	11.62
Fair Value of Plan Assets at the end of the year	1163.29	849.35

TABLE – 3

Showing Funded Status : Disclosure Item 120(f)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Present Value of Obligation at the end of the year	1634.84	1638.73
Fair Value of Plan Assets at the end of the year	1163.29	849.35
Funded Status	(–) 471.55	(–) 789.38
Unrecognized actuarial gain/loss at the end of the year	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	(–) 471.55	(–) 789.38

TABLE – 4

Showing Expense Recognized in Statement of Profit / Loss : Disclosure Item 120(g)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Current Service Cost	72.46	68.73
Past Service Cost	0.00	0.00
Interest Cost	120.64	91.30
Expected Return on Plan Assets	67.95	44.50
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/loss recognized in the year	31.15	486.14
Expenses recognized in Statement of Profit/Loss	156.31	601.67

TABLE – 7

Showing Actuarial Assumptions : Disclosure item 120(L)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Mortality Table	LICI 1994-1996	LICI 1994-1996
Superannuation Age	60	60
Early Retirement & Disablement	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29
Discount Rate	8.00	8.00
Inflation Rate	6.25	6.25
Return on Asset	8.00	8.00
Remaining working life	10	11
Formula used	Projected unit credit method	Projected unit credit method

TABLE – 10

Showing Movement in the Liability Recognized in Balance Sheet : Disclosure Item 120(P)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Opening Net Liability	789.38	745.30
Expenses as above	156.31	601.67
Contributions	474.14	557.59
Closing Net Liability	471.55	789.38
Closing Fund/Provision at the end of the year	1634.84	1638.73

In the case of Leave Encashment Benefit(EL/HPL)

TABLE – 1

Showing Changes in Present Value of Obligations – Disclosure Item 120 (c)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Present Value of Obligation at the beginning of the year	352.42	242.18
Acquisition Adjustment	0.00	0.00
Interest Cost	24.10	17.08
Past Service Cost	0.00	0.00
Current Service Cost	57.46	35.85
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefits Paid	102.43	57.45
Actuarial gain/loss on Obligations	44.63	114.76
Present Value of Obligation at the end of the year	376.18	352.42

Disclosure item No. 120(e)

The Table-2 showing changes in Fair Value of Plan Assets: Not applicable as scheme is unfunded.

Disclosure item No. 120(f)

The Table-3 showing funded status: Not applicable as scheme is unfunded.

TABLE – 4

Showing Expenses Recognized in Statement of Profit / Loss : Disclosure Item 120(g)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Current Service Cost	57.45	35.85
Past Service Cost	0.00	0.00
Interest Cost	24.10	17.08
Expected Return on Plan Assets	0.00	0.00
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/loss recognized in the year	44.63	114.76
Expenses recognized in Statement of Profit/Loss	126.18	167.69

TABLE – 7

Showing Actuarial Assumptions : Disclosure item 120 (I)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Mortality Table	LICI 1994-1996	LICI 1994-1996
Superannuation Age	60	60
Early Retirement & Disablement	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29
Discount Rate	8.00	8.00
Inflation Rate	6.25	6.25
Return on Asset	0.00	0.00
Remaining working life	10	11
Formula used	Projected unit credit method	Projected unit credit method

TABLE – 10

Showing Movements in the Liability Recognized in Balance Sheet : Disclosure Item 120 (P)

	As at 31.03.2013 (Figs. in ₹ Crore)	As at 31.03.2012 (Figs. in ₹ Crore)
Opening Net Liability	0.00	0.00
Expenses as above	102.43	167.69
Contributions	0.00	0.00
Closing Net Liability	102.43	167.69
Closing Fund/Provision at the end of the year	376.18	352.42

4. OTHER CURRENT LIABILITIES

- 4.1 By virtue of enactment of Cess and Other Taxes on Minerals (Validation) Act, 1992, the Company, in 1992-93, raised supplementary bills on customers up to 4th April, 1991 for ₹100.33 Cr. on account of Cess and sales tax thereon. The said amount has been included in statutory dues payable for Cess and sales tax under the head "Other Current Liabilities" (Note – 8) with corresponding Debit in "Claims Receivable-Cess" (Note – 19).
- 4.2 As required under provisions of the interest on delayed payment to Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has not received any memorandum (As required to be filed by the supplier with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount payable to these parties for the Year Ended 31.03.2013 is ₹ NIL (Previous year- ₹ NIL).

5. FIXED ASSETS

- 5.1 Land consists of free/ lease hold land and land acquired under Coal Bearing Acquisition Act, 1957. Cost of Notified land is capitalized on physical /constructive possession basis and completion of assessment by the competent authority. 41789 Ha. of land has been acquired under CBA(A&D) Act, 1957 comprising of 13474 Ha. of tenancy land, 1689 Ha. of Forest land and 11326 Ha. of Govt. land. Compensation has been assessed as ₹ 54.28 Cr. Out of this ₹34.44 Cr. has been paid. The balance amount is being paid by holding regular payment camps in different projects.
- 5.2 Gross Block as well as depreciation on surveyed off P&M, Vehicles etc. are taken out of Fixed Assets and provision for depreciation respectively and the residual value at 5% of Book Value are transferred to "Surveyed off assets for disposal" and the same is separately shown in the Note-10B. In case of premature survey off of assets the difference between the WDV and residual value of 5% is charged to Statement of Profit and Loss, as loss on surveyed off assets.
- 5.3 During the year, the Company has carried out exercise/evaluation of its assets to ascertain the impairment, if any, in loss making mines, with respect to Development Expenditure (including Prospecting and Boring). Other assets like Heavy Earth Moving Machinery, Building, Vehicle, Plant & Machinery etc., capable of being used elsewhere, have not been considered for impairment. Consequently an amount of ₹ 4.06 Cr (Previous Year ₹ Nil) on account of impairment has been charged to the Statement of Profit and Loss during the year.
- 5.4 The Assets and Liabilities of two hospitals taken over from Coal Mines Labour Welfare Organization in 1981 have not been reflected in the Financial Statements pending determination of values thereof. The Assets and Liabilities of three Mines Rescue stations taken over during 1985-86 have not been reflected in the Financial Statements pending determination of values thereof.

6. CAPITAL WORK-IN-PROGRESS

For machinery/assets, which could not be put to use for more than three years from the date of purchase/acquisition, net provision equivalent to depreciation w.e.f. the fourth year from the date of purchase/acquisition has been made during the year amounting to ₹4.16 Cr. (previous

year ₹4.96 Cr.) and impairment loss provided during the year ₹ 0.67 Cr (Previous year – ₹NIL). Total provision as on 31.03.2013 is ₹91.89 Cr. (Previous year ₹ 87.06 Cr. (Refer Note No. 10B & 10C) and provision for loss of assets made in earlier years has been retained.

7. DEFERRED TAX ASSETS

The Deferred Tax Assets as required under AS – 22 comprises of the following :

Deferred Tax Assets/Liabilities	2012-13 (March '13) (₹ in Cr.)	2011-12 (March '12) (₹ in Cr.)
A. Deferred Tax Assets :		
1. Provision for Doubtful Advances & Debts	191.19	143.90
2. Expenses Allowable on payment basis	385.32	405.57
3. Other Timing Differences	29.47	26.31
Total of (A)	605.98	575.78
B. Deferred Tax Liability :		
Depreciation/Amortization	26.61	73.27
Net Tax (A – B)	579.37	502.51

8. INVENTORIES

8.1 Pursuant to the Accounting Policy (Referred in para – 6.2.4 of Note – 33), provision of ₹ 1.10 Cr. (previous year ₹ 1.55 Cr.) has been made during the year for unserviceable/damaged/obsolete stores and also for Stores & Spares unmoved for 5 years. Total provision of ₹ 39.22 Cr. (Previous year ₹ 38.12 Cr.) as on 31.03.2013 is considered adequate.

8.2 As per past practice stocks of Non-coking Slurry and Rejects are not valued.

9. GENERAL

9.1 **USE OF ESTIMATES** : The presentation of the financial statements in conformity with the Generally Accepted Accounting Principles required making estimate and assumption that effect the reported amount of Assets and Liabilities on the date of the financial statements and also the reported amount of revenues and expenses during the reporting period. Difference between the actual amount and the estimates are recognized in the period in which the results are known/materialized.

9.2 Surplus on Sale of Non CIL Coal Blocks, which was in earlier year shown as “Extra Ordinary

Items” has been reclassified during the year as “Other Income” and disclosed accordingly in the financial statements.

- 9.3 Service Charges of CIL amounting to ₹24.03 Cr. (previous year ₹ 24.01 Cr.) levied by the Holding Company @ ₹ 5 per tonne of coal produced towards rendering various services like procurement, marketing, Corporate Service etc. based on agreement entered into, have been accounted for.
- 9.4 IICM charge amounting to ₹2.40 Cr. (Previous Year ₹2.40 Cr.) levied by the Holding Company @ ₹ 0.50 per tonne of coal produced, has been accounted for.
- 9.5 In terms of CIL’s letter No. CGM(F)/126/07 dtd. 08.04.2004 a charge of ₹31.83 Cr. (Previous year ₹28.58 Cr.) levied by the Holding Company @ ₹ 6.00 per tonne of coal released during 2012-13 towards Rehabilitation Fund for dealing with fire, shifting and stabilization of unstable areas have been accounted for.
- 9.6 In terms of lease agreement with Imperial Fastners Pvt. Limited, the Company has granted a right to occupy and use the assets of the Company. The cost of gross carrying amount at the beginning of the year is ₹80.19 Cr. The accumulated depreciation as at the end of the year is ₹77.72 Cr. Depreciation for the year is ₹2.89 Cr. The future minimum lease payment receivable in the aggregate during the period of lease is ₹51.36 Cr. The details of future lease payment receivables are as under :

	2012 – 13 (₹ in Cr.)
(i) Upto one year	3.84
(ii) Later than one year and not later than five years	15.36
(iii) Later than five years	32.16
Total	51.36

9.7 Cash Credit Facility

The Company through its holding Company CIL entered into an agreement with the Consortium of bankers (having State Bank of India as the lead Bank) to avail Cash Credit facilities for an aggregate sum of ₹55.00 Cr. and the said facilities shall be collaterally secured by creating hypothecation charge over the current assets comprising of Book Debts, Stock of Raw materials, Semi-finished and finished goods, Stores and Spares not relating to Plant & Machinery (Consumable Stores & Spares), both present and future jointly and severally in favour of the said Banks for a sum of ₹83.00 Cr. The extent of charge is 1.5 times the cash-credit limit of ₹55.00 Cr. The said facilities have not been availed by the Company during the year 2012-13.

- 9.8 Since coal became excisable w.e.f. 01.03.2011, Royalty and SED were considered as “Other Taxes” and excluded from the Transaction Value. Consequent upon the summon issued by

Directorate General of Central Excise Intelligence (DGCEI), New Delhi and discussion held thereon, CIL, Holding Company, who represented the issue, has advised to include Royalty and SED in the Transaction Value and pay Central Excise Duty under protest till the case pending in the Nine Member Bench of Hon'ble Supreme Court is disposed off. Accordingly ₹85.14 Cr. has been paid under protest against coal despatched and on consumption of raw coal in Washeries during the period from March-2011 to Feb-2013 and consequently Supplementary Bills on account of Central Excise Duty amounting to ₹78.42 Cr. have been raised during the year 2012-13.

- 9.9 Refund/Adjustment of tax from Tax Authorities are accounted for on cash basis. Additional demand for Income Tax, Royalty, Cess, Sales Tax, Entry Tax etc. are accounted for after final order except as otherwise not recognized under AS – 29.
- 9.10 Certain Trade receivables, Trade Payables, Other Current Liabilities and Claims Receivables are subject to confirmation by the parties and includes some old items pending reconciliation and adjustments to appropriate accounts. Letters for such confirmation were issued during the year.
- 9.11 A provision of ₹2.10 Cr. was made in the year 2006-07 pending investigation of shortage/ difference in the closing stock of raw coal as on 31.03.2007 in between the Kathara Colliery and Kathara Washery. The said provision has been retained as on 31.03.2013.
- 9.12 **Earning per share (EPS)** : The details of EPS computation is set out below :

	2012-13	2011-12
Profit available to Equity Share Holders (₹ in Cr.)	1885.61	1319.55
Weighted average no. of Equity Shares	94,00,000	94,00,000
Basic & Diluted earning per share	₹2005.97	₹1403.78

- 9.13 The imposition of Professional tax @ 0.5% by Mines Board, Hazaribagh vide notification no. 1308 dated 29.05.2003 was held unconstitutional & ultravires by the Hon'ble High Court of Jharkhand at Ranchi vide its Order dated 24.08.2006. The amount refundable by Mines Board, Hazaribagh on account of imposition of professional tax @ 0.5 % is ₹8.01 Crores. The Company is vigorously pursuing for refund of the said amount with various authorities of Jharkhand Government. Since no reply is received, the Company has filed a writ petition against Mines Board, Hazaribagh in the Hon'ble High Court of Jharkhand at Ranchi.
- 9.14 In the year 1989, a quantity of 8,99,788 tons of coal was declared non-vendable and accordingly with the approval of the Board of Directors, the said quantity has been reduced / written off from the inventory. However the Govt. of Jharkhand demanded Royalty on this non-saleable coal of 8,99,788 tons. The Company contested the demand for payment of Royalty. However, the

Company's appeal has been dismissed by the Honorable High Court on technical grounds. It has now been decided to file an appeal before the division bench of the Honorable High Court of Jharkhand by bringing on record evidences to show/ prove that the quantity of 8,99,788 tons consisted of shale, stones, mud and other extraneous materials. The disputed amount is ₹2.55 Cr. which has already been disclosed as Contingent Liability as on 31.03.2013.

- 9.15 There is a long pending dispute over capitalization cost of Rajrappa and Giddi Captive Power Plant, commissioned by DLF Power Limited on Built Own and Operate (BOO) basis and the dispute is pending in Civil Appeal No. 7403 of 2009, filed by the Company before the Hon'ble Supreme Court against the Order dated 31.07.2009 of the Jharkhand State Electricity Regulatory Commission duly confirmed by Appellate Tribunal.

Pursuant to interim Orders of Hon'ble Supreme Court dated 14.09.2012 and dated 23.11.2012 passed in the said appeal the Company has accounted for disputed liability of ₹94.33 crore, out of which ₹83.03 crore has been paid to DLF Power Limited upto 31.03.2013. The liability so accounted for has been included under the head Power and Fuel in the Statement of Profit and Loss and the balance amount payable has been accounted for under the head Other Current Liabilities in Note – 8.

- 9.16 Investment in Mutual Funds (considered as Current Investment) has been valued at the lower of Cost and Fair Value as at the Balance sheet date. As per Companies policy, accumulation of units on the balance sheet date has not been recognized as Income in the Statement of Profit & Loss.

9.17 Effect Due to change in Accounting Policy :

Particulars	Previous Policy	Present Policy	Effect
Change in rate of Depreciation of Photocopy Machine	Depreciation Charged @ 4.75% p.a. (SLM)	Depreciation Charged @ 10.55% p.a. (SLM)	Profit decreased by ₹0.04 Cr.
Prior Period Adjustments	Income/Expenditures exceeding ₹ 5 lakh in each case treated as Prior Period	Income/Expenditures exceeding ₹10 lakh in each case treated as Prior Period	Profit before prior period adjustment decreased by ₹3.64 Cr.
Prepaid Expenses	Prepaid expenses recognized irrespective of the involvement of the amount	Prepaid expenses recognized when it exceeds ₹10 lakh in each case	Profit decreased by ₹ 0.21 Cr.

10. DIRECTORS REMUNERATION (KEY MANAGEMENT PERSONNEL)*(₹ in Cr.)*

Particulars	Chairman/Managing Director		Functional Directors	
	2012-13	2011-12	2012-13	2011-12
Salary & Allowances (including Gratuity & Leave Encashment) and arrear arising out of revision of pay	0.51	0.20	0.46	0.42
Provident Fund	0.05	0.02	0.05	0.04
Perquisites	0.02	0.01	0.01	0.01
TOTAL	0.58	0.23	0.52	0.47

Note : Perquisites do not include value/charges for furniture rent and electric energy and use of Company's car which have been recovered as per rules of the Company and value of free medical facilities in Company's hospitals.

11. (A) Value of imported and indigenous stores, spare parts and components consumed (Note – 22) :*(₹ in Cr.)*

Particulars	2012-13	Percentage	2011-12	Percentage
Imported	13.35	2.13%	12.50	2.17%
Indigenous	612.38	97.87%	564.77	97.83%
TOTAL	625.73	100%	577.27	100%

(B) CIF Value of Imports :*(₹ in Cr.)*

	<u>2012-13</u>	<u>2011-12</u>
Components & Spare Parts	9.06	7.40
Capital Goods	0.00	16.69
TOTAL	<u>9.06</u>	<u>24.09</u>

(C) Expenditure incurred in Foreign Currency on account of (As per debit advice of Holding Company) :

(₹ in Cr.)

	<u>2012-13</u>	<u>2011-12</u>
(i) Interest	1.56	1.54
(ii) Agency Commission	0.01	0.01
Total	<u>1.57</u>	<u>1.55</u>

12. The Mandatory Accounting Standard on Segment Reporting (AS-17), Related Party Transactions (AS-18), Discontinuing Operation (AS-24), Interim Financial Report (AS-25) and Financial Reporting of Interest in Joint Ventures (AS-27) are not applicable to Company.

13. Figures have been expressed in “Crores” and rounded off to the nearest lakh.

14. During the year various heads of account of the Balance Sheet and the Statement of Profit and Loss have been rearranged /regrouped and accordingly previous year’s figures to the extent possible have been rearranged/ regrouped to make them comparable.

Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
T. K. Sen
General Manager (Finance) – A

Sd/-
T. K. Nag
Director (Tech./Oprn.)

Sd/-
Gopal Singh
Chairman-cum-Managing Director

Signature to Note No. 1 to 34 in terms of
our report of even date.

For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017E)

Sd/-

(V. K. Singhi)

Partner

(Membership No. 050051)

Place : Ranchi
Dated : 21.05.2013

CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE PERIOD ENDED 31ST MARCH, 2013

(₹ in Cr.)

	<u>Current Period</u>	<u>2011-12</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Prior Period, Exceptional and Extra Ordinary items and Tax	2659.89	1929.75
Adjustment for :		
Depreciation (Net of Adjustment)	122.31	86.29
Deferred Tax	(76.86)	(9.35)
O.B.R. Adjustment	(43.53)	188.59
Interest on Investment (Tax Free Bonds)	(3.00)	(3.80)
Dividend from Mutual Funds	(5.24)	—
Interest on Deposits	(359.81)	(293.31)
Interest on Surplus Fund Parked with Coal India Ltd.	(11.38)	(2.11)
Finance Costs	7.55	3.58
	(369.96)	(30.11)
Operating Profit before working Capital Changes	2289.93	1899.64
Adjustment for :		
(Increase) / Decrease in Inventories	272.86	(84.89)
(Increase) / Decrease in Trade Receivables	(455.21)	(137.02)
(Increase) / Decrease in Other Current Assets	(68.86)	195.23
(Increase) / Decrease in Current Investments	(100.00)	—
(Increase) / Decrease in Short Term Loans & Advances	(0.39)	(149.18)
(Decrease) / Increase in Trade Payables	4.60	14.51
(Decrease) / Increase in Other Current Liabilities	(106.72)	724.05
(Decrease) / Increase in Other Long Term Liabilities	13.83	2.14
(Decrease) / Increase in Short Term Provisions	(739.77)	(616.79)
(Decrease) / Increase in Long Term Provisions	(185.28)	54.39
(Decrease) / Increase in Long Term Loans & Advances	(37.50)	(154.06)
	(1402.44)	(151.62)
Cash Flow before Extra Ordinary items and Tax	887.49	1748.02
Prior Period Adjustment	(23.67)	(40.49)
Cash Flow from Operating Activities before Tax	911.16	1788.51
Tax Expenses	797.95	650.69
Net Cash Flow from Operating Activities	113.21	1137.82

CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE PERIOD ENDED 31ST MARCH, 2013 (CONTD...)

(₹ in Cr.)

	<u>Current Period</u>	<u>2011-12</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Acquisition of Fixed Assets (Net of Adjustment)	(95.10)	(38.86)
Interest on Deposits	359.81	293.31
Redemption of Tax Free Power Bonds	9.42	9.43
Interest on Surplus Fund Parked with Coal India Ltd.	11.38	2.11
Dividend from Mutual Funds	5.24	—
Interest on Investments (Tax Free Bonds)	3.00	3.80
	293.75	269.79
C CASH FLOW FROM FINANCING ACTIVITIES		
World Bank Loan through Coal India Ltd. (Exchange Fluctuation)	(0.33)	14.64
Repayment of World Bank Loan	(17.09)	(15.24)
Interest & Finance Charges	(7.55)	(3.58)
Payment of Interim Dividend including Dividend Tax	(807.75)	—
	(832.72)	(4.18)
Net Increase/Decrease in Cash and Cash Equivalent (A+B+C)	(425.76)	1403.43
Cash and Cash equivalent as on 01.04.2012*	3986.20	2582.77
Cash and Cash equivalent as on 31.03.2013* (* Refer Note No. 17)	3560.44	3986.20
	(425.76)	1403.43

NOTE :

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard – 3 on "Cash Flow Statement" notified by the Companies (Accounting Standard) Rules, 2006 (as amended).
- (b) Figures for the previous year have been regrouped / rearranged wherever found necessary.

Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
T. K. Sen
General Manager (Finance) – A

Sd/-
T. K. Nag
Director (Tech./Oprn.)

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date.

For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017E)

Sd/-
(V. K. Singhi)
Partner
(Membership No. : 050051)

Place : Ranchi
Dated : 21.05.2013

V. SINGHI & ASSOCIATES

Chartered Accountants

Phone : 3028 - 7838

Telefax : 3028 -7839

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Four Mangoe Lane

Surendra Mohan Ghosh Sarani

Ground Floor

Kolkata - 700 001

Annexure-VII TO CLAUSE - 41

**Auditor's Report on Quarterly Financial Results and year to date Results
of the Company Pursuant to the Clause-41 of the Listing Agreement**

To

The Board of Directors,
Central Coalfields Limited,
Ranchi

We have audited the quarterly financial results of Central Coalfields Limited, Ranchi for the quarter ended 31.03.2013 and the year to date results for the period 1st April, 2012 to 31st March, 2013, attached herewith, being submitted by the Company pursuant to the requirement of clause-41 of the Listing Agreement except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial principles laid down in accounting Standard (AS) 25, Interim Financial reporting issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

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 results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results, subject to our Auditors' Report on even date attached.

- (i) are presented in accordance with the requirements of Clause-41 of the Listing Agreement in this regard; and
- (ii) Give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2013 as well as the year to date results for the period from 1st April, 2012 to 31st March, 2013.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **V. Singhi & Associates**
Chartered Accountants
Firm Reg. No. : 311017E

Sd/-
(V. K. Singhi)
Partner
Membership No. : 050051

Place: Kolkata
Date : 21st May, 2013

ADDENDUM TO DIRECTORS' REPORT

(Under Section 217 (3) & 227 (2) of the Companies Act, 1956)

AUDITORS' REPORT

MANAGEMENT'S REPLY

To

The Members of Central Coalfields Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of Central Coalfields Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and also the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information in which are incorporated the accounts of 9 Areas audited by respective Branch Auditors and 6 Areas/Units audited by us. The reports of the Branch Auditors as submitted and forwarded to us have been dealt with in preparing this report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our

AUDITORS' REPORT**MANAGEMENT'S REPLY**

audit as well as by the Branch Auditors of the respective areas. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Attention is drawn to the following :

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| 1.1(a) The right, title and interest in land & mining, taken over from its holding and subsidiary companies and others at the time of nationalization are not supported by the title deeds and not available for our verification as such we are unable to comment upon the same. | Lease of coal mines nationalized under Coal Mines (Nationalization) Act, 1973 were vested in Coal Mines Authority Limited by statutory order No. GSR/345-E dtd. 9th July, 1973, New Delhi. Thus, individual title deeds are not available with the Company. |
| (b) The value in case of surveyed off Fixed Assets amounting to Rs. 58.74 crore | In the absence of any such active market for this type of product, it is difficult to determine the NRV. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

(Previous year Rs. 52.38 crore) have been shown at WDV of the respective areas instead of being valued at lower of WDV and net realizable value, which is not in conformity with Accounting Standard (AS) – 10 "Accounting for Fixed Assets."

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| <p>1.2 The Company is constantly following the accounting policy for valuing its inventory and in case of variance upto 5% between Book Stock and Measured Stock, Book Stock is considered for Valuation of Closing Stock and variance, within the prescribed limit, is ignored. The accounting policy of the Company is not consistent with Generally Accepted Accounting Principles (GAAP). During the year the Company has ignored value of net shortage of Book Stock of Rs. 18.08 crore. Thus the Closing Stock is over stated by Rs. 18.08 crore and profit is overstated by the same amount. The value of Coal, Coke etc. should have been considered in the financial statements as per physical measurement of Stock as per Accounting principles.</p> | <p>No Comments.</p> |
| <p>1.3 Balance of Trade Receivables, Loans and Advances, Deposits, Claims Receivable and Trade Payables are subject to confirmation by the respective parties. Loans and Advances (including Security Deposit and Earnest Money), Current Assets, Non Current Assets, Current Liabilities, Non Current Liabilities include old unlinked balances also.</p> | <p>The balances with major sundry debtors, claims receivables, sundry creditors are reconciled at regular intervals. For balance confirmation, letters have been issued to the concerned parties.</p> |
| <p>1.4 Pending receipt of confirmation of Trade Receivables we are not in a position to comment upon the adequacy of the provisions made for Bad & Doubtful Debts.</p> | <p>The balances with major sundry debtors are reconciled at regular intervals. During the year letters for confirmation of balances were also issued to some of the major debtors.</p> |
| <p>1.5 Escrow Account is yet to be opened against provision of Mine Closure amounting to Rs. 303.15 crore.</p> | <p>Designated bank/modalities for opening of Escrow Account is yet to be finalised/communicated by CIL.</p> |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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| 1.6 | In absence of adequate information, we are unable to ascertain as to the realisability or otherwise of claims pending since long for refund of Sales Tax, Professional Tax etc. amounting to Rs. 21.11 crore. | | The amount is due from Government and cannot be considered as irrecoverable. Moreover, CCL is in continuous touch with the State Govt. for realisation of the same. |
| 1.7 | No accountal has been made for Compensation receivable/payable in terms of "Fuel Supply Agreement (FSA)" with the customers for the year 2012-13, the impact of which on the profit and Trade Receivables remains unascertained. | | Compensation is receivable/payable under Fuel supply agreement on the basis of actual supply of coal vis-à-vis contracted annual quantity. Since the year 2012-13 has just been concluded, the exercise could not be completed to give effect in the accounts of 2012-13. Necessary accounting will be done in 2013-14. |
| 1.8 | No provision has been made for interest payable on unpaid amount of service tax for the period from 01.01.2005 to 31.12.2007 amounting to Rs. 15.11 Crore. | | In the absence of a demand the interest portion has not been provided, though the same amount has already been considered in Contingent Liabilities. |
| 1.9 | The technical data are submitted by the management in respect of Advance Stripping, Coal Exposure, Overburden removal (OBR), Average Ratio, Current Ratio, Ratio Variance etc., in the matter of OBR Accounting. Since OBR calculation is a technical assessment, we are unable to comment on the adequacy and correctness of the same. | | Accounting for OBR is carried out in accordance with the Significant Accounting Policy (Para-16) of the Company. |
| 1.10 | At the time of consolidation of accounts at the Headquarter certain entries relating to different areas have been passed after completion of audit by the respective Area Auditors. The final position of Profit/Loss and Balance Sheet after such entries made at the Headquarter has not been certified by the respective Area Auditors. | | The relevant journal entries has been passed at the headquarters at the time of consolidation. Hence, the impact is automatically transferred to the respective areas. |
| 1.11 | As per records, the Company has carried out exercise/evaluation of its assets to ascertain the impairment of prospecting and boring and development expenditure only. The | | Impairment loss has been arrived at and accounted for in respect of loss making mines w.r.t. development expenditure (including prospecting & boring expenditure). Other assets like Heavy Earth |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

Company has not carried out any exercise/ evaluation in respect of remaining assets, hence resultant impact on the profit and diminution in the value of remaining assets could not be ascertained and provided for in the financial statements, and the same is not in accordance with Accounting Standard (AS) – 28 “Impairment of Assets.”

Moving Machinery & Building etc. are capable of being used elsewhere. Hence, these assets are not considered for impairment (Refer Para 5.3 in Additional Notes to financial statements).

1.12 A provision of Rs. 40.25 crore has been made upto 31.03.2013 against the deposits relating to cases under appeal for Royalty/Cess and Sales Tax amounting to Rs. 159.97 crore. The implication of the differential balance amount on profit, assets and liabilities could not be ascertained.

The individual cases against the balance amounts have been examined in terms of the liabilities as per AS-29 and found that no such liability has crystallized as on the Balance Sheet date. Hence, no further provision is required to be made at this stage.

1.13 In absence of Expert legal opinion in respect of pending litigations against the Company as referred in Point No. 1.1 of Note – 34, additional liability, if any, which are required to be provided as per Accounting Standard (AS) – 29 “Provisions, Contingent Liabilities and Contingent Assets” remain unprovided/ undisclosed.

The individual cases have been examined with reference to the conditions existing on the reporting date as well as the additional events after the Balance Sheet date. No such liabilities have crystallized under AS-29 on the Balance Sheet Date.

1.14 Changes in the system of Accounting :

1.14.1 Prior period income/expense debited/ credited does not include items below 10 Lakh which is not in conformity with Accounting Standard (AS) – 5 “Net Profit or Loss for the period, prior period items and change in Accounting Policies.”

No Comments.

1.14.2 Depreciation on photocopier machines has been increased considering the useful life of the assets from 4.75% SLM to 10.55% SLM, thereby showing the profits for the year understated by Rs. 0.04 crore.

No Comments.

1.14.3 Prepaid expenses during the year have been recognised when it exceeds

No Comments.

AUDITORS' REPORT**MANAGEMENT'S REPLY**

Rs. 10 lakh whereas in earlier years it was recognised irrespective of any amount as a result profits have been understated by Rs. 0.21 crore.

Without considering the items mentioned in paragraphs 1.3 to 1.7 and 1.9 to 1.13 above the affect of which could not be determined, had the observation made by us in paragraphs 1.2, 1.8 & 1.14 above been considered the profit before tax for the year would have been Rs.2,650.58 crore (as against reported figures of Rs. 2,683.56 crore). Closing Stock of Coal would have been Rs. 1,085.15 crore (as against reported figures of Rs. 1,103.23 crore) and Other Current Liabilities would have been Rs. 2,377.40 crore (as against reported figures of Rs. 2,362.29 crore).

No Comments.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and subject to our above comments, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

AUDITORS' REPORT

MANAGEMENT'S REPLY

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that :
 - (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 account as required by law have been kept by the Company so far as appears from our examination of those books;

 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statements dealt with by this report are in agreement with the books of account;

 - (d) Except for the effects of the matter described in the Basis for opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

 - (e) As explained to us and as per Notification No. GSR 829(E) issued

AUDITORS' REPORT

MANAGEMENT'S REPLY

by the Department of Company Affairs the provisions of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 are not applicable to a Government Company.

- (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which the cess is to be paid, no cess is due and payable by the Company.

For V Singhi & Associates
Chartered Accountants
(Firm Reg. No. 311017E)
Sd/-
(V.K.Singhi)
Partner
(Membership No.050051)

Place: Ranchi

Date: 21st May, 2013

AUDITORS' REPORT TO THE MEMBERS

(Referred in paragraph-1 of Report on Other Legal and Regulatory Requirement of our report of even date)

AUDITORS' REPORT

MANAGEMENT'S REPLY

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| 1. (a) The Company has generally maintained records to show particulars of fixed assets including quantitative details and situation. | No Comments |
| (b) The Physical verification of fixed assets valuing Rs. 1 lakh & above has been conducted at reasonable interval except surveyed off Assets. As informed to us, no material discrepancies have been noticed on such verification wherever reconciliation has been carried out. In some areas/offices fixed assets, verified but not reconciled between fixed assets as per books and as per physical records, discrepancies are yet to be ascertained. | This is a statement of fact except the physical verification of surveyed off assets. The Physical verification of surveyed off assets is carried out at the time of survey off of the P&M as well as at the time of disposal through auction. |
| (c) During the year, the Company has not disposed off any substantial/major part of Fixed Assets, which would affect the going concern status of the Company. | No comments. |
| 2. (a) Stock of coal, coke etc. has been physically verified by way of volumetric measurement with reference to contour map at each mine, by Coal Measurement Team of Coal India Limited(CIL) at the year end and by the team of the Company at reasonable interval.

Physical verification of major part of Stock & Spares Parts of Regional Stores as on 31.03.2013 has been done by the outside agencies, appointed by the management. | No comments. |
| (b) According to the information and explanations given to us, the procedures of physical verification of Coal, Coke etc. followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. | No Comments. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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| <p>(c) The company is maintaining proper records of inventory. Discrepancies found in physical verification compared to the book records in respect of coal, coke etc. which were within +/-5% have not been dealt with in the financial statements, in terms of the Accounting Policy No. 6.1 of Note-33 of the company.</p> <p>The procedure of physical verification needs to be strengthened at Rajrappa area.</p> <p>In Piparwar Area, the NL/PL report has not been provided for the quarter ended 31st March, 2013. Hence, the financial impact due to high value items, negative balance (Quantity & Value) and unmatched items could not be verified and thus we are unable to comment upon the same.</p> <p>3(a) Except maintaining Current Account with the holding Company, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.</p> <p>(b) According to the information and explanations given to us, the holding company has allowed interest on Current Account. Considering the relationship of holding company with subsidiary company, we are unable to express our opinion.</p> <p>(c) As per records, the receipts of interest are regular.</p> <p>(d) In respect of the loans given by the Company, these are repayable on demand and therefore clause 4 (iii) (d) of the order is not applicable.</p> <p>(e) According to the information and explanations given to us, except a loan of Rs. 250 Crore has been taken from CIL its holding Company and refunded back during the year, the Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in</p> | <p>There is a Uniform Accounting Policy to deal with the case of discrepancy found on physical verification compared to book stock and it is being dealt in accordance with the Accounting Policy No. 6.1 of Note-33.</p> <p>Noted.</p> <p>Noted.</p> <p>No Comments.</p> <p>No Comments.</p> <p>This is a statement of fact.</p> <p>This is a statement of fact.</p> <p>No comments.</p> |
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AUDITORS' REPORT**MANAGEMENT'S REPLY**

the register maintained under section 301 of the Companies Act, 1956 during the year.

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| (f) | In our opinion and according to the information and explanations given to us, the Company has paid interest on the short term loan to holding company and other terms and conditions are not prima facie prejudicial to the interest of the Company. | No comments. |
| 4. | According to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of Inventory, fixed assets and for the sale of goods and services subject to certain lapses in few cases, such as long time lag between receipts of materials and recording of liabilities and/or adjustment of advances with Employees and others. Except as stated above and on the basis of verification and as reported by the branch auditors there is no serious continuing failure to correct major weakness in Internal Control System. | No comments. |
| 5.(a) | According to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section. | No comments. |
| (b) | According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. | No comments. |
| 6. | The Company has not accepted any deposits from the public within the meaning of Section 58A, 58 AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereon. | No Comments. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

7. According to the information and explanations given to us, the Company has an internal audit system and concurrent audit is being conducted monthly by outside agencies for Checking of Wages records, Certificate of annual Production and System Transaction. Further Stores & Spares Audit as on 31.12.2012 is conducted by outside agencies appointed by the Company. As informed, System Audit Report for the Kuju Area for the Quarter ended March, 2013 has not been received. In our opinion, the compliance of the report of said audits by the management needs improvement and regular follows up so as to make such audit more effective.
8. We have broadly reviewed the books of account maintained by the company in respect of product where pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 and are of opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Income Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable, except Service Tax amounting to Rs. 16.51 crore in respect of different areas for the period from
- No Comments.
- No comments.
- No comments.

AUDITORS' REPORT**MANAGEMENT'S REPLY**

01.01.2005 to 31.12.2007. As informed to us Investors Education and Protection Fund and State Insurance Act are not applicable to the Company.

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| (b) | According to information and explanations given to us, there is no disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess that have not been deposited on account of matters pending with appropriate authorities except the cases which are stated in Appendix-1 to the report. | In the case of disputed dues of sales tax, royalty, cess etc. advance payment is to be made to the authority as a pre-requisite for appeal. The same amount has been shown as Loans & Advances. Contingent Liabilities for the total amount disputed has been shown in the Additional Notes on Financial Statements. |
| 10. | The Company has no accumulated losses as at 31st March 2013, and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year. | No Comments. |
| 11. | According to the information and explanations given to us, the Company has not obtained any loan from banks and financial institutions, therefore Clause 4 (xi) of the Order is not applicable to the Company. | No Comments. |
| 12. | As informed to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities during the year. | No comments. |
| 13. | In our opinion, the Company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society and therefore, clause 4(xiii) of the Order is not applicable. | No comments. |
| 14. | In our opinion, the Company is not dealing or trading in Shares, Securities, Debentures and other Investments, except investment in units of Mutual Funds. The Company has maintained proper records of transactions and contracts in respect of power bonds allotted to the Company by Power Companies under tripartite agreement. All power bonds and investment | No comments. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

in units of Mutual Funds have been held by the Company in its own name.

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| 15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. However, the Company through its holding company, CIL entered into an agreement with State Bank of India consortium to avail Cash credit facility and charge has been created against the Current Assets of the Company amounting to Rs. 83.00 crore in favour of State Bank of India and members of consortium for a loan of Rs. 55.00 crore. However, the said facility has not been availed by the Company during the year. | No comments. |
| 16. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no term loan has been obtained during the year. | No comments. |
| 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that no funds raised on short-term basis have been used for long term investment of the Company. | No comments. |
| 18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year. | No comments. |
| 19. The Company has not issued any debentures during the year. | No comments. |
| 20. The company has not raised any money by way of public issue during the year . | No comments. |
| 21. To the best of our knowledge and belief | |

AUDITORS' REPORT

MANAGEMENT'S REPLY

and according to the information and explanations given to us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year nor we have been informed of any such case by the management, that causes the financial statements to be materially misstated.

No comments.

For V. Singhi & Associates
Chartered Accountants
Firm Reg. No. : 311017E

Sd/-
(V. K. Singhi)
Partner
(Membership No.050051)

Place: Ranchi

Date: 21st May, 2013

Appendix-1**DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.2013***(₹ in Crore)*

Tax Type	No. of Cases	Name of Court	Period	Disputed Amount
Royalty Cases	29	Certificate Office, Dhanbad, Ranchi, Bokaro, Hazaribagh	1984-85 to 2012-13	9.95
Royalty Cases	1	Dy. Commissioner, Ramgarh	2008-09	0.74
Royalty Cases	7	Commissioner, Hazaribagh	1996-97 to 2008-09	7.08
Royalty Cases	26	High Court, Jharkhand	1990-91 to 2010-11	229.24
Royalty Cases	8	Supreme Court, Delhi	1991-92 to 2008-09	105.96
Sales Tax Cases	204	Commercial Tax Officer, Ranchi, Hazaribagh, Tenughat, Ramgarh	1989-90 to 2011-12	89.96
Sales Tax Cases	182	JCCT (A), Hazaribagh	1989-90 to 2012-13	156.58
Sales Tax Cases	15	JCCT (A), Ranchi	1985-86 to 2001-02	0.58
Sales Tax Cases	104	Commissioner, Commercial Tax, Ranchi	1988-89 to 2012-13	249.47
Sales Tax Cases	95	Tribunal, Ranchi	1990-91 to 2011-12	115.01
Service Tax & Excise Cases	12	Commissioner, Ranchi	2004-05 to 2008-09	86.79
Electricity Duty Cases	131	JCCT (A), Hazaribagh	1992-93 to 2008-09	13.69
Electricity Duty Cases	10	Tribunal, Ranchi	1993-94 to 2008-09	0.77
Electricity Duty Cases	8	High Court, Jharkhand	1997-98 to 2004-05	3.18
Entry Tax Cases	1	Supreme Court, Delhi	2006-07	25.00
Income Tax Cases	1	Assessing Officer, Ranchi	2011-12	1.37
Income Tax Cases	6	CIT (Appeal), Ranchi	2004-05 to 2010-11	309.67
Income Tax Cases	9	CIT (Appeal), Jamshedpur	2005-06 to 2011-12	0.30
Income Tax Cases	1	CIT (Appeal), Ranchi	2005-06	53.31
Income Tax Cases	10	High Court, Jharkhand	1986-87 & 1989-90	0.99
Income Tax Cases	4	ITAT, Ranchi	2007-08 to 2010-11	0.15
	864	Total		1459.80