

# CENTRAL COALFIELDS LIMITED

A Miniratna Company



Partnering an energised India

**2014-15**

Annual Report & Accounts

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# Board of Directors

## (As on 17th June, 2015)



**Shri Gopal Singh**  
*Chairman-cum-Managing Director*

### DIRECTORS



**Shri D. K. Ghosh**  
*Director (Finance)*



**Shri P. K. Tiwari**  
*Director (Tech./Oprn.)*



**Shri R. S. Mahapatro**  
*Director (Personnel)*



**Shri Subir Chandra**  
*Director (Tech./P&P)*

### GOVERNMENT NOMINEES



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



**Shri R. P. Gupta, IAS**  
*Jt. Secretary, MoC*

### PERMANENT INVITEES



**Shri Deepak Nath, IRTS**  
*COM, EC Rly., Hajipur*

Secretary (Mines & Geology),  
Government of Jharkhand



**Shri C. V. N. Gangaram**  
*Company Secretary*

## **PRESENT MANAGEMENT**

**As on 17th June, 2015**

**(i.e on the date of the Fifty-Ninth Annual General Meeting)**

### **CHAIRMAN-CUM-MANAGING DIRECTOR**

Shri Gopal Singh

### **FUNCTIONAL DIRECTORS**

Shri P. K. Tiwari : Director (Tech./Oprn.)  
Shri D. K. Ghosh : Director (Finance)  
Shri R. S. Mahapatro : Director (Personnel)  
Shri Subir Chandra : Director (Tech./P&P)

### **PART TIME OFFICIAL DIRECTORS**

Shri R. P. Gupta, 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

### **PERMANENT INVITEES**

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

Secretary, Mines & Geology Deptt.  
Govt. of Jharkhand, Ranchi

### **COMPANY SECRETARY :**

Shri C. V. N. Gangaram



## MANAGEMENT DURING 2014-2015

### CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

### FUNCTIONAL DIRECTORS

Shri T. K. Nag : Director (Tech./Oprn.) (Upto 29.09.2014)

Shri R. R. Mishra : Director (Personnel) (Upto 10.10.2014)

Shri D. K. Ghosh : Director (Finance)

Shri P. K. Tiwari : Director (Tech./Oprn.) (w.e.f. 07.02.2015)

### PART TIME DIRECTORS

Shri Shailesh Kumar Singh, IAS : Jt. Secretary, Ministry of Coal  
Govt. of India, New Delhi (Upto 15.04.2015)

Shri R. P. Gupta, IAS : Jt. Secretary, Ministry of Coal  
Govt. of India, New Delhi (w.e.f. 20.04.2015 AN)

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

### PERMANENT INVITEES

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 Arun, IAS : Secretary (Mines & Geology)  
Govt. of Jharkhand  
(w.e.f. 16.01.2014 to 11.02.2015)

Secretary (Mines & Geology)  
Govt. of Jharkhand

### COMPANY SECRETARY

Shri C. V. N. Gangaram

## **BANKERS**

Allahabad Bank	Indian Overseas Bank
Andhra Bank	State Bank of India
Bank of Baroda	Oriental Bank of Commerce
Bank of India	Punjab National Bank
Bank of Maharashtra	Syndicate Bank
Canara Bank	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 – 834002, Jharkhand

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

**M/s. Kadmawala & Co.**  
C/o Shri Ram Chandra Prasad  
Shri Ram Path Lane  
Opp. Crown Public School  
Kishore ganj, Harmu Road  
Ranchi – 834001, Jharkhand

**M/s Lodha Patel Wadhwa & Co.**  
304, Shrilok Complex  
4 H. B. Road, 3rd Floor  
Ranchi – 834001, Jharkhand

## **REGISTERED OFFICE**

Darbhangha House  
Ranchi 834 029  
(Jharkhand)

## **NOTICE**

Secy. 3(4)/59/2015/782A

Dated : 10.06.2015

### **FIFTY NINTH ANNUAL GENERAL MEETING**

Notice is hereby given to all Shareholders of Central Coalfields Limited that the Fifty Ninth Annual General Meeting of the Company will be held on Wednesday, the 17th day of June, 2015 at 11.00 AM 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, 2015, Profit and Loss Account for the financial year ended 2014-15, Cash Flow Statement together with all Notes, Additional Notes on the Financial Statements and Significant Accounting Policy for the year 2014-15, the Reports of Statutory Auditor & Comptroller & Auditor General of India and Directors' Report.
2. To confirm the dividend paid on equity shares for the Financial Year 2014-15.
3. To appoint a Director in place of Shri R. Mohan Das (DIN-01594255) who retires by rotation in terms of Section 152(6) of the Companies Act 2014 and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri D. K. Ghosh (DIN -06638291), who retires by rotation in terms of Section 152 (6) of the Companies Act 2013 and being eligible, offers himself for reappointment.

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)  
CIN NUMBER : U10200JH1956GOI000581

#### **Note :**

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. In order to be effective, the Proxy form duly completed should be deposited at the registered office of the company not less than forty-eight hours before the scheduled time of the Annual General Meeting.
2. Members are requested to accord their consent, pursuant to Section 101(1) of the Companies Act 2013 for convening the meeting at a short notice.

## **MEMBERS**

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

**Shri Sutirtha Bhattacharya**  
Chairman,  
Coal India Limited,  
10, Netaji Subhas Road,  
Kolkata- 700 001

**Shri R. Mohan Das**  
Director (P&IR)  
Coal India Limited,  
10, Netaji Subhas Road,  
Kolkata- 700 001

**Shri Gopal Singh**  
Chairman-cum-Managing Director  
Darbhanga House  
Ranchi-834001

## **CHAIRMAN – AUDIT COMMITTEE, CCL**

**Shri R. P. Gupta, IAS**  
Joint Secretary, Ministry of Coal  
New Delhi

## **STATUTORY AUDITORS**

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

## **SECRETARIAL AUDITORS**

**M/s. Kant Sanat & Associates**  
Company Secretaries, Ranchi

## **N O T I C E**

Ref. No.Secy.3(6)/EGM/2015

Dated: 04/03/2015

### **EXTRA-ORDINARY GENERAL MEETING**

Notice is hereby given to all shareholders of Central Coalfields Limited that an Extra-Ordinary General Meeting of the Company will be held at Darbhanga House, Ranchi on Friday, the 27th March, 2015 at 12.00 Noon. to consider and, if thought fit, to pass, with or without modification, the following Special Resolutions:-

#### **ITEM NO. I**

#### **SPECIAL BUSINESS – SPECIAL RESOLUTION**

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

“RESOLVED THAT pursuant to section 14 and other applicable provisions, if any, of the Companies Act, 2013, the Articles of Association of the company be adopted as prepared by CIL in consultation with Practicing Company Secretary appointed by CIL for transition to Companies Act' 2013 and certified by M/s Vinod Kothari & Co., Kolkata, practicing Company Secretary.

A photocopy of the certificate for the vetted copy of the Draft Modified Articles of Association of CCL issued by M/s Vinod Kothari & Co., Kolkata is enclosed as Annexure -1.

Details of Articles of Association of CCL adopted by the CCL Board vide Item No. 4(14) in the 412th Meeting of the Board of Directors held on 21.12.2014 is enclosed as Annexure-II.

The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special business set out above is annexed hereto.

#### **ITEM NO. II**

#### **SPECIAL BUSINESS – ORDINARY RESOLUTION**

To ratify the remuneration of Statutory Cost Auditors appointed for conducting cost audit of the company for the F/Y 2014-15 & 2015-16 to comply with the Companies (Cost Accounting Records) Rules, 2011 & order no.F.No. 52/26/CAB-2010 dated 24th Jan, 2012 as approved by the Board of Directors for passing the following resolution as an Ordinary Resolution with or without modification(s):



“RESOLVED THAT the remuneration of Statutory Cost Auditors for conducting cost audit of the Company for the year 2014-15 & 2015-16 as approved by the Board of Directors of the Company at its 408th meeting held on 02.07.2014 (Item No. 2(2)), be and are hereby ratified.”

The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special business set out above is annexed hereto.

By order of the Board of Directors  
For CENTRAL COALFIELDS LIMITED

Sd/-  
**(C.V. N. Gangaram)**  
*Dy.GM(Fin.)/Company Secretary.*

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1)  
OF THE COMPANIES ACT, 2013**

**ITEM NO. I**

**AMENDMENT OF ARTICLES OF ASSOCIATION OF CENTRAL COALFIELDS LTD.**

Since the Companies Act, 1956 has been replaced with Companies Act, 2013, the necessity for transition of the existing Articles of Association with amended Articles of Association as per the provisions of Companies Act, 2013, for the sake of uniformity among the subsidiaries, CIL prepared Articles of Association of subsidiaries of CIL in consultation with Practicing Company Secretary appointed by CIL for transition to Companies Act 2013. The draft Articles of Association thus prepared was sent to all subsidiary companies to get their observations. Observations received from subsidiaries were considered and wherever found necessary/suitable incorporated in the Articles of Association. After obtaining general consensus to the provisions of Articles of Association, Coal India Limited has circulated vetted Articles of Association certified by M/s Vinod Kothari & Co., Kolkata, practicing Company Secretary.

This proposal was placed in the 412th meeting of the Board of Directors held on 21.12.2014 vide Item No. 4(14) and the Board approved the same and authorized CMD, CCL to call an Extraordinary General Meeting (EGM) at a date mutually convenient to the shareholders of the company within 31st March'2015 in consultation with Coal India Limited. In reference to this approval of the members for the following Special Resolution with or without modification(s) :-

“RESOLVED THAT the Articles of Association of CCL amended in reference to transition of the existing Articles of Association with amended Companies Act, 2013 which has been approved by the Board in its 412th meeting vide Item No.4(14), be and are hereby approved”.

As per Section 14(1) of the Companies Act 2013, Articles of Association can be amended by a special resolution in general meeting.

None of the Directors and any key managerial personnel and their relatives are concerned or interested, financial or otherwise, in respect of the above resolution

For CENTRAL COALFIELDS LIMITED

Sd/-

**(C. V. N. Gangaram)**

*Dy.GM(Fin.) /Company Secretary*

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. II**

**RATIFICATION OF THE REMUNERATIONS OF STATUTORY COST AUDITORS**

The CCL Board at its 407th meeting held on 27.05.2014 had approved the appointment of the Statutory Cost Audit Firms together with their Audit Fee, OPE & Service Tax for conducting cost audit of the company for the years 2014-15 & 2015-16.

Now, provisions of the new Companies Act, 2013 has been notified by Ministry of Corporate Affairs and are applicable to the company w.e.f. 01.04.2014. Section 148(3) of the Companies Act, 2013 provides that “the audit under Section 148 sub-section (2) shall be conducted by a Cost Accountant in practice who shall be appointed by the Board on such remuneration as may be determined by the members in such manner as may be prescribed”.

Further, Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration of the Cost Auditor for conducting the cost audit for the year 2014-15 & 2015-16 as recommended by the Audit Committee/approved by the Board of Directors of CCL is required to be ratified by the Shareholders, by way of Ordinary Resolution as under:

“RESOLVED THAT the remuneration of Cost Auditors for conducting cost audit of respective areas of CCL for the year 2014-15 & 2015-16, as recommended by the Audit Committee and approved by the Board in its 408th meeting held on 2.7.2014 (Item No. 2(2), be and are hereby ratified.”

None of the Directors and any key managerial personnel and their relatives are concerned or interested, financial or otherwise, in respect of the above resolution

For CENTRAL COALFIELDS LIMITED

Sd/-

**(C. V. N. Gangaram)**

*Dy.GM(Fin.) /Company Secretary*

## **PART-1 : VISION/MISSION & OBJECTIVES**

### **1.1 VISION**

To emerge as a National 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 in Eco-Friendly manner, with due regard to Safety, Conservation and Quality.

### **1.2 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 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	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>1. (a) Production of Raw Coal :</b> (Million Tonnes)										
Underground	0.84	0.96	1.02	1.09	1.27	1.47	1.56	1.83	1.96	2.31
Opencast	54.81	49.06	47.04	46.91	46.25	45.61	41.68	42.32	39.36	38.20
<b>TOTAL</b>	<b>55.65</b>	<b>50.02</b>	<b>48.06</b>	<b>48.00</b>	<b>47.52</b>	<b>47.08</b>	<b>43.24</b>	<b>44.15</b>	<b>41.32</b>	<b>40.51</b>
<b>(b) Overburden Removal :</b> (Million Cub.Mts.)	97.38	59.02	63.31	65.68	62.52	56.05	55.63	55.22	45.90	49.97
<b>2. Off take (Raw Coal)</b> (Million Tonnes)										
Steel	0.65	0.32	1.07	4.04	4.95	4.31	4.37	4.14	4.85	5.49
Power	33.41	32.10	31.56	33.68	30.76	28.89	29.80	29.25	25.29	27.29
Cement	0.00	0.00	0.00	0.11	0.22	0.08	0.05	0.07	0.05	0.05
Fertilizer	0.24	0.27	0.64	0.95	0.94	0.83	0.88	0.59	0.75	0.60
Others	10.23	9.00	8.98	9.25	9.50	9.79	8.55	7.53	7.12	5.37
Coal Feed to Washeries	10.81	10.43	10.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Colliery Consumption	0.00	0.00	0.01	0.01	0.01	0.01	0.02	0.02	0.04	0.06
<b>TOTAL</b>	<b>55.34</b>	<b>52.12</b>	<b>52.89*</b>	<b>48.04</b>	<b>46.38</b>	<b>43.91</b>	<b>43.67</b>	<b>41.60</b>	<b>38.10</b>	<b>38.86</b>
<b>3. Average Manpower</b>	45849	47406	49076	51156	53171	55305	57681	60209	62905	65536
<b>4. Productivity :</b>										
(A) Average per Man per Year (Tonnes)	1213.81	1055.14	979.30	938.32	893.72	851.28	749.65	733.28	656.86	618.14
(B) Output per manshift (OMS) :										
(i) Underground (Tonnes)	0.29	0.33	0.33	0.32	0.34	0.35	0.36	0.39	0.40	0.43
(ii) Opencast (Tonnes)	7.56	6.26	6.09	5.79	5.45	5.24	4.65	4.66	4.02	4.12
(iii) Overall (Tonnes)	5.46	4.64	4.42	4.19	3.88	3.66	3.27	3.22	2.81	2.75
<b>5. Information — As per Cost Report</b>										
(i) Earning per Manshift ( ₹ )	2507.87	2377.57	2174.95	1862.96	1615.93	1445.82	1616.43	1099.19	868.48	781.13
(ii) Avg. Cost of Production of Net Saleable Coal ( ₹ P.T.)	1099.43	1079.17	1020.42	1038.67	844.65	802.07	914.03	696.70	630.71	600.00
(iii) Avg. Sale Value of Production of Net Saleable Coal ( ₹ P.T.)	1435.90	1414.86	1423.22	1258.70	1072.82	1021.59	977.45	868.97	807.04	798.25

\* Note : Raw coal off take has been re-arranged from the Financial Year 2012-13.



## FINANCIAL POSITION

**As per Revised Schedule VI for the Year 2012 to 2014 and  
As per Schedule III of Companies Act, 2013 for the Year 2015**

(₹ in Crores)

For the Year Ending 31st March	2015	2014	2013	2012
<b>(A) What is owned</b>				
Gross Fixed Assets	5459.57	5116.32	4805.64	4778.18
Less Depreciation & Impairment	3705.82	3502.93	3407.82	3290.34
(1) Net Fixed Assets	1753.75	1613.39	1397.82	1487.84
(2) Capital Work -in -Prog	583.38	509.71	321.96	259.15
(3) Deferred Tax Assets	620.47	566.31	579.37	502.51
(4) Non Current Investments	0.00	9.43	18.85	28.27
(5) Long Term Loans & Advances	111.58	70.75	208.66	171.16
(6) Other Non Current Assets	810.05	520.05	0.00	0.00
<b>(7) Current Assets</b>				
(i) (a) Inventory of Coal, Coke etc.	1178.54	1067.28	1103.23	1379.68
(b) Inventory of Stores & Spares etc.	166.87	147.18	149.67	146.87
(c) Other Inventories	5.73	4.87	5.74	4.95
(ii) Trade Receivables (Net)	1465.57	1875.72	1533.87	1078.66
(iii) Cash & Cash Equivalents	3947.62	2816.37	3560.44	3986.20
(iv) Current Investments	403.79	605.10	109.42	9.42
(v) Short Term Loans & Advances	827.17	729.48	577.04	576.65
(vi) Other Current Assets	526.01	434.77	439.54	370.68
<b>Total Current Assets (7)</b>	<b>8521.30</b>	<b>7680.77</b>	<b>7478.95</b>	<b>7553.11</b>
<b>(8) Less Current Liab &amp; Prov.</b>	<b>4181.50</b>	<b>4250.67</b>	<b>4017.45</b>	<b>4351.98</b>
Trade Payables	108.46	91.32	78.99	74.39
Other Current Liabilities	2662.20	2774.77	2362.29	2468.81
Short Term Provisions	1410.84	1384.58	1576.17	1808.78
<b>Net Current Assets (7-8)</b>	<b>4339.80</b>	<b>3430.10</b>	<b>3461.50</b>	<b>3201.13</b>
<b>TOTAL (A)</b>	<b>8219.03</b>	<b>6719.74</b>	<b>5988.16</b>	<b>5650.06</b>
<b>(B) What is owed :</b>				
(1) Long Term Borrowing	0.00	0.00	69.92	87.54
(2) Other Long Term Liabilities	34.34	32.37	17.09	3.26
(3) Long Term Provisions	2372.31	2184.42	1893.07	2121.88
<b>TOTAL (B)</b>	<b>2406.65</b>	<b>2216.79</b>	<b>1980.08</b>	<b>2212.68</b>
<b>Net Worth (A-B)</b>	<b>5812.38</b>	<b>4502.95</b>	<b>4008.08</b>	<b>3437.38</b>
<b>Represented by</b>				
(1) Equity Capital	940.00	940.00	940.00	940.00
(2) Reserves	1863.20	1589.17	1307.04	1012.96
(3) Profit/Loss(+)/(-) (Surplus)	3009.18	1973.78	1761.04	1484.42
<b>Net Worth (1 to 3)</b>	<b>5812.38</b>	<b>4502.95</b>	<b>4008.08</b>	<b>3437.38</b>
<b>Capital Employed</b>	<b>6093.55</b>	<b>5043.49</b>	<b>4859.32</b>	<b>4688.97</b>

## INCOME AND EXPENDITURE STATEMENT

As per Revised Schedule VI for the Year 2012 to 2014 and  
As per Schedule III of Companies Act, 2013 for the Year 2015

(₹ in Crore)

For the Year Ending 31st March		2015	2014	2013	2012
<b>(A)</b>	<b>Earned From</b>				
	Gross Sales*	11805.70	10514.50	10580.10	9005.34
	Less Levies (Excise Duty & Other Levies)	2330.71	1958.49	2023.86	1473.22
1.	Net Sales	9474.99	8556.01	8556.24	7532.12
2.	Other Income (a to d)	597.54	624.94	681.64	565.28
	(a) Subsidy for Sand Stowing & Protective Works	0.35	1.74	2.01	2.53
	(b) Recovery of Transportation & Loading Cost	252.98	228.56	199.47	203.89
	(c) Interest on Bank Deposits	251.47	300.47	359.81	293.31
	(d) Other non-operating Income	92.74	94.17	120.35	65.55
	<b>TOTAL (A)</b>	<b>10072.53</b>	<b>9180.95</b>	<b>9237.88</b>	<b>8097.40</b>
<b>(B)</b>	<b>Paid to/Provided for</b>				
1.	Employee Benefit Expenses	3897.19	3509.20	3522.47	3492.50
	(a) Salary, Wages, Allowances, Bonus etc.	2777.98	2669.31	2454.02	2244.21
	(b) Contribution to PF & Other Funds	366.87	340.44	383.30	245.80
	(c) Gratuity	101.53	67.46	177.06	481.61
	(d) Leave Encashment	168.36	23.97	102.43	167.69
	(e) Others	482.45	408.02	405.66	353.19
2.	Accretion/Decretion in Stock	- 112.07	36.74	275.71	- 86.50
3.	Welfare Expenses**	0.00	76.73	63.31	24.56
4.	Corporate Social Responsibility Expenses	48.87	0.00	0.00	0.00
5.	Cost of Materials Consumed	837.64	733.93	625.73	577.27
6.	Power & Fuel	278.19	266.58	358.82	265.45
7.	Contractors (Including Repairs)	1166.96	724.06	669.13	638.37
8.	Finance Cost	1.08	7.98	7.55	3.58
9.	Depreciation/Amortisation/Impairment	312.55	254.10	235.21	220.80
10.	Provisions & Write-off	170.98	182.66	279.36	183.37
11.	Over Burden Removal Adjustment	- 44.77	241.66	- 43.53	188.59
12.	Other Expenses	742.46	632.71	584.23	659.66
13.	Prior Period Adjustment	33.11	- 11.27	- 23.67	- 40.49
	<b>TOTAL (B)</b>	<b>7332.19</b>	<b>6655.08</b>	<b>6554.32</b>	<b>6127.16</b>
	<b>Profit/Loss for the Year (A-B)</b>	<b>2740.34</b>	<b>2525.87</b>	<b>2683.56</b>	<b>1970.24</b>
	Tax on Profit	969.73	854.11	797.95	650.69
	Dividend (Interim & Proposed)	354.74	1003.05	1131.37	791.74
	Tax on Dividend	71.85	173.84	183.54	128.44
	Trans to General Reserve	274.03	252.59	268.36	197.02
	Trans to Reserve for CSR	0.00	27.26	24.00	23.76
	Trans to Reserve for SD	0.00	2.28	1.72	0.00
	B/F from Prev. Year	1973.78	1761.04	1484.42	1305.83
	Adjustment in Retained Earnings***	34.59	0.00	0.00	0.00
	<b>Cumulative Profit/Loss trans to Balance Sheet</b>	<b>3009.18</b>	<b>1973.78</b>	<b>1761.04</b>	<b>1484.42</b>
	<b>Cumulative P&amp;L (Before transfer to Reserves)</b>	<b>3283.21</b>	<b>2255.91</b>	<b>2055.12</b>	<b>1705.20</b>

\* For maintaining uniformity in Gross Turnover of 2014-15 Excise Duty of ₹ 16.45 crs. and Other Levies of ₹ 7.82 crs. on loading and additional transportation charges has been added back to Gross Sales and Levies.

\*\* For the compliance of Schedule III of Companies Act, 2013, CSR Expenditure is shown separately under Note 25 in the Financial Statement and other Welfare Expenses, according to their nature is regrouped under Note 24 i.e. Employee Benefit Expenses and Note 31 i.e. Other Expenses.

Prior to Financial Year 2014-15 CSR Expenses were grouped under the head Welfare Expenses.

\*\*\* Due to enactment of Schedule II of Companies Act, 2013 w.e.f. 01.04.2014 in respect of depreciation, retained earning has been reduced by ₹ 34.59 crs.

**IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS**

**As per Revised Schedule VI for the Year 2012 to 2014 and  
As per Schedule III of Companies Act, 2013 for the Year 2015**

**(A) FINANCIAL INFORMATION**

(₹ in Crore)

For the Year Ending 31st March		2015	2014	2013	2012
<b>(A) Related to Assets &amp; Liabilities</b>					
(1)	(i) No. of Equity Shares of ₹ 1000 each	9400000	9400000	9400000	9400000
	(ii) Shareholders' Fund :				
	(a) Equity	940.00	940.00	940.00	940.00
	(b) Reserves	1863.20	1589.17	1307.04	1012.96
	(c) Accumulated Profit/Loss (+)/(-) (Surplus)	3009.18	1973.78	1761.04	1484.42
<b>Net Worth</b>		<b>5812.38</b>	<b>4502.95</b>	<b>4008.08</b>	<b>3437.38</b>
(2)	(a) Long Term Borrowings incl. current maturities	0.00	0.00	86.90	104.32
	(b) Long Term Borrowings excl. current maturities	0.00	0.00	69.92	87.54
(3)	Capital Employed	6093.55	5043.49	4859.32	4688.97
(4)	(i) Net Fixed Assets	1753.75	1613.39	1397.82	1487.84
	(ii) Current Assets	8521.30	7680.77	7478.95	7553.11
	(iii) Current Liabilities	4181.50	4250.67	4017.45	4351.98
(5)	(a) Trade Receivables (Net)	1465.57	1875.72	1533.87	1078.66
	(b) Cash & Cash Equivalents	3947.62	2816.37	3560.44	3986.20
(6)	Closing Stock of :				
	(a) Stores & Spares (Net)	166.87	147.18	149.67	146.87
	(b) Coal & Cokes etc. (Net)	1178.54	1067.28	1103.23	1379.68
	(c) Other Inventories (Net)	5.73	4.87	5.74	4.95
(7)	Average Stock of Stores & Spares (Net)	157.03	148.43	148.27	145.22
<b>(B) Related to Profit/Loss</b>					
(1)	(a) Gross Margin	3053.97	2786.55	2924.86	2192.89
	(b) Gross Profit	2741.42	2532.45	2689.65	1972.09
	(c) Profit Before Tax	2740.34	2525.87	2683.56	1970.24
	(d) Net Profit (After Tax)	1770.61	1671.76	1885.61	1319.55
	(e) Net Profit (After Tax & Dividend)	1344.02	494.87	570.70	399.37
(2)	(a) Gross Sales	11805.70	10514.50	10580.10	9005.34
	(b) Net Sales (after levies)	9474.99	8556.01	8556.24	7532.12
	(c) Sale Value of Production	9587.06	8519.27	8280.53	7618.62
(3)	Cost of Goods Sold (Net Sales – Profit)	6734.65	6030.14	5872.68	5561.88
(4)	(a) Total Expenditure	7332.19	6655.08	6554.32	6127.16
	(b) Employee Benefit Expenses	3897.19	3509.20	3522.47	3492.50
	(c) Cost of Materials Consumed	837.64	733.93	625.73	577.27
	(d) Power & Fuel	278.19	266.58	358.82	265.45
	(e) Finance Cost & Depreciation	313.63	262.08	242.76	224.38
(5)	Avg. Consump. of Stores & Spares (Gross) per month	69.80	61.16	52.14	48.11
(6)	Avg. Manpower Employed during the year	45849	47406	49076	51156
(7)	(a) Value Added	8471.30	7519.02	7296.51	6776.45
	(b) Value Added per employee (₹ '000)	1847.67	1586.09	1486.78	1324.66

**IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS**

**As per Revised Schedule VI for the Year 2012 to 2014 and  
As per Schedule III of Companies Act, 2013 for the Year 2015**

**(B) FINANCIAL RATIOS/PERCENTAGES**

For the Year Ending 31st March		2015	2014	2013	2012
<b>(A)</b>	<b>PROFITABILITY RATIOS</b>				
(1)	<b>As % Net Sales</b>				
(a)	Gross Margin	32.23	32.57	34.18	29.11
(b)	Gross Profit	28.93	29.60	31.43	26.18
(c)	Profit before Tax	28.92	29.52	31.36	26.16
(2)	<b>As % Total Expenditure</b>				
(a)	Employee Benefit Expenses	53.15	52.73	53.74	57.00
(b)	Cost of Materials Consumed	11.42	11.03	9.55	9.42
(c)	Power & Fuel	3.79	4.01	5.47	4.33
(d)	Interest & Depreciation	4.28	3.92	3.68	3.63
(3)	<b>As % Capital Employed</b>				
(a)	Gross Margin	50.12	55.25	60.19	46.77
(b)	Gross Profit	44.99	50.21	55.35	42.06
(c)	Profit before Tax	44.97	50.08	55.23	42.02
(4)	<b>Operating Ratio (Sales – Profit/Sales)</b>	0.71	0.70	0.69	0.74
<b>(B)</b>	<b>LIQUIDITY RATIOS</b>				
(1)	Current Ratio (Current Asset/Current Liability)	2.04	1.81	1.86	1.74
(2)	Quick Ratio (Quick Asset/Current Liability)	1.29	1.10	1.27	1.16
<b>(C)</b>	<b>TURNOVER RATIOS</b>				
(1)	Capital Turnover Ratio (Net Sales/Capital Employed)	1.55	1.70	1.76	1.61
(2)	Trade Receivables as No. of months				
(a)	Gross Sales	1.49	2.14	1.74	1.44
(b)	Net Sales	1.86	2.63	2.15	1.72
(3)	As Ratio of Net Sales				
(a)	Trade Receivables	0.15	0.22	0.18	0.14
(b)	Stock of Coal, Coke, W/Coal etc.	0.12	0.12	0.13	0.18
(4)	Stock of Stores & Spares				
(a)	Avg. Stock/Annual Consumption	0.19	0.20	0.24	0.25
(b)	Closing Stock in terms of No. of months consumption	2.39	2.41	2.87	3.05
(5)	Stock of Coal, Coke, W/Coal etc.				
(a)	As No. of months of Value of production	1.48	1.50	1.60	2.17
(b)	As No. of months of cost of goods sold	2.10	2.12	2.25	2.98
(c)	As No. of months of Net Sales	1.49	1.50	1.55	2.20
<b>(D)</b>	<b>STRUCTURAL RATIOS</b>				
(1)	Debt : Equity	0.00	0.00	0.07	0.09
(2)	Debt : Net Worth	0.00	0.00	0.02	0.03
(3)	Net Worth : Equity	6.18	4.79	4.26	3.66
(4)	Net Fixed Assets : Net Worth	0.30	0.36	0.35	0.43
<b>(E)</b>	<b>SHAREHOLDERS INTEREST</b>				
(1)	Book Value of Share ( ₹ ) (Net Worth/No. of Equity)	6183.38	4790.37	4263.91	3656.79
(2)	Dividend per Share ( ₹ )	377.38	1067.07	1203.59	842.28

## FINANCIAL POSITION

As per Earlier Schedule VI

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006
<b>(A) What is owned</b>						
Gross Fixed Assets	4590.13	4659.00	4484.91	4378.64	4198.81	4036.93
Less Depreciation	3204.05	3142.81	3038.01	2982.93	2783.73	2696.42
(1) Net Fixed Assets	1386.08	1516.19	1446.90	1395.71	1415.08	1340.51
(2) Capital Work -in -Prog	408.34	343.04	311.35	323.38	267.08	271.74
(3) Misc expenditure (others)	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
(5) Deferred Tax Assets	493.16	507.28	565.00	343.57	214.06	166.19
<b>(6) Current Assets :</b>						
(i) (a) Inventory of coal, coke etc.	1292.31	1006.38	806.26	858.04	682.68	578.82
(b) Inventory of Stores & Spares etc.	143.57	154.79	141.99	129.87	127.93	135.18
(c) Other Inventories	11.11	16.01	19.81	3.27	3.02	1.85
(ii) Trade Receivables	941.64	512.45	745.26	541.31	472.17	611.07
(iii) Cash & Cash Equivalents	2582.77	2607.01	1815.88	1115.47	334.09	234.82
(iv) Loans & Advances (incl. Other C/Assets & Adj)	1677.16	1369.81	2740.92	2236.96	2076.97	1881.82
(v) O.B.R. Adjustments	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
(7) Less Current Liab & Prov. (Excl. intt Accd. but not Due)	5854.34	5316.80	6218.54	4713.91	3408.48	3097.81
Net Current Assets (6-7)	794.22	349.64	51.59	171.00	288.38	345.74
<b>TOTAL (A)</b>	<b>3128.92</b>	<b>2772.69</b>	<b>2440.80</b>	<b>2309.05</b>	<b>2269.41</b>	<b>2218.41</b>
<b>(B) What is owed :</b>						
(1) Govt Loan/CIL	0.00	0.00	157.27	307.28	457.28	757.28
(2) Interest Accrued but not Due	0.00	0.00	0.00	0.00	0.00	0.00
(3) Term Loan (F. Intt & Banks)	90.91	112.05	136.70	115.60	125.85	138.66
<b>TOTAL (B)</b>	<b>90.91</b>	<b>112.05</b>	<b>293.97</b>	<b>422.88</b>	<b>583.13</b>	<b>895.94</b>
<b>Net Worth (A – B)</b>	<b>3038.01</b>	<b>2660.64</b>	<b>2146.83</b>	<b>1886.17</b>	<b>1686.28</b>	<b>1322.48</b>
<b>Represented by</b>						
(1) Equity Capital (incl. pending allotment)	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
(3) Profit/Loss(+)/(-)	1305.83	1140.17	801.29	620.37	524.00	265.98
<b>Net Worth (1 to 3)</b>	<b>3038.01</b>	<b>2660.64</b>	<b>2146.83</b>	<b>1886.17</b>	<b>1686.28</b>	<b>1322.48</b>
<b>Capital Employed</b>	<b>2180.30</b>	<b>1865.83</b>	<b>1498.49</b>	<b>1566.72</b>	<b>1703.46</b>	<b>1686.25</b>



## INCOME AND EXPENDITURE STATEMENT

As per Earlier Schedule VI

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006
<b>(A) Earned From</b>						
Gross Sales	7083.13	6291.92	5978.37	5060.54	4506.41	4512.91
Less Coal from Development Mines	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
(1) Net Sales	6041.70	5488.22	5210.89	4362.94	3900.73	3910.01
(2) Accretion/Decretion in Stock	285.81	162.44	-69.94	136.58	72.70	137.62
(3) Coal Issued For Other Purposes (including washery)	0.00	1093.13	1038.45	1078.00	1059.72	1029.39
(4) Other Revenue Receipts — Others	398.91	505.86	464.58	365.53	418.48	260.12
<b>TOTAL(A)</b>	<b>6726.42</b>	<b>7249.65</b>	<b>6643.97</b>	<b>5943.06</b>	<b>5451.63</b>	<b>5337.14</b>
<b>(B) Paid to/Provided for</b>						
Employees' Benefit Expenses (Gross -Rev)	2588.50	2360.03	2621.29	1799.90	1451.16	1311.86
Less Trans to Oth Rev Heads	0.00	44.67	46.41	33.41	30.73	24.88
(1) Net Employee Benefit Expenses (Excl'd V.R.S Payment)	2588.50	2315.36	2574.87	1766.49	1420.43	1286.98
(2) V.R.S Payment	10.91	13.40	14.41	24.43	30.82	35.94
(3) Welfare Expenses	86.55	202.93	193.01	165.27	143.60	119.78
Less : Social Overheads Dep. & intt.	0.00	6.41	7.49	6.42	7.70	7.43
Welfare Expenses (Excl'd. Dep. & Intt.)	86.55	196.52	185.52	158.85	135.90	112.34
(4) Cost of Materials Consumed (Gross-Rev)	533.19	507.18	484.91	488.35	424.18	441.07
Less: Trans to oth. Rev. Heads	0.00	4.21	5.11	6.79	7.49	6.50
Cost of Materials Consumed (Net)	533.19	502.97	479.80	481.55	416.69	434.57
(5) (i) Power & Fuel	202.52	266.90	256.29	225.95	226.52	219.53
(ii) Coal issued for other purposes (including washery)	0.00	1053.15	1020.17	1037.73	1024.89	1042.94
(6) Contractors (Including Repairs)	545.93	488.51	492.78	438.92	380.97	370.77
(7) (a) Other Expenses	334.48	336.09	375.35	280.46	183.56	249.51
(b) Provisions/Write-off	200.34	132.06	185.93	91.91	52.09	97.48
(8) Interest	8.96	17.39	43.51	64.26	89.18	97.98
(9) Depreciation	242.54	208.05	192.08	238.64	194.89	325.73
(10) O.B.R. Adjustment	100.63	185.02	71.98	103.57	263.83	21.79
(11) Financial Charges	1.57	1.86	3.31	1.74	2.02	2.36
(12) Prior Period Adj.	10.08	-0.68	-15.83	-6.68	9.53	-125.78
<b>TOTAL (B)</b>	<b>4866.20</b>	<b>5716.60</b>	<b>5880.17</b>	<b>4907.81</b>	<b>4431.32</b>	<b>4172.16</b>
Profit/Loss for the Year (A – B)	1860.22	1533.05	763.80	1035.25	1020.30	1164.98
Fringe Benefit Tax	0.00	0.00	11.89	10.51	9.11	7.52
Provision for Income Tax	601.49	506.59	483.41	461.23	409.31	445.66
Provision for Deferred Tax	14.12	57.72	-221.43	-62.06	-47.86	-36.47
Provision for I.Tax for Earlier Years	-2.22	2.96	0.00	0.00	0.00	-10.11
Trans to General Reserve	186.02	153.31	79.74	103.52	105.78	116.50
Trans to Reserve for CSR	25.69	21.62	0.00	0.00	0.00	0.00
Dividend (Including Dividend Tax)	869.46	451.98	229.28	292.76	285.94	332.27
Cumulative Profit/Loss b/f from Prev. Year	1140.17	801.29	620.37	391.07	265.98	-43.63
<b>Cumulative Profit/Loss trans to Balance Sheet</b>	<b>1305.83</b>	<b>1140.17</b>	<b>801.29</b>	<b>620.37</b>	<b>524.00</b>	<b>265.98</b>

**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
<b>(A) Related to Assets &amp; Liabilities :</b>						
<b>(1) Shareholders' Fund :</b>						
(a) Equity	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
(c) Profit/Loss (+)/(-)	1305.83	1140.17	801.29	620.37	524.00	265.98
<b>Net Worth</b>	<b>3038.01</b>	<b>2660.64</b>	<b>2146.83</b>	<b>1886.17</b>	<b>1686.28</b>	<b>1322.48</b>
(2) Loan	90.91	112.05	293.97	422.88	583.13	895.94
(3) Capital Employed	2180.30	1865.83	1498.49	1566.72	1703.46	1686.25
(4) (i) Net Fixed Assets	1386.08	1516.19	1446.90	1395.71	1415.08	1340.51
(ii) Current Assets	6648.56	5666.44	6270.13	4884.92	3696.86	3443.55
(iii) Net Current Assets (W/C)	794.22	349.64	51.59	171.00	288.38	345.74
(5) Current Liabilities (Excl. intt. accrued & due)	5854.34	5316.80	6218.54	4713.91	3408.48	3097.81
(6) (a) Trade Receivables (Net)	941.64	512.45	745.26	541.31	472.17	611.07
(b) Cash & Cash Equivalents	2582.77	2607.01	1815.88	1115.47	334.09	234.82
(7) Closing Stock of :						
(a) Stores & Spares (Net)	143.57	154.79	141.99	129.87	127.93	135.18
(b) Coal & Cokes etc. (Net)	1292.31	1006.38	806.26	858.04	682.68	578.82
(c) Other Inventories (Net)	11.11	16.01	19.81	3.27	3.02	1.85
(8) Average Stock of Stores & Spares (Net)	149.18	148.39	135.93	128.90	131.56	140.18
<b>(B) Related to Profit/Loss :</b>						
(1) (a) Gross Margin	2080.04	1758.49	999.39	1338.14	1304.37	1588.70
(b) Gross Profit	1869.17	1550.44	807.31	1099.50	1109.49	1262.96
(c) Net Profit (Before Tax & Invest Allowance etc.)	1860.22	1533.05	763.80	1035.25	1020.30	1164.98
(2) (a) Gross Sales	7083.13	6291.92	5978.37	5060.54	4506.41	4512.91
(b) Net Sales (after levies & Dev. etc.)	6041.70	5488.22	5210.89	4362.94	3900.73	3910.01
(c) Paid/Payable Amount of Royalty, Cess etc.	1041.43	803.70	767.49	697.60	605.68	602.90
(d) Avg. Net Sales per Month	503.47	457.35	434.24	363.58	325.06	325.83
(3) Cost of Goods Sold (Sales – Profit)	4181.48	3955.17	4447.08	3327.70	2880.42	2745.03
(4) (a) Total Expenditure (Excl. Recov. & others)	6206.18	5716.60	5880.17	4907.81	4431.32	4172.16
(b) Employee Benefit Expenses	2576.25	2360.03	2621.29	1799.90	1451.16	1311.86
(c) Cost of Materials Consumed	533.22	507.18	484.91	488.35	424.18	441.07
(d) Power & Fuel	206.74	266.90	256.29	225.95	226.52	219.53
(e) Int. & Depreciations (Gross rev. only)	219.82	225.44	235.59	302.90	284.07	423.72
(5) Avg. Consump. of Stores & Spares (Gross) per month	44.44	42.26	40.41	40.70	35.35	36.76
(6) (a) Avg. Manpower Employed during the year	53171	55305	57681	60209	62905	65536
(b) Welfare Expenses	86.55	202.93	193.01	165.27	143.60	119.78
(c) Welfare Expenses/Employee (₹ '000)	16.28	36.69	33.46	27.45	22.83	18.28
(7) (a) Value Added	5587.48	4881.40	4405.78	3793.27	3332.71	3398.10
(b) Value Added per employee (₹ '000)	1050.85	882.63	763.82	630.02	529.80	518.51

**IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS**

As per Earlier Schedule VI

**(B) FINANCIAL RATIOS/PERCENTAGES**

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

## DIRECTORS' REPORT

To

**The Shareholders,**  
Central Coalfields Limited

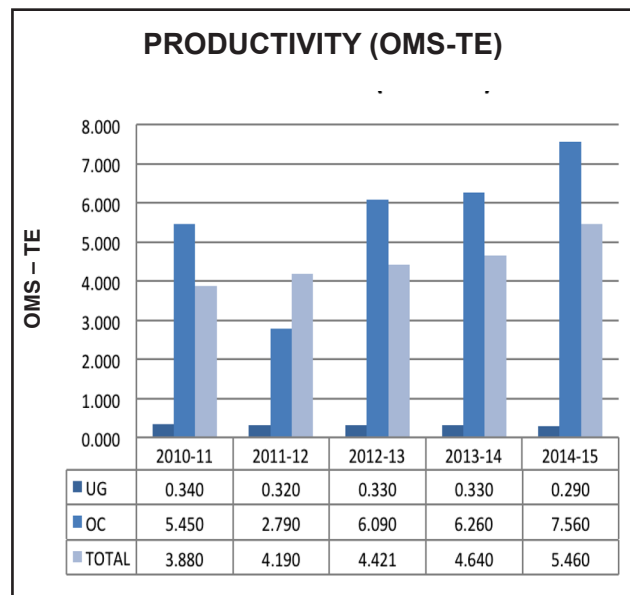
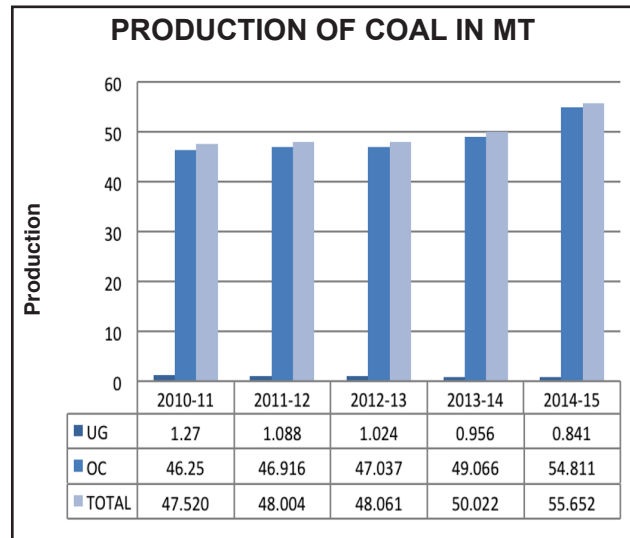
Members,

I, on behalf of the Board of Directors have great pleasure in presenting to you the 59th Annual Report of your Company along with the Audited Accounts for the year ended 31st March, 2015. 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 2014-15 as compared to the actual of 2013-14 is as under:

Particulars	2014-15		2013-14	%age Growth over last year
	Target	Actual	Actual	
<b>PRODUCTION</b>				
From OC (MT)	53.900	54.811	49.066	11.709
From UG (MT)	1.100	0.841	0.956	(-)12.029
<b>TOTAL (MT)</b>	<b>55.000</b>	<b>55.652</b>	<b>50.022</b>	<b>11.255</b>
<b>OBR (MM<sup>3</sup>)</b>	<b>60.000</b>	<b>97.378</b>	<b>59.022</b>	<b>64.986</b>
<b>Composite Production((MM<sup>3</sup>)</b>	<b>99.050</b>	<b>136.891</b>	<b>94.538</b>	<b>44.800</b>
<b>WASHED COAL (Coking)</b>				
Production(MT)	1.426	1.648	1.358	21.355
Dispatch (MT)	-	1.612	1.361	18.442
<b>WASHED COAL (Non-Coking)</b>				
Production(MT)	6.410	6.689	6.930	(-)3.478
Dispatch (MT)	-	6.400	6.698	(-)4.449
<b>PRODUCTIVITY (OMS-TE)</b>				
OC	6.44	7.56	6.26	20.77
UG	0.35	0.29	0.33	(-)12.12
<b>OVERALL</b>	<b>4.78</b>	<b>5.46</b>	<b>4.64</b>	<b>17.67</b>



**Thus your Company has achieved 55.652 MT. This is Excellent Rating for Coal production against 55 MT of MoU Target 2014-15.**

### 2. WASHERY PERFORMANCE

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

❖ The Washeries have contributed ₹ 689.86

Crore towards overall profit in the year 2014-15, against ₹ 660.10 Crore during 2013-14.

### Achievement

- ❖ Coking coal Washeries have achieved 19.81% growth in 2014-15 in raw coal consumption over 2013-14.
- ❖ Coking coal Washeries have achieved 21.37% growth in 2014-15 in washed coal production over 2013-14.
- ❖ Coking coal Washeries have achieved 18.45% growth in 2014-15 in dispatch of washed coking coal over 2013-14.
- ❖ Coking coal Washeries have achieved 7% growth in washed power coal production in 2014-15 over 2013-14.
- ❖ Coking coal Washeries have achieved 4.5% growth in dispatch of washed power coal in 2014-15 over 2013-14
- ❖ Conceptual report for setting up of Konar Washery has been approved.

### Exemplary work

- ❖ Renovation work of jigs of Kedla washery has been done.
- ❖ Renovation work of jig of Swang washery has been done.

### COKING COAL WASHERIES

- ❖ Washed Coking Coal production during 2014-15 has been 16.47709 lakh tonne, against 13.57580 lakh tonne during 2013-14.
- ❖ Coking Coal Washeries have contributed a profit of ₹ 345.82 Crore during 2014-15, against ₹ 356.02 Crore during 2013-14.
- ❖ Washery wise production and yield for 2014-15 vis-à-vis the last year is given below:

Washery	Production (in lakh tonnes)		Yield Percentage	
	2014-15	2013-14	2014-15	2013-14
Kathara	1.59205	1.59560	27.45	29.59
Sawang	1.67016	1.65971	41.69	44.31
Rajrappa	6.96693	4.84894	50.04	49.19
Kedla	3.59145	3.53255	44.70	44.14
Kargali	2.65650	1.93900	75.25	78.98
<b>Total</b>	<b>16.47709</b>	<b>13.57580</b>	<b>46.69</b>	<b>46.09</b>

### NON-COKING COAL WASHERIES

- ❖ Washed Non-Coking Coal production during 2014-15 has been 66.88705 lakh tonne, against 69.30025 Lakh tonne during 2013-14.
- ❖ Non-Coking Coal Washeries have contributed a profit of ₹ 344.04 Crore during 2014-15, against ₹ 304.08 Crore during 2013-14.
- ❖ Washery wise production and yield for 2014-15 vis-à-vis the last year is given below:

Washery	Production (in lakh tonnes)		Yield Percentage	
	2014-15	2013-14	2014-15	2013-14
Piparwar	65.20705	64.71425	93.88%	94.44%
Kargali	–	2.64500	–	98.04%
Gidi	1.68000	1.94100	50.19%	51.77%
<b>Total</b>	<b>66.88705</b>	<b>69.30025</b>	<b>91.87%</b>	<b>92.43%</b>

- ❖ **Note :** Kargali Washery is converted from Non-Coking Coal Washery to Coking Coal Washery from 31.07.2013.

**Your Company has achieved Excellent Rating for Production of washed coal production against 7.8 MT of MoU Target 2014-15.**

### 2 (A) STATUS OF NEW WASHERIES PROPOSED FOR CONSTRUCTION

#### I. Ashok Washery (10.0 MTY)

- (i) MOEF Clearance has been obtained.
- (ii) NOC for “Consent to Establish”



from JSPCB has been obtained on 08.08.2013

- (iii) LoA has been issued to the bidder on 21.07.2012.
- (iv) Bidder has been requested to sign the agreement.
- (v) Due to inordinate delay in NOC for 'Consent to establish' from JSPCB, Bidder is asking for price escalation which is beyond NIT condition.
- (vi) The bidder has filed a writ petition at Hon'ble High Court of Jharkhand. The matter is subjudice.

**II. Karo Washery (7.0 MTY)**

- (i) Identification of site & other activities will be started after Forest Clearance.
- (ii) Stage I : applied, Clearance is awaited for want of FRA from DC, Bokaro.
- (iii) Collection of sample for washability testing is to be done by CMPDIL.

**III. Konar (7.0 MTY)**

- (i) Conceptual Report of 7.0 MTY has been approved in CCL Board held on 10.02.2015.
- (ii) Forest clearance for additional 90 Ha land is applied, Clearance is awaited.
- (iii) Stability Test of site has been completed.
- (iv) Soil Test of Washery site has been completed.
- (v) Tender document (i.e. RFQ & RFP) is under preparation at CMPDIL.

**3. OFFTAKE**

The total Offtake of Raw Coal during 2014-15 was 55.338 Million Tonnes. The Mode-

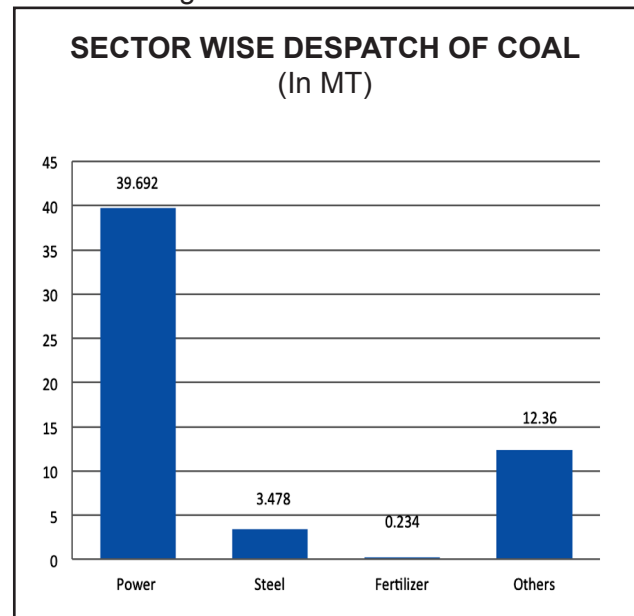
wise details of Offtake compared to that of last year is as under :

*(Fig. In Million Tonnes)*

Mode	2014-15	2013-14	Growth over last year
Rail	26.222	26.180	0.16%
Road	18.305	15.511	18%
Feed to Washery	10.810	10.428	3.7%
Colliery Consumption	0.001	0.003	-
<b>Total Offtake</b>	<b>55.338</b>	<b>52.122</b>	<b>6.2%</b>

During the year 2014-15, there is growth of 18% in Road Mode. CCL achieved Revised MOU target of 53 MT for 2014-15 with record growth of 6.2% in offtake over last year.

The total dispatch during 2014-15 was 55.764 Million Tonnes. Sector-wise dispatches of coal and its different by-products during the year 2014-15 are given below :



*(Figs. in Million Tonnes)*

Sector	Raw Coal	Clean Coal	Non-Coking washed Coal	Washed Coal Power	Slurry	Rejects	Total
Power	33.410	0	5.895	0.387	0	0	39.692
Steel (Incl. Steel CPP)	0.652	1.612	0.505	0.709	0	0	3.478
Fertilizer	0.234	0	0	0	0	0	0.234
Others*	10.231	0	0	0	0.665	1.464	12.360
<b>Total</b>	<b>44.527</b>	<b>1.612</b>	<b>6.400</b>	<b>1.096</b>	<b>0.665</b>	<b>1.464</b>	<b>55.764</b>

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

**Thus your Company has achieved 39.692 MT of Despatch to Power Utility. This is Excellent Rating for commitment to supply ACQs under FSA to Power Utility complying government directives against 39 MT of MoU Target 2014-15.**

#### 4. COAL STOCK

The stock of Raw Coal (\*) as on 31st March 2015 stood at 9.718 Million Tonnes as against 9.404 Million Tonnes as on 31.03.2014.

(\*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 ₹ 11781.43 Crores and the Sales Realisation was ₹ 12427.79 Crores (including advance received from customers). The Sector wise position of Debtors (Gross) as on 31st Mar'2015 is given below :

(Figs. in ₹ Crore)

SECTOR	As on 31.03.2015	As on 31.03.2014
Power	1542.10	2102.45
Steel	444.27	332.68
Others	42.35	63.18
<b>Total</b>	<b>2028.72</b>	<b>2498.31</b>

#### 6. POPULATION AND PERFORMANCE OF HEMM

The population of HEMM in Mechanized Opencast Mines of CCL as on 31.03.2015 against that of 31.03.2014 is given below :

HEMM	POPULATION AS ON	
	31.03.15	31.03.14
Shovel	98	105
Dumper	446	507
Dozer	176	175
Drill	111	104

The performance of HEMM in terms of Availability and Utilization percentage against CMPDIL norms during the year 2014-15 vis-à-vis 2013-14, is given as under :

HEMM	% Availability			% Utilization		
	Norms	Actual 2014-15	Actual 2013-14	Norms	Actual 2014-15	Actual 2013-14
Shovel	80	78	75	58	47	48
Dumper	67	71	66	50	38	36
Dozer	70	68	60	45	22	24
Drill	78	82	80	40	32	31

#### 7. SYSTEM CAPACITY UTILISATION

System Capacity for 2014-15 assessed as on 01.04.14 (MM <sup>3</sup> )	Achievement of Production by OC Mines (2014-15)			% Capacity Utilisation	
	Coal (MT)	OBR (MM <sup>3</sup> )	Composite (MM <sup>3</sup> )	2014-15	2013-14
136.63	54.811	97.378	132.289	96.83	88.84

Your Company has achieved Excellent Rating in Departmental Capacity Utilisation which is 81% against MoU target of 2014-15 (80%).

#### 8. COAL MARKETING

##### 8.1 Demand Satisfaction as per AAP

(Fig. in Million Tonne)

Sector	Demand (AAP)	Despatch	% Sastisfaction	Demand (AAP)	Despatch	% Sastisfaction	Growth over last year
	2014-15	2014-15	2014-15	2013-14	2013-14	2013-14	
Steel (Incl. Steel CPP)	4.120	3.478	84	3.338	2.755	83	26.2%
Power	43.650	39.692	91	41.665	38.770	93	2.3%
Fertilizer	0.200	0.234	117	1.00	0.277	28	-15.5%
Cement	0	0	0	0.020	0	0.0	0
Others	10.030	12.360	123	11.177	10.487	94	17.9%
<b>Total</b>	<b>58.00</b>	<b>55.764</b>	<b>96</b>	<b>57.200</b>	<b>52.289</b>	<b>91</b>	<b>6.6%</b>

The overall growth in dispatch during 2014-15 is 6.6% over last year; however the negative growth in fertilizer sector is due to shifting of source of National fertilizer ltd from CCL to BCCL.

## 8.2 Wagon Loading

The coalfield wise wagon loading position for the year 2014-15 is given below :

(Fig. in FWW/Day)

RAILWAY FIELDS	2014-15	2013-14	Growth over Last Year
South Karanpura	679	707	- 4%
North Karanpura	1997	2120	- 6%
Sub Total Karanpura	2676	2827	- 5%
Jharia	1112	953	17%
Total E.C.Railway	3788	3780	-
Giridih	79	56	42%
Total Eastern Railway	79	56	42%
Adra	193	168	14%
Total S.E.Railway	193	168	14%
<b>Total CCL</b>	<b>4060</b>	<b>4004</b>	<b>1.4%</b>

## 8.3 e-Auction of Coal

The performance of spot e-auction during the period 2014-15 is as under :

Period	Spot e-Auction Scheme	Offered Quantity (Million Tonnes)	Booked Quantity (Million Tonnes)	Gain over Notified Price (₹ in lakh)	% Gain Over Notified Price
2014-15	Rail	0.271	0.271	2601	66%
	Road	7.260	6.722	70086	69%
	Slurry	1.158	0.762	3457	27%
	Rejects	1.560	1.284	7227	64%
<b>Total</b>	<b>10.249</b>	<b>9.03983371</b>	<b>64%</b>		

e-Auction of coal during 2014-15 was about 13.5% of coal production.

## 9.1 SIZING AND CRUSHING OF COAL

For crushing ROM Coal, one (01) Inpit Crusher at Piparwar and four (4) Coal Handling Plants at Gidi A, Sirka (in Argada Area), Bhurkunda (in Barka-Sayal Area) and Sel. Dhori CHP (In Dhori Area ) are in operation. From Inpit Crusher, coal is directly fed to Piparwar 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 Mar'2015, total 27 nos. of Feeder Breakers are in operation which are deployed at different projects of CCL. Out of these, 15 nos. Feeder breakers are having (-)200 mm sizing capacity and 12 nos. feeder breakers crush ROM coal to (-)100mm size. The project/Area wise details of capacity addition is as follows :

### Capacity Addition {(-) 100 mm size}

Sl. No.	Area	Size	No.	Capacity (MTY)	Present Status
1	Dhori	-100 mm	2	1 (each)	2 Nos. Feeder breaker with Secondary sizers, Black Diamond make had been released from SECL commissioned in Dec'14 at Dhori Area.

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

Sl.No.	Location	Area	No.	Capacity (MTY)	Present Status
1	Giridih Sdg.	B&K	1	1	3 nos. feeder breakers at Dhori area (1 no. in Tarmi & 2 nos. in Amlo) were installed and commissioned in Feb'15. 1 no. feeder breaker in Giridih, B&K was commissioned in April'15. 2 nos. feeder breakers of Hazaribagh area are in process of installation.
2	Amlo Sdg	Dhori	2	1 (each)	
3	Tarmi Sdg.	Dhori	1	1	
4	Jharkhand	H'bagh	1	1	
5	Tapin	H'bagh	1	1	
<b>Total</b>			<b>6</b>	<b>6.0</b>	

### Details of Converted Feeder Breakers (Capacity Addition) for Ensuring 100% Crushing

1.	Urimari project	Barka-Sayal	2	0.75 (each)	Conversion of all feeder breakers were completed in Sep'14 except one no. at Urimari project which was completed in Oct'14.
2.	Saunda	Barka-Sayal	1	0.75	
3.	Giridih Siding	B&K	1	0.75	
4.	Dakra Siding	N.K	2	0.75 (each)	
5.	Amlo Siding	Dhori	1	0.75	
<b>Total</b>			<b>7</b>	<b>5.25</b>	

During 2014-15 about 24.18 million tonne of coal was crushed through CHPs, Feeder

Breakers, Inpit Crusher, Dump Hopper & Surface Miner .

**During 2014-15, we have dispatched 95.06% of coal under third party sampling to Power Sector and achieved Excellent Rating against MoU Target of 90%.**

## **9.2 Emphasis on Loader-less Mining in Underground**

Considerable efforts are being made towards phasing out manual loading as per the recommendations of 11th conference of safety in Mines held on 4th & 5th July, 2013 at New Delhi .Regarding this , 5 nos. SDLs have been procured in June'14. All of which have already been installed at Barka-Sayal mines. Also, 2 more nos. of SDLs have been procured in Feb'15 for Barka-Sayal area. In addition to this, 2 nos. of SDLs are in procurement for Swang-C U/G, Govindpur. Moreover, 9 nos. of SDLs were procured in the year 2013-14 of which 3 nos. were already installed and remaining 6 nos. have been installed in 2014-15.

## **10. PERFORMANCE OF WEIGHBRIDGES**

Sincere efforts have been made to ensure 100 % weighment of coal before dispatch. Thirty three Rail weighbridges were fully functional to weigh the coal dispatch by rail in the year 2014-15. These thirty three 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, 4 (Four) Rail weighbridges at Kuju, Phusro (B&K), Amlo & Rajrappa (w) are in the process of commissioning and likely to be in operational by Dec'15. To ensure correct weighment for the satisfaction of consumers and Railways, regular FIO testing of Rail weighbridges had been carried out in the presence of officials of Weights & Measurement Deptt., Govt. of Jharkhand and Representative of Consumers. The Rail Weigh Bridge of Tori siding shall be relocated and made operational in 15-16.

At present for weighment of coal being dispatched by road, there are 115 Road weighbridges, having capacity from 30Te to 50Te. Out of these 115 Road Weigh Bridges, 15 new 50 Te/60Te Electronic Road weighbridges were installed in the year 2014-15 . Further there are 22 more Road Weighbridges which are under installation. These are likely to be commissioned by Sep'15. Supply order has been placed for 29 no. 60Te Electronic Road weighbridges (19 nos.- replacement & 10 nos. – additional). These will be ready for operation by Mar'16. Procurement of 16 nos. of Rail Weighbridges are under procurement against old/surveyed-off Weighbridges.

Procurement of weighbridges are indicative of commitment to achieve 100 % weighment.

## **10.1 Installation of Man-Riding System at Churi-Benti Mines, NK Area**

Proposal for installation of Man-Riding system at Churi-Benti mines is at final stage and is likely to be installed in 2015-16.

## **11. CONSUMER SATISFACTION**

The Satisfaction of Consumers in respect of quantity, quality and size of coal supplies is one of the prime objectives of the Company. Your Company 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. 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 w.e.f. 1st January, 2012 your Company has implemented the determination of GCV through its Automatic Bomb Calorimeters, at Head Quarter Ranchi and at other area Laboratories. Presently 14 (fourteen) numbers of automatic Bomb Calorimeters are in operation for the purpose of determination of

GCV. Samples collected and analyzed by Govt. Agency i.e. CIMFR.

To improve the Customer satisfaction, third party sampling has already been introduced. CCL had invited suggestions from the Consumers in the Month of April,13 and accordingly in consultation with the Consumers and their suggestions, Customer Satisfaction Performa had been designed and finalized in Nov,13. All Complaints related to Quality are attended to immediately.

Further, effective measures have been taken for achieving better Consumer Satisfaction through delivery of proper quality and quantity. In the process of collection of samples and analysis by 3rd party, participation of Consumer's representative is also there. Steps are being taken to get CCL's laboratories accredited by NABL.

Dispatch covered under agreed sampling to power sector by rail was 100% during 2014-15 against 99.32 % during 2013-14.

## 12. ENERGY CONSERVATION & AUDIT

It is well known that in the world of competitive economy, energy plays a very crucial role in the country's social & economic development. The progress of human society without energy is inconceivable. Per capita energy consumption has been an important index to measure the health of the economic development, which in our country is only about 614 Kg oil equivalent, whereas the global average is about 1790 Kg oil equivalent. The energy consumption in India is about 3.5% of the global total, though our population is about 17.5% of the world. Power and oil are the two major sources of energy in the industrial sector. Industries consume about 50% of the total commercial energy. It is in fitness to mention here that coal is the prime source of power energy and Coal India Ltd., alone contribute about 80% of total national production.

While our nation has progressed in energy generation to meet the growing demand, it is not possible to produce all the energy, due to constraints and other impediments. Hence, the importance of energy conservation increases.

The conservation of energy, therefore, offers us possibility of buying more time till we discover new sources. Considering that energy options are limited at present, we all should look at the problem more seriously and make attempts in using the energy judiciously.

After the nationalization of coal mining industries, there has been steep rise in coal production by inducting capital intensive sophisticated mining machines which resulted in increase in power & petroleum products' consumption. The energy demand in the industry is increasing day by day. Hence, implementation of energy conservation measures & other demand management measures are utmost important.

In CCL, the average annual consumption of HSD was about 55 million liters and that of power is about 700 million kilo watt hours for the year 2013-14. The total bill for energy was ₹ 678.42 crores. Even 1% saving in energy consumption would bring down the expenditure by ₹ 6.78 crores. For conservation of POL & Power, measures identified already should be strictly adhered to. In CCL, 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.

### Performance/Achievement of CCMC Department

1. Energy Audit & Benchmarking (Electrical & Diesel) of all Opencast & Underground Projects of CCL in collaboration with CMPDIL has been done & their recommendations have been circulated for implementation to all concerned.
2. Specific Consumption of Diesel, per cum of composite production in 2014-15, is 0.5 Ltrs./cum, whereas in previous year 2013-14, it was 0.6 Ltrs./cum. There is decrease of 16% in Diesel consumption this year, per cum of composite production in comparison to last year.
3. Specific consumption of Power per tonne of coal produced in 2014-15 is



- 10.18 Kwh/Te, whereas in the year 2013-14, it was 11.0 Kwh/Te. There is decrease of 7.41% in comparison to last year. Similarly, Specific Power consumption, per cum of composite production in 2014-15, has reduced by 29.62% in comparison to last year, i.e. 2013-14.
4. As per M.O.U target in 2014-15, benchmarking of electrical cum diesel consumption of Rohini open cast Project in consultation with MECON through scientific inspection was completed in DEC-14 by MECON and in addition to this benchmarking was also done by BEE certified auditors of CMPDIL.
  5. Testing of 82 nos. of used oil samples of engine & transmission, collected from different Projects, was done by IOC, HPCL and Balmer & Lawrie and their reports forwarded to concerned Projects for further needful.
  6. CMC laboratory at Rajrappa has been re-started and CMC labs at Kathara & NK Areas are to be started shortly. This will help in predictive & preventive maintenance of HEMMs to reduce downtime of the machines.
  7. Energy conservation meets were organized at Rajrappa, NK, Hazaribagh & Kuju Areas of CCL to commemorate 'Energy Conservation Fortnight' with the help of oil manufacturers like M/s IOC, HPC etc., where need for oil conservation was stressed upon and discussed.
  8. Proposal has been initiated to procure three nos. 'Vibration Analyzers' to check vibration coming on main motor, generator etc. of Shovels and predict condition of their bearings for timely replacement before major failure.
  9. Proposal is being initiated for procuring 'Portable Oil Test Kits', to be kept at all Regional workshops of areas for enhancing drain period of oils.
  10. Compilation & publication of Energy Audit Report for 2013-14 of all underground & opencast Projects of CCL and circulated to all concerned.
  11. Surprise inspection of 30 Opencast Projects of CCL done for checking records of receipt, issue & consumption of Diesel, as circulated vide no. DT(O)/23/04/91, dt.17.01.2004 and their report submitted.
  12. In compliance of the directive of the Board, benchmark for "Specific Diesel consumption (SDC)" & "Specific Power consumption (SPC)", mine-wise, has been drawn and monthly performance of all mines analyzed & submitted to Board every month for appraisal & needful.
  13. Energy conservation report of 14(fourteen) earmarked mines of CCL prepared & submitted to GM(EED), CIL, every month for their perusal, with a copy to TS to CMD, CCL.
  14. Guidelines were re-circulated in respect of Receipt, Issue & Consumption of HSD in the Projects to monitor the consumption of HSD, regularly, which restricted consumption.
  15. Co-ordinated calibration and Maintenance of Diesel Dispensing Units of all Projects, as & when required, with different Oil companies, like IOC, HPCL & BPCL to optimize HSD consumption.
- 13. TELE-COMMUNICATION AND INFORMATION SYSTEM**
- A. GPS/GPRS based Vehicle Tracking System and RFID with CCTV based Weighing Control and Monitoring System across CCL Command Areas**
- Safe mines are the productive mines and your company has taken an initiative to make

its mines safe, productive and effective with the help of GPS/GPRS based Vehicle Tracking System and RFID with CCTV based Weighing Control and Monitoring System. Ministry of Coal has also directed for setting up a monitoring system for movement of coal in the mines and from mines to the railway siding or washeries through GPS (Global positioning system) in all mines of CIL.

CIL is continuously emphasizing on production using eco-friendly techniques with due regard to safety, conservation and quality. To meet all the requirement your company has issued work order to M/s Orange Business Services India Technology Pvt. Ltd. on 24.10.2014 and total cost of project is ₹ 36.31 Crore. The work order is issued for tracking of 2150 nos. (Departmental Trucks, Dumpers & Pvt. Tippers), RFID with CCTV based weighing control and monitoring system for 112 Road Weighbridges, computerization of 52 Project Office and control rooms in 11 Area Office for monitoring on 24x7 basis with one central control room in CCL (HQ), Ranchi. The project is on rental basis for 5 years. The project would be completed in two phases:

**1st Phase – N. K. & Piparwar Area**

**2nd Phase – Rest all Areas (Argada, B&K, Barka Sayal, Dhori, Hazaribagh, Kathara, Kuju, Rajhara & Rajrappa).**

This project shall help prevent pilferage as well as improve operational efficiency of the entire dispatch along with production system. It will operationalize integrated system of GPS/GPRS based vehicle tracking system with RFID based infrastructure like automatic boom barriers etc. and CCTV surveillance system at weighbridges for control/monitoring. The implementation of such system shall help further improvising the safety of workers and people working around the mines, shall improvise adherence to rules of driving by truck drivers and avoid accidents arising out of rash driving, over speeding and overloading of trucks.

Vehicle tracking and monitoring system will provide an integrated Surveillance system

to manage and monitor the transportation of various trucks' movement through mines to CHP / Railway Siding. The system prevents the enroute pilferage through continuously monitoring the movement of trucks with coal along its defined route.

**B. Mobile Closed User Group (CUG) Network for CCL**

Infrastructure is backbone of any project and communication is very essential for safe, productive and efficient mine. Now a day mobile communication is vital part of communication hence CCL had issued a work order to M/s BSNL on 19.05.2012 for 1428 connections for Closed User Group (CUG) Network for mobile phone along with FCTs. Primary Rate Interface (PRI) connectivity is provided in the EPABX of CCL. The 1st phase CUG voice communication became operational in CCL since Aug-2012. Further subsequent work order was issued and presently we are operating on approx 3250 CUG connection across CCL. All command areas, projects, weighbridges, centralized units 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 and communication has been improved a lot. SMS is being sent to CUG connections for any management related or production related or meeting related etc. information directly to the CUG users. SMS alert is also being sent to CUG connections for the official e-mail received through CCL e-mail id.

**C. WAN/LAN network of CCL**

CCL is presently operating on 12 command areas with its centralized units and HQ in Ranchi. We have our Area offices, Project Office, Weighbridges (Road & Rail), Regional Stores and centralized units in remote locations. 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 dept. The same was tendered and the work order was placed to M/s Telecommunication Consultant India Limited, New Delhi for setting up WAN in CCL on rental basis for 5 years. M/s Reliance Communication Ltd will provide bandwidth service for MPLS, VSAT and ILS. Each command area, regional store and centralized unit will get 2 Mbps redundant MPLS connected through OFC or RF link. The CCL (HQ) will have 10 Mbps redundant MPLS & 10 Mbps ILL link.

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. The e-tendering from the area will be done through this WAN platform. This system is going to be installed and operational during 2015.

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. This backbone connectivity will be by GPS/GPRS based Vehicle Tracking System and RFID with CCTV based Weighing Control and Monitoring System across CCL for safety, efficiency and to stop pilferage. The system provides monitoring of vehicles on real time basis from all Project offices, Area office and CCL, HQ.

#### **D. RFID based Weighing Control and Monitoring System for Ashoka OCP**

A pilot project 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. The same was tendered and the work order has been placed to M/s Wipro Ltd. This system will ensure both way weighment with CCTV monitoring. The weighing data will be passed onto Area HQ and receiving end on real time basis.

This will ensure reconciliation of no. trips and tallying of quantity of sending end and receiving end. Any difference of quantity will be recovered from the transporter. This system is going to be operational during 2015.

#### **E. CCTV based Coal Dispatch Monitoring System**

We have already completed CCTV surveillance system in 5 mines of CCL during March-2014 as per the MOU parameter in order to avoid chances of any theft / pilferage of coal. The mines covered by the monitoring system are Piparwar OCP, Ashoka OCP, Bachra UG, Dakra OCP & Churi UG. This system is working satisfactory.

As per guideline of CVO (CIL) each area should be covered with CCTV surveillance system. CCTV surveillance of stores, explosive magazine, entry exit points, rail weighbridge and other sensitive places is under planning.

#### **F. Modernization of Steering Control and PLC system of 1 no. of Mobile Inpit Crusher and 2 nos. of Belt Wagon of Piparwar Project**

Mobile Inpit Crusher with two Belt Wagon was installed at Piparwar Mine during 1992-93. The average production of the machine is 15,000 TPD. Since we were not getting any spares of steering, travelling, lifting and PLC control system of Inpit crusher from OEM M/s ThyssenKrupp, German as they had indicated that the system has become obsolete and no spares are available. The steering, travelling, lifting and PLC control system is the heart of the Inpit crusher and belt wagon. The average production from the machine is gradually decreasing because of non-availability of spares. To sustain production up to 15,000 Tonnes per day (TPD) from the machine, the modernization of electronic steering control & PLC system of Inpit crusher and belt wagon is very much essential. Accordingly offer was collected from the OEM and the work order was placed on 27.03.2013 at the cost of Euro 646,310 to



M/s ThyssenKrupp, Resource Technology, Germany (OEM). The up gradation work will ensure the maximum production of Inpit Crusher. The spare parts have been shipped and material has been received at Piparwar Area. Installation & commissioning work has been started by German Engineers and same is going to be completed by May-2015.

**G. Online Tele monitoring System for Gases in UG at Swang UG Mine of Kathara Area**

CCL has tendered for installation of 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 CH<sub>4</sub>, CO, O<sub>2</sub> and AV. The centralized control room will be located on the Pit head of the mine with 24 hrs. Manning and monitoring. 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. Final work order will be issued very soon and the system shall be installed and be operational during this financial year.

**H. ACM System for UG Mine of CCL Command Area**

Almost all UG Mines has been are being provided with intrinsically safe (DGMS approved) auto cum manual UG communication system. This system provides communication up to 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 hailing 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 mine. UG system for 3 nos. of Bhurkunda UG, Urimari UG and Saunda 'D' UG of Barka Sayal Area has been supplied and installed.

**I. Providing of High Speed Internet Leased Line (ILL) in each Command Area and Centralized Units**

CCL has provided each area office with 2 Mbps Internet Leased Line (ILL) to do e-tendering purpose. As per the guideline of Vigilance, from 1<sup>st</sup> April-2015 no manual tendering will be done, hence CCL is ready with required infrastructure to do this.

**J. IP compatible EPABX for CCL Command Area**

11 nos. of IP Compatible EPABX for the CCL command area has been tendered. These EPABX will be installed in some of the project/area and will be connected through WAN for networking. In later stage all projects will be installed by IP Compatible EPABX for better communication in the fixed offices. The direct dialling and closed numbering system will be introduced across CCL command area.

**K. Cyber Security**

Intrusion protection system, firewall and content filtering at Internet gateways were installed before Oct'2014 and we have achieved Excellent Rating for MoU 2014-15.

**14. SAFETY**

Safety has always been one of the priority areas of CCL to provide safe and healthy environment to its 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 assessment and Management of all UG and OC mines of CCL has been completed by SIMTARS trained faculties from CIL. Till 31st March 2015 Safety Management Plan of 18 UG & 41 OC mines have been prepared. **Safety Management Plan has been prepared for 35 Mines against 05 Mines of MoU Target 2014-15 and we have achieved Excellent rating for this activity for MoU 2014-15.**

### Underground Mines

One of the major causes of Fatal/ Serious accidents in underground coal mines had been fall of roof and side. Proper thrust is continuously 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.

Again in furtherance of the 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 5 nos. LHDs are deployed in U/G mines of CCL. At present as on 1.04.15 out of 24 working districts 15 are loader less districts and 11 districts are being worked with manual loading. It has been planned that within 2016-17 another seven districts will be made loader less. Loaders are being engaged gainfully in some other activities. Out of four balance manual districts two will be converted to open cast mines and only two underground districts having high gradient and extensive workings at Argada & Sirka underground mines will be left to loader.

SCSR have been provided to all the UG mines to ensure the safe escape of persons in

case of any emergency. Mechanized Roof Bolting Machines has been provided to all U/G mines to ensure timely and safe bolting of roof beds to avoid bed separation. Emergency organization plan for every underground mine with marking of escape route were formulated and displayed at the mine entrances to make all the workers aware of the same. Sectionalisation work of U/G Mines is in progress. Lighting of U/G mines has been improved.

### Opencast Mines

As Opencast mines contribute majority of share in the total output of the company, special thrust is being given to ensure safety and health of the employees. Training has been given with 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. to increase awareness among the work person employed in the mines. As contractor's participation in production is gradually increasing, proper attention is being given on their training and health. Lighting in OC mines with the introduction of high mast cluster tower has improved. Automatic Fire Detection & Suppression System (AFDSS) are being installed in HEMM to deal with any exigency arising out of eruption of fire.

### Risk Based Systematic Management

Risk based systematic management plan of all the mines have been prepared and is being used as a modern tool for improving safety standards. Safe operating procedure has been prepared and distributed to all concerned including the contractor workers engaged through outsourcing.

**Scientific Study**

**Scientific Study conducted by CMPDIL in the year 2014-15**

1. Scientific study for obtaining hole blasting permission from DGMS at Hesagarha OC patch.
2. Scientific study for obtaining Deep hole blasting permission from DGMS at Sector III of Rajrappa OCP.
3. Conducting scientific trial blasting using LHD/SME/SMS at Balkudra Quarry outsourcing patch for obtaining permission from DGMS.
4. Scientific trial/controlled blasting at outsourcing patch of Kujju OCP for working within 300m distance from hutments/dwellings at Kujju OCP for obtaining deep hole permission from DGMS.
5. Determining bench mark powder factor in Coal & OB at outsourcing patch (phase-I) of Jharkhand OCP, Hazaribagh Area.
6. Scientific study for obtaining deep hole controlled blasting at Karma OCP using SME for within 300m beyond 100m distance from hutments / dwellings or any other structure of Mahua Tungri section and Khiaberatola / village under CMR 170 and 170(1B).
7. Determination of degree of gassiness of seam I lying down throw fault F-38 at 3-C incline of Saruberia East underground.
8. Determining bench mark powder factor of coal & OB at outsourcing patch in West Quarry of North Urimari OCP, Barka-Sayal Area.
9. Conducting scientific /trial/ controlled blasting at Ashoka OCP for working falling within 300 m but beyond 100m distance

from structure/hutments of Barwatola, Tamrastand, Thena and Bijain village.

10. Conducting scientific / trial / controlled blasting at West Quarry Amrapali OCP for working falling within 300m but beyond 100m distance from hutments / dwellings or any other structure of ManwaTongri Tola of village Binglat under CMR 170 (1A) and CMR 170(1B).

**Annual Safety Week**

Annual Safety Week 2014 was observed from 05.01.2015 to 10.01.2015 in all UG & OC mines of CCL under the guidance of DGMS (SEZ Zone & Central Zone). During the week, special emphasis was laid on wide publicity of safety rules, regulation and practices. Final day function is to be held at B&K Area on 25th of April 2015.

**Special Safety Drives**

**Following Safety Drives were conducted in the mines of CCL to enhance safety standard in the particular areas and awareness among the work persons.**

1. Safety Drive on Monsoon preparation has been conducted from 12.05.2014 to 24.05.2014 in Open Cast Mines and 02.06.2014 to 22.06.2014 in Under Ground Mines.
2. Special Safety Drive for the Safety of Contractor workers has been conducted from 22.07.2013 to 02.08.2013.
3. Safety drive on VTC was conducted from 11.08.2014 to 20.08.2014.
4. Safety Drive for PME centers in area was conducted from 11.08.2014 to 18.08.2014.
5. Safety Drive for HEMM workshop with special attention to house-keeping, provision of separate entry for light vehicle and washing facilities was observed from 08.09.2014 to 18.09.2014.

- |   |   |
|---|---|
| <p>6. Annual Mines Safety Week was observed in every UG and OC mines of CCL from 05.01.2015 to 10.01.2015.</p> <p>7. Annual Safety Inspection of all the Washery of CCL was observed from 19.01.2015 to 24.01.2015.</p> | <p>9. Best Captain : Sri Vikash Mehta-<br/>2nd Best CCL,<br/>Team-A</p> <p>10. Best Member : Sri Ganesh Ram-<br/>2nd Best CCL,<br/>Team-A</p> |
|---|---|

**G.V.T. CENTRES**

Workers are made aware towards safety through various training programmes at 10 Group Vocational Training Centre (GVT) and 03 VTC spreading across the company. In order to improve and refresh the skills of our manpower through Basic, Refresher & Special Training, modern training aid such as LCD projector, models, training gallery etc have been provided in all the Group Vocational Training Centers.

**Performance in All India Mines Rescue Competition 2014**

All India Mines Rescue Competition was organized at Mines Rescue Station, Ramgarh from 14.01.2015 to 17.01.2015. Total 22 teams participated in the competition. Two teams from CCL namely 'A' & 'B' participated in the competition.

CCL Team bagged the following prizes in the competition :

- |                             |   |                       |
|-----------------------------|---|-----------------------|
| 1. Overall Best performance | : | 2nd Best- CCL Team-A. |
| 2. Rescue & Recovery        | : | 2nd Best CCL Team-A.  |
| 3. Rescue Work              | : | 2nd Best CCL, Team-A  |
| 4. Fresh Air Base           | : | 2nd Best CCL, Team-A  |
| 5. Statutory                | : | 1st Best CCL, Team-A  |
| 6. First Aid                | : | 2nd Best CCL, Team-A  |
| 7. Turn out Drill           | : | 2nd Best CCL, Team-A  |
| 8. Theory                   | : | 2nd Best CCL, Team-B  |

**Special Emphasis on safety**

**To enhance Safety following special jobs have been undertaken in 2014-15 :**

The following safety instruments have been procured to enhance safety in mines of CCL.

SI. No.	Special Emphasis
1.	34 (Thirty four) nos of Digital Methanometer were provided to areas to enhance the safety.
2.	03 (Three) nos of Local Methane Detector were procured and distributed amongst the areas.
3.	03 (Three) nos of Vibrometer were procured and distributed amongst the areas.
4.	06 (Six) nos Fire Tender were procured and distributed amongst the areas.
5.	15 (Fifteen ) nos PDS used under CIL-CIMFR projects.

Apart from above procurement, extensive procurement plan for different safety items e.g. Vibrometer, Local Methane Detector, Multi-gas detector, Toximeter, LED cap lamps and Safety Lamps etc. during 2015-16 has been framed and is under operation.

**Procurement of Survey and Survey-supporting Instruments**

To improve the quality of survey as well as to get maximum accuracy following Survey and Survey-supporting instruments have been procured in 2014-15 and issued to different underground and opencast mines. Introduction of these modern instruments has increased the efficiency of Surveyors and accelerate the purpose to a great extent.

Electronic Total Station	7 Nos.
Plotter	7 Nos
Survey Software	7 Nos
Computer	7 Nos
Printer	7 Nos
Micro optic theodolite	5 Nos
Digital theodolite	9Nos
Auto Level	11 Nos
Digital Level	2 Nos

In addition to the above, proposal has been initiated to procure more modern survey instruments to add and enhance our safety and accuracy in our survey work. The procurement action is on the verge of completion and expected that the instruments will be in hand by August 2015.

Electronic Total Station	30 Nos
Plotter	30 Nos
Survey Software	30 Nos
Computer	30 Nos
Printer	30 Nos
Auto Level	18 Nos
Digital Level	8 Nos
Scanner printer	1 No
Laptop	1 No
3 D Laser Scanner	2 Nos

#### Accident statistics pertaining to CCL Mines for the Year 2014 – 2015 as compared to Year 2013-14

Details	2014-15	2013-14
Fatal accidents	6	6
Fatalities	6	6
Serious accident	12	5
Serious injuries	12	5

#### Place-wise Classification of Accident :

	2014-15	2013-14
<b>Fatal:</b>		
Underground	1(1)	0(0)
Opencast	1(1)	6(6)
Aboveground	4(4)	0(0)
<b>Total</b>	<b>6(6)</b>	<b>6(6)</b>
<b>Serious:</b>		
Underground	3(3)	0(0)
Opencast	3(3)	5(5)
Aboveground	6(6)	0(0)
<b>Total</b>	<b>12(12)</b>	<b>5(5)</b>

#### Rate of Accident :

	2014-15	2013-14
<b>Overall</b>		
Fatality rate per million cub. meter	0.04	0.0638
Fatality rate per 3 lakh man shift	0.18	0.18
Serious Injury rate per million cub. meter	0.09	0.0531
Serious Injury rate per 3 lakh man shift	0.37	0.15
<b>Under Ground</b>		
Fatality rate per million cub. meter	5.09	0.00
Fatality rate per 3 lakh man shift	0.31	0.00
Serious Injury rate per million cub. meter	8.49	0.00
Serious Injury rate per 3 lakh man shift	0.51	0.00
<b>Open Cast</b>		
Fatality rate per million cub. meter	0.02	0.06
Fatality rate per 3 lakh man shift	0.13	0.26
Serious Injury rate per million cub. meter	0.05	0.05
Serious Injury rate per 3 lakh man shift	0.31	0.22



**Cause wise breakup of Fatal and Serious Accident**

Cause	2014-15		2013-14	
	Fatal	Serious	Fatal	Serious
Roof /side fall	1(1)	-	-	-
Haulage/conveyor	-	-	-	-
Electricity -	1(1)	-	-	-
Other Machinery/Shovel	2(2)	4(4)	-	-
Fall of Person	1(1)	3(3)	1(1)	1(1)
Fall of Object/Bench slide	-	3(3)	1(1)	1(1)
Dumper & Truck	2(2)	1(1)	4(4)	-
Misc.UG/Water in rush	-	-	-	-
Fall of roof	-	-	-	-
Misc. Surface/Suspension Rep.	-	-	-	3(3)
<b>Total</b>	<b>6(6)</b>	<b>12(12)</b>	<b>6(6)</b>	<b>5(5)</b>

**Area-wise breakup of Accident :**

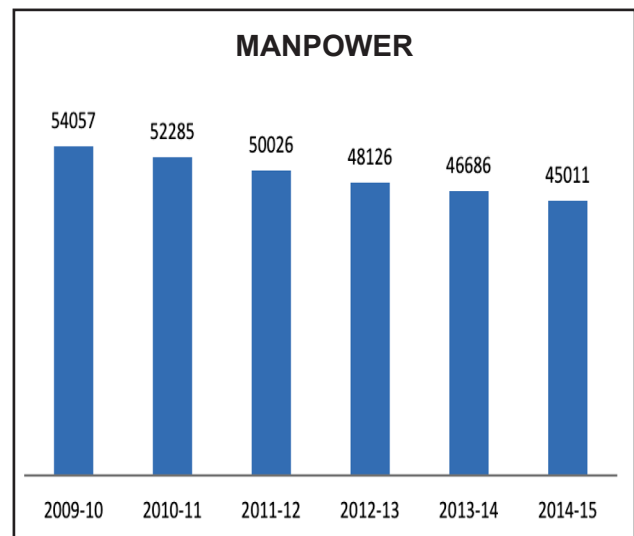
Area	2014-15		2013-14	
	Fatal	Serious	Fatal	Serious
Barka-Sayal	2(2)	4(4)	NIL	NIL
Argada	1(1)	2(2)	NIL	1(1)
Kuju	NIL	NIL	NIL	1(1)
Hazaribagh	NIL	NIL	1(1)	1(1)
B&K	NIL	2(2)	1(1)	NIL
Dhori	NIL	NIL	1(1)	NIL
Kathara	1(1)	2(2)	NIL	NIL
Rajrappa	NIL	NIL	1(1)	NIL
N.K	NIL	1(1)	1(1)	2(2)
Piparwar	2(2)	NIL	1(1)	NIL
Rajahra	NIL	1(1)	NIL	NIL
<b>Total:</b>	<b>6(6)</b>	<b>12(12)</b>	<b>6(6)</b>	<b>5(5)</b>

**15. PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS**

The manpower strength of the company as on 31.03.2015 was 45011 as against 46686 on 31.03.2014. The category wise break up of manpower strength as on 31.03.2015 vis-à-vis 31.03.2014 is given below :

Category	31.3.2015	31.3.2014
Executive	2706	2765
Supervisory	3398	3173
Highly Skilled/Skilled	14574	15279
Semi Skilled/Unskilled (TR)	16822	17151
Semi Skilled/Unskilled (PR)	3028	3613
Ministerial Staff	3878	4120
Others	605	585
<b>Total</b>	<b>45011</b>	<b>46686</b>

Hence during the year 2014-15, the overall reduction in manpower was to the tune of 1675, while the number of employees in the Company came down by 2894 during the year under reference, 1219 employees were added to the existing manpower.



The aforesaid reduction and addition has been under the following heads :

**REDUCTION**

<b>Manpower reduction under the head</b>	<b>No. of Employees (31.03.15)</b>
Retirement/Superannuation	2055
VRS (GHS)	13
Death	482
Termination/Dismissal	49
Resignation	13
Inter Company Transfer	58
Medically Unfit	30
Others	195
<b>Total Reduction</b>	<b>2894</b>

**ADDITION**

<b>Manpower Addition under the head</b>	<b>No. of Employees (31.03.15)</b>
Appointment under 9.3.0	468
Appointment under 9.4.0	26
Appointment under Dependent of deceased Executives	04
Appointment under Land loser's scheme	220
Inter Company Transfer	40
Reinstatement	46
Fresh Recruitment	415
Award Case	00
Others	00
<b>Total</b>	<b>1219</b>

At the beginning of the year 2014-15, 918 cases relating to labour and industrial disputes were pending before different courts, authorities and industrial tribunals. While 191 cases of labour and industrial disputes were added, 102 cases were disposed off during the year. Thus 1007 cases in total remained pending on 31.03.2015.

The Industrial Relations scenario was peaceful and harmonious throughout the year (2014-15) 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 JCSC at Company level, ACC at Area level and UCC 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 issued a total of 494 dependents of Ex-Employees under Social security measure of Company under para 9.3.0/ 9.4.0 and like-wise 220 cases of appointment under Land Loser's Scheme to dependents during 2014-15. During this period; 4883 no. of employees were benefited by way of promotion/selection to the higher posts and 117 nos. of surplus Piece Rated employees were converted in Time Rated category. Apart from this, 13 nos. of employees were selected to the post of Mining Sirdar.

**15.1 Recruitment**

Exemplary work/achievements of Recruitment department for the year 2014-15 :

1. Recruitment department of CCL has introduced advanced result evaluation technique using OMR machine and image scanner. This makes CCL the only subsidiary in CIL to have its own OMR machine and image scanner, making use of this latest technology has significantly reduced human

intervention and hence made the entire result evaluation process practically error free. Some of the other benefits of using OMR machine are as follows :

- (i) **Time saving** : Result tabulation and evaluation is a time consuming as well as exhaustive process which requires days and sometimes weeks to complete. To overcome this challenge, Recruitment department has made use of technology in form of OMR machine to evaluate the results of the candidates. Now, it has become a matter of only a few hours to execute the entire result evaluation process.
- (ii) **Accuracy** : Accuracy is one of the most important factors in any Recruitment process. To ensure that accurate results are generated we have made use of technologically advanced OMR machine.
- (iii) **Creation of archives** : It is also possible to save images of the OMR sheet of each candidate. The database so created can be accessed any time in future. ***This feature is essentially helpful for quick disposal of queries asked under RTI and parliamentary questions.***
- (iv) **Transparency** : The result evaluation through OMR machine is entirely mechanized and hence, reflects transparency.

## 2. Providing Technical Support to SECL, ECL, BCCL, WCL, CMPDIL

Recruitment Department has taken the initiative to extend its support to the sister subsidiaries of CCL in carrying out their recruitment activities and also evaluation of results through OMR machine established in recruitment department of CCL.

## 3. Providing Technical Support to other departments

Recruitment Department has also provided support to other departments of CCL in carrying out the selection process of DEO, Clerk Grd.III and CCL K Laal.

## 4. Special Recruitment Drive for SC/ST/OBC (NCL) candidates

First time CCL has initiated a Special Recruitment Drive for SC/ST/OBC (NCL) candidates for the post of Mining Sirdar, Jr.Overman, Dy. Surveyor, E.P Electrician, Electrician (Non-Excv.) and Asst. Foreman (Electrical).

Further in the year 2014-15, following no. of candidates have been offered employment in CCL in different post :

Sl. No.	Post	Candidates Joined
1.	Junior Overman	187
2.	Mining Sirdar	91
3.	Dy.Surveyor	19
4.	E.P Electrician	31
5.	Electrician (Non-Excv.)	07
6.	Asst.Foreman (Electrical)	27
7.	Overseer (Civil)	07* (In process)
8.	ParaMedical Staff	104* (In process)
<b>Total</b>		<b>473</b>

## 5. Promotion of Official Language

Recruitment department has played a crucial role in promoting Rajbhasha in day



to day operation in accordance with the Government Guidelines. Following this, Recruitment department has proudly won 4 back to back Rajbhasha award in fiscal year 2014-15.

## 6. Equipment Utilization

Owing to the huge number of applications turn out for the vacancies published by CCL, the whole process requires faster and accurate execution. To achieve this, it becomes a necessity to have high end equipments. Keeping in line with the same, Recruitment department is well equipped with several high speed, heavy duty multifunctional machines like OMR Scanner, Heavy duty printers, Multifunctional FAX machines and Scanner.

## 16. HUMAN RESOURCE DEVELOPMENT

The training/workshop/seminars attended by different segments in different institute in 2014-15 are as under :

	Training		Wrokshop/Seminar/ Conference	
	Executives	Non Executives	Executives	Non Executives
In Company				
MTC	493	307	231	215
BTTI	-	555	-	-
CETI	-	334	-	-
STI	-	137	-	-
IOMH	-	0	-	-
Group VTCs	-	6571	-	-
<b>Sub Total</b>	<b>493</b>	<b>7904</b>	<b>231</b>	<b>215</b>
External (Out of Company CCL/CIL)	364	38	41	-
IICM(Ranchi)	465	-	7	-
Overseas	14	-	-	-
<b>Grand Total</b>	<b>1336</b>	<b>7942</b>	<b>279</b>	<b>215</b>

## MoU Target vis-à-vis Achievement for the year 2014-15

Parameters	Unit	Weight (%)	Mou Target for Excellent Rating	Achievement up to March'15	MoU Rating
Training in Contract Management	No. of Executives	1	6	46	Excellent
Training in Project Management	No. of Executives	1	50	51	Excellent
Training in Risk Management	No. of Executives	1	20	23	Excellent
Training in Environment Management, Forest Management and Land Acquisition	No. of Executives	1	10	24	Excellent
Training through Simulator	No. of HEMM Operators	1	10	15	Excellent
% Actualisation of of Training Plan & Training days per employee per year	% fulfillment & days/employee/ year	20	16 0.076	19.62 1.11	Excellent
Pension, Medicare, Yoga Classes to reduce stress	No. of programmes	20	4 programmes by March'15	4	Excellent

## Achievements during 2014-15

1. Befitting with the aim to connect to society at large as well as to cater for the future need of the industry, 557 students were trained (Preparatory course for Mining Sirdar Exam 453+ PDPT 104).
2. 1008 no 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: 51 no. of executives attended Certificate Course of Project Management training, 46 executives attended the Contract Management Training

and 23 No of executives attended Risk Management Training.

4. While taking another drive by CCL to create an elite pool of Risk Managers, HRD, CCL has trained 12 executives on Certification Course of Enterprise Risk Management this year.
5. 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, your company has already started first academic session of ITI in trade of electrician at BTTI, Bhurkunda with its first batch of 20 students from the month of November, 2014.
6. In the same line to work on impact investment to impress upon social need and community development, CCL has taken initiative to develop a multi development skill center in Rajrappa for its project affected people and the others as a complementary effort to the Skill Development Mission of the nation. The skills to be trained is TV and Mobile repairing, Embroidery, tailoring etc.
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 for Management Trainees since last year. Complemented by two/three field visits, HRD, CCL has given orientation to 66 nos. of management/technical entrants of different disciplines by exposing them to multifarious processes we follow in coal excavation as well as sales, logistics, beneficiation etc. The first time

ever, CCL has got a bunch of management trainees this year recruited through CIL in CD or Community Development Category. CCL has already organized their orientation course and is further committed for continuous growth of these CD executive to build up an elite force of social scientists which is mostly needed today considering the extent of dealing with land and people, the company gets engaged by default in full breadth and length of the community and society in and around our mining business.

8. In an effort to give specialized training in land acquisition, environment and forest management, this year CCL has trained a consolidated 24 no executives on line of MOU mandated coursework of the same.
9. In another role of facilitator of ongoing implementation of Wide Area Network, an integrated framework of data and information sharing across the industry, automated weighbridge system, as well as laying out the path for new BSC (Balance Score Card) based PMS for executive evaluation in CCL, HRD CCL organized numbers of training for different layers of user, process owners etc of the new technology (WAN etc) and management framework (PRIDE).

## **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**

The activities undertaken under thrust areas are as under :

● **Development of Infrastructural Facilities**

Central Coalfields Limited has been endeavoring to improve the quality of life of their employees by providing better welfare amenities.

● **Water Supply**

93 nos. of bore holes along with pumps have been provided for our workers in CCL command area so as to facilitate potable water supply.

● **Health Care and Family Welfare**

CCL has 05 nos. of Area Hospitals, 10 nos. of Regional Hospitals and 63 nos. of Dispensary having strength of 892 nos. of bed with the availability of 225 nos. of doctors. Company owns 111 nos. of ambulances. Medical cards are issued not only to the existing employees but also to 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.

**No. of Medical Camps** : 316

**No. of Beneficiaries** : 1,19,828

❖ There are 04 nos. of Central Hospital as following :

1. Gandhinagar Hospital, Ranchi
2. Central Hospital, Naisarai
3. Central Hospital, Dhori
4. Central Hospital, NK

❖ SUPER SPECIALITY CLINIC in Cardiology and Nephrology has been started.

❖ Jan Arogaya Kendra has been started at Gandhi Nagar Colony for BPL and Project Affected People.

● **Education**

Specific emphasis is being given by CCL 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 Vidyalaya, 14 nos. of DAV Public Schools and 43 nos. of Privately Managed Schools are getting financial assistance as well as infrastructural support to schools.

(Amount in ₹)

Schools	2014-15
DAV	17,39,84,170.00
Kendriya Vidyalaya	2,00,31,060.00
Privately Managed Schools	1,57,62,000.00

❖ **Scholarship** : The CCL awards scholarships for the meritorious students under the following schemes.

- ❑ **CIL Scholarship**
- ❑ **Scholarship under the CCEBF Scheme**

Year	2014-15	
	Amt (₹ in Lakh)	No. of Beneficiaries
CIL Scholarship (From Class Vth onwards)	17.16	1006
CCEBF Scholarship (From Class Xth onwards)	18.25	642

● **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.

2014-15	
No. of Beneficiaries	17
Amount in ₹	<b>6,32,000.00</b>

● **Promotion of Sports and Culture**

CCL successfully organized the following CIL sports activities as per CIL Sports Calendar :

- (a) CIL Intercompany Cricket Tournament for

the year 2014-15 was organized at Barka-Sayal Area, CCL, and Ranchi.

- (b) To promote the sports in rural areas and to encourage the talented youths, CCL is organizing Rural Football in all the command areas of CCL.
- (c) Coaching Camps/ Tournaments for different games are organized on regular basis for young and budding talents of Jharkhand.
- (d) CCL conducts different sports activities for its employees and the selected sportspersons are encouraged to participate at higher level.
- (e) To develop sports in Jharkhand, CCL is providing continuous financial and technical aid to different Sports Organization such as Jharkhand Olympic Association, Jharkhand Volleyball Association, Hockey Jharkhand etc.
- (f) CCL is supporting Differently Abled Sports Organization to conduct its sports activities.

❖ **Canteen**

At present, there are 56 nos. of canteens functioning in different command areas of CCL. One of the Canteen at Kathara, One at Dhori and One at Headquarter are made air-conditioned for facilitating the employees.

❖ **Field Visits**

An Inspection Team consisting of the members of Swachh Bharat Committee was constituted who visited all areas of CCL and inspected the ongoing welfare activities in the

areas. It gives impetus to ongoing welfare activities in different areas.

❖ **Kaya Kalp Yojna**

Different schemes like Aapka Darbar, CCL Apke Dwar, Chalo Gaon ki aur etc. are being run in different areas under KayaKalp Yojna for inclusive growth of internal and external stakeholders.

❖ **Shiksha Varsh**

Year 2014-15 had been observed as 'Shiksha Varsh'. As per directives, a format/form is prepared and circulated to the students of all schools of CCL HQ and command areas of CCL. The said format/form is devised in such a way that career of students may be planned according to the inclination and attitude of the students. As of now, 7500 forms had been received in the welfare department from the HQ as well as command areas of CCL. The centralized database is being prepared for the purpose of developing career option.

**We have achieved Excellent Rating for these CSR Activities against MoU Target 2014-15.**

**Sector-wise Expenditure in 2014-15  
(in ₹ lakh) upto March'2015**

Sector	Expenditure (in ₹ Lakh)
Infrastructure	1051.13
Drinking Water	572.37
Education	289.47
Health	52.45
Sanitation	118.15
Swacch Vidyalaya Abhiyaan	2636.00
Environment	295.37
Skill Development/ Social Empowerment	36.79
Sports and Culture	57.36
Other Developmental Works	6.49
<b>Total</b>	<b>5115.58*</b>

\* The expenditure of CSR as per the audited accounts of 2014-15 is of ₹ 48.87 crores, whereas the CSR works undertaken by the areas concerned and total expenditure as reported by the respective areas comes to ₹ 51.15 crores.

**18. CORPORATE SOCIAL RESPONSIBILITY**

**Achievement of CSR activities against the MoU Target for 2014-15**

Sl. No.	Dynamic/Non Financial Parameters		
(i)	Evaluation Criteria	MoU Target	Achievement
(a)	Digging of wells, ponds & installation of hand pumps to provide drinking water in different areas	50 Nos.	503 Nos. (Excellent)
(b)	Providing free education facility to poor students/underprivileged students	50 Nos.	96 Nos. (Excellent)
(c)	Organizing mega health camps for health awareness in peripheral villages	40 Nos.	98 Nos. (Excellent)

**Important CSR Works during the year 2014-15**

● **Education**

CCL has spent an amount of ₹ 289.47 lakhs for the following activities :

**(a) CCL – Ke – Lal**

Twenty six (26) meritorious students selected for getting the following facilities :





- (i) Admission in Class-XI at DAV, Gandhinagar School, Ranchi students of St. Joseph School Mander, Piparwar.
- (ii) Free coaching for getting admission in reputed technical institutions of the country with special coaching programs by experts in FITJEE.
- (iii) Free Boarding & Lodging facility at Ranchi.
- (b) 58 Nos. of activities have been undertaken for the Infrastructural development of rural schools and colleges including construction/renovation of class rooms, boundary walls, auditoriums, library etc.
- (c) Educational Support to 70 dropout
- **Drinking water**
- Providing potable drinking water to the villagers is one of the major CSR activities. During the fiscal the following works have been done and an expenditure of ₹ 572.37 Lakhs has been incurred.
- |     |                                  |   |          |
|-----|----------------------------------|---|----------|
| (a) | Installation of Hand pumps       | – | 398 Nos. |
| (b) | Construction of wells            | – | 77 Nos.  |
| (c) | Deep borings & Submersible pumps | – | 88 Nos.  |



(b) **Culverts** – Construction of 8 nos. works have been done in the fiscal.

(c) **Community Halls** – 79 nos. Community Halls/ Mandaps have been constructed in peripheral villages of the command areas during the year 2014-15.



● **Infrastructure**

An expenditure of ₹ 1051.13 Lakhs has been incurred in the infrastructural developmental activities in and around our command areas during the year 2014-15.

(a) **Roads** – Construction/Repair of 14.92 Kms of rural roads have been done during the year 2014-15.



● **Skill Development/Social Empowerment**

(a) **Training to the villagers of Rajrapa Area at ICAR Centres** : 100 villagers have been trained at ICAR centre, Palandu on agricultural skills to maximize agricultural output in available resources by Rajrapa Area.





(c) **Other Vocational Training** : 3 nos. of Computer Training and 4 Nos. of Motor Driving Training has been imparted to the unemployed youth in and around our command areas in the current fiscal.



(b) **Tailoring & Embroidery Training:** 6 nos. of such training have been imparted to 474 poor women in and around our command areas in the current fiscal 2014-15.







- **Health**

98 Health camps have been conducted in and around our command areas with a total expenditure of ₹ 52.45 lakhs in the current fiscal.

- **Sports and Culture**

11 Nos. of Village Football Tournaments have been organized in our command areas for encouragement of the rural youth, 6 nos. of developmental activities have been undertaken to develop rural playgrounds/ stadiums.





- **Swachh Vidyalaya Abhiyaan**

CCL has been entrusted to construct 11545 toilets in 7283 schools situated in UP, Jharkhand, Chhattisgarh & Odisha. Out of which, construction of more than 2700 toilets in different schools has been started by NBCC Ltd. & an amount of ₹ 26.36 Cr. has been reported to be spent by NBCC Ltd. The total is of ₹ 324 Crores.

## 19. SAMADHAN SCHEME

A Grievance cell has been established on 27/4/12 for redressal of grievances for employees, contractors and consumers of CCL. The complainants lodge their grievance either in writing or over toll free no 18003456501 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 over their mobile phone and reply is also given. In case of reply of HODs are not being found satisfactory, case is again sent to HOD for review and if reply received is still the same, then the case is referred to the standing committee for re-examination. After re-examining the case standing committee cell and GM Samadhan after due recommendation sends the proposal for deliberation in FD's.

### **Achievement of Samadhan Cell during 2014-15**

Online Samadhan Portal and Women Empowerment Portal has been inaugurated on 7.1.2015 by Shri Anil Swarup, Coal Secretary, Govt. of India in presence Shri D. N. Prasad, Advisor Coal and Shri Gopal Singh, CMD, CCL. This online portal has helped complainants in registering their grievances from anywhere.

A total no. of 306 grievances were received in Samadhan Cell during 2014-15, out of which 255 grievances have been disposed of resulting in an achievement of 83.33%.

Since inception Samadhan Cell, HQ, CCL has received a total no. of 998 grievances out of which 929 grievances have been disposed of resulting in an achievement of 93%.

**We have achieved 83.33% and Excellent Rating for this against 80% of MoU Target 2014-15.**

## 20. CAPITAL EXPENDITURE ON SOCIAL OVERHEAD ASSETS TILL 31.03.2015

Till 31.03.2015, the cumulative amount spent by our Company towards social overhead assets is ₹ 432.74 Crore, details of which are tabulated below :

(₹ in Cr.)

Sl. No.	Particulars	2014-15	2013-14
(i)	Building	333.78	312.18
(ii)	Plant & Machinery	54.45	50.17
(iii)	Furniture & Fittings	17.71	17.36
(iv)	Vehicles	7.60	7.69
(v)	Developments	19.20	18.93
	<b>Total</b>	<b>432.74</b>	<b>406.33</b>

## 21. FINANCIAL PERFORMANCE

The financial results of your Company during 2014-15 as compared to 2013-14, are as under :

(₹ in Cr.)

Sl. No.	Particulars	2014-15	2013-14
(i)	Gross profit before Depreciation and Interest	3087.08	2775.28
(ii)	Depreciation	312.55	254.10
(iii)	Interest	1.08	6.58
(iv)	Net profit before prior period adjustment	2773.45	2514.60
(v)	Adjustment pertaining to Prior period (Cr.)	33.11	(11.27)
(vi)	Net profit after prior period adjustment	2740.34	2525.87
(vii)	Extraordinary Items	-	-
(viii)	Profit before Tax	2740.34	2525.87
(ix)	Provision for Income Tax	1023.89	841.05
(x)	Income tax for earlier year	-	-
(xi)	Provision for Deferred Tax (Cr)	(54.16)	13.06
(xii)	Net Profit after tax	<b>1770.61</b>	<b>1671.76</b>

The Board of Directors of your Company has paid an Interim Dividend of ₹ 100 Cr. (Previous year- ₹ 573 Cr.) and recommended a final dividend of ₹ 254.74 Cr. (Previous Year- ₹ 430.05 Cr.). Total dividend in 2014-15 is ₹ 354.74 Cr. (dividend per equity share is ₹ 377.38, including interim dividend on 9400,000 equity shares of ₹ 1000.00 each – previous year ₹ 1067.07).

## 22. CAPITAL EXPENDITURE

The capital expenditure during the year 2014-15 has been ₹ 595.82 Cr. compared to ₹ 657.18 Cr. in the previous year. The head-wise details of capital expenditure during the year 2014-15, are detailed below :

(₹ in Cr.)

Sl.No.	Heads of expenditure	2014-15	2013-14
(i)	Land	52.37	47.57
(ii)	Building	16.45	6.45
(iii)	Plant & Machinery	277.18	403.87
(iv)	Furniture & Fittings	5.64	6.54
(v)	Railway Siding	0.00	0.55
(vi)	Vehicles	2.51	0.64
(vii)	Prospecting & Boring	0.00	0.00
(viii)	Other Developments	74.50	6.45
(ix)	Capital work in progress	167.17	185.11
	<b>TOTAL</b>	<b>595.82</b>	<b>657.18</b>

*We have achieved ₹ 595.82 Crs. and Excellent Rating for this against ₹ 585 Crs. of MoU Target 2014-15.*



**23. CONTRIBUTION TO EXCHEQUER**

The contribution to the State/Central Exchequer during the year 2014-15 vis-à-vis 2013-14 is detailed below :

( ₹ in Cr.)			
Sl. No.	Particulars	2014-15	2013-14
(i)	Royalty on Coal	925.52	945.68
(ii)	Sales Tax / VAT	341.69	322.25
(iii)	Stowing Excise Duty	58.87	46.61
(iv)	Income Tax	1025.65	849.31
(v)	Dividend Tax	93.08	171.54
(vi)	Service Tax	34.37	32.40
(vii)	Clean Energy Cess	420.70	258.82
(viii)	Central Excise on Coal	510.43	496.11
<b>TOTAL</b>		<b>3410.31</b>	<b>3122.72</b>

**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 31st March, 2015 is ₹ 5812.38 Cr. compared to ₹ 4502.95 Cr. as on 31st March, 2014.

**25. STATUS OF PROJECT IMPLEMENTATION**

Till 31.3.2015, a total number of 62 mining projects with ultimate capacity of 115.86 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 87.54 million tonnes per annum at a sanctioned capital cost of ₹ 5705.92 Crs. and six non-mining Projects at a sanctioned capital cost of ₹ 113.42 Crs., (including DRD AAP) are at various stages of implementation. Beside above, for five

number of projects "In Principle Approval" (First stage approval) have been obtained in 2014-15 having an ultimate capacity of 24.7 MTY.

Category wise details are tabulated below :

Projects	Total No. of Projects (Incl. Compl. Proj.)	Capital Outlay ( ₹ Cr.)	Ultimate Capacity (MTY)(Coal)
<b>ABOVE ₹ 150 CRORE</b>			
MINING	13	5208.78	73.46
NON-MINING	0	0	—
<b>₹ 50 CRS. TO ₹ 150 CRS.</b>			
MINING	12	1102.76	22.66
NON-MINING	3	291.75	—
<b>₹ 20 CRS. TO ₹ 50 CRS.</b>			
MINING	6	204.32	4.55
NON-MINING	1	48.78	—
<b>₹ 2 CRS. TO ₹ 20 CRS.</b>			
MINING	31	460.92	15.19
NON-MINING	22	178.70	—
MINING	62	6976.78	115.86
NON-MINING	26	519.23	—
<b>GRAND TOTAL</b>	<b>88</b>	<b>7496.01</b>	<b>115.86</b>

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 Crs.	2	0	2	479	0	479	6.25
Between ₹ 150 – ₹ 50 Crs.	4	3	7	344.10	291.75	635.85	7.75
Between ₹ 50 - ₹ 20 Crs.	4	0	4	122.00	0.00	122.00	2.75
Between ₹ 20- ₹ 2 Crs.	21	17	38	325.76	114.06	439.82	11.57
<b>Sub-Total</b>	<b>31</b>	<b>20</b>	<b>51</b>	<b>1270.86</b>	<b>405.81</b>	<b>1676.67</b>	<b>28.32</b>

### 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 Crs.	11	0	12	4729.78	0	4729.78	67.21
Between ₹ 50 Crs to ₹ 150 Crs.	8	—	8	758.66	—	758.66	14.91
Between ₹ 20 Crs to ₹ 50 Crs.	2	1	2	82.32	48.78	131.1	1.80
Between ₹ 2 Crs to ₹ 20 Crs.	10	5	15	135.16	64.64	199.80	3.62
<b>Sub-Total</b>	<b>31</b>	<b>6</b>	<b>37</b>	<b>5705.92</b>	<b>113.42</b>	<b>5819.34</b>	<b>87.54</b>

Out of 28 delayed projects (mining) two are yet to start, namely Hurilong UG & Tisri UG. Remaining 26 projects are delayed due to :

- Authentication of Acquired land.
- Forestry Clearance and site hand over.
- Coal Evacuation problem.
- R&R issues.

### Projects commissioned/approved during the XII Plan Period (2012-17)

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

Sl. No.	Name of Project	Capacity (in MTY)	Proposed Capital Outlay in Rs. Cr.	Approval from CCL/ Present Status	Govt.'s Approval/
1.	RCE Kathara OCP	1.9	128.94 (Additional)	Approved in the 390 <sup>th</sup> Meeting of Board of Directors of CCL held on 01.10.2012	Implemented
2.	Sayal D OC	1.0	48.53	Approved by CCL Board on 10.10.2013	Under Implementation

In addition to above "In Principle Approval" for following projects have been approved.

Sl. No.	Name of Project	Capacity in MTY	Approval from CCL Board
1	Tapin South Expansion 2 / 2.5		03.08.12 & 04.08.12
2	Hesalong	1.7 / 2.5	01.10.12
3	Amlo Dhoru UGP	0.57 / 0.65	20.12.12
4	Sanghmitra	20 / 27	20.12.12
5	Topa Expansion	5.25	02.02.13
6	Aswa	1.0	02.02.13
7.	Mahendra OC	4.0 / 5.4	26.04.13
8	Pachra Integrated OC	15.0 / 20	26.04.13
9	Karo Expansion OC	11 / 15	21.05.13
10	Ashok OC	22 / 30	06.11.13
11	Ara OC	2.5 / 3.4	06.11.13
12	Jeewandhara OC	1.0 / 1.35	19.11.13
13	Asnagarha	3.0 / 4.0	15.04.14
14	Kalyani	2.0 / 2.7	11.08.14
15	North Urimari Expansion	7.5 / 10	04.11.14
16	EPR of Govindpur Ph II OC	3.0 / 4.0	04.11.14
17	Godo	3.0 / 4.0	10.02.15
<b>TOTAL</b>		<b>104.52 / 138.75</b>	

Our Company's production level in 2015-16 is expected to be as follows :

(Fig. in MT)

GROUP	(Fig. in MT)	
	2014-15 (Actual)	BE (2015-16)
Existing Mines & Completed Projects	19.75	17.30
On Going Projects	35.9	43.30
New Projects/Future Projects	—	—
<b>TOTAL</b>	<b>55.65</b>	<b>60.60</b>

### MoU Target vis-à-vis Achievement of Major Activities/Milestones for the Year 2014-15

Sl. No.	Parameter	Unit	Weight (%)	MoU Target for Excellent Rating	Achievement upto March'15	MoU Rating
1.	NIT for installation of Solar Plant in one area of CCL	Month	2	15 <sup>th</sup> Feb. 2015	January, 2015	Excellent
2.	Award of work for Overburden Outsourcing at Ashok OCP	Month	1	June' 2014	6 <sup>th</sup> June, 2014	Excellent
3.	Award of work for outsourcing patch at Rajrappa OCP	Month	1	May'2014	6 <sup>th</sup> May, 2014	Excellent
4.	NIT for construction of mine approach road from bridge over Damoder river from KDH side to Quarry No. 1 of Purnadih OCP	Month	1	Oct'2014	26 <sup>th</sup> May, 2014	Excellent

## 26. ENVIRONMENT MANAGEMENT

### A. Environment Management

**1. No. of Projects for which Environmental Clearance Received : 08**

Name of Project	Cap in MTPA	
	Nom	Peak
Piparwar OCP Expn.	12.500	14.375
Govindpur Ph-II OCP Expn	1.500	1.875
Argada UG	0.085	0.097
Sirka OC	1.000	1.150
Sirka UG	0.040	0.046
Karo OCP	1.500	1.500
Govindpur Ph-II OCP Expn	2.200	2.500
KDH OCP	4.500	5.000

**2. No. of Projects for which Form-I has been submitted to MoEF : 04**

Name of Project	Cap in MTPA	
	Nom	Peak
Rajhara OC	0.3	0.5
Pichri OCP	1.2	1.5
Urimari UG	0.36	0.41

**3. No. of Projects for which ToR approved by MoEF/SEIAA : 04**

Name of Project	Cap in MTPA	
	Nom	Peak
Rajhara OC	0.3	0.5
Topa Expansion OCP	5.25	7.00
Tapin South Expansion OCP	2.0	2.50
Urimari UG	0.36	0.41

#### 4. ToR Recommended by EAC (Final ToR Awaited from MoEF)

Name of Project	Cap in MTPA	
	Nom	Peak
Jharkhand OCP (50%)	2	2.7

#### 5. No. of Projects for which Public hearing has been held : 02

Name of Project	Cap in MTPA	
	Nom	Peak
Kuju OC	1.3	1.5
Jarangdih Sand Mining Project	0.146 MCum	

#### 6. Rainwater harvesting at

- Bhurkunda Colliery
- Urimari OC
- Transit Hostel Piparwar Area

**We have achieved Excellent Rating for this against MoU Target 2014-15.**

#### B. Afforestation

During 2014-15, 234155 saplings were planted over 92.318 Ha of land and 8.40 km of avenue plantation. The expenditure incurred was ₹ 9788644.44. The plantation has been done through State Forest Department.

**We have achieved Excellent Rating for this against MoU Target 2014-15.**

#### C. ISO Certification

- IMS (ISO 9001, ISO 14001, ISO 18001) for Purnadih OCP

#### D. Other Environment Related Activities

(i) All the mines / washeries of CCL are being monitored on regular basis by CMPDI. This year about 1080 numbers of PM<sub>10</sub> (RPM) stations, 132 numbers of PM<sub>2.5</sub> stations, 390 effluent monitoring stations, 500 surface quality stations, 180 drinking water quality samples, 750 noise monitoring stations and 50 samples of DETP were monitored. Monitoring of PM<sub>2.5</sub> was started during the year and all mine/units will be taken up in a phased manner.

(ii) Land reclamation status of opencast mines is monitored by CMPDI by remote sensing on a regular basis. Five large open cast projects of CCL – Ashok OCP, Piparwar OCP, KDH OCP, Parej East OCP and Rajrappa OCP are monitored every year. In addition the following projects were monitored during the year, Rohini OCP, Purnadih OCP, Tapin OC, Jharkhand OCP, Topa OCP, Urimari OCP 13, North Urimari OCP, New Giddi-C OCP, Govindpur OCP, Khasmahal OCP, Amlo OCP, Dhori OCP, Tarmi OCP.

As per the study done by CMPDIL out of the total mine leasehold area of 6376.05 hectares of the 13 OC projects Viz. Rohini, Purnadih, Tapin, Jharkhand, Topa, Urimari, North Urimari, New Giddi-C, Govindpur, Khasmahal, Amlo, Selected Dhori and Tarmi considered for monitoring during year 2014; total excavated area is only 1362.97 ha (21.38%) out of which 291.08 ha area (21.36%) has been planted, 475.16 ha area (34.86%) has been backfilled and 596.76 ha area (43.78%) is under active mining. It is evident from the analysis

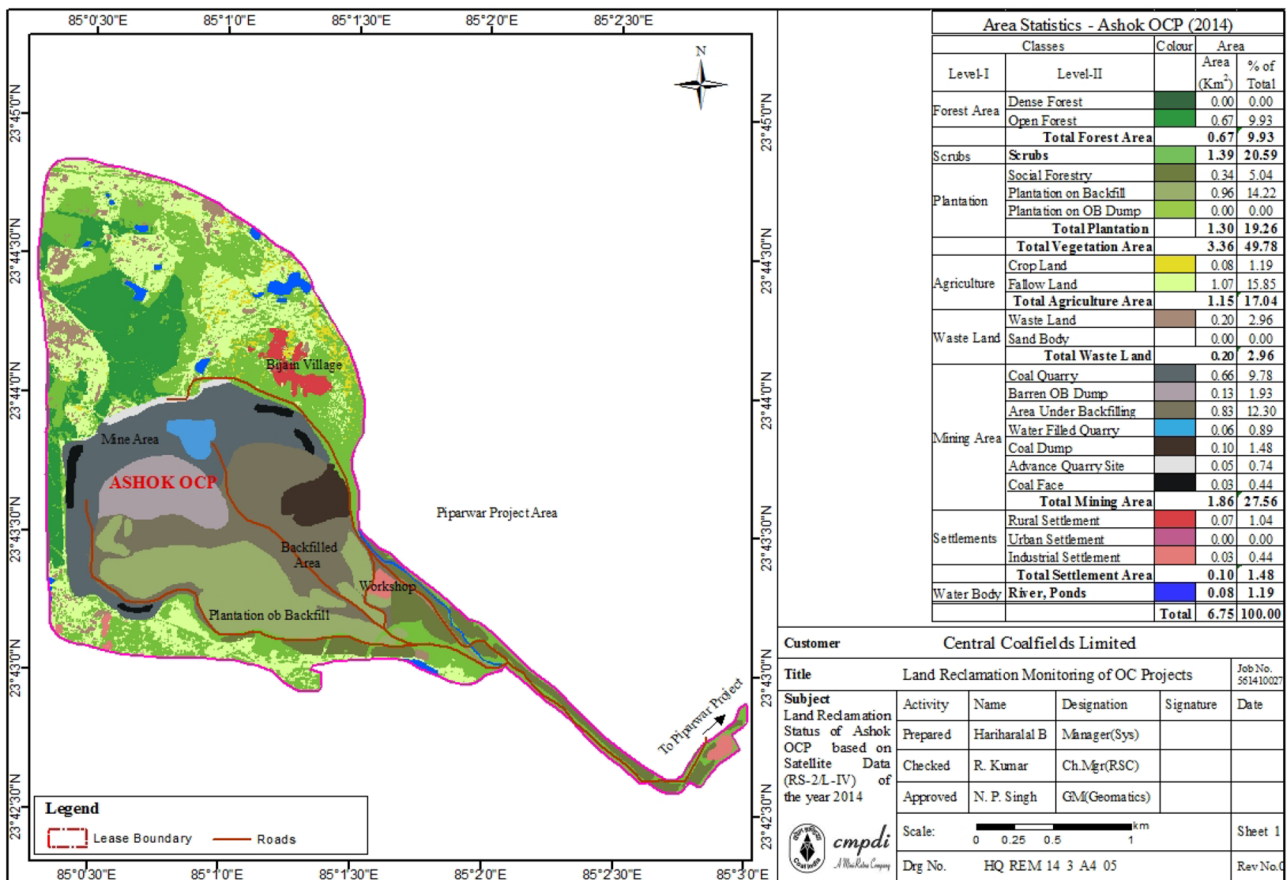


that 56.22% area of the OC projects have already been reclaimed and balance 43.78% area is under active mining.

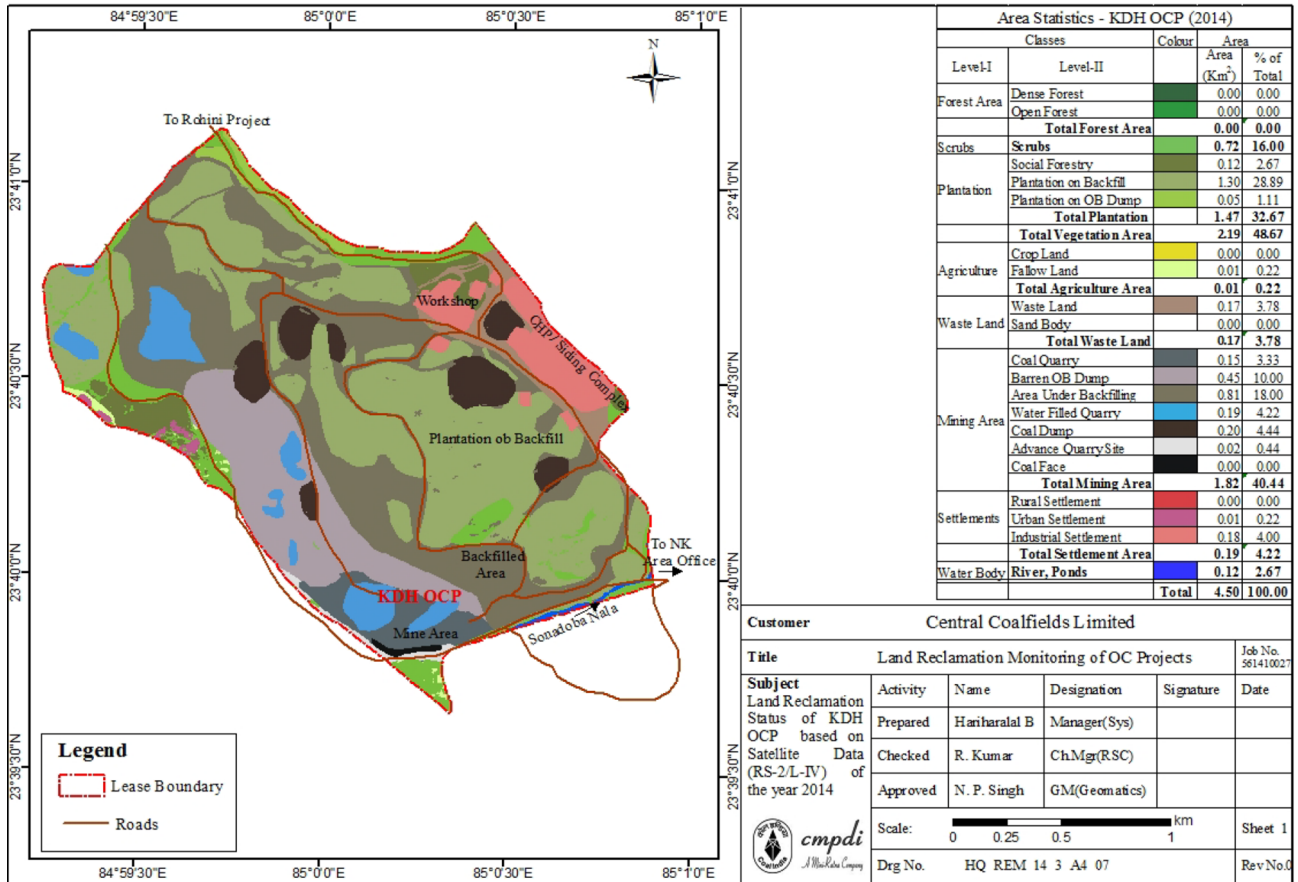
For the five large OC projects, as per the study, out of the total mine leasehold area of 48.47 Km<sup>2</sup> during year 2014-15; total excavated area is only 26.61Km<sup>2</sup> (54.90% of lease area) of which 15.70 Km<sup>2</sup> area (59.00%) has been planted, 6.00 Km<sup>2</sup> area (22.55%) has come under backfilling and 4.91 Km<sup>2</sup> area (18.45%) is under active mining. It is seen from the analysis that 81.55% areas of the

OC projects have come under reclamation and balance 18.45% area is under active mining. On comparing the status of land reclamation carried out in year 2014 with respect to year 2013 in these project. It is seen that area of land reclamation has increased from 21.11 Km<sup>2</sup> (Yr.2013) to 21.70 Km<sup>2</sup> (Yr.2014). Area of plantation has increased from 15.68 Km<sup>2</sup> (Yr.2013) to 15.70 Km<sup>2</sup> (Yr.2014). Area of biological reclamation (plantation) has reached 15.70Km<sup>2</sup> as a result of measures taken by CCL, towards environmental protection.

**Ashok OCP – Land reclamation status**



Rohini OCP – Land reclamation status



Customer: Central Coalfields Limited					
Title	Land Reclamation Monitoring of OC Projects				Job No. 56141002
Subject	Activity	Name	Designation	Signature	Date
Land Reclamation Status of KDH OCP based on Satellite Data (RS-2/L-IV) of the year 2014	Prepared	Hariharalal B	Manager(Sys)		
	Checked	R. Kumar	Ch.Mgr(RSC)		
	Approved	N. P. Singh	GM(Geomatics)		
Scale: 0 0.25 0.5 1 km					Sheet 1
Drg No. HQ REM 14 3 A4 07					Rev No.0



Spreading of Top Soil over back filled material



Sprinkling before dispatch of coal

- (iii) The Company has undertaken filling of abandoned mine voids in Rajrappa area by fly ash from HINDALCO etc.
- (iv) Arrangements of water sprinkling, good housekeeping, plantation and closed circuit system have led to overall improvement at coal washeries.
- (v) Development of water bodies/lagoons in mining areas for sedimentation of fines as well for improvement of aquatic life.

#### E. Forest Land Clearances

- (i) Clearance under FRA 2006- Khasmahal UG Project, Karo OCP, Dhori East OCP, Amlo OCP, Saunda D project. Kedla UG, Pundi expansion OCP, Kuju OCP.
- (ii) NOC issued to Kuju OCP and Pundi expansion OCP.
- (iii) Site hand over letter issued by Govt of Jharkhand to Ashoka Phase-II OCP and Urmari OCP.
- (iv) Forest land physically handed over to CCL in respect of Ashoka Phase-II OCP.
- (vi) Online application submitted in respect of following projects- Govindpur Phase-II OCP (10.52 Ha), Pundi Expansion OCP (595.53 Ha), KDH Expansion OCP (126.72 Ha), Purnadih OCP (170.89 Ha) and Rohini OCP (renewal 71.98 Ha).

#### 27. LAND ACQUISITION STATUS

##### Under CBA (A&D) Act 1957

During the year 2014-15 further progress has been made in the following proposals for acquisition of land under the above Act.

Sl. No.	Name of the Project	Area in acres	Acquisition
1.	Masilaung (Magadh & Amrapali) for Substation	16.25	Section – 11(1)
2.	KD-H Extension OCP (NK)	390.95	Section – 11(1)
3.	Ashok West OCP (Piparwar)	1045.00	Section – 11(1)
4.	Ara Re-Organization Kuju Area	441.49	Section – 11(1) & 9(1)
5.	Pindra Open Cast (Kuju)	195.11	Section – 9(1)
6.	Argada OCP (Argada)	577.00	Section – 9(1) & 7(1)
7.	Extention of Karo I OCP (B&K)	145.38	Section – 9(1) & 7(1)
8.	Topa Re-Org. OCP (Kuju)	204.23	Section – 9(1) & 7(1)
9.	Pichhri OCP (Dhori)	344.71	Section – 7(1)
10.	Pachra & Pachra South (M&A)	3331.50	Section – 7(1)
11.	Kuju OCP (Kuju)	189.99	Section – 7(1)
12.	Amrapali Expansion OCP (M&A)	1046.55	Section – 4(1)
13.	Chanho-Rikba (Argada)	1727.60	Section – 4(1)
14.	Kaitha Coal Mining Block	1685.72	Section – 4(1)
15.	Ashok Expansion – II (Piparwar)	741.00	Section – 4(1)
16.	Sanghmitra	1502.99	Section – 4(1)

766.47 hectares of land acquired under Section – 11(1) against MoU target for 2014-15 of 283.28 Hectares, 632.87 hectares of land acquired under Section – 9(1), 1940.41 hectares of land acquired under Section – 7(1) against MoU target for 2014-15 of 161.88 Hectares, 2714.11 hectares of land acquired under Section – 4(1) against MoU target for 2014-15 of 80.94 Hectares and 418 acres of land possessed against the target of 290 acres of land.

##### 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 ₹ 331.478 lakhs have been

disbursed. 08 numbers of payment camps were held in different areas for payment of compensation. In addition to this house compensation / house valuation as ex gratia payment, tree compensation etc amounting to ₹ 122.50 lakhs were also paid.

During the year an amount of ₹ 1371.75 lakhs has been sanctioned by the competent authorities for payment of enhanced compensation of land/house and other admissible elements to Registrar General Jharkhand High Court and concerned DLAOs involving land at Village Murpa, Kuju Area, village Sirka, Argada area, payment of decretal amount in respect of enhancement of House compensation at village Topa in Kuju Area and settlement of 215 cases settled in respect of Vill – Ara under Kuju Area through Court Mega Lok Adalat at Hazaribagh.

₹ 4906.14 lakhs have been sanctioned by competent authority for compensation amount under land, houses & trees. Scheme also sanctioned for rehabilitation and resettlement benefits including lump sum payment to project affected persons in KDH and Purnadih Projects, & RR site development at Birsa & Piparwar Projects.

### **Employment**

During the year 2014-15, 209 fresh employments have been provided to land losers or their nominees in different Areas/Units enabling the company to take 418.00 acre of land in physical possession.

### **Rehabilitation & Re-settlement**

During the year 2014-15, 206 families were rehabilitated in different projects.

## **28. RAILWAY SIDING**

### **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**

M/s RITES Ltd. was entrusted the job of completing the balance work of Piparwar railway Siding, at an awarded cost of ₹ 90.61 Crores on deposit term basis. At present out of total 30.5 Km length, the formation work in nearly 30.00 Km length and track linking in nearly 27.5 Km length have been completed. The work is in progress by M/s RITES. Electrification & Signalling & Telecommunication of this 30.5 Km Rail line is also to be done by RITES. On the request of M/s RITES, provisional time extension has been granted up to June 2015, for completion of the work. The Deviation estimate amounting to ₹ 141 Crores (approx) has been submitted by RITES – which is under scrutiny.

Track linking for 1.683 Km. at Junction point at Mc-cluskiegunj Railway Station including its Electrification, Signaling & Telecommunication are being completed by EC Railway as deposit work.

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

Tori-Shivpur-Kathotia new BG Rail line (93.45 Km) length is being executed by



East Central Railway on Deposit term basis. It consists of Tori-Shivpur section (44.37 Km) and Shivpur-Kathotia Section (49.085 Km).

### **Tori-Shivpur**

Stage-I forestry clearance was granted by MoEF in April 2011. Thereafter, stage-II forestry clearance for the modified alignment of Tori-Shivpur section only was granted by MoEF on 19.06.2013. Earth work & Minor Bridges construction work is in progress in 0-36 Km portion from Tori end at an awarded cost of ₹ 469.73 Crores. Work of Major Bridges in the reach 0-23 Km & in the reach 23-44.5 Km has been started at an awarded cost of ₹ 151.86 Crores by EC Railway. Approx 40 lakh Cum of Earth work done in formation. Tender is under finalization for 23 nos. ROB's, Station Building & formation work etc at a cost of ₹ 313.09 Crores. Tree cutting/felling work has been completed in Tori-Shivpur section.

An amount of ₹ 958.1912 Crores has been deposited with Railways for construction of this work. An up to date expenditure of ₹ 216 Crores has been incurred by Railways. Expected date of completion for Tori-Shivpur Section is 2016-17.

### **Shivpur-Kathotia (Revised alignment of Shivpur-Hazaribagh)**

Forestry Clearance of Shivpur-Hazaribagh Section was previously rejected by MoEF on grounds of high density forest and presence of schedule-1 animals in the forest.

After completion of Final Location Survey

(FLS) of the proposed alignment for Shivpur-Kathotia section the Detailed Project Report (DPR) has been submitted by Railways. The identification of Land has been completed. Railways is now in process of e-filing of the Application for obtaining Stage-I Forestry Clearance for this section.

CIL Board in its 302nd meeting held in December 2013 has accorded its approval of the Revised Cost Estimate of this Rail line project amounting to a cost of ₹ 3214.887 crores for Construction of Tori-Shivpur-Kathotia new BG Rail line Project. East Central Railway has further revised the cost of the complete Tori-Shivpur-Kathotia new BG Rail line from ₹ 3214.887 Crores to ₹ 3571.69 Crores.

### **(C) Route Alignment Survey for Construction of Magadh & Amrapali Railway Sidings**

Route alignment survey has been completed. Detailed Project Report has been approved by East Central Railway.

### **(D) Route Alignment Survey for Construction of North Urimari Railway Siding**

Route alignment survey has been completed. Feasibility Survey Report has been approved by East Central Railway. Detailed Project Report is under preparation by RITES.

### **(E) Construction of Pipradih Railway Siding**

The work has been entrusted to East Central Railway, Dhanbad on Deposit term



basis. Tender is under finalization by EC Railway, Dhanbad.

**(F) Construction of Kutcha wharf along with additional Railway lines near Tori Station**

The work has been entrusted to East Central Railway, Patna. The work is in progress and is likely to be completed by May 2015.

**Renovation of Existing Railway Sidings**

Renovation of following sidings has been entrusted to East Central Railway, Dhanbad Division on Deposit term basis in the F.Y. 2014-15 for smooth evacuation of coal from siding as well as safety of Railway rolling stock.

(1) Dhori – I Siding, (2) Dhori – II Siding, (3) Tarmi Siding, (4) Jarangdih – II Siding, (5) NR & Sarubera (phase II), (6) KDH – I, (7) Dakra, (8) Saunda-B, (9) Bachra siding.

**29. GEOLOGICAL SERVICES**

**A. Drilling**

Against the target of 90000 meters total 97378 meters of drilling has been done during the financial year of 2014-15, achieving a productivity level of more than 1622.96 meters per drill per month with 5 operating drills from 2 base drilling camps Topa and Lapanga. This includes the drilling of blast holes for mining services, large diameter boreholes for dewatering & tube wells

for potable water and non-coring boreholes for exploration purposes.

**B. Project Documentations and Related works**

**(I) On Geology**

During the year 2014-15 the following activities have been completed. Majority of them being related to production support mining services and for future mining activities :

1. Interaction with GM (Exploration), RI-III in respect of Location Plans of the running blocks where exploration is being taken up in the CIL blocks of CCL Command area through departmental as well as outsourcing means, Geological information in the MPR and pendency of coal cores.
2. Monitoring of Geological Exploration to be carried out in CCL Command area by RI-III, CMPDI, Ranchi through departmental as well as outsourcing means.
3. Compilation of coal reserves in CCL command area as on 1.04.14. A total of 42.727 B.T. of coal reserves is in CCL command area. Total coal inventory in India as on 1.04.14 is 301.564 B.T.

**Outsourcing Proposals**

1. Geological study of Scheme for Outsourcing OBR and Coal at Amlo OC Project, Dhori Area.

- |  |   |
|--|---|
| <p>2. Geological study of Scheme for Outsourcing OBR of Piparwar OCP.</p> <p>3. Geological study of Scheme for Outsourcing OB/ Band Removal and Coal Extraction at Kathara OCP, Kathara Area.</p> <p>4. Geological study of Scheme for Outsourcing of Coal proposal (15 MTe) at Amrapali OCP, Magadh-Amrapali Area.</p> <p>5. Geological Study of Scheme for Outsourcing of Coal and OB at Jharkhand OC 2nd patch for 158.29 Lakh Cu. Mtr. of OB removal and 57.36 Lakh Te of Coal for six years of Charhi Area.</p> <p>6. Geological study of Scheme for Outsourcing OBR and Coal for 125.99 LCu. Mtr. of OB and 37.89 Lakh Te of Coal at Tapin OCP for a period of 3 years of Charhi Area.</p> <p>7. Geological study of Scheme for Outsourcing OBR and Coal at JB Outsourcing Patch at Giridih OCP of B &amp; K Area.</p> <p>8. Geological study of Scheme for Outsourcing of Coal at Tetariakhar OCP of Rajhara Area.</p> <p>9. Geological study of Scheme for Outsourcing of Coal at Tarmi Colliery of Dhorri Area.</p> | <p>10. Geological study of Scheme for Outsourcing of Coal &amp; OBR at Chainpur OCP of Sarubera Colliery of Kujju Area.</p> <p>11. Geological study of Scheme for Outsourcing for OBR at Ashoka OCP, Piparwar Area.</p> <p>12. Geological study of Scheme for Outsourcing for Coal &amp; OBR at Section-II of Rajrappa OCP of 17.53 Lakh Cu. Mtr. of OB Removal and extraction of 3.09 Lakh Tonne of Coal for one year of Rajrappa Area.</p> <p>13. Geological study of Scheme for Outsourcing of Coal extraction (975 L. Tonne) and transportation by deploying Surface Miner at Ashok OCP, Piparwar Area for the period of Seven years.</p> <p><b>(ii) On Captive Mine Blocks</b></p> <p>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.</p> <p>2. Replies given to the queries to various authorities on captive mine blocks.</p> <p><b>(iii) Others</b></p> <p>Finalization of exploration programme of CMPDI in CIL blocks through departmental as well as outsourcing means during 2015-16.</p> |
|--|---|

**C . Hydrogeology & Test Hole***(Fig. in billion tonnes)*

A total of 62 nos. deep tube well boreholes & Test Holes have been drilled for meeting the requirement of potable water and proving of Coal and OB in different Areas of CCL.

Type of Coal	Proved	Indicated	Inferred	Total
Coking	7.940	8.917	1.660	18.517
Non-coking	13.233	7.801	3.176	24.210
<b>Total</b>	<b>21.173</b>	<b>16.718</b>	<b>4.836</b>	<b>42.727</b>

**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 WBCF 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 01/04/2014 in Proved, Indicated and Inferred categories together within the CCL Command Area amount to 42.727 billion tonnes (up to a depth of 1200 mtrs.). The details of coal reserves are as under :

**30. COMPUTERISATION & IT ENABLED SERVICES**

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

**1. Office Automation**

To expand the base of office automation throughout our company, a large number of PCs along with office suits have been procured and installed at HQ, Areas and Project offices. These PCs will also work as client/ node of CoalNet systems over upcoming WAN.

**2. Online Consumer Complaint System**

Online Complaint /Grievance system is an online complaint system for CCL employees as well as general public. In this type of Grievance system, complainants fill the online Grievance form and they are provided with a unique Acknowledgement Number with this acknowledgement number, the complainant can track the status of his complaint at any time. Complaints which are of general nature are registered to Samadhan Cell while as complaints related to corruption to Vigilance Department.

### 3. Online Consumer Complaint System

Consumer complaint system is an online complaint system for CCL Customers which are in coal related business with CCL. In this type of complaint system, consumers have to enter their unique consumer code allotted by CCL to identify the consumers. On submission of the complaint, a unique acknowledgement number is generated which is displayed on the screen and is also sent to the registered mail address of the consumer. With this acknowledgement number, the consumer can track the status of his complaint at any time.

### 4. Wide-Area Network (WAN) across CCL Command Area

WAN (Wide Area Network), connecting HQ, Areas, Projects, Stores, Central Workshop, Central Hospitals, Weigh Bridges (Road & Rail) and CCL sales office at Kolkata, is under Installation and commissioning and likely to be completed by 30th June 2015. 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/ Exercises 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.

### 5. GPS/GPRS based Vehicle Tracking and RFID based Weighing Control System along with CCTV for CCL Command Area

The main objectives of this project is  
(a) To monitor all the vehicles related to

production, dispatch and sales in different collieries in the command area of CCL.  
(b) To generate various MIS reports related to production, dispatch and sale.  
(c) To prevent theft/pilferage of coal.  
(d) Improving driver/operator productivity and dispatch activities. Installation & commissioning for NK & Piparwar area is under process and likely to be implemented by 30th April 2015 and rest of areas by 31st August 2015.

### 6. Portal for Power Consumers

Due to logistics/evacuation constraints coal stock gets accumulated at some points of the Company. For evacuation of such stocks, interested Power consumers are invited to lift the coal on their own from the mines/stock points.

The Portal for power consumers facilitates information regarding coal stock at various mines/stock points and seeks interest from all Power Consumers for lifting of coal by their own arrangement. The commercial arrangement for such lifting deals as per FSA or prevailing arrangement.

### 31. SECURITY MANAGEMENT

- (1) The Security Department of your company keeps close liaison/touch with District police/State Administration for maintaining law & order in the command Area's of CCL as well as to prevent incidents of theft/pilferage of Coal/ illegal mining & other clandestine activities in and around the coal fields of CCL. The security department has provided a safe working

environment and safety & security in its various coal mines, offices and residential areas of CCL to help the coal production & dispatch of Coal and easily achieved the targets for the year 2014-15 & also fulfill mission of Coal India Limited.

- (2) Surprise check/raids are regularly conducted at different command areas of CCL during the year 2014-15 & seized illegal coal loaded trucks & FIR lodged in different Police Station at Ramgarh, Hazaribagh, Bokaro, Chatra, Latehar, Giridih and Ranchi Districts.
- (3) 1099 DGR sponsored security guards, 1245 JSHGs, & 1817 CCL Security guards & 1637 CISF personnel were deployed in different command areas of CCL during the year 2014-15 to maintain law & order and to curb the pilferage/theft of coal/illegal mining and other clandestine activities in and around the CCL fields areas.
- (4) Security Training Institute, (STI), Gandhi Nagar, Ranchi has prepared a comprehensive action plan for providing quality training to CCL Security guards within reasonable parameters to improve their skills and discharge their duties smoothly. During the financial year 2014-15 approx, 137 security personnel were trained.
- (5) B&K, Kargali/ Dhori/ N.K & Piparwar Area have aided smooth coal production and security upkeep at its various

check- posts. They have been provided with latest equipment including Dog squad & Bullet Proof Vehicle/ Bullet Proof Morchas, Arms and Ammunitions towards maintaining a high morale and confidence of employees and swift security force.

## **32. RAJBHASHA IMPLEMENTATION**

During the year under report, the company took special efforts and made special drive to promote rajbhasha in official work at headquarter level and areas of CCL. Four workshops at headquarter and eight work shops were conducted in different areas to train the employees to carry out their official work in Hindi and also its significance according to the constitution of India.

In September 2014, the complete month was celebrated as Rajbhasha month. During this month, different competitions like Essay Writing, Elocution, Noting and Drafting, General Knowledge & Hindi Knowledge, Poetry and Computer Typing etc. were organized and the winners, approximate 211 employees were awarded with cash prize and other prizes. For excellent implementation of Rajbhasha departments of head Quarters and different areas were awarded with shields in Rajbhasha month. A unique motivating trend is set by CCL by awarding best areas and best departments quarterly which increased the feeling of competition among areas & departments, boosting the work of rajbhasha.

Four Rajbhasha implementation committee meeting were held which was presided by CMD CCL, Sri Gopal Singh. Two 'NARAKAS' meetings



were organized under the chairmanship of CMD CCL. in which approximately 30 PSUs participated. one essay competition was held for NARAKAS members, the winners were awarded by CMD CCL.

CCL had several renowned awards during the year for excellent performance in Rajbhasha.

### 33. ACTIVITIES AND ACHIEVEMENTS OF VIGILANCE DEPARTMENT

The Vigilance Department is an integral organ of the Company, manned by 20 executives and 23 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 2014-15 is given below :

#### 1. Investigation

During the year 2014-15, 16 new Regular Investigation (RI) cases were taken up and action in respect of 08 RI cases was completed after carrying out exhaustive investigation. Besides above, 401 complaints, received by this department were scrutinized and suitable action was initiated during this fiscal.

#### 2. Punitive Actions

Twenty (20) disciplinary proceedings cases arising out of Vigilance investigations were

fully completed during this year resulting in imposition of major penalty to 14 persons and minor penalty to 11 persons.

In addition to above, 07 disciplinary proceedings arising out of Vigilance investigations were partly completed during this fiscal resulting in imposition of major penalty to 7 persons and minor penalty to 05 persons.

#### 3. Preventive

- During the year 2014-15, 18 Surprise Inspections were conducted by the Vigilance teams in various units of CCL leading to institution of 02 cases of Regular Investigation & 01 case of preliminary investigation. Four (04) Periodic Vigilance Inspection were carried out leading to institution of 01 case of Regular Investigation.
- During the year 2014-15, 54 Annual Property Return of Executives of CCL have been scrutinized wherein Warning have been issued against 17 executives and Minor Penalty Proceedings has been initiated/taken against 10 executives.
- 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 improvements :

(i) In course of Vigilance investigation

it was revealed that places of slurry sale points at Rajrappa Washery are vulnerable to pilferage/ theft. Competent authority has been appraised by the situation with request to shift slurry sale points to appropriate location.

(ii) In course of a verification of complaint regarding delay in release of delivery orders and refund orders under e-auction of coal it is observed that in some of the cases more than one month time was taken in issuance of delivery order by delay in capturing/verification of applications. Similarly time taken in refund of money to e-auction consumers has been 2-4 months due to delay in collection of data from different sales centers and capturing of the same at HQ. In view of this competent authority has been suggested to take appropriate measures as deemed fit under intimation to this office regarding electronic transfer of data through online system from different Sales Center to CSC, HQ by standardizing the process of receipt of sales data through S&M Module of CoalNet software over proposed WAN and system developed at other subsidiary for refund to e-auction consumers in minimum possible times may also be looked into by concerned department so that best practice can be adopted at CCL.

(iii) In course of a verification of complaint

alleging short supply of oil products in barrels, the adopted procedures of acceptance of the same appears imprecise and lacks objectivity. Matter has been appraise to competent authority for needful action as deemed fit towards putting a standardized, unambiguous system of verification.

(iv) During the course of verification of a complaint it has been found that there is no system of proper accounting and storage of scraps generated out of repair /renovation work or otherwise, terms and conditions regarding supply of consumables by the Company to the contractor was not spelt out clearly in NIT and work orders related with this work. Since such deficiency cannot be ruled out in other Areas of the CCL, the same has been brought to the notice of competent authority for appropriate action as deemed fit under intimation to this office.

(v) During the course of Vigilance investigation in connection with employment offered to the descendants of owner of lands under land looser scheme, discrepancies have been observed in the name of original land owners and their descendants as per genealogical chart and information provided in the prescribed personal Performa Part-I & II, but the descendant were allowed to receive their share of compensation. Said discrepancy has been brought to the notice of Competent Authority

for appropriate action as deemed fit under intimation to this office.

of such trucks involved in lifting of coal.

- (vi) During the course of a vigilance verification in connection with receipt and dispatch of coal from Jarangdih Siding (PF-II) of Kathara Area it has been observed that although from record of receipt quantity and dispatch quantity at washery end and physical measurement positive variation to the extent of 0.38% was there in FY 12-13, but excess coal to the tune of 55442.98T over receipt was dispatched from said siding during financial year 2013-14. Though there was no instance of grade slippage or financial loss to the Company on account of excess coal dispatched from same siding but surplus coal over receipt indicates some malfunctioning in the system. Hence the matter has been appraised to Competent Authority for necessary action as deemed fit.
- (vii) During the course of verification of complaint related with dispatch of coal under Road cum Rail mode it was observed that trucks conveying coal from Pit head stocks to Rail head don't have any marked path or entry and exit point. Movement of such trucks in coalfields may result in malpractices and safety hazard. In view of this Competent Authority has been requested to explore possibility to specify route
- (viii) During the course of a vigilance investigation it has been observed that due to dilapidated condition of CHPs at Gidi A and Sirka Siding and its frequent breakdown. 12-14.30 hours are consumed for loading one rake whereas loading time of 5 hours has been allowed by Railway. Hence demurrages are charged by Railway. This has been brought to the notice of Competent Authority for consideration and appropriate action as deemed fit towards assessment and subsequent rehabilitation/ renovation of these CHPs to minimize the demurrages charged by Railway.
- (ix) During the course of a vigilance verification in connection with alleged irregularities in appointment and promotion following shortcomings/ deficiencies has been observed (i) lack of unambiguous provisions for minimum age of employment leaves scope for discretion and different interpretation (ii) regarding education qualification of employees different administrative unit within the Company issue different implementation orders based on notification issued by Central or various State Government leading diverse interpretation (iii) employees are being promoted on the basis of their experience in their present grade without going into

details as to how & when they have come to their present grade. Above issues have been brought to the notice of Competent Authority for appropriate action as deemed fit.

- (x) During the course of a vigilance verification in connection with alleged dispatch of stone along with coal from various siding of CCL to Yamunanagar Thermal Power Station (TPS), considerable quantity of oversized stone has been found along with coal supplied from various siding of CCL in most of the TPS like Tanda, Yamunanagar, Paricha, Hardua Ganj etc, though in most of the cases quantity of stone found is insignificant in comparison of total coal supplied but financial implication in term of payment to consumers as per the provision of FSA is found to be enormous. In view of this above issues have been brought to the notice of Competent Authority for appropriate action as deemed fit.
- (xi) During the course of verification of complaint related to alleged irregularities in outsourcing contract at Sirka colliery of Argada Area it has been observed that (i) Award letter contained terms related with deployment of supervisory officials whereas in NIT no such provision was there (ii) Deployment of HEMMs as per NIT has not been monitored/enforced (iii) In NIT utilization of equipments by the contractors is not

objectively linked with the output (iv) Mentioning non availability of survey instrument "Total Station", quantity of work executed on monthly basis is not being assessed and penalty deduction has not been dealt properly (v) attendance based payment of minimum wages to all the personnel engaged by the contractor is not being ensured prior to release of payment to the contractor. In view, that presence of above lapses in other similar ongoing contracts cannot be rules out; competent authority has been appraised with the above findings for appropriate action as deemed fit.

- (xii) During the Intensive Technical Examination (ITE) of the civil work of construction of Quarters of CISF in B&K Area of CCL, certain observations surfaced which needs attention of competent authority for remedial measures. Following observations with suggested remedial measures are submitted to competent authority for consideration and needful action.
  - i. Clause 12 of General Term and condition (GTC) of Civil Engineering Manual (CEM) of CIL, which deals about deployment of number of Technical manpower for supervision of works, has not been modified/adjusted since long. As a result, based on current estimated value

disparity in number of technical manpower to be deployed has arisen.

Competent authority has been requested that matter needs to be taken up at appropriate level for taking suitable action for modification in the relevant clause as deemed fit after competent approval.

- ii. Experience certificates submitted by the bidders were not verified citing cognizance of affidavit submitted by the bidders to the effect that genuine credentials have been submitted by them.

The aforesaid system does not appear fool proof as such genuineness of the credential submitted by the bidders is required to be verified at least of L-1 bidder before acceptance/ award of work.

- iii. During the course of site visit by the officials of ITE team, a number of defects for rectification were advised.

Competent authority has been requested that compliance of the same is to be ensured with intimation to the vigilance department.

- iv. In the spirit of clause 8.07.2

and 5.16.1 of CEM, a Quality Control Cell under the control of GM(C) is not functioning to oversee quality control activity of above ₹ 50 Lakh works.

Competent authorities has been requested to reorganize the envisaged aforesaid "Quality Control Cell" at HQ,Civil to ensure its proper functioning in letter and spirit as per CEM.

- v. Instant ITE has revealed that the sampling and testing process was not carried out in transparent manner. Test sample register at the site was not maintained properly, it did not contain details about delivery of samples to the test laboratory, signature of contractor's representatives at the time of sampling, actual/ identified portion of work for which sampling was taken etc. There was also no record in the department regarding payment of testing charges to the laboratory.

Competent authority has been requested to ensure that the method of sampling, sending to the laboratory and payment of testing charges should be done by the department itself with all recordings. Also frequency of testing should be in line with the CPWD norms.



- vi. It is observed that considerable delay in completion of work has already taken place as against the scheduled completion date and till November 2014 the Project was still incomplete. Further no hindrance details for the period after scheduled date of completion was available in the hindrance register.

Competent authority has been requested to direct concerned officials to adhere to the extant rules, guidelines etc. while granting final extension/making payment of escalation for the extended period / imposing of penalty.

- vii. During the course of a vigilance investigation related with issue of statutory document viz online e-road permit and Mining Challan, in road dispatch of coal in one of the Area of CCL, it has been observed that these documents are being issued to the trucks from a point far from the dispatch centers in an unsystematic manner due to lack of system and infrastructure. Prevalence of same situation at other loading points can't be ruled out hence competent authority has been requested for appropriate action, as deemed fit, towards making necessary arrangement for issuing aforesaid documents

at the dispatch centre itself in subject Area as well as across the company, under intimation of this office.

#### 4. **Observance of Vigilance Awareness week**

In pursuance of directive of Central Vigilance Commission, **Vigilance Awareness Week** was observed with much fervor and enthusiasm in all units, Areas and Headquarters of CCL from **27.10.2014 to 01.11.2014**. The observance of Vigilance Awareness Week commenced with taking of pledge by all the employees. In the Head Quarters, the pledge was administered by the CMD, CCL on **27.10.2014** at **11AM**.

The message of the Hon'ble President of India, Hon'ble Vice President of India, Hon'ble Prime Minister of India and CVC regarding observance of Vigilance Awareness Week were read out by the Director (Finance), CGM (Co-ordination/ Operations), CGM (S&R) & CVO, CCL, respectively.

The observance of Vigilance Awareness Week in the different Areas of CCL also commenced with the pledge ceremony on **27th October'2014** at **11.00 AM**. The pledge was administered by the senior-most officer of the Unit/Area. **Banners and posters** containing thought-provoking slogans were displayed at conspicuous places in all the units/offices/areas.

The central theme of this year's Vigilance Awareness Week was "**Combating Corruption – Technology as an enabler**". On this occasion CVO, CCL released a message for the employees of CCL which was focused on **combating corruption** in line with the theme of this year's Vigilance Awareness Week. CVO, CCL also conveyed that increased **awareness, leveraging of technology, transparency, foolproof systems & procedures and accountability at every level of hierarchy in public administration** is indeed the most effective tool in the fight against corruption.

In order to inculcate good values and ethics in the minds of school children, one Essay competition on the topic "**Corruption : The biggest evil in our society**" & a **Slogan Competition** were also organized in all the **schools**, being funded/ helped by CCL at Area level. 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.

CCL Vigilance organized workshops/ seminars during Vigilance Awareness Week details are noted below:

- On **28.10.2014** in the forenoon session, one talk on "**Role of Ethics & values in Combating Corruption**" was organized at Vichar Manch, Darbhanga House, Ranchi which was attended by HODs of HQ, Area CGM/GMs, executives of all areas

and HQ. The above occasion was also graced by the CMD, D(T) Opn., D(F) & CVO, CCL. The above talk was attended by around **220/230 participants** of different disciplines from HQs/Areas. The Welcome address was delivered by the **Shri Arbind Prasad (ITS)**, CVO, CCL and explained how technology is an enabler for fighting/combating corruption. He also told that increased awareness, leveraging of technology, transparency, foolproof systems & procedures is the most effective tool in combating corruption. He stressed that efforts should be made by all the concerned departments of CCL to introduce e-tendering for award of civil contracts/works in line with the instructions of CIL.

**Shri Gopal Singh, CMD, CCL** also addressed the gathering and asked the participants to function in a transparent manner and follow the laid down rules/ procedures. He also told that CCL is taking all the measures to minimize corruption through leveraging of technology and IT initiatives like integration of all regional stores, areas, units & weighbridges through WAN and setting up of integrated **CCTV, RFID/GPS** based weighing control and vehicle control system. He also talked about "**Kayakalp model**", which is based on ethics, complete transparency and philanthropic approach.

**Shri Shashi Raj Shauq**, HOD, (HRM), XISS, Ranchi who was the chief guest of the programme deliberated on the topic i.e “**Role of Ethics & values in Combating Corruption**”. He explained differences between the ethics and moral values and how both are related with each individual working in the company. He also explained that ethics and values of an individual play a vital role in achieving goals of life and good governance. He also explained how Ethics & Values can help in combating corruption in any organization.

- On **28.10.2014** in the **afternoon session**, two workshops on e-tendering with reverse auction for finalization of out sourcing/ transport contracts at Vichar Manch, HQ and e-tendering for award of civil works/ contracts at MT Hall, HRD department, Ranchi were also organized by the CMC and Civil departments of CCL in coordination with vigilance department. Each workshop was attended by the concerned 35/40 executives of CCL and key talk in above workshops was delivered by the **Project Implementation Head, m junction** and **Shri K. Kumar**, NIC (National Informatics Centre) through a power point presentation respectively. Both workshops were ended with a vibrant interactive session.
- Workshops on topic “**Common Irregularities in Civil & Purchase contracts**” were organized at **Kuju and Dhori Areas** of CCL on the occasion of observance of **Vigilance Awareness Week** on **30.10.2014** & **31.10.2014** respectively. The key note address was delivered by **S/Shri Y. P. Singh**, CM (Civil), **P. R. Kumar**, Sr. Manager (Excv.), **V. S. Singh**, Sr. Manager (MM) of Vigilance department, CCL. The above workshops were attended by around 50/60 executives of Kuju, Argada, Barka-Sayal Areas & CRS and 90/95 executives of Dhori, B&K & Kathara Areas. The above workshops ended with very vibrant interactive session and queries raised by the participants were replied by the officials of CCL Vigilance.
- On **31.10.14** one interactive session on Departmental Inquiries/ Proceedings was organized at MT Hall, HRD department, Ranchi which was attended by 35/40 executives of personnel discipline. The key talk was delivered by **Shri B. N. Mishra**, Ex.GM(Vig.), CIL. He explained the various aspects of departmental inquires/ procedures & chargesheet etc. and queries raised by the participants were replied by **Shri Mishra**.

## 5. Other Special Achievements

- (i) **Review of Vigilance work by CEO with CVO** : In compliance to

the instruction of CVC, Structured Meeting of CVO with CEO is being held regularly in which various important issues like sensitive post/ rotational transfers, E-Tendering, E-Procurement, E-Payment, Linking of all the Regional Stores with Central Stores and CCL, HQ., Uploading of information on CCL web site, implementation and optimal / effective use of WAN, CCTV, GPS and RFID system were deliberated and prompt action undertaken. Structure Meeting of CEO/CMD with CVO, CCL for the period from April 2014 to December 2014 was held on 06.02.2015.

- (ii) **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. Central Coalfields Limited is the only subsidiary of Coal India Limited which has adopted reverse bidding through e-tendering for all transportation contracts for the first time. Till March' 15 around 484 numbers of NITs have been floated/ invited through e-tendering with total transaction value at approx ₹ 7150 crores, with reverse bidding completed in 315 cases. As a result cumulative saving of approximately ₹ 744 crores has occurred.
- (iii) **E-Procurement :** In compliance to the directive of CVC, e-procurement has been introduced in CCL w.e.f. April '2010. The portal of Service Provider is being used for e-tendering/ e-procurement in order to make process of award of various contracts more transparent. From April 2011, almost 100% open tendering at HQ level was being done through e-procurement except procurement related to MM Deptt. of CCL, Kolkata office other areas of CCL. After rigorous follow up at different level since April'15 onwards all the procurement of goods valuing more than ₹ 2 lakhs is being done through e-mode only. Around eight hundred and seventy four cases of procurement have been taken up by e-procurement mode upto March'15.
- (iv) **E-Payment :** After rigorous follow-up and interaction of CCL Vigilance, e-payment has been introduced and fully implemented in CCL, HQ & all Areas of CCL. Approximately 98.11% payment has been made through e-payment mode in HQ as well as Areas of CCL. This is a very efficient tool which has put a check on ulterior motives of personnel's involved in the system of making payment to different vendors of CCL.
- (v) **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.
- 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 Centralised items.
- HEMM Status
- Lodge of complaint
- MOU 2013-14
- 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.

grievances has been inaugurated for its usage by Secretary (Coal) on 07.01.2015.

**(viii) Online Bill Tracking System :**

Online Bill Tracking System has been developed/customized tested and deployed in COALNET application software for its usage since Oct 2014.

**(vi) Implementation of Coal Net Modules/ WAN Installation :**

Some modules of Coal Net, especially in respect of OMMS (online material management system) modules were functioning in a disjointed manner. For effective implementation of Coal Net modules, a WAN is being implemented at CCL. All Areas, Stores, Projects, Rail & Road Weigh Bridges etc. are being connected and ready for any ERP (SAP) Implementation. After rigorous follow up at different level two Areas of CCL has been taken over WAN connectivity and final installation/commissioning in rest of the Areas is under process. The four modules of Coal Net have already been made operational at HQ and one MMS modules in Area/ regional stores.

**(vii) Online Filing of Complaints :**

In CCL, complaints/grievances were being only filed with the Vigilance & Samadhan Cell of CCL vide applications/ letters in physical forms and also through e-mail. Software for Online Filing of Complaints has been developed and deployed for its usage since Oct 2014. Software for Online Filing of

**33A. RIGHT TO INFORMATION STATUS**

Under the RTI Act'2005, the details of application dealt during the year 2014-15 are given below :

1.	No. of Applications received	:	509
2.	No. of Applications disposed	:	486
3.	No. of Applications under process	:	NIL
4.	No. of Applications transferred under Para 6(3) of RTI Act	:	175
5.	No. of Applications rejected	:	NIL
6.	Whether any penalty awarded by CIC to any executive of CCL	:	NO

**34. INFORMATION UNDER THE SEXUAL HARASSMENT TO WOMEN AT WORKPLACE**

The Internal Complaints Committee is functioning in CCL. The order of the Constitution of the Committee has been uploaded in the Women Empowerment Portal in the CCL website. With reference to sec. 22 of the Act, the information pertaining to FY 2014-15 is as follows :

No. of Complaints Received	No. of Cases Adjudicated	Action Taken
2	1 Through Counselling	1 Transferred to different place of posting from the Complaint

### 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 2015 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 2014-15 target for Excellent Rating	MoU 2014-15 Actual Achievement
1.	Grading on the basis of compliance with guidelines on Corporate Governance issued by DPE	85 and above	86.81
2.	Date of submission to DPE of compiled data sheet for PE Survey	31 <sup>st</sup> August'2014	28 <sup>th</sup> August'2014

### 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 9 (Nine) Board Meetings. Your Company had the following Directors on the Board, as on 11.06.2014 i.e. the date of the 58<sup>th</sup> 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)
6. Shri D. K. Ghosh, Director (Fin.).

**Permanent Invitees :**

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

Subsequently, Shri T. K. Nag, D(T/O) relinquished the charge on 29.09.2014, consequent upon his elevation as Chairman Cum Managing Director (NCL). Shri R. R. Mishra, D(P) relinquished the charge on 10.10.2014, consequent upon his elevation as Chairman Cum Managing Director (WCL). Shri Arun, I.A.S., Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand relinquished as permanent invitee on CCL Board w.e.f. 11.02.2015 and Shri D. K. Tiwari, IAS, Secretary, Department of Mines & Geology replaced Shri Arun as Permanent Invitee w.e.f. 11.02.2015.

Further, Shri P. K. Tiwari joined as Director (Tech/Opr) w.e.f. 07.02.2015. Shri R. P. Gupta, IAS Jt. Secretary, MoC, Govt. of India, New Delhi, has been inducted on the Board of CCL vice

Shri S. K. Singh IAS, Jt. Secretary, MoC, released w.e.f. 15.04.2015.

In pursuance of letter no. 21/24/2014-ASO Dated 8th June 2015, Shri R.S. Mahapatro assumed the charge as Director (Personnel) wef 08.06.2015 and Shri Subir Chandra joined as Director (Tech/P&P) wef 09.06.2015, in pursuance of letter no. 21/23/2014-ASO Dated 8th June 2015.

Accordingly, your Company has the following Directors on the Board as on the date of the 59th Annual General Meeting :

1. Shri Gopal Singh, CMD,
2. Shri R. P. Gupta, IAS Jt. Secretary, MoC, Govt. of India, New Delhi,
3. Shri R. Mohan Das, Director (P&IR), CIL, Kolkata
4. Shri D. K. Ghosh, Director (Fin.).
5. Shri P.K. Tiwari, Director (T/Opr.)
6. Shri R.S. Mahapatro, Director (P)
7. Shri Subir Chandra, Director (T/P&P)

**Permanent Invitees :**

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

**38. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed :

That in the preparation of the accounts for the financial year ended 31st March 2015, 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 2013, 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 2015 on 'going concern' basis.

That the Directors have devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **39. AUDITORS OF THE COMPANY**

#### **Statutory Auditors**

Under Section 139 of the Companies Act, 2013 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 2014-15.

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

#### **Branch Auditors**

**M/s. S. Sannigrahi & Co.,**  
305, Shrilok Complex,  
H. Bagh Road,  
Ranchi,  
Jharkhand.

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

**M/s. Kadmawala & Co.,**  
C/o Shri Ram Chandra Prasad,  
Sri Ram Path Lane,  
Opp. Crown Public School,  
Kishore ganj,  
Harmu Road,  
Ranchi – 834001  
Jharkhand.

**M/s. Lodha Patel Wadhwa & Co.,**  
304, Shrilok Complex,  
4 H. B. Road,  
3rd Floor,  
Ranchi – 834001  
Jharkhand.

#### **Secretarial Auditors**

Under Section 204 of the Companies Act, 2013 the following Company Secretary Firm was appointed by the Board of Directors in its 414th Board Meeting vide item No. 4(30) dated 12.04.2015 for conducting Secretarial Audit as required under the Act for the year 2014-15.

**M/s Kant Sanat & Associates,**  
C/18, 1st Floor,  
Park Road No. 1,  
Ashok Nagar,  
Gate no. 1,  
Ranchi -834002  
Jharkhand

**40. AUDIT COMMITTEE OF DIRECTORS**

Consequent upon the completion of tenure of three years of the Independent Directors of CCL and in pursuance of the directive of Ministry of Coal vide ref. no. 21/3/2011-ASO Dtd. 27.05.2014, the Audit Committee was re-constituted by CCL Board at its 409th Meeting held on 11.08.2014, consisting of the following Directors :

1.	Shri S. K. Singh, IAS, Jt. Secy. MoC	—	Chairman
2.	Shri R. Mohan Das, D(P&IR), CIL	—	Member
3.	Shri T. K. Nag, D(T/O), CCL	—	Member
4.	Shri R. R. Mishra, D(P), CCL	—	Member
5.	Shri Deepak Nath, COM, EC Rly.	—	Invitee
6.	Shri D. K. Ghosh, D(F), CCL	—	Special Invitee

Consequent upon elevation as CMD, NCL, Shri T. K. Nag relinquished the charge of D(T/O) wef 29.09.2014. Shri R. R. Mishra relinquished the charge of D(P), CCL on 10.10.2014 upon his elevation as CMD, WCL.

Further Shri P. K. Tiwari joined as D(Tech/Oprn.) wef 07.02.2015. The CCL Board at its 413th Meeting held on 10.02.2015, re-constituted Audit Committee of Directors with the following Directors :

1.	Shri S. K. Singh, IAS, Jt. Secy. MoC	—	Chairman
2.	Shri R. Mohan Das, D(P&IR), CIL	—	Member
3.	Shri P. K. Tiwari, D(Tech./Oprn.)	—	Member
4.	Shri Deepak Nath, COM, EC Rly.	—	Invitee
5.	Shri D. K. Ghosh, D(F), CCL	—	Special Invitee

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 CCL Board at its 411th Meeting held on 04.11.2014, approved the Terms of Reference of Audit Committee of CCL in terms of the provisions of Section 177(4) of the Companies Act' 2013.

During the year ended 31st March, 2015, 6 meetings of Audit committee were held on 27.05.2014, 08.08.2014, 05.09.2014, 04.11.2014, 21.12.2014, 10.02.2015. 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 2014-15 are as under:

Name	Audit Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S. K. Singh, IAS, Jt. Secy., MoC, GOI Official Part Time Director	6	6	Chairman of the Audit Committee
Shri R. Mohan Das, Dir. (P&IR). CIL	6	5	Member
Shri T. K. Nag*, D(T/O), CCL	2	2	Member
Shri R. R. Mishra# D(P), CCL	2	2	Member
Shri Deepak Nath\$, COM, EC Rly.	6	4	Member/Invitee
Shri P. K. Tiwari^, D(T/O), CCL	—	—	Member

\* Shri T. K. Nag relinquished charge on 29.09.2014.

# Shri R. R. Mishra relinquished charge on 10.10.2014.

\$ Shri Deepak Nath as Invitee.

^ Shri P. K. Tiwari appointed as Member by CCL.



#### 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 134 of the Companies Act, 2013 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 143(5) of the Companies Act, 2013.
  - (3) Review of the Accounts of the Company for the year ended 31st March 2015, by the Comptroller & Auditor General of India.
  - (4) Addendum to the Director's Report under section 134(2) and 134(3) of the Company's Act, 2013 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*

**ANNEXURE-I**

**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, 2015 comprised of 5 Directors, viz. three (3) Functional Directors (including CMD), two (2) Part-Time Official Directors, and two (2) Permanent Invitees to the Board.

During the financial year ended March 31st, 2015, 9(Nine) number of Board meetings were held on 15.04.2014, 30.04.2014, 27.05.2014, 02.07.2014, 11.08.2014, 05.09.2014, 04.11.2014, 21.12.2014, 10.02.2015. 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	6	6	Nil	—	Member
3.	Shri R. R. Mishra* Director (Personnel)	Functional Director	6	6	Nil	—	—
4.	Shri D. K. Ghosh Director (Finance)	Functional Director	9	8	Nil	Special Invitee	Member
5.	Shri P. K. Tiwari^ Director (Tech/Opn.)	Functional Director	1	1	Nil	Member	Member
6.	Shri R. Mohan Das Director (P&IR), CIL	Part-time Official Director	9	7	(i) CIL (ii) WCL	Member	—
7.	Shri S. K. Singh Joint Secretary, MoC Govt. of India	Part-time Official Director	9	9	MCL	Chairman	Member
8.	Shri Deepak Nath COM, EC Rlys.	Permanent Invitee	9	7	Not Applicable	Invitee	Invitee
9.	Shri Arun@ Secretary, Deptt. of Mines & Geology	Permanent Invitee	9	3	Not Applicable	—	—
10.	Shri D. K. Tiwari## Secretary, Deptt. of Mines & Geology	Permanent Invitee	—	—	Not Applicable	—	—

# Relinquished charge on 29.09.2014.

\* Relinquished charge on 10.10.2014.

^ Assumed the charge of D (T/O) w.e.f. 07.02.2015.

@ Ceased to be Permanent Invitee w.e.f. 11.02.2015.

## Assumed charge as Secretary, Deptt. of Mines & Geology w.e.f. 11.02.2015.

## SCHEDULE FOR REMUNERATION OF CMD AND OTHER DIRECTORS FOR THE YEAR 2014-15

### A. Functional Directors

Name	Relation-ship with other Director	Business relationship with the company	Remuneration for the year 14-15 ( ₹ )										Total
			Salary & Allow.	Arrear due to revision of Pay	HRA	Leave Encashment	Ex-Gratia	CMPF Cont.	Med. Expenses	LTC	LLTC	Gratuity	
Shri Gopal Singh	Nil	Chairman-cum-Managing Director	2230328.60	0.00	0.00	149909.70	0.00	241407.00	0.00	0.00	0.00	0.00	2621645.30
Shri T.K. Nag	Nil	Director (Technical/Operation)	1205025.00	0.00	0.00	0.00	0.00	120348.00	0.00	70000.00	0.00	0.00	1395373.00
Shri Rajiv Ranjan Mishra	Nil	Director (Personnel)	1166882.59	0.00	0.00	0.00	0.00	116542.00	4292.15	34550.00	0.00	0.00	1322266.59
Shri D. K. Ghosh	Nil	Director (Finance)	2133259.60	0.00	0.00	5,97,600.00	0.00	285377.00	19450.00	34871.00	0.00	0.00	3070557.75
<b>GRAND TOTAL</b>			<b>6735495.79</b>	<b>0.00</b>	<b>0.00</b>	<b>747509.70</b>	<b>0.00</b>	<b>763674.00</b>	<b>23742.15</b>	<b>139421.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8409842.64</b>

### 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, 2013.

### 3. BOARD COMMITTEE

#### (i) Empowered Sub-Committee of Directors

Consequent upon completion of three years tenure of Shri S. Chakrabarti, Non official part time director on 22.02.2014, the **Empowered Sub-Committee of Directors** was re-constituted consisting of the following directors –

1.	Chairman-cum-Managing Director, CCL	–	Chairman
2.	Joint Secretary, Ministry of Coal, Government of India	–	Member
3.	Director (Tech/Oprn.), CCL	–	Member
4.	Director (Finance), CCL	–	Member
5.	Shri Deepak Nath , COM, EC Rly.	–	Invitee

Subsequently, Shri T. K. Nag, Director (Tech/Oprn.) relinquished the charge on 29.09.2014, consequent upon his elevation as CMD, NCL.

Further, Shri P. K. Tiwari joined as Director (Tech./ Oprn.) on 07.02. 2015. The Board at its 413th Meeting held on 10.02.2015, inducted Shri P. K. Tiwari, Director (Tech./Oprn.) as member of the Empowered Subcommittee of Directors for Project Appraisal, Evaluation & Finalisation.

During the year ended 31st March 2015, 4 meetings of ESCD were held on 05.09.14, 04.11.14, 21.12.14, 10.02.15.

#### (ii) Audit Committee of Directors

Consequent upon the completion of tenure of three years of the Independent Directors of CCL and in pursuance of the directive of Ministry of Coal vide ref. no. 21/3/ 2011-ASO Dtd. 27.05.2014, the Audit Committee of Directors of CCL was constituted, vide 409th Board Meeting of CCL held on 11.08.2014, consisting of the following Directors :

1.	Shri S. K. Singh, IAS, Jt. Secy. MoC	–	Chairman
2.	Shri R. Mohan Das, D(P&IR), CIL	–	Member
3.	Shri T. K. Nag, D(T/O), CCL	–	Member
4.	Shri R. R. Mishra, D(P), CCL	–	Member
5.	Shri Deepak Nath, CoM, EC Rly.	–	Invitee
6.	Shri D. K. Ghosh, D(F), CCL	–	Special Invitee



Consequent upon elevation as CMD, NCL, Shri T. K. Nag relinquished the charge of D(T/O) w.e.f. 29.09.2014. Shri R. R. Mishra relinquished the charge of D(P), CCL on 10.10.2014 upon his elevation as CMD, WCL.

Further Shri P. K. Tiwari joined as D(Tech/Oprn.) w.e.f. 07.02.2015. The CCL Board at its 413<sup>th</sup> Meeting held on 10.02.2015, re-constituted Audit Committee of Directors with the following Directors :

- |   |   |                 |
|---|---|-----------------|
| 1. Shri S. K. Singh, IAS, Jt. Secy. MoC | – | Chairman        |
| 2. Shri R. Mohan Das, D(P&IR), CIL      | – | Member          |
| 3. Shri P. K. Tiwari, D(Tech./Oprn.)    | – | Member          |
| 4. Shri Deepak Nath, CoM, EC Rly.       | – | Invitee         |
| 5. Shri D. K. Ghosh, D(F), CCL          | – | Special Invitee |

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 CCL Board at its 411<sup>th</sup> Meeting held on 04.11.2014, approved the Terms of Reference of Audit Committee of CCL in terms of the provisions of Section 177(4) of the Companies Act' 2013.

During the year ended 31<sup>st</sup> March, 2015, 6 meetings of Audit committee were held on 27.05.2014, 11.08.2014, 05.09.2014, 04.11.2014, 21.12.2014, 10.02.2015. 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 2014-15 are as under :

Name	Audit Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S.K. Singh, IAS, Jt. Secy, MoC, GOI/ Official Part time Director	6	6	Chairman of the Audit Committee
Shri R. Mohan Das, Dir.(P&IR),CIL	6	5	Member
Shri T. K. Nag*, D(T/O), CCL	2	2	Member
Shri R. R. Mishra#, D(P), CCL	2	2	Member
Shri Deepak Nath \$, COM, EC Rly.	6	4	Member/Invitee
Shri P. K. Tiwari^, D(T/O), CCL	—	—	Member

\* Shri T. K. Nag relinquished charge on 29.09.2014.

# Shri R. R. Mishra relinquished charge on 10.10.2014

\$ Shri Deepak Nath as Invitee.

^ Shri P. K. Tiwari appointed as Member, by CCL.

### **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.

As per Section 135 of Companies Act 2013, CSR & Sustainable Development Committee should have atleast 3 Directors –out of which at least One Director shall be an independent Director. As there is no independent Director in CCL Board during the year 2014-15, hence the SD & CSR Board level Committee could not be framed during the year 2014-15.

## **STATUTORY AUDITORS**

Under Section 139 of the Companies Act, 2013 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 2014-15 :

### **Statutory Auditors**

**M/s. V. Singhi & Associates,**

Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani,  
Ground Floor, Kolkata – 700 001,  
West Bengal.

### **Branch Auditors**

1. **M/s. S. Sannigrahi & Co.**  
305, Shrilok Complex,  
H. Bagh Road,  
Ranchi, Jharkhand.
  
2. **M/s. NKD & Co.**  
2<sup>nd</sup> Floor, Radha Gouri,  
Goushala Chowk,  
North Market Road,  
Upper Bazar,  
Ranchi – 834 001,  
Jharkhand.
  
3. **M/s. Kadmawala & Co.**  
C/o Shri Ram Chandra Prasad  
Sri Ram Path Lane  
Opp. Crown Public School  
Kishore ganj, Harmu Road  
Ranchi – 834001,  
Jharkhand.

**4. M/s Lodha Patel Wadhwa & Co.**

304, Shrilok Complex,  
4 H. B. Road,  
3<sup>rd</sup> Floor,  
Ranchi – 834001,  
Jharkhand.

**SECRETARIAL AUDITORS**

Under Section 204 of the Companies Act, 2013 the following Company Secretary Firm was appointed by the Board of Directors in its 414<sup>th</sup> Board Meeting vide item No. 4(30) dated 12.04.2015 for conducting Secretarial Audit as required under the Act for the year 2014-15.

**Secretarial Auditors****M/s Kant Sanat & Associates**

C/18, 1<sup>st</sup> Floor,  
Park Road No. 1,  
Ashok Nagar,  
Gate No. 1,  
Ranchi – 834 002,  
Jharkhand.

**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
2011-12	25 <sup>th</sup> May'2012 At 2.00 PM	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman. 2. Shri Aniruddha Pal, Rep. of CIL	Nil
2012-13	25 <sup>th</sup> May'2013 At 12.00 Noon	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Shri Piyush Sarkar, Rep . of CIL.	Nil
2013-14	11 <sup>th</sup> June'2014 At 12.00 Noon	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Shri J. Bagchi, 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.

**EXTRA GENERAL MEETING**

To consider Special Business- Special Resolution seeking amendment of the Articles of Association of Central Coalfields Limited and Special Business- Ordinary Resolution for Ratifying the Remuneration of Statutory Cost Auditors, an Extra General Meeting was called on 27.03.2015 at 12.00 Noon at the Corporate Office, Ranchi.

Particulars of the Extra General Meetings of the shareholders held on 27.03.2015 is as under :

Year	Date & Time	Location	Attendance	Special Resolution, if any
2014-15	27 <sup>th</sup> March'2015 At 12.00 Noon	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman.  2. Shri T. K. Dey, Rep. of CIL	Amendment of Articles of Association of Central Coalfields Limited.

**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 348<sup>th</sup> meeting held on 2.07.08 and has been uploaded on the website of CCL [www.ccl.gov.in](http://www.ccl.gov.in). An Acknowledgement of receipt of code of conduct and Affirmation regarding compliance with the same for the year ended March'2014 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 367<sup>th</sup> 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](http://www.ccl.gov.in). DoP of Functional Directors as well as Area CGM/GM have been revised and placed in 384<sup>th</sup> 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, 2013.

## **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 and Secretarial auditors report for the year ended 31<sup>st</sup> March, 2015 are furnished as an Annexure to Directors' Report. Comments of the Comptroller and Auditor General of India Under Section 143(5) of the Companies Act, 2013 on the Financial Statements of Central Coalfields Limited for the year ended 31<sup>st</sup> March, 2015 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 tenure of three years.

## **9. WHISTLE BLOWER POLICY**

The Coal India Whistle Blower Policy '2011' as approved by CIL Board is applicable to all its subsidiaries.

In addition, 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. Based on Performance in CSR, CCL has been a member of UN Global Compact since 2009. Since then the company has stepped up its CSR activities with application of business excellence principles and making CSR a key business process.

Some of the innovative CSR Schemes taken up by your Company are: Kaya Kalp Yojnaye, Operation Joyti, Girl Child Promotion, 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 accolades for its CSR activities from Parliamentary Committee on Labour, Global Compact Society of India, CAG Audit and EAC of MoEF.

**Annexure-IA****Profile of Directors**

Board of Directors of CCL consists of CMD, D(T-O), D(F), D(P), D(T/P&P), two Govt./CIL Nominee 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 is heading Central Coalfields Ltd. (CCL) as Chairman-cum-Managing Director (CMD) since March, 2012.

Before taking over as CMD, CCL, Mr. Singh had successfully shouldered many higher responsibilities such as Director Technical (Project & Planning) of SECL, CGM, Kusunda Area, SECL etc. His assignments have bestowed on him a wide exposure of the coal sector and given him very extensive experience in management of corporate affairs.

Born in Rohtas on 21st January, 1961, Mr. Singh graduated from prestigious institute Indian School of Mines, Dhanbad in 1982. He started his professional career as a mining engineer by joining Rajrappa Area, CCL. He has obtained M. Tech. in Open Cast Mining and completed MBA with specialization in Finance. During the course of his service, he has worked in different subsidiaries of Coal India like CCL – 21 years & SECL – 6 years before joining as Director Technical of SECL. Kusunda project which never achieved its rated capacity of 6 MTY in first 23 years of life, produced 9.066 MT in 2006-07 i.e. about **151%** of rated capacity over a period of about 4 years. He conceptualised the project report of Kusunda OC for 50 MTY, then the largest mine of its kind in the world.

As CMD, CCL the priority of company's growth has been redefined in view of the prevailing socio-economic milieu of Jharkhand. It is now centered on **Inclusive Growth** through a series of initiatives collectively known as **KAYAKALP MODEL**. Kayakalp Yojnaye are based on :

- (a) **Transparent, fair and philanthropic approach for team building and motivation of stakeholders**
- (b) **Development of subordinates through intensive training**
- (c) **Enforcement of strict discipline through “Lead by example” theory**

**(d) Promoting innovation and Adopting state-of-the-art technology**

**(e) Democratic planning and autocratic control**

These Initiatives have resulted in :

A jump of 4.1% in coal production in 2013-14 and 11.3% in 2014-15 after years of stagnation. The growth in 2014-15 was highest for any subsidiary of Coal India. The double digit growth will continue in future, which will be unprecedented for any coal company in the country. During a span of about 2 years – i.e. 2013-15, 6 greenfield projects of about 40 MT capacity (to be further expanded to over 100 MT) have been commissioned, which has **no parallel** in the coal industry. This includes the mega projects of Magadh OC (51 MTY – proposed largest coal mine of Asia) and Amrapali OC (12 MTY).

He is a philanthropist and takes keen interest in social work for betterment of underprivileged sections of society. Under his able guidance and vision, the company is poised to meet the coal demand of the nation.

**SHRI DIPAK KUMAR GHOSH**



**Shri Dipak Kumar Ghosh** took over as Director (Finance), Central Coalfields Limited (CCL) on 6th July, 2013 and has been discharging his multifarious assignments holding the additional post of Director (Personnel) Incharge and part activities of Director (Technical/Operation) successfully, efficiently and effectively during the year 2014-15.

He has rendered about 33 years of service in Coal Industries in the field of finance in various capacities especially in CCL & ECL.

He born in 1959 in Kolkata and had his graduation in Commerce from Calcutta University. He acquired his professional qualification from the Institute of Cost & Works Accountant of India and also from the Institute of Company Secretaries of India.

He has been entrusted with the responsibilities of Systems Department w.e.f. 27th January, 2014. Again he has also shouldered the assignment of Director Incharge (Sales & Marketing), CCL w.e.f. 1st July, 2014. Consequent upon relinquishment of Director (Personnel), he accomplished the responsibilities of Director (Personnel) Incharge from 14th October, 2014 to 7th June, 2015 very smoothly and successfully. Besides the above, he also discharged part activities of Director (Technical/Operation) after his relinquishment till taking over of the new Director (Technical/Operation).



**SHRI PRADEEP KUMAR TIWARI**



**Shri Pradeep Kumar Tiwari** is working as Director (Tech./Opr.) in CCL. He is a Graduate in Mining Engineering from Indian School of Mines (ISM), Dhanbad 1979 batch. He joined as JET in West Chirimiri Colliery under SECL erstwhile WCL.

During his initial years, Shri Tiwari worked in various underground mines of Chirimiri Area and has a wide experience of underground mining. Later Shri Tiwari was promoted as Manager and transferred to Bishrampur area of SECL. He worked in various other areas of SECL such as Bhatgaon, Sohagpur. He worked in different capacities in SECL for 22 years (1979 to 2001) before transferring to ECL in 2001.

He headed Project & Planning Department of ECL and is adept in project implementation and monitoring. He worked as CGM (Operations) in NCL and was a key in finalizing and implementation of OBR outsourcing contracts of NCL. He is an expert of contract management.

As a Director (Tech./Opr.), he is responsible for overall operations and production of the company. Under his stewardship, CCL not only achieved its coal production target but also registered phenomenal growth of 65% in OB removal and 11.2% in Coal.

**SHRI RADHASHYAM MAHAPATRO**



**Mr. Radhashyam Mahapatro** took over as Director (Personnel), Central Coalfields Ltd. (a Subsidiaries of Coal India Ltd.), on and from 8th June, 2015. Before taking over as Director (Pers.), CCL, he has more than 26 years of experience in Power, Oil and Coal Sectors in different capacities. Shri R. S. Mahapatro successfully shouldered varied and higher responsibilities such as General Manager (Personnel – Industrial Relation & Recruitment) of CCL, Asstt. GM (HR), EIL & Sr. Manager (HR), NHPC. He is a physics graduate from Khallikote College, Behrampur, Odisha and did his Post Graduation in Personnel Management and Industrial Relation and Labour Welfare. Shri Mahapatro has handled many areas of HR functions, liaison and coordination. During his tenure in NHPC, EIL and CCL, Ranchi, he had worked for introduction of Productive work culture. He had won greentech Environment Award for outstanding performance during his tenure in NHPC.

Shri Mahapatro, as GM (P&IR) from October, 2013 has brought a paradigm shift in HR functioning. Due to his initiatives in the areas of I. R., Welfare & CSR, the company has earned good image and has brought laurels to the Company.

He has undergone training in Advanced Management Programme in Germany, Sweden on advanced technology and organizational culture sponsored by Coal India.

Mr. Mahapatro's areas of interest includes improving productivity, rural development, poverty alleviation, environment and ecology. He passionately worked for reform in administration to make it responsive to the need and aspirations of the communities. His forte is transparency & leadership and believes in teamwork.

### **SHRI SUBIR CHANDRA**



**Shri Subir Chandra** is working as Director (Tech./P&P) in CCL from 09/06/2015. He graduated in Mining Engineering from Indian School of Mines (ISM), Dhanbad in 1979 and joined as JET in Moira Colliery under Bankola Area of ECL. In 1985, he completed his M. Tech. in opencast mining. In 2002, he was transferred to Nagpur Area of WCL as Project Officer. He worked in WCL till January, 2008 after which he was transferred to MCL and posted as GM, IB Valley Area. Before being elevated to the post of Director (Technical), CCL, he was working as GM, Lingraj Area of MCL.

During initial years, Shri Chandra got vast experience in semi-mechanised and loaderless underground mines as well as in big opencast mines. He has a wide exposure of underground and opencast mine operations of large mines with state-of-the art technology.

As Director (Technical/P&P), he is shouldering the responsibilities of many important departments which have a major role to play in achievement of 1 BT production by CIL in 2019-20.

He is humble in disposition and firm in his decisions. He is very enthusiastic and has a great self belief in tackling with mining problems. CCL is going to be benefited from his rich and wide experience.

### **SHRI R. P. GUPTA, IAS**



**Shri R. P. Gupta** is an IAS Officer of 1987 Batch. He did B. Tech. from IIT, Kanpur in Aeronautical Engineering. He has served many important administrative portfolios including Principal Secretary, Department of Education, Govt. of Gujarat. During his career, major achievements are as following :

- (a) Digitization of land record including village and land parcel maps and synchronizing these with geospatial imagery started resurvey of whole of Gujarat with modern technology.
- (b) Conceptualize and implemented annual assessment of quality of education in 35,000 schools of Gujarat and a very transparent completely computerized and fast system of

teachers recruitment which recruits tens of thousands of teachers purely on merit in 1 month only.

- (c) Implemented first throughout the state monthly bio-metric verification system in PDS.

He assumed charge as Joint Secretary, Ministry of Coal with effect from 15.04.2015. He is a distinguished member of CCL Board as well as its sub-committees.

### **SHRI R. MOHAN DAS**



**Shri R. Mohan Das (58)** is the Director (Personnel & Industrial Relations) of Coal India Ltd. He holds a post graduate degree in Social Work from Madurai University. Shri Das has also participated in 'Advance Management Programme' at Queens' College, Cambridge, United Kingdom and 'Management Development Programme' at Wharton School, University of Pennsylvania, United States of America.

Shri Das began his professional career over 34 years ago with Bharat Heavy Electricals Ltd. in their Human Resources Department. In the course of his career at Bharat Heavy Electricals Ltd., Shri Das was credited with various human resource initiatives such as introduction of an 'Integrated Human Resource Information System' to usher in the concept of paper-less office 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 BHEL, Bhopal.

Prior to joining Coal India Ltd., Shri Das was General Manager (Personnel & Administration) in the state owned Madras Fertilizers Ltd., Chennai. Shri Das has undergone 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 Ltd., Shri Das is responsible for formulation and implementation of Personnel Policies of Coal India Ltd. During his tenure in Coal India Ltd., he has made number of significant achievements on HR front which includes two unique and hall mark Wage Agreements in Coal India – one in the month of January, 2009 and subsequently another in January, 2012 for about 375 thousand workers through bi-partite negotiations for a period of five years which have been the first one to be finalised by any public sector. Various other HR initiatives to bring change in the organisation culture has been introduced under his leadership. Apart from Central Coalfields Ltd., he holds Directorship at Coal India Ltd. and Western Coalfields Ltd.

Shri Das plays pivotal role in framing of National Policies in his capacity as a Member of various Committees/Board, few of which are –

- (a) Member of Central Advisory Contract Labour Board
- (b) Member of Central Apprenticeship Council (CSE) under Apprenticeship Act, 1961.
- (c) Member of Executive Board of SCOPE.
- (d) Member of Central Advisory Board (CAB) under Minimum Wages Act, 1948.

Considering the contribution made by Sri Das in the field of HR, he has been conferred with number of Awards and his name has been included in the book “Most Powerful HR Professionals of India.”

## 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 D. K. TIWARI, IAS**

Shri D. K. Tiwari, IAS (Secretary of Mines & Geology Department, Govt. of Jharkhand) has been appointed as Permanent Invitee on the Board of CCL. His Appointment Order is yet to receive from MoC.

**Annexure-II**

**V. SINGHI & ASSOCIATES**

Chartered Accountants

To

The Members,  
M/s. Central Coalfields Limited  
Ranchi.

1. We have examined the compliance of conditions of Corporate Governance by Central Coalfields Limited for the year ended 31st March, 2015 although Clause 49 of the Listing Agreement is not applicable to the Company.
2. 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 statement of the Company.
3. 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 except non appointment of Independent Director and a Woman Director in the Board of the Company.
4. 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  
(Firm Reg. No. 311017 E)

Sd/-

(Aniruddha Sengupta)

Partner

(Membership No. : 051371)

Place: Ranchi

Date : 21<sup>st</sup> May, 2015

## **SECRETARIAL AUDIT REPORT**

**(FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015)**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies Appointment and Remuneration Personnel Rules, 2014]*

To,

**The Members,**

Central Coalfields Limited,  
Darbhanga House, Ranchi  
Jharkhand.

We have conducted the secretarial audit of the compliance of applicable statutory provision and the adherence to good corporate practices by the **CENTRAL COALFIELDS LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :

1. The Companies Act, 2013 and the rules made thereunder;
2. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
3. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India;
4. As per the information provided by the Company it has devised proper system and ensured compliance of the provisions of the specific laws applicable to it. (List of applicable laws attached herewith as Annexure I);
5. Notification of Ministry of Coal, Govt. of India for Constitution of Board.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations :



Company is a **Private Limited Company under Cl. 4 of Articles of Association** and is Wholly Owned Subsidiary of **Coal India Limited** with 04 (four) members/shareholders viz. Coal India Ltd., Chairman, CIL, Director Finance, CIL and Chairman/Managing Director, CCL. However, the Company is a Public Company as per section 2(71) of the Companies Act, 2013 and hence all provisions of a Public Company are applicable.

During the Year under review Company has amended its Articles of Association according to the requirement of Companies Act, 2013.

**We further report that :**

- (a) With the approval of the President of India, Ministry of Coal, Government of India vide letter No. 21/35/2005-ASO (iv) dated 06 June, 2008 reconstituted the Board of the Company consisting five Functional Directors, two part time Directors representing Government and Five Non-official Directors, thus making the total number of Directors to twelve and two permanent invitees one from Eastern Central Railways and another to be Secretary, Mines & Geology, Govt. of Jharkhand. At present, five Directors constitute the Board, with three Functional Directors and two Government Directors.
- (b) During the period under review there was no Independent Director appointed on the Board of the company.
- (c) Audit Committee was constituted in pursuance of directive of Ministry of Coal, without having independent directors as its member.
- (d) Since the position of Independent Director lies vacant, the CSR Committee could not be framed.
- (e) The Company has not appointed Women Director till the end of reporting financial Year;
- (f) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that based on the information received and records maintained by the company there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Kant Sanat & Associates**

Sd/-

**(CS Sanat Kumar Mishra)**

Partner

C. P. No. 8705

**Place : Ranchi**

**Date : 21.05.2015**

## Annexure to Secretarial Audit Report

- (i) Mines Act, 1952;
- (ii) Mineral Concessional Rule, 1960;
- (iii) Mines & Minerals (Regulations and Development Act, 1957;
- (iv) The Mines Rules, 1955;
- (v) Coal Mines Regulations, 1959;
- (vi) The Explosive Act, 1884;
- (vii) The Explosive Rules, 1983;
- (viii) Coking Coal Mines (Nationalisation) Act, 1972;
- (ix) Coal Mines (Nationalisation) Act, 1973;
- (x) The Coal Mines (Nationalisation) Ammendment Act, 1993;
- (xi) The Coal Mines (Taking Over Management Act) 1973;
- (xii) The Coal Mines (Conservation and Development) Act 1974;
- (xiii) The Coal Mines (Special Provisions) 2<sup>nd</sup> Ordinance, 2014;
- (xiv) The Coal Mines Special Provisions Rules, 2014;
- (xv) The Coal bearing Areas, (Acquisition and Development Act) 1957;
- (xvi) The Coal Mines Provident (Miscellaneous Provisions) Act, 1948;
- (xvii) Mines Vocational Training Rules, 1966;
- (xviii) Mines Rescue Rules, 1985;
- (xix) Mines (Posting of Abstracts) Rules, 1954;
- (xx) Payment of undisbursed wages (Mines) Rules, 1989;
- (xxi) Indian Bureau of Mines, Sr. Technical Assistant (Survey, Jr. Technical Assistance (Survey) and Jr. Surveyer Recruitment) Rules, 1990;

- (xxii) The Coal Mines Pit head Bath Rules, 1959;
- (xxiii) The Mines Creaches Rules, 1966;
- (xxiv) Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules, 1990;
- (xxv) Maternity Benefit (Mines) Rules, 1963;
- (xxvi) Payment of wages (Mines) Rules, 1956;
- (xxvii) Coal Mines Nationalisation (Provident Fund, Gratuity, Pension, Welfare Fund) Rules, 1978;
- (xxviii) Metalliferous Mines Regulations, 1961;
- (xxix) Mining Leases (Modifications of Terms) Rules, 1956;
- (xxx) Colliery Control Order, 2000;
- (xxxi) Colliery Control Rules, 2004;
- (xxxii) Auction by competitive bidding of Coal Mines Rules, 2012;
- (xxxiii) Coal Mines Advisory Board Rules, 1973;
- (xxxiv) The Environment (Protection) Act, 1986;
- (xxxv) Industrial Dispute Act, 1947;
- (xxxvi) Payment of wages Act, 1936;
- (xxxvii) Trade Union Act, 1926;
- (xxxviii) Workmen Compensation Act, 1923.

**ANNEXURES FORMING PART OF DIRECTORS' REPORT**  
**(For the Year Ended 31.3.2015)**

**Annexure - IV**

**INFORMATION AS PER RULE – 5 APPOINTMENT & REMUNERATION OF  
MANAGERIAL PERSONNEL RULES, 2014 UNDER CHAPTER XII**

**LIST OF EMPLOYEES DRAWING ₹ 60.00\* (Sixty Lakh Rupees) LAKH OR MORE  
DURING THE YEAR 2014–15**

Sl. No.	Name	Description	Remuneration during the year (₹)	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 Lakh\* (Five Lakh Rupees) PER MONTH  
FOR PART OF THE YEAR 2014–15**

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

**INFORMATION UNDER SECTION 134 (3m) OF  
THE COMPANIES ACT, 2013 READ WITH RULE – 8 OF  
THE COMPANIES (ACCOUNTS) RULES, 2014  
UNDER SUB CLAUSE 3(A)**

**CONSERVATION OF ENERGY**

**(i) the steps taken or impact on conservation of energy in the year 2014-15**

1. Approximately 1000 Nos. 250/400W HPSV have been replaced by 85W CFL in colonies.
2. Approximately 500 Nos. 40W Tubelight fittings have been replaced by 25W CFL in Offices of Area.
3. Approximately 175 Nos. 250W HPSV have been replaced by 25W LED lamps.
4. 54 Nos. timers have been incorporated in the street light.
5. 6900 KVAR Capacitor banks are in process of procurement for the improvement of power factor in different area of CCL.
6. Unit wise/Mine wise separate energy meters are in process of installation in all area of CCL for assessment of mine-wise power for proper monitoring.

**(ii) the steps taken by the company for utilizing alternate sources of energy**

1. Installation of 25 KW grid connected Solar Power Plant on the Roof Top of Central Repair Shop, Barkakana is in process of tendering.
2. NIT for Installation of 5 Nos. of 7.5 KW Solar Power Plants with Battery Back up for 5 Nos. Weigh Bridges at Amrapali Project in process of preparation.
3. NIT for installation of 2 KL Solar Water Heater on the Roof Top of CCL Canteen, Ranchi is in process of preparation.

4. Proposal for installation of 212 KW grid connected Solar Power Plant on the Roof Top of Darbhanga House, CCL Headquarter, Ranchi is in process of competent approval.
5. Approx. 26000 Sq. Mtr. land 41000 Sq. Mtr. Roof Top area have been identified in CCL command area command area to estimate potential of Solar Photovoltaic installation as desired by Sh. Upendra Tripathy, Secretary, Ministry of New and Renewable Energy, Govt. of India vide D. O. No. 03/09/2014-15/GCRT dated 15.09.2014.

**(iii) the capital investment on energy conservation equipments**

The capital investment on energy conservation equipments during the year 2014-15 is Approx ₹ 45 lakhs.



**INFORMATION UNDER SECTION 134 (3m) OF  
THE COMPANIES ACT, 2013 READ WITH RULE – 8 OF  
COMPANIES (ACCOUNTS) RULES, 2014  
UNDER SUB CLAUSE 3(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

**INFORMATION UNDER SECTION 134 (3m) OF  
THE COMPANIES ACT, 2013 READ WITH RULE – 8 OF  
COMPANIES (ACCOUNTS) RULES, 2014  
UNDER SUB CLAUSE 3 (C)**

**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	2014-15	2013-14
<b>(A)</b>	<b>Foreign Exchange used</b>		
1.	Interest	0.00	0.71
2.	Agency Commission	0.00	0.01
	<b>Total</b>	<b>0.00</b>	<b>0.72</b>

**(B) Foreign Exchange Earned** **No earning by the Company**

**COMMENTS OF  
THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013  
ON THE FINANCIAL STATEMENTS OF CENTRAL COALFIELDS LIMITED  
FOR THE YEAR ENDED 31st MARCH 2015**

The preparation of financial statements of Central Coalfields Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Companies Act, is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 04.06.2015.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 143 (6) (a) of the Act, 1956 of the financial statements of Central Coalfields Limited for the year ended 31 March 2015. 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.

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 : 12.06.2015

## **Additional Disclosures of CSR Activities under Section 134 of The Companies Act, 2013**

### **1. BRIEF OUTLINE OF THE CCL CSR POLICY**

Business and industry have come into existence to promote social growth and social good. The draw resources from the society and add values to generate wealth. Hence, society and business are interdependent and business must take full account of societal expectations. A stable social environment is a pre-requisite for business investment and industrial operations. So industry needs to facilitate such environment by taking care of the concerns of the society. This is what Central Coalfields Ltd. (CCL) strongly believes in. The Company is a Mini Ratna Category I Central PSU in the family of Coal India Ltd. Once written off as a loss making CPSU, the Company has made a spectacular turnaround a couple of years ago and has grown strength to strength by resistering record production, productivity, profit and people care (4Ps).

CCL becoming a Mini Ratna Company is ‘the dream comes true’ of its employees, their family members and the people of Jharkhand — CCL being the largest mining industry in the State. The community in and around the command areas of the company are having sentimental attachment with CCL and it enjoys full support of the society, unique amongst mining industry in India. Sentiment have come to embedded with aspirations and CCL, spreading as it does in seven districts of the State of Jharkhand, symbolizes not only the industrial might of the State (Jewel of Jharkhand) but the hopes and aspiration of the people of the State as well.

In this backdrop, the responsibility of CCL as a Corporate entity addressing socio economic and environmental concerns of the community becomes quite focused. Such focus on community can albeit CCL C. S. R. is within the Comany philosophy reflecting in its VMO.

### **CCL : VISION, MISSION & CORE VALUES**

#### **Vision**

To be a leading Energy supplier in the country through best practices of international standard from mine to market.

## **Mission**

To produce and market the planned quantity of coal and coal products efficiently and economically with due regard to safety, conservation and quality.

## **Objectives**

- To optimize generation of internal resources by improving productivity, preventing wastage and to mobilize adequate external resources for meeting investment needs.
- To maintain high standards of safety for accident free coal mining through safe mining practices and continuous safety audit and risk assessment.
- To conserve environment through of Committed Plan for reclamation and plantation.
- To maintain the quality of ambient air and water within the prescribed norms.
- To introduce mass production technology viz. continuous miners etc. for enhancing underground production of quality coal.
- To operate mega opencast projects using high capacity equipment with higher availability and utilization secured through long term Maintenance And Repair Contract (MARC).
- To beneficiate coal on a substantially larger scale by adding new capacities and supplying quality coal as per customer's choice.
- To create an enabling environment for full realization of employees potential through mindset change, customized HRD programmes and synergic teams.
- To create an enabling environment for full realization of employees potential through mindset change, customized HRD programmes and synergic teams.
- To provide adequate number of skilled manpower to run the operations and impart technical and managerial training for upgradation of skill.
- To improve worklife balance by better care, quality life in townships and excellent educational facilities.

## **CORE VALUE STATEMENTS (4Cs)**

- Customer Care
- Concern for Environment & Safety

- Care for Employees
- Cost Consciousness

#### Reference to the weblink of the CSR Policy

CIL's CSR Policy as per New Companies Act, 2013 :

<https://www.coalindia.in/en-us/company/policies.aspx>

## 2. THE COMPOSITION OF THE CSR COMMITTEE

During the year 2014-15, no Non-Official Part-time Directors existed. Appointment is under process. Earlier, CSR Committee headed by Non-Official Part-time Director and with Members of another Non-Official Part-time Director, D(P&IR), CIL and D(P), CCL as Members.

## 3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS

Financial Year	Profit Before Tax (In ₹ Crores)
2011-12	1970.24
2012-13	2683.56
2013-14	2525.87
<b>Average Net Profit</b>	<b>2393.22</b>

4. Prescribed CSR Expenditure for the year 2014-15 (2% of ₹ 2393.22 Crores) = ₹ **47.86 Cr.**

5. Details of CSR spent during the financial year 2014-15

(a) Total amount to be spent for the financial year 2014-15 : ₹ **47.86 Cr.**

(b) Amount unspent : NIL

(c) Manner in which the amount spent during the financial year is as under :



## Manner in which Amount Spent during the Year 2014-15 (Annexure – B)

Sl. No.	CSR Project or Activity	Sector in which the CSR Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where Projects or Programs was undertaken	Amount spent in Projects or Programs in 2014-15 (in ₹ lakhs)	Amount spent direct or through Implementing Agency
1.	Construction/Renovation of Community Halls, Culverts, Sheds/Ghats, Roads, Boundary Walls etc.	Infrastructure	In the villages coming within 25 Kms radius of command areas (Argada, Barka-Sayal, B&K, Dhori, Hazaribag, Rajrappa, Rajhara, Kuju, Kathara, Piparwar, NK, Magadh Amrapali, Barkakana, Naisarai in the districts of Ranchi, Chatra, Hazaribag, Bokaro, Giridih, Palamu, Latehar, Ramgarh of Jharkhand)	1051.24	Direct and through different Implementing Agencies
2.	Infrastructural development at rural schools/colleges, hostel for drop out students, CCL Ke Lal etc.	Education		289.47	
3.	Installation of handpumps, deep boring, wells and other misc. jobs	Drinking Water		572.37	
4.	Organizing various health camps, Jan Arogya Kendra etc.	Health		52.45	
5.	Construction/Renovation of Community Toilets/Drain	Sanitation		118.15	
6.	Construction/Renovation of Ponds, Check Dams etc.	Environment		295.37	
7.	Organizing Vocational Training programs for poor and unemployed rural people (Tailoring, Motor Driving, Computer, Farmer's etc.)	Skill Development/ Social Empowerment		36.79	
8.	Organizing village football and other sports tournaments, development of playground/ stadiums etc.	Sports & Culture		57.36	
9.	Other developmental jobs like providing food grains etc.	Others		6.49	
10.	Construction/Renovation of 11545 Toilets in 7283 schools across 4 states	Swachh Vidyalaya Abhiyan	23 Districts of UP, Chhattisgarh, Odisha and Jharkhand	2636.00	NBCC Ltd.
		<b>Total</b>		<b>5115.59**</b>	

\*\* The expenditure of CSR as per the audited accounts of 2014-15 is of ₹ 48.87 crores, whereas the CSR works undertaken by the areas concerned and total expenditure as reported by the respective areas comes to ₹ 51.15 crores.

6. Not Applicable.
7. Every CSR Proposal is sent to our consulting agency Tata Institute of Social Science, Mumbai for their review, recommendation and vetting of the proposals. After getting approval from TISS, the proposals are placed before the Below Board Level SD & CSR Committee comprising of the following :
- (a) General Manager (SD & CSR), CCL, Ranchi
  - (b) General Manager (Civil), CCL, Ranchi
  - (c) General Manager (Finance), CCL, Ranchi
  - (d) General Manager (P&IR), CCL, Ranchi
  - (e) CMS, CCL, Ranchi
  - (f) Deputy General Manager (Env. & Forest), CCL, Ranchi

After the approval from the above committee members, the same proposals are place before :

- (a) Director (Pers.), CCL, Ranchi (for the proposals upto ₹ 10 lakhs)
- (b) CMD, CCL, Ranchi (for the proposals from ₹ 10 lakhs to ₹ 25 lakhs)
- (c) Board Level Committee (for the proposals above ₹ 25 lakhs)

Sd/-  
(Chief Executive Officer or  
Managing Director or Director)

Sd/-  
(Chairman CSR Committee)

Sd/-  
[Person specified under  
clause (d) of sub section (1)  
of section 380 of the Act]

(wherever applicable)

**Form No. AOC – 2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Account) Rules, 2014)*

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

Information furnished by Dy. Manager (Fin.)/Tax, regarding to the disclosure under section 188(1) of the Companies Act, 2013 is as under :

All the transactions entered by CCL during the financial year 2014-15 with related parties were on arm's length basis as per debit advice received from CIL and other Subsidiaries. However, the same is subject to Audit u/s 92E of the Income Tax Act, 1961.

**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2015**

*Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Company (Management & Administration) Rules, 2014*

**I. REGISTRATION & OTHER DETAILS**

1. CIN : U10200JH1956GOI000581
2. Registration Date : 01st November, 1975
3. Name of the Company : Central Coalfields Limited
4. Category/Sub-category of the Company : Private Company / Government Company
5. Address of the Registered Office & Contact Details : Darbhanga House, Kutchery Road, Ranchi – 834029 (Jharkhand)
6. Whether Listed Company : No
7. Name, Address & Contact details of the Registrar & Transfer Agent, if any : NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

*(All the business activities contributing 10% or more of the total turnover of the company shall be stated)*

Sl. No.	Name and Description of main products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Coal Mining	051-05101 and 051-05102	100.00

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of Share Held	Applicable Section
1.	Coal India Limited, Coal Bhawan, Plot No. – AF – III, Action Area 1A, New Town, Rajarhat, Kolkata, West Bengal – 700 156  Contact No. : 033 – 2324-6526 Fax No. : 033 – 2324-6510 e-mail Id : mviswanathan2@coalindia.in	L23109WB1973GOI028844	Holding	99.99	Section 2(46) of Companies Act, 2013

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category-wise Share Holding : N. A.**

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
(1) Indian :									
(2) Foreign :									
<b>Total shareholding of Promoter (A)</b>									
<b>B. Public Shareholding</b>									
(1) Institutions									
(2) Non-Institutions									
<b>Total Public Shareholding (B)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>									

**(ii) Shareholding of Promoter : N. A.**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2015)			Shareholding at the end of the year (as on 31.03.2015)			% change in share holding during the year
		No. of Shares	% of total Shares	% of Shares Pledged/ of the encumbered Company to total shares	No. of Shares	% of total Shares	% of Shares Pledged/ of the encumbered Company to total shares	

**(iii) Change in Promoters' Shareholding (please specify, if there is no change) : N. A.**

Sl. No.	Particulars	Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (2014-15)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equality etc.)				
3.	At the end of the year				



**(iv) Shareholding Pattern of top ten Shareholders : (Other than Directors, Promoters and Holders of GDRs and ADRs) : N. A.**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 01.04.2015)		Shareholding at the end of the year (as on 31.03.2015)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company

**(v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (2014-15)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Shri Gopal Singh,</b> Chairman-cum-Managing Director (w.e.f. 05.01.2015)				
	At the beginning of the year	1	0.0000001%	1	0.0000001%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equality etc.)				
	At the end of the year	1	0.0000001%	1	0.0000001%

**(vi) Remuneration of Directors and Key Managerial Personnel****A. Remuneration of Managing Director, Whole-Time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager					Total Amount
		Shri Gopal Singh CMD	Shri T. K. Nag Director (T) Relinquished charge on 29.09.14	Shri R. R. Mishra Director (P) Relinquished charge on 10.10.14	Shri D. K. Ghosh Director (F)	Shri P. K. Tiwari Director (T/O) Assumed charge on 07.02.15	
1	Gross Salary	2621645.30	1395373.00	1322266.59	3070557.75	Have not received salary during 2014-15 from CCL	8409842.64
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2380238.30	1205025.00	1166882.59	2730859.60	—	7483005.49
	(b) Value of perquisites u/s 17(2) of Income -tax Act, 1961	219189.87	88143.88	85339.19	234777.47	—	627450.41
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	—	—	—	—	—	—
2.	Stock Option	—	—	—	—	—	—
3.	Sweat Equity	—	—	—	—	—	—
4.	Commission	—	—	—	—	—	—
	– as % of profit						
	– others, specify						
5.	Others, please	—	—	—	—	—	—
	<b>Total (A)</b>	<b>2621645.30</b>	<b>1395373.00</b>	<b>1322266.59</b>	<b>3070557.75</b>	<b>—</b>	<b>8409842.64</b>

**B. Remuneration to Other Directors : NA**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (₹)
<b>1.</b>	<b>Independent Directors</b>		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	<b>Total (1)</b>		
<b>2.</b>	<b>Other Non-Executive Directors</b>		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	<b>Total (2)</b>		
	<b>Total (B) = (1+2)</b>		

**C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹)
		(D. K. Ghosh) CFO	(C V N Gangaram) CS	
1.	Gross Salary	3070557.75	2400784.36	5471342.11
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2730859.60	2131449.00	4862308.60
	(b) Value of perquisites under section 17(2) of Income-tax Act, 1961	234777.47	158423.12	393200.59
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	– as % of profit	—	—	—
	– Others, specify	—	—	—
5.	Others, please specify	—	—	—
	<b>Total</b>	<b>3070557.75</b>	<b>2400784.36</b>	<b>5471342.11</b>

**(vii) Penalties / Punishment / Compounding of Offences**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			None		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			None		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			None		
Compounding					

**V. Singhi & Associates**  
Chartered Accountants

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

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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 financial year 2014-15 of MoU issued by Ministry of Heavy Industries and Public Enterprises and Letter No. CIL/DT/MOU/14-15/615 dated 21.04.2015 of Coal India Limited.
2. The achievements stated against Financial and Non-financial Parameters have been verified by us as per records maintained and produced before us, and found the same to be correct to the best of our knowledge and belief.

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. : 311017E  
Sd/-  
(Aniruddha Sengupta)  
Partner  
Membership No. : 051371

Place : Kolkata

Date : 15<sup>th</sup> June, 2015



## MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL &amp; CIL

## SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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				
<b>1. Financial Parameters</b>											
1. Sales Turnover (Net Sales)	₹ Crs.	10	8,880.96	8,820.67	8,379.64	7,960.66	7,562.62	9,474.99	1.00	10.00	0.10
2. Gross Operating Margin Rate	₹ Crs.	10	0.2585	0.2513	0.2387	0.2268	0.2154	0.3572	1.00	10.00	0.10
3. PAT / Net Worth	%	5	0.2992	0.2899	0.2754	0.2616	0.2486	0.3046	1.00	5.00	0.05
4. EBITDA / Net Block	%	7	1.0650	1.0393	0.9873	0.9380	0.8911	1.7603	1.00	7.00	0.07
5. Sales Turnover / Net Block	%	10	4.1227	4.1363	3.9295	3.7330	3.5463	5.4027	1.00	10.00	0.01
6. Debtor Turnover Ratio (in Days) Based on Gross Sales as per Note 20 and Net Debtors	Days	8	74.76	75.27	79.04	83.00	87.15	51.76	1.00	8.00	0.08
<b>Total</b>		<b>50</b>									<b>0.50</b>

1. Impact of Penalty imposed by Competition Commission of India for ₹ 1773.05 crores has not been considered in the targets of 2014-15 BE since the same has been appealed against by the company in the Competition Appellate Tribunal. Impact of the above penalty, if paid in 2014-15 will be excluded and accordingly the financial parameters (P&L-A/c and Balance Sheet) will be recast at the time of evaluation of MoU 2014-15.

2. For the purpose of calculation of Average Collection Period of Trade Receivables, Gross Sales as appearing in P&L-A/c in Audited Financial Statements (inclusive of Excise Duty and all other levies & taxes) and Average Trade Receivables as appearing in the Audited Financial Statements (net off provision for bad & doubtful debts) have been considered.

3. Accounting head considered for Computation of Gross Operating margin has been given in the Appendix – I and same methodology will be considered at the time of evaluation.

4. Impact of MMDR bill if becomes an act and implemented, its impact will be excluded.

**Note 1 :** As per para No. 8.23 of Additional Notes on Financial Statements (Note – 34), of the Financial Statements for the Financial Year 2014-15, "in the absence of Notification of Rules by the Central/State Government the effects of the provisions of The Mines and Minerals (Development And Regulation) Amendment Act, 2015 has not been considered in the Accounts".

**Note 2 :** Statements have been prepared as per Department of Public Enterprises guidelines.

## MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL & CIL

### SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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					
<b>2. Dynamic / Non Financial Parameters</b>												
<b>(i) Corporate Social Responsibility &amp; Sustainability</b>												
(a)	Digging of wells, ponds & provision of hand pumps to provide drinking water in different Areas	Nos.	1	50	40	30	20	10	503	1.00	1.00	0.01
(b)	Providing Free Education Facility to poor students / underprivileged students	Nos.	1	50	40	30	20	10	96	1.00	1.00	0.01
(c)	Organising Mega Health Camps for health awareness	Nos.	1	40	30	20	10	5	98	1.00	1.00	0.01
<b>Sub Total</b>			<b>3</b>									<b>0.03</b>
<b>(iii) Initiatives for Growth</b>												
(b)	Acquisition of Land (Notification under LA / CA)	Acre		1300	1274	1210	1150	1092	2054			
	Notification under Sec. 4 (i)		1	200	196	186	177	168	432	1.00	1.00	0.01
	Notification under Sec. 7 (i)		1	400	392	372	354	336	577	1.00	1.00	0.01
	Notification under Sec. 11 (i)		1	700	686	652	619	588	1045	1.00	1.00	0.01
(c)	Possession of Land*	Acre	1	290	284	270	256	244	418	1.00	1.00	0.01
<b>Sub Total</b>			<b>4</b>									<b>0.04</b>

\* As informed by the Management, date of Appointment letter of Employment of Land losers has been considered as Date of Possession of Land for Acquired Land under Rehabilitation & Resettlement Policy of Coal India Limited.

## MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL &amp; CIL

SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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				
<b>(iv) Project Management &amp; Implementation</b>											
(a) CAPEX	₹ Crs.	2	585	560	474	427	384	595.82	1.00	2.00	0.02
(b) NIT for installation of Solar Power Plant in one area of CCL	Month	2	15.02.15	28.02.15	15.03.15	31.03.15	Jan'15	Jan'15	1.00	2.00	0.02
<b>(c) Other Major Activities / Milestones</b>											
(i) Ashoka OCP – Award of work for Overburden Outsourcing*	Month	1	Jun'14	July'14	Aug'14	Sept'14	Oct'14	06.06.14	1.00	1.00	0.01
(ii) Purnadih OCP – NIT for construction of mine approach road from bridge over Damodar of KDH side to Quarry No. 1 of the project	Month	1	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	26.05.14	1.00	1.00	0.01
(iii) Rajjappa OC – Award of work for Outsourcing Patch*	Month	1	May'14	June'14	July'14	Aug'14	Sept'14	06.05.14	1.00	1.00	0.01
<b>Sub Total</b>		<b>7</b>									<b>0.07</b>

\* Work order has been given vide letter No. AGM/PPR/Award/14/208 dated 09.06.2014 for Ashoka OCP and GM (CMC)/Rajjappa/2014/14 dated 06.05.2014 for Rajjappa OCP but MOSPI has not been updated due to not properly updation of the website at the time of submission and this has been informed to MOSPI by e-mail to dkojha5@gmail.com and dkojha@nic.in from cgmppccc@rediffmail.com on 04.03.2015 and also to The GM (Project Monitoring Division), CIL, Kolkata vide letter No. GM(P&P)/15/2531-33 dated 10.03.2015.

ANNEXURE – II

**MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL & CIL**

**SUBSIDIARY : CENTRAL COALFIELDS LTD.**

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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					
<b>(v) Productivity &amp; Internal Processes</b>												
<b>(a) Customer Satisfaction</b>												
(i)	Despatch covered under third party sampling to Power Sector	%	1	90.00	85.00	80.00	75.00	70.00	95.06	1.00	1.00	0.01
(ii)	Commitment / Offer to supply ACQ's under FSA to Power Utility complying Government Directives	MTe	1	39.00	38.00	36.10	34.30	32.58	39.69	1.00	1.00	0.01
(b)	Benchmarking of Electric cum Diesel energy consumption for one opencast mine through specific investigation in consultation with BEE	Month	2	Dec'14	Jan'15	Feb'15	15th Mar'15	31st Mar'15	Dec'14	1.00	2.00	0.02
<b>Sub Total</b>			<b>4</b>									<b>0.04</b>

## MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL &amp; CIL

SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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				
<b>(vi) Technology, Quality, Innovative Practices</b>											
(a) Rainwater Harvesting in 3 Projects	Date	2	01.03.15	15.03.15				Before 01.03.15	1.00	2.00	0.02
(b) Safety Management – Preparation of Safety Management Plan	No. of Mines	1	5	4	3	2	1	35	1.00	1.00	0.01
(c) Training through Simulators	No.	1	10	8	6	4	2	15	1.00	1.00	0.01
(d) Cyber Security – Implementation of Intrusion Protection System, Firewall and Content Filtering at Internet Gateways	Month	0.5	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	Before Oct'14	1.00	0.50	0.005
<b>Sub Total</b>										<b>4.5</b>	<b>0.045</b>

## ANNEXURE – II

## MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL &amp; CIL

## SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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				
<b>(vii) Human Resource Management</b>											
(i) HR Management – As per Annexure XIV	%	1						As per Annexure XIV – Please refer Annexure A	1.30	1.30	0.013
(ii) Training in Contract Management	No. of Executives	1	6	5	4	3	2	46	1.00	1.00	0.010
(iii) Training in Risk Management		1	20	15	10			23	1.00	1.00	0.010
(iv) Training in Project Management		1	50	45	40	35	30	51	1.00	1.00	0.010
(v) Training in Environment Management, Forest Management and Land Acquisition	No. of Executives	1	10	6	4	3	2	24	1.00	1.00	0.010
<b>Sub Total</b>		<b>5</b>									<b>0.053</b>



## MEMORANDUM OF UNDERSTANDING 2014-15 BETWEEN CCL &amp; CIL

SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					(As per Norms) Performance from April'14 to March'15	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				
<b>3. (a) Sector Specific Parameters</b>											
(i) Off-take	Mt.	9	58.50	58.00	55.10	52.35	49.73	55.338	2.92	26.26	0.26300
(ii) Coal Production	Mte	9	56.00	55.00	52.25	49.64	47.16	55.652	1.350	12.13	0.12132
(iii) UG Production	Mte	1	1.10	1.10	1.05	0.99	0.94	0.84164	5.00	5.00	0.05000
(iv) Washd Coal Production	Lte	2	7.80	7.69	7.31	6.94	6.59	8.337	1.00	2.00	0.02000
(v) System Capacity Utilisation (Deptt.)	%	0.5	80.00	75.00	70.00	65.00	60.00	81.000	1.00	0.50	0.00500
<b>(b) Enterprise Specific Parameters</b>											
(i) Afforestation (Tree Plantation)	Nos. in Lakh	1	1.40	1.38	1.36	1.34	1.32	1.58	1.00	1.00	0.01000
<b>Sub Total</b>		<b>22.5</b>									<b>0.46900</b>
<b>Total Dynamic Parameters</b>		<b>50</b>									<b>0.746933793</b>
<b>Total</b>											<b>1.246933793</b>

## ANNEXURE – II

(Contd .....)

**Note – Negative marking for Non-Compliance of Corporate Governance :** DPE has issued guidelines on Corporate Governance vide O. M. No. 18(8)2005-GM dated 14th May, 2010. Listed CPSEs will follow both SEBI Guidelines and DPE Guidelines while non listed CPSEs would require to mandatorily follow the DPE Guidelines on Corporate Governance in the MoU 2014-15. "Compliance of Corporate Governance" will not be a parameter, however, for non-compliance, negative marking will be imposed and MoU Score will be increased in the following manner –

**85% – and above – Excellent – No Penalty, 75-84% – Very Good – No Penalty, 60-74% – Good – Penalty – 0.5 Points.**

**Negative Marking for Non-Compliance of other Guidelines / Regulations :** (a) **Procurement from MSME** - CPSE's will have to follow the public procurement policy for Micro, Small and Medium Enterprises (MSMEs) Order issued vide DO No. 21(1)/2011-MA dated 25.04.2012 and non-compliance with the aforesaid order will be penalized upto 1 mark at the discretion of Task Force at the time of MoU Evaluation.

(b) **Non-Compliance of DPE Guidelines :** CPSEs have to give a certificate regarding implementation of guidelines issued by DPE within prescribed timelines and format specified through its administrative ministry as per details in O. M. No. DPE/14(38)/10-Fin dated 28.06.2011. Non-Compliance of DPE guidelines determined on the basis of certificate submitted will be penalised upon 1 mark at the discretion of Task force at the time of MoU Evaluation.

(c) **Other Non-Compliance :** Non-Compliance of any directives of Government including submission of data for Public Enterprise (PE) Survey, MOSPI data updation on their website etc. and non-compliance of requirements of regulators in serious cases may be penalized upto 1 mark depending on the degree and seriousness of non-compliance. CPSE have to give a certificate regarding compliance of directives of Government and requirement of regulators (Annexure – VIII).

**Note -1 :** Award of work vide Letter No. DGM (E&F)/GA/14-Plantation/Ramgarh/14/176-88 dated 13.03.2014 for plantation work in 26.118 Hq. land for 65295 Nos. of Saplings, DGM (E&F)/GA/14-plantation Hzb (West)/14/189-201 dated 26.02.2104 for plantation of work in 45.51 Hq. of land for 111375 Saplings and DGM9 (E&F)/GA/14-plantation Hzb (East)/14/320-36 dated 26.04.2104 for plantation of work in 20.69 Hq. of land for 55085 Saplings have been given.

**Note - 2 :** Serial No. in the above statement has been considered by the Management as mentioned in the copy of Annexure – II of MoU 2014-15 approved by DPE/TF.

# Template for HRM Performance Evaluation under Memorandum of Understanding

HRM Performance Indicators Executives – 2614 Non Executive – 44,655 as on 01.04.14	Unit	Weight (in %)	Performance Rating					Performance from April'14 to March'15	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. % actualization of Training Plan & Training days per employee per year	% fulfillment & days/employee/year	20	16 & 0.076	10 & 0.050	8 & 0.025	5 & 0.020	1 & 0.010	19.62	1.00	20	0.20
2. Effectiveness of grievances settled vis-à-vis received during the year	% settlement	20	80	60	50	40	20	83.33	1.00	20	0.20
3. Pension, Medicare, Yoga classes to reduce stress where job is stressful	No. of programmes/ date of implementation of scheme	20	4 programmes by Mar'2015	3 programmes by Mar'2015	2 programmes by Mar'2015	1 programme by Mar'2015	0 programme by Mar'2015	4	1.00	20	0.20
4. Formulation/implementation of Social Security Scheme	Yes/No	20	Yes Implementation by Nov'14	Yes Implementation by Dec'14	Yes Implementation by Jan'15	Yes Implementation by Feb'15	Yes Implementation by Mar'15	Implemented by Nov'2014	1.00	20	0.20

## Template for HRM Performance Evaluation under Memorandum of Understanding

HRM Performance Indicators	Unit	Weight (in %)	Performance Rating					Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor			
Executives – 2614			1	2	3	4	5			
Non Executive – 44,655 as on 01.04.14			12	10	8	7	6			
5. No. of structured meetings with employees representatives	No. of meetings	20						2.50	50	0.50
<b>Grand Total</b>		<b>100</b>								<b>1.30</b>

$$\% \text{ Actualization of Training Plan} = \frac{(1336 + 7942) \times 100}{(2614 + 44655)} = 19.62$$

$$\text{Training days per employee per year} = \frac{(4992 + 47481)}{(2614 + 44655)} = 1.11$$

**Note :** \* As informed to us – This is to certify that during period, April 2014 to Oct 2014, no new Social Security Scheme has been received for implementation as mentioned in MoU 2014-15 between CL and CCL. The existing Social Security Scheme circulated by Coal India Limited has been implemented in CCL.

Further, one "Contributory Post Retirement Medicare Scheme for Non-executives" has been circulated by Coal India Limited vide Reference No. CIL/C-5B/JBCCI/CPRMS (Non-executives)/52 dated 26.11.2014 has been received in this department on 02.12.2014 which has been circulated in CCL for implementation vide Reference No. PD/Estb./NCWA – IX/2014/3405 dated 06.12.2014. This scheme came into effect from the date of its notification i.e. 26.11.2014.

**MINUTES OF THE 59th ANNUAL GENERAL MEETING OF  
CENTRAL COALFIELDS LIMITED HELD IN THE  
REGISTERED OFFICE AT DARBHANGA HOUSE, RANCHI  
ON 17th JUNE, 2015 (WEDNESDAY)**

**PRESENT :**

1. **Shri Gopal Singh** — Member & Chairman
2. **Ms. Shweta Loharuka** — Representative of CIL, a Corporate Member and Proxy of Shri Sutirtha Bhattacharya, Member and Shri R. Mohan Das, Member.

**PRESENT DIRECTORS :**

1. **Shri D. K. Ghosh** — Director (Finance), CCL
2. **Shri P. K. Tiwari** — Director (T/Oprn.), CCL
3. **Shri Subir Chandra** — Director (T/P&P), CCL
4. **Shri R. S. Mahapatro** — Director (Pers.), CCL

**STATUTORY AUDITORS**

M/s V. Singhi & Associates,  
Kolkata – 700001, West Bengal

**SECRETARIAL AUDITORS**

M/s Kant Sanat & Associates  
Company Secretaries, Ranchi

**INVITEE**

**Shri T. K. Sen, GM (Fin.) – A**

**IN ATTENDANCE**

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

The Company Secretary apprised the members that as per Section 101 (3) of the Companies Act, 2013, notice has been served to all the Members, Chairman of the Audit Committee, every Director of the Company including Statutory Auditors and Secretarial Auditors.

**Shri Gopal Singh, Chairman-and-Managing Director**, took the Chair.

Further the Company Secretary apprised that –

- (i) Consent for Shorter Notice from all the members of the Company as per Section 101 (1) of the Companies Act, 2013 and Article 29 (k) of the Articles of Association of the Company, and
- (ii) the presence of quorum as per Section 103 of the Companies Act, 2013 and Article 29 (n) of the Articles of Association of the Company.

The Chairman welcomed Ms. Shweta Loharuka, Asstt. Manager (Fin.), representative of CIL/ Proxy of Shri Sutirtha Bhattacharya, Member and Shri R. Mohan Das, Member, and called the meeting to order.

The Statement of Accounts for the year 2014-15 including Audited Balance Sheet as on 31st March, 2015, Statement of Profit and Loss for the year 2014-15, Cash Flow Statement together with all notes, additional notes on Financial Statements, Significant Accounting Policy for the year 2014-15, Reports of Statutory Auditors dated 21.05.2015 for the year 2014-15 and Revised Auditors Report dated 04.06.2015 for the year 2014-15 as per the directions of the Comptroller and Auditor General of India vide its letter No. CAR/CCL/PDCA–corres/2014-15/A/CS/250 dated 03.06.2015 as well as comments of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act, 2013 thereon. Management’s comments on the Statutory Auditors Reports, Secretarial Audit Report pursuant to Section 204 (1) of the companies Act, 2013, Management Comments on the Secretarial Audit Report approved vide Item No. 4(32) of the 415th Board Meeting held on 21/22.05.2015 and Directors’ Report approved by the Board vide item No. 4(33) of the 415th Board Meeting held on 21/22.05.2015, as circulated, were taken as read.

It was apprised to the members that as communicated by Office of Comptroller and Auditor General of India under the signature of Senior Administrative Officer vide letter No. CA.V/COY/CENTRAL GOVERNMENT, CCFL (5)/15 dated 24.07.2014, the Statutory Auditors/Branch Auditors of Central Coalfields Limited for the Financial Year 2014-15 were appointed with audit fees at a remuneration of ₹ 13,49,550.00 and re-imbusement of out of pocket expenses limited to ₹ 4,31,800.00 as well as service tax as per applicable rates.

## **ORDINARY BUSINESS**

### **1. ADOPTION OF ACCOUNTS**

Thereafter, Ms. Shweta Loharuka, Representative of CIL, a Corporate Member, and Proxy of Shri Sutirtha Bhattacharya, Member and Shri R. Mohan Das, Member proposed that the Audited Balance Sheet as on 31st March, 2015 and Statement of Profit and Loss for the year ended 31st March, 2015, Cash Flow Statement together with all notes, additional notes on Financial Statements, Significant Accounting Policy for the year 2014-15, Reports of Statutory Auditors dated 21.05.2015 and Revised Auditors Report dated 04.06.2015, comments of the Comptroller and Auditor General of India thereon, Management’s comments on the Statutory Auditors Reports, along with Directors’ Report be received and adopted. The motion was seconded by

Shri Gopal Singh, Chairman and after detailed discussion, the Accounts were adopted unanimously.

2. A proposal to confirm payment of Dividend of ₹ 354.74 Cr. (₹ 254.74 Cr. as recommended by the Board at its 415th Meeting held on 21/22.05.2015 and ₹ 100 Cr. as Interim Dividend as approved by the Board at its 412th Meeting held on 21.12.2014), was moved by Ms. Shweta Loharuka, Representative of CIL, a corporate Member, and Proxy of Shri Sutirtha Bhattacharya, Member and Shri R. Mohan Das and was seconded by Shri Gopal Singh, Chairman. The resolution was adopted unanimously.
3. A proposal as per the provisions of Section 152(6) of the Companies Act, 2013 for re-appointment of Shri R.Mohan Das., (DIN 01594255), Director(P&IR), CIL, who retires by rotation, was moved by the Chairman and seconded by Ms. Shweta Loharuka. The resolution was adopted unanimously.
4. A proposal as per the provisions of Section 152(6) of the Companies Act, 2013 for re-appointment of Shri D.K.Ghosh (DIN 06638291), Director(Finance), CCL, who retires by rotation, was moved by the Chairman and seconded by Ms. Shweta Loharuka. 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



## MINUTES OF THE EXTRA-ORDINARY GENERAL MEETING HELD ON 27.03.2015.

### PRESENT :

1. Shri Gopal Singh, CMD — Chairman
2. Shri T.K.De, Sr. Manager(Fin.), CIL — Proxy on behalf of Chairman, CIL .
3. Shri T.K.De, Sr. Manager(Fin.), CIL —Proxy on behalf of Coal India Limited.

### IN ATTENDANCE:

Shri CVN Gangaram, Dy. GM (Fin.) / Co. Secy., CCL

### STATUTORY AUDITORS:

Shri A.K.Jain, Sr. Partner, M/s. V.Singhi & Associates, Kolkata-1

### DIRECTORS:

Shri D.K. Ghosh, Director(Finance),

Shri P.K. Tiwari, Director(Tech./Oprn.).

At the outset, the Chairman welcomed the Members/Proxy on behalf of Coal India Limited and proxy of Chairman, Coal India Limited.

The members were apprised that calling of Extra-General Meeting is in reference to the proposal regarding amendment of Articles of Association of Central Coalfields Limited, which was placed in the 412th meeting of the Board of Directors held on 21.12.2014 vide Item No. 4(14) and the Board approved the same and authorized CMD, CCL to call an Extraordinary General Meeting (EGM) at a date mutually convenient to the shareholders of the company within 31st March'2015 in consultation with Coal India Limited. Accordingly, in consultation with Coal India Limited, Extra General Meeting was called on 27.03.2015.

The members were further apprised that as per the Companies Act, 2013, quorum is present.

Keeping in view of the quorum present in the EGM, the Chairman proceeded to the agenda items.

## **SPECIAL BUSINESS – SPECIAL RESOLUTION**

### **Item No. I – AMENDMENT OF ARTICLES OF ASSOCIATION OF CENTRAL COALFIELDS LTD.**

Members were apprised that since the Companies Act, 1956 has been replaced with Companies Act, 2013, the necessity for transition of the existing Articles of Association with amended Articles of Association as per the provisions of Companies Act, 2013, for the sake of uniformity among the subsidiaries, CIL prepared Articles of Association of subsidiaries of CIL in consultation with Practicing Company Secretary appointed by CIL for transition to Companies Act 2013. After obtaining general consensus to the provisions of Articles of Association, Coal India Limited has circulated vetted Articles of Association certified by M/s Vinod Kothari & Co., Kolkata, practicing Company Secretary.

This proposal was placed in the 412th meeting of the Board of Directors held on 21.12.2014 vide Item No. 4(14) and the Board approved the same and authorized CMD, CCL to call an Extraordinary General Meeting (EGM) at a date mutually convenient to the shareholders of the company within 31st March'2015 in consultation with Coal India Limited.

Members were further apprised that no director and any key managerial personnel and their relatives are concerned or interested, financial or otherwise, in respect of this resolution.

Keeping in view of the above, after detailed deliberation, the members approved the following Special Resolution without modification unanimously:-

“RESOLVED THAT the Articles of Association of CCL be amended in reference to transition of the existing Articles of Association with amended Companies Act, 2013 which has been approved by the Board in its 412th meeting vide Item No.4(14) and necessary action regarding filing shall be taken by Company Secretary”.

## **SPECIAL BUSINESS- ORDINARY RESOLUTION**

### **Item No. II – RATIFICATION OF THE REMUNERATIONS OF STATUTORY COST AUDITORS**

Members were apprised that CCL Board at its 407th meeting held on 27.05.2014 and 408th meeting held on 02.07.2014 had approved the appointment of the Statutory Cost Audit Firms together with their Audit Fee, Out of Pocket Expenses & Service Tax for conducting cost audit of the company for the years 2014-15 & 2015-16 with an annual fees of ₹ 5,90,426.00 comparing to 2013-14 annual fee of ₹ 4,72,320.00 with an annual increase of ₹ 1,18,106/- i.e. 25% increase in the annual cost auditors fees.

Now, as per provisions of the new Companies Act, 2013 notified by Ministry of Corporate Affairs and are applicable to the company w.e.f. 01.04.2014. Section 148(3) of the Companies Act, 2013 provides that “the audit under Section 148 sub-section (2) shall be conducted by a Cost Accountant in practice who shall be appointed by the Board on such remuneration as may be determined by the members in such manner as may be prescribed”.

Further, as per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor for conducting the cost audit as recommended by the Audit Committee/approved by the Board of Directors of CCL is to be ratified by the Shareholders/members for the appointment/remuneration of cost auditors.

Members were further apprised that no director and any key managerial personnel and their relatives are concerned or interested, financial or otherwise, in respect of this resolution.

After detailed deliberations, the Shareholders/members ratified the recommendation of Board in its 407th meeting held on 27.05.2014 and 408th meeting dated 02.07. 2014, without modification unanimously as under:-

“RESOLVED THAT the remuneration of Cost Auditors for conducting cost audit of respective areas of CCL for the year 2014-15 & 2015-16, as approved by the Board in its 407th meeting held on 27.05.2014 and 408th meeting held on 2.7.2014 (Item No. 2(2), be and are hereby ratified with a remuneration of ₹ 5,90,426.00 each for FY 2014-15 and FY 2015-16 with an annual increase of ₹ 1,18,106.00 i.e. annual increase of 25% over Audit Fee of FY 2013-14.”

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

Sd/-  
**(C. V. N. Gangaram)**  
*Company Secretary*

Sd/-  
**(Gopal Singh)**  
*Chairman-cum-Managing Director*

## 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 RESERVE IN CCL COMMAND AREA as on 01.04.2014

(In Billion Tonnes)

Type of Coal	Proved	Indicated	Inferred	Total
Coking	7.940	8.917	1.660	18.517
Non-Coking	13.233	7.801	3.176	24.210
<b>Total</b>	<b>21.173</b>	<b>16.718</b>	<b>4.836</b>	<b>42.727</b>

Out of 298.914 Billion Tonnes of geological resources of coal estimated in India, CCL Command Area has 42.727 BT as on 01.04.2014, which is 14.29% of total Reserve in India.

#### Coal Demand

The working Group for Coal & Lignite for formulation of XIIth Plan has assessed a coal demand of 980.50MT in 2016-17. The Compounded Annualized Growth Rate (CAGR) for XII plan period comes to 7.09%. By the year 2020 energy demand of the country is expected to be 1.215 Billion Tonnes.

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
<b>Total</b>	<b>980.50</b>
Compounded Annualized Growth Rate (CAGR)	7.09

### Coal Despatch

Sector-Wise coal dispatch of CCL during 2014-15 is 55.764 MT :

*(Fig. in MT)*

Sector	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual
Power	33.008	39.023	38.770	39.692
Steel	2.563	3.380	2.755	3.478
Fertilizers	0.947	0.644	0.277	0.234
Others*	11.933	11.004	10.487	12.360
<b>Total</b>	<b>48.451</b>	<b>54.052</b>	<b>52.289</b>	<b>55.764</b>

\* 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 715 Mt in Business As Usual (BAU) and 795 MT in optimistic scenario. The projection of coal production from CIL during the terminal year of XIIth plan of 615 MT in optimistic and 556.4 in BAU scenario, as per XIIth plan documents.

The actual coal production during XIth plan period and production projection during 2014-15 from existing mines, completed projects and on-going projects in CCL is given below :

(Figure in Million Tonnes)

Group	XIth Plan				XIIth Plan		
	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual
Existing Mines	2.27	2.85	2.733	2.977	4.457	5.24	5.17
Completed Project	17.08	19.33	17.521	15.070	11.826	12.61	14.58
On-going & New Projects	23.89	24.91	27.270	29.960	31.750	32.17	35.90
<b>Total</b>	<b>43.24</b>	<b>47.08</b>	<b>47.520</b>	<b>48.000</b>	<b>48.030</b>	<b>50.02</b>	<b>55.65</b>

**Productivity**

The OMS position of CCL is as below :

(Figure in Million Tonnes)

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual
UG	0.36	0.35	0.34	0.32	0.325	0.33	0.35
OC	4.65	5.24	5.45	5.79	6.093	6.26	6.44
Overall	3.27	3.66	3.88	4.19	4.421	4.64	4.78

## B. STRENGTH, WEAKNESSES, OPPORTUNITIES AND THREATS

### Strength

- 1. High production and huge production potential :** CCL produced 55.652 MT of coal in 2014-15, which is over 11 % of Coal India's Production. The coal reserves in CCL command area is of 42.712 billion tonnes. CCL has about 14.29 % 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.
- 2. 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.
- 3. Skilled Manpower available in sufficient number :** CCL has been in the business of Coal Mining for over forty years. Its manpower strength is 45,011 and which is well conversant in their jobs.
- 4. 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 ₹ 500 Crores without going to the Government and it can also form joint ventures / subsidiaries / overseas offices.
- 6. High cash reserves of ₹ 3947.62 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 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



equipments. 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 a eight hour shift.

### Opportunities

1. **There is huge and almost insatiable demand for coal** : The demand –supply gap of coal is 20 MT today which is likely to increase in future.
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 losing 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

Coal India is striving to achieve 1 Billion Tonne of Coal by 2019-20 in which Central Coalfields Limited will contribute about 133 MT. For that purpose recently Major projects of your company

such as Magadh OCP (71 MTY) and Amarpali OCP (27 MTY) has been made operational. Other major projects like Mahendra OCP, Sanghmitra OCP are also 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 (GAG) 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 statements. Actual results will vary from those expressed or implied depending upon economic conditions."

## FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2015

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

**PART – I**

( ₹ in Cr.)

Particulars	3 months ended	3 months ended	3 months ended	Current Year ended	Year ended
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
				Audited	Audited
<b>1. Income from Operations :</b>					
(a) Net Sales/Income from Operations (Net of Excise Duty & Other Levies)	2914.42	2483.28	2444.45	9474.99	8556.01
(b) Other Operating Income	63.36	71.22	70.55	253.33	230.30
<b>Total Income from Operations</b>	<b>2977.78</b>	<b>2554.50</b>	<b>2515.00</b>	<b>9728.32</b>	<b>8786.31</b>
<b>2. Expenses :</b>					
Changes in Inventories of Finished Goods, WIP & Stock in Transit	(378.95)	(119.97)	(300.22)	(112.07)	36.74
Cost of Materials Consumed	255.66	217.35	235.18	837.64	733.93
Employee Benefit Expenses	1023.10	963.25	836.11	3897.19	3540.83
Power & Fuel	79.89	81.43	62.49	278.19	266.58
Social Overhead	35.17	3.17	11.44	48.87	26.94
Repairs	101.72	47.59	102.81	219.90	186.43
Contractual Expenses	287.63	269.48	188.47	947.06	537.63
Other Expenditures	244.64	190.50	185.18	742.46	650.87
Overburden Removal Adjustment	142.93	31.94	156.53	(44.77)	241.66
Depreciation and Amortisation Expenses	78.34	72.76	78.67	309.46	252.23
Impairment	3.09	–	1.87	3.09	1.87
Provisions	(9.37)	(9.05)	34.85	97.81	182.66
Write-off	–	73.17	–	73.17	–
<b>Total Expenses</b>	<b>1863.85</b>	<b>1821.62</b>	<b>1593.38</b>	<b>7298.00</b>	<b>6658.37</b>
3. Profit/(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1–2)	1113.93	732.88	921.62	2430.32	2127.94
4. Other Income	89.49	65.73	101.95	344.21	394.64
5. Profit/(Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3+4)	1203.42	798.61	1023.57	2774.53	2522.58
6. Finance Cost	0.61	0.10	0.43	1.08	7.98
7. Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5–6)	1202.81	798.51	1023.14	2773.45	2514.60
8. Exceptional Items (including Prior Period Adjustment)	20.89	20.78	(43.17)	33.11	(11.27)
9. Profit/(Loss) from Ordinary Activities before Tax (7-8)	1181.92	777.73	1066.31	2740.34	2525.87

**PART - I (Contd..)**

( ₹ in Cr.)

Particulars	3 months	3 months	3 months	Current Year	Year
	ended	ended	ended	ended	ended
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
				Audited	Audited
10. Tax Expense	409.14	267.82	348.87	969.73	854.11
11. Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	772.78	509.91	717.44	1770.61	1671.76
12. Extraordinary Item (net of tax expense)	-	-	-	-	-
13. Net Profit/(Loss) for the Year	772.78	509.91	717.44	1770.61	1671.76
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	3562.95	3562.95	3068.08	3562.95	3068.08
19.(i) Earning Per Share (EPS) before Extraordinary items (not annualised)					
a. Basic	822.11	542.46	763.23	1883.63	1778.47
b. Diluted	822.11	542.46	763.23	1883.63	1778.47
19.(ii) Earning Per Share (EPS) after Extraordinary items (not annualised)					
a. Basic	822.11	542.46	763.23	1883.63	1778.47
b. Diluted	822.11	542.46	763.23	1883.63	1778.47

**PART – II**

( ₹ in Cr.)

Particulars	3 months	3 months	3 months	Current Year	Year
	ended	ended	ended	ended	ended
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
				Audited	Audited
<b>A. PARTICULARS OF SHARE HOLDING</b>					
1. <b>Public Shareholding</b>	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. <b>Promoters and promoter group Shareholding</b>					
a. Pledged/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	3 months	3 months	Current Year	Year
	ended	ended	ended	ended	ended
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
				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%
<b>Particulars</b>	<b>3 Month ended 31.03.2015</b>				
<b>B. INVESTOR COMPLAINTS</b>					
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				

**NOTE**

- The above Financial Results for the year ended 31st March, 2015 were reviewed by the Audit Committee and upon its recommendations were approved by the Board of Directors at its meeting held on 21st May, 2015. The above Financial Results have been audited by the Statutory Auditors as required under Clause – 41 of the Listing Agreement.
- Figures for the previous year/Period have been regrouped/rearranged wherever necessary.
- Effective from 1st April, 2014, the Company has revised the useful life of Fixed Assets based on Schedule II to The Companies Act, 2013 or actual useful life of the Fixed Assets for the assets mentioned in the "Significant Accounting Policy" in Para No. 7 of Note 33, whichever is lower. Consequently, the Retained Earnings as on 01.04.2014 of the Company has been reduced by ₹ 34.59 crs. and Profit for the Year ended 31st March, 2015 has been reduced by ₹ 26.05 crs.

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

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

Sd/-  
**D.K.Ghosh**  
Director (Finance)

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/-

**(Aniruddha Senguta)**

Partner

(Membership No. 051371)

Place : Ranchi  
Dated : 21st May, 2015



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

## NOTE 1 : STATEMENT OF ASSETS &amp; LIABILITIES

( ₹ in Cr.)

Particulars	As at 31.03.2015 (Audited)	As at 31.03.2014 (Audited)
<b>A. EQUITY AND LIABILITIES</b>		
1. Shareholders' Fund		
(a) Share Capital	940.00	940.00
(b) Reserves & Surplus	4872.38	3562.95
(c) Money Received against Share Warrants	–	–
<b>Sub-total Shareholders' Fund</b>	<b>5812.38</b>	<b>4502.95</b>
2. Share Application Money pending Allotment	–	–
3. Minority Interest	–	–
4. Non-Current Liabilities		
(a) Long Term Borrowings	–	–
(b) Deferred Tax Liabilities (Net)	–	–
(c) Other Long Term Liabilities	34.34	32.37
(d) Long Term Provisions	2372.31	2184.42
<b>Sub-total Non-Current Liabilities</b>	<b>2406.65</b>	<b>2216.79</b>
5. Current Liabilities		
(a) Short Term Borrowings	–	–
(b) Trade Payables	108.46	91.32
(c) Other Current Liabilities	2662.20	2631.56
(d) Short Term Provisions	1410.84	1527.79
<b>Sub-total Current Liabilities</b>	<b>4181.50</b>	<b>4250.67</b>
<b>TOTAL – EQUITY AND LIABILITIES</b>	<b>12400.53</b>	<b>10970.41</b>

Particulars	As at 31.03.2015 (Audited)	As at 31.03.2014 (Audited)
<b>B. ASSETS</b>		
1. Non-Current Assets		
(a) Fixed Assets	2337.13	2123.10
(b) Goodwill on consolidation	–	–
(c) Non-Current Investments	–	9.43
(d) Deferred Tax Assets (Net)	620.47	566.31
(e) Long Term Loans & Advances	111.58	70.75
(f) Other Non-Current Assets	810.05	520.05
<b>Sub-total Non Current Assets</b>	<b>3879.23</b>	<b>3289.64</b>
2. Current Assets		
(a) Current Investments	403.79	605.10
(b) Inventories	1351.14	1219.33
(c) Trade Receivables	1465.57	1875.72
(d) Cash & Cash equivalents	3947.62	2816.37
(e) Short Term Loans & Advances	827.17	729.48
(f) Other Current Assets	526.01	434.77
<b>Sub-total Current Assets</b>	<b>8521.30</b>	<b>7680.77</b>
<b>TOTAL ASSETS</b>	<b>12400.53</b>	<b>10970.41</b>

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

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

Sd/-  
**D.K.Ghosh**  
Director (Finance)

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/-

**(Aniruddha Sengupta)**

Partner

(Membership No. 051371)

Place : Ranchi  
Dated : 21st May, 2015

## BALANCE SHEET AS AT 31ST MARCH, 2015

	Notes	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	940.00	940.00
(b) Reserves & Surplus	2	4,872.38	3,562.95
(c) Money Received against Share Warrants		—	—
		5,812.38	4,502.95
<b>(2) Share Application Money pending Allotment</b>		—	—
<b>(3) Non-Current Liabilities</b>			
(a) Long Term Borrowings	3	—	—
(b) Deferred Tax Liability (Net)		—	—
(c) Other Long Term Liabilities	4	34.34	32.37
(d) Long Term Provisions	5	2,372.31	2,184.42
		2,406.65	2,216.79
<b>(4) Minority Interest</b>		—	—
<b>(5) Current Liabilities</b>			
(a) Short Term Borrowings	6	—	—
(b) Trade Payables	7	108.46	91.32
(c) Other Current Liabilities	8	2,662.20	2,631.56
(d) Short Term Provisions	9	1,410.84	1,527.79
		4,181.50	4,250.67
<b>TOTAL</b>		<b>12,400.53</b>	<b>10,970.41</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets – Gross Block	10A	5,083.14	4,859.58
Less : Depreciation, Impairment & Provisions		3,401.57	3,205.11
Net Carrying Value		1,681.57	1,654.47
(ii) Intangible Assets – Gross Block	10A	376.43	323.56
Less : Depreciation, Impairment & Provisions		304.25	297.82
Net Carrying Value		72.18	25.74
(iii) Capital Work-in-Progress	10B	287.39	187.49
(iv) Intangible Assets under Development	10C	295.99	255.40

**BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd..)**

	Notes	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
(b) Non-Current Investments	11	—	9.43
(c) Deferred Tax Assets (Net)		620.47	566.31
(d) Long Term Loans & Advances	12	111.58	70.75
(e) Other Non-Current Assets	13	810.05	520.05
<b>(2) Current Assets</b>			
(a) Current Investments	14	403.79	605.10
(b) Inventories	15	1,351.14	1,219.33
(c) Trade Receivables	16	1,465.57	1,875.72
(d) Cash & Cash Equivalents	17	3,947.62	2,816.37
(e) Short Term Loans & Advances	18	827.17	729.48
(f) Other Current Assets	19	526.01	434.77
		<u>8,521.30</u>	<u>7,680.77</u>
<b>TOTAL</b>		<u><b>12,400.53</b></u>	<u><b>10,970.41</b></u>

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/-  
**D. K. Ghosh**  
Director (Finance)

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/-

**(Aniruddha Sengupta)**

Partner

(Membership No. 051371)

Place : Ranchi  
Dated : 21st May, 2015

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Notes	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
<b>INCOME :</b>			
<b>Revenue from Operations</b>	20		
A. Sale of Coal, Coke etc.		11,781.43	10,493.37
Less : Excise Duty		640.55	579.22
Other Levies		1,665.89	1,358.14
		<u>2,306.44</u>	<u>1,937.36</u>
Net Sales		9,474.99	8,556.01
B. Other Operating Revenue		253.33	230.30
<b>(I) Revenue from Operations (A+B)</b>		9,728.32	8,786.31
<b>(II) Other Income</b>	21	344.21	394.64
<b>(III) TOTAL REVENUE</b>		<b>10,072.53</b>	<b>9,180.95</b>
<b>IV EXPENSES :</b>			
Cost of Materials Consumed	22	837.64	733.93
Purchases of Stock in Trade		—	—
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	23	(112.07)	36.74
Employee Benefit Expenses	24	3,897.19	3,540.83
Power & Fuel		278.19	266.58
Corporate Social Responsibility Expenses	25	48.87	26.94
Repairs	26	219.90	186.43
Contractual Expenses	27	947.06	537.63
Finance Costs	28	1.08	7.98
Depreciation/Amortization/Impairment		312.55	254.10
Provisions	29	97.81	182.66
Write Off	30	73.17	—
Other Expenses	31	742.46	650.87
Overburden Removal Adjustment		<u>(44.77)</u>	<u>241.66</u>
<b>TOTAL EXPENSES</b>		<b>7,299.08</b>	<b>6,666.35</b>
<b>V Profit/(Loss) before Prior Period Adjustment, Exceptional and Extraordinary Items and Tax</b>		<b>2,773.45</b>	<b>2,514.60</b>
<b>VI Prior Period Adjustment (Charges/Incomes)</b>	32	33.11	(11.27)
<b>VII Exceptional Items</b>		—	—
<b>VIII Profit/(Loss) before Extra Ordinary Items and Tax</b>		<b>2,740.34</b>	<b>2,525.87</b>

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Continued)

	Notes	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
IX	Extraordinary Items (Charges/Incomes)	—	—
X	PROFIT/(LOSS) BEFORE TAX	2,740.34	2,525.87
XI	Less/(Add) : Tax Expenses		
	Current Year	1,023.89	841.05
	Deferred Tax	(54.16)	13.06
	Earlier Years	—	—
XII	Profit/(Loss) for the Year from Continuing Operations	1,770.61	1,671.76
XIII	Profit/(Loss) for the Year from Discontinuing Operations	—	—
XIV	Tax Expenses of Discontinuing Operations	—	—
XV	Profit/(Loss) for the Year from Discontinuing Operations (After Tax)	—	—
XVI	Profit/(Loss) for the Year	1,770.61	1,671.76
XVII	Earning Per Share (in ₹) (Face Value of ₹ 1000/- per Share)		
	(1) Basic	1,883.63	1,778.47
	(2) Diluted	1,883.63	1,778.47
	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/-  
D. K. Ghosh  
Director (Finance)

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/-  
**(Aniruddha Sengupta)**  
Partner  
(Membership No. 051371)

Place : Ranchi  
Dated : 21st May, 2015

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note - 1 SHARE CAPITAL

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>a. AUTHORISED :</b>		
110,00,000 Equity Shares of ₹ 1000/- each	1100.00	1100.00
	<b>1100.00</b>	<b>1100.00</b>
<b>b. ISSUED, SUBSCRIBED AND PAID UP</b>		
9400000 Equity Shares of ₹ 1000/- each	940.00	940.00
	<b>940.00</b>	<b>940.00</b>

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.**

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares Held (Face value of ₹ 1000/- each)	% of Total Shares	No. of Shares Held (Face value of ₹ 1000/- each)	% of Total Shares
Coal India Limited (Holding Company)	9399997	100	9399997	100



## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 2

## RESERVES AND SURPLUS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>RESERVES :</b>		
<b>Capital Reserve</b>		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	<u>—</u>	<u>—</u>
<b>Capital Redemption Reserve</b>		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	<u>—</u>	<u>—</u>
<b>Reserve for Foreign Exchange Transactions</b>		
As per last Financial Statement	—	—
Add : Transfer from Surplus	—	—
Less : Adjustment During the Year	—	—
	<u>—</u>	<u>—</u>
<b>CSR Reserve</b>		
As per last Financial Statement	34.38	34.06
Add : Transfer from Surplus	—	27.26
Less : Transfer to General Reserve	34.38	26.94
	<u>—</u>	<u>34.38</u>
<b>Sustainable Development Reserve</b>		
As per last Financial Statement	4.00	1.72
Add : Transfer from Surplus	—	2.28
Less : Transfer to General Reserve	4.00	—
	<u>—</u>	<u>4.00</u>
<b>General Reserve</b>		
As per last Financial Statement	1,550.79	1,271.26
Add : Transfer from Surplus	274.03	252.59
Add : Transfer from CSR Reserve	34.38	26.94
Add : Transfer from Sustainable Development Reserve	4.00	—
	<u>1,863.20</u>	<u>1,550.79</u>
<b>Surplus</b>		
As per last Financial Statement	1,973.78	1,761.04
Depreciation on assets having remaining useful life nil as on 01.04.2014	34.59	—
	<u>1,939.19</u>	<u>—</u>
Profit/(Loss) after Tax for the Year	1,770.61	1,671.76
Profit/(Loss) available for Appropriation	<b>3,709.80</b>	<b>3,432.80</b>
Less : <b>APPROPRIATION</b>		
Reserve for Foreign Exchange Transaction	—	—
Transfer to General Reserve	274.03	252.59
Transfer to CSR Reserve	—	27.26
Transfer to Sustainable Development Reserve	—	2.28
Interim Dividend	100.00	573.00
Proposed Dividend on Equity Shares	254.74	430.05
Corporate Dividend Tax :		
On Interim Dividend	19.99	97.38
On Proposed Dividend	51.86	73.09
On Dividend of Previous Year	—	3.37
	<u>71.85</u>	<u>3.37</u>
	<b>3,009.18</b>	<b>1,973.78</b>
<b>Total</b>	<b>4,872.38</b>	<b>3,562.95</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 3

#### LONG TERM BORROWINGS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>A. Term Loan</b>		
IBRD	—	—
JBIC (JEXIM)	—	—
Export Development Corp., Canada	—	—
Liebherr France S.A., France	—	—
<b>B. Loan From Coal India Limited</b>	—	—
<b>Total (A+B)</b>	—	—
 <b>CLASSIFICATION 1</b>		
Secured	—	—
Unsecured	—	—
 <b>CLASSIFICATION 2</b>		

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 4

## OTHER LONG TERM LIABILITIES

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Trade Payables*	—	—
Security Deposits	26.76	28.13
Others	7.58	4.24
<b>Total</b>	<b>34.34</b>	<b>32.37</b>
<b>CLASSIFICATION</b>		
Secured	—	—
Unsecured	34.34	32.37

**Note :** (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 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>For Employee Benefits</b>		
– Gratuity	—	—
– Leave Encashment	349.02	275.43
– Other Employee Benefits*	255.24	239.62
For Foreign Exchange Transactions (Marked to Market)	—	—
OBR Adjustment Account :		
Accumulated Reserve for future OBR	1,567.44	1,521.82
Less : Advance Stripping	348.84	258.45
	1,218.60	1,263.37
Mine Closure	549.45	406.00
For Others	—	—
<b>TOTAL</b>	<b>2,372.31</b>	<b>2,184.42</b>

\* Includes provision of ₹ 66.89 crs. for Post Retirement Medical Benefit of existing employees. Actual liabilities i.e. 4% of Basic + DA (₹ 66.89 crs.) or actuarial valuation (₹ 61.41 crs.) whichever is higher, is considered as per the policy of the Company. However a separate fund/trust is still to be created.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 6

#### SHORT TERM BORROWINGS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Loan from Bank	—	—
Loans Repayable on Demand	—	—
Other Loans and Advances :		
Deferred Credits	—	—
<b>TOTAL</b>	—	—
<b>CLASSIFICATION 1</b>		
Secured	—	—
Unsecured	—	—

#### CLASSIFICATION 2

##### Loan Guaranteed by Directors and Others :

Particulars of Loan	Amount in ₹ Cr.	Nature of Guarantee
NIL	NIL	NA
NIL	NIL	NA

##### Note :

- (1) Amount outstanding in foreign currency is NIL.
- (2) Year 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 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
For Revenue Stores & Supplies	108.46	91.32
<b>TOTAL</b>	108.46	91.32

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 8

## OTHER CURRENT LIABILITIES

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>Current Maturities of Long Term Borrowings</b>		
Term Loan From IBRD	—	—
Term Loan From JBIC	—	—
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	118.32	102.30
<b>For Expenses :</b>		
Salary Wages & Allowances	291.37	288.82
Power & Fuel	24.26	42.59
Others	340.72	335.71
	<b>656.35</b>	<b>667.12</b>
<b>Statutory Dues :</b>		
Sales Tax	—	—
Sales Tax/VAT	35.35	26.41
Provident Fund & Pension Fund	62.21	58.65
Central Excise Duty	0.54	1.51
Royalty & Cess on Coal	184.93	148.55
Stowing Excise Duty	13.67	17.03
Clean Energy Cess	169.48	50.08
Other Statutory Levies	24.99	24.22
	<b>491.17</b>	<b>326.45</b>
Income Tax Deducted at Source	73.50	60.57
Security Deposit	87.15	71.76
Earnest Money	101.68	74.59

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 8 (Contd...)

#### OTHER CURRENT LIABILITIES

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Advance & Deposit from Customers/Others	993.58	1,197.27
Interest Accrued and Due on Borrowings	—	—
Interest Accrued but not Due on Borrowings	—	—
Cess Equilisation Account	—	—
Current Account with IICM	—	—
Current Account with Holding Company	17.31	7.84
Unpaid Dividend	—	—
Ex-Owner Account	—	—
Advance Deposit other Pre-Nationalisation	—	—
Liability for CISPA	1.25	1.20
Other Liabilities	121.89	122.46
<b>Total</b>	<b>2,662.20</b>	<b>2,631.56</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 9

## SHORT TERM PROVISIONS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>For Employee Benefits</b>		
– Gratuity	135.79	198.60
– Leave Encashment	39.65	35.48
– PPLB	172.96	142.01
– PRP	493.18	422.00
– Other Employee Benefits	172.07	143.21
For Proposed Dividend	254.74	430.05
For Corporate Dividend Tax	51.86	73.09
Provision for Income Tax	—	—
Less : Advance Income Tax/Tax Deducted at source	—	—
For Excise Duty on Closing Stock of Coal	90.59	83.35
For Others	—	—
<b>Total</b>	<b>1,410.84</b>	<b>1,527.79</b>

- ₹ 430.05 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 11.06.2014.  
Interim dividend of ₹ 100.00 Crs. has been declared by the Board of Directors and the same was paid during the year 2014-15.
- Provision for Ex-Gratia for non-executives has been made based on ₹ 40,000/- per employee and PRP for executives has been made based on advise received from CIL.
- 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 31.03.2015 are ₹ 52.45 Crs. (P. Y. ₹ 43.61 Crs.) and ₹ 119.62 Crs. (P. Y. ₹ 99.60 Crs.) respectively have been mae in the Financial Statements. However, a separate Fund/Trust for the above purpose is still to be created.



## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note - 10A

(₹ in Cr.)

## FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		IMPAIRMENT LOSS		Total Depreciation and Impairment Loss	NET CARRYING VALUE	
	As at 1.4.2014	Adj./Sales/ Transfer During the Year*	As at 1.4.2014	Adj./Sales/ Transfer During the Year*	As at 1.4.2014	Adj./Sales/ Transfer During the Year		As at 31.03.2015	As at 31.03.2014
<b>TANGIBLE ASSETS :</b>									
LAND :									
(a) Freehold	16.74	0.13	—	—	—	—	—	16.87	16.74
(b) Others	578.18	52.24	—	17.78	—	—	—	258.13	223.67
Building/Water Supply/ Road & Culverts	421.21	16.45	—	8.64	2.88	—	—	167.09	162.16
Plant, Machinery & Equipment	3,214.65	276.93	(156.58)	267.44	(126.55)	—	—	1,091.32	1,111.88
Telecommunication	16.73	0.25	(0.08)	0.23	0.61	—	—	1.66	2.33
Railway Sidings	88.08	—	—	2.91	(0.06)	—	—	14.86	17.71
Furniture & Fittings/Office Tools & Equipments/Electrical Fittings/Fire Arms	65.30	5.64	(0.01)	4.92	1.46	—	—	18.79	19.54
Vehicle	30.74	2.51	(0.46)	0.59	(0.41)	—	—	6.43	4.56
Aircraft	—	—	—	—	—	—	—	—	—
Development	361.13	21.63	—	7.06	6.73	3.34	1.37	34.69	29.06
Assets taken on Nationalisation	—	—	—	—	—	—	—	—	—
Surveyed off Assets	66.82	7.77	(2.86)	—	—	—	—	71.73	66.82
<b>TOTAL</b>	<b>4,859.58</b>	<b>383.55</b>	<b>(159.99)</b>	<b>309.57</b>	<b>(115.32)</b>	<b>3.34</b>	<b>1.37</b>	<b>1,681.57</b>	<b>1,654.47</b>
Tangible Assets (As at 31.03.2014)	4,540.82	480.15	(161.39)	241.46	(154.27)	3.06	0.02	1,654.47	—
<b>INTANGIBLE ASSETS</b>									
Software	—	—	—	—	—	—	—	—	—
Development	277.55	52.87	—	5.88	0.34	0.33	—	72.13	25.48
Prospecting & Boring	46.01	—	—	—	0.21	—	—	0.05	0.26
<b>TOTAL</b>	<b>323.56</b>	<b>52.87</b>	<b>—</b>	<b>5.88</b>	<b>0.55</b>	<b>0.33</b>	<b>—</b>	<b>72.18</b>	<b>25.74</b>
Intangible Assets (As at 31.03.2014)	323.56	—	—	7.08	0.56	0.33	—	25.74	—

## Note :

- Land — others also includes Land acquired under Coal Bearing Act, 1957 and Land Acquisition Act, 1894.
- In reference to the meeting of Director (Finance), Coal India Limited had with PDCA, MAB – II, Office of the C&AG, Kolkata on 19.05.2015, the management has decided to present the value of Surveyed Off Assets in Note – 10A instead of Note – 10B.

# Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note - 10B

### CAPITAL WORK-IN-PROGRESS

(₹ in Cr.)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS		Total Provision and Impairment Loss	NET CARRYING VALUE	
	As at 1.4.2014	Addition During the Year	As at 1.4.2014	Addition During the Year	As at 1.4.2014	Addition During the Year		As at 31.03.2015	As at 31.03.2014
<b>TANGIBLE ASSETS :</b>									
Building/Water Supply/Road & Culverts	49.71	25.99	(13.17)	62.53	10.69	—	—	51.84	39.18
Plant, Machinery & Equipment	78.04	109.94	(55.96)	132.02	12.29	—	—	119.73	66.13
Railway Sidings	96.82	39.98	(0.06)	136.74	45.74	—	—	91.00	54.94
Development	56.79	6.36	(2.66)	60.49	32.53	1.82	(0.94)	24.82	27.24
Others	—	—	—	—	—	—	—	—	—
<b>TOTAL</b>	<b>281.36</b>	<b>182.27</b>	<b>(71.85)</b>	<b>391.78</b>	<b>101.25</b>	<b>1.82</b>	<b>(0.94)</b>	<b>287.39</b>	<b>187.49</b>
Tangible Assets (As at 31.03.2014)	226.37	101.77	(46.78)	281.36	91.61	0.67	(0.26)	187.49	—

**Note :** Inventory of construction materials amounting to ₹ 15.89 Crs., revenue in nature earlier booked under the head Plant, Machinery and Equipment has been transferred to revenue stores under Note – 15.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note - 10C

## INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Cr.)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS		Total Provision and Impairment Loss	NET CARRYING VALUE	
	As at 1.4.2014	Addition During the Year	As at 1.4.2014	Addition During the Year	As at 1.4.2014	Addition During the Year		As at 31.03.2015	As at 31.03.2014
INTANGIBLE ASSETS :									
Software	—	4.74	—	—	—	—	—	4.74	—
Development	134.43	36.91	1.25	—	—	—	1.25	117.69	133.18
Prospecting & Boring	124.43	51.61	2.21	0.27	—	—	2.48	173.56	122.22
<b>TOTAL</b>	<b>258.86</b>	<b>93.26</b>	<b>3.46</b>	<b>0.27</b>	<b>—</b>	<b>—</b>	<b>3.73</b>	<b>295.99</b>	<b>255.40</b>
Intangible Assets (As at 31.03.2014)	128.74	157.64	3.46	—	—	—	3.46	255.40	—

**Note :** Out of ₹ 322.40 Crs. on account of Depreciation, ₹ 0.12 Cr. have been transferred to Intangible Assets under Development as the project is under progress and ₹ 15.52 crore is related to earlier year and has been shown as Prior Period Depreciation under Note – 32.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## 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 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>TRADE</b>				
<b>8.5% Tax Free Special Bonds (Fully Paid up) :</b>				
(on securitisation of Trade Receivables)				
<u>Major State-wise Break-up</u>				
UP	— (80900)	1000.00	—	8.09
Haryana	— (13330)	1000.00	—	1.34
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) (The Ramgarh Karanpura Coalfield Colliery Workers Central Co-operative Stores Ltd.)	100 (100)	25.00	—	—
<b>Total :</b>			<b>—</b>	<b>9.43</b>
Aggregate of Quoted Investments			—	—
Aggregate of Unquoted Investments			—	9.43
Market Value of Quoted Investments			—	—
Provision made for diminution in the value of Investments			—	—

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

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 12

## LONG TERM LOANS &amp; ADVANCES

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>LOANS</b>		
<b>ADVANCES TO SUPPLIERS &amp; CONTRACTORS</b>		
For Capital Goods		
Secured considered good	—	—
Unsecured considered good	109.35	68.43
Doubtful	1.21	1.21
Less : Provision for Doubtful Loans and Advances	1.21	1.21
	<u>109.35</u>	<u>68.43</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 Deposits	—	—
	<u>—</u>	<u>—</u>
Deposit for P&T, Electricity etc.		
Secured considered good	—	—
Unsecured considered good	0.87	0.63
Doubtful	0.14	0.14
Less : Provision for Doubtful Deposits	0.14	0.14
	<u>0.87</u>	<u>0.63</u>
<b>LOAN TO EMPLOYEES</b>		
For House Building		
Secured considered good	1.26	1.59
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans	—	—
	<u>1.26</u>	<u>1.59</u>
For Motor Car & Other Conveyance		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans	—	—
	<u>—</u>	<u>—</u>
Loan To Subsidiaries	—	—
Advance to Others		
Secured considered good	—	—
Unsecured considered good	0.10	0.10
Doubtful	0.15	0.15
Less : Provision for Doubtful Loans and Advances	0.15	0.15
	<u>0.10</u>	<u>0.10</u>
<b>Total</b>	<b><u>111.58</u></b>	<b><u>70.75</u></b>

## Note :

	Closing Balance		Maximum Amount Due at any time during	
	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)
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, 2015

## Note – 13

## OTHER NON – CURRENT ASSETS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>Long Term Trade Receivable</b>		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
	—	—
Less : Provision for Bad and Doubtful Trade Receivables	—	—
	—	—
Exploratory Drilling Work		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Bad and Doubtful	—	—
	—	—
Receivable for Mine Closure Expenses	—	—
Other Receivables		
Secured considered good	—	—
Unsecured considered good	810.05	520.05
Doubtful	—	—
	810.05	520.05
Less : Provision for Bad and Doubtful Receivables	—	—
	810.05	520.05
<b>Total</b>	<b>810.05</b>	<b>520.05</b>

## Note

	Closing Balance		Maximum Amount Due at Any Time During	
	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)
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, 2015

### 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 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>NON – TRADE</b>				
Mutual Fund Investments				
UTI Mutual Fund	—/(2563553.741)	1,000.00	—	261.34
SBI Mutual Fund	3184164.956/(2818273.203)	1,000.00	319.45	282.74
Canara Robeco Mutual Fund	487080.375/(513193.819)	1,000.00	48.98	51.60
Union KBC Mutual Fund	259215.922/(—)	1,000.00	25.94	—
<b>TRADE</b>				
<b>8.5% Tax Free Special Bonds (Fully Paid up) :</b> (on Securitisation of Trade Receivables)				
<b>Major State-wise Break-up</b>				
UP	80900 (80900)	1000.00	8.09	8.09
Haryana	13330 (13330)	1000.00	1.33	1.33
Maharashtra	—	—	—	—
Madhya Pradesh	—	—	—	—
Gujarat	—	—	—	—
Tamilnadu	—	—	—	—
West Bengal	—	—	—	—
Others	—	—	—	—
<b>Total</b>			<b>403.79</b>	<b>605.10</b>
Aggregate Value of Quoted Investment			—	—
Aggregate Value of Unquoted Investment			9.42	9.42
Market Value of Quoted Investment			—	—
Provision made for diminution in the value of Investments			—	—
Net Assets Value of Mutual Fund			394.37	595.68



## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 15

### INVENTORIES

(Valuation as per Significant Accounting Policy No. 6)

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Stock of Coal	1,178.54	1,067.28
Coal Under Development	—	—
	1,178.54	1,067.28
Less : Provision	—	—
<b>A Stock of Coal (Net)</b>	<b>1,178.54</b>	<b>1,067.28</b>
Stock of Stores & Spare Parts (at cost)	206.66	185.77
Stores-in-transit	1.25	0.67
	207.91	186.44
Less : Provision	41.04	39.26
<b>B Net Stock of Stores &amp; Spare Parts (at cost)</b>	<b>166.87</b>	<b>147.18</b>
Workshop Jobs :		
Work-in-progress and Finished Goods	2.70	1.68
Less : Provision	—	—
<b>C Net Stock of Workshop Jobs</b>	<b>2.70</b>	<b>1.68</b>
<b>D Press :</b>		
Work-in-progress and Finished Goods	0.97	1.18
<b>E Stock of Medicine at Central Hospital</b>	<b>0.35</b>	<b>0.30</b>
<b>F Prospecting &amp; Boring/Development Exp./Coal Blocks meant for Sale</b>	<b>1.71</b>	<b>1.71</b>
<b>Total (A to F)</b>	<b>1,351.14</b>	<b>1,219.33</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### 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/MIXED STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening Stock as on 01.04.2014	95.25	875.72	1.21	—	94.04	875.72
(B) Adjustment in Opening Stock	—	—	—	—	—	—
2. Production for the Year	556.52	10,017.95	—	—	556.52	10,017.95
3. Sub-Total (1+2)	651.77	10,893.67	1.21	—	650.56	10,893.67
4. Off-Take for the Year						
(A) Outside Despatch	445.27	8,926.89	—	—	445.27	8,926.89
(B) Coal feed to Washeries	108.10	1,079.64	—	—	108.10	1,079.64
(C) Own Consumption	0.01	0.19	—	—	0.01	0.19
Total (4)	553.38	10,006.72	—	—	553.38	10,006.72
5. Derived Stock	98.39	886.95	1.21	—	97.18	886.95
6. Measured Stock	96.45	870.90	1.17	—	95.28	870.90
7. Difference (5 – 6)	1.94	16.05	0.04	—	1.90	16.05
8. Break-up of Difference						
(A) Excess Within 5%	0.08	0.89	—	—	0.08	0.89
(B) Shortage within 5%	2.02	16.94	0.04	—	1.98	16.94
(C) Excess beyond 5%	—	—	—	—	—	—
(D) Shortage beyond 5%	—	—	—	—	—	—
9. Closing stock adopted in A/c. (6 – 8A + 8B)	98.39	886.95	1.21	—	97.18	886.95

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## ANNEXURE TO NOTE – 15

**TABLE - B**  
**Summary of Closing Stock of Coal/Coke etc.**

	Raw Coal		Washed/Deshaled Coal				Other Products*		Total	
			Coking		Non-Coking					
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
Opening Stock (Audited)	95.25	875.72	0.54	15.79	2.76	34.00	9.69	141.77	108.24	1,067.28
Less : Non-vendable Coal/Mixed Stock	1.21	—	—	—	—	—	—	—	1.21	—
Adjusted Opening Stock (Vendable)	94.04	875.72	0.54	15.79	2.76	34.00	9.69	141.77	107.03	1,067.28
Production	556.52	10,017.95	16.48	884.72	66.89	1,333.45	16.50	727.45	656.39	12,963.57
Offtake										
(A) Outside Despatch	445.27	8,926.89	16.12	858.14	64.00	1,288.20	15.24	708.20	540.63	11,781.43
(B) Coal feed to Washeries	108.10	1,079.64	—	—	—	—	—	—	108.10	1,079.64
(C) Own Consumption	0.01	0.19	—	—	—	—	—	—	0.01	0.19
Closing Stock	97.18	886.95	0.90	42.37	5.65	79.25	10.95	161.02	114.68	1,169.59
Add : Excess	—	—	0.13	6.85	—	—	0.07	2.10	0.20	8.95
Closing Stock (Adopted)	97.18	886.95	1.03	49.22	5.65	79.25	11.02	163.12	114.88	1,178.54

\* 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 236172 MT and Rejects (both Coking and Non-Coking) 1464252 MT. (Refer clause 7.3 of Note – 34)

Closing Stock of Non-Coking Slurry & Coking and Non-Coking Rejects as on 31.03.2015 is 122137 MT and 8541797 MT respectively.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 16

#### TRADE RECEIVABLES

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Debts outstanding for a period exceeding six months from the due date*		
— Secured considered good	—	—
— Unsecured considered good	616.47	1,224.12
— Doubtful	518.02	586.63
	1,134.49	1,810.75
Less : Provision for Bad & Doubtful Trade Receivables	518.02	586.63
	616.47	1,224.12
Other Debts		
— Secured considered good	—	—
— Unsecured considered good	849.10	651.60
— Doubtful	45.13	35.96
	894.23	687.56
Less : Provision for Bad & Doubtful Trade Receivables	45.13	35.96
	849.10	651.60
<b>Total</b>	<b>1,465.57</b>	<b>1,875.72</b>

#### Note

	Closing Balance		Maximum Amount Due at Any Time During	
	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)
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
Opening Balance as on 01.04.2014	622.59
Add : Provision made during the year	75.05
<b>Total</b>	<b>697.64</b>
Less : Provision utilized against quality, stone etc. for the previous years	19.04
Less : Provision withdrawn	115.45
<b>Closing Balance as on 31.03.2015</b>	<b>563.15</b>

\* Debts outstanding for the period exceeding six months has been shown after adjustment of bad debts written off ₹ 73.17 Crs.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 17

## CASH &amp; CASH EQUIVALENTS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Balance with Scheduled Banks		
In Deposit Accounts with maturity upto 3 months	943.00	998.40
In Current Accounts*	61.95	32.97
In Cash Credit Accounts	—	—
In Account with Banks outside India	—	—
Remittance-in transit	0.01	0.01
Cheques, Drafts and Stamps in hand	2.54	1.65
Cash on hand	0.18	0.22
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity upto 3 months	—	—
Escrow Account with Bank	544.36	401.40
<b>Other Bank Balances</b>		
Balances with Scheduled Banks		
In Deposit Accounts with maturity of more than 3 months**	2,395.58	1,381.72
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity more than 3 months	—	—
<b>Total</b>	<b>3,947.62</b>	<b>2,816.37</b>
Maximum amount outstanding with Banks other than Scheduled Banks at any time during the year	—	—

**Note :**

- 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.
- \*Current Account includes Deposit amounting to ₹ 0.02 Crore against deduction of 1% of Basic salary from Staffs as Electricity Duty.
- Balance with Scheduled Bank – In Deposit Accounts includes ₹ NIL as on 31.03.2015 (Previous Year ₹ NIL) with maturity period of more than 12 months.
- Escrow Account against the provision for mine closure expenses have been opened with scheduled banks in accordance with the guidelines issued by the Ministry of Coal. Balance in Escrow Account – mine closure includes interest upto 31.03.2015 ₹ 48.93 Crore.
- \*\*includes the following :
  - ₹ 4.66 Crores deposited as per order of the Hon'ble High Court, Kolkata against a claim from the Customer.
  - Deposit in Current Account amounting to ₹ 45.58 Crores against deduction of 1% of Basic salary from Staffs as Electricity Duty.
- Balance of Cash on Hand is as per Cash Verification Report certified by the management.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 18

### SHORT TERM LOANS & ADVANCES

	<u>As at 31.03.2015 (₹ in Cr.)</u>	<u>As at 31.03.2014 (₹ in Cr.)</u>
<b>LOANS</b>		
<b>ADVANCES</b> (Recoverable in cash or in kind or for value to be received)		
<b>ADVANCE TO SUPPLIERS</b>		
For Revenue		
— Secured considered good	—	—
— Unsecured considered good	94.97	43.04
— Doubtful	0.53	0.53
	95.50	43.57
Less : Provision for Doubtful Advances	0.53	0.53
	<b>94.97</b>	<b>43.04</b>
 <b>ADV PAYMENT OF STATUTORY DUES</b>		
Sales Tax		
— Secured considered good	—	—
— Unsecured considered good	78.59	52.53
— Doubtful	—	—
	78.59	52.53
Less : Provision for Bad and Doubtful Advances	—	—
	<b>78.59</b>	<b>52.53</b>
Advance Income Tax/Tax Deducted at Source	1,418.75	1,228.89
Less : Provision for Income Tax	1,023.89	841.05
	394.86	387.84
<b>Others</b>		
— Secured considered good	—	—
— Unsecured considered good	36.23	53.80
— Doubtful	—	—
	36.23	53.80
Less : Provision for Doubtful Advances	—	—
	36.23	53.80
	<b>509.68</b>	<b>494.17</b>
 <b>Advance to Employees</b>		
— Secured considered good	—	—
— Unsecured considered good	104.77	100.50
— Doubtful	—	—
	104.77	100.50
Less : Provision for Doubtful Advances	—	—
	<b>104.77</b>	<b>100.50</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 18 (Contd...)

## SHORT TERM LOANS &amp; ADVANCES

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
Current Account with Coal India Limited & other Subsidiaries of Coal India Limited	—	0.17
Loan Account with Subsidiaries	—	—
Claims Receivables		
— Secured considered good	—	—
— Unsecured considered good	117.75	91.60
— Doubtful	0.57	0.57
Less : Provision for Doubtful Claims Receivables	0.57	0.57
	<u>117.75</u>	<u>91.60</u>
Prepaid Expenses	—	—
	<u>222.52</u>	<u>192.27</u>
<b>Total</b>	<u>827.17</u>	<u>729.48</u>

	Closing Balance		Maximum Amount Due At Any Time During	
	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)	Current Year (₹ in Cr.)	Previous Year (₹ in Cr.)
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

**Note :**

Advance to employees includes ₹ 87.08 Crs. (Previous Year ₹ 90.64 Crs.) recoverable advance paid to executives against provision for Performance Related Pay appearing in Short Term Provisions (Note No. 9).

Claim Receivable includes Cenvat Credit Receivable amounting to ₹ 92.53 Crs.



## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 19

### OTHER CURRENT ASSETS

	As at 31.03.2015 (₹ in Cr.)	As at 31.03.2014 (₹ in Cr.)
<b>INTEREST ACCRUED</b>		
Investments	0.60	1.00
Deposit with Banks	97.42	52.70
Others	0.56	0.80
	98.58	54.50
Ex Owner's Account	—	—
Other Advances	—	—
Less : Provisions	—	—
	—	—
<b>DEPOSITS</b>		
Deposit for Custom Duty, Port Charges etc.	3.31	0.64
Deposit with Coal India Limited	—	—
	3.31	0.64
Deposit for Royalty, Cess & Sales Tax	247.28	199.80
Less : Provisions	40.25	40.25
	207.03	159.55
Others	3.09	3.08
Less : Provisions	—	0.58
	3.09	2.50
Amount Receivable From Govt. of India for transactions on behalf of Ex-Coal Board	—	—
Less : Provisions	—	—
Other Receivables	215.06	218.64
Less : Provisions	1.06	1.06
	214.00	217.58
<b>Total</b>	<b>526.01</b>	<b>434.77</b>

Other Receivables includes Vat Input Credit Recoverable of ₹ 10.45 Crs.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 20

## REVENUE FROM OPERATIONS

		For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
<b>A. Sales of Coal, Coke etc.</b>	<b>11,781.43</b>		<b>10,493.37</b>
Less : Excise Duty	640.55		579.22
		11,140.88	9,914.15
<b>Less : Other Levies</b>			
Royalty	836.22		794.43
Stowing Excise Duty	44.53		41.69
Central Sales Tax	148.24		139.95
Clean Energy Cess	430.27		208.46
State Sales Tax/VAT	206.63		173.61
Others Levies	—		—
<b>Total Levies</b>	—	1,665.89	1,358.14
<b>Net Sales (A)</b>		<b>9,474.99</b>	<b>8,556.01</b>
<b>B. Facilitation Charges for Coal Import</b>		—	—
Subsidy for Sand Stowing and Protective Works		0.35	1.74
Loading and additional transporting charges*	277.25		249.69
Less : Excise Duty	16.45		14.37
Less : Other Levies**	7.82		6.76
		252.98	228.56
<b>Other Operating Revenue (B)</b>		<b>253.33</b>	<b>230.30</b>
<b>C. Revenue from Operations (A+B)</b>		<b>9,728.32</b>	<b>8,786.31</b>

- Sales includes Incentives from Customers.
- Bonus claims on customers, as a result of Joint sampling, are accounted for in sales in the year of settlement irrespective of year of despatch.
- \*Loading and additional transporting charges included in Sales Invoice.
- \*\*Other Levies consist of Central Sales Tax & JVAT.
- Subsidy for Sand Stowing & Protective Works shown after adjustment of ₹ 0.32 Crore on account of less sanctioned by CCDAC against the estimated Receivable amount for the Financial Year 2013-14.

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 21 OTHER INCOME

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
<b>Income From Non-Current Investments (Trade)</b>		
Dividend from joint Ventures	—	—
Interest from		
Government Securities (8.5% Tax Free Special Bonds)	—	0.60
<b>Income From Current Investments (Non-Trade)</b>		
Dividend from Mutual Fund Investments	29.93	17.33
Dividend from Subsidiaries	—	—
Interest from Government Securities (8.5% Tax Free Special Bonds)	1.40	1.60
<b>Income From Others</b>		
Interest (Gross) (Tax Deducted at Source ₹ 20.88 Crs.) (P.Y. ₹ 30.03 Crs.)		
From Deposit with Banks	251.47	300.47
From Loans and Advances to Employees	0.50	0.45
From Income Tax Refunds	—	—
From Coal India Limited	0.87	—
Others	—	—
Apex charges	—	—
Profit on Sale of Assets	—	—
Gain on Foreign Exchange Transactions	—	—
Exchange Rate Variance	—	—
Lease Rent (Gross) (Tax Deducted at Source ₹ 0.08 Cr.) (P.Y. ₹ 0.09 Cr.)	4.01	4.20
Liability Written Back	10.54	12.85
Guarantee Fees from Subsidiaries	—	—
Other non-operating Income	45.49	57.14
<b>TOTAL</b>	<b>344.21</b>	<b>394.64</b>
Other non-operating Income consists of :		
Penalty/L. D. Recovered	18.39	14.62
Recovery Siding Charges	13.13	13.85
Recovery from Employees	1.85	2.82
Provision for C.E.D. on Closing Stock of Coal, Coke etc.	—	9.76
Others	12.12	16.09
	<b>45.49</b>	<b>57.14</b>

**Note :** Interest from Deposit with Banks includes interest on deposits in Escrow Account – Mine Closure ₹ 35.29 Crs. (Previous Year ₹ 12.45 Crs.)

**Notes Forming Part of the Financial Statements as at 31st March, 2015****Note – 22****COST OF MATERIALS CONSUMED**

	<b>For the Year ended 31.03.2015 (₹ in Cr.)</b>	<b>For the Year ended 31.03.2014 (₹ in Cr.)</b>
Explosives	168.69	117.96
Timber	1.88	1.33
Petrol, Oil & Lubricants etc.	399.50	374.75
HEMM Spares	146.39	129.82
Other Consumable Stores & Spares	121.18	110.07
<b>TOTAL</b>	<b>837.64</b>	<b>733.93</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 23

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

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Opening Stock of Coal	1,067.28	1,103.23
Add : Adjustment of Opening Stock	—	—
Less : Deterioration of Coal	—	—
	<b>1,067.28</b>	<b>1,103.23</b>
Less : Closing Stock of Coal	1,178.54	1,067.28
Less : Deterioration of Coal	—	—
	1,178.54	1,067.28
<b>A. Change in Inventory of Coal</b>	(111.26)	35.95
Opening Stock of Workshop made Finished Goods and WIP	1.68	2.40
Less : Provision	—	—
	<b>1.68</b>	<b>2.40</b>
Less : Closing Stock of Workshop made Finished Goods and WIP	2.70	1.68
Less : Provision	—	—
	<b>2.70</b>	<b>1.68</b>
<b>B. Change in Inventory of Workshop</b>	(1.02)	0.72
Press Opening Job		
(i) Finished Goods	0.72	0.88
(ii) Work-in-Progress	0.46	0.37
	<b>1.18</b>	<b>1.25</b>
Less : Press Closing Job		
(i) Finished Goods	0.45	0.72
(ii) Work-in-Progress	0.52	0.46
	<b>0.97</b>	<b>1.18</b>
<b>C. Change in Inventory of Closing Stock of Press Job made Finished Goods and WIP</b>	0.21	0.07
<b>Total Change in Inventory of Stock in Trade (A+B+C) (Decretion/Accretion)</b>	<b>(112.07)</b>	<b>36.74</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 24

## EMPLOYEE BENEFIT EXPENSES

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Salary, Wages, Allowances, Bonus & Benefits	2,777.98	2,669.31
Ex-Gratia	197.54	149.06
PRP	71.03	76.95
Contribution to P. F. & Other Funds	366.87	340.44
Gratuity	101.53	67.46
Leave Encashment	168.36	23.97
VRS	2.52	6.02
Workmen Compensation	(0.85)	(2.57)
Medical Expenses for Existing Employees	29.61	27.16
Medical Expenses for Retired Employees	9.81	31.63
Grants to Schools & Institutions	21.11	19.10
Sports & Recreation	1.88	1.95
Canteen & Creche	0.31	0.33
Power – Township	93.18	76.14
Hire Charges of Bus, Ambulance etc.	6.07	4.90
Other Employee Benefits	50.24	48.98
<b>TOTAL</b>	<b>3,897.19</b>	<b>3,540.83</b>
Details of Other Employee Benefits		
LTC/LLTC	9.84	11.33
LCS	5.63	3.05
HRA	21.44	22.67
Reimbursement of Gas	12.36	11.10
Others	0.97	0.83
	<b>50.24</b>	<b>48.98</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 25

#### CORPORATE SOCIAL RESPONSIBILITY EXPENSES

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
CSR Expenses	48.87	26.94
<b>TOTAL</b>	<b>48.87</b>	<b>26.94</b>

Gross amount required to be spent by the Company during the year is ₹ 47.86 Crs.

### Note – 26

#### REPAIRS

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Building	107.36	100.99
Plant & Machinery	92.32	73.05
Others	20.22	12.39
<b>TOTAL</b>	<b>219.90</b>	<b>186.43</b>
Details of Others :		
Roads & Culverts	15.52	7.29
Heavy Vehicles	2.26	1.87
Car & Jeeps	0.99	1.18
Others	1.45	2.05
	<b>20.22</b>	<b>12.39</b>



## Notes Forming Part of the Financial Statements as at 31st March, 2015

## Note – 27

## CONTRACTUAL EXPENSES

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Transportation Charges :		
— Sand	0.33	0.47
— Coal & Coke	232.76	226.93
— Stores & Others etc.	0.50	0.50
Wagon Loading	27.20	17.39
Hiring of Plant & Machinery	590.73	208.49
Other Contractual Work	95.54	83.85
<b>TOTAL</b>	<b>947.06</b>	<b>537.63</b>
Details of Other Contractual Work		
Other Contractual Expenses	45.34	40.92
Miscellaneous Mining Jobs	50.16	42.61
Others	0.04	0.32
	<b>95.54</b>	<b>83.85</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 28

#### FINANCE COSTS

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
<b>INTEREST EXPENSES</b>		
Deferred Payments	—	—
Bank Over Draft/Cash Credit	—	—
Interest on IBRD & JBIC Loan	—	0.71
CIL Fund Loan Interest	—	5.51
Interest to Subsidiaries	—	—
Others*	1.08	0.36
<b>TOTAL (A)</b>	<b>1.08</b>	<b>6.58</b>
<b>OTHER BORROWING COSTS</b>		
Guarantee Fees paid to CIL on (IBRD & JBIC) Loan	—	1.39
Other Expenses / Bank Charges	—	0.01
<b>TOTAL (B)</b>	<b>—</b>	<b>1.40</b>
<b>TOTAL (A + B)</b>	<b>1.08</b>	<b>7.98</b>
* Includes following :		
Interest on delay deposit of Central Excise Duty	0.34	
Interest on delay deposit of TDS	0.01	

## Notes Forming Part of the Financial Statements as at 31st March, 2015

**Note – 29**  
**PROVISIONS**

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
<b>(A) PROVISION MADE FOR</b>		
Doubtful Debts	75.05	91.85
Doubtful Advances & Claims	—	0.58
Foreign Exchange Transaction	—	—
Stores & Spares	1.78	—
Reclamation of Land/Mine Closure Expenses	137.01	108.63
Surveyed off Fixed Assets/Capital WIP	—	—
Others	—	—
<b>TOTAL (A)</b>	<b>213.84</b>	<b>201.06</b>
<b>(B) PROVISION WRITTEN BACK</b>		
Doubtful Debts	115.45	1.99
Doubtful Advances & Claims	0.58	—
Foreign Exchange Transaction	—	—
Stores & Spares	—	0.18
Reclamation of Land/Mine Closure Expenses	—	16.23
Surveyed off Fixed Assets/Capital WIP	—	—
Others	—	—
<b>TOTAL (B)</b>	<b>116.03</b>	<b>18.40</b>
<b>TOTAL (A – B)</b>	<b>97.81</b>	<b>182.66</b>

**Note –30**

**WRITE OFF**

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Doubtful Debts	73.17	—
Doubtful Advances	—	—
Others	—	—
<b>TOTAL</b>	<b>73.17</b>	<b>—</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 31

#### OTHER EXPENSES

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Travelling expenses		
— Domestic	25.87	21.67
— Foreign	0.02	0.09
Training Expenses	3.85	3.43
Telephone & Postage	2.43	2.01
Advertisement & Publicity	6.56	6.42
Freight Charges	0.65	0.09
Demurrage	12.72	8.90
Donation/Subscription	—	—
Security Expenses	105.51	92.36
Service Charges of Coal India Limited	27.82	25.07
Hire Charges	41.33	34.62
CMPDI Expenses	21.22	36.53
Legal Expenses	5.74	2.19
Bank Charges	0.35	0.16
Guest House Expenses	0.60	0.44
Consultancy Charges	3.28	5.86
Under Loading Charges	96.57	112.51
Loss on Sale/Discard/Surveyed off Assets	1.90	—
Auditor's Remuneration & Expenses		
— As Auditors	0.15	0.15
— For Taxation Matters	—	—
— For Company Law Matters	—	—
— For Management Services	—	—
— For Other Services	0.11	0.11
— For Reimbursement of Expenses	0.13	0.14

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 31 (Contd...)

#### OTHER EXPENSES

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
Internal Audit Fees & Other Services	2.12	1.64
Rehabilitation Charges	33.21	31.27
Royalty, SED & C. E. Cess	270.51	204.70
Central Excise Duty	7.24	—
Rent	0.81	0.76
Rates & Taxes	1.18	2.16
Insurance	0.72	0.70
Loss on Exchange Rate Variance	—	9.22
Lease Rent	—	—
Rescue/Safety Expenses	3.22	1.99
Dead Rent/Surface Rent	0.03	0.02
Siding Maintenance Charges	7.85	6.73
Land/Crops Compensation	0.01	0.05
Environmental and Tree Plantation Expenses	4.74	2.29
Research & Development Expenses	10.40	—
Miscellaneous Expenses	43.61	36.59
<b>TOTAL</b>	<b>742.46</b>	<b>650.87</b>

## Notes Forming Part of the Financial Statements as at 31st March, 2015

### Note – 32

#### PRIOR PERIOD ADJUSTMENT

	For the Year ended 31.03.2015 (₹ in Cr.)	For the Year ended 31.03.2014 (₹ in Cr.)
<b>(A) EXPENDITURE</b>		
Sale of Coal & Coke	23.67	—
Stock of Coal & Coke	—	—
Other Income	0.26	—
Consumption of Stores & Spares	0.34	0.10
Employees Remuneration & Benefits	0.86	1.78
Power & Fuel	—	60.46
Welfare Expenses	1.28	18.82
Repairs	—	—
Contractual Expenses	2.42	0.70
Other Expenditure	3.65	14.17
Interest and other Financial Charges	—	—
Depreciation	15.52	—
<b>TOTAL (A)</b>	<b>48.00</b>	<b>96.03</b>
<b>(B) INCOME</b>		
Sale of Coal & Coke	—	107.30
Stock of Coal & Coke	—	—
Other Income	—	—
Consumption of Stores & Spares	—	—
Employees Remuneration & Benefits	—	—
Power & Fuel	13.14	—
Welfare Expenses	—	—
Repairs	1.75	—
Contractual Expenses	—	—
Other Expenditure	—	—
Interest and other Financial Charges	—	—
Depreciation	—	—
<b>TOTAL (B)</b>	<b>14.89</b>	<b>107.30</b>
<b>TOTAL (A – B)</b>	<b>33.11</b>	<b>(11.27)</b>

**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, 2013, including Accounting Standards notified therein, except otherwise stated.

**1.1 Use of Estimate**

In preparing the Financial Statements in conformity with Accounting Principles generally accepted in India, management is sometimes required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liability as at the date of Financial Statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

**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 the Statement of Profit and Loss as income and the relevant expenses are debited to the respective heads of expenses. 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 assets 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, cash rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons.

#### **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 Fund are considered as Current Investments.

Non-Current Investments are carried at cost. However, when there is a decline, other than temporary, in the value of the long term investment, the carrying amount is reduced to recognize the decline.

## 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 by products are valued at net realisable value.

### 6.2 Stores & Spare

6.2.1 The closing stock of stores and spare parts has been considered in the Financial Statements 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 (which also includes loose tools ) 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. Similarly stock of stationary at printing press and medicines at central hospital are valued at cost.

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

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

## 7.0 DEPRECIATION/AMORTISATION

7.1 Depreciation on Fixed Assets is provided on straight line method on the basis of useful life specified in Schedule II of Companies Act, 2013 except for assets mentioned below, for which depreciation is provided on the basis of technically estimated useful life which are lower than that envisaged as per schedule II of the Companies Act, 2013 to depict a more true and fair rate of depreciation :

Telecommunication equipment	—	6 Years and 9 Years
Photocopying machine	—	4 Years
Fax Machine	—	3 Years
Mobile Phone	—	3 Years
Digitally enhance cordless telephone	—	3 Years
Printer and Scanner	—	3 Years
Earth Science Museum	—	19 Years
High Volume Respiratory Dust Samplers	—	3 Years
Certain Equipment / HEMM	—	7 Years and 6 Years as applicable
SDL (Equipment)	—	5 Years
LHD (Equipment)	—	6 Years

7.2 The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the assets except those item of assets covered under Para 7.3.

7.3 In case of assets namely Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps the technically estimated useful life has been determined to be one year with a nil residual value.

7.4 Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal, except on those assets with one year useful life and nil residual value as mentioned under Para 7.3, which are fully depreciated in the year

of their addition. These Assets are taken out from the Assets after expiry of two years following the year in which these are fully depreciated.

- 7.5 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.
- 7.6 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.
- 7.7 Cost of Software recognized as Intangible Assets, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

## **8.0 IMPAIRMENT OF ASSET**

Impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized 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 recognised 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 the 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, Post Retirement Medical Benefits 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 capitalised. 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 Financial Statements and are disclosed by way of Note.

### **16.0 OVERBURDEN REMOVAL (OBR) EXPENSES**

In open cast mines with rated capacity of one million tonnes 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 :

<b>Annual Quantum of OBR of the Mine</b>	<b>Permissible limits of variance</b>	
	<b>I</b>	<b>II</b>
	<b>%</b>	<b>Quantum (In Mill. Cu. Mtr.)</b>
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)			
	2014-15 (₹ in Crore)	2013-14 (₹ in Crore)	2014-15 (₹ in Crore)	2013-14 (₹ in Crore)
(a) Claims against the Company not acknowledged as debt	1266.17	1166.43	9.98 As shown under Unsecured considered good (Note – 12)	9.98 As shown under Unsecured considered good (Note – 12)
(b) Service Tax & Entry Tax Liability of matters in Appeal	122.48	113.95	0.00	0.00
(c) Sales Tax including ED Liability that may arise in respect of matters in Appeal	1098.92	779.91	214.69	169.00
(d) Royalty & Cess Liability that may arise in respect of matters in Appeal	537.01	462.82	32.59	30.80
(e) Income Tax liability that may arise in respect of which the Company have preferred an Appeal	570.31	430.85	383.80	383.80

Reconciliation of the Deposit under protest shown under Note – 19 with list of cases against which Deposits has been made under protest is in progress.

Un-expired letter of credit as on 31.03.2015 is ₹ 16.14 Crs. (Previous year ₹ 20.94 Crs.)

### **1.2 Capital Commitment**

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) is ₹ 68.38 Crs. as on 31.03.2015 (Previous Year ₹ 84.77 Crs.).

### **1.3 Other Commitments**

Estimated amount of other commitment (Revenue) remaining to be executed and not provided for is ₹ 1668.34 Crs. (Previous Year ₹ 957.60 Crs.)

## **2. 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 01.04.2014 was ₹ 198.60 Crs. The liability towards Incremental Gratuity for the year 2014-15 is ₹ 100.32 Crs. The Company has contributed ₹ 163.13 Crs. during the year 2014-15. The Closing balance of liability for Gratuity is ₹ 135.79 Crs. Trustees administered contribution made to the Trust and contributions 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, 2015.



TABLE – 1

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

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Present value of obligation at the beginning of the year	1570.83	1634.84
Acquisition Adjustment	0.00	0.00
Interest Cost	117.69	128.90
Past Service Cost	0.00	0.00
Current Service Cost	79.79	74.31
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefit Paid	199.35	236.64
Actuarial gain/loss on Obligations	13.73	(–) 30.59
Present value of Obligation at the end of the year	1582.69	1570.83

TABLE – 2

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

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Fair value of Plan Assets at the beginning of the year	1372.23	1163.29
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Assets	109.78	98.88
Contributions	150.00	326.28
Benefits Paid	199.35	236.64
Actuarial gain/loss on Plan Assets	14.24	20.42
Fair Value of Plan Assets at the end of the year	1446.90	1372.23

TABLE – 3

## Showing Funded Status : Disclosure Item 120(f)

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Present Value of Obligation at the end of the year	1582.69	1570.83
Fair Value of Plan Assets at the end of the year	1446.90	1372.23
Funded Status	(–) 135.79	(–) 198.60
Unrecognized actuarial gain/loss at the end of the year	0.00	0.00
Net Asset / (Liability) recognized in Balance Sheet	(–) 135.79	(–) 198.60

TABLE – 4

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

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Current Service Cost	79.79	74.31
Past Service Cost	0.00	0.00
Interest Cost	117.69	128.90
Expected Return on Plan Assets	109.78	98.88
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/loss recognized in the year	(–) 0.51	(–) 51.01
Expenses recognized in Statement of Profit and Loss	87.19	53.32

TABLE – 7

## Showing Actuarial Assumptions : Disclosure item 120(L)

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Mortality Table	IALM (2006-08) ULT	IALM (2006-08) ULT
Superannuation Age	60	60
Early Retirement & Disablement	10 per thousand P. A.	10 per thousand P. A.
	6 above age 45	6 above age 45
	3 between 29 and 45	3 between 29 and 45
	1 below age 29	1 below age 29
Discount Rate	8.00%	8.50%
Inflation Rate	6.25%	6.25%
Return on Asset	8.00%	8.50%
Remaining working life	13 years	13 years
Formula used	Projected unit credit method	Projected unit credit method

TABLE – 10

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

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Opening Net Liability	198.60	471.55
Expenses as above	87.19	53.32
Contributions	150.00	326.28
Closing Net Liability	135.79	198.59
Closing Fund/Provision at the end of the year	1582.69	1570.83

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

TABLE – 1

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

	As at 31st March, 2015 (₹ in Crore)	As at 31st March, 2014 (₹ in Crore)
Present Value of Obligation at the beginning of the year	310.91	376.18
Acquisition Adjustment	0.00	0.00
Interest Cost	18.14	30.96
Past Service Cost	0.00	0.00
Current Service Cost	40.35	36.55
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefits Paid	168.36	23.97
Actuarial gain/loss on Obligations	187.62	(-) 108.80
Present Value of Obligation at the end of the year	388.67	310.91

## Disclosure item No. 120(e)

Table-2

**Showing Changes in Fair Value of Plan Assets : Not applicable  
as scheme is unfunded.**

## Disclosure item No. 120(f)

Table-3

Showing Funded Status : Not applicable as scheme is unfunded.

TABLE – 4

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

	<u>As at 31st March, 2015 (₹ in Crore)</u>	<u>As at 31st March, 2014 (₹ in Crore)</u>
Current Service Cost	40.35	36.54
Past Service Cost	0.00	0.00
Interest Cost	18.14	30.96
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	187.62	(–) 108.80
Expenses recognized in Statement of Profit and Loss	246.11	(–) 41.30

TABLE – 7

## Showing Actuarial Assumptions : Disclosure item 120 (I)

	<b>As at 31st March, 2015 (₹ in Crore)</b>	<b>As at 31st March, 2014 (₹ in Crore)</b>
Mortality Table	IALM (2006-08) ULT	IALM (2006-08) ULT
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%	8.50%
Inflation Rate	6.25%	6.25%
Return on Asset	N. A.	N. A.
Remaining working life	13 years	13 years
Formula used	Projected unit credit method	Projected unit credit method

TABLE – 10

## Showing Movements in the Liability Recognized in Balance Sheet : Disclosure Item 120 (O)

	As at 31st March, 2015 (₹ in Crore)	As at 31st March, 2014 (₹ in Crore)
Opening Net Liability	0.00	0.00
Expenses as above	246.11	(–) 41.30
Contributions	0.00	0.00
Closing Net Liability	246.11	(–) 41.30
Closing Fund/Provision at the end of the year	388.67	310.91

**3. OTHER CURRENT LIABILITIES**

- 3.1 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 Crs. on account of Cess and Sales Tax thereon. The said amount has been included in statutory dues payable for Royalty and Cess under the head “Other Current Liabilities” (Note – 8) with corresponding Debit in “Claims Receivable – Cess” (Note – 19).
- 3.2 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 31.03.2015 is ₹ NIL( Previous year – ₹ NIL).
- 3.3 Excess liability of ₹ 0.79 Cr. on account of Employee Benefits (AS – 15) was provided in the year 2007-08 is no longer required to be paid and hence the same has been written back.

#### **4. FIXED ASSETS**

- 4.1 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, 16,989 Ha. of Forest land and 11326 Ha. of Govt. land. Compensation has been assessed as ₹ 101.41 Crs. Out of this ₹ 39.55 Crs. has been paid. The balance amount is being paid by holding regular payment camps in different projects.
- 4.2 Gross Block as well as depreciation on surveyed off Plant and Machinery, 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 Note – 10A. 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.
- 4.3 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 ₹ 3.09 Crs. (Previous Year ₹ 1.87 Crs.) on account of impairment has been charged to the Statement of Profit and Loss during the year.
- 4.4 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.
- 4.5 Pending identification of significant components of an asset, if any, which is in progress, the existing practice of providing depreciation on the basis of same useful life for the entire asset is continued.

#### **5. CAPITAL WORK-IN-PROGRESS**

For Plant & 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 ₹ 9.91 Crs.



( previous year ₹ 3.85 Crs.) and net impairment loss on account of development expenditure provided during the year ₹ 0.88 Cr. (Previous year ₹ 1.59 Crs.). Total provision as on 31.03.2015 is ₹ 108.12 Crs. (Previous year ₹ 97.33 Crs.) (Refer Note No. 10B & 10C) and provision for loss of assets made in earlier years has been retained.

## 6. DEFERRED TAX ASSETS

The Deferred Tax Assets as required under AS – 22 comprises of the following :

Deferred Tax Assets / Liabilities	2014-15 (₹ in Cr.)	2013-14 (₹ in Cr.)
<b>A. Deferred Tax Assets :</b>		
1. Provision for Doubtful Advances & Debts	206.34	226.74
2. Expenses Allowable on payment basis	323.51	303.31
3. Other Timing Differences	76.64	54.02
<b>Total of (A)</b>	<b>606.49</b>	<b>584.07</b>
<b>B. Deferred Tax Liability :</b>		
Depreciation / Amortization	(–) 13.98	17.76
<b>Net Tax (A – B)</b>	<b>620.47</b>	<b>566.31</b>

## 7. INVENTORIES

7.1 Pursuant to the Accounting Policy (Refer para – 6.1 of Note – 33) of the Company, Book Stock of coal / coke has been considered in the Financial Statements where the variance between Book Stock and Measured Stock is within  $\pm 5\%$  over Book Stock. As a result, net shortage within  $\pm 5\%$  over Book Stock 2.31 lakh tones valuing ₹ 22.07 Crs. is remained unadjusted in the Books of Account. However, in the following cases where the variance is beyond  $\pm 5\%$ , the Measured Stock is considered in the Financial Statements.

(Value ₹ in Crore)

Type of Coal	Name of the unit	Book Stock		Physical Stock		Difference		% of Difference
		Qty.	Value	Qty.	Value	Qty.	Value	
Clean Coal	Kuju Siding	2062	1.10	14903	7.95	12841	6.85	622.74
WCP	Kuju Siding	3373	1.01	10349	3.11	6976	2.10	206.82

- 7.2 Pursuant to the Accounting Policy (Referred in para – 6.2.4 of Note – 33), provision of ₹ 1.78 Crs. (Previous Year ₹ 0.18 Cr. withdrawn) has been made during the year for unserviceable/ damaged/ obsolete stores and also for Stores & Spare Parts unmoved for 5 years. Total provision of ₹ 41.04 Crs. (Previous Year ₹ 39.26 Crs.) as on 31.03.2015 is considered adequate. Review for obsolete stores has been done upto the period 2012-13.
- 7.3 As per past practice stocks of Non-coking Slurry and Coking and Non-Coking Rejects are not valued.

## 8. GENERAL

- 8.1 **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.
- 8.2 Service Charges amounting to ₹ 27.82 Crs. (Previous Year ₹ 25.07 Crs.) 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.
- 8.3 IICM charges amounting to ₹ 2.78 Crs. ( Previous Year ₹ 2.51 Crs.) levied by the Holding Company @ ₹ 0.50 per tonne of coal produced, have been accounted for.
- 8.4 Research & Development Expenses of ₹ 10.40 Crs. for completed projects has been charged in the Statement of Profit and Loss as per the advice of CIL.
- 8.5 In terms of CIL's letter No. CGM(F)/126/07 dtd. 08.04.2004 a charge of ₹ 33.21 Crs. (Previous year ₹ 31.27 Crs.) levied by the Holding Company @ ₹ 6.00 per tonne of coal released during 2014-15 towards Rehabilitation Fund for dealing with fire, shifting and stabilization of unstable areas have been accounted for.
- 8.6 (i) 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 Crs. The accumulated depreciation as at the end of the year is ₹ 77.69 Crs. Depreciation for the year is ₹ 0.0020 Cr. The future minimum lease payment receivable in the aggregate during the period of lease is ₹ 43.68 Crs. The details of future lease payment receivables are as under :

2014 – 15

( ₹ 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	<u>24.48</u>
<b>Total</b>	<b><u>43.68</u></b>

- (ii) In terms of lease agreement with M/s Punjab State Electricity Board, the Company has granted a right to use 15.50 acres of land. The cost of gross carrying amount at the beginning of the year is ₹ 7.90 Crs. The accumulated depreciation as at the end of the year is ₹ 7.90 Crs. Depreciation for the year is ₹ 0.34 Cr. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 3.57 Crs. The details of future lease payments receivable are as under :

2014 – 15

( ₹ in Cr.)

(i) Upto one year	0.17
(ii) Later than one year and not later than five years	0.68
(iii) Later than five years	<u>2.72</u>
<b>Total</b>	<b><u>3.57</u></b>

- (iii) In terms of lease agreement with M/s EIPL, the Company has granted a right to occupy and use the assets of the Company. The cost of the gross carrying amount at the beginning of the year is ₹ 4968/-. The accumulated depreciation as at the end of the year is ₹ 4968/-. Depreciation for the year is ₹ NIL. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 1.80 lakhs. The details of future lease payment recivable are as under :

2014 – 15

( ₹ in Lakh)

(i) Upto one year	0.12
(ii) Later than one year and not later than five years	0.48
(iii) Later than five years	<u>1.20</u>
<b>Total</b>	<b><u>1.80</u></b>

**8.7 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 Crs. 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 Spare parts not relating to Plant & Equipment (Consumable Stores & Spares), both present and future jointly and severally in favour of the said Banks for a sum of ₹ 83.00 Crs. The extent of charge is 1.5 times the cash-credit limit of ₹ 55.00 Crs. The said facilities have not been availed by the Company during the year 2014-15 on account of Fund based working capital.

8.8 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.

8.9 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. However, letters for balance confirmation were issued during the year but confirmations are yet to be received.

8.10 A provision of ₹ 2.10 Crs. 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 31.03.2015.

**8.11 Earning per share (EPS)**

The details of EPS computation is set out below :

	<b>2014-15</b>	<b>2013-14</b>
	<hr/>	<hr/>
Profit available to Equity Share Holders (₹ in Cr.)	1770.61	1671.76
Weighted average no. of Equity Shares	94,00,000	94,00,000
Basic & Diluted earnings per share	₹ 1883.63	₹ 1778.47

- 8.12 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 Crore. 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. The Hon'ble Jharkhand High Court vide Order No. 15 dated 25.11.13 disposed off the writ petition and advised CCL management to take up the matter with Civil Court.
- 8.13 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. The Company's appeal has been dismissed by the Hon'ble High Court on technical grounds. The review petition has been filed before Jharkhand High Court on 25.03.2014 by Rajrappa Area. However, the disputed amount of ₹ 2.55 Crs. has been disclosed as Contingent Liability in the Financial Statements.
- 8.14(i) 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 23.11.2012 passed in the said appeal, the Company had accounted for a liability of ₹ 94.33 crores in 2012-13 upto the period March, 2008. Out of which ₹ 83.03 crores had been paid to M/s. DLF Power Limited withholding 25% deemed energy charges during the said period. Further an ad-hoc payment of ₹ 75 crores and ₹ 25 crores had been made on 20.11.13 and 10.01.14 respectively as per directives of Hon'ble Supreme Court. As directed by Hon'ble Supreme Court revised amount payable from April '08 to March '14 had been calculated based on the methodology adopted by JSERC in determining the revised tariff upto the period March '08. Accordingly an amount of ₹ 23.25 crores had been provided during the financial year 2013-14 in addition to ₹ 94.33 crores, which was already provided in the Financial Statements of 2012-13. For the financial

year 2014-15, Additional liability of ₹ 3.26 crores has also been provided. The details of balance receivable amount from M/s. DLF Power Limited is as under :

(i) Differential Tariff of the period upto March '08 in respect of which liability has been provided in the Financial Statements of 2012-13	– ₹ 94.33 Crs.
(ii) Differential Tariff for the period April '08 to March '14 in respect of which liability has been provided in the year 2013-14	– ₹ 23.25 Crs.
(iii) Old keep back amount in respect of deemed energy charges	– ₹ 31.36 Crs.
(iv) Differential tariff for the year 2014-15	– ₹ 3.26 Crs.
	<hr/>
	₹ 152.20 Crs.
Less : Ad-hoc payment (as per order of the Hon'ble Supreme Court)	₹ 183.03 Crs.
	<hr/>
Net Balance amount (shown in Note-19 under the head Other Receivables)	₹ 30.83 Crs.
	<hr/>

However, M/s. DLF Ltd. has submitted their demand for ₹ 302.63 crores on 17.09.2012 including ₹ 134.20 crores on account of interest on delayed payment which is beyond the purview of PPA and the matter is pending before Hon'ble Supreme Court.

8.14(ii) As per clause 1.18.3 of the Power Purchase Agreement with M/s. DLF Ltd., from the date of expiry of one year from commissioning of the respective power plant, increase/decrease of fuel components of tariff due to variation in fuel cost shall be determined. The initial price of rejects as per clause 1.14 of PPA was ₹ 90 per tonne.

Accordingly calculation had been made as per clause 1.18.3 of PPA and additional revenue receivable on account of revision in price of rejects net off with additional tariff payable on account of revised tariff due to increase in fuel cost had been considered in the Financial Statements for the year 2013-14 and supplementary bill to M/s. DLF Ltd. had also been raised.

Subsequently, during the financial year 2014-15 the price of rejects was again revised based on the recommendations of the CCL standing committee of Sales and Marketing department and the same was communicated to Director (Operation) of M/s DLF Ltd. vide letter reference No. GM (E&M)/DLF/14/3530-36 dated 17.11.2014. As per Letter, G grade slake coal which was the lowest grade under UHV system of pricing applicable prior to 01.01.2012 will be charged for the period July, 2000 to December, 2011 from M/s DLF Ltd. Consequent upon the issue of above letter, Sales bill and power tariff has been revised and net receivable amount upto the financial year 2013-14 has been reduced by ₹ 21.63 crores. Details are as under :

( ₹ in Crore)

Name of the unit	Additional Revenue receivable on account of revision in price of Rejects			Additional Tariff payable on account of revised tariff due to increase in fuel cost	Difference upto March 2014	Revised receivable amount due to revision in price of Rejects upto March, 2014	Revised Tariff payable due to revision in fuel cost upto March, 2014	Difference	Net Receivable amount withdrawn
	Upto Feb., 2014	March, 2014	Total (1)						
				(2)	(3) = (1) – (2)	(4)	(5)	(6) = (4) – (5)	(7) = (3) – (6)
Rajrappa	87.05	1.81	88.86	34.39	54.47	60.07	26.95	33.12	21.35
Giddi (W)	20.99	0.00	20.99	34.92	- 13.93	22.49	29.65	- 7.16	- 6.77
Kedla (W)	21.53	0.13	21.66	0.00	21.66	14.61	0.00	14.61	7.05
<b>Total</b>	<b>129.57</b>	<b>1.94</b>	<b>131.51</b>	<b>69.31</b>	<b>62.20</b>	<b>97.17</b>	<b>56.60</b>	<b>40.57</b>	<b>21.63</b>

**8.15.1 Effect due to change in Accounting Policy in respect of Depreciation :** Till the year ended 31st March, 2014, Schedule – XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of Tangible and Intangible Fixed Assets were enforced. From the current year, Schedule – XIV has been replaced by Schedule – II to the Companies Act, 2013 where depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less residual value. Considering the applicability of Schedule – II, the Management has re-estimated useful lives and residual value of all its Fixed Assets except for the assets mentioned in the “Significant Accounting Policy” in Para No. 7 of Note – 33. The applicability of

Schedule – II has resulted in the changes related to depreciation of Tangible Fixed Assets. Unless stated otherwise, the impact mentioned for the current year is likely to be hold good for future years also.

Due to change in Accounting Policy, retained earnings as on 01.04.2014 has been reduced by ₹ 34.59 crores and profit for the year has been reduced by ₹ 26.05 crores.

**8.15.2 Effect due to change in Accounting Policy in respect of Land :** During the year, the Company has decided to capitalize the cost incurred as compensation in lieu of employment incurred for concerned displaced persons instead of treating as revenue expenditure, refer “The Significant Accounting Policy” Para No. 3.1 of Note – 33. Impact on Financial Statements due to such change in the Accounting Policy for the year is NIL.

Subject to the aforementioned changes, the Accounting Policies have been consistently applied by the Company and consistent with those used in the pervious year.

8.16 Since coal become 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 the 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 Crs. has been paid under protest against coal dispatched and on consumption of raw coal in washeries during the period from March, 2011 to Feb, 2013 and consequently supplementary bills have been raised for the said period to the tune of ₹ 79.95 Crs. Balance realizable amount of ₹ 8.63 Crs. from cash sales customers has been shown under the head “Claim Receivable – Sales”.

8.17 No Accountal has been done for securities in the form of Bank Guarantee, NSC, FDR’s received by the Company from the parties.

8.18 A Committee vide ref. No. GM(O)/Kuju Sdg./Inquiry Committee/14-15/4196(A) dtd. 25.04.2014 has been constituted to look into the various aspects of the discrepancy observed during the CIL Annual Coal Stock Measurement 2013-14 at Kuju Siding and to fix up responsibility as per clause 10(ii)(a) of New Code for Uniform System of Maintenance Control and verification of Coal Stock.

8.19 Theft of goods during the year is ₹ 15.46 lakhs (Previous year ₹ 12.44 lakhs).



- 8.20 As per the letter dated 18.06.2013 issued by JSEB relating to renewal of agreement with CCL for drawl of water from Nalkari Dam, PTPS, Patratu, the cost of water charges has been revised with retrospective effect. During this year dues of ₹ 32.48 crores on account of water charges has been adjusted against amount receivable from JSEB.
- 8.21 Single VAT Registration has been obtained for Central Stores, Barkakana and Barka-Sayal Area. The VAT Input Tax Credit in respect of all materials procured at Central Stores for all the areas, has been passed to Barka-Sayal Area by way of branch.
- 8.22 In Barka-Sayal Area cenvat Credit of ₹ 1.87 crores and JVAT Input Credit of ₹ 2.19 crores on consumption of explosive has been booked on 31st March, 2015 and it will be shown in the respective returns through revision.
- 8.23 In the absence of Notification of rules by the Central / State Government the effects of the provisions of The Mines and Minerals (Development And Regulation) Amendment Act, 2015 has not been considered in the Accounts.
- 8.24 The Company has not accepted any deposits during the year as per the Provisions of Section 73 to Section 76 of the Companies Act, 2013. However, regarding old outstanding Balances in respect of amount received in the course of, or for the purpose of the business of the Company as Earnest Money Deposits, Security Deposits and Advance Deposits from Customer / Others the Company is awaiting for legal opinion for the applicability of Companies (Acceptance of Deposits) Rules, 2014.
- 8.25 **Provision towards Deemed Lowering of Grade**

With the introduction of Gross Calorific Value (GCV) system of grading of coal w.e.f. 1st January, 2012, supply of coal to NTPC was billed at declared grade of coal corresponding to the GCV range of the coal supplied. With effect from October, 2012 NTPC released payment based on GCV determined unilaterally at the receiving end, contrary to the provision of Fuel Supply Agreement which stipulates that the GCV is to be determined at the loading end by joint collection, preparation, testing and analysis of the coal being supplied.

As a result an amount of ₹ 495.33 crores was unilaterally withheld by NTPC for the period October, 2012 to September, 2013 from the bills of the Company in respect of supply of coal, which was against the provision of FSA. The issue was taken up with the Ministry of Power through the Ministry of Coal for resolution which resulted in incorporation

of a provision for third party sample collection, preparation, testing and analysis at the point of loading in the FSA. Such third party sampling/analysis was implemented from October, 2013.

For an appropriate resolution of the issue, the Govt. of India advised for extrapolation of the result of third party sampling / analysis during October, 2013 to December, 2013 relating to the supplies during the past period from October, 2012 to September, 2013. On the basis of this settlement formula an amount of ₹ 42.23 crores is acceptable deduction to the Company. However, the Company has already made an ad-hoc provision of ₹ 62.19 crores in the Financial Statements up to 2013-14 pending final settlement. The above value reduction of ₹ 42.23 crores arising out of deemed lowering of grade is yet to be finally settled with NTPC and final impact, if any, on realization of balance ₹ 453.10 crores.

The above dispute has been settled during the year 2014-15 after considering of Bad Debts Written Off ₹ 73.17 crores shown under Note – 30.

## 9.1 DIRECTORS REMUNERATION (KEY MANAGEMENT PERSONNEL)

(₹ in Cr.)

Particulars	Chairman/Managing Director		Functional Directors	
	2014-15	2013-14	2014-15	2013-14
Salary & Allowances (including Gratuity & Leave Encashment) and arrear arising out of revision of pay	0.24	0.22	0.51	0.60
Provident Fund	0.02	0.02	0.05	0.07
Perquisites	0.00	0.00	0.02	0.01
<b>TOTAL</b>	<b>0.26</b>	<b>0.24</b>	<b>0.58</b>	<b>0.68</b>

**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.

**9.2** Miscellaneous Expenses includes Sitting Fees ₹ NIL (Previous year ₹ 0.10 crore) paid to the Directors for attending the Board Meetings.

**10. (A) Value of imported and indigenous stores, spare parts and components consumed  
(Note – 22)**

(₹ in Cr.)

Particulars	2014-15	Percentage	2013-14	Percentage
Imported	21.18	2.53	9.26	1.26
Indigenous	816.46	97.47	724.67	98.74
<b>TOTAL</b>	<b>837.64</b>	<b>100</b>	<b>733.93</b>	<b>100</b>

**(B) CIF Value of Imports**

(₹ in Cr.)

	<u>2014-15</u>	<u>2013-14</u>
Components & Spare Parts	14.82	2.42
Capital Goods	32.98	0.00
<b>TOTAL</b>	<u><b>47.80</b></u>	<u><b>2.42</b></u>

**(C) Expenditure incurred in Foreign Currency on account of (As per Debit Advice of Holding Company)**

(₹ in Cr.)

	<u>2014-15</u>	<u>2013-14</u>
(i) Interest	NIL	0.71
(ii) Agency Commission	NIL	0.01
<b>Total</b>	<u><b>NIL</b></u>	<u><b>0.72</b></u>

11. 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 the Company.
12. Figures have been expressed in “Crores” and rounded off to the nearest lakhs.
13. 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/-  
**D. K. Ghosh**  
*Director (Finance)*

Sd/-  
**Gopal Singh**  
*Chairman-cum-Managing Director*

Signature to Notes No. 1 to 34 in terms of  
our report of even date.

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

Sd/-  
**(Aniruddha Sengupta)**  
*Partner*  
(Membership No. 051371)

Place : Ranchi  
Dated : 21st May, 2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(₹ in Cr.)

	<b>For the Year ended 31.03.2015 (₹ in Cr.)</b>	<b>For the year ended 31.03.2014 (₹ in Cr.)</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Prior Period, Exceptional and Extra Ordinary items and Tax	2,773.45	2,514.60
Adjustment for :		
Depreciation (Net of Adjustment)	179.09	100.55
Deferred Tax	(54.16)	13.06
O.B.R. Adjustment	(44.77)	241.66
Interest on Investment (Tax Free Bonds)	(1.40)	(2.20)
Dividend from Mutual Funds	(29.93)	(17.33)
Interest on Deposits	(251.47)	(300.47)
Interest on Surplus Fund Parked with Coal India Ltd.	0.87	—
Finance Costs	1.08	7.98
	<u>(200.69)</u>	<u>43.25</u>
Operating Profit before working Capital Changes	2,572.76	2,557.85
Adjustment for :		
(Increase) / Decrease in Inventories	(131.81)	39.30
(Increase) / Decrease in Trade Receivables	410.15	(341.85)
(Increase) / Decrease in Other Current Assets	(91.24)	(27.52)
(Increase) / Decrease in Current Investments	201.31	(495.68)
(Increase) / Decrease in Short Term Loans & Advances	(97.69)	(120.82)
(Decrease) / Increase in Trade Payables	17.14	12.12
(Decrease) / Increase in Other Current Liabilities	30.64	393.03
(Decrease) / Increase in Other Long Term Liabilities	1.97	13.64
(Decrease) / Increase in Short Term Provisions	79.59	35.74
(Decrease) / Increase in Long Term Provisions	232.66	(173.62)
(Increase) / Decrease in Other Non-Current Assets	(290.00)	(480.05)
(Decrease) / Increase in LongTerm Loans & Advances	(40.83)	136.87
	<u>321.89</u>	<u>(1,008.84)</u>
Cash Flow before Extra Ordinary items and Tax	<b>2,894.65</b>	<b>1,549.01</b>
Prior Period Adjustment	<u>(33.11)</u>	<u>11.27</u>
Cash Flow from Operating Activities before Tax	<b>2,861.54</b>	<b>1,560.28</b>
Tax Expenses	<u>969.73</u>	<u>854.11</u>
<b>Net Cash Flow from Operating Activities</b>	<b>1,891.81</b>	<b>706.17</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD...)

(₹ in Cr.)

	<b>For the Year ended 31.03.2015 (₹ in Cr.)</b>	<b>For the year ended 31.03.2014 (₹ in Cr.)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase/Acquisition of Fixed Assets (Net of Adjustment)	(427.71)	(503.87)
Interest on Deposits	251.47	300.47
Redemption of Tax Free Power Bonds	9.43	9.42
Interest on Surplus Fund Parked with Coal India Ltd.	(0.87)	—
Dividend from Mutual Funds	29.93	17.33
Interest on Investments (Tax Free Bonds)	1.40	2.20
	(136.35)	(174.45)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
World Bank Loan through Coal India Ltd. (Exchange Fluctuation)	—	9.22
Repayment of World Bank Loan	—	(96.12)
Short term Loan from Coal India Ltd.	—	—
Interest & Finance Charges	(1.08)	(7.98)
Payment of Interim & Final Dividend including Corporate Dividend Tax	(623.13)	(1,180.91)
	(624.21)	(1,275.79)
<b>Net Increase/Decrease in Cash and Cash Equivalent (A+B+C)</b>	<b>1,131.25</b>	<b>(744.07)</b>
Cash and Cash Equivalents as on 01.04.2014	2,816.37	3,560.44
Cash and Cash Equivalents as on 31.03.2015	3,947.62	2,816.37
	<b>1,131.25</b>	<b>(744.07)</b>

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

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

Sd/-  
**D. K. Ghosh**  
Director (Finance)

Sd/-  
**Gopal Singh**  
Chairman-cum-Managing Director

Place : Ranchi  
Dated : 21st May, 2015

In terms of our report of even date  
For **V. Singhi & Associates**  
Chartered Accountants  
(Firm Reg. No. 311017E)  
Sd/-  
**(Aniruddha Sengupta)**  
Partner  
(Membership No. 051371)

**V. SINGHI & ASSOCIATES**

Chartered Accountants

Phone : +9133 3028 - 7838  
Telefax : +9133 3022 -7836  
E-mail : vsinghiandco@gmail.com  
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

Dear Sir,

We have audited the Quarterly Financial Results of Central Coalfields Limited, Ranchi for the quarter ended 31.03.2015 and the year to date results for the period 1st April, 2014 to 31st March, 2015, 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 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 133 of the Companies Act, 2013 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 also 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 Auditor's 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) Gives a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2015 as well as the year to date results for the period from 1st April, 2014 to 31st March, 2015.

For **V. Singhi & Associates**

Chartered Accountants  
Firm Reg. No. : 311017E

Sd/-

**(Aniruddha Sengupta)**

Partner

Membership No. : 051371

Place: Ranchi

Date : 21st May, 2015



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## ADDENDUM TO DIRECTORS' REPORT

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### AUDITORS' REPORT

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### MANAGEMENT'S REPLY

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To

The Members  
Central Coalfields Limited,  
Darbhanga House,  
Ranchi.

This Audit Report supersedes the earlier Audit Report dated 21st May, 2015 and is being revised as per the directions of the Comptroller & Auditor General of India vide its letter No. CAR/CCL/PDCA-corres/2014-15/A/CS/250 dated 03.06.2015.

#### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of Central Coalfields Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and 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 financial statements for the year ended on that date audited by the Branch Auditors of the Company's area at Kathara, Dhori, Giridih, Bokaro & Kargali, Kuju, North Karanpura, Piparwar, Magadh & Amrapali, Rajhara, Charhi and remaining 6 Areas/Units are audited by us.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in

**AUDITORS' REPORT**

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**MANAGEMENT'S REPLY**

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Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit as well as by the Branch Auditors of the respective areas.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

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**AUDITORS' REPORT**

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**MANAGEMENT'S REPLY**

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We conducted our audit in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act. 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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.

**Opinion**

In our opinion and to the best of our information and according to the

**AUDITORS' REPORT****MANAGEMENT'S REPLY**

explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, its profit and its cash flows for the year ended on that date.

**Emphasis of Matters**

We draw attention to the following matters :

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| <p><b>(i) (a)</b> The right, title and interest in land &amp; 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.</p>  | <p>Lease of coal mines nationalised under Coal Mines( Nationalisation 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.</p>   |
| <p><b>(b)</b> The value in case of surveyed off Fixed Assets amounting to Rs.71.73 crores (Previous year Rs. 66.82 crores) have been shown at Written Down Value (WDV) 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”.</p>   | <p>In respect of Surveyed off Assets especially HEMM and other Plant &amp; Machinery, the same is disclosed @ 5% of the original cost as residual value. In the absence of any active secondary market for this type of products, it is difficult to determine the “ Net Realisable Value”.</p>   |
| <p><b>(ii) (a)</b> 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</p> | <p>Closing stock of coal is measured volumetrically and converted to weight ( tone) by applying the identified conversion factor. To take care of the inherent approximation error of volumetric measurement and subsequent conversion thereof to weight by applying a mathematically determined conversion factor, the variance of (+/-) 5% between book stock and physical stock is ignored as per Accounting Policy of the Company being followed consistently over the years.</p> |

**AUDITORS' REPORT****MANAGEMENT'S REPLY**

value of net shortage of Book Stock of 2.31 Lakh tones valuing Rs. 22.07 crores. Thus the Closing Stock is over stated by Rs. 22.07 crores 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.

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| <b>(b)</b>   | Excess of 12841 M.T. of Clean Coal and 6976 M.T of WCP worth Rs. 6.85 crores and Rs. 2.10 crores respectively in Kujju Area have been considered in the financial statements where variance of excess is 622.74% and 206.82% respectively over Book Stock which is in excess of variance upto +/-5% between book stock and measured stock.                         | Accounting has been done in accordance with the Significant Accounting Policy (para 6.1) of the Company.  |
| <b>(iii)</b> | 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 Deposits and Earnest Money), Sales Remittance, Current Assets, Non Current Assets, Current Liabilities, Non Current Liabilities include old unlinked balances also. | The balances with major Sundry Debtors are reconciled at regular intervals. For confirmation of balances, letters were also issued to all parties during the financial year 2014-15 for which reply is yet to receive.  |
| <b>(iv)</b>  | Due to non-receipt of balance confirmation of Trade Receivables, we are not in a position to comment upon the adequacy of the provisions made for Bad & Doubtful Debts.  | The balances with major sundry debtors are reconciled at regular interval and Joint Reconciliation Statements are also signed by both the parties. Accordingly adequate provision has been made in the accounts for the financial year 2014-15 for bad & doubtful debts in respect of disputed dues. For confirmation of balances, letters were issued during financial year 2014-15 for which reply is yet to receive. |

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| <b>(v)</b>    | The Company has not deposited Rs. 5.09 crores (net of interest on deposits with Escrow Account of Rs. 35.29 crores) in Escrow Account against provision made for Mine Closure during the year. The balance in Escrow Account as on 31st March, 2015 (inclusive of interest of Rs. 48.93 crores) is Rs.544.36 crores against the provision of Rs. 549.45 crores. | Difference between Mines Closure Liabilities as on 31.03.2015 and amount deposited in Escrow account is Rs. 5.09 Crs. which represents Mines Closure Liabilities of Rajhara NW OCP and Pindra UGP amounting to Rs. 2.89 Crs. and Rs. 2.20 Crs. respectively. Mines Closure Plan of Rajhara NW OCP and pindra UGP are yet to be approved by the CCL Board, hence not deposited in Escrow account.  |
| <b>(vi)</b>   | Corporate Social Responsibility (CSR) Committee has not been formed as per the provisions of the Companies Act, 2013. Further, the Company has not disclosed the CSR Expenses financial statements as per the Guidance Note issued on 15th May, 2015.   | As per section 135 of the Companies Act, 2013, CSR Committee should have atleast three Directors – Out of which atleast one Director shall be an Independent Director. Since the position of Independent Director lies vacant, the CSR committee could not be constituted in accordance with the provision of Companies Act, 2013.<br><br>Prior to the issuance of the guidance note dtd. 15.05.2015 for disclosure of CSR expenses in the Financial Statement, audited accounts for the financial year 2014-15 of units were completed. However, noted for compliance in future. |
| <b>(vii)</b>  | As per provisions of Section 149 (1) of the Companies Act, 2013, Independent Director and Woman Director have not been appointed in the Board of the Company.   | This is a statement of fact.  |
| <b>(viii)</b> | The Company has not accepted any deposits during the year as per the Provisions of Section 73 to Section 76 of the Companies Act, 2013. However, regarding old outstanding Balances in respect of amount received in the course of, or for the purpose of the   | This has been disclosed in Para No. 8.24 of Additional Notes on Financial Statement ( Note-34).   |

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business of the Company as Earnest Money Deposits, Security Deposits and Advance Deposits from Parties/ Others, the Company is taking legal opinion for the applicability of Companies (Acceptance of Deposits) Rules, 2014. Hence, we are unable to comment on the applicability of the Companies (Acceptance of Deposits) Rules, 2014.

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| <b>(ix)</b> | 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. 26.20 crores (Previous Year Rs. 26.20 crores). | The amount of Rs.26.20 crores comprises of sales tax refundable after assessment, Sales Tax refundable under appeal on account of TDS, Central Excise duty recoverable on account of royalty and SED due from the financial year 2012-13 and refund of professional tax amounting to Rs. 6.14 Crores, Rs. 2.58 Crores, Rs. 9.47 Crs. and Rs.8.01 Crores respectively. In regard to refund of Professional Tax, Hon'ble Jharkhand High Court vide order no. 15 dated 25.11.13 disposed off the writ- petition and advised CCL management to take up the matter with Civil Court and accordingly action is being taken. However, these amount is due from the Government. Hence, it is not prudent to treat these refundable amount as irrecoverable. |
| <b>(x)</b>  | During the course of our verification, we found that certain areas of the Company has posses more than one Excise, Service Tax, Sales Tax Registration Numbers. In absence of the adequate details, we are unable to comment on the same.       | Steps have already been taken with respective authorities for surrender of the duplicate Registration number.   |
| <b>(xi)</b> | Reconciliation of Quantity produced, liabilities recorded in the books of account with respective returns in relation to Excise Duty, Royalty, Clean Energy Cess have not been prepared   | Reconciliation is in progress and will be completed shortly.  |

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and made available for our verification by the Barka – Sayal Area. Hence, we are unable to comment whether all statutory liabilities have been accounted for or not.

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| <b>(xii)</b>  | Details of Stale Cheques liability of Rs. 11.77 crores as on 31st March, 2015 (Previous Year Rs. 25.65 crores), have not been made available for our verification. In our sample verification, we found that in certain areas Stale Cheques liability a/c head debited during the year but details of the same has also not made available for our verification. Hence, in absence of complete details of stale cheques with cheque number, date, name of the party and purpose of issue, we are unable to comment on the impact of the same on the Financial Statements, if any. | Stale cheques liabilities as on 31.03.2014 of Rs. 25.65 Crore has been reduced to Rs. 11.77 Crore as on 31.03.2015. Preparation of details of balance stale cheques liabilities, mostly old, is in progress and will be completed shortly. Fresh cheques against stale cheques were only issued by the respective units after proper verification of the earlier cheques issued but not presented into the Bank. |
| <b>(xiii)</b> | 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-16.0) of the Company.   |
| <b>(xiv)</b>  | As per information and explanations given to us, in absence of Notification of rules by Central/State Government, the effects of the provisions of The Mine And Minerals (Development and regulations) Amendment Act, 2015 has not been considered in financial statements by the Management. Hence, we are unable to comment on the impact on financial statements, if any, for the same.  | This has been suitably disclosed in Para No. 8.23 of Additional Notes on Financial Statement (Note-34).  |



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| <b>(xv)</b>    | At the time of consolidation of financial statements at the Headquarter certain entries relating to different areas have been passed after completion of audit by the Branch Auditors of respective Areas. The final position of the Statement of Profit and Loss and the Balance Sheet after such entries made at the Headquarter have not been certified by the Branch Auditors of respective Areas.   | Journal entries arising out of Auditors' observations after completion of the audit by the respective Area's auditors as well as C&AG officials observations on audited accounts are considered at the Headquarters at the time of consolidation of Accounts and subsequently communicated to the respective Areas/Units for incorporation in their Books of Accounts. Most of the subsequent entries arising out of observations of the Branch Auditors and C&AG officials have also been authenticated by the respective Branch Auditors. |
| <b>(xvi)</b>   | 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 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 the Accounting Standard (AS) – 28 "Impairment of Assets". | Assets under the category of prospecting & boring and other Development expenditures are dealt with in accordance with the Accounting Policy No. 4.0.<br><br>Other assets which are movable in nature viz. HEMM, vehicles etc. are capable of being used gainfully in other locations. Even assets of immovable nature like buildings etc. can also be put to alternative gainful uses. Hence, there is no impact of impairment.  |
| <b>(xvii)</b>  | A provision of Rs. 40.25 crores has been made upto 31st March, 2015 against the deposits relating to cases under appeal for Royalty/Cess and Sales Tax amounting to Rs. 247.28 crores. 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.  |
| <b>(xviii)</b> | In absence of Expert's legal opinion in respect of pending litigations against the Company as referred in Point No.  | The individual cases have been examined with reference to the conditions existing on the reporting date as well as the additional events  |

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| <p>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 un-provided/undisclosed.</p>  | <p>after the Balance Sheet date. No such liabilities have crystallized under AS – 29 on the Balance Sheet Date.</p>   |
| <p><b>(xix)</b> Provisions made for Retirement Benefits other than gratuity and leave encashment have not been segregated in Long-Term and Short-Term in accordance with Schedule III of the Companies Act, 2013.</p>   | <p>Segregation in Long-Term and Short-Term provision have been made in accordance with the certificate issued by the Actuary.</p>   |
| <p><b>(xx)</b> Loans and Advances, Security Deposits and PRP Advances have not been segregated as Non-current Assets/Liabilities and Current Assets/Liabilities respectively in accordance with Schedule III of the Companies Act, 2013.</p>  | <p>In respect of loans and advances and security deposits, segregation in non-current assets/liabilities and current asset/liabilities have been made in accordance with the revised Schedule-III of the Companies Act, 2013. However, Management has considered PRP advances as current assets.</p>  |
| <p><b>(xxi)</b> In absence of year wise break-up we are unable to comment on the allowability of Input VAT Credit availed/to be availed and its effect, if any, on the Statement of Profit and Loss.</p>  | <p>Year-wise break-up in respect of Input VAT Credit is available in respective units. Input VAT Credit is being availed on receipt of tax invoice as per the JVAT Act to the extent allowable.</p>   |
| <p><b>(xxii)</b> Barkakana Area and Barka-sayal Area have a single VAT Registration number. Materials purchased by Barkakana Area (Central Stores) and distributed as per requirement of other areas of the Company but VAT Input credit has been utilised by Barkasayal Area only. Hence, we are unable to comment on the impact, if any, of the same on the financial statements.</p> | <p>For registration of VAT, turnover is essential. Central Store, Barkakana is a central store of CCL and is not a producing unit. Hence, in order to avail input tax credit, single VAT registration was obtained considering Central Store, Barkakana as a unit/branch of Barka-sayal area. However, Company is in process for obtaining Expert Opinion in this regard.</p> |

**AUDITORS' REPORT****MANAGEMENT'S REPLY**

- (xxiii) Expenses incurred by North Karanpura Area for Power consumption has been equally shared between both North Karanpura and Piparwar Areas instead of actual usage and accordingly, the impact of non-charging of power consumption on actual basis in the calculation of CPT of both the areas have not been ascertained.
- Hence, we are unable to comment on the effect, if any, of the same in the Financial Statements.
- (xxiv) In Bokaro & Kargali Area, there are certain old deposits into Banks including Cash Deposits of Rs. 1,57,918 (No. of entries – 3 and Period of deposits 28.02.2011 to 30.04.2012) but not credited by Bank and its appearance in the Bank reconciliation Statements. Further, Un-reconciled entries are not followed up with the Bank. Hence, we are not able to comment on the impact on Financial Statements, if any, of the same.
- (xxv) Sale of the Reject Coal is more than the Production during the year but Value of the Closing Stock Non Coking Slurry and Coking and Non Coking Rejects have not been considered in the financial statements.
- (xxvi) **Prior Period Adjustments and Prepaid Expenses :**
- Income/Expenditures relating to prior period and prepaid expenses, which do not exceed Rs.0.10 crores in each case, are treated as income /expenditure of the current period which is not in conformity with the Accounting Standard (AS) – 5 "Net Profit/Loss for the period, Prior
- The allocation of energy cost between NK and Piparwar area is based on consumption pattern and the same is also reviewed periodically by the Management.
- The matter has been taken up with the Bank for early settlement.
- Accounting has been done in accordance with the Significant Accounting Policy (para 6.1.2) of the Company and also suitably disclosed in Additional Notes on Financial Statement (Para No. 7.3).
- The limit of consideration of the value of items towards prior period adjustments and prepaid expenses have been based on the concept of "Materiality" which is one of the major considerations for selection and application of Accounting Policy as per Accounting Standard – 1 (AS – 1).

**AUDITORS' REPORT****MANAGEMENT'S REPLY**

Period Items and Changes in Accounting Policies”.

**(xxvii) Changes in the system of Accounting :**

The Company has revised the useful life of the Fixed Assets based on Schedule II of the Companies Act, 2013 for the purpose of the providing depreciation on Fixed Assets. Accordingly, carrying amount of the Fixed Assets as on 1st April, 2014 has been depreciated over the remaining useful life of the Fixed Assets. Consequently, the depreciation for the year ended 31st March, 2015 is higher by 26.05 crores and the Profit before tax is lower to that extent. Further, an amount of Rs. 34.59 crores representing the carrying amount of the Fixed Assets with remaining useful life as nil, has been adjusted with Reserve as on 1st April, 2014 pursuant to the Companies Act, 2013.

Accounting has been done as per Sch – II of the Companies Act, 2013.

**(xxviii)** Without considering the items mentioned in paragraphs 4.(iii) to 4.(xxvii) above, the affect of which could not be determined, and had the observations made by us in paragraphs 4.(ii)(a) and 4.(xxvi) above been considered the profit before tax for the period would have been Rs. 2744.32 crores as against reported figures of Rs. 2740.34 crores in the Statement of Profit and Loss, Surplus would have been Rs. 4910.95 crores as against reported figures of Rs. 4872.38 crores under the head Reserve & Surplus, Closing Stock of Coal under the head Inventories would have been Rs.1156.47 crores as against reported figures of Rs. 1178.54 crores, and the written

No Comments.

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**AUDITORS' REPORT**

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**MANAGEMENT'S REPLY**

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down value of the Fixed Assets – Tangible would have been Rs. 1742.21 crores as against reported figures of Rs. 1681.57 Crores.

**Other Matter**

We did not audit the financial statements of 10 areas included in the standalone financial statements of the Company whose financial statements reflect total assets of Rs. 3,361.37 crores as at 31st March, 2015 and total revenues of Rs. 9,265.56 crores for the year ended on that date, as considered in the standalone financial statements. The financial statements of these areas have been audited by the Branch Auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these areas, is based solely on the reports of such Branch Auditors.

No Comments.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure – 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that :
  - (a) we have sought and obtained all the information and explanations which, to the best of our knowledge

**AUDITORS' REPORT**

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**MANAGEMENT'S REPLY**

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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 it appears from our examination of those books and financial statements adequate for the purposes of our audit have been received from the Areas not visited by us;
- (c) the reports on the accounts of the areas of the Company audited under section 143(8) of the Act by the Branch Auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the financial statements received from areas not visited by us;
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (f) on the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

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**AUDITORS' REPORT**

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**MANAGEMENT'S REPLY**

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(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

- I. the Company has disclosed its pending litigations under 'Additional Note-34' of the financial statements. However, impact of the litigations will be given in the financial statements as and when the same are settled and Order received by the Company from the respective authority.
- II. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by Section 143(5) of the Act, directions and sub-directions issued by the Comptroller and Auditor General of India, we give our comments thereon, action taken and impact on the Financial Statements in Annexure-II as annexed herewith.

For V.Singhi & Associates  
Chartered Accountants  
Firm Registration No.311017E  
Sd/-  
( Aniruddha Sengupta )  
PARTNER

Place: Kolkata

Membership.No.051371

Date: 4th June, 2015

## Appendix-1

### DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.2015

*(₹ in Crore)*

Tax Type	No. of Cases	Name of Court	Period	Disputed Amount
<b>Royalty Cases</b>	46	Certificate Office – Dhanbad, Ranchi, Bokaro, Hazaribagh	1984-85 To 2014-15	84.26
<b>Royalty Cases</b>	2	Dy. Commissioner, Hazaribagh Ramgarh	2008-09 To 2014-15	1.72
<b>Royalty Cases</b>	7	Commissioner, Hazaribagh	1992-93 To 2008-09	5.30
<b>Royalty Cases</b>	32	High Court, Jharkhand	1987-88 To 2012-13	392.15
<b>Royalty Cases</b>	7	Supreme Court, Delhi	1991-92 To 2008-09	53.57
<b>Sales Tax Cases</b>	215	Commercial Tax Officer – Ranchi, Hazaribagh, Tenughat, Ramgarh	1989-90 To 2012-13	375.43
<b>Sales Tax Cases</b>	186	JCCT (A), Hazaribagh	1989-90 To 2014-15	255.46
<b>Sales Tax Cases</b>	21	JCCT (A), Ranchi	1985-86 To 2011-12	5.98
<b>Sales Tax Cases</b>	103	Commissioner, Commercial Tax, Ranchi	1988-89 To 2013-14	260.90
<b>Sales Tax Cases</b>	130	Tribunal, Ranchi	1990-91 To 2013-14	145.20
<b>Service Tax &amp; Excise Cases</b>	12	Commissioner, Ranchi	2004-05 To 2008-09	58.49
<b>Service Tax &amp; Excise Cases</b>	2	CESTAT, Kolkata	2004-05 To 2007-08	38.60
<b>Service Tax &amp; Excise Cases</b>	2	Others		0.39
<b>Electricity Duty Cases</b>	14	DCCT	2005-06 To 2012-13	10.01
<b>Electricity Duty Cases</b>	3	CCT, Ranchi	2008-09 To 2010-11	0.56



**DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.2015****(Contd. ....)***(₹ in Crore)*

<b>Tax Type</b>	<b>No. of Cases</b>	<b>Name of Court</b>	<b>Period</b>	<b>Disputed Amount</b>
<b>Electricity Duty Cases</b>	157	JCCT (A), Hazaribagh	1992-93 To 2013-14	39.31
<b>Electricity Duty Cases</b>	21	Tribunal, Ranchi	1993-94 To 2010-11	2.89
<b>Electricity Duty Cases</b>	8	High Court, Jharkhand	1997-98 To 2004-05	3.18
<b>Entry Tax Cases</b>	1	Supreme Court, Delhi	2006-07	25.00
<b>Income Tax Cases</b>	1	Assessing Officer, Ranchi	2011-12	1.37
<b>Income Tax Cases</b>	9	CIT (Appeal), Ranchi	2004-05 To 2011-12	516.19
<b>Income Tax Cases</b>	16	CIT (Appeal), Jamshedpur	2004-05 To 2010-11	6.70
<b>Income Tax Cases</b>	2	High Court, Jharkhand	1986-87 & 1989-90	0.99
	<b>997</b>	<b>Total</b>		<b>2283.65</b>

## ANNEXURE – I TO THE INDEPENDENT AUDITORS’ REPORT

(Referred in Paragraph – 1 of our Report of even date to the members of Central Coalfields Limited on the Standalone Financial Statements for the year ended 31st March, 2015 on Other Legal and Regulatory Requirements)

On the basis of such checks, as we considered appropriate during the course of our audit, we report that :

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| <b>I (a)</b>  | The Company has generally maintained records to show particulars of Fixed Assets including quantitative details and situation.   | No Comments   |
| <b>(b)</b>    | The Physical verification of Fixed Assets valuing Rs. 1 Lakh and above has been conducted at reasonable intervals except Surveyed Off Assets. As informed to us, no material discrepancies have been noticed on such verification wherever reconciliation has been carried out. In our opinion, physical verification of all fixed assets should be conducted at reasonable intervals.   | 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. |
| <b>II (a)</b> | As per the policy of the Company, physical verification of Coal, Coke etc. has been done by way of volumetric measurement with reference to contour map at each mine, by Coal measurement team of Coal India Limited at the year end and by the team of the Company at reasonable intervals<br><br>Physical verification of major part of Stock & Spare Parts of Regional Stores has been done by the outside agencies, appointed by the management. | No Comments.  |
| <b>(b)</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.  |

<b>(c)</b>	<p>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. However, variance of excess of 622.74% and 206.82% over book stock has been found in Kuju area by Stock Measurement Team and the same has been accounted for in the financial statement.</p> <p>The procedure of physical verification of stores and spare Parts appears to be inadequate in Piparwar, North Karapura and Rajhara Areas.</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>
<b>III</b>	<p>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 189 of the Act.</p>	<p>No Comments</p>
<b>(a)</b>	<p>As per records, the receipts of interest are regular.</p> <p>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 on the rate of interest allowed by the holding company.</p>	<p>No Comments</p>
<b>(b)</b>	<p>Since there is no overdue amount, hence, clause iii (b) of the Order is not applicable.</p>	<p>No Comments</p>
<b>IV</b>	<p>In our opinion and according to the information and explanations given to us, there are adequate internal control</p>	<p>No Comments</p>

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. However, there are certain lapses in few cases, such as long time lag between receipts of materials and recording of liabilities and/or adjustment of advances to 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.

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|-----------|--|-------------|
| <b>V</b>  | The Company has not accepted any deposits during the year as per the provisions of Section 73 to Section 76 of the Companies Act, 2013. However, regarding old outstanding Balances in respect of amount received in the course of, or for the purpose of the business of the Company as Earnest Money Deposits, Security Deposits and Advance Deposits from Parties/Others, the Company is taking legal opinion for the applicability of the Companies (Acceptance of Deposits) Rules, 2014.                            | No Comments |
| <b>VI</b> | 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 sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, Cost Audit for the financial year 2014-15 has not yet been conducted. We have not, however, made a detailed | No Comments |

examination of the records with a view to determine whether the same are accurate or complete.

- VII (a)** As per records of the Company and 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, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, 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, 2015 for a period of more than six months from the date the same became payable, except Stowing Excise Duty of Rs.0.18 crores for the period from January, 2014 to September, 2014, Service Tax of Rs. 16.51 crores for the period from 01.01.2005 to 31.12.2007 and Sales Tax of Rs.0.04 crores in respect of certain areas. As informed to us Employee State Insurance Act is not applicable to the Company. Further in absence of reconciliation, we are unable to comment on old outstanding balances lying credited under the heads CMPF Contribution, CMPF Admin Charges, Pension Fund and CMPF Pension Fund.
- Reconciliation of old un-linked balances under the heads CMPF Contributions, CMPF Administrative charges and CMPF pension Fund etc. are in progress.
- (b)** According to the information and explanations given to us, the Company has not deposited dues as per Appendix – 1 to the report on account of disputes with the appropriate authority.
- 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.

- |             |   |             |
|-------------|---|-------------|
| <b>(c)</b>  | According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.  | No Comments |
| <b>VIII</b> | The Company has no accumulated losses as at 31st March, 2015 and it has not incurred any cash losses in the financial year under our audit or in the immediately preceding financial year.  | No Comments |
| <b>IX</b>   | According to the information and explanations given to us, the Company has not taken any loan from financial institutions or banks or issued any debentures as such clause 3(ix) of the Order is not applicable.  | No Comments |
| <b>X</b>    | 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, 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 Crores in favour of State Bank of India and members of consortium for a loan of Rs. 55.00 Crores. However, the said facility has not been availed by the Company during the year. | No Comments |
| <b>XI</b>   | According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that no term loan has been obtained by the Company.   | No Comments |

- XII** To the best of our knowledge and belief and according to the information and explanations given to us, subject to Clause No. 7.1 and 8.18 of the Additional Notes on Financial Statements (Note-34), we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such case by the management, that causes the financial statements to be materially misstated. No Comments

For V.Singhi & Associates  
Chartered Accountants  
Firm Registration No.311017E

Sd/-  
( Aniruddha Sengupta)  
PARTNER

Place: Kolkata

Membership.No.051371

Date: 4th June, 2015

## ANNEXURE – II TO THE INDEPENDENT AUDITORS' REPORT

Directions under Section 143 (5) of the Companies Act, 2013 on the  
Financial Statements of the Company for the year ended 31st March, 2015

### Annexure – A

1. If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and Land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.

**Not Applicable.**

2. Please report whether there are any cases of waiver/ write off of debts/ loans/ interest etc., if yes, the reasons there for and the amount involved.

**As informed by the management, as per policies, Doubtful Debts are reviewed every year and necessary provisions/write-off are made in the books of account. During the year the Company has written-off doubtful debts of Rs.73.17crores with due approval of the Board of Directors.**

3. Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities.

**As per our test checks and as per the information and explanations given by the management, there is no inventory lying with third parties and there are no assets received as gift from Government or any authority.**

4. A report on age-wise analysis of pending legal/ arbitration cases including the reasons of pendency and existence/



effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.

**As per information and explanations given to us, pending cases are heard by the respective Hon'ble Courts as per their cause list, otherwise on urgency basis.**

**Number of Pending Cases till 31st March, 2015 (Company as a whole) are as under :**

<b>Year</b>	<b>No. of Cases</b>
1991	5
1992	5
1993	2
1994	4
1995	5
1996	1
1997	7
1998	4
1999	2
2000	2
2001	6
2002	13
2003	25
2004	81
2005	113
2006	103
2007	157
2008	167
2009	94
2010	178
2011	219
2012	221
2013	315
2014	360
2015	63
<b>Total No. of Cases</b>	<b>2,152</b>

**As per information and explanations given to us, number of New Cases and Cases settled during the year are as under :**

● **New Cases as per Records –**

<b>Pending before Authority</b>	<b>No. of Cases</b>
High Court and Supreme Court	311
Revenue Matters	48
Lower Court	34

● **As informed to us, 137 cases settled during the year.**

**Payment of legal expenses/fee to the panel advocates are being made in terms of schedule of fee. Sr. Counsel including ASG, SG&A are being engaged depending upon the nature and exigencies of cases and their payment are being made subject to approval of the competent authority as there is no defined schedule of fee for them.**

For V.Singhi & Associates  
Chartered Accountants  
Firm Registration No.311017E  
Sd/-  
( Aniruddha Sengupta)  
PARTNER  
Membership.No.051371

Place: Kolkata  
Date: 4th June, 2015

## ANNEXURE – II TO THE INDEPENDENT AUDITORS' REPORT

### Additional Directions under Section 143 (5) of the Companies Act, 2013

#### Annexure – B

1. Provisioning done in case of unpaid amount on GCV issues may be examined. Latest GCV dues position of concerned subsidiaries of CIL as on 31.03.2015 is required to be examined. It may also be confirmed whether the annual accounts have been prepared/maintained as per the New Companies Act 2013.

**No provisioning done on unpaid amount w.r.t. GCV, since, GCV disputes had been settled with NTPC and unpaid amount of Rs 420.01 Crs. has been released by NTPC. Bad debts written off during the year on account of GCV is Rs 73.17 Crs and provision withdrawn against bad debts on account of GCV settlement amounted to Rs. 60.97 Crs. Hence, no fresh provision in respect of GCV disputes has been made.**

**Yes, Annual Financial Statements have been prepared/ maintained as per New Companies Act, 2013.**

2. Valuation of inventories with compliance to Accounting Standard-2 in entirety.
  - (a) Whether stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?

**As per the information and explanations given to us, stock**

**measurement is done as per guideline of CIL Annual Coal Stock Measurement. Further, any new heap is created after approval of the competent authority.**

- (b) Whether there is age wise analysis of non-vendable stock of coal? Is there any substantial variance (beyond +/-5%) found on measurement of non - vendible stock of coal? If yes, has it been properly recorded with reasons? Whether valuation of such stock was as per the laid down accounting practice by the competent authority.

**The Company (as a whole) has 1,17,552MT of non-vendable stock / Mixed Stock as per Measured Stock whereas as per Book Stock the quantity is 1,21,400 MT. The variance is 3.17%.**

**As informed to us age-wise analysis of non-vendable stock/ Mixed Stock of coal is not done. Valuation of such stock is not made.**

- (c) As per the new policy adopted by CIL as well as the Government of India, HSD is to be procured at the projects/ mines at bulk rate. Whether the contractors who are purchasing diesel at bulk rate are allowed price escalation at bulk rate instead of retail rate.

**HSD procured at the projects/ mines at bulk rate. According to the information and explanations given to us, Contractors who**

**are purchasing HSD at bulk rate, Price escalation has been considered on the basis of bulk rate.**

- (d) Whether provisions in Consolidated Financial Statement (CFS) under the New Companies Act 2013 are made with a view to representing true and fair view of financial conditions and operating result of the business entity.

**Not Applicable.**

- (e) Special emphasis should be given to satisfy that the CFS has been prepared in accordance with the AS 21, 23 and 27.

**Not Applicable.**

3. It may be verified that the capital expenditure incurred on assets not belonging to the company has been properly identified and accounted for as per established accounting principles.

**Not Applicable.**

4. Special emphasis on compliance with respect to observations/ comments raised by Statutory Auditors/ Government Auditors in 2013-14 and also in the Review Report on Half Yearly Accounts for the year 2014-15.

**The Company has complied with in respect to observations/comments raised by Statutory Auditors in 2013-14 and also in the Review Report on Quarterly Accounts for the year 2014-15 except for some of the observations which are continued as have been pointed out in Audit Report.**

5. It may verified that the party confirmation on debtors, creditors, bank balances, account receivable, account payable and loans and advances have been done in full? If not party-wise including percentage of such unconfirmed amount may also be reported. Similarly, whether separate Escrow Fund Account have been opened/ maintained or earmarked in the Bank in CIL and its subsidiaries, for the specific purpose.

**Only bank balance confirmations from respective banks are received. We are unable to comment on account receivables, account payables, loans and advance and percentage of such unconfirmed amount to the amount in the respective head.**

**Escrow Account has been opened by the Company for all areas as a whole. Balance in Escrow Account as on 31st March, 2015 is Rs. 544.36crores inclusive of Interest of Rs. 48.93crores.**

For V.Singhi & Associates  
Chartered Accountants  
Firm Registration No.311017E  
Sd/-  
( Aniruddha Sengupta)  
PARTNER  
Membership.No.051371

Place: Kolkata  
Date: 4th June, 2015