CENTRAL COALFIELDS LIMITED
A Miniratna Company

www.centralcoalfields.in

ANNUAL REPORT & ACCOUNTS 2017-2018

EMPOWERING INDIA...ENABLING LIFE

Annual Report & Accounts 2017-18

CENTRAL COALFIELDS LIMITED

A Miniratna Company

(A Subsidiary of Coal India Limited)

(CIN: U10200JH1956GOI000581)

Regd. Office : Darbhanga House, Ranchi - 834 029

JHARKHAND

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.

CONTENTS

PRESENT MANAGEMENT

As on 07th August, 2018

(i.e. on the date of the Sixty Second Annual General Meeting)

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

FUNCTIONAL DIRECTORS

Shri D.K. Ghosh	:	Director (Finance)
Shri Awadh Kishor Mishra	:	Director (Tech./Oprn.)
Shri R.S. Mahapatro	:	Director (Personnel)
Shri V. K. Srivastava	:	Director (Tech./P&P)

PART TIME DIRECTORS

Shri Ashish Upadhyaya, IAS	:	Jt. Secretary, Ministry of Coal, Govt. of India, New Delhi
Shri R. P. Srivastava	:	Director (P&IR), CIL

NON-OFFICIAL PART TIME DIRECTORS

Shri Bharat Bhushan Goyal	:	Ex-Additional Chief Adviser (Cost), D/o Expenditure
Shri Ashok Gupta	:	Chartered Accountant

PERMANENT INVITEES

Shri Salil Kumar Jha	:	Chief Operation Manager, EC Railway
Shri S. K. Barnwal	:	Secretary (Mines & Geology) Govt. of Jharkhand

COMPANY SECRETARY

Shri Ravi Prakash

MANAGEMENT DURING 2017-18

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

FUNCTIONAL DIRECTORS

Shri D. K. Ghosh	:	Director (Finance)
Shri Subir Chandra	:	Director (Tech./Oprn.) (Superannuated on 31.03.2018)
Shri R.S. Mahapatro	:	Director (Personnel)
Shri Awadh Kishor Mishra	:	Director (Tech./P&P)

PART TIME DIRECTORS

Shri R. P. Gupta, IAS	:	Jt. Secretary, Ministry of Coal, Govt. Of India, New-Delhi. (Resigned on 09.08.2017)
Shri C. K. Dey	:	Director (Finance)Coal India Limited, Kolkata (from 19.09.2017 to 19.02.2018)
Shri Ashish Upadhyaya	:	Jt. Secretary, Ministry of Coal, Govt. Of India, New-Delhi. (w.e.f. 05.02.2018)
Shri R. P. Shrivastava	:	Director (P&IR), Coal India Limited, Kolkata (w.e.f. 19.02.2018)

NON-OFFICIAL PART TIME DIRECTORS

Shri Bharat Bhushan Goyal	:	Ex-Additional Chief Adviser (Cost), D/o Expenditure
Shri Ashok Gupta	:	Chartered Accountant

PERMANENT INVITEES

Shri S. K. Barnwal	:	Secretary (Mines & Geology) Govt. of Jharkhand
Shri Salil Kumar Jha	:	Chief Operation Manager, EC Railway

COMPANY SECRETARY : Shri Ravi Prakash
(w.e.f. 13.07.2017)

BANKERS

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

STATUTORY AUDITORS

M/s.S. K. Singhania & Co.
217B, Kutchary Road, Panchwati Plaza,
2nd Floor, Ranchi- 834001, Jharkhand

BRANCH AUDITORS

M/s. J. N. Agrawal & Co.
Ranchi – 834001, Jharkhand

M/s. L. K. Saraf & Co.
Ranchi – 834001, Jharkhand

M/s Sanjay Bajoria & Associates
Ranchi – 834001, Jharkhand

M/s N.K.D. & Co.
Ranchi – 834001, Jharkhand

COST AUDITORS

M/s SC Mohanty & Associates
Plot No. 370/186/2157
Shakti Bhawan, Beside Toyota Showroom
AT – Patia, PO – KIIT, Bhubaneswar – 751024, Odisha

BRANCH COST AUDITORS

M/s. MANI & CO.
Ashoka Building,
111, Southern Avenue,
Kolkata – 700029

M/s. MUSIB & Co.
No. 204, Gajraj Mansion,
2nd Floor, Diagnol Road,
Bistupur, Jamshedpur, Jharkhand

M/s K. B. Saxena & Associates
3rd Floor, Shagun Palace Sapru Marg,
Hazratganj, Lucknow – 226001

M/s K. G. Goyal & Associates
4A, POCKET 2, Mix Housing, New Kondli,
Mayur Vihar – III, New Delhi – 110096

SECRETARIAL AUDITORS

M/s Pratibha Khandelwal & Associates
F – 2/14, LIC Flats, Sector – 2, Vidhyadhar Nagar,
Jaipur – 302039 (Rajasthan)

REGISTERED OFFICE

Darbhanga House
Ranchi 834 029
(Jharkhand)

N O T I C E

Secy. CS/3(4)/AGM–62/2018/992 Dated: 06.08.2018

NOTICE FOR THE SIXTY SECOND ANNUAL GENERAL MEETING

Notice is hereby given that the 62nd Annual General Meeting of the members of Central Coalfields Limited will be held on Tuesday the 7th day of August, 2018 at 01.00 PM at Scope Complex, CIL, New Delhi to transact the following business :

A. ORDINARY BUSINESS :

1. To consider and adopt :

   a. The Audited Financial Statements of the Company for the financial year ended March 31, 2018 including Audited Balance Sheet as at 31st March, 2018, Profit and Loss Account for the year ended on that date, Cash Flow Statement together with all Notes, Additional Notes on the Financial Statements and Significant Accounting Policy for the year 2017-18, the Reports of Statutory Auditor and Comptroller & Auditor General of India and Directors' Report.

   b. The Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2018 including Audited Balance Sheet as at 31st March, 2018, Profit and Loss Account for the year ended on that date, Cash Flow Statement together with all Notes, Additional Notes on the Financial Statements and Significant Accounting Policy for the year 2017-18, the Reports of Statutory Auditor and Comptroller & Auditor General of India.

2. To confirm payment of two Interim Dividends paid on equity shares of the Company as Final Dividend for the Financial Year 2017-18.

3. To appoint a Director in place of Shri A.K Mishra (DIN-07646542) Whole-time Director 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 R. S. Mahapatro (DIN-07248972), Whole-time Director who retires by rotation in terms of Section 152 (6) of the Companies Act 2013 and being eligible, offers himself for reappointment.

B. SPECIAL BUSINESS :

1. Ratification of Appointment & Remuneration of Cost Auditor for the Financial Year 2018-19 under section 148 of Companies Act 2013

   To consider & if thought fit, to ratify with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other provisions of the Act, the remuneration and reimbursement of out of pocket expenses approved by the Board in its 430th Board Meeting held on 28.09.2016 to M/s S.C. MOHANTY & ASSOCIATES, Bhubaneswar, the Principal Cost Auditor and M/s MANI & CO, Kolkata, M/s MUSIB & CO, Jamshedpur, M/s K.B.SAXENA & ASSOCIATES, Lucknow and M/s KG GOYAL & ASSOCIATES, New Delhi, the Branch Cost Auditors in connection with the cost audit of CCL Head Quarter and respective areas of CCL for the financial year 2018-19 be and is 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
Central Coalfields Limited
Sd/-
(Ravi Prakash)
Company Secretary

Venue of AGM : CIL, 6/6, Scope Complex,
Lodhi Road,
New Delhi.

Registered Office : Darbhanga House
Ranchi 834 029
(Jharkhand)
CIN NUMBER : U10200JH1956GOI000581

Note :

The Shareholders are requested to give their consent in writing or by electronic mode for calling the Annual General Meeting at a Shorter Notice pursuant to the provisions of the Section 101(1) of the Companies Act, 2013.

A member entitled to attend and vote at the 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.

Pursuant to the provisions of Section 171(1)(b) and 189(4) of the Companies Act, 2013, the registers required to be kept open for inspection at every Annual General Meeting of the company, shall accessible during the continuance of the meeting to any person having the right to attend the meeting.

Members are also requested to accord their consent for convening the meeting at a shorter Notice under section 101(1) of the Companies Act, 2013.

To,

(a) The Coal India Limited, (Through Chairman, CIL), Kolkata

(b) Shri Anil Kumar Jha, Chairman, CIL, Kolkata

(c) Shri R. P. Srivastava, Director (P&IR), CIL, Kolkata

(d) Shri Gopal Singh, CMD,CCL, Ranchi

(e) Shri Ashok Gupta, CA, Chairman, Audit Committee, CCL

(f) M/s. S.K. Singhania & Co., Ranchi, Statutory Auditors

(g) M/s S.C. Mohanty & Associates, Bhubaneswar, Principal Cost Auditor

(h) M/s. Pratibha Khandelwal & Associates, Jaipur, Secretarial Auditor

(i) All Directors, CCL

ANNEXURE TO THE NOTICE FOR ANNUAL GENERAL MEETING OF CENTRAL COALFIELDS LIMITED

The Explanatory Statement pursuant to section 102 of the Companies Act, 2013

Ratification of Appointment & Remuneration of Cost Auditors for the FY 2016-17 & 2017-18.

The Companies (Cost Audit Report) Rules, 2011 were notified on 3rd June 2011. These were issued by the Ministry of Corporate Affairs (MCA) in exercise of the powers conferred by the Companies Act. MCA had mandated filing of the Compliance Report for the financial year 2011-12 and cost audit report from 2012-13 and onwards.

This Cost Accounting Policy of CCL is being part of the overall Cost Accounting Policy of Coal India Limited.

With the approval of the Board of CCL in its 430th Meeting held on 28-09-2016, following Cost Auditors were appointed for undertaking the Cost Audit of Head Quarter and different areas of CCL for the financial year 2016-17 to 2018-19 on the recommendation of Audit Committee.

Sl No.	Cost Auditors	Particulars	Audit Fees (Rs.)
1.	M/s SC Mohanty & Associates	For HQ (lead Cost Auditor), Barkasayal, CWS, Argada, Rajrappa, Kolkata	2,57,438.00
2.	Mani & Co	For Kathara, Dhori	95,625.00
3.	Musib & Co	For NK, Piparwar, M&A	85,613.00
4.	KB Saxena & Associates	For Charhi & Kuju	75,875.00
5.	KG Goyal & Associates	For B&K, Giridih	75,875.00

The travelling and out of pocket expenses will be restricted to 50% of the audit fees subject to the production of documentary evidence.

Applicable Taxes as per applicable rates will also be reimbursed on furnishing the registration number with the appropriate authority.

The Board of Directors considered that in view of the background and experience of above Cost Auditors, the appointment of Cost Auditors for the FY 2016-17 to 2018-19 to conduct Cost Audit of Head Quarter and different areas of CCL is approved, which is subject to ratification of the appointment in General Meeting, at a remuneration to the Cost Auditors as mentioned above.

As per Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rule 2014, the above appointment of Cost auditor was approved in the 430th Meeting held on 28-09-2016 and is to be ratified by the Company in General Meeting.

None of the directors and key managerial personnel or their relatives is interested or concerned in the resolution.

The Board recommended the resolution for the approval of the member.

By order of the Board of Directors
Central Coalfields Limited
Sd/-
(Ravi Prakash)
Company Secretary

OPERATIONAL STATISTICS

Year Ending 31st March	2018	2017	2016	2015	2014	2013	2012
1. (a) Production of Raw Coal : (Million Tonnes)							
Underground	0.405	0.74	0.85	0.84	0.96	1.02	1.09
Opencast	63.000	66.31	60.47	54.81	49.06	47.04	46.91
TOTAL	63.405	67.05	61.32	55.65	50.02	48.06	48.00
(b) Overburden Removal : (Million Cub.Mts.)	95.622	102.63	106.78	97.38	59.02	63.31	65.68
2. Off take (Raw Coal) (Million Tonnes)							
Steel	0.00	0.03	0.34	0.65	0.32	1.07	4.04
Power	42.22	37.24	33.52	33.41	32.10	31.56	33.68
Cement	0.00	0.00	0.00	0.00	0.00	0.00	0.11
Fertilizer	0.15	0.22	0.24	0.24	0.27	0.64	0.95
Others	15.73	10.83	12.40	10.23	9.00	8.98	9.25
Coal Feed to Washeries	9.41	12.61	13.09	10.81	10.43	10.63	0.00
Colliery Consumption	0.00	0.00	0.00	0.00	0.00	0.01	0.01
TOTAL	67.51	60.93	59.59	55.34	52.12	52.89	48.04
3. Average Manpower	41467	42919	44346	45849	47406	49076	51156
4. Productivity :							
(A) Average per Man per Year (Tonnes)	1529.05	1562.25	1382.76	1213.81	1055.14	979.30	938.32
(B) Output per manshift (OMS) :							
(i) Underground (Tonnes)	0.194	0.29	0.32	0.29	0.33	0.33	0.32
(ii) Opencast (Tonnes)	9.372	9.81	8.91	7.56	6.26	6.09	5.79
(iii) Overall (Tonnes)	7.195	7.23	6.51	5.46	4.64	4.42	4.19
5. Information — As per Cost Report							
(i) Earning per Manshift (`)	3344.68	2985.56	2651.86	2507.87	2377.57	2174.95	1862.96
(ii) Avg. Cost of Production of Net Saleable Coal (` P.T.)	1285.33	1048.85	1045.84	1099.43	1079.17	1020.42	1038.67
(iii) Avg. Sale Value of Production of Net Saleable Coal (` P.T.)	1369.23	1414.25	1490.72	1435.90	1414.86	1423.22	1258.70

OPERATIONAL STATISTICS (STANDALONE)

FINANCIAL POSITION

After IND AS

(₹ in Crore)

Sl. No.	As at 31st March / Particulars	2018	2017 (Restated)	2016 (Restated)
	ASSETS			
A.	**Non-Current Assets**			
	(a) Property, Plant & Equipment	2424.41	2426.40	2541.98
	(b) Capital Work in Progress	1649.32	1141.23	303.40
	(c) Exploration and Evaluation Assets	260.67	237.16	201.14
	(d) Intangible Assets	2.16	3.59	5.25
	(e) Financial Assets			
	(i) Investments	32.00	32.00	—
	(ii) Loans	0.47	0.59	0.92
	(iii) Other Financial Assets	839.46	723.05	1533.01
	(f) Deferred Tax Assets (Net)	1047.58	771.88	725.03
	(g) Other Non-Current Assets	1679.39	1269.85	119.38
	Total Non-Current Assets (A)	**7935.46**	**6605.75**	**5430.11**
B.	**Current Assets**			
	(a) Inventories	1349.23	2096.26	1491.26
	(b) Financial Assets			
	(i) Investments	—	—	—
	(ii) Trade Receivables	1745.31	1673.79	1359.93
	(iii) Cash & Cash Equivalents	161.98	325.07	1968.58
	(iv) Other Bank Balances	1194.23	1349.08	2090.19
	(v) Loans	—	—	—
	(vi) Other Financial Assets	717.99	367.89	383.26
	(c) Current Tax Assets (Net)	55.50	—	—
	(d) Other Current Assets	2093.56	1525.93	1258.73
	Total Current Assets (B)	**7317.80**	**7338.02**	**8551.95**
	Total Assets (A + B)	**15253.26**	**13943.77**	**13982.06**
	EQUITY AND LIABILITIES			
A.	**EQUITY**			
	(1) Issued, Subscribed and Paid-up Equity Share Capital	940.00	940.00	940.00
	(2) **Capital Redemption Reserve**			
	Restated Balance at opening	—	—	—
	Buyback of Equity Shares	—	—	—
	Issue of Bonus Shares	—	—	—
	Balance at Closing	—	—	—
	(3) **Capital Reserve**	—	—	—
	(4) **General Reserve**			
	Restated Balance at Opening	2029.00	1958.94	1863.20
	Transfer to/from General Reserve	39.48	70.06	95.74
	Buyback of Equity Shares	—	—	—
	Issue of Bonus Shares	—	—	—
	Balance at Closing	2068.48	2029.00	1958.94

OPERATIONAL STATISTICS (STANDALONE)

FINANCIAL POSITION

After IND AS (Contd....)

(₹ in Crore)

Sl. No.	As at 31st March Particulars	2018	2017 (Restated)	2016 (Restated)
	(5) **Retained Earnings**			
	Restated Balance at Opening	215.71	3272.50	3505.07
	Adjustments	—	—	—
	Profit for the year	789.54	1387.11	1923.38
	Appropriations :			
	Transfer to/from General Reserve	(39.48)	(70.06)	(95.74)
	Transfer to Other Reserves	—	—	—
	Interim Dividend	(531.10)	(3634.04)	(1711.74)
	Final Dividend	—	—	—
	Corporate Dividend Tax	(108.12)	(739.80)	(348.47)
	Tax on Buyback	—	—	—
	Issue of Bonus Shares	—	—	—
	Balance at Closing	**326.55**	**215.71**	**3272.50**
	(6) **Other Comprehensive Income**			
	Restated Balance at Opening	52.39	40.66	—
	Remeasurement of Defined Benefits Plans (net of Tax)	91.43	11.73	40.66
	Balance at Closing	**143.82**	**52.39**	**40.66**
	(7) **Other Equity**	**2538.85**	**2297.10**	**5272.10**
	(8) **Equity Attributable to Equity holders of the Company**	**3478.85**	**3237.10**	**6212.10**
	(9) Non-controlling interest	—	—	—
	(10) **TOTAL EQUITY**	**3478.85**	**3237.10**	**6212.10**
	Liabilities			
B.	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	—	1200.00	—
	(ii) Trade Payables	—	—	—
	(iii) Other Financial Liabilities	60.09	60.20	49.05
	(b) Provisions	3202.35	2305.81	2344.82
	(c) Deferred Tax Liabilities (net)	—	—	—
	(d) Other Non-Current Liabilities	438.46	183.83	165.43
	Total Non-Current Liabilities (B)	**3700.90**	**3749.84**	**2559.30**
C.	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	150.00	1103.78	929.00
	(ii) Trade Payables	163.45	134.22	178.60
	(iii) Other Financial Liabilities	565.98	834.99	173.50
	(b) Other Current Liabilities	4902.62	3004.96	2461.59
	(c) Provisions	2291.46	1878.88	1467.97
	Total Current Liabilities (C)	**8073.51**	**6956.83**	**5210.66**
	Total Equity and Liabilities (A + B + C)	**15253.26**	**13943.77**	**13982.06**

OPERATIONAL STATISTICS (STANDALONE)
INCOME AND EXPENDITURE STATEMENT
After IND AS

(₹ in Crore)

	For the Year Ending 31st March	2018	2017 (Restated)	2016 (Restated)
A.	**Earned From**			
1.	Gross Sales (Coal)	15965.12	14899.71	13658.81
	Less:Excise Duty & Other Levies	4910.91	4470.83	3106.59
2.	Net Sales	11054.21	10428.88	10552.22
3. (i)	Facilitation charges for coal import	—	—	—
(ii)	Subsidy for Sand Stowing & Protective Works	1.05	1.42	0.49
(iii)	Recovery of Transportation & Loading Cost (Net of Excise Duty)	428.62	344.52	280.65
(iv)	Evacuation facilitating charges (Net of Levies)	102.55	—	—
(v)	Revenue from Services (Net of Levies)	—	—	—
3.	Other Operating Revenue (Net of Excise Duty)	532.22	345.94	281.14
4. (i)	Interest on Deposits & Investments	264.81	258.78	332.00
(ii)	Divident from Mutual Funds	10.59	23.25	31.38
(iii)	Other non–Operating Income	233.56	279.44	101.71
4.	Other Income	508.96	561.47	465.09
	TOTAL (A)	**12095.39**	**11336.29**	**11298.45**
B.	**Paid to / Provided for**			
1. (i)	Salary, Wages, Allowances, Bonus etc	3765.90	3442.45	3133.76
(ii)	Contribution to PF & Other Funds.	382.34	383.91	376.39
(iii)	Gratuity	1014.03	161.84	158.84
(iv)	Leave Encashment	66.38	202.39	106.23
(v)	Others	261.66	211.14	234.70
1.	Employee Benefit Expenses	5490.31	4401.73	4009.92
2.	Cost of Materials Consumed	731.26	799.50	807.63
3.	Changes in inventories of finished goods/work in progress and Stock in trade	512.66	(612.61)	(135.99)
4.	Power & Fuel	277.35	290.92	294.40
5.	Corporate Social Responsibility Expenses	37.90	30.29	212.90
6.	Repairs	327.15	205.39	233.38
7.	Contractual Expenses	1304.07	1320.99	1158.07
8.	Finance Cost			
	Unwinding of discounts	68.41	68.11	64.88
	Other finance costs	103.60	3.77	12.38
9.	Depreciation/Amortisation/Impairment	355.72	372.63	400.58
10.	Stripping Activity Adjustment	284.51	91.03	(225.83)
11.	Provisions & Write-off	238.05	471.50	280.72
12.	Other Expenses	1020.80	1521.74	1082.82
	TOTAL (B)	**10751.79**	**8964.99**	**8195.86**
13.	**Profit before exceptional items and Tax (A – B)**	**1343.60**	**2371.30**	**3102.59**
14.	Exceptional Items	—	—	—
15.	**Profit before Tax**	**1343.60**	**2371.30**	**3102.59**
16.	Less : Tax Expenses	554.06	984.19	1179.21
17.	**Profit for the year from continuing operations**	**789.54**	**1387.11**	**1923.38**
18.	Profit/(Loss) from discontinued operations (after Tax)	—	—	—
19.	Share in JV's/Associate's profit/(loss)	—	—	—
20.	**Profit for the Year**	**789.54**	**1387.11**	**1923.38**
21.	**Other Comprehensive Income**			
	A. (i) Items that will not be reclassified to profit or loss	155.59	20.05	65.49
	(ii) Income tax relating to items that will not be reclassified to profit or loss	64.16	8.32	24.83
	B. (i) Items that will be reclassified to profit or loss	—	—	—
	(ii) Income tax relating to items that will be reclassified to profit or loss	—	—	—
22.	**Total Other Comprehensive Income**	**91.43**	**11.73**	**40.66**
	Total Comprehensive Income for the Year (Comprising Profit/(Loss) and Other Comprehensive Income for the Year)	**880.97**	**1398.84**	**1964.04**
23.	**Profit attributable to :**			
	Owners of the Company	789.54	1387.11	1923.38
	Non-controlling interest	—	—	—
		789.54	**1387.11**	**1923.38**
24.	**Other Comprehensive Income attributable to :**			
	Owners of the company	91.43	11.73	40.66
	Non-controlling interest	—	—	—
		91.43	**11.73**	**40.66**
25.	**Total Comprehensive Income attributable to :**			
	Owners of the company	880.97	1398.84	1964.04
	Non-controlling interest	—	—	—
		880.97	**1398.84**	**1964.04**

OPERATIONAL STATISTICS (STANDALONE)

IMPORTANT FINANCIAL INFORMATION

After IND AS

(₹ in Crore)

Sl. No.	For the Year Ending 31st March	2018	2017 (Restated)	2016 (Restated)
(A)	**Related To Assets & Liabilities**			
(1)	(i) No. of Equity Shares of ₹ 1000/- each.	9400000	9400000	9400000
	(ii) Shareholder's Funds			
	(a) Equity Share Capital	940.00	940.00	940.00
	(b) Reserves (General & Statutory)	2068.48	2029.00	1958.94
	(c) Accumulated Profit/Loss	470.37	268.10	3313.16
	Net Worth	**3478.85**	**3237.10**	**6212.10**
	(d) Capital Reserve	—	—	—
	Shareholder's Funds	**3478.85**	**3237.10**	**6212.10**
(2)	(i) Long Term Borrowings incl. Current Maturities	—	1500.00	—
	(ii) Long Term Borrowings excl. Current Maturities.	—	1200.00	—
(3)	(i) Gross Property Plant & Equipment	3535.85	3190.10	2940.32
	(ii) Accumulated Depreciation/Impairment	1111.44	763.70	398.34
	(iii) Net Property Plant & Equipment	2424.41	2426.40	2541.98
(4)	(i) Current Assets	7317.80	7338.02	8551.95
	(ii) Current Liabilities	8073.51	6956.83	5210.66
	(iii) **Net Current Assets/ Working Capital**	**(755.71)**	**381.19**	**3341.29**
(5)	(i) **Capital Employed (3 (iii) + 4 (iii))**	**1668.70**	**2807.59**	**5883.27**
	(ii) Net Capital WIP & Intangible Assets under Development	1912.15	1381.98	509.79
	(iii) **Capital Employed including CWIP (5 (i) + 5 (ii))**	**3580.85**	**4189.57**	**6393.06**
(6)	(i) Trade Receivables	1745.31	1673.79	1359.93
	(ii) Cash & Cash Equivalents	161.98	325.07	1968.58
	(iii) Other Bank Balances	1194.23	1349.08	2090.19
(7)	(i) Closing Stock of Coal (Net)	1206.37	1925.17	1313.62
	(ii) Closing Stock of Stores & Spares (Net)	137.92	164.78	172.54
	(iii) Closing Stock Others (Net)	4.94	6.31	5.10
(B)	**Related To Profit/Loss**			
(1)	(i) Gross Margin (PBDIT)	1871.33	2815.81	3580.43
	(ii) Gross Profit (PBIT)	1515.61	2443.18	3179.85
	(iii) Profit Before Tax	1343.60	2371.30	3102.59
	(iv) Profit after Tax for the Year	789.54	1387.11	1923.38
	(v) Net Profit (After Tax & Dividend)	258.44	(2246.93)	211.64
	(vi) Total Comprehensive Income	880.97	1398.84	1964.04
(2)	(i) Gross Sales of Coal	15965.12	14899.71	13658.81
	(ii) Net Sales	11054.21	10428.88	10552.22
	(iii) Sale Value of Production	10541.55	11041.49	10688.21
(3)	Cost of Goods Sold (Net Sales – PBT)	9710.61	8057.58	7449.63
(4)	Total Expenditure	10751.79	8964.99	8195.86
	(i) Employee Benefit Expenses	5490.31	4401.73	4009.92
	(ii) Cost of Materials Consumed	731.26	799.50	807.63
	(iii) Power & Fuel	277.35	290.92	294.40
	(iv) Finance Cost & Depreciation	527.73	444.51	477.84
(5)	Average Consumption of Material per month	60.94	66.63	67.30
(6)	(i) Average Manpower Employed during the year	41466.50	42918.50	44346.00
	(ii) CSR Expenses	37.90	30.29	212.90
	(iii) CSR Expenses per employee ('000)	9.14	7.06	48.01
(7)	Value Added	9532.94	9951.07	9586.18
	(i) Value Added per employee (` '000)	2298.95	2318.60	2161.68

OPERATIONAL STATISTICS (STANDALONE)

IMPORTANT FINANCIAL RELATIVE RATIOS

After IND AS

(₹ in Crore)

Sl. No.	For the Year Ending 31st March	2018	2017 (Restated)	2016 (Restated)
A.	**PROFITABILITY RATIOS**			
1.	**AS % NET SALES**			
	(i) Gross Margin (PBDIT)	16.93	27.00	33.93
	(ii) Gross Profit (PBIT)	13.71	23.43	30.13
	(iii) Profit Before Tax	12.15	22.74	29.40
2.	**AS % TOTAL EXPENDITURE**			
	(i) Employee Benefits Expenses	51.06	49.10	48.93
	(ii) Cost of Materials Consumed	6.80	8.92	9.85
	(iii) Power & Fuel	2.58	3.25	3.59
3.	**AS % CAPITAL EMPLOYED (excluding CWIP)**			
	(i) Gross Margin (PBDIT)	112.14	100.29	60.86
	(ii) Gross Profit (PBIT)	90.83	87.02	54.05
	(iii) Profit Before Tax	80.52	84.46	52.74
4.	**AS % CAPITAL EMPLOYED (including CWIP)**			
	(i) Gross Margin (PBDIT)	52.26	67.21	56.00
	(ii) Gross Profit (PBIT)	42.33	58.32	49.74
	(iii) Profit Before Tax	37.52	56.60	48.53
5.	**OPERATING RATIO (Net Sales – PBT/Net Sales)**	0.88	0.77	0.71
B.	**LIQUIDITY RATIOS**			
	1. Current Ratio (CurrentAssets/Current Liability)	0.91	1.05	1.64
	2. Quick Ratio (Quick Assets/Current Liability)	0.74	0.75	1.36
C.	**TURNOVER RATIOS**			
	1. Capital turnover Ratio			
	(i) (Net Sales/Capital Employed excluding CWIP)	6.62	3.71	1.79
	(ii) (Net Sales/Capital Employed including CWIP)	3.09	2.49	1.65
	2. Trade Receivables (Net) as no. of months			
	(i) Gross Sales	1.31	1.35	1.19
	(ii) Net Sales	1.89	1.93	1.55
	3. As Ratio of Net Sales			
	(i) Trade Receivables	0.16	0.16	0.13
	(ii) Coal Stock	0.11	0.18	0.12
	4. Stock of Coal			
	(i) As no. of months Value of Production	1.37	2.09	1.47
	(ii) As no. of months of Cost of Goods Sold	1.49	2.87	2.12
	(iii) As no. of months Net Sales	1.31	2.22	1.49
D.	**STRUCTURAL RATIOS**			
	1. Long Term Debt : Equity Share Capital	—	1.28	—
	2. Long Term Debt : Net worth	—	0.37	—
	3. Net worth : Equity	3.70	3.44	6.61
	4. Net Fixed Assets : Net worth	0.70	0.75	0.41
E.	**SHAREHOLDER'S INTEREST**			
	1. Book Value of Share (₹) (Net Worth/ No of Equity)	3700.90	3443.72	6608.62
	2. Dividend per Share (₹)	565.00	3866.00	1821.00

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 for 2015

(₹ in Crore)

	For the Year Ending 31st March	2015	2014	2013	2012
(A)	What is owned				
	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 -Progress	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
(7)	Current Assets:				
	(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
	Total Current Assets (7)	**8521.30**	**7680.77**	**7478.95**	**7553.11**
(8)	Less : Current Liab & Prov.	4181.50	4250.67	4017.45	4351.98
	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
	Short Term Borrowings	0.00	0.00	0.00	0.00
	Net Current Assets (7 – 8)	4339.80	3430.10	3461.50	3201.13
	TOTAL (A)	8219.03	6719.74	5988.16	5650.06
(B)	**What is owed**				
	(1) Long Term Borrowing	0.00	0.00	69.92	87.54
	(2) Other Long Term Liabilties	34.34	32.37	17.09	3.26
	(3) Long Term Provisions	2372.31	2184.42	1893.07	2121.88
	TOTAL (B)	**2406.65**	**2216.79**	**1980.08**	**2212.68**
	Net Worth (A-B)	**5812.38**	**4502.95**	**4008.08**	**3437.38**
	Represented by				
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
	Net Worth (1 to 3)	**5812.38**	**4502.95**	**4008.08**	**3437.38**
	Capital Employed	**6093.55**	**5043.49**	**4859.32**	**4688.97**

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
(A) Earned From					
	Gross Sales	11781.43	10493.37	10580.10	9005.34
	Less : Levies (Excise Duty & Other Levies)	2306.44	1937.36	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
	(c) Other non- operating Income	92.74	94.17	120.35	65.55
	TOTAL (A)	**10072.53**	**9180.95**	**9237.88**	**8097.40**
(B)	**Paid to \Provided for**				
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	Acretion/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	Overburden 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)
	TOTAL (B)	**7332.19**	**6655.08**	**6554.32**	**6127.16**
	Profit/Loss for the Year (A-B)	**2740.34**	**2525.87**	**2683.56**	**1970.24**
	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
	Transfer To General Reserve	274.03	252.59	268.36	197.02
	Transfer To Reserve for CSR	0.00	27.26	24.00	23.76
	Transfer To Reserve for SD	0.00	2.28	1.72	0.00
	B/F from Previous Year	1973.78	1761.04	1484.42	1305.83
	Adjustment in Retained Earnings**	34.59	-	-	-
	Cumulative Profit/Loss transferred to Balance Sheet.	3009.18	1973.78	1761.04	1484.42
	Cumulative P&L (Before transfer to Reserves)	3283.21	2255.91	2055.12	1705.20

* For the compliance of Schedule III of Companies Act 2013, CSR Expenditure is shown seprately 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 crores in F.Y. 2014-15.

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
(A)	**Related To Assets & Liabilities**				
(1)	(i) No. of Equity Shares of Rs 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
	Net Worth	5812.38	4502.95	4008.08	3437.38
(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)	**Related To Profit/Loss**				
(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	11781.43	10493.37	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)	(a) 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 (Rs 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
(A)	**PROFITABILITY RATIOS**				
(1)	AS % NET SALES				
	(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)	AS % TOTAL EXPENDITURES				
	(a) Employee Benefit Expenses	53.15	52.73	53.74	57.00
	(b) Cost of Material 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)	AS % CAPITAL EMPLOYED				
	(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)	OPERATING RATIO (SALES-PROFIT/SALES)	0.71	0.70	0.69	0.74
(B)	**LIQUIDITY RATIO**				
	(1) Current Ratio (Current Asset/Current Liability)	2.04	1.81	1.86	1.74
	(2) Quick Ratio (Quick Asset/Current Liability)	1.71	1.52	1.55	1.38
(C)	**TURNOVER RATIOS**				
	(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	2.15	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 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 Net Sales	1.49	1.50	1.55	2.20
(D)	**STRUCTURAL RATIOS**				
	(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
(E)	**SHAREHOLDER'S INTEREST**				
	(1) Book Value of Share (Rs) (Net Worth/ No of Equity)	6183.38	4790.37	4263.91	3656.79
	(2) Dividend per Share (Rs)	377.38	1067.07	1203.59	842.28

DIRECTORS' REPORT

To

The Shareholders,
Central Coalfields Limited

Members,

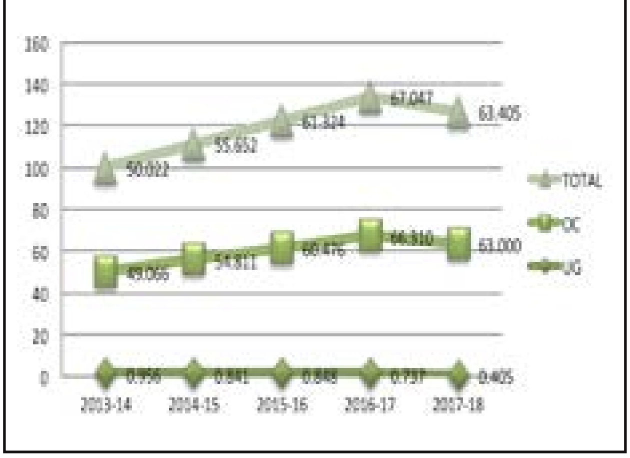
I, on behalf of the Board of Directors have great pleasure in presenting to you the 62nd Annual Report of your Company along with the Audited Financial Statements for the year ended 31st March, 2018. The Audited Financial Statements, report of the Statutory Auditors and Management's reply thereon as well as comments of the Comptroller & Auditor General of India on the audited Accounts are annexed to this report.

1. PRODUCTION

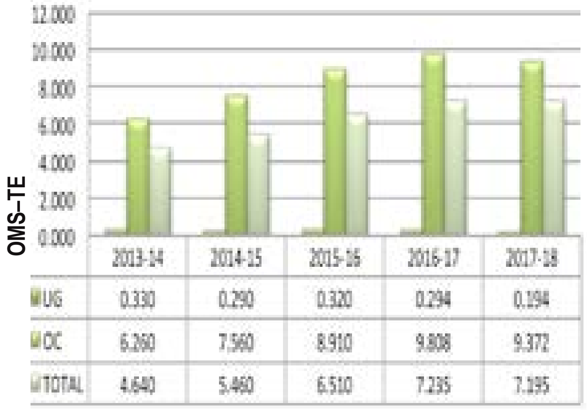
The Production and Productivity figures achieved by your Company during the year 2017-18 as compared to the actual of 2016-17 is as under :

Particulars	2017-18		2016-17	% Growth over last year
	Target	Actual	Actual	
PRODUCTION				
From OC (MT)	70.050	63.000	66.310	-4.992
From UG (MT)	0.450	0.405	0.737	-45.010
TOTAL (MT)	**70.500**	**63.405**	**67.047**	**-5.431**
OBR (MM^3)	**105.000**	**95.622**	**102.630**	**-6.828**
Washed Coal (Coking) (MT)	1.285	1.115	1.139	-2.080
Washed Coal (Non–Coking) (MT)	6.746	6.076	8.942	-32.044
PRODUCTIVITY (OMS-Te)				
OC	8.710	9.372	9.808	
UG	0.400	0.194	0.294	
OVERALL	**7.700**	**7.195**	**7.235**	

PRODUCTION OF COAL IN MT



PRODUCTIVITY (OMS-TE)



2. WASHERY PERFORMANCE

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

❖ CCL Washeries have contributed ₹**450.50 Crore** towards overall profit in the year 2017-18.

Achievement 2017-18

❖ The coking coal washeries and Non-coking coal washeries were operated at enhanced yield %. 35.69% yield in FY 2017-18 against 34.41% last year in respect of coking coal washeries. Similarly, 96.7% yield in FY 2017-18 against 96.1% last year in respect of Non -coking coal washeries.

❖ Coking coal Washeries have dispatched 11.45 lakh tonnes washed coking coal to steel plants against the production of 11.15 lakh tonnes in Financial Year 2017-18.

❖ Non – coking coal washeries have dispatched 68.93 lakh tonnes washed coal to power plants against the production of 60.76 lakh tonnes in Financial Year 2017-18.

❖ Similarly, coking coal Washeries despatched 13.35 lakh tonne washed power coal against production of 12.22 lakh tonne in Financial Year 2017-18.

❖ Huge old stock of raw coal (4.06 lakh tonnes) has been liquidated at different Washeries (As on 01.04.2017, stock of raw coal was 10.898 lakh tonnes and as on 31.03.2018, raw coal stock is 6.833 lakh tonnes).

❖ Dispatch of washed coking coal has been carried out within strict quality norms. Grade slippage in terms of number of rakes of washed coking coal analysed as beyond cut-off limit has decreased to 1.515% in 2017-18 against 3.542% in 2016-17.

Exemplary work

- ❖ Departmental repairing and strengthening of static thickener of Kedla Washery to maintain water balancing and management of fine coal has been done successfully.
- ❖ Mobile crusher has been installed, commissioned and is in operation at Kedla Washery for smooth operation of plant.

COKING COAL WASHERIES

- ❖ Washed Coking Coal production during 2017-18 has been 11.15 lakh tonne.
- ❖ Coking Coal Washeries have contributed a profit of ₹ 103.10 Crore during 2017-18.
- ❖ Washery wise production and yield of Washed Coking Coal for 2017-18 vis-à-vis the last year is given below:

Washery	Production (lakh tonne)		Yield Percentage	
	2017-18	2016-17	2017-18	2016-17
Kathara	0.451	0.778	12.98%	16.98%
Sawang	0.901	0.714	19.47%	14.90%
Rajrappa	5.668	5.922	44.295%	42.46%
Kedla	4.133	3.948	39.932%	40.67%
Kargali	—	0.028	—	39.01%
Total	**11.153**	**11.390**	**35.693%**	**34.41%**

NON-COKING COAL WASHERIES

- ❖ Washed Non-Coking Coal production during 2017-18 has been 60.763 lakh tonne.
- ❖ Non-Coking Coal Washeries have contributed a profit of ₹ 347.33 Crore during 2017-18.
- ❖ Washery wise production and yield of Washed Non-Coking Coal for 2017-18 vis-à-vis the last year is given below :

Washery	Production (lakh tonne)		Yield percentage	
	2017-18	2016-17	2017-18	2016-17
Piparwar	59.897	88.097	98.03	97.13
Gidi	0.866	1.319	50.00	56.26
Total	**60.763**	**89.416**	**96.71**	**96.10**

ACHIEVEMENT IN NEW UPCOMING WASHERIES/ CTL PROJECT

1. Tenders have been floated for 4.0 MTY Tapin & 3.0 MTY New Kathara Coking Coal Washery on BOO Concept in March'18 as per time schedule given by Ministry of Coal.

2. Tender has been floated for 7.0 MTY Konar Non - Coking Coal Washery on BOM Concept in March'18 as per time schedule given by Ministry of Coal.

3. The CCL Board in its 442nd (No 09 of 2017 dated 27.04.2017) meeting approved the proposal for floating expression of interest for setting up of Coal to methanol project in CCL.

   Further the board directed to explore the possibilities for Coal to Ammonia and Ammonium Nitrate project also.

4. Expression of Interest (EOI) was invited for proposed Coal based Methanol/Ammonia/Ammonium Nitrate (CTL) Plant in Jharkhand in North Karnapura Coalfield (tentative) under the command area of Central Coalfields Limited (CCL).

5. Pre-Feasibility Report (PFR) for proposed Coal based Methanol/Ammonia/Ammonium Nitrate (CTL) plant has been prepared and submitted well within the scheduled time frame on 26.02.2018 although MOU date was 28.02.2018.

Thus your company has achieved Excellent rating for parameter "Special Project: Diversification of Business-Preparation and submission of pre-feasibility report for setting up of coal based Methanol/Ammonia/Ammonium Nitrate Plant in North karanpura Coalfield by expert agency". Achievement date is 26th Feb. '2018 against Excellent MOU target date of 28th Feb.'2018.

3. OFFTAKE

The total Off take of Raw Coal during 2017-18 was 67.510 Million Tones. The Mode-wise details of off-take compared to that of last year is as under:

(Figs. in Million Tonnes)

Mode	2017-18	2016-17	Growth over last year
Rail	32.740	30.260	8.20 %
Road	25.362	18.059	40.43 %
Feed to Washery	9.408	12.614	(-) 25.42 %
Colliery Consumption	0.0003	0.001	—
Total Offtake	**67.510**	**60.934**	**10.79 %**

During the year 2017-18, CCL has recorded 40.43% growth in coal offtake through Road mode. CCL achieved a growth of 10.79% in offtake over last year.

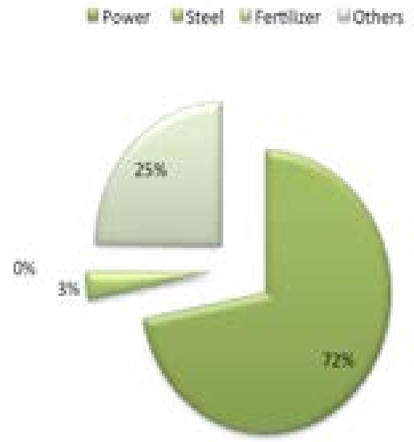
The total dispatch during 2017-18 was 68.844 Million Tones. Sector-wise dispatches of coal and its different by-products during the year 2017-18 are given below:

(Fig in million tonnes)

Sector	Raw Coal	Clean Coal	Washed Coal Power	Non-Coking Washed Coal	Slurry	Rejects	Total
Power	42.224	0.000	0.554	6.811	0.000	0.000	49.589
Steel (Incl. Steel CPP)	0.000	1.145	0.781	0.102	0.000	0.000	2.027
Fertilizer	0.148	0.000	0.000	0.000	0.000	0.000	0.148
Others*	15.729	0	0	0	0.279	1.071	17.080
Total	**58.101**	**1.145**	**1.335**	**6.913**	**0.279**	**1.071**	**68.844**

* *Others include Spot e-auction, Exclusive e-Auction, Erstwhile noncore consumers, Sponge Iron, CPP and State Agencies.*

SECTOR WISE DESPATCH OF COAL
(In MT)



4. COAL STOCK

The stock of Raw Coal* as on 31st March 2018 stood at 13.469 Million Tones as against 17.573 Million Tonnes as on 31.03.2017.

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

5. TURNOVER AND SALES REALIZATION

During the year 2017-18 the Gross Sales Turnover of the Company was Rs. 15,965.12 Crores and the Sales Realisation was Rs. 18,433.17 Crores (including advance received from customers). The Sector wise position of Debtors (Gross) as on 31st Mar'2018 is given below:

(Figs. in ₹ Crore)

Sector	As on 31.03.2018 (₹)	As on 31.03.2017 (₹)
Power	923.07	1186.38
Steel	984.48	943.10
Others	58.93	40.33
TOTAL	**1966.48**	**2169.81**

6. POPULATION AND PERFORMANCE OF HEMM

The population of HEMM in Mechanized Opencast Mines of CCL as on 31.03.2018 against that of 31.03.2017 is given below :

HEMM	Population As On	
	31.03.2018	31.03.2017
Shovel	116	116
Dumper	429	416
Dozer	142	133
Drill	105	113
TOTAL	792	779

HEMM	%Availability			%Utilization		
	Norms	Actual		Norms	Actual	
		2017-18	2016-17		2017-18	2016-17
Shovel	80	79.9	82.7	58	40.4	40.2
Dumper	67	77.2	79.7	50	36.1	37.0
Dozer	70	67.1	67.2	45	21.2	21.5
Drill	78	83.7	84.4	40	28.3	27.9

7. SYSTEM CAPACITY UTILISATION

System Capacity for 2017-18 assessed as on 01.04.17 (MM³)	Achievement of Production by OC mines (2017-18)			% Capacity Utilization	
	Coal (MT)	OBR (MM³)	Composite (MM³)	2017-18	2016-17
173.53	63.001	95.622	135.75	78.20	103.11

8. COAL MARKETING

8.1 Demand Satisfaction as per AAP

(Fig. in Million Tonnes)

Sector	Demand (AAP)	Dispatch	% Satisfaction	Demand (AAP)	Dispatch	% Satisfaction	% Growth over last year
	2017-18	2017-18	2017-18	2016-17	2016-17	2016-17	
Steel (Incl. Steel CPP)	3.810	2.027	53.20	3.860	2.639	68.26	(-) 23.19
Power	45.000	49.589	110.20	44.800	45.550	101.67	8.87
Fertilizer	0.250	0.148	59.20	0.300	0.221	73.66	(-) 33.03
Others	21.440	17.080	79.66	18.040	12.165	68.06	40.40
Total	**70.500**	**68.844**	**97.65**	**67.000**	**60.575**	**90.41**	**13.65**

The overall growth in dispatch during 2017-18 is 13.65% over last year.

8.2 Wagon Loading

The coalfield wise wagon loading position for the year 2017-18 & 2016-17 is given below :

(Fig. in Rakes/Day)

Railway Fields	2017-18	2016-17	Growth over last year
South Karanpura	7.3	4.1	78
North Karanpura	16.3	16.6	(-) 2
Sub Total Karanpura	**23.6**	**20.7**	**14**
Jharia	6.7	8.6	(-) 22
Total E.C.Railway	**30.3**	**29.3**	**3**
Giridih	0.6	0.3	100
Total Eastern Railway	**0.6**	**0.3**	**100**
Ranchi	0.7	1.0	(-)30
Total S.E.Railway	**0.7**	**1.0**	**(-) 30**
Total CCL	**31.6**	**30.5**	**3.61**

8.3 e-Auction of Coal

The performance of spot e-auction during the period 2017-18 is as under :

Period	Spot e-Auction Scheme	Offered Qty (Million Tones)	Booked Qty (Million Tones)	Gain over Notified Price (Rs in Lakh)	% gain over Notified Price
2017-18	Rail	0	0	0	0
	Road	19.702	9.751	75274	61
	Slurry	1.027	0.244	1948	42
	Rejects	1.440	1.179	4699	53
Total		**22.169**	**11.174**	**81921**	**60**

Raw coal quantity offered in Spot e-Auction during 2017-18 was about 31.1% of coal production.

9. SIZING AND CRUSHING OF COAL

As on 31st March 2018, CCL owned 26 nos. Feeder Breakers at its different projects and 3 nos. Coal Handling Plants at Giddi A, Sirka(in Argada Area) and Bhurkunda (in BarkaSayal Area) having capacity to crush ROM coal to (-)100mm output size with total crushing capacity of 24.46 MTY. Besides above, ROM coal is crushed to(-)200mm size through In-pit crusher which is further downsized to(-)100mm through secondary crusher before feeding to Piparwar Washery. There is also a facility of ROM coal received through Dump Hopper where ROM coal is crushed to (-)200 mm by primary crushers which is further downsized to(-)100 mm by secondary crusher. In 2017-18 Coal crushed through departmental feeder breakers, In-pit crusher and dump hopper is about 9.21 MT.

In addition to this, as on 31st March'18, 23 nos. contractual mobile crushers with total capacity of 29.14 MTY are in operation in different areas of CCL. These hired crushers deliver an output size of(-)100mm as well. In addition to above crushing capacity, a substantial quantity of coal is crushed through outsourced Surface Miners efficiently running in Magadh & Amrapali, Piparwar and BarkaSayal areas. In 2017-18 coal crushed through Surface miners is approximately 18.24 MT.

10. PERFORMANCE OF WEIGHBRIDGES

Efforts have been made to ensure 100 % weighment of coal before dispatch. At present, thirty-two Rail weighbridges are operational to weigh the coal dispatch by rail. These thirty-two Rail weighbridges include 9 nos. of stand by Rail weighbridges located at RCM, Mcluskiganj, KDH, KD Old, N.R, Tarmi, Swang Washery, Kathara Washery and Jarangdih. In 2017-18, 4 nos. 120T in-motion WB have been commissioned at Ray-Bachra under Piparwar area, Swang washery under Kathara area, Mcluskiganj under NK area and Amlo under Dhori Area in line with our programme to discontinue Static Rail weighbridges and surveyed-off Rail weighbridges in phased manner. 14 nos. of In-motion Rail weighbridges shall be installed in 2018-19 at Tarmi(Dhori Area),Kuju new siding(2 nos.)(Kuju area),Kathara washery, Swang Washery and Jarangdih (under Kathara Area), Rajrappa Washery (Rajrappa Area),RCM &Rajdhar(Piparwar area), KDH & KD old(under NK area), Patratu(under BarkaSayal area),Hazaribagh Town Rly Station(under Hazaribagh area) and CP siding Giridih(under B&K area). However for Giridih, Kuju new siding(Line 5) and Patratu, site approval from Railway is awaited. To ensure correct weighment for the satisfaction of Consumers and Railways, regular FIO testing of Rail weighbridges have been carried out in the presence of officials of Weights & Measurement Deptt., Govt. of Jharkhand, Officials of Railways and Representative of Consumers. 6 nos. of 140 Te In-motion rail weighbridges are under tendering stage.

For weighment of coal being dispatched by road, there are 150 Road weighbridges installed as on 31.03.2018 having capacities up to 60 T. Currently, there are 11 nos. of 60 T Road WBs under installation which shall be commissioned by August'18.Supply order for 31 nos. Road weighbridges is to be placed by end of May'2018.

Procurement of additional weighbridges is indicative of commitment to achieve 100 % weighment at all times.

10.1. Installation of Man-Riding system at Churi-Benti mines, NK Area

In place of Man riding system, proposal for Trackless Man and Material Transportation system is under Board's approval.

10.2 Reduction in Power Consumption

There is reduction in consumption of energy in the year 2017-18. During 2016-17 power consumption by CCL was 755.51 Mkwh while in 2017-18 power consumption by CCL is 735.27 Mkwh.

11. CONSUMER SATISFACTION

Consumer-satisfaction is the prime objective of CCL. Effective measures have been taken to ensure supply of 100% crushed and good quality coal along with required quantity to all consumers. CCL is supplying (-100mm) coal to consumers as per the directive of MOC. CCL has a full-fledged Quality Management Department with well trained officials at head quarter and each area. There are well equipped laboratories and adequate infrastructures for sampling and analysis at head quarter as well as at all areas. Presently, 12nos. of automatic bomb calorimeters are in operation in different laboratories for determination of GCV. Central laboratory at head quarter and Area laboratory, Piparwar have been accredited by NABL.As per directive of MOC,CIMFR has been engaged as 3rd Party Agency for sampling &analysis of coal despatches to power houses under FSA. IIT-ISM & Quality Council of India have also been engaged for 3rdpartysampling andanalysis of coal despatches under the schemes of Forward-auction (Power), Linkage-auction (Non-Power) and otherauctions etc. There is an effective grievance redressal system of consumer complaints. All complaints related to quality are attended immediately.

12. PERFORMANCE / ACHIEVEMENT OF CCMC DEPARTMENT IN 2017-18:

(i) Benchmarking of specific diesel consumption of 31 Opencast projects of CCL in collaboration with CMPDIL has been done & their recommendatios have been circulated for implementations to all concerned for fuel conservations.

(ii) Regular and strict monitoring of diesel consumption at projects curtailed total diesel consumption and specific diesel consumption considerably. Consumption of HSD in HEMMs in FY 2017-18 is 54268 KL, whereas in FY 2016-17, it was 58804 KL.There is reduction of 4536 KL in overall consumption. Moreover SDC achieved during 2017-18 is 1.03ltr/cum and there is an improvement of 2.01% compared with benchmark as well as last year's achievement of 1.05 ltr/cum.

(iii) Testing of 174 nos. of used oil samples of Engine &Transmission, collected from different projects got done by IOC, HPCL and BPCL and their reports forwarded to concerned Projects for needful .

(iv) Three no of Vibration analyzers have been procured and commissioned successfully at Rajrappa, Kathara and KDH Project of CCL to forecast any impending failure and taking remedial action.Use of the instrument in electric shovels helped many times in identifying problems at early stage and rectifying it which reduced downtime as well as cost of repair.

(v) Annual Energy Audit Report for the year 2016-17 was compiled and published in the month of Nov'17 and circulated to all concerned .

(vi) Automation of Diesel Dispensing machines (CPs) on trial basis of Urimari& Ashok Project of CCL has been undertaken and is in advance stage of completion

(vii) Instruments for Conditioning Monitoring Labs at three Regional Workshops are in different stages of procurement.

13. ELECTRONICS AND TELECOMMUNICATION

In the age of Digital India, E&T applications have in essence become ENT (Eyes Nose Throat) of any organizational body. Many revolutionizing projects have been undertaken by the E&T department which facilitate daily communication, bring our widely distributed areas closer and make the coal dispatch and transportation transparent. Some of the major tasks undertaken are as under :

A. GPS/GPRS based Vehicle Tracking System and RFID with CCTV based Weighing Control and Monitoring System across CCL Command areas

Safe mines are productive mines and CCL 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 of employee, conservation of environment and quality of coal produce. To meet all the requirements CCL has installed integrated systems through M/s Orange Business Services India Technology Pvt. Ltd., Mumbai with total cost of 36.31 Crore. The workorder consists of 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 5years. The project has been installed 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 to prevent pilferageas well as improve operational efficiency of the entire dispatch. 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 has been brought into operation. The implementation of this system helps further improvising the safety of workers and people working around the mines, improves 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 provides an integrated Surveillance system to manage and monitor the transportation of various trucks' movement through mines to CHP/Railway Siding. The system aims to prevent the enroute pilferage through continuously monitoring the movement of coal trucks along its defined route.

CCL has already installed 2150 GPS devices in various Coal transportation vehicles.

RFID and CCTV based Weighing Control and monitoring system has been installed in CCL Command areas. Software integration of VTS System with RFID System has been successfully completed and working satisfactorily across CCL Command Area. RFID along with CCTV System has been installed at all 117 Weigh Bridge locations of CCL.

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

Communication is very essential for safe, productive and efficient mining activities. Now a days mobile communication is vital part of communication hence CCL had issued a work order to M/s BSNL on 03.01.2018 for 3993 connections for Closed User Group (CUG) Network for mobile phone along with FCTs. Against this Work Order, sufficient data, SMS and unlimited Voice Call facility is provided. Primary Rate Interface (PRI) connectivity is provided in the EPABX of 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. Now this CUG has become backbone of voice and data communication of CCL and communication has been improved alot. Whatsapp and SMS is being sent to CUG connections for any management related or production related or meeting related etc. information directly to the CUG users.

C. WAN/LAN network of CCL

CCL is presently operating in 12 areas along with its centralized units and HQ in Ranchi. The WAN/LAN connectivity is provided in all Area offices, Project Office, Weighbridges (Road &Rail), Regional Stores and centralized units, which are located 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. The same was implemented through 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 is providing bandwidth service for MPLS, VSAT and ILS. Each command area, regional store and centralized unit is provided with 2Mbps redundant MPLS connected through OFC or RF link. The CCL (HQ) is having10 Mbps redundant MPLS & 10 Mbps ILL link. The WAN point is provided in 176 locations and all WAN point of Area office is having minimum 20 points of LAN ports and all project office is provided with 5 Points of LAN ports. All future development of any data based network will be on the communication Network of the WAN/LAN platform.

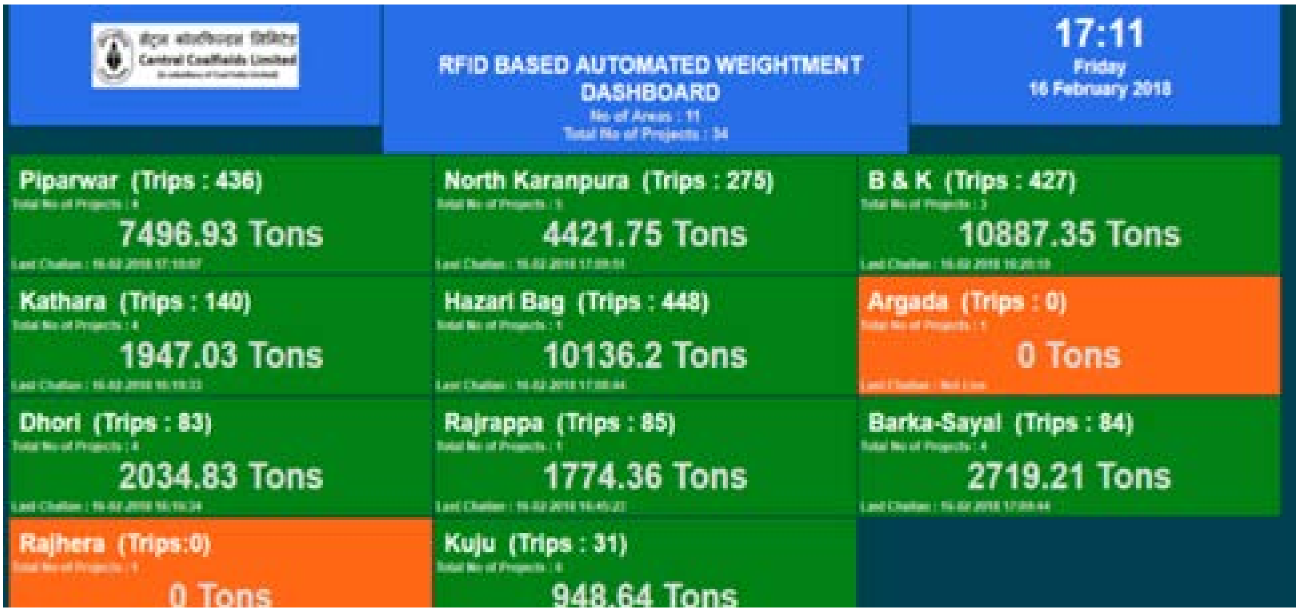
The system is already installed and made operational from Sep 2015.This will ensure online data exchange between various location of all Area Offices, Central and Regional Store, Project Offices, Central Hospital, Mine Rescue Station etc. on real time basis. This backbone connectivity will be used by 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. Secondary WAN Network

To have a Secondary Network, Work Order has been issued to M/s BSNL on 26.02.2018 for providing a better WAN connectivity with more availability across CCL Command Area. Network comprises of 279 links for 5 years rental, with a total cost of 57.09 crore. 100 Mbps MPLS-VPN link is proposed for CCL HQ and 40 Mbps MPLS VPN link at MRS, Ramgarh for standby server. 10 Mbps MPLS-VPN link shall be used for connecting all area HQ, Central Units and Regional Stores from CCL HQ. 2 Mbps link shall be used for online applications from PO Office, Units, Road and Rail Weighbridges from respective areas and Sales Office, CCL, Kolkata. This will be implemented by December, 2018

Interactive Map of Area

Dashboard of VTS



E. CCTV based Coal Dispatch Monitoring System

CCL has installed CCTV surveillance system in all areas of CCL as per the directive of MOC and CVO, CIL order to avoid chances of any theft / pilferage of coal. As per guideline of CVO (CIL) each area is being covered with CCTV surveillance system. CCTV surveillance of stores, explosive magazine, entry exit points, rail weighbridge and other sensitive places is under installation in various areas of CCL.

More than 798 CCTVs have been installed at all important locations of CCL Command Areas and made operational. Rly. Sidings and Coal heaps/dump are being covered with CCTV surveillance throughout the CCL Command areas.

F. Internet Leased Line

CCL has provided different bandwidth of Internet Leased Lines at CCL HQ and all Areas through different ISPs. The Internet provided in CCL HQ is also extended to Centralised Units and all needy locations through WAN/LAN. The widely used applications of internet leased lines are Wifi, Biometric Attendance System, VTS, Video Conferencing, e-procurement/e-tendering, Web browsing, etc.

G. Smart Class

Work order for Smart Class solution with Video interactive facility for “MERE LAAL” and “MERE LAADLI” of CCL & BCCL was awarded to M/s BSNL with work order amount of Rs. 2,21,57,477.00. Smart class solution with Video Interactive facility has been successfully Installed at 08 nos. of location for “MERE LAAL” and “MERE LAADLI” of CCL &BCCL . It was inaugurated by Hon’ble Rail& Coal Minister Shri Piyush Goyal on 09.09.2017 from CIL Kolkata.

In **Phase-I,** the System includes a Central Server at main studio Gandhinagar, Ranchi which is connected through the 20 Mbps MPLS Bandwidth of M/s BSNL to all other 07 locations of CCL& BCCL(Dhori(CCL), Barkakana (CCL), Dakra (CCL), Block-II(BCCL), Katras(BCCL), Lodna(BCCL) , Kalyan Bhawan(BCCL)) through 02 Mbps of MPLS Bandwidth of BSNL.

The Smart Class solution is equipped with a Smart Board for real time sharing of data related to study material of students. The Smart Class solution has helped to reach out to the students of remote Areas for the preparation of Engineering and Board level Exams.

H. VC System at CCL & Its Areas

Video Conferencing System is installed and is operational at all 12 Areas of CCL, Central Workshop Barkakana and CCL HQ, Ranchi, from November, 2017.The Master Control Unit (MCU) is installed at CCL HQ, Ranchi along with central streaming and recording Server. All remote locations are equipped with 01 no. of Video Endpoint provided with a Public IP, UPS and a display unit. 30 Mbps ILL has been provided at CCL HQ, Ranchi and 04 Mbps ILL at all remote locations for connectivity of VC System. This system works on ILL, and we have provision to connect MCU of Video Conferencing system of CIL Kolkata, and any VC system having a Public IP.

I. ***Thus your company has achieved Excellent rating for parameter “Providing input to CIL for Master Codification & Unification”. Achievement is 100% by 31st March 2018 against Excellent MOU target of 100%.***

II. ***Thus your company has achieved Excellent rating for parameter “Highest Log in to E office in any one day by 28th Feb.’18 (as a % of total registered users on that date)”. Achievement is 89% by 31st March 2018 against Excellent MOU target of 75%.***

14. SAFETY

Safety has always been on the top priority of the company and an all out effort is made to achieve our target of zero harm.

The company has achieved a landmark in the field of Safety by receiving National Safety Award for the years 2013 and 2014, the details are as follows:

Year	Type of mine	Category	Name of mine	Award
2013	OC	Longest accident free period	Urimari OC	Winner
	UG	Longest accident free period	Govindpur UG	Runner
2014	OC	Lowest injury frequency rate per lakh manshift	Urimari OC	Runner

During the financial year 2017-18, many initiatives have been taken by the department, which are mentioned below;

I. CCL Safety board meeting

CCL Safety Board meeting is held on 2nd. Friday of each month in one of the areas on rotation basis which is chaired by Director(Tech./Opertn.) and the representative of Tripartite Safety Board member. It is attended by all General Managers of the area, HODs of CCL HQ, trade union representatives and ISO officials.

The Safety board members visit one of the mine of the area which is followed by detailed discussion on every aspect of safety, responsibilities are fixed and a specific time limit is given for its implementation

II. Strenghthening of Safety Committee

Two Pit Safety Committee meetings are held in the mine and one of the meeting is attended by the Area General Manager. The trade union member of tripartite Committee is also invited and their suggestions are given due importance. It is a continuous process.

III. Strenghtening of ISO

ISO has been strengthened by the posting of two SIMTARS trained executive and one Senior Geologist. Strata Control Cell has been established in ISO,CCL HQ which is headed by an officer of E8 rank and assisted by two senior mining executives.

IV. Review meeting of all Area Safety Officers

Review meeting of all Area Safety Officers are held every month which is chaired by the Director(Tech/Opertn) at CCL HQ.

V. Workshop on Safety

Workshop on Safety was organised by each area and at corporate level in which officers, trade union members and workers of different trades actively participated and discussed different safety issues in the month of January 2018.

A one day workshop on Safety Management Plan was organised on safety Management Plan in Vichar Manch, CCL HQ where all General Managers of the area. Senior officers of the area and CCL HQ participated.

VI. Safety Management Plan

Safety Management Plan for all the Opencast and Underground mines has been framed considering all the activities, the hazard associated with each activity by the concerted efforts from DGMS officials, mine personnel associated with each activity and the SIMTARS trained experts from ISO. Safe operating procedures has been made and distributed to the concerned personnel. It is being reviewed at periodic interval. It is an ongoing process.

VII. Inter-Company Safety Audit

Inter-Company Safety Audit of all opencast and underground mines was conducted by a multi-disciplinary Safety Audit team from Mahanadi Coalfields limited and its recommendations are periodically reviewed

VIII. External Safety Audit

External Safety Audit of all Opencast and underground mines was completed by auditors of M/s Certification Services Limited, Kolkata

IX. Zonal Mine Rescue Competition

a. Zonal Mine Rescue Competition was organised on 29.10.2017 at RRRT, Kathara in which 9 teams of the different areas of CCL had participated. The Argada Area team bagged the overall First Trophy and NK Area was declared overall 2nd. Best team.

b. Two teams (A&B) of CCL participated in All India Mines Rescue Competition-2017 held at Jamadoba, M/s Tata Steel from 12th. To 15th. December 2017 and CCLB team bagged the 3rd. Best prize in FIRST AID event.

X. Centralised Safety Information System(CSIS) portal

CSIS portal has been made operative where all the reports. Figues and data, viz. Statutory manpower, statutory documents, training, inspection reports, accident/incidents etc are uploaded by the mine manager

XI. The following Safety drives were conducted during 2017-18

a. Safety Drive for monsoon preparation for opencast mines-2017 from 22.5.17 to 30.5.17

b. Safety Drive on illumination on OCP and Coal Depot Management from 12.5.17 to 25.5.17

c. Safety Drive on Monsoon preparation & sanitation of mines in OCP &UG from 17.7.17 to 27.7.17

d. Safety Drive on blasting practices in underground mines from 18.09.2017 to 21.09.2017

e. Safety Drive for Safe Operating Procedure(SOP) and Code of Practice(COP) from 04.12.17 to15.12.17

XII. Mock Reharsals

Mock Reharsal was carried out for the following underground mines to assess the preparedness of mines in case of any emergency:

a. Urimari UG on 19.05.2017

b. Govindpur UG on 06.09.2017

c. Dhori Khas on 08.09.2017

XIII. Procurement of Safety items

The following Safety items were procured during 2017-18

a. Two nos. of 3D laser Scanner for Ashoka and Amrapali OC mines

b. Brattice Cloth : 3200m

c. Hollow square tube: 50 mT

d. Canvas Shoes; 38900 pairs

e. Water bottle:7669 nos.

XIV. Statutory Manpower

Shortage of Statutory Manpower as per Manpower Budget 2017-18 approved by CCL Board are as follows:

Overman	–	17
Mining Sirdar	–	211
Electrical supervisor	–	33
Electrician	–	27

Action report regarding Shortage of Statutory Manpower:

a. Junior Overman- 148 posts were advertised for selection of Jr. Overman. Written exam has been conducted and result have been published.

b. Mining Sirdar- 102 Mining Sirdar have been posted in different areas against the selection of 207. For the rest 105 waitlist candidates is under process.

c. Assistant Foreman (Electrical)- 22 Assistant Foreman (Elect) have already been posted in different areas and for the rest 17, posting will be completed by 2-3 months.

d. Electrician (Non-Excv) - Appointment letters have been issued to 29 candidates and they have joined.

XV. Safety Performance

Particulars	2016-17	2017-18
Fatal Accident	4	5
Fatalities	5	5
Serious Accident	5	6
Serious Injuries	6	6

Rate	2016-17	2017-18
1. Fatality Rate per million Cum. Overall (OB + Coal) (UG+OCP)	0.04	0.03
2. Fatality Rate per 3 Lakh manshift Overall	0.17	0.16
3. Serious Injury Rate per million Cum. Overall (OB + Coal) (UG+OCP)	0.04	0.04
4.Serious Injuries Rate per 3 Lakh manshift Overall	0.21	0.19

15. PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS

The Manpower strength of the company as on 31.03.2018 was 40777 as against 42156 on 31.03.2017. The category wise break up of manpower strength as on 31.03.2018 vis-à-vis 31.03.2017 is given below:

Category	31.03.2018	31.03.2017
Executives	2401	2436
Supervisory	3206	3274
Highly Skilled/Skilled	13448	14101
Semi Skilled/Unskilled(TR)	16078	16514
Semi Skilled/Unskilled(PR)	1261	1512
Ministerial Staff	3749	3776
Others	634	543
Total	**40777**	**42156**

Hence during the year 2017-18, the overall reduction in manpower was to the tune of 1379, while the number of employees in the Company came down by 2588 during the year under reference, 1209 employees were added to the existing manpower.

MANPOWER DURING 2017-18 : 40777

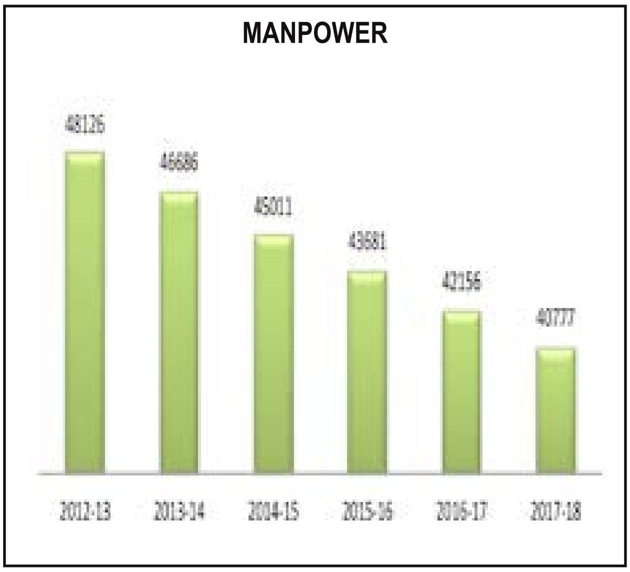
The aforesaid reduction and addition has been under the following heads:

REDUCTION

Manpower Reduction under the head	No .of employees (31.03.2018)
Retirement/Superannuation	1582
VRS(GHS)	01
Death	448
Termination/Dismissal	155
Resignation	20
Inter Company Transfer	145
Medically Unfit	02
Others	235
Total Reduction	**2588**

ADDITION

Manpower Addition under the head	No .of employees (31.03.2018)
Appointment under 9.3.0	448
Appointment under 9.4.0	16
Apptt. under Dependent of deceased Executives	02
Appointment of Land Loser scheme	172
Inter Company Transfer	98
Re-instatement	05
Fresh Recruitment	352
Award Case	00
Others	114
Total Addition	**1209**



15.1. RECRUITMENT

HIGHLIGHTS OF ACHIEVEMENTS OF RECRUITMENT DEPARTMENTFOR THE YEAR 2017-18

Recruitment activities continued in its usual orderly and efficient manner. The year 2017-18 provided abundant employment opportunities to the young workforce of the nation and also contributed to fulfill the ever increasing coal demands of the nation by recruiting statutory as well as non-statutory manpower in CCL.

Highlights are as follows :

1. Equipped with a high performance digital OMR scanner, the department is able to undertake fully computerized evaluation of OMR answers sheets of written examinations. Services for OMR evaluation is provided to different subsidiaries of CIL namely ECL, BCCL, WCL, SECL & CMPDI and various departmental exams of CCL as well. CCL also extends its OMR evaluation facility services to IICM for Management Trainees probation closure examination as well.
2. With continued advancement in the recruitment process, CCL now uses fully online method to invite applications thereby taking a small step towards being paper-less and more importantly decreasing manual dependence for preparation of highly sensitive voluminous databases. E-payment of application fee through SBI online payment portal has made the entire process time and cost effective as well as simple.
3. At the end of FY 2017-18, recruitments in the following designations was completed and thereby led to induction of much needed skilled manpower in the organization:

a.	Mining Sirdar	:	102
b.	Deputy Surveyor	:	20
c.	Asst. Foreman (Elect.)	:	35
d.	Electrician (Non-Excv.)	:	16
e.	E.P. Electrician	:	40
f.	Overseer (Civil)	:	33

Thus this year a total of 246 new skilled manpower in varied disciplines was recruited through External recruitment by the Recruitment Department of CCL.

16. HUMAN RESOURCE DEVELOPMENT

ACHIEVEMENTS DURING 2017-18

Human Resource Development Department takes initiative to equip practicing managers, employees, workers and contractual workers and stakeholders with the skill to synthesis the theory and practice.

This department carry forward the programme in functional areas of management, imparts cross functional input to functional executives, general management programme for executives, induction and orientation programme for management trainers and newly recruited executives.

Skill development for frontline supervisors and skill up gradation programme for non-executives are some of the focus areas of this department.

This department also look forward for imparting skill to the stakeholder for skill enrichment and gainful employment.

In view of the above objective and practices, the major achievement of this during 2017-18 are given below.

CCL being the only subsidiary of Coal India Limited to have the honors to start ITI course in the Electrician trade at BTTI, Bhurkunda. 20 nos. of students have been selected for the session 2014-16, out of which 19 students have been offered with employment by different agencies. For the session 2015-17, 19 nos. of the students have been selected and have successfully completed the course and all have been offered with employment by JAIKARA TECHNO an associate of Cummins India Pvt. Ltd.F or the session 2016-18, 19 nos. of the student have been selected. These selected students are PAPs of CCL command area.

CCL being the only subsidiary of Coal India Limited which is imparting training of Mining Sirdarship and ITI Training in the trades of Electrician, Fitter and Welder to 15 nos. of sons to the optees of CILSFVRS and 39 nos. of sons of the optees of CILSFVRS respectively.

CCL has taken initiated to develop skill development center at CETI, Barkakana for its Project Affected Persons and others as a complementary effort to the Skill Development Mission of the nation. The skills being trained are Electrician and Welder trade, comprising of six months duration of each trade. In the fourth batch which started from 01.03.2017 and ended on 31.08.2017, 42 nos. of Electrician & Welders have been trained, the fifth batch started from 01.01.2018 49 nos. of candidates are being imparted with training in electrician and welder trades, which will be completed on 30.06.2018.

- HRD Department has conducted various training programme at MTC, Ranchi, GVTCs of areas, BTTI, Bhurkunda, CETI Barkakana, STI Ranchi, for Managerial Development for Executives and skill up-gradation for the non-executives during the year 2017-18. 9234 nos. of employees have been trained during 2017-18. 1234 nos. of students for different institution / colleges of the country doing Engineering/ MBA/ BBA//MCA/BCA have been provided of the job practical training during 2017-18
- Befitting with the aim to connect to society at large as well as to cater for the future need of the industry 471 students were trained in preparatory course for mining sirdar examination
- Mentor- Mentee programme For abridging hierarchal gap, interpersonal skill development, create cordial working

environment, solving issues related to working, extra-working and enhancement of working efficiency. As per CIL scheme there are 55 nos. of Mentors grooming the mentees in CCL. Nine training programmes for Mentors and three programmes for Mentees have been conducted during 2017-18. During the fiscal 192 nos. of Management trainees were posted in different areas of the company. All the Staff Officers of the respected discipline have been nominated as Mentor in each area.

- HRD Department has spent an amount of Rs. 36563964/- on training and seminar by conducting above referred programme against the budget of Rs. 45635430/- under training and seminar head during 2017-18

FUTURE INITIATIVES

- Engagement of Apprentices in different trades upto1238 persons i.e. 2.5% of total work force including Contractual Workers
- Registration of all areas as establishment for Apprentice training
- Upgradation of infrastructures at GVTCs
- Augmentation of infrastructure of HRD department CCL Ranchi
- Establishing GVTC at M&A and Rajhara area
- Posting of trainers at HRD HQ and BTTI
- Starting of Centre of Excellence.
- Training of redeployed manpower Electrician trade/Operators and Security.
- Quality training programmes for all level executive from premier institution of the country

- Skill up gradation and skill development programme for super- visors and employees.
- Training on e-Office, ERP, ERM.
- Training on Cyber security

I. ***Thus your company has achieved Excellent rating for parameter "Online submission of ACR/APAR in respect of all executives (E1 & Above) along with compliance in prescribed time line w.r.t. writing of ACR/APAR (% of no. of executives.)". Achievement is 100% against Excellent MOU target of 100%.***

II. ***Thus your company has achieved Excellent rating for parameter "Online Quarterly vigilance clearance updation for senior executives (AGM and above) (% of number of senior executives)". Achievement is 100% against Excellent MOU target of 100%.***

III. ***Thus your company has achieved Excellent rating for parameter "Talent management and career progression by imparting at least one week training in Centre of Excellence e.g. IITs, IIMs, NITs, ICAI, ASCI, XLRI,IICM etc (% of executives)". Achievement is 11% against Excellent MOU target of 5%.***

17. WELFARE & COMMUNITY DEVELOPMENT

Central Coalfields Limited is a Miniratna Company. CCL has always focused on holistic development which includes both production and welfare.

Central Coalfields Limited has adopted a multi-disciplinary approach for welfare, incorporating health, family welfare, education, drinking water and sanitation. 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.

Main Thrust Areas:

- **Water Supply:** The water supply situation has undergone enormous improvement since the time of Nationalization. Concerted efforts are directed towards providing filtered, clear & potable water for usage. At present there are 11 nos. of Water Treatment Plant, 200 deep bore holes, in addition, Six (6) no. of Water Treatment Plants are also proposed at Argada, B&K, Kathara and H/Bagh Area along with one Sewage Treatment Plants to be constructed in Govindpur Phase-II, Kathara Area.
- **Medical Facilities:** Primary care is being taken through our hospitals & dispensaries Secondary & Tertiary care is being taken through Central Hospitals.

There are 04 nos. of Central Hospital as following:

- Gandhinagar Hospital
- Central Hospital, Naisarai
- Central Hospital, Dhori
- Central Hospital, NK

Infrastructure :

Value Added Services at Central Hospitals

(i) Super Specialty Clinic in Cardiology and Neurologystarted in Gandhi Nagar Hospital in which **Dr. Rajeev Rathi of MAX HOSPITAL, New Delhi & Dr. P K Kuchlakanti, of YASHODA HOSPITAL, HYDERABAD** are consultant cardiologist.

(ii) Dr. Awadh Pandit & Prof. C S Yadav from AIIMS, New Delhi are consultant Neurologist and Orthopedics respectively.

(iii) 17 Bedded ***Critical Care Unit*** are as follows in Gandhi Nagar Hospital:

1. ICU 06
2. CCU 05
3. Dialysis 03
4. Recovery 03

Sl. No.	Type of Medical	Nos.
1	**Hospitals**	
	• Central Hospitals	04
	• Area Hospitals	10
	• Regional Hospitals	05
2	**Beds**	892
3	**Dispensary**	63
4	**Doctors (including sp.)**	170
5	**Ambulance**	85

Details of Medical Camps in CCL with beneficiaries (2017-2018):

No. of Medical Camps : 575

No. of Beneficiaries : 203692

- **Education:** Specific emphasis is being given by CCL for providing quality educational facilities to the wards of its employees.
- Grant sanctioned for Schools including Privately Managed Schools for 2017-18:

Amount (upto March 2018)		
Rs. 205395985	—	DAV Schools
Rs. 8200000.0	—	Privately Managed Schools
Rs. 34709737.00	—	KendriyaVidyalaya School

Scholarship: CCL awards scholarships to meritorious students under following schemes, the details are as under :

CIL Scholarship:

Sl. No.	Details	Year	
		2016-17	2017-18
1	Expenditure	16.30	13.52
2	No. of Wards	777	628

- **Tuition Fee Reimbursemen : -** For the wards of non-executives under NCWA-X.

Sl. No.	Details	Amount (In Lac)	
		2016-17	2017-18
1	Expenditure	38.31	46.65
2	No. of Wards	56	56

- **CCEBFS scholarship Schemes:**

Sl. No.	Details	Year	
		2016-17	2017-18
1	Expenditure	17.04	14.41
2	No. of Wards	617	518

Sports & Culture (at a glance)

Sports Event 2017-2018

Sl. No.	Event	
1.	Coal India Inter Company Football Tournament at B-Sayal Area	
2.	Summer Coaching Camp for Children (Boys & Girls) (a) Badminton	
3.	Inter Area Sports.	
	Volleyball	Rajrappa
	Cultural Meet	B&K
	Chess & Carom	Hazaribagh
	Kabaddi	Dhori
	Hockey	NK Area
	Cricket	Kathara
	Athletic	BarkaSayal
	Badminton & T.T. (Including Women's Badminton)	CRS
	Football	Argada
	Inter Village Football Tournament	Kathara
4.	Inter Village Football Tournament	
	(a) Piparwar	
	(b) CRS- Barkakana	
	(c) Kathara	
	(d) Hazaribagh	
5.	Coaching Camp for CCL	
	(a) Football	
	(b) Badminton	
	(c) Cricket	
6.	JilaStariyaHockey Tournament for Boys and Girls (Un15) at Simdega	
7.	Participation of CCL Cricket Team consisting of employees and its ward in Ranchi District Cricket League.	
8.	Inter school Football Tournament at Gandhinagar Ground: Ranchi	
9.	Financial and infrastructure support to different Sports Association especially to "Divyang Sports Associations" in organizing their State/National/International events.	

Way Forward for the year 2018-2019		
1.	4th Summer camp (boys & girls) – Badminton	
2.	Inter Area events as per schedule calendar	
	Volleyball	Argada
	Cultural Meet	Kathara
	Chess & Carom	CRS Barkakana
	Kabaddi	Kuju
	Hockey	H/Bagh
	Cricket	Piparwar
	Athletic	NK Area
	Badminton & T.T. (Including Women's Badminton)	CCL: HQ
	Football	B&K
3.	CIL Inter Company Sports (Reference: CIL Sports Calendar 2018-19)	
4.	Coaching camps of CCL Team	
5.	Formation of CCL Football team consisting of employees & village football players.	
6.	Conducting InterVillage Football Tournament at Ranchi	
7.	JilaStariya Hockey Tournament (Boys & Girls) at Simdega	
8.	Participation in RDCA League of Jharkhand by CCL Team consisting of employees & wards of CCL employees.	

❖ Special Achievement of Welfare Department

- **CCL CANTEEN**
  1. Meeting of Canteen Advisory Committee, CCL: HQ for inviting inputs for improvement of functioning of the HQ: Canteen.
  2. Installation of 'Swipe Machine' at Canteen to facilitate Cashless Payment for the employees.
  3. Continuous and Regular maintenance of Canteen

- **GRANTS GIVEN TO CLUB**
  1. Clubs are booked for providing facilities to the employees for organizing various events/functions for employee's convenience at subsidized rates
  2. Matching grant is given to Officers Club & Recreation Club in CCL.

- **SAMMAN SAMAROH**

SammanSamaroh for the Superannuating employees is organized on the last day of every month. All the retiral dues along with Post Retiral Medical Benefit are provided on the day of retirement to all the Superannuating Employees along with other gifts.

- **SWACHH BHARAT ABHIYAN & SWACHHATA PAKHWARA**

Various Activities relating to Swachh Bharat Abhiyan as per the theme allocated under 'SwachhataPakhwara' is conducted throughout CCL (starting from AmbedkarJayanti, , Environment Day, Teachers & Children's Day etc.)

- **Under CCEBFS Scheme (2017-18):** Death Benefit-272 (Amount- Rs. 101 Lac) , Silver Coins-676 nos. (Amounting to Rs. 13.52 Lac) were distributed amongst the employees/ members of the Society.

18. CORPORATE SOCIAL RESPONSIBILITY

Sector- wise expenditure in 2017-18 (in Rs. Lakhs) upto March 2018 :

Sector	Expenditure (in Rs. Lakhs)
Sanitation	2192.50
Health	906.79
Sports and Culture	478.85
Education	256.35
Infrastructure	243.47
Drinking Water	215.22
Environment and SD	172.48
Skill Development/ Social Empowerment	47.24
Other Development Works/Administrative Cost	55.46
Total	4568.36

Note: The CSR expenditure booked in the FY 2017-18 comes to Rs. 37.90 crores.

An amount of Rs. 7.78 Crores has been transferred to State Government of Jharkhand for implementation of CSR works which is a deemed expenditure for the FY 2017-18. Thus, totalling to Rs. 45.68 Crores

Apart, an amount of Rs. 9.96 Crores has been committed for CSR activities in the FY 2017-18 for which expenditure will be made in subsequent years.

➢ Sanitation

CCL has been entrusted to create ODF communities in the districts Ranchi, Bokaro & Hazaribagh of Jharkhand. An amount of Rs.21.45 Crores has been transferred to the State Government of Jharkhand from CCL CSR Fund in the year 2017-18 for the said purpose. Target no. of IHHL to be constructed: 17462.

Sanitation has been the maximum expenditure sector with construction of more than 18 community toilets in command area & individual toilets in schools. Around 3 nos. of drains were constructed in the command area villages. CCL also observed Swachhta Pakhwada in all the command area including HQ and number of activities were carried out during the year for creating awareness related to Sanitation and Hygiene.

➢ Health

(a) Construction of Centralised Kitchen for supply of Mid Day Meal at Ratu Ranchi: An MoU has been signed with the Government of Jharkhand for establishment of Centralised Kitchen at Ratu, Ranchi, Jharkhand for supply of Mid Day Meal to around 1 lakh school children of Jharkhand and an amount of Rs. 7.71 Crores has been transferred from CCL CSR fund.

(b) Mega Health Camp at Deogarh during Sawaan Mahotsav was organised by CCL in the year 2017-18 benifitting around 40,000 visitors and villagers.

(c) Other regular health camps like ENT, Cardiac, Anemia, Dental, Blood Donation, Diabetics, HIV, Kidney etc were conducted benefitting more than 35000 patients.

(d) Running of CSR Dispensaries where free medicines are given to people in the command area villages, distribution of artificial appliances were also carried out benefitting around 72000 patients around the year 2017-18.

(e) CCL has also supported schools of Chatra by installation of sanitary napkin vending machines and napkin incinerator in 12 schools of Chatra, Jharkhand.

(f) Eye Equipment at TB Sanatorium: Eye Testing Machine has been installed at TB Sanatorium as a part of CSR activity in 2017-18 benefitting around 1000 eye patients.

➢ Sports & Culture

Jharkhand State Sports Promotion Society (JSSPS) was formulated to run the Sports Academy with joint investment from CCL CSR Fund and State Government of Jharkhand. Around 400 children of Age group 8-12 years are undergoing sports training at Sports Academy along with formal schooling , boarding and lodging facilities with an ultimate aim to bring laurels to the country in Olympics 2024.

An amount of Rs. 460.92 lakhs were spent on running the Sports Academy under CSR.

Other activities include organising football Matches, Training of Sports Person and Distribution of Sports Kits, Development of Football Ground etc with a total expenditure of Rs.478.85 lakhs.

To preserve and promotion traditional art and culture traditional musical instruments were also distributed in one of the command area Piparwa, CCL to the villagers.

➢ Education

An amount of Rs. 256.35 lakhs were spent on the following activities:

(a) CCL Ke LAL & CCL KI LAADLI & CCL KI LAADLI

Meritorious 10th pass male and female students from all across the state of Jharkhand espcially from the command area villages are selected under this scheme and prepared to appear in different engineering entrance examination for getting into IITs, NITs and other reputed state and national level engineering colleges.

Students are given free school education for 11th and 12th in one of the best schools of Jharkhand along with free residential facility, fooding and lodging at CCL KE LAL & CCL KI LAADLI Hostel. In the year 2017-18 the classroom teaching at Ranchi was extended to three remote location of CCL and BCCL through Video Conferecing classes.

A total of 388 students were shortlisted for this scheme and the results of the last batch have been overwhelming with 12 students clearing JEE Advanced and 2 students clearing IIT Advanced and more than 60% of the students securing more than 85 % in 12th Board Examination.

(b) Kayakalp Public School

CCL under its CSR has started a school "Kayakalp Public School" with 30 students from poor and downtrodden section of the society where parents of these children are engaged in minial jobs like begging, ragpicking etc. These students are given full facility from study materials, uniforms, books to healthy breakfast and lunch in the school. The students are taught yoga and etiquettes and are moulded in a manner that they become self dependent and a good and responsible citizen.

(c) Distribution of Books

As a part of promoting education and moral upbuilding, CCL aided in distribution of books on moral values, environment protection and other knowledge enhancement books through R.K. Mission. An amount of around 1.00 lakhs was given for the said activity.

(d) Support to education

In different command areas of CCL, activities in terms of support to education by infrastructure development like construction of school boundary, development of common room for girls and boys, construction of primary school at Piparwar area, construction of rooms in Schools etc have been also carried in the year 2017-18 in Kathara, Dhori, Kuju, Piparwar, Barkasayal, Hazaribagh, Argada, NK and HQ.

➢ Infrastructure

An expenditure of Rs. 243.47 lakhs has been incurred in the infrastructural developmental activities in and around our command areas during the year 2017-18 in the following activities.

(a) Roads — 11 nos. of activity related Construction /Repair of rural roads have been done during the year 2017-18.

(b) Ghats near ponds — Construction of 7 nos. ghats/steps near ponds have been done in the year 2017-18.

(c) Community halls — 6 nos. Community Halls have been constructed in the peripheral villages of the command areas during the year 2017-18.

(d) 3 nos. of activity has been carried out for construction of Boundary Wall in command area villages.

(e) Slum Development at Hatma Basti has also been carried out in the year 2017-18.

➢ Drinking Water

Providing potable drinking water to the villagers is one of the major CSR activities. During the year 2017-18 the following works have been done and an expenditure of Rs.224.33 lakhs has been incurred.

	Activities	Nos.	Expen (in Rs lakhs)	Benefeciaries (approx)
(a)	Installation of handpumps	55	38.98	16050
(b)	Construction of wells	25	68.12	6000
(c)	Deep Boring and Submersible pumps	21	68.39	8650
(d)	Water Pipeline distribution	1	3.42	10300
(e)	Distribution of water through water tankers	1	36.31	13000

➢ Environment & SD :

Protection and conservation of environment has also been the area of intervention under CSR with multiple activities like :

(a) Construction of 12 nos. of Ponds in and around the command area villages.

(b) Plantation Drive and Distribution of Medicinal Plants.

(c) Set up of 2 Solar Power Plant in Magadh & Amrapali Area, CCL.

(d) Distribution of more than 70 Solar Lights to villagers of the command area for promoting use of renewable source of energy.

(e) 2 nos. of parks for elderly and children have been develop in the command area of B&K and Hazaribagh.

- **Skill Development**

Social empowerment

(a) Bhurkunda Technical Training Institute (BTTI)

CCL is imparting Mining Sirdarship Training along with stipend to students belonging to SC/ST at its Technical Training Institute (BTTI) in Bhurkunda for a period of 04 years starting from 2015

The unemployed youths of CCL command areas are also being provided a two year ITI training course in Electrician Trade at BTTI, Bhurkunda.

(b) Multi Skill Development Centre (MSDC), Barkakana

Project Affected Persons (PAP) from various CCL command areas are undergoing six months course of Electrician & Welders Trades in MULTI SKILL DEVELOPMENT CENTRE, BARKAKANA. Till date 5 batches of trainees have been enrolled.

(c) Tailoring, Embroidery and Beautician Training to women

4 Nos. of such training have been imparted to 165 poor women in and around our command areas in 2017-18.

(d) Other vocational training

1 no. of computer Training and 4 nos. of electrician and mobile repairing has been imparted to the unemployed youths in and around command areas in the current fiscal along with 3 multi skill development training benefitting more than 600 men and women in and around the command area.

(e) Support to Old Age and Destitute Home/rehabilitation centre

CCL under its CSR supports Old Age Home/Destitute Home in and around command area villages benefitting around 952 old age/destitute elder persons.

AWARDS & RECOGNITION

- **"Best Corporate Initiative Award" presented in recognition of the CSR Project of Running Sports Academy at Hotwar, awarded by Jharkhand Government in the Industry Champions for SDGs Awards 2017**
- **"Best Innovation Award" presented in recognition of the CSR Project "CCL ke Lal / CCL Ki Laadli", awarded by Jharkhand Government in the Industry Champions for SDGs Awards 2017**
- **Award for "Innovation in CSR Practices" in "National CSR Leadership Congress & Awards" on 20th Sept. 2017 at Bangalore**
- **Recognition of the commendable work done by Central Coalfields Limited (CCL) as a socially Responsible Company during the award function for Corporate Social Responsibility Awards organized by FICCI at New Delhi.**

19. SAMADHAN SCHEME

A Grievance cell has been established on 27/04/2012 for redressal of grievances of all working or retired executives, non-executives, contractors, consumers of CCL or any other person related to CCL. The complainants lodge their grievance either in writing, over toll free no. 18003456501, Online, WhatsappSewa no 7091093753, Twitter, AapKaDarbar and 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 HOD's over phone regarding receipt of the complaint. Subsequently, a letter is written annexing the complaint to the respective HOD's requesting them to redress the same within a time mentioned therein. On non-receipt of reply the HOD's are reminded over phone as well as in writing. The reply received from the HODs are examined and if found satisfactory, the complainants are informed over their mobile phone and written reply is also given. In case of reply of HODs are not being found satisfactory, case is again sent to HODs for review and if reply received is still not found satisfactory 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 2017-18

A total no of 262 grievances were received in Samadhan Cell during 2017-18 out of which 216 grievances have been disposed of resulting in an achievement of 82%.

CCL has received a total no of 2223 (since inception) grievances out of which 2031 grievances have been disposed of resulting in an overall achievement of 91.36%.

20. CAPITAL EXPENDITURE ON SOCIAL OVERHEAD ASSETS TILL 31.03.2018

Till 31.03.2018, the cumulative amount spent by our Company towards social overhead assets is ₹ 540.96 Crs. details of which are tabulated below :

(₹ in Crore)

Sl. No.	Particulars	2017-18	2016-17
(i)	Building	429.31	398.71
(ii)	Plant & Machinery	63.21	61.67
(iii)	Furniture & Fittings	22.63	19.08
(iv)	Vehicles	7.33	7.49
(v)	Development	18.48	19.20
	TOTAL	**540.96**	**506.15**

21. FINANCIAL PERFORMANCE

The financial results of your Company during 2017-18, as compared to 2016-17, are as under :

(₹ in Crore)

Sl. No.	Particulars	2017-18	2016-17 (Restated)
i.	Revenue from operations	11787.03	11507.09
ii.	Other Income	508.96	561.47
iii.	Total Revenue	12295.99	12068.56
iv.	Expenses excluding depreciation, interest	10424.66	9252.75
v.	Profit before depreciation, interest	1871.33	2815.81
vi	Depreciation/Amortization /Impairment	355.72	372.63
vii.	Interest	172.01	71.88
viii.	Profit before Tax	1343.6	2371.3
ix.	Tax Expense	554.06	984.19
x.	Net Profit after Tax	789.54	1387.11
xi.	Other comprehensive income	155.59	20.05
xii	Tax on Other Comprehensive Income	64.16	8.32
xiii.	Profit attributable to Owners of the Company	789.54	1387.11

The Board of Directors of your Company has paid an Interim Dividend of ₹ 531.10 Crs. (Previous year — ₹ 3634.04 Crs.). Total dividend in 2017-18 is ₹ 531.10 Crs. (dividend per equity share is ₹ 565, on 9400,000 equity shares of 1000.00 each – previous year ₹ 3866).

Rating of some Financial and Non-Financial Parameters of MOU 2017-18 between CCL and CIL

A. Financial parameters (As per MOU norms)

I. Thus your company has achieved Excellent rating for parameter "Turnover Revenue from Operations (Net)". Achievement is Rs. 11586.43Crs. against Excellent MOU target of Rs.11517.64Crs.

II. Thus your company has achieved Excellent rating for parameter "PAT/ Average Net Worth". Achievement is 44.68% against Excellent MOU target of 34.5%.

III. Thus your company has achieved Excellent rating for parameter "Operating profit (Profit before Tax excluding other Income, Extraordinary and Exceptional Items) Operating profit as a percentage of Revenue from operations (net)." Achievement is 17.73% against Excellent MOU target of 13.42%

B. Non-Financial parameters

I. Thus your company has achieved Excellent rating for parameter "Trade receivables(Net) as number of days of Revenue from Operations (Gross)". Achievement is 24.76 days. (as per MOU norms) against Excellent MOU target of 26 days (lesser days better).

II. Thus your company has achieved Excellent rating for parameter "Reduction in Claims against the Company not Acknowledged as Debts of CPSE and Others". Achievement is 22.56% (as per MOU norms) against Excellent MOU target of 5%.

III. Thus your company has achieved Very Good rating for parameter "Inventory of finished goods and work in progress to Revenue from Operations (Net". Achievement is 38 days (as per MOU norms) against Very Good MOU target of 48 days (lesser days better).

22. CAPITAL EXPENDITURE

The capital expenditure during the year 2017-18 has been ₹ 898.86 Crore compared to ₹ 1145.80 Crore in the previous year. The head-wise details of capital expenditure during the year 2017 - 18, are detailed below :

(₹ in Crore)

Sl. No.	Head of expenditure	2017-18	2016-17
(i)	Land	64.39	116.26
(ii)	Building	99.67	60.35
(iii)	Plant & Machinery	190.68	111.34
(iv)	Furniture & Fittings	2.07	2.04
(v)	Office Equipment	10.83	5.38
(vi)	Railway Siding	467.60	776.35
(vii)	Vehicles	0.06	2.89
(viii)	Other Mining Infrastructure	63.55	71.12
(ix)	Software	0.01	0.07
	Total	**898.86**	**1145.80**

Note :

1. Railway siding includes expenditure incurred during 2017-18 on Tori - Shivpur Rail- line (enabling Assets) amounting to ₹ 403.16 Crore.
2. The above Capital Expenditure excludes ₹ 803.48 Crore paid to East Central Railway as Capital Advance for construction of Tori-Shivpur Rail Line Project.

Thus your company has achieved Excellent rating for parameter "CAPEX". Achievement is Rs. 898.86 Crs. against Excellent MOU target of Rs.650 Crs .

23. CONTRIBUTION TO EXCHEQUER

The contribution to the State/Central Exchequer during the year 2017-18 vis-à-vis 2016-17 is detailed below :

(₹ in Crore)

Sl. No.	Head of expenditure	2017-18	2016-17
(i)	Royalty on Coal	1500.54	1241.41
(ii)	NMET (Central Fund)	29.92	23.38
(iii)	DMF (State Fund)	424.66	659.72
(iv)	Sales Tax / VAT	94.70	341.50
(v)	Stowing Excise Duty	30.74	59.42
(vi)	Income Tax	966.87	1010.50
(vii)	Dividend Tax	108.12	739.80
(viii)	Service Tax	81.53	279.54
(ix)	Clean Energy Cess	810.87	2433.23
(x)	Central Excise on Coal	114.27	365.48
(xi)	Goods & Service Tax	2389.34	—
(xii)	Others	15.41	13.13
	TOTAL	6566.97	7167.11

24. CAPITAL STRUCTURE

During the year under report, the Authorized Share Capital and the Paid-up Share Capital of your Company remained unchanged viz. Rs. 1100.00 Cr. and Rs. 940.00 Cr.respectively. The net worth of the Company as on 31st March 2018 is Rs. 3,478.85Cr. compared to Rs. 3237.10 Cr.(re-stated) as on 31st March 2017.

24.1. BORROWINGS

During the Financial year 2017-18, the company has borrowed Rs. 150.00 Crs.on short term borrowings from banks against Fixed Deposits of Rs.162.00 Crs.

25. STATUS OF PROJECT IMPLEMENTATION

As on 31.3.2018, there are 21 ongoing and 34 completed mining projects in CCL with sanctioned capacity of 112.85 MT. The sanctioned capital and sanctioned capacity of ongoing projects of CCL are Rs 4095.536 crores and 60.35MT respectively. The sanctioned capital and sanctioned capacity of completed projects of CCL are Rs 3023.21 crores and 52.51MT respectively.There is one Non –Mining project named Tori Shivpur railway line(double line) with a sanctioned capital of Rs 2399.07 crores and length 44.37 kms.

Details of total no of Projects(Ongoing + Completed)

Projects	Number	Sanctioned Capital (Rs. crores)	Sanctioned Capacity (MTY)
Above Rs 150 Crores	14	5553.03	75.46
Between Rs.150 Crores to Rs.50 Crores	11	1069.26	21.66
Between Rs.50 Crores to Rs.20 Crores	2	82.32	1.8
Between Rs.20 Crores to Rs.2 Crores	28	414.1344	13.89
TOTAL	55	7118.7444	112.85

Details of 21 Ongoing Mining Projects of CCL

Projects	Number	Sanctioned Capital (Rs crores)	Sanctioned Capacity (MTY)
Above Rs 150 Crores	9	3428.13	46.21
Between Rs.150 Crores to Rs.50 Crores	5	534.44	10.71
Between Rs.50 Crores to Rs.20 Crores	1	46.78	0.80
Between Rs.20 Crores to Rs.2 Crores	6	86.186	2.63
TOTAL	21	4095.536	60.35

Out of 21 ongoing projects Parej East UGP &Hurilong UGP could not be started due to non grant of FC & EC respectively. Kalyani OCP is one of the ongoing projects of CCL and will be started after EC & FC.

Out of balance 18 projects Amrapali OCP is on schedule and other 17 projects are delayed due to problems which are broadly classified as under :

(a) Authentication of land.

(b) Forestry Clearance and site hand over.

(c) Environmental clearance.

(d) Coal Evacuation problem.

(e) R&R issues

(f) Safety reasons

Details of Ongoing Non Mining Projects of CCL

1. **Tori Shivpur railway line(double line) :** The construction of Tori - Shivpur new BG Double Rail line (Length 44.37 km) at the overall project cost of Rs.2399.07 Crores has been taken up through East Central Railway. An amount of Rs. 2392.13 Crores (approx.)upto Mar'18 has been deposited by CCL with East Central Railway. The expenditure incurred by East Central Railway on Tori-Shivpur Rail line up to March 2018 is Rs.1141.77Crs. The completion of Rail line will be helpful in evacuation of coal from CCL's mega mines i.e. Magadh & Amrapali OCPs. Single rail line up to Balumath Station (19.3 KM) has been inaugurated on 9th March 2018 and coal dispatch started.

Projects approved during the FY 2017-18 : NIL

Projects started during the FY 2017-18 : NIL

Projects completed / commissioned in FY2017-18

Sl No	Projects	Type	Sanctioned Capacity (MTY)	Sanctioned Capital (Rs Crs)	Remarks
1	Kuju RO UG	UG	0.36	16.29	Foreclosure/Completion
2	Kargali UG	UG	0.15	4.6443	Foreclosure/Completion
3	Pindra UG	UG	0.3	15.05	Foreclosure/Completion
4	Rohini	OC	2	105.67	completed
5	Purnadih	OC	3	210.98	Completed
6	Tisri	UG	0.18	10.78	Dropped /Completed

Details of 34 Completed / Commissioned Projects of CCL

Projects	Number	Sanctioned Capital (Rs crores)	Sanctioned Capacity (MTY)
Above Rs 150 Crores	5	2124.9	29.25
Between Rs.150 Crores to Rs.50 Crores	6	534.82	10.95
Between Rs.50 Crores to Rs.20 Crores	1	35.54	1
Between Rs.20 Crores to Rs.2 Crores	22	327.9484	11.26
TOTAL	**34**	**3023.21**	**52.5**

In addition to the above following projects have been approved **"In Principal"**

Sl. No.	Project Name	Nominal/Peak Capacity (MTY)	Status/ Remarks	Date of Approval
1.	KDH Extn OC	4.50	First Stage In- Principal Approval	19-08-2010
2.	Ashoka OC	22/30	First Stage In- Principal Approval	06-11-2013
3.	Pichri OC	1.20/1.50	First Stage In- Principal Approval	27-11-2010
4.	Piparwar Mangardaha UG	1.38/1.59	First Stage In- Principal Approval	21-01-2011
5.	Gose OC	2.00/2.30	First Stage In- Principal Approval	03-04-2011
6.	Chano Rikba OC	2.00/3.00	First Stage In- Principal Approval	18-09-2011
7.	Argada OC	1.70/2.21	First Stage In- Principal Approval	24-01-2012
8.	DRD OC	4.00/4.60	In- Principal Approval	24-01-2012
9.	Pundi Expn. OC	2.50/2.88	First Stage In- Principal Approval	24-01-2012
10.	Kuju OC	1.30/1.50	First Stage In- Principal Approval	24-02-2012
11.	Tapin South Expn.	2.00/2.3	In- Principal Approval	03-08-2012 & 4.08.12
12.	Hesalong OC	1.70/2.50	In- Principal Approval	01-10-2012
13.	Amlo Dhori UG	0.57/0.65	In- Principal Approval	20-12-2012
14.	Sangamitra OC	20.0/27.00	In- Principal Approval	20-12-2012
15.	Topa Expn.OC	5.25/7.00	In- Principal Approval	02-02-2013
16.	Aswa OC	1.00	In- Principal Approval	02-02-2013
17.	Mahendra OC	4.00/5.40	In- Principal Approval	26-04-2013
18.	Chandragupta OC	15.0/20.0	In- Principal Approval	26-04-2013
19	Recast EPR of Konar OC	8.00/11.00	In- Principal Approval	15.3.16/16.3.16
20.	Karo OC Expn. OC	11.0/15.0	In- Principal Approval	21-05-2013
21.	Magadh Expn. OC	51.0/70.0	In- Principal Approval	21-05-2015& 22.05.15
22.	Bhairavi OC	7.0/10	In- Principal Approval	12-04-2015
23.	North Urimari	7.50/10.00	In- Principal Approval	04-11-2014
24.	Ara OC	2.50/3.40	In- Principal Approval	06-11-2013
25.	Jeevandhara OC	1.00/1.35	In- Principal Approval	19-11-2013
26.	Asnagarha OC	3.00/4.00	In- Principal Approval	15-04-2014
27.	EPR of Govindpur PH-II OC	3.00/4.00	In- Principal Approval	04-11-2014
28.	Godo OC	3.00/4.00	In- Principal Approval	10-02-2015
29	Piparwar Ph-I UGP**	0.87/1.0	In- Principal Approval	03-08-2017
30	Recast EPR of Amrapali OC	25.00/35	In- Principal Approval	07-01-2018
Total		**214.97/288.68**		

** Piparwar Ph-I UGP has been carved out of Piparwar Mangardaha UGP (Sl. No.4)

Final approval for above projects is under process.

Our company's production level in FY 2017-18 is as follows :

Group	2017-18 MT
Existing mines & completed projects	40.752
On-going projects	22.653
Total	**63.405**

Other Non-Financial parameters (MOU 2017-18)

I. Thus your company has achieved Excellent rating for parameter "Fresh Coal Seam Exposure". Achievement is 252.53Ha. against Excellent MOU target of 250 Ha.

II. Thus your company has achieved Excellent rating for parameter "Biological Reclamation". Achievement is 83 ha. against Excellent MOU target of 82.85 Ha.

III. Thus your company has achieved Excellent rating for parameter "Deployment of Additional Surface Miners during 2017-18 (Hired/ Deptt.)". Achievement is 4 Nos. against Excellent MOU target of 2 Nos.

IV. Thus your company has achieved Very Good rating for parameter "Percentage of value of CAPEX contracts /running projects during the year without cost overrun to total value of CAPEX contracts running/ completed during the year". Achievement is 94% against Very Good MOU target of 90% .

26. ENVIRONMENT & FOREST

A. Environment Management

1. No. of Projects for which Environmental Clearance Received : 01

Name of Project	Cap in MTPA	
	Nom	Peak
Konar Expansion OCP	8	11

Addition of 7.5 MTPA capacity of coal

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

Name of Project	Cap in MTPA	
	Nom	Peak
Selected Dhori OCM	8.25	11.0
Tarmi OCP	2.5	2.5
Kedla OCP & UGP	1.18	1.57
Kuju OC	1.3	1.5

3. No. of Mines (projects) for which Public hearing held : 01

Name of Project	Cap in MTPA	
	Nom	Peak
Balkudra OCP	1.3	1.3

4. No. of Mines (projects) for which EMP Submitted to MoEF : 03

Name of Project	Cap in MTPA	
	Nom	Peak
Balkudra OCP	1.0	1.3
Sayal D	1.0	1.35
Tapin South	2.0	2.5

B. Afforestation

During 2017-18, 2.07 Lakh saplings were planted over 83.001 Ha of land. Avenue plantation over 5.70 km were also carried out. Plantation has been done through State Forest Department.

Photographs of plantation on OB dumps during 2017-18 are appended below:

C. Environment Monitoring

All the mines / washeries of CCL are being monitored on regular basis by CMPDI. This year about 5400 numbers of PM_{10} (RPM) stations, 5400 numbers of $PM_{2.5}$ stations, Heavy Metals analysis on 155 stations ,1800 effluent monitoring stations, 500 surface water quality stations, 200 drinking water quality samples, 4190 noise monitoring stations and 24 samples of DETP were monitored.

D. Estimation of Mine Water and Mine Discharge in the Mines of CCL

The availability of mine water in mine voids of CCL alongwith the quantum of mine discharge was assessed during the year. As per the assessment about 25 billion gallon of water is available in the mine voids which can be utilized for domestic and irrigation purposes by the neighboring villages. A draft MoU has been. signed between Government. of Jharkhand and CCL on 30.10.2017. The quality of mine water was also assessed by NABL certified laboratory.

E. Land reclamation status of opencast mines

Reclamation status of mines is being monitored by CMPDI by remote sensing on a regular basis.The projects with composite excavation capacity of more than 5 Million Cubic Metre are monitored every year and projects less than 5 Million Cubic Metre are monitored once in three years.

Five large open cast projects of CCL having composite excavation capacity of more than 5 Million Cubic Metre- Ashok OCP, Piparwar OCP, KDH OCP, Parej East OCP and Rajrappa OCP are monitored every year. Remote sensing image for Rajrappa OCP is as below:

The 13 projects with composite excavation capacity of less than 5 Million Cubic Metre were monitored in the year 2014 and again in 2017. These projects are Rohini OCP, Purnadih OCP, Tapin OCP, Jharkhand OCP, Topa OCP, Urimari OCP, North Urimari OCP, New Gidi 'C' OCP, Govindpur OCP, Khasmahal OCP, Amlo OCP, Selected Dhori OCP, Tarmi OCP.

F. Forest Details

FC Application (Online/ Offline)

Sl no.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Churi Benti Underground Project (281.17 Ha)	461.834 Ha / (1141.21 Acres)	8
2	Amlo Opencast Project (39.664)		
3	Tarmi (97.44 Ha)		
4	North Urimari Change in Landuse (2.96 Ha)		
5	Revised Churi Benti (16 Ha) for Change in LU		
6	Urimari OC (6.48) for Change in LU		
7	Kuju OC (13.12 Ha) for Change in LU		
8	Kuju patch (5 Ha)		

Payment to GoJ in Rs.

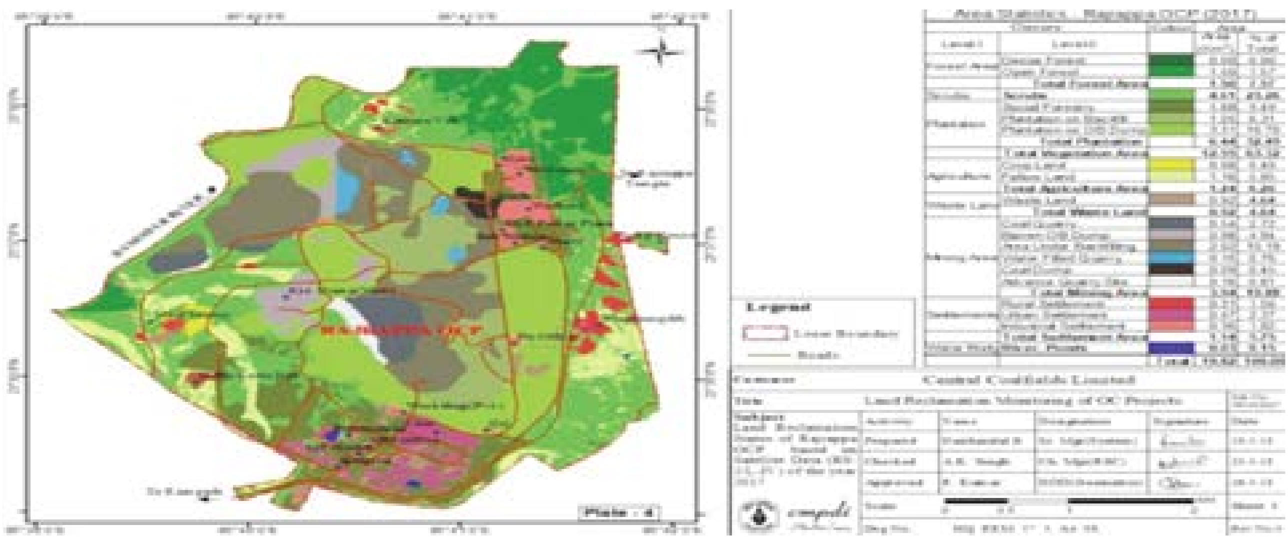
Sl no.	Name of Proposal	Amount in Rs.	No. of Proposal(s)
1	Rajrappa OCP (510.82)	Rs. 20,94,66,039.00	Net Present Value = Rs. 20,89,43,420.00 Safety one = Rs. 5,22,619.00 Others = 18165107.98
2	Magadh OCP (659.05)		
3	Urimari OCP (35.84)		
4	Tarmi OCP (55.06)		
5	Churi UG (312.75)		

NOC for GM JJ

Sl no.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Piparwar Wharfwall (2.40 Ha)	378.91 Ha (936.30 Acres)	4
2	DRD OC (205.79 Ha)		
3	Churi Benti UG (18.12 Ha)		
4	Purnadih (152.60 Ha)		

FRA certificate in Form – II under FR (ST&OTFD) Act,. 2006

Sl no.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Karo 226.67 Ha	687.31 (1698.38 Acres)	6
2	Piparwar Wharfwall (4.51 Ha) dtd. 22.12.17		
3	DRD OCP (205.79) Ha		
4	Purnadih (39.69 Ha)		
5	Kuju (106.65 Ha)		
6	Churi Benti (104 Ha)		



DGPS Plan and KML File for Forest Land

Sl no.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Sayal D (16.38 Ha)	976.29 (2412.46 Acres)	10
2	North Urimari (2.96 Ha)		
3	Urimari (6.98 Ha)		
4	ChuriBenti (16 Ha)		
5	Kuju (96.05 Ha)		
6	Kuju OC Chaange in Land use (13.12 Ha)		
7	Rajrappa (277.15 Ha)		
8	KDH (126.72 Ha)		
9	Tarmi (97.44 Ha)		
10	Purnadih (323.49)		

DGPS Plan and KML File for CA Land

S l No.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Karo (480 ha)	2755.52 (6809.038 Acres)	7
2	Karo belt (15 Ha)		
3	Konar (140 Ha)		
4	Urimari (70 Ha)		
5	Rajrappa (600 Ha)		
6	Pundi OC (1203.52 Ha)		
7	Kuju OC (250 Ha)		

No. Of FAC Held

Sl No.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Karo (226.67 Ha) [2 Times] dtd 15.06.17 & 25.01.18	295.07 Ha (729.13 Acres)	2
2	Konar Washery (68.40 Ha)dtd 15.06.17		

No. of Cost Benefit Analysis Prepared (as MoEFCC OM dtd. 01.08.2017)

Sl. No.	Name of Proposal	Area in Ha / (Acres)	No. of Proposal(s)
1	Tarmi OCP (97.44)	1868.26 (4616.57 Acres)	7
2	Konar Washery (68.40 Ha)		
3	KDH (126.72 Ha)		
4	Churi Benti (281.17 Ha)		
5	Pundi OC (595.53 Ha)		
6	Rajrappa OC (277.15 Ha)		
7	Amlo OC (39.443 Ha)		

27. LAND ACQUISITION STATUS

Under CBA (A&D) Act' 1957 – During the year 2017-18 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.	Magadh Expansion-II	13859.98	Section 9(1) & 11(1)completed . Gzt. Notf. dt 20.04.2017 & 02/04.06.2017
2	Amrapali Expansion-II	3941.51	Section 9(1) & 11(1)completed . Gzt. Notf. dt 30/31.08.2017 & 17/21.10.2017
3	Pachra&Pachra South Coal Min.block	3331.5	Section 9(1) & 11(1)completed . Gzt. Notf. dt 25/27.07.2017
4	Koed Manatu Block	3061.96	Section 9(1) & 11(1)completed . Gzt. Notf. dt 25/27.07.2017
5	Magadh Expansion Project(Magadh Rly Sdg)	127.35	Section 9(1) & 11(1)completed . Gzt. Notf. dt 03/04.07.2017 & 12/14.10.2017
6	Ashok Expansion-II	741	Section 9(1) completed. Gzt. Notf. dt 03/04.08.2017
7	Konar OCP	9.09	Section 9(1) completed. Gzt. Notf. dt 03/04.07.2017
8	Chainpur OCP	58.41	Section 9(1) completed. Gzt. Notf. dt 31.07/01.08.2017
9	Sanghmitra OCP	1557.66	Section 4(1) completed. Gzt. notf. Dted 14.02.2017
10	Chano Rikba OCP	1727.6	Section 4(1) completed. Gzt. Notf. Dted 14.02.2017
11	Pichhri-II OCP	130.95	application for Sec-7(1)amendment sent to MOC dted 1.11.16
12	Selected Dhori Opencast	18.41	Section 9(1) & Section 11(1) completed. Gzt. Notf. dt 10/18.11.2017 & 13.03.2018

4087.034 acres of land under Section 7(1) , 18756.051 acres of land acquired under Section – 9(1) and 24343.28 acres of land acquired under Section 11(1) resulting in achievement of excellent rating.

(a) Payment of compensation

During the year under reference, for land, houses, trees and other interest acquired earlier under the provision of CBA (A&D) Act, 1957 compensation amounting to Rs.2405.23 lakhs have been disbursed. 24 numbers of payment camps were held in different areas for payment of compensation.

Rs. 3640.1lakhs have been sanctioned by competent authority for compensation amount under land, houses & trees (including R&R Benefits).Rs 1798.69 lakhs has also been disbursed for rehabilitation and resettlement benefits including lump sum payment to project affected persons in KDH, Magadh, North Urimari, B&K , Bhurkunda, Piparwar (Bijain) &Purnadih Projects.

(b) Employment

During the year 2017-18, as many as , 179 fresh employments have been provided to land losers or their nominees in different Areas/Units enabling the company to take 358.00 acres of land in physical possession.

(c) Rehabilitation and Resettlement

During the year 2017-18, a total of 179 families were rehabilitated in different projects (mostly in KD-H, North Urimari, Piparwar Railway Siding & Purnadih Projects etc).

28. RAILWAY SIDING

A. New Sidings under construction :

a. Piparwar Siding	The Surface line (Main line-26.5 km approx) of Piparwar siding taking off from Mc-Cluskiegunj Railway Station of East Central Railway has been commissioned and coal dispatch started from main line from July 2017. The loop line work (4 km approx) along with OHE & S&T works for entire line is under progress.
Present Status	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. The project cost has subsequently been revised to Rs.141.00 Crores (approx.). The formation work has been completed in the entire length of 30.5 Kms and track linking of Surface line/main line has been completed and coal dispatch started from July 2017. Electrification, Signaling & Telecommunication of this rail line along with track linking of loop line is in progress by RITES. On the request of M/s RITES, provisional time extension was granted up to February 2018. RITES has requested for further time extension upto June 2018 for completion of remaining works, i.e loop line, OHE & S&T works. Track linking for 1.683 Kms. at Junction point at Mc-cluskieganj Railway Station has been carried out by EC Railway as deposit work. The work related to main line and ROR bridge in loop line is nearing completion.
b. Construction of Tori – Shivpur and Shivpur – Kathotia) new BG Railway line.	
Present Status: (i)Tori – Shivpur new BG Double Rail line (including Tori-Biratoli & Biratoli - Mahuamilan rail line connectivity (Estimated cost – Rs.2399.07 Crs)	Stage –I forestry clearance was granted by MoEF in April 2011 of the revised alignment. Thereafter, Stage – II forestry clearance for the modified alignment of Tori – Shivpur section only was granted by MoEF on 19.06.2013. The single rail line from Tori upto Balumath Station (19.3 Km length) has been inaugurated in March 2018 and Coal dispatch started from Balumath. As per the time line given by Railway, the single rail line from Tori upto Shivpur is to be completed by June 2018. A total expenditure of Rs.1141.77 Crores has been incurred by Railway up to March'2018 on Tori – Shivpur new rail line.
(ii) Shivpur –Kathotia (Revised alignment of Shivpur – H'bagh) (Estimated cost – Rs 1799.64 Crs)	Subsequent to completion of Final Location Survey (FLS) of the proposed alternative alignment for Shivpur – Kathotia section, the earlier cost estimate of Shivpur – Kathotia section amounting to Rs.1983.04 Crores was submitted by Railways. After Identification of land, application for obtaining Stage-I forestry clearance for this section has been filed by EC Railways in April / May'2015. The work of Shivpur – Kathotia new BG Rail Line has now been identified to be taken up by M/s Ircon International Limited on behalf of the newly formed Joint Venture Company of CCL, IRCON & Govt. of Jharkhand i.e. "Jharkhand Central Railway Limited" (JCRL). EC Railway has accorded its approval on the DPR (Revised Project Cost – Rs 1799.64 Crs) submitted by M/s IRCON on 27th Feb. 2018. M/s IRCON has taken up the matter with Railway for finalization of inflated mileage and concession agreement.
c.Kuju Railway Siding.	Kuju Railway Siding with a low level platform has been commissioned by EC Railway on deposit term basis at a cost of Rs 8.22 Crores for CCL. The siding has been inaugurated and coal dispatch is going on.
d.Charhi Railway Siding	CCL has requested EC Railway for construction of a full rake dedicated siding at/near charhi station on Barkakana-hazaribagh section for coal dispatch of Hazaribagh area. In the meantime, the Charhi goods shed siding has been taken over and coal dispatch has been started..
e. Construction of Pipradih Railway Siding.	The work is being carried out by East Central Railway, Dhanbad Division on deposit term basis. Cost has been revised from Rs. 8.88 Crores to Rs. 22 Crores (approx.) by EC Railway due to change in alignment. CCL has requested EC Railway for submission of detailed justifications for increase in cost.
f. Construction of North Urimari Railway Siding.	CCL has awarded the work for construction of North Urimari siding to M.s RITES in May 2017 at a cost of Rs. 222.32 Crores (approx). The work has been started by RITES. Construction of Major bridge over Damodar river and other minor bridges are in progress.
g. Preparation of FSR, DPR and constn of two nos. wharf wall, loading platform between Ch. 17.000 Kms. & 18.000 Kms. in the Piparwar – Mc-Cluskieganj rail line alignment	The work has been entrusted to M/s RITES Ltd. DPR has been prepared and submitted to EC Railway for its approval. The revised cost is Rs.99.80 Crores (including RITES fee and Service Tax) based on DPR submitted by RITES – which includes the provision of crossing station at Koilara in between Chainage 10 Kms. & 11 Kms. Work is in progress.
h. Construction of Magadh Railway Siding.	Work has been awarded to M/s RITES at a cost of Rs.391.01 Crores (including RITES fee and Service Tax). Construction work is in progress in railway land portion.
i.Construction of Amrapali Railway Siding	Work has been awarded to M/s RITES at a cost of Rs.413.48 Crores (including RITES fee and Service Tax). Construction work is in progress in Railway land portion

B. Renovation of Existing Railway Siding

Renovation of Kargali (W) Siding has been completed by M/s RITES Ltd.

Renovation of rail tracks and sleepers has been completed in the following sidings by East Central Railway, Dhanbad Division on Deposit term basis : (i) Dhori – I Siding, (ii) Dhori – II Siding, (iii) Tarmi Siding (iv) Jarangdih – I Siding (v) Jarangdih – II Siding (vi) NR &Sarubera (Phase – I) (vii) NR &Sarubera (Phase – II) (viii) New Selected Dhori Siding (ix) Dakra Siding (x) Bachra Siding (xi) Saunda – B Siding. However, some ancillary works including drains, stone ballast packing etc. is remaining to be completed by EC Railway, Dhanbad. The work of KDH – I Siding is remaining to be completed by EC Railway, Dhanbad.

29. GEOLOGICAL SERVICES

A. Drilling

Against the target of 100000 meters total 67932.00 meters of drilling has been done during the financial year of 2017-18, achieving a productivity level of more than 1132.20 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 2017-18 the following activities have been completed. Majority of them being related to production support mining services and for future mining activities:

1. Maintaining H/W, application software and data of computer centre of the department.
2. 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.
3. Monitoring of Geological Exploration to be carried out in CCL Command area by RI-III,CMPDI,Ranchi through departmental as well as outsourcing means.
4. Compilation of coal reserves in CCL command area as on 1.04.17. A total of 44732.13 M.T. of coal reserves is in CCL command area. Total coal inventory in India as on 1.04.17 is 315148.81M.T.
5. Processing of CMPDI bills in CIL Blocks of CCL command area carried through departmental as well as outsourcing means.

(ii) Outsourcing proposals

1. Geological study of outsourcing proposal for hiring of HEMM machine for OB removal(3.87L Cum) and extraction of coal (15.58LTe) at Karo-I OCP of B&K Area for the period of two years.
2. Geological study of outsourcing proposal of 16.09 M Cum of OB removal work at outsourcing of Konar part of AKK OCP of B&K area for the period of four years.
3. Geological study of outsourcing proposal for hiring of HEMM machine for 35.00 L Cum OB removal at Jarangdih OCP outsource patch for the period of three years.
4. Geological study of outsourcing proposal for 15.48 L.Cu.M OB removal and extraction of 10.67 L.Te coal of Rohini OCP,NK Area CCL.
5. Geological study of outsourcing proposal for 1050 L.Cu.M OB removal and extraction of 975 L.Te coal at Ashok OCP of Piparwar Area CCL.
6. Geological study of outsourcing proposal for 77.00 L.Cu.M OB removal and extraction of 38.20 L.Te coal at Gandhonia patch of Urimari and removal of OB of 4.03 L.cu. M and extraction of 2.62 L.Te coal from Rohini OCP N K Area of CCL.
7. Geological study of outsourcing proposal for 52.77 L.Cu.M OB removal (including Re-handling of 15.560 LCum) and extraction of 26.25 L.Te coal at Gobindpur PH-II OCP (West of Montico Nallah) of Kathara Area for the period of three years.
8. Geological Study of proposals for patch annexation with awarded area of contract for hiring HEMM for removal of overburden awarded to M/S PCR 7 RI(JV) at SDQ-3 project of SDOC Mines of Dhori Area.
9. Geological Study of Proposal for fore closer of the contract for the work of hiring HEMM for 80.80 LTe coal extraction and transportation and 6.78 L TeCuM inter burden OB removal at Kathara OC of Kathara Area.
10. Geological Study of proposal for re-appropriation of solid OB and rehandling OB quantity and handing over of OS-1 patch to M/S AMR INDIA LIMITED in respect of JHARKHAND OCP of Hazaribagh Area, CCL.
11. Geological Study of Proposal for extension of OB quantity 23.03 l/Cu.M and Coal 16.68 L/Te. Against existing contract of outsourcing by M/S Project Pvt. Ltd. In respect of Rohini OCP,NK Area CCL with annexation of patch with existing terms and conditions within the awarded period and cancellation of earlier annexation /re-appropriation in said contract.
12. Geological Study of proposal for dumping of 5.0 Million CUM Overburden on Coal bearing area of Amrapali OCP in deviation of approved PR of Amrapali OCP and for change of dumping site for quantity of 5.0 Million CUM OB by M/S. ampl-mipl-gcl(JV) within awarded lead distance at same terms and condition of conctract.
13. Geological Study of Proposal for Hiring of HEMM machine for OB removal of 9.48 M.CUM (Including Re-handling of 0.51 M.CUM) and extraction of coal (3.31 MTe) at Religara OCP of Argada Area for the period of five years.
14. Geological Study of proposal for dumping of 3.0 Million CuM OB Coal bearing area of Magadh OCP in deviation of approved PR of Magadh OCP which will require re-handiling in future and for change of site for dumping of 3.0 Million CuM OB with re-appropriation in lead-wise quantity to the work awarded to M/S Sainik Mining and Allied services limited at same terms 7 conditions of contract.
15. Geological Study of Proposal for Hiring of equipment for removal of 44.50 LCuM OB (including 16.20 LCuM

Re-handling) and extraction of 15.00 LTe of Coal for a period of one year six months in respect of Jharkhand OCP of Hazaribagh Area CCL.

16. Geological Study of Proposal for patch annexation and quantity extension of 23.27 Lakh CuM OB removal and 7.52 Lakh Te Coal extraction and transportation for outsourcing contract awarded to M/S AMR India Limited in respect of Tapin North OCP with same terms and condition of the contact.

17. Geological Study of proposal for dumping of 0.75 Million Cum Over-burden on Coal bearing area of Tetariakhar OCP in deviation of approved Expansion project Report of Tetariakhar OCP(2.0 MTY) and for charge of dumping site for the quantity of 0.75 Million CuM OB by M/s Ambey mining Pvt. LTD at Tetariakhar OCP within OCP within awarded lead distances at same terms & conditions of contract.

18. Geological Study of Proposal for Hiring of equipments for extraction and transfer of coal of 216.0 Lakh Tonnes through tippers by deploying surface miners, pay loaders and other allied equipments and transportation of coal by contractor's tipping trucks form surface miner face to different destinations as proposed at Konar part of AKK OCP, B&K Area for the period of three years.

19. Geological Study of Proposal of 139.50 LTe coal removal and its transportation to CHP-CPP,L Bachra siding/RCM siding and Rajdhar siding by deploying surface Miner, Payloaders and tippers for the period of three years at Piparwar OC.

20. Geological Study of proposal for outsourcing of OB removal (431.00 LCM) and Coal extraction (326.00 LTe) and transportation at Ashok OCP. Piparwar Area for the period of 03 years.

21. Geological Study of Proposal for patch annexation in north side and quantity extension of 0.966 L Cu.M OB removal against existing outsourcing contract awarded to M/S Asha Construction in respect of Topa OCP with same terms and condition of the contract.

22. Geological Study of Proposal for change of contract boundary in the western side of the Balkudra Outsourcing patch in respect of Outsourcing contract awarded to M/s PLR Project Ltd. At Balkudra OCP, BarkaSayal Area.

23. Geological Study of Proposal for patch annexation in south side under existing outsourcing contract awarded to M/S VPR Mining Infrastructure Pvt. Ltd. In respect of Karkatta Colliery (KDH OC Outsourcing patch) with same terms and condition of the contract.

24. Geological Study of Proposal for Hiring of HEMM machine for OB removal (82.00 L Cum) and extraction of coal (158.00 LTe) at Tetariakhar OC Project of Rajhara Area for the period of ten years.

25. Geological Study of proposal for outsourcing of OB removal (431.00 LCM) and Coal extraction (514.00 LTe) and transportation at Ashok OCP. Piparwar Area for the period of 03 years.

26. Geological Study of Proposal for Hiring of HEMM and other allied equipments for removal of OB (6.26 M CuM) and extraction and transfer of coal of 5.06 M Tonnes through tipers by deploying surface miners, pay loaders and other allied equipments and transportation of coal by contractor's tipping trucks from surface miner face to different destinations as proposed at Konar part of AKK OCP (Konar Expansion), B&K Area for the period of two years.

(iii) On Captive Mine Blocks:

1. Replies given to the queries to various authorities on captive mine blocks.

(iv) Others:

1. Finalization of exploration programme of CMPDI in CIL blocks through departmental as well as outsourcing means during 2018-19.
2. Replies to the Parliamentary Questions as per record available with this department.

C. Hydrogeology & Test hole

1. A total of 56 nos. deep tube well boreholes and Test hole have been drilled for meeting the requirement of potable water and proving of Coal and OB in different Areas of CCL.

D. Specialised services and computerization work:

The Geology Department has completed two major projects funded by CIL R&D on GIS based Interactive Geo-mining model of SKCF and 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.

E. Coal Reserves

The geological reserves as compiled & computed by Geological Survey of India as on 01/04/2017 in Proved, Indicated and Inferred categories together within the CCL Command Area amount to 44732.24 Million tonnes (up to a depth of 1200 meters.). The details of coal reserves are as under:

(Fig. in Million tonnes)

Type of coal	Proved	Indicated	Inferred	Total
Coking	8137.88	9431.44	1692.92	19262.24
Non-coking	15999.13	6631.69	2839.07	25469.89
Total	24137.01	16063.13	4531.89	44732.13

30. INFORMATION & COMMUNICATION TECHNOLOGY IN CCL

CCL has utilized Information and communication technology in its strive to increase transparency and optimal utilization of resources for the satisfaction of its stakeholders. The following key initiatives have been undertaken in the year 2017-18:

1. E-office application from NIC has been implemented at CCL HQ. The project intends to enhance the business process management of the organization and aims to improve production, productivity, and increase transparency by replacing the old manual process with an electronic file system.
2. In order to improve coal dispatch, actions have been taken to connect all weighbridges with Central Server of CCL through Wide Area Network (WAN).
3. E-auction of coal, e-procurement of goods and services are operational through central service provider of CIL, e-payment to employees and vendors, e-filing of grievances is in operation to embark upon the business process through IT initiatives.
4. Corporate Mail Messaging System is in place and all officers of CCL have been provided with corporate email introduced from CIL..
5. The Coal Net (an ERP type solution) is working in CCL and several modules like Finance, payroll, material management, Sales& Marketing, PIS and production related to business functions of CCL are operational.
6. Biometric Attendance at CCL has been introduced to regulate efficient attendance monitoring.
7. Performance evaluation, Vigilance Information and annual Property Return of all executives is recorded through web enabled systems centrally managed by CIL.
8. GST has been implemented successfully for various modules of Coal-Net. In-house software developed for GST implementation in coal despatches across road weigh bridges of CCL.

31. SECURITY MANAGEMENT:

The Security Department of Central Coalfields Ltd.(CCL) is a 24x7 functional Department which monitors, controls and takes requisite preventive steps for curbing the menace of illegal mining/ pilferage of coal, establishing liaison with State & Civil authorities etc. Security Department had a superb track record in the previous financial year i.e. 2017-18. The department has established a tremendous mechanism with round the clock monitoring of various ongoing activities at various mines/projects and units. The updated information is collated and submitted as Management Information System (MIS).

Security Department has carried out the maximum number of raids in the year 2017-18 with a total number of 240 raids in the 12 Areas and recovery of over 536.97 Metric Tonnes of Coal at an approx. value of Rs.15,79,095.39(Rupees Fifteen lakhs seventy nine thousand ninety five & paise thirty nine only). Successful raids conducted are the hallmark to an effective deterrence to nefarious activities. On reporting of illegal coal mining inside the lease hold area of CCL, the department initiates FIR with the local Police and utilizes the forum of the respective District Task Force to book the miscreant. A number of rat holes have been dozed off to stop illegal mining.

In addition to strength enforcement of Security Personnel at various Coal mines undertaken your department, erection of check-posts at vulnerable points has beefed up the security setup in command areas of CCL. Coil concertina fencing at few Railway siding, enhanced night patrolling activities have been introduced and close monitoring of weighment and dispatch of coal through CCTV cameras, RFID tagging and GPS Navigational system. In pursuit of achieving excellence, the department has also strengthened the Central Industrial Force (CISF) with various modern gadgets such as QRT vehicles, night vision device, better arms and ammunitions and lots of other equipments.

Apart from the of above, One unit (55 nos.) State Industrial Security Force (SISF)and (20 nos) of lady Jharkhand Home guard has been provided at Rajdhar Siding under Piparwar Area for strengthening the security coverage, so as to prevent theft of coal/pilferage and clandestine activities can be minimized. 20 nos. of lady Jharkhand Home guards have been deployed on at K.D. Old Siding under N.K. for strengthening the security cover, so that theft of coal/pilferage and clandestine activities can be minimized and to stop illegal entry of local women & girls for spontaneous of local and nearby villagers.

Security Department has played a very important role in maintaining cordial working environment during the crisis period in Sayal-D underground at Barka Sayal Area when there was a mine accident and two workers were missing from the place of duty. Close liaison with the State Administrative authorities was maintained for deployment of adequate Police force to maintain Law and Order so as to enable them in carrying out the rescue operation without any hindrance.

In order to provide safety & security to the company's property & assets, this department has persuaded to get installed CCTV cameras both in the field areas as well as in the residential colonies and office premises at HQ for 24 x 7 real time monitoring and to check the entry of unwanted elements in office premises. In this regard, the department is creating a comprehensive monitoring and control room at CCL HQ, Darbhanga House, Ranchi for effective monitoring purposes.

32. RAJBHASHA IMPLEMENTATION:

Central coalfields limited, a subsidiary company of Coal India ltd. is situated in region 'A' where about 90% of employees have working knowledge of Hindi. Rajbhasha department of the company is always prompt for implementation of official language whether it be directives of coal ministry and ministry of home affairs or meeting and workshops, all these works are done with co-ordination of everyone involved.

In the financial year 2017 -18, committee on the official language implementation successfully conducted four meetings on dates 21.07.2107, 30.10.2017, 12.01.2018 and 25.04.2018 respectively which were presided by Director (P), CCL Shri R.S. Mahapatro and attended by the Head of Departments and nodal officers of the areas.

On 19.05.2017, An inspection meeting was held in direction and presence of Joint Director (Rajbhasha), Coal Ministry, Shri Subodh kumar with all the HOD's of Headquarter and Nodal officers related to implementation of official language. Suggestions and orders of the Joint Director are being followed for 100% implementation of the official language. In Headquarter a ten member sub-committee has been formed which is being chaired by the General Manager (Rajbhasha). This year three meetings have been conducted by the sub-committee for implementation of Rajbhasha.

According to directive of Ministry a workshop is imperative per quarter. This year in total, five workshops have been conducted in which one workshop was conducted entirely for newly posted management trainees. With the initiative of HRD a two day workshop was conducted during Rajbhasha maah.

From 01.09.2017 to 30.09.2017 "Rajbhasha maah" was celebrated along with various competitions. On 14th September 'Rajbhasha diwas' was celebrated along with prize distribution. A senior litterateur of the town was felicitated. All winners of various competitions were awarded in cash as per directive of the Ministry. Three departments each of the Headquarter and the area's were given shield for their excellent work in Hindi for the whole year. One area was given 'Pt. Deendayal Upadhay vishesh Rajbhasha shield' for Rajbhasha for official purpose. Fifty seven employees were given consolation prize to foster and encourage employees to work in Hindi.

An official implementation committee has been formed in every area of CCL and Central Workshop, Barkakana. A meeting under the chair of General Manager (Area) is conducted per quarter. A quarterly workshop is also conducted in different area locations.

Being the chair office of NARAKAS two meetings were held by CCL in July and December. During the said year six competitions were held among various government undertakings with the help of the company. CCL conducted Rajbhasha 'Prashnamanch' among representatives of different PSU's that come under NARAKAS.

Three meetings were held by the Coal ministry and MHA in Delhi, Kolkata and guwahati respectively. Chairman cum Managing Director, Director (P) and Executives of Rajbhasha Vibhag attended the meetings and CCL was applauded for its continuous and zealous endeavors for implementation and usage of Rajbhasha in the company.

With the efforts of Rajbhasha Vibhag and help of CCL press , a book titled 'Manak Prarup Sankalan' has been published in which prescribed standard formats of letters /demi official letters/ note sheet / notings given for daily use. It has been distributed to different departments and areas of the Company. Similarly, department wise difficult English words have been simplified / translated and has been distributed to the concerned departments/ areas.

Periodically Departments/ areas and central units of CCL are inspected and are advised to use and implement Rajbhasha accordingly. Feedback on implementation is also provided.

CCL's Rajbhasha vibhag is always committed for compliance of 100% implementation of instructions given by the Ministries which in turn harbors positive impact on progress of Rajbhasha usage in the company.

33. ACTIVITIES AND ACHIEVEMENTS OF VIGILANCE DEPARTMENT DURING THE YEAR 2017-2018

The Vigilance Department is an integral part of the Company, manned by 22 executives and 22 non-executives, which is 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 2017-18 is given below:

1. Investigation:

During the year 2017-18, action in respect of 26 RI cases were completed after carrying out detailed investigation. Besides above, 414 no. of complaints, received by this department were scrutinized and suitable actions were initiated during this fiscal year.

2. Punitive Actions:

During the year 2017-18, 09 No. of departmental inquiries against 15 persons have been completed.

In 09 no. of cases major penalty imposed on 12 persons and in 20 no of cases minor penalty imposed on 41 persons.

3. Preventive:

- During the year 2017-18, 20 Nos. of Surprise Inspections were conducted by the Vigilance team in various units of CCL and 15 Nos. of Periodic Vigilance Inspection were carried out.
- 04 Nos of Intensive Technical Examination conducted.
- During the year 2017-18, 84 Nos. Annual Property Return of CCL Executives have been scrutinized .
- On the basis of irregularities observed in the prevailing system during the course of investigations and Surprise

checks conducted by CCL Vigilance preventive measures are recommended to the competent authority for system improvement. Around eighteen (18) system improvement suggestions have been made in the year 2017-18. Highlights of the systems improvements recommended by the Vigilance department are:

1. Irregularity / deviation noticed during surprise check in the size of crushed coal at NR siding. As per decision taken by Ministry of Coal, Subsidiaries companies of CIL were asked to take steps to ensure that only crushed coal(-) 100mm size will be supplied to power plants under FSA.

   i. A surprise check was conducted on 23.04.16 by the vigilance team at NR siding to confirm that size of coal being supplied to various power plants from railway siding was of (-) 100 mm size.

   ii. During the joint inspection undertaken by Vigilance team with Siding Manager, NR Siding it was noticed that coal of (-) 100mm size was not being received at NR siding from Ara feeder breaker.

   iii. Though it has been clarified by Project Officer that corrective measures have been taken by them to ensure that only crushed coal is supplied to power plants, however it was observed during the joint inspection undertaken by vigilance team along siding manager, then Project Officer, Sarubera/Kuju Siding to some extent, have failed to ensure that only crushed coal is supplied to power plants as per decision taken by Ministry of coal.

   Above issues are brought to the notice of Director(Tech/Oprn) for appropriate administrative action under intimation to this office.

2. Complaint concerning alleged unauthorized occupation of the quarter in the colliery by a retired worker, the terminal dues of the employee has been settled on the basis of quarter vacation certificate issued by Security department of the Colliery. However, on specific complaint on the subject it has been gathered that the employee has not vacated the quarter under his occupation even after his retirement. During the course of investigation it has also been observed that:

   i. About 30% of total available quarters in the Area are under illegal occupation. Area is not able to get back these quarters.

   ii. Number of quarters far exceeds the number of employees in the area.

   Comprehensive measures like demolition of surplus and very old quarters, disconnection of electric and water connection to such quarters and strengthening of security department in areas and collieries may be considered.

   Departmental action may be initiated against negligent security personnel related with this subject.

   The matter has been brought to the notice of Director (P) for further appropriate action under intimation to this office.

3. During the course of a Vigilance investigation on a committee purchase of medical equipment in an Area, few deficiencies were noted. Hence the following system improvement is made.

   i. It is noted that indent of medical equipment for "Hriday Suraksha" was initiated by different Hospitals at different time against Board approval circulated by Company Secretary, CCL. It is suggested that all the indents of various Hospitals of CCL should be clubbed by CMS, CCL and procurement should be made centrally at Purchase Department of CCL HQ so that these kind of committee Purchase can be avoided and technologically advanced medical equipments can be purchased at reasonable prices.

   ii. It appears from the few supply orders that medical equipment are normally procured by committee purchase in CCL Hospitals. CMS, CCL has placed supply order by committee purchase. NK Area has placed supply order for purchase of medical equipment for "Hriday Suraksha" by committee purchase and Piparwar Area has placed a supply order for purchase of medical equipments for "Hriday Suraksha" by committee purchase. It is also noted from the committee purchase of Piparwar that an expenditure of Rs. 1,14,883.00 was incurred for procurement of medical equipment worth Rs. 3,68,575.00. Hence, it is suggested that while deputing a purchase committee for procurement, the approving authority should consider and justify the following: (i) Extreme urgency of the indented materials (ii) Total indented value for procurement and (iii) The expenditure to be involved by the committee.

4. During a Vigilance Investigation on procurement of 60T Dumpers for an estimated value of Rs. 202.50 Crores, Techno-Commercial bid opened on 18.09.15 and price bid opened on 10.02.16, deficiencies in BOQ and TPS are noted. Hence, the following system improvement suggestion is made:

   i. It is noted that the BOQ has to be complied with TPS i.e., the number of items in TPS should be same as the number of items in BOQ. In the above tender, there is one item in TPS and two items in BOQ (supply of equipment and Supplementary items-I). As a result, system generated BOQ has considered only first item and did not evaluate the applicable unit price of second item i.e, supplementary items-I. Had the TPS have two items instead of one, the "problem of wrong system generated L1" would not have arisen.

ii. Due to defective TPS and BOQ, lot of problems have been encountered by CCL. Independent External Monitors (IEMs) of the tender and advisor of CIL were involved for decision. Court case was filed by BEML, finalization of tender has been delayed for more than a year which resulted in delayed delivery of 60T dumpers to CCL.

iii. To avoid such mistake in future, it is suggested that Purchase Department should correctly draft the TPS and BOQ and it should be checked properly before uploading in e-tendering portal.

The matter has been brought to the notice of Director(T/P&P) for needful action.

5. During the course of a vigilance investigation pertaining to payment of Salary & Charge Allowance of one executive, following facts have emerged:

i. Payment of Salary:

(a) The executive joined Bhurkunda Colliery on 24.01.12 but his salary upto April'13 was prepared at his previous place of posting i.e. Central Saunda Project, Barka-Sayal Area.,

(b) The executive was transferred from Bhurkunda Colliery and joined Sayal-D Colliery on 29.07.13 but his salary was prepared at Bhurkunda Colliery upto March'16. During the above period, the executive was posted at Sayal-D Colliery from 29.07.13 to 15.07.15, Bachara Colliery, Piparwar from 16.07.15 to 16.09.15, Bhurkunda Colliery from 16.09.15 to 4.11.15 and Sayal D Colliery from 5.11.15 onwards but he got his salary prepared & paid from Bhurkunda Colliery upto March 16.

ii. Payment of Charge Allowance:

(a) Entitlement of executives to Charge Allowance has been clearly defined in CIL Office Memorandum dated 2/7.05.09 and subsequent corrigendum dated 05.03.10.

(b) The executive was not holding any statutory post for the period 16.07.15 to 26.11.15 & 14,.02.16 to 14.10.16 but he drew full charge allowance for the above period. Though the executive was in temporary charge of the statutory post with competent approval as & when the regular official was on leave but the above period did not exceed 15 days so as to rightly entitle him to the above monetary benefit, as per Para XVII of Chapter I of Finance Manual Part-I.

(c) Further, the executive had reported sick for the period 13.06.15 to 16.07.15. Here the period of absence was more than 15 days but he drew Charge Allowance for the full month, which was not admissible as per the provision of Finance Manual.

iii. In the backdrop of above, it is suggested as under:

(a) The arrangement of Salary payment mentioned at Para-I above does not appear to be very logical. It is vulnerable to admissibility of wrong claim for allowances by the concerned executives in respect of duties performed in other place of posting. The above arrangement should be immediately reviewed.

(b) Through the admissibility of Charge Allowance and the class of executives entitled to such allowance have been clearly defined in the Finance Manual and CIL OM respectively, wrong claim to this allowance cannot be ruled out. The relevant provisions may be disseminated to the Areas, if deemed fit.

(c) Appropriate action against wrong payment of Charge Allowance to executive for the period mentioned in para-2 (ii) & (iii) above may be taken.

The above facts are brought to the notice of D(F), CCL for taking appropriate action. Action taken may please be intimated to this office.

6. During the course of verification of a complaint related with allotment of quarter to non-executive employee of an Area, following deficiencies were observed.

No uniform procedure is being adopted in HQ and in different Areas of the Company for allotment of quarters to non-executive employees. For ascertaining seniority for allotment of quarters, different modalities are being adopted in HQ and different Areas. Several complaints in this regard are being received by this office. A guideline to adopt the modalities adopted at HQ or any other procedure formed by a committee constituted for this purpose by the competent authority may be circulated to Areas for allotment of quarters to non-executive employees.

Competent authority has been directed to take appropriate action in this regard as deemed fit under intimation to this office.

7. During the course of vigilance investigation pertaining to award of contract for OB removal and other allied work for different distance slabs at Amrapali OCP, Magadh and Amrapali area, CCL for a period of 4 years, following facts have emerged:

   i. In response to the e-NIT No. GM(CMC)/ Magadh-Amrapali/2013/24 dated 25.04.2013 for above work, 7 (seven) bidders submitted their bids. One of the bidders, while submitting the bid quoted disproportionate rates i.e high value (Rs.100/ Cu Mtr.) for lower slab items(1-2 & 2-3 KM) and abnormally low rate (Rs. 50/Cu Mtr.) for higher slab items (3-4 KM) which does not appear to be practicable.

   ii. Though the rates quoted by bidder., except for the lead of 3-4KM, were higher than the estimate (varying from 1.91% to 31.85%) and also higher than most of the bidders, it emerged as L-1 on the basis of overall contract value which was 11.33% below estimate. However, there is no approved Schedule of Rate (SoR) for OB removal, as of now, in CCL for preparing the estimate. In the instant case also, the estimate was prepared on the basis of the rate for outsourcing contracts at Piparwar Area.

   iii. The above proposal along with asymmetry in rates quoted by the bidder was deliberated by the CCL Board in its 397th meeting held on 6.7.2013 and the Board approved the said proposal with certain conditions. The subject proposal for Rs. 197.15 Crore awarded for a period of 4 years entailed considerable 'Cash Outflow' over the contract period. Though the contractor has emerged L-1 on the basis of overall contract value, evaluation of bids of all the 7 bidders on the basis of Net Present Value (NPV) for different Discounting Rates (say 8%, 10% & 12%) reveals that the bidder, the L-1 becoming L-2 whereas another bidder, the L-2 emerging as L-1. In view of above, it is suggested that contracts of considerably high value with cash outflow over a long period should also be evaluated on the basis of NPV.

   iv. It has been further observed that since the contractor has quoted abnormally low rate (Rs. 50/Cu Mtr.) for the distance slab of 3-4 KM, hence, execution of the approved quantity, i.e. 101.80 lakh Cu Mtr of OB in the distance slab of 3-4 KM at the approved rate i.e. Rs. 50/- Cu Mtr was the essence of the contract. At present, there is stipulation in the CMM to ask for 'Additional Performance Security' from the bidder if the overall bid of the successful bidder is abnormally low or seriously imbalanced. Considering the above case, it would be more prudent if bids are analyzed item-wise and in such case where an abnormally low rate is quoted against an individual item, possibility may be explored to incorporate the provisions of 'Additional Performance Guarantee' against the particular item also to safeguard the interest of the Company.

   v. It is revealed from the Plans and gist of measurement details that exactly 10 lakh Cu Mtr of OB removed in 2-3 KM slab was booked in 1-2 KM for the period 25.09.15 to 29.02.16. As the approved rates for both the slabs are same, i.e. Rs. 100/- Cu Mtr., there is no financial loss to the Company because of above adjustment. However, it has been observed by the Ministry that there is a requirement of Systematic Improvements in this regard so that such type of lead adjustment for OB removal in different slabs do not take place in the near future.

The above facts are brought to the notice of Competent Authority for taking appropriate action.

8. During the course of an Intensive Technical Examination pertaining to the contract awarded to a Agency (A DGR sponsored Security Agency) for deployment of 60 nos. of security personnel(without Arms) including 3 no. of supervisors a area of CCL for a period of 2 years, following facts have emerge:-

   i. Administrative approval to the proposal was not accorded by the competent authority. It appears that the then HoD(Security), CCL had acted on the verbal order of the then D(P), CCL.

   ii. LTE issued to the DGR sponsored security agencies was neither posted on CCL website nor published in any leading newspaper.

   iii. After completion of scrutiny of offers, the TC sought approval only for the wage cost of Supervisors & Guards and Service Tax. There is no mention in TCR regarding approval of service charge (14% of wage bill) to be paid to the agency.

iv. It has been further observed that there was considerable delay in signing of the agreement. LoI was issued to the agency on 31.12.14 but the agreement was signed by the Area on 28th May 2015. It appears that agreement was signed with the Agency without checking the availability of PSARA license with the agency.

v. It is revealed that the contract with the above agency was cancelled owing to failure of the agency to muster sufficient manpower and obtain requisite license. As per the sponsorship letter/DGR guidelines, the DGR is to be informed about the cancellation of tender / name of agency given the contract within 30 days of the commencement of contract. However, no information about the failure of the agency was given to the DGR.

vi. Though the agency failed to provide security services as per the terms of the contract, no penal action could be taken against it for breach of contract due to very lenient BG/CPG clause. Considering the above, possibility may be explored for upfront submission of BG (10% of one month's wage bill) by such agency rather than deducting it from the monthly service charges of agency in installments so that penalty action can be taken against the erring agency.

vii. As per DGR norms, security agency is required to maintain the ratio of 90:10 of ESM to Civilian security personnel. However there is ample scope for deployment of civilian beyond norms in place of ESM and manipulation in payment at higher rate/ ESM rate to such civilian security personnel. In view of the above, the deployment of DGR sponsored agency should be gradually phased out.

The above facts are brought to the notice of competent authority for taking appropriate action under intimation to Vigilance Department.

9. During the course of a vigilance investigation into irregularities in penalty deduction with respect to weight difference in loading and receiving end in coal transportation the following facts have emerged:

i. The clause no. 18.0 of Special Terms and Condition of transportation contract clearly stipulates that "in case the trucks are being weighed both at loading end as well as unloading end, the figures of weighment at both the ends shall be reconciled every month in respect of each contractor and if there is any shortage of coal received at the unloading end, the value of coal found short will be deducted at double the then prevailing rate including all royalty, cess from the security deposit of the transporting contractors(s) concerned or otherwise specifically mentioned in the work order / agreement".

ii. During the above contract period the monthly reconciliation report of loading & receiving end weighment of trucks shows difference in weights of about 6512.765 tons .

iii. As per above clause the Project Officer initiated a note on dated 1.03.2017 for imposing penalty for weight difference of 6512.765 tones in loading and receiving end in subject coal transportation contract.

iv. The total amount of penalty was calculated at double the then prevailing rate including all royalty, cess etc and it comes to Rs. 2,82,39,387.14 (Rupees two crore, eight two lakh , thirty nine thousand three hundred eighty seven and fourteen paise only) for its recovery from the security money/pending bills .

v. As per clarification received from GM(CMC), CCL monthly deduction of penalty from security money as per clause no. 18 of STC (mentioned in Para 2 above) is practically not possible and an amendment of the above provision for deduction of penalty from the running on A/c bill instead of Security money has been initiated by him and put up to CCL Board in its 445th meeting. After receipt of minutes of CCL Board meeting, the subject amendment proposal will again be forwarded to CIL for consideration.

vi. In view of the above a guideline may be issued for deduction of penalty from the monthly/running on A/c bills of the contractor in all the projects of CCL, as per clause18.0 of Special Terms and Conditions of GTC, till the amendment of clause is made from CIL.

The above facts are brought to the notice of competent authority for taking appropriate action under intimation to Vigilance Department.

10. During the course of verification of a complaint related with lapses in award of work at Civil Department HQ, it is observed that there was a clause regarding valid electrical license in NIT, work has been awarded in spite of non submission of valid electrical license. Similarly the experience and other documents of the bidder have been considered due to faulty NIT. The

following facts were observed:-

1. (A) As per clause of NIT valid electrical license was required. Tender Committee explained valid electrical license was not required, as this was a civil work and no such provision was applicable in GTE to opt Yes/No for submitting e-tender online.

(B) Further during verification GM(C), CCL recommended for necessary amendment in NIT of Civil works where internal electrification work is involved. The clause as per GM(C), CCL will be " The contractor will submit license of his authorize representative (under whose supervision internal electrification work will be executed) issued by Electrical Licensing Board/ Authority of any Indian State/UT, in accordance with Indian Electricity Rule before execution of electrical work:"

2. (A) (i) An old partnership deed was executed between "A' and 'B' (Partners) on 21st Jan 2009 and the name of partnership firm was 'X'. In this firm the proportion of share between the partners was 50:50.

(ii) A tender notice of value Rs. 3.00 Crore(approx) was issued on 10.01.17 from HQ, civil department. This was observed that 'B' retired from this firm 'X' on 17. Jan. 2017(same day) and after dissolution of firm due to retirement of 'B' as per Retirement Affidavit the firm is converted to proprietorship firm.

(iii) A new Partnership deed executed between 'A' and 'C' on same date (17 Jan.2017) and they kept the name same as it was in old partnership deed executed between 'A' and 'B' i.e. 'X'. The proportion of share between the partners was also 50:50. In this partnership deed executed between 'A' and 'C' they did not mention regarding retiring partner in this partnership deed.

(iv) A Joint Venture agreement executed (on 27 Jan 2017) between 'X' and 'Y' and the participation share was 98% to 'X' and 2 % to 'Y'. The work has been awarded to the Joint Venture firm as per agreement executed between 'X' and 'Y'. The experience and other credentials of 'Y' were negligible as his Joint Venture share was 2% only.

(v) Other documents including experience and turnover of 'X' was accepted by TC, in which 50% of experience of partner 'A', which was obtained by 'A' prior to 17 Jan 2017 in old partnership firm was only eligible as per documents, past experience of partner 'X'.

(vi) NIT, states that 'The intending bidder must have in its name or proportionate share as a member of Joint Venture experience of having successfully completed similar works, as a prime contractor, during last 7(seven) years ending last day of month previous to the one in which bid application are invited (i.e. eligibility period).

2(B) Tender committee view regarding clause of NIT, were 'In case the experience has been earned by the bidder as an individual or proprietor of a proprietorship firm or as a partner of partnership firm, then 100% value of the experience will be considered against eligibility. But if the experience has been earned by the bidder as a Partner in a Joint Venture Firm, then the proportionate value of experience in proportion to the actual share of bidder in that Joint Venture Firm will be considered against eligibility".

2(C) The systems of considering the experience of a partnership firm may be reviewed as a partner 'C' without any past experience got this job. As in case of Joint Venture firm, the proportionate value of experience, turn over and other criteria are applicable. The system of consideration of partnership firm as deliberated above also need to be amended as it is considered in case of Joint Venture Firm.

Similar lapses may not be ruled out in other areas of the company also. So, the same is brought to the notice of Competent Authority for appropriate action as deemed fit, under intimation to this office . It is also suggested that a close supervision of work may be done to ensure that qualities of work are not affected due to the inexperience of the Joint Venture partner.

11. During the course of surprise check conducted by CCL Vigilance in different areas pertaining to the deployment of DGR sponsored security personnel, certain irregularities/systemic failure have been observed, mentioned as under:

(i) The Daily Attendance Registers of security personnel are managed and controlled by the DGR sponsored security agencies. No separate attendance, other than those maintained by the agencies, was kept by the project officials.

(ii) The deployment of security personnel was not strictly as per the weekly/ daily allotment chart. Security guards, other than those mentioned in the Weekly/Daily Duty Allotment Registers, were found at the various check posts.

(iii) The guards were neither carrying any Identity Cards nor their Discharge Certificate.

(iv) The attendance registers for 23.08.17 at few projects were kept blank. The attendance of previous days was filled but not signed by the agency's supervisor. Closing of attendance by doing page-wise total and recording the headcount in words and figures was not found complete in all respect. Further counter-signature of the CCL's security on above pages within the stipulated time was not found.

It is suggested that the existing deployment of DGR sponsored agency should be properly monitored & controlled and payment be made as per the actual attendance.

The above facts are brought to the notice of Competent Authority for taking appropriate action and putting a proper system in place in other areas also.

12. Suggestion for dust suppression on Coal transportation road: The coal dust generation on coal transportation is a serious problem which needs to be tackled properly from environmental aspects. If the dust generation is checked right at the source end by taking suitable measures, the dust problem at the road can be tackled to a large extent. Few suggestions are :

1. The overloaded coal transportation vehicle causes coal spillage throughout the transportation route. This spilled out coal is crushed by the moving vehicle's tire and ultimately contributes to dust generation. Overlading of trucks must be stopped at the source end itself.

2. The coal laden vehicles must be covered with tarpolene completely.

3. Instant Water Shower system over the coal after the weigh bridge should be installed so that the coal gets wet after weighment of the truck. This will reduce the dust generation on route from the top surface.

4. There should be no hole in the body of the trucks, particularly the back hinged gate must be properly locked so that the coal must not come out from any hole in the body of the truck.

5. Regular check, surprise check must be arranged to ensure the above for proper dust control.,

The above measures are brought to the notice of competent authority through which the dust generation can be controlled to a large extent.

13. During the course of Vigilance investigation in connection with the matter related to wrong payments being made to the contractors in connivance with officers of an area following facts have emerged

The internal procedure commonly followed and records maintained to monitor and control the outsourced jobs/activities have not been fully implemented .The internal procedure is as follows.

A. Jobs for repair should have unique identity so that it can be easily traced after repair and its warranty is also easily claimed after failure.

B. Jobs should be delivered to outsourced agency only after issue of work order from competent authority with proper record through company gate pass and same should be received by the outsourced agency. The details should be mentioned in the repair register kept in the custodian of In-charge.

C. Jobs after repair should be received by Foreman level employee and should be entered in the repair register.

D. Bills should be signed and payment be released only after checking the satisfactory performance of jobs after fitting and running the jobs on machine.

E. The details of failure of any assembly must be recorded properly in the Log Book showing the date of break down, duration of break down and ready date with time of the machine. The log book should also contain the name of the party who has repaired the job with work order number along with work order value of the repaired job. The log book should also contain the details of work done in repairing the failed assembly.

The above facts are brought to the notice of Competent Authority for taking appropriate action for system improvement under intimation to this office.

14. An Intensive Technical Examination was made on the approach road of an area for a total length of 4.2KM.

After examining the case in details, the following System Improvement Suggestions are made:

a) The curves of the coal transportation road should be properly designed with separators for easy, speedy and safe movement of Coal tippers. Sharp curves lead to falling of raw coal from loaded tippers on turnings which is a huge wastage. Overloading of tippers should also be avoided in order to keep the road proper and safe for driving as well as for pollution control.

b) In case of coal transportation road, in addition to repair and Maintenance of Road, AMC should also be made for cleaning of the road.

c) Quality Control team of CCL HQ should visit the high value works regularly/frequent intervals and record their observations. Compliance should also be recorded.

d) The construction materials, including water used, must be tested for suitability in use at regular intervals as per standard provisions.

e) On scrutiny of the contractor bills, it was noted that most of the bills are hand written and not typed. So there is scope for manipulation in hand written bills at later date. So all bills must be typed.

f) It is noted that there was huge delay in signing of Civil Executives in Measurement Book of the 10th and 11th on account bill after measurement. Details are furnished below:

In the 10th on account bill, date of measurement was mentioned as 27.05.2015. Actual date of completion was left blank and bill has been signed by subordinate Engineer on 03.12.2015 and CM(Civil) has signed on 9.12.2015. That is after a delay of nearly seven months.

In the 11th on account bill, date of measurement is indicated as 10.12.2015 and signed by Subordinate Engineer on 24.09.2016 and Chief Manager(Civil) on 24.09.2016. This is after a delay of nearly ten months.

Contractor did not complain the huge delay in the signing of Civil Executives. It raises doubt that the work would not have been completed on stipulated date of measurement. Signature would have been made at a later date. It might have been made to avoid penalty for delayed completion or the work. Hence, it is suggested to GM(Civil) for a guideline so that such incidents are not repeated in future.

g) It is observed that normally penalty is not imposed on contractors for the delay in completion of the contract on the ground of hindrances occurred. In few occasions, it appears that hindrances are recorded to favour the contractor. Hence, it is suggested that all the hindrances occurred at site must be recorded in the register including the removal of hindrances too with proper dates so that the actual delay due to the said hindrance can be assessed properly for all official purposes. If the hindrances are due to the fault of Management, Management should provide proper explanation for delay. If the Hindrances are due to external factors such as bundh, accident etc, it must be properly justified with news paper cuttings, photographic evidences etc.

h) Further, the possibility of the following should be explored by Civil Department:

CoalNet should have provision for civil module. In that civil module, online entry should be made in respect of Site order book, Hindrances, MB etc.

CCTV coverage should also be installed at high value construction sites so that all activities of the contras are recorded.

15. During a Vigilance Investigation on coal transportation contract of an area, few deficiencies are noted. Hence, the following system improvements are suggested:

1. Suitable time period should be incorporated in NIT for installation of crusher and commencement of transportation contract.

2. To avoid double handling of coal at Stock yard, NIT may be suitably modified as under to avoid double handling of coal:

   The scope of First transporter is to transport coal from Mine to crusher and feed into it. If the crusher is under Break Down, coal should be unloaded in the stock yard nearest to the crusher. When the crusher becomes operational, the Fist transporter has to lift the coal from the stock yard and feed into the crusher. The scope of Second transporter is to transport the crushed coal to railway siding from crusher.

3. Sufficient numbers of CCTV cameras are to be fixed at appropriate places around crusher so that all activities of mobile crusher are covered in CCTV footage.

16. During the Intensive Technical Examination related with the work "To extend Maintenance Support and Customization for three years for ERP like solution CoalNet Application Software for Coal India which is

presently running at CCL Command Area", following observation are made :

a) The WAN as well as the connecting LAN which will connect all Area including HQ must function properly so that there should be proper entry, updating, transfer and viewing in CoalNet. At present information are not being updated in all the modules of CoalNet, it should be made as it forms the backbone of decision making process.

b) The day to day tendering work should also be controlled by CoalNet, any Deptt floating any tender in Area, the NIT details must uploaded in the CoalNet with a unique ID No. so that a person sitting in the System deptt in HQ can get the data automatically & float it on web-site . In this way the human interface in sending the NIT copy along with CD from Area to HQ, which is a measure source of irregularities, can be avoided. The ID generated for each tender information uploaded on CoalNet must be mentioned in the concerned TCR for the work.

c) More nos. of module should be developed covering other deptt also like Civil, CSR, CMC, E&M,MM, Mining Safety, PR Deptt, Environment & Forest etc. The detail content of the Deptt to be made available in the CoalNet should be decided by the concerned departmental head.

d) The bill tracking system must give an opportunity to vendors for a very limited access of tracking of their bills.

e) MM modules of CoalNet should include following entries

1. Last Purchase Price should show procurement details in respect of normal purchase procurement as well as local purchase procurement.

2. Last Purchase Price should also show Rate of last purchase price, taxes if any, date of purchase & supply order no.

3. Purchase order should be released from Purchase Deptt only, at present purchase order is punched from Store.

4. Materials Budget should be prepared from MM module which should display last three years consumption, present stock position and remark column for justification for editable quantity.

5. All indents should be prepared through MM module. The Net requirement and estimated rate should be editable. The remark column should cover the justification for editable quantity.

6. The materials issued from store should have gate-pass of on-line MM modules so that the stock will get updated automatically.

F) The existing AMC for the maintenance of CoalNet for entire CCL has been awarded to M/s Protex Computer Pvt Ltd. The contract condition covers a wide range of work scope covering each & every part of the CoalNet work for its maintenance, whereas on date the CoalNet is not functioning properly due to non working of WAN & LAN in all command areas of CCL, thus there is no-interlinking arrangement from all projects to Area and Hqtr. Hence in the present scenario work scope of the contractor in very much reduced as compared to the work scope of AMC. Hence the payment aspect in the existing AMC must be reviewed properly in light of the above observation.

In view of the above, D(F), CCL has been requested for appropriate action.

17. An investigation was made on a complaint regarding quality of bricks used in different civil works in two areas. It was found that the bricks being used are mostly of clamp burnt type. The latest standard specification for bricks does not specify the brick type based upon clamp brunt or kiln burnt but it specifies the brick quality based upon its strength as CD 7.5/ CD 5.0 etc. (Class Designation, Min. Strength 7.5N/ sq.mm, 5.0N/sq.mm).

During the investigation, it was found that the field test reports collected from area were confirming the brick quality as per standard but the sample of brick collected from field and tested at our end did not qualify the standard requirement for strength parameter. So, the quality of bricks being used in various civil works in our company needs to be checked at frequent standard intervals and surprise checks should also be made to ensure that proper brick quality must be used.

Following suggestive measures may be taken by the concerned department for proper system improvement;

1. Testing of bricks for dimension, compressive strength, water absorption and efflorescence must be done for all lot of bricks as per standard provision of CPWD. Prior approval of samples before use must be ensured.

2. Surprise checks of brick samples to be done

by Area/Quality control deptt. for proper quality check of brick.

On the initiative of vigilance dept., a "Standard Operating Process (SOP) of testing of bricks was issued by GM(Civil)-1/CCL Hq. vide GM(Civil)/2018/2474, Dt. 26.3.2018. It will act as refresher for the field engineers to ensure the quality control of bricks.

18. In the notice inviting tenders (NIT) of Civil dept., the bidders are asked to submit the work experience certificates of " Similar works" in order to ascertain the genuine bidders by the dept. for any particular type of work.

As there was no uniform guideline regarding selection of which type of work to be taken as "Similar work" in NIT for a particular work. This created lot of confusions among bidders. This resulted in post tender complaints of rejection of bids of various bidders based due to the decision by the dept. regarding unsuitability of their work experience certificate w.r.t. the " Similar work" mentioned in the NIT. Different areas were taking different "Similar works " in the NIT of same nature of job. Further , due to non availability of any clear cut guideline/ mechanism of evaluating any quoted work experience details by the bidders in line with "Similar work" requirement, The tendering authority was forced to take local decisions regarding acceptance /rejection of tenders. This manual decision making process , was required to be minimized for better transparency in tender evaluation process.

Hence, a clear guideline was urgently require to be issued from Civil dept., CCL Hq.. Vigilance dept. took the initiative and suggested for issuance of a standard guideline in this regard. A copy of the circular from M.C.L. was also enclosed .

With a sincere effort of the management and Civil department, CCL Hq., an uniform guideline was issued by General Manager ©-1/CCL Hq. vide GM©/2018/2477, Dt. 27.3.2018.

In this guideline the definition of similar work has been elaborated for all possible kind of civil work undertaken in CCL (16 no.) . Further, any additional work which is not included the guideline, Specific approval of GM(Civil)/HOD was made mandatory for uniformity.

This guideline will certainly bring more transparency in the tender process. It will certainly prove to be an important system improvement.

4. Vigilance Awareness Week

Brief write up on the activities conducted during Vigilance Awareness Week-2017

- In compliance with the directives of Central Vigilance Commission, New Delhi, Vigilance Awareness Week-2017 was observed with much fervor and enthusiasm in all the units, Areas and Headquarters of CCL from 30.10.2017 to 4.11.2017. In fact, this year awareness campaign, already started by CCL Vigilance with a Mass Pledge on 26.09.17 at Pahari Mandir, Ranchi continued throughout the month of October17 and culminated with various events organized during the Vigilance Awareness Week.

(i) Pledge

The observance of Vigilance Awareness Week commenced with taking of Integrity Pledge by all the employees at CCL(HQ), Ranchi as well as in all the Areas and Projects/ units of CCL. At CCL(HQ), the pledge was administered by the Director(Finance), CCL and Director(Technical/ Operaton), CCL on 30.10.2017 at 11AM. The message of the Honble President of India, Honble Vice President of India and Honble CVC regarding observance of Vigilance Awareness Week were also read out by the Functional Directors of CCL. GM(Vigilance), CCL briefed about the various programmes/ activities scheduled to be held during the week at Ranchi and different areas/units of CCL.

(ii) e-pledge

All out efforts were made to motivate and influence the employees as well as customers, contractors, citizens, etc. to take e-pledge. For the purpose, a hyper link to www.cvc.nic.in for Integrity- Pledge was activated on CCL website and 6 no. of e-pledge booths were also set up at CCL (HQ) to facilitate the officers, staff, workers, citizens (vendors, contractors, contractual workers, etc.) for taking e-pledge. Nearly Ten Thousand people including executives, non-executives, suppliers, contractors, citizens, etc were administered e-pledge.

(iii) Vigilance Awareness Rath

On 30.10.17, Functional Directors of CCL flagged off the Vigilance Awareness Rath from CCL(HQ). The Rath (vehicle) covered all around with display banners with anti-corruption and awareness slogans, pictures, messages, etc. imprinted on it covered the residential areas of Ranchi. It was also replicated in 12 Areas of CCL located in 8 Districts (Ranchi, Ramgarh, Hazaribagh, Bokaro, Giridih, Chatra, Latehar, Palamu) spanning over 2600 Sq. KM.

(iv) Nukkad Natak at HQ and Areas

31st. Oct.17, the Birth Anniversary of Sardar Vallabh Bhai Patel, begun with offering of floral tribute to the great visionary in whose memory the Vigilance Awareness Week is celebrated across the entire nation. Subsequently, a street play was organized on 31.11.17 by the CCL employees from production units with message that ethical values like integrity, transparency, honesty is must for the development of Company, State and Nation. The same team performed in 10 different Areas of CCL located in 6 Districts (Ranchi, Ramgarh, Hazaribagh, Bokaro, Giridih, Chatra) on different days during the Vigilance Awareness Week-17.

(v) Vigilance Awareness March

After the Nukkad-Natak, a Vigilance Awareness Rally was organized at CCL (HQ), Ranchi. There were around 200 participants in the rally holding placards with thought provoking slogans. The march was flagged off by the CVO, CCL, Shri A.K.Srivastava. The Director(Personnel), CCL and CVO, CCL also participated in this march. Several March, Morning Prabhat Pheri, etc. were also organized in different Areas of CCL and students from various schools were also involved in this campaign.

(vi) Events organized at CCL(HQ), Ranchi and various Schools/Institutes at Ranchi

On 30.10.17, in the afternoon, an Essay competition on My Vision-Corruption Free India, मेरा लक्ष्य – भ्रष्टाचार मुक्त भारत and a Quiz competition on vigilance related issues were organized amongst the officials of CCL(HQ). Slogan & Poster making competition were also organized among the employees on 2.11.17.

Apart from above, Debate/ Elocution/Speech, Painting/Poster making, Skit, essay writing competition, etc were organized in **3 schools** and **3 colleges at Ranchi** during the Vigilance Awareness Week. Essay-writing and painting competition was also organized on 23.10.17 amongst the **Laal & Laadli of CCL (wards of "Project Affected Person" adopted by CCL under CSR initiatives and given free food, accommodation and coaching for their preparation for IIT & other National level Engineering entrance exams)**.

(vii) Observance of Vigilance Awareness Week in the 12 different Areas of CCL and 5 independent units

Vigilance Awareness Week was also celebrated in the following Areas of CCL:

(i) Argada Area
(ii) Rajhara Area
(iii) B&K Area
(iv) Barks-Sayal Area
(v) Magadh Amrapali Area
(vi) Hazaribagh Area
(vii) N.K.Area
(viii) Dhori Area
(ix) Kathara Area
(x) Piparwar Area
(xi) Rajrappa Area
(xii) Kuju Area
(xiii) Central Repair Shop, Barkakana
(xiv) Central Store, Barkakana
(xv) Mines Rescue Station, Ramgarh
(xvi) Central Hospital, Gandhinagar
(xvii) Central Hospital, Naisarai

The observance of Vigilance Awareness Week in the different Areas of CCL also commenced with the pledge ceremony on 30th October 2017 at 11.00 AM. The pledge was administered by the Area GM/ 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 Vigilance awareness rally was also organized in almost all the above Areas of CCL.

In order to inculcate good values and ethics in the minds of school children, Debate/ Elocution/Speech, Painting/Poster making, Skit, Essay writing competition, etc were organized in 44 schools at Area level.

(viii) Workshops/ Seminars at CCL(HQ) and different Areas

CCL Vigilance organized following no. of workshops & seminars during Vigilance Awareness Week :

i. **3 Seminars/ Workshops-cum-Vendor Meet** at CCL (HQ), Ranchi in association with Material Management Deptt., Contract Monitoring Cell and Civil Deptt.,CCL (HQ), Ranchi which were attended by **70, 14 and 49 number of suppliers, vendors, contractors, etc.**

ii. **9 Workshops** by the executives of CCL Vigilance covering all the Areas of CCL.

The above workshops ended with very vibrant interactive session and queries raised by the participants/ vendors/ contractors were adequately replied.

iii. **1 Talk** by CBI , ACB, Ranchi at B&K Area on 3.11.17

iv. **On 3.11.2017**, one talk on My Vision-Corruption Free India, मेरा लक्ष्य – भ्रष्टाचार मुक्त भारत was organized at CCL(HQ), 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 D(F), D(P) & 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 A. K. Srivastava, IFS, CVO, CCL. The chief guest of the eventShri Gopal Singh, Chairman, CIL addressed the gathering through Video Conferencing.

v. Apart from above, 6 workshop/ conference/ sensitization programme was conducted by the different Areas themselves under the guidance of CCL Vigilance.

(ix) Publication of Insights- a Vigilance Magazine

On the occasion of Vigilance Awareness Week-2017, CCL Vigilance has published Insights -An awareness magazine. It was a unique effort to compile Messages, major System Improvements suggested by CCL Vigilance during the last 3 years, some recent CVC Circulars, Quotes, etc. in this magazine by mobilizing the internal resources of CCL Vigilance. The publication of Insights was done with a view to spreading awareness amongst the employees of CCL on commonly observed lapses and discrepancies so as to prevent their recurrence.

(x) Vigilance Excellence Award

In recognition of commendable work / achievements in the field of anti-corruption/ vigilance awareness/ transparency/ substantial savings to the company, Vigilance Excellence Award was conferred upon 8 officials of CCL on 3.11.17 by the Director(P) and Director(F), CCL.

During the same event, top three winners of Essay, Quiz, Poster Making and Slogan Writing competition held during Vigilance Awareness Week were also awarded.

(xi) Mini Marathon & 100 mtr/ 200 mtr/ 400 mtr. Race at KhelGaon, Ranchi

4th November, the last day of the Vigilance Awareness Week, was declared holiday on the occasion of Guru Nanak Jayanti. Hence, on that day under outreach activities, an awareness mini marathon & 100 mtr/ 200 mtr/ 400 mtr. race were organized at the Sports Academy, Khelgaon in which around 300 cadets of Jharkhand State Sports Promotion Society (JSSPS) participated.

(xii) Awareness Gram Sabha

16 Awareness Sabhas were organized in 9 Areas and 1 independent unit of CCL. The sabhas was attended by the Mukhiya, Sarpanch, villagers, students, etc. During the Awareness Sabhas, Mass-pledge was administered to the villagers and awareness was created on the ill effects of corruption

(xiii) Awareness through Message in CUG mobile & Social Media(Twitter)

CCL Vigilance left no stone unturned in creating awareness during the week and adopted some innovative ways to further sensitize the officials of CCL.

(i) In this direction, inspirational messages were sent to the CUG Mobile of officials on each day during the Vigilance Awareness Week.

(ii) Photographs of Major events alongwith themes were also uploaded on the official Twitter account of CCL. **Few of the tweets were re-tweeted by the Commission**.

(iii) Coverage of the events was also given in the leading newspapers having wide circulation in the state.

After the conclusion of Vigilance Awareness Week-2017, an Inter School Debate and Painting Competition was organized at CCL(HQ) on 14th November, 2017 on the occasion of Children's day. Best three participants/ students each from different schools located in the 12 Areas of CCL as well as in Ranchi, where various events were organized during the VAW-17, were called at CCL(HQ) to participate in Inter School Elocution and Painting Competition. At the end of the event, the CVO, CCL thanked all the participants and teachers who had come to HQ from far-flung Areas to make this programme a grand success and assured them that CCL Vigilance would conduct many such awareness events to spread awareness and inculcate good values in the young minds.

34. RIGHT TO INFORMATION STATUS

Under the RTI Act'2005, the details of application dealt during the year 2017-18 are given below:

1.	No. of Applications received	:	629
2.	No. of Applications disposed	:	602
3.	No. of Applications under process	:	NIL
4.	No. of Applications transferred under Para 6(3) of RTI Act	:	164
5.	No. of Applications rejected	:	NIL
6.	Whether any penalty awarded by CIC to any executive of CCL under RTI Act, 2005	:	NO

35. INFORMATION UNDER THE SEXUAL HARASSMENT TO WOMEN AT WORKPLACE.

The Internal Complaints Committee is functioning in CCL in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The order of the Constitution of the Committee has been uploaded in the Women Empowerment Portal of CCL website. With reference to Section 22 of the Sexual Harassment of Women at Workplace Act, 2013 the information pertaining to FY 2017-18 is as follows :

No of Complaints received	No. of cases Adjudicated	Action Taken
01	01	The case was adjudicated

36. 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 2018 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 2017-18 target for Excellent rating	MoU 2017-18 Actual Achievement
1.	Grading on the basis of compliance with guidelines on Corporate governance issued by DPE	85 and above	90.625

37. 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.

38. BOARD OF DIRECTORS

During the year under reference your Directors held 15 (Fifteen) Board Meetings. Your Company had the following Directors on the Board, as on 21.07.2017 i.e. the date of the 61st Annual General Meeting :

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

Non-Official Part Time Directors

1. Shri Ashok Gupta, CA.
2. Shri Bharat Bhushan Goyal, Ex-Addl. Chief Advisor (Cost), D/o Expenditure.

Permanent Invitees

1. Shri Salil Kumar Jha, CoM, E/C Rly.
2. Shri Sunil Kumar Barnwal Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand

Consequent upon superannuation of Shri Subir Chandra, Director (Tech./Oprn.) on 31.03.2018, Shri A.K. Mishra relinquished charge of Director (Tech./P&P) on 07.04.2018, and assumed charge of Director (Tech./Oprn.) on 07.04.2018. Further, Shri V.K. Srivastava joined as Director (Tech./P&P) on 15.05.2018.

Consequent upon resignation of Shri R.P. Gupta from the post of Director of CCL w.e.f. 09.08.17 on being appointed as Managing Director, NAWADCO, Shri Ashish Upadhyay, Jt. Secy., MoC was appointed as part–time Director on the Board of CCL vice Shri R.P. Gupta, Jt. Secy., MoC w.e.f. 05.02.2018.

Further, consequent upon termination of services of Shri R Mohan Das, Director (P&IR), Coal India limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006-ASO/BA dated 30.03.2017 with immediate effect, Shri C.K. Dey, Director (Fin.), CIL was appointed as part–time Director on the Board of CCL vice Shri R.Mohan Das, Ex-D(P), CIL w.e.f. 19.09.2017. Further, CIL Board nominated Shri R.P. Srivastava, Director (P&IR), CIL as part–time Director on the Board of CCL vice C.K. Dey, Director (Fin.), CIL w.e.f. 19.02.2018.

Accordingly, your Company has the following Directors on the Board as on the date of the 62nd Annual General Meeting :

1. Shri Gopal Singh, CMD,
2. Shri Ashish Upadhyay, Jt. Secy., MoC, Govt. of India, New Delhi,
3. Shri D. K. Ghosh, Director (Fin.).
4. Shri R.S. Mahapatro, Director (P)
5. Shri A.K. Mishra, Director (T/Opr.)
6. Shri V.K. Srivastava, Director (Tech./P&P)
7. Shri R.P. Srivastava, Director (P&IR), CIL

Non-Official Part Time Directors

1. Shri Ashok Gupta, CA.
2. Shri Bharat Bhushan Goyal, Ex-Addl. Chief Advisor (Cost), D/o Expenditure.

Permanent Invitees

1. Shri Salil Kumar Jha, CoM, E/C Rly.
2. Shri Sunil Kumar Barnwal Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand

39. 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 :

(1) That in the preparation of the Financial Statement for the financial year ended 31st March 2018, the Uniform Accounting Policy approved by CIL, the Holding Company, has been followed. The said uniform Accounting Policy has been drawn in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015.

(2) The Financial Statements have been prepared on historical cost basis, except for

- Certain financial assets and Liabilities measured at fair value.
- Defined benefit plans – plan assets measured at fair value.
- Inventories at cost or NRV whichever is lower.

(3) That the Directors have selected such accounting policies 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.

(4) That 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.

(5) That the Directors have prepared the Financial Statement for the financial year ended 31st March 2018 on 'going concern' basis.

(6) That the system of internal financial controls are adequate and are operating effectively.

(7) That the system has been developed for compliance of all applicable laws and that such systems were adequate and operating effectively.

40. 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 Statements of your Company for the year 2017-18 :

A. Statutory Auditors

M/s. S. K. Singhania & Co
217B, Kutchary Road, Panchwati Plaza,
2nd Floor, Ranchi- 834001

Branch Auditors

1. M/s J.N Agrawal & Co.
6, RIT Building, Ground Floor,
Court Compound, Ranchi-834001.
2. M/s. L K Saraf & Co.
2nd Floor, Chauhan Mansion,
Lalji Hirji Road, Ranchi.
3. M/s Sanjay Bajoria & Associates
4, Kunjlal Street,
Upper Bazar, Ranchi-834001.
4. M/s N.K.D. & Co.
2nd Floor, Radha Gouri, Goushala Chowk,
North Market Road,
Upper Bazar, Ranchi-834001

B. Cost Auditors

As per Companies Act, 2013 the following Cost Auditors was appointed by the Board of Directors in its 430th Board Meeting vide item No. 4(6) dated 28.09.2016 for conducting Cost Audit as required under the Act for the year 2016-17, 2017-18 & 2018-19.

M/s SC Mohanty & Associates
Plot No. 370/1861/2157 Shakti Bhavan
Beside Toyota Showroom AT- PATIA , PO -KIIT
Bhubaneswar – 751024, Odisha

Branch Cost Auditors

1. MANI & CO.
Ashoka Building, 111 Southern Avenue
Kolkata- 700029, West Bengal
2. MUSIB & CO.
1st Floor, Agra Building,
Bank of Baroda, University Branch, Fort,
Mumbai-400 001, Maharashtra.
3. K.B.SAXENA & ASSOCIATES
3rd Floor Shagun Palace Sapru Marg ,
Hazratganj Lucknow - 226 001, Uttar Pradesh
4. KG GOYAL & ASSOCIATES
4A , POCKET 2
Mix Housing, New Kondli,
Mayur Vihar-III . New Delhi - 110 096.

C. Secretarial Auditors

Under Section 204 of the Companies Act, 2013 the following Company Secretary Firm was appointed by the Board of Directors in its 442nd Board Meeting vide item No. 4(24) dated 27.04.2017 for conducting Secretarial Audit as required under the Act for the year 2016-17 and 2017-18.

Secretarial Auditors

M/s. PratibhaKhandelwal & Associates
F-2/14, LIC Flats, Sector-2,
Vidhyadhar Nagar, Jaipur-302039 (Rajasthan)

41. BOARD COMMITTEES

A. Audit Committee of Directors

Consequent upon termination of services of Shri R. Mohan Das, Director (P&IR), Coal India Limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006–ASO/BA dated 30.03.2017 with immediate effect, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted Audit Committee of Directors with the following Directors —

1.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Member
3.	Shri A. K. Mishra, Director (T/P&P), CCL	—	Member
4.	Shri D.K Ghosh, Director (Finance), CCL	—	Permanent 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, 2018, 14 meetings of Audit committee were held on 27.04.17, 16.05.17, 26.05.17, 13.07.17, 02.08.17, 25.09.17, 02.11.17, 27.12.17, 07.01.18, 01.02.18, 21.02.18, 05.03.18, 08.03.18 and 10.03.18. The Company Secretary is also the Secretary to the Audit Committee.

Subsequent upon superannuation of Sri C.V.N. Gangaram, Company Secretary, CCL, the CCL Board in its 437th meeting held on 21.02.2017 resolved that under section 203 of Companies Act, 2013, Shri A. K. Mishra, Director (Tech./ P&P) be authorized to function/ officiate as Company Secretary till full time Company Secretary is appointed. Further, the CCL Board in its 445th Board Meeting held on 13.07.17 appointed Shri Ravi Prakash as Whole time Company Secretary with effect from 13th July, 2017, to perform the duties which may be performed by a Company Secretary under the Companies Act, 2013 and any other duties assigned to him by the Board from time to time and also Shri A. K. Mishra, Director (T/P&P) was relinquished from the charge to function/officiate as Company Secretary.

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2017-18 is given in **Annexure-I**.

B. Empowered Sub-Committee of Directors

Consequent upon superannuation of Shri P.K. Tiwari, Director(Tech./ Oprn.) on 30.09.2016, Charge relinquishment of Shri Subir Chandra as Director (Tech./P&P) on 30.09.2016, charge assumption of Shri Subir Chandra as Director (Tech./Oprn.) on 30.09.2016 and joining of Shri A.K. Mishra as Director (Tech./P&P) on 01.10.2016, the CCL Board at its 431st Meeting held on 08.11.2016, re-constituted **Empowered Sub-Committee of Directors** with the following Directors —

1.	Shri Gopal Singh, Chairman-cum-Managing Director, CCL	—	Chairman
2.	Shri R.P. Gupta, Joint Secretary, Ministry of Coal, Government of India	—	Member
3.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
4.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Member
5.	Shri D.K. Ghosh, Director (Finance), CCL	—	Member
6.	Shri Subir Chandra, Director (Tech/Oprn), CCL	—	Member
7.	Shri A.K. Mishra, Director (Tech/ P&P), CCL	—	Member

During the year ended 31st March 2018, 8 meetings of ESCD were held on 16.05.17, 13.07.17, 02.08.17, 25.09.17, 03.11.17, 27.12.17, 07.01.18 and 05.03.18.

The details of attendance of Members at the Empowered Sub-committee of Directors of the Company held during the year 2017-18 is given in **Annexure-I**.

C. Sustainable Development /Corporate Social Responsibility Committee

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.

Consequent upon superannuation of Shri P.K. Tiwari, Director(Tech./Oprn.) on 30.09.2016, Charge relinquishment of Shri Subir Chandra as Director (Tech./P&P) on 30.09.2016, charge assumption of Shri Subir Chandra as Director (Tech./Oprn.) on 30.09.2016 and joining of Shri A.K. Mishra as Director (Tech./P&P) on 01.10.2016, the CCL Board at its 431st Meeting held on 08.11.2016, re-constituted **Sustainable Development/Corporate Social Responsibility Committee** with the following Directors —

1.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri R. Mohan Das, D (P&IR), CIL	—	Member
4.	Shri R.S. Mahapatro, Director (Personnel), CCL	—	Member
5.	Shri A.K. Mishra, Director (Tech./P&P), CCL	—	Member

Further consequent upon termination of services of Shri R. Mohan Das, Director (P&IR), Coal India Limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006–ASO/BA dated 30.03.2017 with immediate effect, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted **Sustainable Development/Corporate Social Responsibility Committee** with the following Directors —

1.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri D. K. Ghosh, Director (Fin.), CCL	—	Member
4.	Shri R.S. Mahapatro, Director (Personnel), CCL	—	Member
5.	Shri Subir Chandra, Director (Tech./Oprn.), CCL	—	Member

During the year ended 31st March, 2018, 12 (twelve) meeting of SD/CSR committee was held on 27.04.17, 16.05.17, 26.05.17, 13.07.17, 02.08.17, 25.09.17, 02.11.17, 27.12.17, 07.01.18, 01.02.18, 21.02.18 and 05.03.18.

The details of attendance of Members at the **Sustainable Development/Corporate Social Responsibility Committee of Directors** of the Company held during the year 2017-18 is given in **Annexure-I**.

D. Risk Management Committee

The Risk Management Committee was constituted in the 425th meeting of the Board of Directors held on 10.06.2016. Consequent upon superannuation of Shri P. K. Tiwari, Director (Tech./Oprn.) on 30.09.2016, Charge relinquishment of Shri subir Chandra as Director (Tech./P&P) on 30.09.2016, charge assumption of Shri Subir Chandra as Director (Tech./Oprn.) on 30.09.2016 and joining of Shri A. K. Mishra as Director (Tech./P&P) on 01.10.2016, the CCL Board at its 431st Meeting held on 08.11.2016, re-constituted **Risk Management Committee** with the following Directors —

1.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri Subir Chandra, D(T/Oprn.), CCL	—	Member
4.	Shri A. K. Mishra, D (T/P&P), CCL	—	Member
5.	Shri Benjamin Paul, GM (QM)	—	Chief Risk Officer

Further, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted the **Risk Management Committee** as under —

1.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri Subir Chandra, D(T/Oprn.), CCL	—	Member
4.	Shri A. K. Mishra, D (T/P&P), CCL	—	Member
5.	Shri Jitendra Tiwari, GM (QM)	—	Chief Risk Officer

During the year ended 31st March, 2018, 1 (one) meeting of **Risk Management Committee** was held on 02.08.17.

The details of attendance of Members at the **Risk Management Committee** of Directors of the Company held during the year 2016-17 is given in **Annexure-I**.

E. Human Resource Committee

The CCL Board constituted the Human Resource Committee 431st Meeting held on 08.11.2016 with the following Directors :

1.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri R. Mohan Das, D(P&IR), CIL	—	Member
4.	Shri R.S. Mahapatro, Director (Personnel), CCL	—	Member
5.	Shri A.K. Mishra, Director (Tech./P&P), CCL	—	Member

Further consequent upon termination of services of Shri R. Mohan Das, Director (P&IR), Coal India Limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006–ASO/BA dated 30.03.2017 with immediate effect, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted **Human Resource Committee** with the following Directors —

1.	Shri Bharat BhushanGoyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri D. K. Ghosh, Director (Fin.), CCL	—	Member
4.	Shri R.S. Mahapatro, Director (Personnel), CCL	—	Member
5.	Shri A.K. Mishra, Director (Tech./P&P), CCL	—	Member

During the year ended 31st March, 2018, 6 (six) meeting of **Human Resource Committee** was held on 16.05.17, 26.05.17, 13.07.17, 02.08.17, 25.09.17 and 02.11.17.

The details of attendance of Members at the **Human Resource Committee** of Directors of the Company held during the year 2016-17 is given in **Annexure-I**.

42. 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.

43. 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 1,02,00,000/- per annum/ 8,50,000/- per month or more, if employed for the year or part thereof.
- (b) Information on Conservation of energy
- (c) details about research and development activities of the Company.
- (d) details of foreign exchange earning & outgo.
- (e) Additional Disclosures of CSR activities.
- (f) disclosure of particulars of contracts/arrangements entered into by the company with related parties.
- (g) Report on the Performance and Financial position of each of the Subsidiaries, Associates & Joint Venture Companies.
- (h) Declaration of Independent Directors.

(2) Secretarial Audit Report for the Financial year ended 31st March, 2018

(3) Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the standalone and consolidated financial statements of Central Coalfields Limited for the year ended 31st March 2018.

(4) Review of the Accounts of the Company for the year ended 31st March 2018, by the Comptroller & Auditor General of India.

(5) Extract of Annual Return as on financial year ended 31.03.2018, pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration)Rules, 2014.

(6) 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
Central Coalfields Limited

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, 2018 comprised of Nine (9) Directors, viz. five (5) Functional Directors (including CMD), two (2) Part-Time Official Director, two (2) Non-Official Part Time Directors and two (2) Permanent Invitees to the Board.

During the financial year ended March 31st, 2018, 15 (Fifteen) numbers of Board meetings were held on 27.04.17, 16.05.17, 26.05.17, 13.07.17, 03.08.17, 02.09.17, 25.09.17, 03.11.17, 27.12.17, 07.01.18, 01.02.18, 21.02.18, 05/06.03.18, 09.03.18 and10.03.18. 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 (Committee meetings are mentioned separately)		No. of Other Directorships
			Held during the tenure	Attended	
1.	Shri Gopal Singh, Chairman-cum-Managing Director $	Functional Director	15	13	(i) BCCL(ii) CIL
2.	Shri D.K. Ghosh, Director (Finance)	Functional Director	15	15	Nil
3.	Shri Subir Chandra, Director(Tech/Oprn.) @	Functional Director	15	12	Nil
4.	Shri R.S. Mahapatro, Director(Pers.)	Functional Director	15	15	Nil
5.	Shri A.K. Mishra, Director (Tech./P&P)	Functional Director	15	14	JCRL
6.	Shri R.P. Gupta, Jt. Secy, MoC , Govt. of India*	Part-Time Official Director	05	01	MCL
7.	Shri Ashish Upadhyay, Jt. Secy, MoC , Govt. of India **	Part-Time Official Director	04	03	NUPPL
8.	Shri Ashok Gupta, Non-Official Part-time Director	Non-Official Part-time Director	15	14	Not Applicable
9.	Shri Bharat Bhushan Goyal Non-Official Part-time Director	Non-Official Part-time Director	15	15	Not Applicable
10.	Shri C.K. Dey, Director (Fin.), CIL #	Part-time Official Director	04	02	(i) CIL (ii) ECL (iii) SECL (iv) HURL (v) CMPDIL
11.	Shri R.P. Srivastava, Director (P&IR), CIL ##	Part-time Official Director	04	04	(i) CIL (ii) WCL
12.	Shri Salil Kumar Jha, COM, EC Rlys.^	Permanent Invitee	15	03	Not Applicable
13.	Shri S.K. Barnwal, Secy., Deptt. of Mines & Geology, GoJ ^^	Permanent Invitee	15	01	Not Applicable

$ Shri Gopal Singh, CMD, CCL assumed the additional charge of CMD, BCCL from 27.10.2016 and relinquished the charge of CMD, BCCL on 25.09.2017. He was also entrusted the additional charge of CMD, CIL w.e.f. 01.09.2017.

@ Shri Subir Chandra, Director (Tech/Oprn.)Superannuated from Service w.e.f. 31.03.2018.

* Shri R.P. Gupta, Jt. Secy., MoC, resigned from the post of Director of CCL w.e.f. 09.08.17 on being appointed as Managing Director, NAWADCO.

** Shri Ashish Upadhyay, Jt. Secy., MoC was appointed as part–time Director on the Board of CCL vice Shri R.P. Gupta, Jt. Secy., MoC w.e.f. 05.02.2018.

Shri C.K. Dey, Director (Fin.), CIL was appointed as part–time Director on the Board of CCL vice Shri R.Mohan Das, Ex-D(P), CIL w.e.f. 19.09.2017 to 19.02.2018.

Shri R.P. Srivastava, Director (P&IR), CIL was appointed as part–time Director on the Board of CCL vice C.K. Dey, Director (Fin.), CIL w.e.f. 19.02.2018.

^ Shri Salil Kumar Jha, COM, EC Rlys appointed as Permanent Invitee on CCL Board w.e.f. 24.05.2016.

^^ Shri S.K. Barnwal, Secy., Deptt. of Mines & Geology, GoJ Appointed as Permanent Invitee on CCL Board w.e.f 16.11.2016.

Subsequent upon superannuation of Sri C.V.N. Gangaram, Company Secretary, CCL, the CCL Board in its 437th meeting held on 21.02.2017 resolved that under section 203 of Companies Act, 2013, Shri A.K. Mishra, Director (Tech./ P&P) be authorized to function/ officiate as Company Secretary till full time Company Secretary is appointed.

Further CCL Board in its 445th Meeting held on 13.07.2017, appointed Shri Ravi Prakash as Whole time Company Secretary with effect from 13th July 2017, to perform the duties which may be performed by a Company Secretary under the Companies Act, 2013 and any other duties assigned to him by the Board from time to time and Shri A.K Mishra, Director (T/P&P) was relinquished the charge to function/ officiate as Company Secretary.

SCHEDULE FOR REMUNERATION OF CMD AND OTHER DIRECTORS FOR THE YEAR 2017-18

A. Functional Directors

Name	Relationship with other Director	Business relationship with the company	Remuneration for the year 17-18 (`)										
			Salary & Allow.	PRP/Arrear due to revision of pay	Perquisites	HRA	Leave Encashment	CMPF Cont.	Med. Expenses	LLTC	LTC(H)	Gratuity	Total
Shri Gopal Singh	Nil	Chairman-cum-Managing Director	2730019.95	1214901.94	325266.10	0.00	377580.60	324469.00	0.00	0.00	0.00	0.00	4972237.59
Shri D. K. Ghosh	Nil	Director (Finance)	2413215.00	1778796.00	361690.32	0.00	338355.00	287359.00	27003.26	0.00	0.00	0.00	5206418.58
Shri R.S. Mahapatro	Nil	Director (Personnel)	2400370.25	1133712.00	312517.24	0.00	189962.50	268243.00	4652.66	0.00	0.00	0.00	4309457.65
Shri Subir Chandra	Nil	Director (Technical/ Operation)	2400178.50	1189398.40	337364.96	0.00	676210.80	284507.00	71435.83	0.00	0.00	2000000.00	6959095.49
Shri A.K. Mishra	Nil	Director (Technical/ Project & Planning)	2375174.30	731719.20	250999.79	0.00	326475.00	275106.00	34955.31	0.00	0.00	0.00	3994429.60
GRAND TOTAL			**12318958.00**	**6048527.54**	**1587838.41**	**0.00**	**1908583.90**	**1439684.00**	**138047.06**	**0.00**	**0.00**	**2000000.00**	**25441638.91**

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

SN.	Particulars of Remuneration	Name of Directors		Total Amount (Rs.)
1.	**Independent Directors**	Shri Bharat Bhushan Goyal (date of appointment 14.11.2015)	Shri Ashok Gupta (date of appointment 14.11.2015)	
	Sitting Fees for attending board/committee meetings	1120000.00	1040000.00	2160000.00
	Total (1)	**1120000.00**	**1040000.00**	**2160000.00**

3. BOARD COMMITTEE

(i) Empowered Sub-Committee of Directors

Consequent upon superannuation of Shri P.K. Tiwari, Director(Tech./Oprn.) on 30.09.2016, Charge relinquishment of Shri Subir Chandra as Director (Tech./P&P) on 30.09.2016, charge assumption of Shri Subir Chandra as Director (Tech./Oprn.) on 30.09.2016 and joining of Shri A.K. Mishra as Director (Tech./P&P) on 01.10.2016, the CCL Board at its 431st Meeting held on 08.11.2016, re-constituted **Empowered Sub-Committee of Directors** with the following Directors —

1. Shri Gopal Singh, Chairman-cum-Managing Director, CCL — Chairman
2. Shri R.P. Gupta, Joint Secretary, Ministry of Coal, Government of India — Member
3. Shri Ashok Gupta, Non-Official Part Time Director, CCL — Member
4. Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL — Member
5. Shri D.K. Ghosh, Director (Finance), CCL — Member
6. Shri Subir Chandra, Director (Tech/Oprn), CCL — Member
7. Shri A.K. Mishra, Director (Tech/ P&P), CCL — Member

During the year ended 31st March 2018, 8 meetings of ESCD were held on 16.05.17, 13.07.17, 02.08.17, 25.09.17, 03.11.17, 27.12.17, 07.01.18, and 05.03.18.

The details of attendance of Members at the Empowered Sub-committee of Directors of the Company held during the year 2017-18 are as under :

Name	Empowered Sub-Committee meeting		Remarks
	Held during the tenure	Attended	
Shri Gopal Singh, CMD, CCL	8	5	Chairman
Shri R.P. Gupta, IAS, Jt. Secy, MoC, GOI/ Official Part time Director@	3	1	Member
Shri Ashok Gupta, Non-Official Part Time Director	8	7	Member
Shri Bharat Bhushan Goyal, Non-Official Part Time Director	8	8	Member
Shri D.K. Ghosh, D(F), CCL	8	8	Member
Shri Subir Chandra, D(T/O), CCL.#	8	7	Member
Shri A.K. Mishra, D(T/P&P), CCL.	8	7	Member

Shri Subir Chandra, superannuated from service on 31.03.2018.

@ Shri R.P. Gupta resigned from the post of Director of CCL w.e.f. 09.08.17 on being appointed as Managing Director, NAWADCO.

(ii) Audit Committee of Directors

Consequent upon termination of services of Shri R Mohan Das, Director (P&IR), Coal India limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006-ASO/BA dated 30.03.2017 with immediate effect, the CCL Board at its 443rdMeeting held on 16.05.2017, re-constituted Audit Committee of Directors with the following Directors-

1. Shri Ashok Gupta, Non-Official Part Time Director, CCL — Chairman
2. Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL — Member
3. Shri A.K. Mishra, Director(T/P&P), CCL — Member
4. Shri D.K Ghosh, Director (Finance), CCL — Permanent 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, 2018, 14 meetings of Audit committee were held on 27.04.17, 16.05.17, 26.05.17, 13.07.17, 02.08.17, 25.09.17, 02.11.17, 27.12.17, 07.01.18, 01.02.18, 21.02.18, 05.03.18, 08.03.18, and 10.03.18. The Company Secretary is also the Secretary to the Audit Committee.

Subsequent upon superannuation of Sri C.V.N. Gangaram, Company Secretary, CCL, the CCL Board in its 437th meeting held on 21.02.2017 resolved that under section 203 of Companies Act, 2013, Shri A.K. Mishra, Director (Tech./ P&P) be authorized to function/ officiate as Company Secretary till full time Company Secretary is appointed. Further,the CCL Board in its 445th Board Meeting held on 13.07.17 appointed Shri Ravi Prakashas Whole time Company Secretary with effect from 13th July 2017, to perform the duties which may be performed by a Company Secretary under the Companies Act, 2013 and any other duties assigned to him by the Board from time to time and also Shri A.K Mishra, Director (T/P&P) was relinquished from the charge to function/ officiate as Company Secretary

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2017-18 are as under :

Name	Audit Committee meeting		Remarks
	Held during the tenure	Attended	
Shri Ashok Gupta, Non-Official Part Time Director	14	13	Chairman
Shri Bharat Bhushan Goyal, Non-Official Part Time Director	14	14	Member
Shri A.K. Mishra, Director (T/P&P)	16	14	Member
Shri D.K. Ghosh, D(F), CCL	14	13	Permanent Invitee

Scope of Audit Committee

The list of functions inter-alia includes the following :

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

(iii) Sustainable Development/Corporate Social Responsibility Committee

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.

Consequent upon superannuation of Shri P.K. Tiwari, Director(Tech./Oprn.) on 30.09.2016, Charge relinquishment of Shri Subir Chandra as Director (Tech./P&P) on 30.09.2016, charge assumption of Shri Subir Chandra as Director (Tech./Oprn.) on 30.09.2016 and joining of Shri A.K. Mishra as Director (Tech./P&P) on 01.10.2016, the CCL Board at its 431st Meeting held on 08.11.2016, re-constituted Sustainable Development/Corporate Social Responsibility Committee with the following Directors-

1.	Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri R. Mohan Das, D(P&IR), CIL	—	Member
4.	Shri R.S. Mahapatro, Director (Personnel), CCL	—	Member
5.	Shri A.K. Mishra, Director (Tech./P&P), CCL	—	Member

Further consequent upon termination of services of Shri R Mohan Das, Director (P&IR), Coal India limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006-ASO/BA dated 30.03.2017 with immediate effect, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted **Sustainable Development/Corporate Social Responsibility Committee** with the following Directors :

1.	Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL	—	Chairman
2.	Shri Ashok Gupta, Non-Official Part Time Director, CCL	—	Member
3.	Shri D.K. Ghosh, Director(Fin.), CCL	—	Member
4.	Shri R.S. Mahapatro, Director (Personnel), CCL	—	Member
5.	Shri Subir Chandra, Director (Tech./Oprn.), CCL	—	Member

During the year ended 31st March, 2018, 12 (twelve) meeting of SD/CSR committee was held on 27.04.17, 16.05.17, 26.05.17, 13.07.17, 02.08.17, 25.09.17, 02.11.17, 27.12.17, 07.01.18, 01.02.18, 21.02.18 & 05.03.18.

The details of attendance of Members at the **Sustainable Development/Corporate Social Responsibility Committee** Meetings of the Company held during the year 2017-18 are as under :

Name	SD&CSR Committee meeting		Remarks
	Held during the tenure	Attended	
Shri Bharat Bhushan Goyal, Non-Official Part Time Director	12	12	Chairman
Shri Ashok Gupta, Non-Official Part Time Director	12	11	Member
Shri Subir Chandra, Director (Tech./Oprn.)*	10	8	Member
Shri R. S. Mahapatro, Director(P),CCL	12	12	Member
Shri A.K. Mishra, Director(Tech./P&P), CCL	2	2	Member
Shri D.K. Ghosh, Director (Fin.), CCL	10	10	Member

* Shri Subir Chandra, Director (Tech./Oprn.), CCL superannuated from service on 31.12.2018.

(iv) Risk Management Committee

The Risk Management Committee was constituted in the 425th meeting of the Board of Directors held on 10.06.2016. Consequent upon superannuation of Shri P.K. Tiwari, Director(Tech./Oprn.) on 30.09.2016, Charge relinquishment of Shri Subir Chandra as Director (Tech./P&P) on 30.09.2016, charge assumption of Shri Subir Chandra as Director (Tech./Oprn.) on 30.09.2016 and joining of Shri A.K. Mishra as Director (Tech./P&P) on 01.10.2016, the CCL Board at its 431st Meeting held on 08.11.2016, re-constituted **Risk Management Committee** with the following Directors —

1. Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL — Chairman
2. Shri Ashok Gupta, Non-Official Part Time Director, CCL — Member
3. Shri Subir Chandra, D (T/Oprn.), CCL — Member
4. Shri A.K. Mishra, D (T/P&P), CCL — Member
5. Shri Benjamin Paul, GM(QM) — Chief Risk Officer

Further, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted the Risk Management Committee as under :

1. Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL — Chairman
2. Shri Ashok Gupta, Non-Official Part Time Director, CCL — Member
3. Shri Subir Chandra, D (T/Oprn.), CCL — Member
4. Shri A.K. Mishra, D (T/P&P), CCL — Member
5. Shri Jitendra Tiwari, GM(QM) — Chief Risk Officer

During the year ended 31st March, 2018, 1 (one) meeting of **Risk Management Committee** was held on 02.08.17.

The details of attendance of Members at the **Risk Management Committee** Meetings of the Company held during the year 2017-18 are as under :

Name	Risk Management Committee meeting		Remarks
	Held during the tenure	Attended	
Shri Bharat Bhushan Goyal, Non-Official Part Time Director	1	1	Chairman
Shri Ashok Gupta, Non-Official Part Time Director,	1	1	Member
Shri Subir Chandra, D(T/P&P)/ D(T/O)#	1	1	Member
Shri A.K. Mishra, Director(Tech./P&P), CCL	1	0	Member
Shri Shri Jitendra Tiwari, GM(QM)	1	1	C.R.O

\# Shri Subir Chandra, Director (Tech./Oprn.), CCL superannuated from service on 31.12.2018.

(v) Human Resource Committee

The CCL Board constituted the Human Resource Committee in its 431st Meeting held on 08.11.2016 with the following Directors:

1. Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL — Chairman
2. Shri Ashok Gupta, Non-Official Part Time Director, CCL — Member
3. Shri R. Mohan Das, D(P&IR), CIL — Member
4. Shri R.S. Mahapatro, Director (Personnel), CCL — Member
5. Shri A.K. Mishra, Director (Tech./P&P), CCL — Member

Further consequent upon termination of services of Shri R Mohan Das, Director (P&IR), Coal India limited issued by Director to the Government of India, Ministry of Coal, New Delhi vide his letter No. 21/13/2006-ASO/BA dated 30.03.2017 with immediate effect, the CCL Board at its 443rd Meeting held on 16.05.2017, re-constituted **Human Resource Committee** with the following Directors :

1. Shri Bharat Bhushan Goyal, Non-Official Part Time Director, CCL — Chairman
2. Shri Ashok Gupta, Non-Official Part Time Director, CCL — Member
3. Shri D.K. Ghosh, Director (Fin.), CCL — Member
4. Shri R.S. Mahapatro, Director (Personnel), CCL — Member
5. Shri A.K. Mishra, Director (Tech./P&P), CCL — Member

During the year ended 31st March, 2018, 6 (six) meeting of **Human Resource Committee** was held on 16.05.17,26.05.17, 13.07.18, 02.08.17, 25.09.17 & 02.11.17.

The details of attendance of Members at the **Human Resource Committee** Meetings of the Company held during the year 2017-18 are as under :

Name	Human Resource Committee meeting		Remarks
	Held during the tenure	Attended	
Shri Bharat Bhushan Goyal, Non-Official Part Time Director	6	6	Chairman
Shri Ashok Gupta, Non-Official Part Time Director,	6	6	Member
Shri D.K. Ghosh, D(F)	5	5	Member
Shri R.S. Mahapatro, D(P)	6	6	Member
Shri A.K. Mishra, Director (Tech./P&P), CCL	6	6	Member

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 2017-18 :

Statutory Auditors :

M/s. S. K. Singhania & Co
217B, Kutchary Road, Panchwati Plaza,
2nd Floor, Ranchi- 834001

Branch Auditors :

1. **M/s J.N Agrawal & Co.**
6, RIT Building, Ground Floor,
Court Compound, Ranchi-834001.
2. **M/s. L K Saraf& Co.**
2nd Floor, Chauhan Mansion,
Lalji Hirji Road, Ranchi.
3. **M/s Sanjay Bajoria & Associates**
4, Kunjlal Street,
Upper Bazar, Ranchi-834001.

4. **M/s N.K.D. & Co.**
   2nd Floor, Radha Gouri, Goushala Chowk,
   North Market Road,
   Upper Bazar, Ranchi-834001

Cost Auditors :

As per Companies Act, 2013 the following Cost Auditors was appointed by the Board of Directors in its 430th Board Meeting vide item No. 4(6) dated 28.09.2016 for conducting Cost Audit as required under the Act for the year 2016-17, 2017-18& 2018-19.

M/s SC Mohanty & Associates
Plot No. 370/1861/2157 Shakti Bhavan
Beside Toyota Showroom AT- PATIA , PO -KIIT
Bhubaneswar – 751024, Odisha

Branch Cost Auditors :

1. **MANI & CO.**
   Ashoka Building, 111 Southern Avenue,
   Kolkata- 700029, West Bengal
2. **MUSIB & CO.**
   1st Floor, Agra Building, Bank of Baroda,
   University Branch, Fort, Mumbai-400 001, Maharashtra.
3. **K.B.SAXENA & ASSOCIATES**
   3rd Floor Shagun Palace Sapru Marg ,
   Hazratganj Lucknow - 226 001, Uttar Pradesh
4. **KG GOYAL & ASSOCIATES**
   4A , POCKET 2,Mix Housing,
   New Kondli, Mayur Vihar-III . New Delhi - 110 096.

Secretarial Auditors :

Under Section 204 of the Companies Act, 2013 the following Company Secretary Firm was appointed by the Board of Directors in its 442nd Board Meeting vide item No. 4(24) dated 27.04.2017 for conducting Secretarial Audit as required under the Act for the year 2016-17 and 2017-18.

Secretarial Auditors :

M/s. PratibhaKhandelwal& Associates
F-2/14, LIC Flats, Sector-2,
Vidhyadhar Nagar,
Jaipur-302039 (Rajasthan)

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
2014-15	17th June' 2015 At 11.00 AM	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Ms. Shweta Loharuka, Rep. of CIL	Nil
2015-16	22nd July' 2016 At 11.00 AM	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Shri Jay Prakash Shaw, Rep. of CIL	Nil
2016-17	21st July'2017 At 11.00 AM	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Shri Bhaskar Sharma, Rep. of CIL	NIL

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

4. DISCLOSURES

Related Party Transactions

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

Code of Conduct for Directors and Senior Executives

A Code of Conduct for Directors and Senior Executives was placed before the Board of Directors of CCL at their 348th meeting held on 2.07.08 and has been uploaded on the website of CCL www.centralcoalfields.in. An Acknowledgement of receipt of code of conduct and Affirmation regarding compliance with the same for the year ended March'2018 has been done.

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

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

Delegation of Power

Delegation of power of CMD & Board of Directors was revised on 367th meeting of Board of Directors held on 11.05.10.As per direction of CVC and CVO, CCL, Delegation of Powers have been uploaded on the websites of CCL : www.centralcoalfields.in. DoP of Functional Directors as well as Area CGM/GM have been revised and placed in 384th Board Meeting held on 24/01/2012 for information. The DoP of Divisional Directors in respect of change in specification/Quantity in awarded contracts was changed & placed in 418th Board Meeting held on 31.10.2015 for information. Modification of DoP of ED (Vig.)/CVO, CCL was placed in 421st Board meeting held on 04.02.2016 for information. The same has been up- loaded in the CCL website. Further DoP of CGMs/GMs of Piparwar Area & Magadh Amarpali Area in respect of 'Contact for Capital/Revenue Works" was enhanced & placed in 422nd Board Meeting held on 15/16.03.2016 for information. The modification of existing DoP of CGMs/GMs of Area and CWS Barkakana was placed in 429th Board meeting held on 24/25.08.2016 for information.

Accounting Treatment

The Financial Statements are prepared in accordance with applicable Indian Accounting Standards (IND-AS) 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

Management Reply to the Statutory Auditors' observation on the Accounts of the Company and Secretarial auditors report for the year ended 31st March,2018 are furnished as an Annexure to Directors' Report. 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, 2018 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 and annually 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 and popular CSR Schemes taken up by CCL are Swachh Vidyalay Abhiyan, CCL Ke Lal / Laadli, Drinking Water Project in coal mining areas, Skill Development Centres in the command areas of CCL, Sports Academy, Hotwar run by JSSPS, Swachh Vidyalaya Abhiyan , Swacch Bharat Abhiyan on snow covered mountains, etc. CSR activities of CCL has helped to cultivate goodwill of the people in the command areas, State Administration, Media and other stakeholders. CCL 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 as on 31.03.2018 consists of CMD, D(T-O), D(F), D(P), D(T/P&P), two Govt./CIL Nominee Director, two Non-official Part Time 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 :

FUNCTIONAL DIRECTOR

SHRI GOPAL SINGH : CHAIRMAN CUM MANAGING DIRECTOR

Sri Gopal Singh is heading Central Coalfields Ltd. (CCL) since March, 2012 as Chairman-cum-Managing Director (CMD). Mr. Singh graduated from Indian School of Mines, Dhanbad in 1982. He is M.Tech in Opencast Mining and an MBA with specialization in Finance. He is presently a research scholar in BIT Mesra.

His meticulous planning, coordination and monitoring has resulted in turnaround of CCL's fortune. He has redefined the priorities of the company 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 of GOVERNANCE. Kayakalpa Model is based on, inter alia, transparent, fair and philanthropic approach for team building and motivation of stakeholders, development of subordinates through intensive training and democratic planning and autocratic control.

He is a philanthropist and takes keen interest in social work for betterment of underprivileged sections of society. Under his leadership CCL has launched several pioneering CSR initiatives like World Class Sports Academy at Hotwar , CCL Ke Lal & CCL Ki Ladli, Kayakalp Public School, BPL Hospital, ITI, Bhurkunda, Multi Skill Development Centre, Divyang Centres for differently abled etc.

Sri. Singh is striving to make CCL a "Zero Grievance Company". To achieve this Samadhan Kendras (Single Window Grievance Redressal Cell) have been established and are running successfully in CCL headquarter as well as in all Areas.

These initiatives have resulted in complete transformation of the CCL:6 greenfield coal mining projects and 2 long delayed railway infrastructure projects have been commissioned, which has no parallel in the coal industry. This includes the mega projects of Magadh OC (51 / 70 MTY- proposed largest coal mine of Asia) and Amrapali OC (25/35 MTY).

Sri Singh is a recipient of several awards for his exceptional contribution to the coal industry. He is associated with various professional bodies viz. MGMI, IEI, IMEJ. He underwent training in Japan under Colombo Plan in 1998 and led senior manager's team to China, USA & UK. Under his able guidance and vision, the company is poised to meet the coal demand of the nation.

SHRI DIPAK KUMAR GHOSH : DIRECTOR (FINANCE)

Shri Dipak Kumar Ghosh took over as Director (Finance), Central Coalfields Limited (CCL) on 6th July, 2013. He has rendered about 36 years of service in Coal Industries in the field of finance in various capacities especially in CCL & ECL.

He is born in 1959 at Kolkata and had his graduation in Commerce from Calcutta University. Heacquired his professional qualification from the Institute of Cost Accountants of India and also from the Institute of Company Secretaries of India.

Besides being a pioneer in the field of Corporate Finance, Costing, Budget and Controls, he has been entrusted with the responsibilities of Systems Department w.e.f. 27th January, 2014. Again he has also given the charge of Director Incharge (Sales & Marketing), CCL w.e.f. 1st July, 2014.

Under his leadership company has seen excellent financial results and sales volume have grown up radically. New IT initiatives have been undertaken by the System deptt. under his capable guidance & leadership.

SHRI AWADH KISHORE MISHRA : DIRECTOR (TECHNICAL/PROJECT AND PLANNING)

Shri Awadh Kishore Mishra joined CCL on 01/10/2016 as Director (Tech. / P&P). He graduated in Mining Engineering from Indian School of Mines (ISM), Dhanbad in 1983 and joined as JET at Kusunda opencast under Kusunda Area of BCCL. He completed his M.Tech. in 1988 and MBA in HR in the year 2012. He has shouldered various responsibilities in BCCL and ECL. Before being elevated to the post of Director (Technical), CCL, he was working as GM Jhanjra Area of ECL. He is also the Chairman of Jharkhand Central Railway Limited, a JV between CCL, IRCON & Govt. of Jharkhand w.e.f. 01.10.2016.

He has a vast experience of Underground as well as Opencast Coal mining operations. He has transformed Jhanjra Underground Mine into the largest Underground mine of CIL by introducing continuous miners as well as long wall mining system.

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 RADHASHYAM MAHAPATRO : DIRECTOR (PERSONNEL)

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 28 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. Many awards for HR, Rajbhasha, Environment have been bestowed upon him during his working in various PSUs.

Shri Mahapatro, as Director (Personnel) from June, 2015 has brought a paradigm shift in HR functioning due to his initiatives in the areas of IR, Welfare and CSR, the company has earned good image which has brought laurels to the Company. He has undergone training in advance management programmee in Germany, Sweden on ‘Advanced Technology and organizational culture’, sponsored by Coal India Ltd.

Due to his able guidance and contribution in the field of Human Resource and CSR, CCL has been awarded with “Greentech HR Gold Award- for innovation in recruitment” by Greentech Foundation, “Excellence in CSR” awards and “HR and Leadership awards” 2016.

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

SHRI SUBIR CHANDRA : DIRECTOR (TECHNICAL – OPERATION)

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 mojor role to play in achievement of 1 BT production by CIL in 2019-20.

Shri Chandra relinquished the charge of D(T/P&P) and assumed the charge of D (T/Oprn.) on 30.09.2016. He was also the chairman of JCRL from 31.08.2015 to 30.09.2016.

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.

PART – TIME/NOMINEE DIRECTOR

SHRI R. P. GUPTA, *IAS* : GOVT. NOMINEE DIRECTOR

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. P. Gupta, resigned from the post of Director of CCL w.e.f. 09.08.17 on being appointed as Managing Director, NAWADCO.

SHRI ASHISH UPADHYAY, *IAS* : GOVT. NOMINEE DIRECTOR

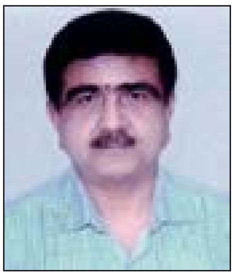
Shri Ashish Upadhyaya is an IAS Officer of 1989 Batch belonging to Madhya Pradesh cadre. Having done his post-graduation in Medieval Indian History from St. John College, Agra, he joined the civil services and has served for more than 28 years in various capacities in the State Government of M.P. including tenure in coal bearing areas of Anuppur, Shahdol and Umaria as the Addl. District Collector. He has been Collector for more than 5 years in 3 districts of M.P. & Chattisgarh.

He has served at the State level as Secretary and Principal Secretary of various departments including Home, Higher Education and Finance for many years.

He has academic bent of mind and while being in the service he continued his pursuit of education and completed post-graduation in Economics and L.L.B. He also did his Master's degree in Public Administration from Maxwell School of Citizenship, Syracuse University in U.S.A.

He has been working as Joint Secretary, Ministry of Coal since 1st February, 2018 and has been nominated on the Board of CCL from 5th February, 2018. As Joint Secretary, Coal, he has been instrumental in developing systems by application of space technology for curbing the menace of illegal mining.

SHRI CHANDAN KUMAR DEY : DIRECTOR (FINANCE), CIL



Shri Chandan Kumar Dey, Director (Finance), Coal India Limited was born in Kolkata on 10th September, 1958. Prior to joining Coal India Limited on 1st March, 2015, Shri Dey served Eastern Coalfields Limited as Director (Finance) from 01.02.2013 to 28.02.2015.

Shri Dey completed his schooling from Kendriya Vidyalaya in 1975 and graduated from Calcutta University in Commerce with Honours in Accountancy in the year 1978. Shri Dey is a Chartered Accountant and Cost Accountant.

Shri Dey has wide experience of over 34 years and served in different organisations of repute including Lovelock & Lewes, Dunlop India Limited, NICCO Group, Balmer Lawrie & Co. Limited and Oil India Limited.

During his professional career Shri Dey headed the Accounts, Treasury, Taxation and Internal Audit functions and served as Chief Finance Officer. Shri Dey also headed the operations of Balmer Lawrie (UK) Limited for 3 years as Chief Operating officer based in United Kingdom. Shri Dey has travelled extensively within India and Foreign countries like UK, France, Germany, Switzerland, USA, Hong Kong, UAE and the Central Asian Republic on official assignments.

Shri C.K. Dey, Director (Fin.), CIL was appointed as part–time nominee Director on the Board of CCL vice Shri R.Mohan Das, Ex-D(P), CIL w.e.f. 19.09.2017 to 19.03.2018.

SHRI R. P. SRIVASTAVA : DIRECTOR (PERSONNEL & IR), CIL NOMINEE DIRECTOR

Sri R.P. Srivastava took over the charges of Director (Personnel & Industrial Relations), Coal India Limited on 31.01.2018. Prior to this he was Executive Director (Corporate Services) in Personnel Directorate in Rashtriya Ispat Nigam Ltd., Visakhapatnam. He pursued Post Graduate Diploma in Management from one of the Premier institutes of India, MDI Gurgaon.

After getting selected through an all-India competitive examination conducted by Steel Authority of India Ltd (SAIL), Sri R.P. Srivastava began his professional career in the field of Human Resources, over 34 years ago as a Management Trainee (Administration) in Visakhapatnam Steel Plant, Rashtriya Ispat Nigam Ltd.

During his stint at RINL in different capacities, he has been credited for implementation of various HR initiatives. He has been instrumental in framing various policies, guidelines and procedures keeping in view the organisational requirement and expectations of the employees for systematic administration in Human Resources Management function of the organisation. Shri Srivastava, has continually strived for giving a comfortable environment to the employees of RINL for their growth as well as creating opportunities for their development by means of updating and formulating Personnel policies, and simultaneously upholding the interest of organization.

He holds expertise in Learning & Development and has pioneered the concept of Knowledge Management & TQM in RINL/VSP. He played a pivotal role in HR Planning, Recruitment & Selection, Training and Development of employees, implementation of Official Language, Industrial Relations, Wage & Salary Administration. He was also instrumental in carrying out various activities for the dramatic turnaround of the company mainly through several tailor made Communication exercises and Confidence Building Measures/ sessions to bring in requisite mind set among employees

His dedicated role in Corporate Social Responsibility, Swatcch Bharat activities, Strategic Management Issues, Township Management, Land & Estate Matters, welfare of Displaced Persons (Project Affected Persons), implementation of Presidential Directives and other Statutory requirements and several other areas of importance are of immense significance.

Shri R.P. Srivastava, Director (P&IR), CIL was appointed as part–time Director on the Board of CCL vice C.K. Dey, Director (Fin.), CIL w.e.f. 19.02.2018.

NON-OFFICIAL PART TIME DIRECTORS

SHRI BHARAT BHUSHAN GOYAL

Shri Bharat Bhushan Goyal is a former civil servant, who superannuated on June 30, 2015 as Addl. Chief Adviser, Ministry of Finance, Government of India and Head of the Indian Cost Accounts Service.

Born on 27th June, 1955 at Sangrur, Punjab, he graduated in Commerce, and did Masters in Economics. He is Fellow Member of the Institute of Cost Accountants of India and Life Member of AIMA & DMA. He had specialized training from Strathclyde University, UK, International Law Institute, USA, and National Law School of India, Bangalore.

He has nearly 41 years of professional experience in the Government of India and in Corporate Sector. In Government of India, he had worked in different capacities in several Ministries, notable being Finance, Corporate Affairs, Industry, Chemicals & Fertilizers etc.

Presently, Shri Goyal is working as Chairman, IOV Registered Valuers Foundation and as Independent Director on the Board of Ramagudam Fertilizer & Chemicals Limited.

He possess professional expertise in wide areas such as public policy, financial management, corporate valuation, disinvestment, cost-benefit analysis, business restructuring, effective regulatory landscape, cost management, product pricing, risk based audit, corporate social responsibility, etc.

He had been Chairman/Member of large number of high-level national & international bodies/ committees; and Board member of large number of companies, institutions and autonomous organizations wherein he made valuable contributions.

He has presented large number of papers / talks at many national & international forums on wide variety of contemporary issues. He is closely associated as visiting faculty/expert with various leading B-schools, professional bodies, academic institutions, research organisations, and the corporate world.

SHRI ASHOK GUPTA

Shri Ashok Gupta was born on 29thJanuary, 1957. He is commerce graduate with Honours from Shri Ram College of Commerce in 1977. Shri Gupta cleared CA Examination in 1980 with 4thRank in all India Merit List, and became a Fellow Member of The Institute of Chartered Accountants of India.

CA Ashok Gupta has about 35 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law Education and strategic planning and Business Management.

Shri Ashok Gupta started his career with Practicing Profession of Chartered Accountancy as Partner in Ashok Praveen & Co. Chartered Accountants from 1981totill date. He has been Statutory Auditor of different Banks and Insurance Companies.

Shri Gupta was Non- Official Director of Indian Bank & Vijaya Bank as Govt. Nominee. Shri Gupta also served as Special Director (BIFR Nominee) in CIMMCO Ltd. and HMT Machine Tools Ltd.

PERMANENT INVITEES

SHRI SALIL KUMAR JHA : CHIEF OPERATION MANAGER, EC RAILWAY

SHRI S. K. BARNWAL : SECRETARY (MINES & GEOLOGY), GOVT. OF JHARKHAND

Annexure –II

S. K. SINGHANIA & CO.
Chartered Accountants

To

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

1. We have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31st March, 2018, although Clause 49 of the Listing Agreement is not applicable to the Company. The Company is a subsidiary of COAL INDIA LIMITED which is listed.
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 conditions of Corporate Governance. It is neither an audit, nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance except the appointment of Woman Director in the Board of the Company.
4. We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For **S. K. SINGHANIA & CO.**
CHARTERED ACCOUNTANTS
(Firm Reg. No.-302206E)

Sd/-
(Rajesh Kr. Singhania)
Partner
Membership No. : 52722

Place : Camp at Ranchi

Date : 26th May, 2018

Annexure – III

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

(For The Financial Year Ended 31st March, 2018)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration of Managerial 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 provisions and the adherence to good corporate practices by CENTRAL COALFIELDS LIMITED (hereinafter referred to as "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 covering the financial year ended on 31st March, 2018, generally 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 record maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Secretarial standards on Board Meetings ,General Meetings and Dividend issued by the Institute of Company Secretaries of India ('The ICSI')

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iv) Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India;

(v) List of applicable laws attached herewith as Annexure I;

(vi) Notification(s) of Ministry of Coal, Government of India for Constitution of Board.

(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended / re-enactment thereof;

(e) The Securities and Exchange board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client during the Financial Year under review.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

(h) The Securities Exchange Board of India (Buy Back of Securities) Regulations, 1998.

CENTRAL COALFIELDS LIMITED is a Private Limited Company under Cl. 4 of Articles of Association and is hereby wholly owned subsidiary of Coal India Limited. 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.

There are 04 (four) Members of the Company, as follows;

1. COAL INDIA LIMITED
2. CHAIRMAN, COAL INDIA LIMITED
3. CHAIRMAN CUM MANAGING DIRECTOR, CENTRAL COALFIELDS LIMITED
4. DIRECTOR (P & IR),COAL INDIA LIMITED

As per the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India the Board of the Company should consist of 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, Government of Jharkhand.

At the end of Financial Year 2017-18, eight Directors constituted the board, with the following composition:

FUNCTIONAL	4
NON OFFICIAL PART TIME	2
OFFICAL PART TIME	2
TOTAL	8

As per the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 the number of Non-Official Part-time Directors on a Board should be at least one-third of its actual strength. The company needs to comply with the Guidelines.

The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings. During our examination of books and papers, we have observed instances of circulation of table agenda items, which could affect meaningful participation of Board Members at the meetings. Though, a system exists for seeking and obtaining further information and clarifications on such agenda items.

Decisions at the meetings of the Board of Directors of the Company, including the resolutions approved through circulations, were carried through on the basis of majority, and dissenting members' views, where any, were recorded as part of the minutes

AGM for the year 2017-2018 was called at a shorter notice than that specified in Section 101(1) of the Companies Act,2013,with due consent taken from the members.

As per section 134(f) (ii), Director's Report should contain explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the Company Secretary in Practice in his Secretarial Audit Report. As explained to us, the management's replies to the Secretarial Auditor's comments have been inadvertently not reported in the Director's Report.

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

1. Based on the information received and examination of records during the course of audit, systems and processes in the Company need to be strengthened further to commensurate with size and operations of the company.

2. The Company has not appointed Woman Director till the end of the reporting Financial Year.

3. The company was required to spend Rs 55.64 crores for CSR activities during the year. However, the actual CSR expenditure booked in the F Y 2017-18 is Rs 45.68 crores. The total amount of Rs 9.96 cr remains unspent towards CSR activities during the year.

4. A show cause notice has been received by the company under Companies Act, 2013 for violating the provisions of Section 135 read with section 134 (3) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules ,2014 for the F Y 2015-16 and 2016-17.

FOR **PRATIBHA KHANDELWAL & ASSOCIATES**
PRACTICING COMPANY SECRETARY
Sd/-
(PRATIBHA KHANDELWAL)
Proprietor
FCS N0: 7194
C P NO: 3973

Place : Jaipur

Date : 07/07/2018

ANNEXURE 1

List of other specific laws applicable to the industry to which the Company belongs:

1. The Mines Act, 1952;
2. Mines Concession Rules, 1960;
3. The Mines Rules, 1955;
4. Coal Mines Regulations, 1957;
5. Coal Mines Conservation & Development Act, 1974;
6. The Mines Rescue Rules, 1985;
7. The Mines Vocational Training Rules, 1966;
8. The Indian Electricity Rules, 1956;
9. The Explosive Act, 1884;
10. The Explosive Rules, 2008;
11. Coal Mines Pension Scheme, 1998;
12. The Payment of Wages (Mines) Rules, 1956;
13. Coal Mines Provident (Miscellaneous Provisions) Act, 1948;
14. Mines and Minerals (Regulation and Development) Act, 1957;
15. Mines (Posting of Abstracts) Rules, 1954;
16. Payment of Undisbursed Wages (Mines) Rules, 1989;
17. Indian Bureau of. Mines, Sr. Technical Assistant (Survey), Jr. Technical Assistant (Survey) an Junior Survey Recruitment Rules, 1990';
18. The Coal Mines Pit Head Bath Rules, 1959;
19. Mines Crèches Rules, 1966;
20. Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules, 1990;
21. The Maternity Benefit (Mines) Rules, 1963;
22. Coking Coal Mines (Nationalisation) Act, 1972;
23. Coal Mines (Nationalisation) Act, 1973;
24. The Coal Mines (Nationalisation) Amendment Act, 1993;
25. The Coal Mines (Taking Over Management) Act, 1973;
26. The Coal Mines (Special Provisions) 2nd ordinance, 2014;
27. The Coal Mines Special Provisions Rules, 2014
28. The Coal Bearing Areas, (Acquisition and Development) Act, 1957;

29. The Coal Mines Nationalisation (Provident Fund, Gratuity, Pension, Welfare fund) Rules, 1978;
30. Metalliferous Mines Regulations, 1961;
31. Mining Leases (Modification of Terms) Rules, 1956;
32. Auction by Competitive bidding of coal mines rules, 2012;
33. Coal Mines Advisory Board Rules, 1973;
34. The Environment (Protection)Act, 1986;
35. Industrial Dispute Act, 1947
36. Payment of Wages Act, 1936;
37. Trade Union Act, 1926;
38. Workmen Compensation Act, 1923;
39. Hazardous Wastes (Management Handling and Trans- Boundary Movement) Rules, 2008;
40. The Water (Prevention and Control of Pollution) Act, 1974;
41. The Air (Prevention and Control of Pollution) Act, 1981;
42. The Factories Act, 1948;
43. The Minimum Wages Act, 1948;
44. The Employees State Insurance Act, 1948;
45. The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
46. Payment of Bonus Act, 1965;
47. The Payment of Gratuity Act, 1972;
48. The Contract Labour (Prohibition and Regulation) Act, 1986;
49. The Industrial Employment (Standing Orders) Act, 1946;
50. The Employees Compensation Act, 1923;
51. The Apprentices Act, 1961;
52. The Equal Remuneration Act, 1976;
53. Colliery Control Order, 2000;
54. Colliery Control Rules, 2004;
55. The Sexual Harassment of Women at work place (Prevention, Prohibition and Redressed) Act, 2013.

ANNEXURE 2

To,

The Members
CENTRAL COALFIELDS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company .Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules, and regulations, and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR **PRATIBHA KHANDELWAL & ASSOCIATES**
PRACTICING COMPANY SECRETARY
Sd/-
(PRATIBHA KHANDELWAL)
Proprietor
FCS N0: 7194
C P NO: 3973

Place : Jaipur

Date : 07/07/2018

MANAGEMENT REPLY TO SECRETARIAL AUDITOR'S OBSERVATION

As per section 204 of the Companies Act' 2013, M/s. Pratibha Khandelwal & Associates has been appointed to conduct Secretarial Audit of M/s. Central Coalfields Ltd. Ranchi. The management's reply in respect of the observation of Secretarial Audit Report for financial year ended 31st March 2018 as submitted by M/s. Pratibha Khandelwal & Associates is as under :

Sl. No.	SECRETARIAL AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
1.	Based on the information received and examination of records during the course of audit, systems and processes in the Company need to be strengthened further to commensurate with size and operations of the company.	The remark is purely generalized in nature and is neither supported with any corroborative evidences/ instances encountered during the Audit nor any audit finding has been referred, in the backdrop of which the comments had been offered. However, management is always looking forward towards ensuring a better corporate governance system and necessary steps are constantly taken to assess and strengthen the system and processes in place.
2.	The Company has not appointed Woman Director till the end of reporting Financial Year.	All the Directors in Govt. Company are being appointed by Ministry of Coal. CCL has sent a letter to MoC for nominating a Woman Director on CCL Board.
3.	The company was required to spend Rs. 55.64 Crores for CSR Activities during the year. However, actual CSR Expenditure booked in the FY 2017-18 is Rs. 45.68 Crores. The total amount of Rs. 9.96 Crores remains unspent towards CSR Activities during the year.	CSR Budget for CCL for the year 2017-18 was Rs. 55.80 Crore. Out of which actual CSR Expenditure booked in the FY 2017-18 is Rs. 45.68 Crores. However, remaining CSR fund of Rs. 9.12 Crores had been committed and certified for the CSR activities in the FY 2017-18 which is scheduled to be implemented in the subsequent years. Many projects are of ongoing nature and expenditure is likely to be booked by 2018-19.
4.	A show cause notice has been received by the Company under Companies Act 2013 for violating the provisions of Section 135 read with Section 134 (3) of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014 for the FY 2015-16 and 2016-17.	Show Cause notice was issued by ROC vide letter no. ROC/A/CSR/206/07/954 dated 23.02.2018 for non-compliance of provisions of Section 135 read with Section 134 (3) by CCL. In this respect, a reply has been submitted to ROC vide letter no. CS/CCL/ROC/2018/491, dated 28.03.2018 enclosing Annexure IX of Annual Report of CCL for the FY 2016-17 from page no.99 to 103 and Annexure-IX from page no. 121 to 125 as additional disclosures of CSR activities required under the Section 134(3) and other provisions of Companies Act 2013. Also, the details of the expenditure on CSR for the FY 2015-16 and 2016-17 have been submitted with the reasons for the amount of Expenditure done as per Section 135 of Companies Act 2013.

Annexure – IV

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 31 MARCH 2018

The preparation of financial statements of Central Coalfields Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 Act are responsible for expressing opinion on the 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 Revised Audit Report dated 6 June 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Central Coalfields Limited for the year ended 31 March 2018. 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. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and related audit report :

A. COMMENT ON PROFITABILITY

Statement of Profit and Loss

Provisions (Note – 33) — ₹ 237.33 crores

Central Coalfields Limited (CCL) supplies washed coking coal to Steel Authority of India Limited (SAIL) at mutually agreed price as per Memorandum of Understanding (MoU) annually entered into between them. The MoU for th financial year 2016–17, *inter alia,* stipulated a base price of ₹ 5,780 per tonne of washed coking coal with specified ash content. However, in January 2017, CCL, disregarding the terms of MoU, unilaterally increased the base price of washed coking coal from ₹ 5,780 to ₹ 11,500 per tonne with effect from 14 January 2017 and issued sales bills at enhanced rate though MoU was valid till 31 March 2017. SAIL disputed this and did not accept the sale bills raised at enhanced rate. The disputed amount on account of differential rate of coal for the period from 14 January 2017 to 31 March 2017 is ₹ 126.16 crores {i.e. ₹ 5,720 per tonne (₹ 11,500 – ₹ 5,780) x total quantity, i.e. 2,20,569.12 tonne}.

Para 18 of Ind AS – 18 on "Revenue", *inter alia,* provides that if there is an uncertainty about the collectability of amount booked as revenue, then the uncollectable amount is recognised as expense. Since SAIL disputed the claims of CCL and did not agree to make payment at enhanced rate, there is an element of uncertainty regarding collectability of amount booked as revenue at a rate higher than MoU rate which should have been provided for.

Non provision of doubtful debt has resulted in understatement of Provision for Doubtful Debts and overstatement of Trade Receivables by ₹ 126.16 crores. Consequently, 'Profit for the year' is overstated by the same amount.

B. INDEPENDENT AUDITOR'S REPORT

As per para 43(g) of the Guidance Note on the Companies (Auditor's Report) Order, 2016 issued by ICAI, the fact of disputed amount of statutory dues deposited under protest should be brought out by the auditors in their report.

It was noticed that CCL deposited ₹ 832.90 crore on account of disputed demand of statutory dues (Sales tax & Electricity duty of ₹ 297.57 crore, Royalty of ₹ 34.48 crore and Income Tax of ₹ 500.85 crore) under protest. However, this fact has not been reported by the Auditors in their Independent Auditor's Report.

The Independent Auditor's Report is deficient to the above extent.

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

Sd/-

(Reena Saha)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-II Kolkata

Place : Kolkata
Dated : 17 July, 2018

Annexure – IV

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CENTRAL COALFIELDS LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of consolidated financial statements of Central Coalfields Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) 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 Revised Audit Report dated 6 June 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the Consolidated financial statements of Central Coalfields Limited for the year ended 31 March 2018 which includes the standalone financial statements of the Jharkhand Central Railway Limited for the year ended on that date. 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.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statemtns and related audit report :

A. COMMENT ON PROFITABILITY

Statement of Profit and Loss

Provisions (Note – 33) — ₹ 237.33 crores

Central Coalfields Limited (CCL) supplies washed coking coal to Steel Authority of India Limited (SAIL) at mutually agreed price as per Memorandum of Understanding (MoU) annually entered into between them. The MoU for th financial year 2016–17, *inter alia,* stipulated a base price of ₹ 5,780 per tonne of washed coking coal with specified ash content. However, in January 2017, CCL, disregarding the terms of MoU, unilaterally increased the base price of washed coking coal from ₹ 5,780 to ₹ 11,500 per tonne with effect from 14 January 2017 and issued sales bills at enhanced rate though MoU was valid till 31 March 2017. SAIL disputed this and did not accept the sale bills raised at enhanced rate. The disputed amount on account of differential rate of coal for the period from 14 January 2017 to 31 March 2017 is ₹ 126.16 crores {i.e. ₹ 5,720 per tonne (₹ 11,500 – ₹ 5,780) x total quantity, i.e. 2,20,569.12 tonne}.

Para 18 of Ind AS – 18 on "Revenue", *inter alia,* provides that if there is an uncertainty about the collectability of amount booked as revenue, then the uncollectable amount is recognised as expense. Since SAIL disputed the claims of CCL and did not agree to make payment at enhanced rate, there is an element of uncertainty regarding collectability of amount booked as revenue at a rate higher than MoU rate which should have been provided for.

Non provision of doubtful debt has resulted in understatement of Provision for Doubtful Debts and overstatement of Trade Receivables by ₹ 126.16 crores. Consequently, 'Profit for the year' is overstated by the same amount.

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

Sd/-

(Reena Saha)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-II Kolkata

Place : Kolkata
Dated : 17 July, 2018

Annexures Forming Part Of Directors' Report

(For the Year Ended 31.03.2018)

Annexure – V

Information as per Rule-5 Appointment & Remuneration Of Managerial Personnel Rules, 2014 Under Chapter XII

List of employees drawing ₹ 1.02 crore* (One crore and two lakh rupees) or more during the year 2017-18

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 ₹ 8.50 lakh* (Eight lakh and fifty thousand Rupees) per month for part of the year 2017-18

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

Annexure – VI

Information Under Section 134 (3m) of the Companies Act 2013 read with Rule-8 of 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 2017-18;

A. Steps taken for conservation of electrical energy power as below

a. Installation of capacitor bank at load points for reduction in Maximum Demand.

b. By replacing multi level pumping into single stage pumping for direct discharge to surface .

c. Replacement of conventional lights by LED light.

d. Replacement of old and surveyed –off electrical machines by energy efficient electrical machines/appliances (Five star rating)

B. Its Impact

By adopting the above measures :

a. We are continuously maintaining the trend of reduction of Specific energy consumption.

b. Power factor at receiving points of DVC supply have improved. This has enhanced the life and smooth running of electrical machines working in the field.

(ii) The steps taken by the company for utilizing alternate sources or energy;

Action has also been taken for installation of Solar plants on roof tops as green energy to reduce day time demand. M/S BHEL has successfully commissioned 400kWp Rooftop solar power plant at Darbhanga house CCL HQ.

(iii) The capital investment on energy conservation equipments;

Total capital expenditure is Rs. 2.19 Crore.

Annexure – VII

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:	₹ 0.38 Crores, (As per debit advice received from CIL.)
	(a) Capital	
	(b) Recurring	
	(c) Total	
	Total R&D expenditure as a percentage of total turnover	0.002%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

Annexure – VIII

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	2017-18	2016-17
(A)	**Foreign Exchange used**		
	1. Interest	0.00	0.00
	2. Agency Commission	0.00	0.00
	3. Travelling/Training Expenses	0.23	0.23
	Total	**0.23**	**0.23**

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

Annexure – IX

Additional Disclosures of CSR activities

[Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE OF THE CCL CSR POLICY

With rapidly changing corporate environment & more operational freedom, Coal India has adopted CSR as a strategic tool for sustainable development. Corporate social responsibility (CSR) is a business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders. CCL is a Mini Ratna PSU, a subsidiary of Coal India Limited (CIL). The company has made a spectacular turn-around by establishing milestones in terms of Production, Productivity, Profit and People's Care i.e. 4 Ps. It is the largest mining company in Jharkhand with presence in eight of its districts. For CCL, CSR not only means investment of funds for social activities but also integration of business processes with social upliftment. A stable social environment is a pre-requisite for business investment and industrial operations which exactly fits into the vision of CCL.

Business and industry have come into existence to promote social growth and social good. They 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.

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. Coal mining has a direct impact on the socio economic & the environmental conditions of the operational areas. As such, it becomes the responsibility of CCL to contribute towards the socio-economic development of the people living in its command zone. With this view, the focus of Corporate Social Responsibility is to ensure inclusive growth of the community in the command area of CCL through different CSR measures making mining socially sustainable.

In this backdrop, the responsibility of CCL as a corporate entity addressing socio-economic and environmental concerns of the community becomes quite focused and is reflected in its Vision.

Vision of CCL CSR

"To maximize the well being of every individual and enterprise by integrating business with societal as well as environmental concerns, thereby promoting community participation, improving skills through capacity building, maintaining transparency, setting an example through best practices, encouraging accountability for organizational decisions/actions and maintaining ethical work standards"

Core Value Statement: (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/DesktopModules/DocumentList/documents/CIL_CSR_Policy_New_Companies_Act_2013_05022016.pdf

2. THE COMPOSITION OF THE CSR COMMITTEE

(a) Mr. Bharat Bhushan Goyal, Ex. Addl. Chief Advisor (Cost) D/O Expenditure, Non-official Part Time Director

(b) Mr. Ashok Gupta, CA, Non-official Part Time Director

(c) Mr. R. P. Shrivastava, Director (P&IR), CIL, Official Part Time Director

(d) Mr. R. S. Mahapatro, Director (Personnel), CCL,

(e) Mr. Awadh Kishor Mishra, Director (Tech./Project & Planning), CCL

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

Financial Year	Profit before tax (In ₹Crores)
2014-15	2740.34
2015-16	3108.61
2016-17	2371.30
Average net profit	2740.08

4. PRESCRIBED CSR EXPENDITURE FOR THE YEAR 2017-18

(2% Of Avg. Net Profit For Last Three Financial Years) = ₹54.80 Crores (as per calculation)

5. DETAILS OF CSR EXPENDITURE SPENT DURING THE FINANCIAL YEAR 2017-18

(a) Total amount to be spent for the financial year 2017-18 : ₹ **54.80 Crores**

(b) Amount Unspent : ₹ **9.12 Crores**

(c) Amount spent on CSR – ₹ 45.6836 Crores

6. IN CASE THE COMPANY HAS FAILED TO SPEND THE TWO PERCENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING THE AMOUNT IN ITS BOARD REPORT.

The major reason for the unspent CSR fund is that many projects are of ongoing nature and expenditure is likely to be booked by 2018-19, thus Utilization Certificate of such activities have not been received in the year 2017-18. This is the major reason in addition to other reasons like, delay in tendering process, land problems, GST implications and other related issues.

7. THE RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE THAT THE IMPLEMENTATION AND MONITORING OF CSR POLICY IS IN COMPLIANCE WITH CSR OBJECTIVES AND POLICY OF THE COMPANY

CCL has carried out its CSR activity, its implementation and monitoring in compliance with the Companies (Corporate Social Responsibility) Rules 2014, CSR Objective and Policy of the Company.

Manner in which Amount Spent during the Year 2017-18

(Annexure – B)

Table – I

1	2	3	4	5	6	7	8
Sl. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs 1. Local Area or Other 2. State/District where Projects or Programs was undertaken	Amount outlay (budget) project or program wise (in ₹lakhs*)	Amount spent on projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (in ₹ Lakhs)	Cumulative expenditure up to the reporting period (in ₹ Crores*)	Amount spent: Direct or through implementing agency
(1)	Construction of Toilets	Sanitation (Item No. (i) of Schedule VII of the Companies Act, 2013)	In the villages coming within 25 KM radius of operational units (Argada, B&K, Dhori, Hazaribagh, Kathara, NK in the districts of Ranchi, Hazaribagh, Bokaro, Giridih, Ramgarh) of Jharkhand		37.48		Direct
(2)	Construction of Drain		In the villages coming within 25 KM radius of operational units (Hazari-bagh & Kathara) of Jharkhand		8.36		Direct
(3)	Support to Govt. of Jharkhand towards ODF in 3 Districts of Jharkhand		Ranchi, Bokaro, Hazaribagh Districts of Jharkhand		2145.00		State Government of Jharkhand
4.	Swachhta Campaign		In the villages coming within 25 KM radius of operational units (Argada, Barka Sayal, B&K, Dhori, Hazaribagh, Rajrappa, Rajhara, Kuju, Kathara, Piparwar, NK, Magadh – Amprapali, Barkakana, Nai-Sarai, in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Palamu, Latehar, Ramgarh of Jharkhand		1.66		Direct
5.	Mega Medical Camp at Dumma, Deoghar	Health Care (Item No. (i) of Schedule – VII)	Dumma, Deoghar, Jharkhand by B&K Area		21.27		Direct
6.	CSR Dispensary		In the villages coming within 25 KM radius of operational units (Argada, Barka Sayal, B&K, Dhori, Hazaribagh, Rajrappa, Rajhara, Kuju, Kathara, Piparwar, NK, Magadh – Amprapali, Barkakana, Nai-Sarai, in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Palamu, Latehar, Ramgarh of Jharkhand		26.55		Direct
7.	Regular/Specialized Health Camps		In the villages coming within 25 KM radius of operational units (Argada, Barka Sayal, B&K, Dhori, Hazaribagh, Rajrappa, Rajhara, Kuju, Kathara, Piparwar, NK, Magadh – Amprapali, Barkakana, Nai-Sarai, in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Palamu, Latehar, Ramgarh of Jharkhand		36.85		Direct
8.	Provision of eye care equipment for eye care unit at TB Sanatorium of R K Mission		Tupudana, Ranchi District, Jharkhand		18.49		Direct

1	2	3	4	5	6	7	8
9.	Provision of Artificial Appliances through ALIMCO	Health Care (Item No. (i) of Schedule – VII)	In the villages coming within 25 KM radius of operational units (Argada, Barka Sayal, B&K, Dhori, Hazaribagh, Rajrappa, Rajhara, Kuju, Kathara, Piparwar, NK, Magadh – Amprapali, Barkakana, Nai-Sarai, in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Palamu, Latehar, Ramgarh of Jharkhand		18.89		Direct in coordination with AL-IMCO
10.	Development of Malnutrition Centre		Hazaribagh District		6.42		Direct
11.	Installation of Hand pump	Drinking Water Supply (Item No. (i) of Schedule – VII)	In the villages coming within 25 KM radius of operational units (Hazaribagh, Rajrappa, Kuju, NK, Magadh – Amprapali, in the districts of Ranchi, Chatra, Hazaribagh & Ramgarh) of Jharkhand		38.98		Direct
12.	Digging of Deep bore hole		In the villages coming within 25 KM radius of operational units (Argada, Barka Sayal, B&K, Kathara, Piparwar, NK, Magadh – Amprapali, Hazaribagh) in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Ramgarh of Jharkhand		68.12		Direct
13.	Construction of Well		In the villages coming within 25 KM radius of operational units (Dhori, Kathara, M&A, B&K, Kuju & Piparwar) in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Ramgarh of Jharkhand		68.39		Direct
14.	Provision of drinking water through tankers		In the villages coming within 25 KM radius of operational units of M&A Area in the district Chatra of Jharkhand		36.31		Direct
15.	Laying of pipeline		In the villages coming within 25 KM radius of operational units of Kathara Area in the district Giridih of Jharkhand		3.42		Direct
16.	Kayakalp Public School	Education (Item No. (ii) of Schedule – VII)	Bukru village, Kanke Block, Ranchi		8.78		Direct
17.	Infrastructural development at Schools/Colleges		In the villages coming within 25 KM radius of operational units (Kathara, Kuju, Piparwar, HQ, Barkasayal, Argada & NK Areas in the districts of Ranchi, Chatra, Bokaro, Giridih, Ramgarh) of Jharkhand		92.45		Direct
18.	Education & Financial Support to needy students		Chatra & Ranchi District		8.49		Direct
19.	CCL KE LAL/LAADLI : Engineering Coaching to Meritorious students		All 24 Districts of Jharkhand		145.63		Direct
20.	Distribution of Books of Youths	Education (Item No. (ii) of Schedule – VII)	Ranchi District		1.00		R K Mission

1	2	3	4	5	6	7	8
21.	Tailoring & Embroidery Training	Skill Development & livelihood (Item No. (ii) of Schedule – VII)	In the villages coming within 25 KM radius of operational units (B&K & Kuju Area) in the districts Bokaro & Ramgarh of Jharkhand		3.70		Direct
22.	Beautician Training		In the villages coming within 25 KM radius of operational unit of Rajrappa Area in the district Ramgarh of Jharkhand		1.17		Direct
23.	Computer Training		In the villages coming within 25 KM radius of operational unit of Barkasayal Area in the district Ramgarh of Jharkhand		1.50		Direct
24.	Electrical Appliances & Electrician Training		In the villages coming within 25 KM radius of operational units (Rajrappa & Kuju Area) in the district Ramgarh of Jharkhand		3.16		Direct
25.	Mobile Repairing Training		In the villages coming within 25 KM radius of operational units (Barkasayal & Kuju Area) in the district Ramgarh of Jharkhand		1.61		Direct
26.	Other Skill Development Training		In the villages coming within 25 KM radius of operational units (B&K & Kuju Area) in the districts Bokaro & Ramgarh of Jharkhand		10.46		Direct
27.	Development work of Senior Citizen Home	Social Welfare (Item No. (iii) of Schedule – VII)	Ranchi & Chatra District of Jharkhand		12.24		Direct
28.	Infrastructural Support to Destitute Home : Shantisadan		Ormanjhi Block, Ranchi District, Jharkhand		4.13		Direct
29.	Running of Rehabilitation Centre		In the villages coming within 25 KM radius of operational unit of Piparwar Area in Chatra District of Jharkhand		8.74		Direct
30.	Welfare of Minority Community		In the villages coming within 25 KM radius of operational unit of NK Area in Ranchi District of Jharkhand		0.53		Direct
31.	Construction/Renovation of Pond	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule – VII)	In the villages coming within 25 KM radius of command areas (Argada, Barka Sayal, B&K, Dhori, Hazaribagh, Rajrappa, Rajhara, Kuju, Kathara, Piparwar, NK, Magadh – Amprapali, Barkakana, Nai-Sarai, in the districts of Ranchi, Chatra, Hazaribagh, Bokaro, Giridih, Palamu, Latehar, Ramgarh) of Jharkhand		74.79		Direct
32.	Construction of Check dam		In the villages coming within 25 KM radius of operational unit of M&A Area in Chatra District of Jharkhand		3.64		Direct
33.	Plantation	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule – VII)	In the villages coming within 25 KM radius of operational unit of HQ & Piparwar Area in Ranchi & Chatra District of Jharkhand		10.13		Direct

1	2	3	4	5	6	7	8
34.	Installation of Solar Power Plants	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule – VII)	In the villages coming within 25 KM radius of operational unit of M&A Area in Chatra District of Jharkhand		19.89		Direct
35.	Installation of Solar Powered Lights		In the villages coming within 25 KM radius of operational unit of Rajrappa & Dhori Area in Ramgarh, Bokaro & Giridih District of Jharkhand		11.32		Direct
36.	Development of Parks		In the villages coming within 25 KM radius of operational unit of B&K & Hazaribagh Area in Hazaribagh & Ramgarh District of Jharkhand		7.71		Direct
37.	Provision of Musical Instru-ments	Art & Culture, public libraries (Item No. (v) of Schedule – VII)	In the villages coming within 25 KM radius of operational unit of Piparwar Area in Chatra District of Jharkhand		4.35		Direct
38.	Running of Sports Academy, Hotwar	Sports (Item No. (vii) of Schedule – VII)	All 24 Districts of Jharkhand		460.92		Jharkhand State Sports Promotion Society
39.	Special Sports Training to rural youths		In the villages coming within 25 KM radius of operational unit of Rajrappa Area in Ramgarh District of Jharkhand		0.45		Direct
40.	Development of Playgrounds		In the villages coming within 25 KM radius of operational unit of Piparwar Area in Chatra District of Jharkhand		0.53		Direct
41.	Football Tournaments		In the villages coming within 25 KM radius of operational unit of HQ, Rajrappa, Piparwar Area in Ranchi, Ramgarh & Chatra District of Jharkhand		8.18		Direct
42.	Distribution of Sports Training Materials		In the villages coming within 25 KM radius of operational unit of Hazaribagh & NK Area in Hazaribagh & Ranchi District of Jharkhand		4.42		Direct
43.	Construction of Road (PCC/ WBM)	Rural Development (Item No. (x) of Schedule – VII)	In the villages coming within 25 KM radius of operational unit of Kathara, M&A, Piparwar, Barkasayal & NK Area in Giridih, Chatra, Ramgarh and Ranchi District of Jharkhand		110.58		Direct
44.	Construction of Boundary wall		In the villages coming within 25 KM radius of operational unit of Kathara, M&A & Kuju Area in Giridih, Chatra, Ramgarh District of Jharkhand		34.61		Direct
45.	Construction of Ghat	Rural Development (Item No. (x) of Schedule – VII)	In the villages coming within 25 KM radius of operational unit of HQ, Kathara, B&K, Kuju & Piparwar Area in Ranchi, Giridih, Bokaro, Ramgarh and Chatra District of Jharkhand		56.68		Direct

1	2	3	4	5	6	7	8
46.	Construction of Community Hall	Rural Development (Item No. (x) of Schedule – VII)	In the villages coming within 25 KM radius of operational unit of Kathara, M&A, B&K, Argada & NK Area in Giridih, Chatra, Bokaro, Ramgarh and Ranchi District of Jharkhand		41.27		Direct
47.	Development works in slums		Hatma, Ranchi District, Jharkhand		0.33		Direct
48.	Liability of CSR Works	Miscellaneous	N/A		50.48		Direct
49.	TISS/Administrative Cost				6.51		
50.	Awards/Showcasing				43.47		
TOTAL (As per Audited Accounts)					**3790.04**		

Table – II

1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or Activity identified**	**Sector in which the Project is covered**	**Projects or programs 1. Local Area or Other 2. State/District where Projects or Programs was undertaken**	**Amount outlay (budget) project or program wise (in ₹lakhs*)**	**Amount spent on projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (in ₹ Lakhs)**	**Cumulative expenditure up to the reporting period (in ₹ Crores*)**	**Amount spent: Direct or through implementing agency**
1.	Construction of Centralised kitchen for Mass Mid Day Meal		Ratu Block, Ranchi District		771.80		State Govt. of Jharkhand
2.	Insatallation of Sanitary Napkin Vending Machine in Govt. Schools of Chatra District		Chatra District		6.52		DC, Chatra
Total (Amount transferred to Govt. of Jharkhand in 2017-18)					**778.32**		
Total CSR Expenditure for the F. Y. 2017-18					**4568.36**		

Note :

*** Column No. 5**	**The Total Budget Outlay for the F. Y. 2017-18 is ₹ 54.80 Crores**
*** Column No. 7**	**Cumulative CSR Expenditure including all sectors from 2013-14 onwards till 2017-18 is ₹ 343.49 Crores**

An amount of Rs. 7.78 Crores has been transferred to State Government of Jharkhand for implementation of CSR works which is a deemed expenditure under CSR activities for the FY 2017-18.

Apart, an amount of Rs. 9.12 Crores has been committed for CSR activities in the FY 2017-18 for which expenditure will be made in subsequent years.

Every CSR proposal was sent to our consulting agency Tata Institute of Social Science, Mumbai (the National CSR Hub)/CSR Review Committee for their review, recommendation and vetting of the proposals. After getting approval from TISS, the proposals were placed before the Below Board Level SD & CSR Committee comprising the following :

(a) General Manager (SD & CSR), CCL, Ranchi

(b) General Manager (Civil), CCL, Ranchi

(c) General Manager (Finance), CCL, Ranchi

(d) General Manager (L & R), CCL , Ranchi

(e) CMS, CCL, Ranchi

(f) HOD/Deputy General Manager (Forest), CCL, Ranchi

After recommendation from above committee members the same proposals are being placed for Competent Approval as per following DoP :

(a) Director (Personnel), CCL, Ranchi (for proposals of value upto ₹10 lakhs)

(b) CMD, CCL, Ranchi (for proposals of value above Rs. 10 lakhs to upto ₹. 25 lakhs)

(c) Board Level SD & CSR Committee (for proposals of value above ₹ 25 lakhs)

Sd/-	*Sd/-*	
(Chief Executive Officer or Managing Director or Director)	*(Chairman CSR Committee)*	[Person specified under clause(d) of sub section (1) of section 380 of the Act] (wherever applicable)

Annexure – X

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 (Accounts) 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.

All the transactions entered by CCL during the financial year 2017-18 with related parties were on arm's length basis as per debit advice received from CIL and other Subsidiaries.

Annexure – XI

Report on the Performance and Financial position of each of the Subsidiaries, Associates & Joint Venture Companies for FY 2016-17

[Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014]

Jharkhand Central Railway Limited is a Joint Venture Company between Central Coalfields Limited, M/s IRCON International Limited and Govt. of Jharkhand. The company was formed under companies Act 2013.

Name of Promoter entitles	Share Holding Pattern
Central Coalfields Limited	64%
M/s IRCON International Limited	26%
Govt. of Jharkhand	10%

The performance of JCRL is as under :

1. Jharkhand Central Railway Limited was incorporated on 31.08.2015. Subsequently following project was awarded to JCRL.

   Shivpur – Kathotia new BG Rail line – for Revised Detailed Project Report (DPR) & Bankability report.

   The work of Shivpur – Kathotia new BG Rail Line has been identified to be taken up by M/s Ircon International Limited, implementing agency of JCRL. M/s IRCON prepared Detailed Project Report which was approved 'in-principle' by JCRL Board. Further, EC Railway has accorded its approval on the DPR (Revised Project Cost – Rs 1799.64 Crs) submitted by M/s IRCON on 27th Feb. 2018. M/s IRCON has taken up the matter for finalization of inflated mileage and concession agreement with Railway.

2. Financial Position :

   Summarized Balance Sheet :

Particulars	As at 31.03.2018 (₹)	As at 31.03.2017 (Restated) (₹)
Total Equity and Liabilities		
Capital	50,00,00,000.00	33,30,50,000.00
Reserves & Surplus	(66,54,391.00)	(63,87,036.00)
Sub Total	**49,33,45,609.00**	**32,66,62,964.00**
Long Term Borrowings	0.00	0.00
Total Current Liabilities	3,51,20,608.00	62,438.00
Total Non-Current Liabilities	175,57,82,356.00	175,57,82,356.00
Total	**228,42,48,573.00**	**208,25,07,758.00**

Assets		
Tangible Assets (less Depreciation)	0.00	0.00
Capital WIP	184,28,95,260.00	175,57,82,356.00
Long Term Loans & Advances	4,05,69,300.00	5,00,00,000.00
Cash and Bank Balance	39,86,83,720.00	27,63,48,893.00
Short term loans and advances	0.00	0.00
Current Tax Assets (Net)	21,00,293.00	3,73,365.00
Total	**228,42,48,573.00**	**208,25,07,758.00**

3. During the year ended 31.03.2018, the Capital Structure stands as under :

   During the year 2017-18, the Authorised Capital of the company increased from Rs 100.0 Crores to Rs. 500.0 Crores.

Issued, Subscribed & Paid up Share Capital			
Shareholders	**No. of Shares**	**Rate**	**Amount in ₹**
CCL	3,20,00,000	Rs. 10/- each	32,00,00,000/-
IRCON	1,30,00,000	Rs. 10/- each	13,00,00,000/-
Govt. of Jharkhand	50,00,000	Rs. 10/- each	5,00,00,000/-
Total Paid up Equity Share Capital			50,00,00,000/-
Share Application Money, pending allotment			NIL
Total Capital as on 31.03.2018			50,00,00,000/-

4. During the year ended 31.03.2018, JCRL has incurred Net Loss amounting to ₹ 2,67,355.00/- against Net Loss of ₹ 58,02,983.00/- (Restated) incurred in the year ended 31.03.2017.

Annexure – XII

Form No.MGT – 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	**CIN**	U10200JH1956GOI000581
ii.	Registration Date	05th September 1956
iii.	Name of the Company	Central Coalfields Limited
iv.	Category of the Company	Private Company
v.	Sub-Category of the Company	Government Company Company Limited by Shares Company having Share Capital
vi.	Address of the Registered office and contact details	Darbhanga House, Kutchery Road Ranchi 834029 (Jharkhand)
vii.	Whether listed company	No
viii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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

Sr. 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%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Coal India Limited, Coal Bhawan Premise No-04 MAR, Plot No-AF-III, Action Area-1A, Newtown,Rajarhat,Kolkata-700156 Email Id.:- mviswanathan2@coalindia.in	L23109WB1973GOI028844	Holding	100	Section 2(46) of Companies Act' 2013
2.	Jharkhand Central Railway Limited, Darbhanga House, Ranchi. Jharkhand	U45201JH2015GOI003139	Subsidiary	64.00	Section 2(87) of Companies Act' 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian									
(a) Individual/ HUF	–	3	3	0.0001%	–	3	3	0.000%	NIL
(b) CentralGovt	–	–	–	–	–	–	–	–	–
(c) State Govt(s)	–	–	–	–	–	–	–	–	–
(d) Bodies Corp	-	93,99,997	93,99,997	99.9999%	–	93,99,997	93,99,997	99.9999%	NIL
(e) Banks / FI	–	–	–	–	–	–	–	–	–
(f) Any Other	–	–	–	–	–	–	–	–	–
Sub-total(A)(1)	**–**	**94,00,000**	**94,00,000**	**100%**	**–**	**94,00,000**	**94,00,000**	**100%**	**NIL**
2. Foreign									
(g) NRIs-Individuals	–	–	–	–	–	–	–	–	–
(h) Other-Individuals	–	–	–	–	–	–	–	–	–
(i) Bodies Corp.	–	–	–	–	–	–	–	–	–
(j) Banks / FI	–	–	–	–	–	–	–	–	–
(k) Any Other….	–	–	–	–	–	–	–	–	–
Sub-total(A)(2)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	–	–	–	–	–	–	–	–	–
(b) Banks / FI	–	–	–	–	–	–	–	–	–
(c) Central Govt	–	–	–	–	–	–	–	–	–
(d) State Govt(s)	–	–	–	–	–	–	–	–	–
(e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f) Insurance Companies	–	–	–	–	–	–	–	–	–
(g) FIIs	–	–	–	–	–	–	–	–	–
(h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
(i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total(B)(1)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2. Non Institutions	–	–	–	–	–	–	–	–	–
(a) Bodies Corp. (i) Indian (ii) Overseas	–	–	–	–	–	–	–	–	–
(b) Individuals (i) Individual share holding nominal share capital upto Rs. 1 lakh (ii) Individual share holding nominal share capital in excess of Rs. 1 lakh	–	–	–	–	–	–	–	–	–
(c) Others(Specify)	–	–	–	–	–	–	–	–	–
Sub-total(B)(2)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	–	–	–	–	–	–	–	–	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**–**	**94,00,000**	**94,00,000**	**100%**	**–**	**94,00,000**	**94,00,000**	**100%**	**NIL**

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Coal India Limited	93,99,997	99.9999%	NIL	93,99,997	99.9999%	NIL	NIL
2.	Shri Sutirtha Bhattacharya:	1	0.00033%	NIL	1	0.00033%	NIL	NIL
3.	Shri Gopal Singh,	1	0.00033%	NIL	1	0.00033%	NIL	NIL
4.	Shri R. Mohandas:	1	0.00033%	NIL	NIL	NIL	NIL	NIL
5.	Shri C. K. Dey*	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6.	Shri R. P. Srivastava	NIL	NIL	NIL	1	0.00033%	NIL	NIL
	Total	**93,99,997**	**99.9999%**	**NIL**	**93,99,997**	**99.9999%**	**NIL**	**NIL**

* Shares held by Shri C. K. Dey during the year i.e. from 13.07.2017 to 19.02.2018

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	93,99,997	99.9999%	93,99,997	99.9999%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	NO CHANGE			
	At the End of the year	93,99,997	99.9999%	93,99,997	99.9999%

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [as on 01-04-2017]		Shareholding at the end of the Year [as on 31-03-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Shri Sutirtha Bhattacharya: Chairman-Coal India Limited**				
	At the beginning of the year	1	0.00033%	1	0.00033%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	1	0.00033%	1	0.00033%

v. Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2017]		Cumulative Shareholding during the Year [2017-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Shri Gopal Singh, Chairman-cum-Managing Director**				
	At the beginning of the year	1	0.00033%	1	0.00033%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	1	0.00033%	1	0.00033%
2.	**Shri R. Mohandas: (Terminated from services of CIL on 30.03.2017) Director (P&IR) Coal India Limited**				
	At the beginning of the year	1	0.00033%	1	0.00033%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	**Share transferred to Shri C. K. Dey on 13.07.2017**			
	At the end of the year	NIL	NIL	NIL	NIL
3.	**Shri C. K. Dey : (Appointed as Director w.e.f. 19.09.2017 to 19.02.2018)**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	**Share held by Shri C. K. Dey during the year i.e. from 13.07.2017 to 19.02.2018**			
	At the end of the year	NIL	NIL	NIL	NIL
4.	**Shri R. P. Srivastava : (Appointed as Director w.e.f. 19.02.2018)**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	**Share transferred on 19.02.2018**			
	At the end of the year	1	0.00033%	1	0.00033%
5.	**Shri D.K Ghosh: Director (Finance) Central Coalfields Limited**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	NIL	NIL	NIL	NIL
6.	**Shri Subir Chandra Director (Technical/Oprn.) Central Coalfields Limited**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	NIL	NIL	NIL	NIL
7.	**Shri A.K. Mishra : Director (Technical/P&P) Central Coalfields Limited**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	NIL	NIL	NIL	NIL
8.	**Shri R.S. Mahapatro, Director (Personnel) Central Coalfields Limited**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	NIL	NIL	NIL	NIL
9.	**Shri Ravi Prakash (Appointed as CS on 13.07.2017) Company Secretary**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–			
	At the end of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1103.78	1500.00	NIL	2603.78
(ii) Interest due but not paid	0.93	0.29		1.22
(iii) Interest accrued but not				
Total(i+ii+iii)	1104.71	1500.29	NIL	2605.00
Change in Indebtedness during the financial year				
– Addition	161.17	90.53		251.70
– Reduction	1115.86	1590.82	NIL	2706.68
Net Change	(954.69)	(1500.29)	NIL	(2454.98)
Indebtedness at the end of the financial year				
(i) Principal Amount	150.00	—	NIL	150.02
(ii) Interest due but not paid	0.02	—	—	0.02
(iii) Interest accrued but not due				
Total (i+ii+iii)	150.02	—	NIL	150.02

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager :

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount (₹)
		Shri Gopal Singh CMD	Shri Subir Chandra Director (T/O)	Shri R.S. Mahapatro Director (P)	Shri D.K. Ghosh Director (F)	Shri A. K. Mishra Director (T/P&P)	
1.	Gross salary	4972237.59	4959095.49	4309457.65	5206418.58	3994429.60	23441638.91
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4302602.74	4254266.45	3712523.50	4524650.00	3431564.00	20225606.69
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	325266.10	337364.96	312517.24	361690.32	250999.79	1587838.41
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00	0.00
4.	Commission – as % of profit – others, specify	0.00	0.00	2000000.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	**4972237.59**	**69559095.49**	**4309457.65**	**5206418.58**	**3994429.60**	**25441638.91**

B. Remuneration to Other Directors :

SN.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
1.	**Independent Directors :**	Shri Bharat Bhushan Goyal (date of appointment 14.11.2015)	Shri Ashok Gupta (date of appointment 14.11.2015)		
	Fee for attending board committee meetings	1120000.00	1040000.00		2160000.00
	Commission	0.00	0.00		0.00
	Others, please specify	0.00	0.00		0.00
	Total (1)	**1120000.00**	**1040000.00**		**2160000.00**
2.	**Other Non-Executive Directors :**	Shri C. K. Dey (date of appointment 19.09.2017) (date of Charge Relinquishment 19.02.2018)	Shri Ashish Upadhyay (date of appointment 05.02.2018)	Shri Ram Prakash Srivastava (date of appointment 19.02.2018	
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	**NIL**	**NIL**	**NIL**	**NIL**
Total (B)=(1+2)					**2160000.00**

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (₹)
		(Gopal Singh) CEO	(D.K Ghosh) CFO	(Ravi Prakash) CS Appointed as CS on 13.07.2017	
1.	Gross salary	4972237.59	5206418.58	894272.22	11072928.39
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4302602.74	4524650.00	828602.22	9655854.96
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	325266.10	361690.32	0.00	686956.42
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00	0.00
	Others, specify…	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
Total		**4972237.59**	**5206418.58**	**894272.22**	**11072928.39**

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)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

Annexure – XIII

Declaration of Independent Directors under Sub-section (6) of Section 149

(Pursuant to Section 134(3)(d) of Companies Act, 2013)

To,
The Board of Directors
Central Coalfields Limited
Darbhanga House
Ranchi.

SUB : DECLARATION UNDER SUB-SECTION (6) OF SECTION 149

I, Ashok Gupta, hereby certify that I am a Non-Official Part Time Director of Central Coalfields Limited and comply with all the criteria of independent director envisaged in Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

a) I am not a promoter of the company or its holding, subsidiary or associate company;

b) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;

c) I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

d) None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e) Neither Me nor any of my relatives—

   I. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year

   II. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-

      A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

      B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

   III. holds together with his relatives 2% or more of the total voting power of the company; or

   IV. is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

f) Possesses such other qualifications as may be prescribed under Rule 5 of the Companies (Appointment and Qualification of Directors), 2014.

Thanking you,

Yours faithfully,

Sd/-

Date : 25th April 2018 *Director*

Place : New Delhi DIN : 03266416

Annexure – XIII

Declaration of Independent Directors under Sub-section (6) of Section 149

(Pursuant to Section 134(3)(d) of Companies Act, 2013)

To,
The Board of Directors
Central Coalfields Limited
Darbhanga House
Ranchi.

SUB : DECLARATION UNDER SUB-SECTION (6) OF SECTION 149

I, Bharat Bhushan Goyal, hereby certify that I am a Non-Official Part Time Director of Central Coalfields Limited and comply with all the criteria of independent director envisaged in Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

a) I am not a promoter of the company or its holding, subsidiary or associate company;

b) I am not related to promoters or directors in the company, its holding, subsidiary or associate company

c) I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

d) none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e) Neither Me nor any of my relatives—

I. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year

II. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-

   A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

   B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

III. holds together with his relatives 2% or more of the total voting power of the company; or

IV. is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

f) Possesses such other qualifications as may be prescribed under Rule 5 of the Companies (Appointment and Qualification of Directors), 2014.

Thanking you,
Yours faithfully,
Sd/-

Date : 25th April 2018 — *Director*
Place : New Delhi — DIN : 07254856

Annexure – XIII

Management Discussion & Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Coal- Primary source of Energy

Coal is one of the prime fuels in India. It constitutes about 70% of the total generation and will continue to be crucial to the Country's future power needs. India ranks 3rd amongst the coal producing countries in the World. China is the largest producer of Coal with 3747.5 Million Tonnes (46.7% of the total worldwide production in 2014), followed by United States 916.2 MT (11.4% of the Worldwide production in 2014.)

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 continues to be the mainstay of its future energy supply . It provides most vital input for accelerating the growth of Indian economy. 55% of India's total Energy needs is met by Coal.

Geological Coal Reserve In CCL Command Area as on 01.04.2017

(in Billion Tonnes)

Type of coal	Proved	Indicated	Inferred	Total
Coking	8.137	9.431	1.692	19.262
Non-coking	15.999	6.631	2.839	25.469
Total	**24.137**	**16.063**	**4.531**	**44.732**

Out of 308.80 Billion Tonnes of geological resources of coal estimated in India, CCL Command Area has 44.732 BT as on 01.04.2017, which is 14.49% of total Reserve in India.

Coal Demand

Coal Demand of CCL in 2018-19 is indicated below. It includes the expected commissioning of power houses during 2018-19 covered under presidential Directives.

Sector wise break-up are as under :

(Million Tonne)

Sector	**2018-19**
Steel (Coking)	3.74
Power (U)	80.61
Power (Captive)	5.745
Cement	0.0153
Steel DRI	1.356
Others	0.431
Total Non Coking	88.217
Total	**91.957**

Coal despatch

Sector-Wise coal dispatch of CCL during 2016-17 is 60.575 MT:

(Fig in MT)

Sector	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Target
Power	38.770	39.692	43.010	45.55	49.589	51.000
Steel	2.755	3.478	2.793	2.639	2.027	3.248
Fertilizers	0.277	0.234	0.239	0.221	0.148	0.350
Others*	10.487	12.360	13.855	12.165	17.080	14.102
Total	52.289	55.764	59.897	60.575	68.844	68.700

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

Coal Availability

The actual coal production for 2017-18, Budgeted production for 2018-19 as per Draft AAP and production projection as per 1 BT target from existing mines, completed projects, on-going projects and Future/New Projects in CCL is given below :

(Fig in MT)

Group	2013-14	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Projected as per BT
Existing Mines	5.24	5.17	0.451	0.662	0.302	0.31	2.470
Completed Projects	12.61	14.58	27.56	42.630	40.450	37.89	40.665
On-going Projects	32.17	35.90	33.32	23.755	22.653	30.50	59.960
Future Projects	—	—	—	—	—	—	30.405
Total	**50.02**	**55.65**	**61.32**	**67.05**	**63.405**	**68.70**	**133.500**

Note : Group wise production may change whenever any project shift from ongoing to completed & from future to ongoing.

Productivity:

The OMS position of CCL is as below

(Fig in MT)

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual
UG	0.34	0.32	0.325	0.33	0.29	0.32	0.294	0.194
OC	5.45	5.79	6.093	6.26	7.56	8.91	9.808	9.372
overall	3.88	4.19	4.421	4.64	5.46	6.51	7.235	7.195

B. STRENGTH AND WEAKNESSES, OPPORTINITIES AND THREATS

Strength

1. **High production and huge production potential:** CCL produced 63.405 MT of coal in 2017-18, which is over 12.1 % of Coal India's Production. The coal reserves in CCL command area is of 44.7332 billion tonnes. CCL has about 14.49 % 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 numbers:** CCL has been in the business of Coal Mining for over 40 years. Its manpower strength as on 31.03.2018 is 40777 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.

Weaknesses

1. **Old mines with Obsolete Technology:** Most of the mines in CCL are old with antiquated equipment. The company has opened a few mines in recent past. State of the art technology is being used in only few mines.

2. **Trade Unionism:** Trade Unionism is rampant in the mines. Every mine has over six Recognized Trade Unions.

3. **Application of information technology is very low:** The application of IT in the mines is very low. This makes the system prone to corruption and inefficiency.

4. **Poor work culture:** On an average employees work for only 4 hours in 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.

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

The Production and Productivity figures achieved by your Company during the year 2017-18 as compared to the actual of 2016-17 is as under :

Particulars	2017-18		2016-17	% Growth over last year
	Target	Actual	Actual	
PRODUCTION				
From OC (MT)	70.050	63.000	66.310	-4.992
From UG (MT)	0.450	0.405	0.737	-45.010
TOTAL (MT)	**70.500**	**63.405**	**67.047**	**-5.431**
OBR (MM^3)	**105.000**	**95.622**	**102.630**	**-6.828**
Washed Coal (Coking) (MT)	1.285	1.115	1.139	-2.080
Washed Coal (Non–Coking) (MT)	6.746	6.076	8.942	-32.044
PRODUCTIVITY (OMS-Te)				
OC	8.710	9.372	9.808	
UG	0.400	0.194	0.294	
OVERALL	**7.700**	**7.195**	**7.235**	

The total Off take of Raw Coal during 2017-18 was 67.510 Million Tones. The Mode-wise details of off-take compared to that of last year is as under:

(Figs. in Million Tonnes)

Mode	2017-18	2016-17	Growth over last year
Rail	32.740	30.260	8.20 %
Road	25.362	18.059	40.43 %
Feed to Washery	9.408	12.614	(-) 25.42 %
Colliery Consumption	0.0003	0.001	—
Total Offtake	**67.510**	**60.934**	**10.79 %**

During the year 2017-18, CCL has recorded 40.43% growth in coal offtake through Road mode. CCL achieved a growth of 10.79% in offtake over last year.

Reasons for loss of Production of Coal & OB removal

Major reasons for loss of production during 2017-18:

1. M&A area - In the beginning of the year CCL was saddled with high Coal Stock in most of the mine particularly in M&A area and there was a problem of evacuation of coal due to non-completion of Tori-Shivpur rail line till end of the FY 2017-18. As such production was restricted to prevent further increase in coal stock to avoid grade deteriorations and spontaneous heating of coal.

Production at Magadh OCP & Amrapali OCP had to be restricted for initial 08 months of FY 2017-18, because coal stock at M&A area was approx. 4.15 MTe in the beginning of FY 2017-18 and there was no space to stock coal further. The production during initial 8 months was only 2.27 MTe. During these months emphasis was given for stock liquidation by the only mode of dispatch ie through road. After the stock gone down to 1.18 MTe by the month of Nov.'17, the coal production from the area was resumed effectively and area somehow reached to the 8.70 MTe and coal stock again reached to 4.48 MTe. There are issues in Magadh OCP & Amrapali OCP in respect of land authentication and subsequent land compensation and RR benefits causing hindrances in possession of land.

2. Rajrappa OCP - One O/S patch (Section-I) was not in operation due to strata control problem since Sep.'17. Section 22 (3) order has been imposed on this patch by DGMS official. CMPDI & CIMFR are conducting scientific study and report is awaited.

3. The production of 02 mines has achieved it EC capacities due to which production from these mines (SD OC (53 days) & Karo OC (127 days)) have been restricted.

4. After order of Hon'ble Supreme Court, the mines which were operating on basis of CTO (Consent to Operate) for the capacity equivalent to maximum production done before 1994 have been affected. Now, these mines will be treated under violation and capacities were limited to the production of 1993-94 only, which restricted the production from 07 mines. JSPCB started refusing CTO for those mines where there was violation. Further, due to delay in issue of CTO by JSPCB, mine challan were not issued by DMOs, due to which the dispatch & Production were affected for several days in some of the mines.

Reasons of less raw coal feed/ consumption in different washeries (Coking+ Non coking)

All the figures in lakh tonnes

Washery	2016-17		2017-18		Reason
Coking	**RCR**	**RCC**	**RCR**	**RCC**	
Kathara, 1969 (3.0MTY)	4.89	4.58	2.19	3.47	The washery was commissioned in 1969 and the technological life of any washery is 18 years and washery is 49 years old.
Sawang, 1970 (0.75MTY)	4.87	4.79	5.43	4.62	Consumption in 2017-18 is slightly less than that of last year. However the reason was the frequent breakdown of primary screen. After supply of New primary screen and was commissioned in third quarter of 2017-18 the health of washery is improved and the production was also improved. The washery is 48 years old
Rajrappa, 1987 (3.0 MTY)	19.5	13.94	13.07	12.79	Repairing work of fine coal Jig was done in 2017-18 due to this reason for some period the feed was restricted and due to this the consumption was slight less in respect of raw coal supplied. The washery was commissioned in 1987 and crossed its technological life i.e. 18 Years the washery is 31 Years old
Kedla, 1997 (2.6 MTY)	9.55	9.70	10.35	10.35	Raw coal consumption of washery was more than last year. One mobile crusher was installed in the last quarter of 2017-18 to improve feed rate.
Total	**38.81**	**33.01**	**31.04**	**31.23**	However overall consumption in coking coal washery was 31.23 LT w.r.t raw coal supply 31.04 LT.
Non Coking	**RCR**	**RCC**	**RCC**	**RCR**	
Piparwar, 1997 (6.5 MTY)	90.86	90.70	60.59	61.09	Due to no supply of raw coal from linked mines of Magadh Amrapali area, the consumption was less. The linkage from Piparwar area was 60 LT and M/A area, was 50 LT. The total linkage was 110 LT out of which only 60.59 LT was supplied but after rehandling of carpet coal, the washery consumption was 61.1 LT i.e. more than raw coal supplied
Gidi, 1970 (2.5 MTY)	2.25	2.34	1.55	1.73	The washery is very old and commissioned in 1970. The technological life of any washery is 18 years. But this washery is 48 years old. After periodic repairing the washery is still running.
Total	**93.11**	**93.04**	**62.14**	**62.82**	However overall consumption in Non coking coal washery was 62.82 LT w.r.t raw coal supply 62.14 LT

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.

F. 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 (C&AG) audit in addition to the propriety audit conducted by them.

G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Covered in the main report.

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

Covered in the main report.

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

Covered in the main report.

J. CORPORATE SOCIAL RESPONSIBILITY

Covered in the main report.

K. 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."

S. K. SINGHANIA & CO.

Chartered Accountants

Auditor's Report on Quarterly Standalone Financial Results and year to date results for the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

To The Board of Directors of
CENTRAL COALFIELDS LIMITED

1. We have audited the accompanying statement of quarterly standalone financial results of **CENTRAL COALFIELDS LIMITED** ("the Company"), for the quarter ended 31st March, 2018 and the year ended 31st March 2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The standalone financial results for the quarter and year ended 31st March 2018 have been prepared on the basis of the standalone financial results for the nine-month period ended 31st December 2017, the audited annual standalone Ind AS financial statement as at and for the year ended 31st March 2018, and the relevant requirements of the Regulation and Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone financial results for the nine-month period ended 31st December 2017 which was prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, our audit of the annual standalone Ind AS financial statements as at and for the year ended 31st March 2018 and the relevant requirements of the Regulation and the Circular.

2. 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 misstatement. An audit includes examining on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results :

   (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

   (ii) give a true and fair view of the total comprehensive income (comprising of net profit and other comprehensive income) and other financial information for the quarter and year ended 31st March 2018.

4. The comparative Ind AS financial information of the Company for the quarter and year ended 31st March 2017, included in these standalone Ind AS financial results, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated 26.05.2017 expressed an unmodified opinion.

5. Further, read with paragraph 1 above, we report that the figures for the quarter ended 31st March 2018 represent the derived figures between the audited figures in respect of the financial year ended 31st March 2018 and the published year-to-date figures up to 31st December 2017, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Registration No. 302206E)

Place : Ranchi

Sd/-

(Rajesh Kr. Singhania)
Partner
(Membership No. 52722)

Date : 26th May, 2018

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in Crores)

Sl. No.	Statement of Assets and Liabilities Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)
A	**EQUITY AND LIABILITIES**		
1.	**Shareholder's Funds**		
	a) Equity Share Capital	940.00	940.00
	b) Other Equity	2,538.85	2,297.10
	c) Money Received against Share Warrants	—	—
	Sub - total - Shareholder's funds	**3,478.85**	**3,237.10**
2	**Share Application Money pending allotment**	**—**	**—**
3	**Non-Controlling Interest**	**—**	**—**
4	**Non-Current Liabilities**		
	(a) Financial Liabilities	60.09	1,260.20
	(b) Deferred tax liabilities (Net)	—	—
	(c) Other non-current liabilities	438.46	183.83
	(d) Provisions	3,202.35	2,305.81
	Sub - total - Non-current Liabilities	**3,700.90**	**3,749.84**
5	**Current Liabilities**		
	(a) Financial Liabilities	879.43	2,072.99
	(b) Current Tax Liabilities (net)	—	35.39
	(c) Other current liabilities	4,902.62	2,969.57
	(d) Provisions	2,291.46	1,878.88
	Sub - total - Current Liabilities	**8,073.51**	**6,956.83**
	TOTAL - EQUITY AND LIABILITIES	**15,253.26**	**13,943.77**
B	**ASSETS**		
1	**Non- current assets**		
	(a) Fixed assets	4,336.56	3,808.38
	(b) Goodwill on consolidation	—	—
	(c) Deferred tax assets (Net)	1,047.58	771.88
	(d) Financial Assets	871.93	755.64
	(e) Other non-current assets	1,679.39	1,269.85
	Sub-total - Non-current Assets	**7,935.46**	**6,605.75**
2	**Current assets**		
	(a) Financial Assets	3,819.51	3,715.83
	(b) Inventories	1,349.23	2,096.26
	(c) Other current assets	2,093.56	1,525.93
	(d) Current Tax Assets (net)	55.50	—
	Sub - total - Current Assets	**7,317.80**	**7,338.02**
	TOTAL - ASSETS	**15,253.26**	**13,943.77**

Sd/-	Sd/-	Sd/-	Sd/-
(Ravi Prakash)	(Ashok Kumar)	(D.K. Ghosh)	(Gopal Singh)
Company Secretary	General Manager (Finance)	Director (Finance)	Chairman-cum-Managing Director
		DIN- 06638291	DIN- 02698059

In terms of our Report of even date
For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Reg.No. 302206E)

Sd/-
(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

Place : Ranchi

Dated : 26th May 2018

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STATEMENT OF STANDALONE RESULTS FOR THE YEAR ENDED 31.03.2018

(₹ in Crores except Shares and EPS)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Income from Operations**					
	Gross Sales	4,420.49	4145.05	4,626.39	15,965.12	14,899.71
	Less: Other levies	1,320.60	1285.12	1,125.39	4,715.50	3,759.03
	(a) Net Sales/ Income from operations (Net of levies excluding excise duty)	3,099.89	2,859.93	3,501.00	11,249.62	11,140.68
	(b) Other operating income	236.64	129.75	114.33	537.41	366.41
	Total income from operations (Net) (a+b)	**3,336.53**	**2,989.68**	**3,615.33**	**11,787.03**	**11,507.09**
2	**Expenses**					
	(a) Cost of materials consumed	239.28	200.80	253.23	731.26	799.50
	(b) Changes in inventories of finished goods, work-in-progress and Stock-In-Trade	(462.98)	216.75	(634.04)	512.66	(612.61)
	(c) Excise Duty	—	—	243.36	200.60	732.27
	(d) Employee Benefits Expense	2,110.99	1,107.56	1,188.44	5,490.31	4,401.73
	(e) Depreciation/amortisation/impairment	97.69	84.40	98.49	355.72	372.63
	(f) Power & fuel Expenses	74.28	69.61	77.93	277.35	290.92
	(g) Corporate Social Responsibility Expenses	28.68	3.26	8.22	37.90	30.29
	(h) Repairs	195.94	51.66	99.42	327.15	205.39
	(i) Contractual Expenses	492.34	277.32	411.94	1,304.07	1,320.99
	(j) Other Expenses	268.48	253.40	574.84	1,020.80	1,521.74
	(k) Provisions/write off	(290.24)	297.52	327.61	238.05	471.50
	(l) Stripping Activity Expenses	369.83	101.87	342.77	284.51	91.03
	Total expenses (a to l)	**3,124.29**	**2,664.15**	**2,992.21**	**10,780.38**	**9,625.38**
3	**Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)**	**212.24**	**325.53**	**623.12**	**1,006.65**	**1,881.71**
4	Other income	302.31	76.60	274.11	508.96	561.47
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**514.55**	**402.13**	**897.23**	**1,515.61**	**2,443.18**

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STATEMENT OF STANDALONE RESULTS FOR THE YEAR ENDED 31.03.2018 (CONTD...)

(₹ in Crores except Shares and EPS)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Unaudited	Unaudited	Unaudited	Audited	Audited
6	Finance costs	35.58	39.51	18.63	172.01	71.88
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**478.97**	**362.62**	**878.60**	**1,343.60**	**2,371.30**
8	Exceptional items	—	—	—	—	—
9	**Profit / (Loss) from ordinary activities before tax (7-8)**	**478.97**	**362.62**	**878.60**	**1,343.60**	**2,371.30**
10	Tax expense	168.19	135.81	414.72	554.06	984.19
11	**Net Profit / (Loss) for the period (9-10) [A]**	**310.78**	**226.81**	**463.88**	**789.54**	**1,387.11**
12	Other Comprehensive Income/(loss)(net of tax) [B]	55.48	21.65	40.32	91.43	11.73
13	Total Comprehensive Income/(loss) [A + B]	366.26	248.46	504.20	880.97	1,398.84
14	Paid-up equity share capital (Face Value of share ` 1000/- each)	940.00	940.00	940.00	940.00	940.00
15	**Earnings per share (EPS) (Face Value of share ` 1000/- each) (not annualised)**					
	(a) Basic	330.62	241.29	493.49	839.94	1,475.65
	(b) Diluted	330.62	241.29	493.49	839.94	1,475.65

Sd/- (Ravi Prakash) Company Secretary	Sd/- (Ashok Kumar) General Manager (Finance)	Sd/- (D.K. Ghosh) Director (Finance) DIN- 06638291	Sd/- (Gopal Singh) Chairman-cum-Managing Director DIN- 02698059

In terms of our Report of even date
For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Reg.No. 302206E)

Sd/-
(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

Place : Ranchi

Dated : 26th May 2018

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Crores)

		Notes	As at 31.03.2018	As at 31.03.2017
ASSETS				
Non-Current Assets				
(a)	Property, Plant & Equipments	3	2,424.41	2,426.40
(b)	Capital Work in Progress	4	1,649.32	1,141.23
(c)	Exploration and Evaluation Assets	5	260.67	237.16
(d)	Intangible Assets	6	2.16	3.59
(e)	Intangible Assets under Development		—	—
(f)	Investment Property		—	—
(g)	Financial Assets			
	(i) Investments	7	32.00	32.00
	(ii) Loans	8	0.47	0.59
	(iii) Other Financial Assets	9	839.46	723.05
(h)	Deferred Tax Assets (net)		1,047.58	771.88
(i)	Other Non-current Assets	10	1,679.39	1,269.85
	Total Non-Current Assets (A)		**7,935.46**	**6,605.75**
Current Assets				
(a)	Inventories	12	1,349.23	2,096.26
(b)	Financial Assets			
	(i) Investments	7	—	—
	(ii) Trade Receivables	13	1,745.31	1,673.79
	(iii) Cash & Cash equivalents	14	161.98	325.07
	(iv) Other Bank Balances	15	1,194.23	1,349.08
	(v) Loans	8	—	—
	(vi) Other Financial Assets	9	717.99	367.89
(c)	Current Tax Assets (Net)		55.50	—
(d)	Other Current Assets	11	2,093.56	1,525.93
	Total Current Assets (B)		**7,317.80**	**7,338.02**
	Total Assets (A+B)		**15,253.26**	**13,943.77**

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018 (Contd.)

(₹ in Crores)

EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	940.00	940.00
(b) Other Equity	17	2,538.85	2,297.10
Equity attributable to equityholders of the company		3,478.85	3,237.10
Non-Controlling Interests		—	—
Total Equity (A)		**3,478.85**	**3,237.10**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	—	1,200.00
(ii) Trade Payables		—	—
(iii) Other Financial Liabilities	20	60.09	60.20
(b) Provisions	21	3,202.35	2,305.81
(c) Other Non-Current Liabilities	22	438.46	183.83
Total Non-Current Liabilities (B)		**3,700.90**	**3,749.84**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	150.00	1,103.78
(ii) Trade Payables	19	163.45	134.22
(iii) Other Financial Liabilities	20	565.98	834.99
(b) Other Current Liabilities	23	4,902.62	2,969.57
(c) Provisions	21	2,291.46	1,878.88
(d) Current Tax Liabilities (net)		—	35.39
Total Current Liabilities (C)		**8,073.51**	**6,956.83**
Total Equity and Liabilities (A+B+C)		**15,253.26**	**13,943.77**
Significant Accounting Policy	2		
Additional Notes to the Financial Statements	38		

The Accompanying Notes form an integral part of the Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
(Ravi Prakash)	(Ashok Kumar)	(D.K. Ghosh)	(Gopal Singh)
Company Secretary	General Manager (Finance)	Director (Finance)	Chairman-cum-Managing Director
		DIN- 06638291	DIN- 02698059

In terms of our Report of even date
For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Reg.No. 302206E)

Sd/-
(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

Place : Ranchi

Dated : 26th May 2018

CENTRAL COALFIELDS LIMITED

(A Miniratna Company)

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crores)

	Notes	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue from Operations	24		
A. Sales (Net of other levies but including excise duty)		11,249.62	11,140.68
B. Other Operating Revenue (Net of other levies but including excise duty)		537.41	366.41
Revenue from Operations (A+B)		**11,787.03**	**11,507.09**
Other Income	25	508.96	561.47
Total Income (I+II)		**12,295.99**	**12,068.56**
(IV) Expenses			
Cost of Materials Consumed	26	731.26	799.50
Changes in inventories of finished goods/work in progress and Stock in trade	27	512.66	(612.61)
Excise Duty on sale of coal		200.60	732.27
Employee Benefits Expense	28	5,490.31	4,401.73
Power Expenses		277.35	290.92
Corporate Social Responsibility Expenses	29	37.90	30.29
Repairs	30	327.15	205.39
Contractual Expenses	31	1,304.07	1,320.99
Finance Costs	32	172.01	71.88
Depreciation/Amortization/ Impairment		355.72	372.63
Provisions	33	237.33	450.70
Write off	34	0.72	20.80
Stripping Activity Adjustments		284.51	91.03
Other Expenses	35	1,020.80	1,521.74
Total Expenses (IV)		**10,952.39**	**9,697.26**
(V) Profit before Exceptional items and Tax (III-IV)		**1,343.60**	**2,371.30**
(VI) Exceptional Items		—	—
(VII) Profit before Tax (V-VI)		**1,343.60**	**2,371.30**
(VIII) Tax expense	36	554.06	984.19
(IX) Profit for the year from continuing operations (VII-VIII)		**789.54**	**1,387.11**
(X) Profit from discontinued operations		—	—
(XI) Tax expenses of discontinued operations		—	—
(XII) Profit from discontinued operations (after Tax) (X-XI)		—	—
(XIII) Share in JV's/Associate's Profit/(Loss)		—	—
(XIV) Profit for the year (IX+XII+XIII)		**789.54**	**1,387.11**
Other Comprehensive Income	37		
A (i) Items that will not be reclassified to profit or loss		155.59	20.05
(ii) Income tax relating to items that will not be reclassified to profit or loss		64.16	8.32
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Income tax relating to items that will be reclassified to profit or loss		—	—

CENTRAL COALFIELDS LIMITED

(A Miniratna Company)

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd ...)

(₹ in Crores)

	Notes	For the year ended 31.03.2018	For the year ended 31.03.2017
(XV) Total Other Comprehensive Income		**91.43**	**11.73**
(XVI) Total Comprehensive Income for the year (XIV+XV) (Comprising Profit /(Loss) and Other Comprehensive Income for the year)		**880.97**	**1,398.84**
Profit attributable to :			
Owners of the Company		789.54	1,387.11
Non-Controlling Interest		—	—
		789.54	**1,387.11**
Other Comprehensive Income attributable to:			
Owners of the Company		91.43	11.73
Non-Controlling Interest		—	—
		91.43	**11.73**
Total Comprehensive Income attributable to:			
Owners of the Company		880.97	1,398.84
Non-Controlling Interest		—	—
(XVII) **Earnings per Equity Share (for continuing operation):**			
(1) Basic		839.94	1,475.65
(2) Diluted		839.94	1,475.65
(XVIII) **Earnings per Equity Share (for discontinued operation):**			
(1) Basic		—	—
(2) Diluted		—	—
(XIX) **Earnings per Equity Share (for discontinued & continuing** operation):			
(1) Basic		839.94	1,475.65
(2) Diluted		839.94	1,475.65
Significant Accounting Policy	2		
Additional Notes to the Financial Statements	38		

The Accompanying Notes form an integral part of the Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
(Ravi Prakash)	(Ashok Kumar)	(D.K. Ghosh)	(Gopal Singh)
Company Secretary	General Manager (Finance)	Director (Finance)	Chairman-cum-Managing Director
		DIN- 06638291	DIN- 02698059

In terms of our Report of even date
For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Reg.No. 302206E)
Sd/-
(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

Place : Ranchi

Dated : 26th May 2018

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE CASH FLOW STATEMENT (INDIRECT METHOD)
For the Year Ended 31st March, 2018

(₹ in Crores)

		For the year ended 31.03.2018	For the year ended 31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES			
Total Comprehensive Income before tax		1,499.19	2,391.35
Adjustments for :			
Depreciation / Impairment of Fixed Assets		358.09	377.39
Interest from Bank Deposits		(204.97)	(258.78)
Finance cost related to financing activity		172.01	71.88
Interest / Dividend from investments		(10.59)	(23.25)
Profit / Loss on sale of Fixed Assets		3.10	0.56
Provisions made & write off during the Year		238.05	471.50
Liability write back during the Year		(136.25)	(185.44)
Stripping Activity Adjustment		284.51	91.03
Operating Profit before Current/Non Current Assets and Liabilities		**2,203.14**	**2,936.24**
Adjustment for :			
Trade Receivables		(71.52)	74.13
Inventories		747.03	(605.00)
Short/Long Term Loans/Advances & Other Current Assets		(1,253.33)	152.02
Short/Long Term Liablities and Provisions		2,835.21	796.85
Cash Generated from Operation		**4,460.53**	**3,354.24**
Income Tax Paid/Refund		(984.80)	(1,042.28)
Net Cash Flow from Operating Activities	(A)	**3,475.73**	**2,311.96**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(889.37)	(1,134.56)
Investment in Bank Deposit		204.97	258.78
Change in investments		—	—

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

STANDALONE CASH FLOW STATEMENT (INDIRECT METHOD)
For the Year Ended 31st March, 2018 (Contd.)

(₹ in Crores)

Investment in Subsidiary		—	(32.00)
Interest pertaining to Investing Activities		—	—
Interest / Dividend from investments		10.59	23.25
Net Cash from Investing Activities	**(B)**	**(673.81)**	**(884.53)**
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings		(2,153.78)	1,374.78
Interest & Finance cost pertaining to Financing Activities		(172.01)	(71.88)
Receipt of Shifting & Rehabilitation Fund		—	—
Dividend Paid		(531.10)	(3,634.04)
Dividend Distribution Tax		(108.12)	(739.80)
Buyback of Equity Share Capital		—	—
Net Cash used in Financing Activities	**(C)**	**(2,965.01)**	**(3,070.94)**
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)		**(163.09)**	**(1,643.51)**
Cash & cash equivalents as at the beginning of the period		**325.07**	**1,968.58**
Cash & cash equivalents as at the end of the period		**161.98**	**325.07**

(All figures in bracket represent outflow.)

Sd/-	Sd/-	Sd/-	Sd/-
(Ravi Prakash)	(Ashok Kumar)	(D.K. Ghosh)	(Gopal Singh)
Company Secretary	General Manager (Finance)	Director (Finance)	Chairman-cum-Managing Director
		DIN- 06638291	DIN- 02698059

In terms of our Report of even date
For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Reg.No. 302206E)

Sd/-
(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

Place : Ranchi

Dated : 26th May 2018

CENTRAL COALFIELDS LIMITED

(A Miniratna Company)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 – STANDALONE

(₹ in Crores)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01.04.2016	Changes In Equity Share Capital during the year	Balance as at 31.03.2017	Balance as at 01.04.2017	Changes In Equity Share Capital during the year	Balance as at 31.03.2018
9400000 Equity Shares of ₹1000/- each (9400000 Equity Shares of ₹1000/- each)	940.00	—	940.00	940.00	—	940.00

B. OTHER EQUITY

Particulars	General Reserve	Retained Earnings	OCI	Total
Balance as at 01.04.2016	1,958.94	3,278.52	40.66	5,278.12
Changes in Accounting Policy	—	—	—	—
Prior Period Errors	—	(6.02)	—	(6.02)
Restated balance as at 01.04.2016	**1,958.94**	**3,272.50**	**40.66**	**5,272.10**
Additions during the year	—	—	—	—
Adjustments during the year	—	—	—	—
Profit for the Year	—	1,387.11	11.73	1,398.84
Appropriations				
Transfer to / from General reserve	70.06	(70.06)	—	—
Transfer to / from Other reserves	—	—	—	—
Interim Dividend	—	(3,634.04)	—	(3,634.04)
Final Dividend	—	—	—	—
Corporate Dividend tax	—	(739.80)	—	(739.80)
Buyback of Equity Shares	—	—	—	—
Tax on Buyback	—	—	—	—
Pre-operative expenses	—	—	—	—
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—
Balance as at 31.03.2017	**2,029.00**	**215.71**	**52.39**	**2,297.10**
Balance as at 01.04.2017	2,029.00	215.71	52.39	2,297.10
Additions during the year	—	—	—	—
Adjustments during the year	—	—	—	—
Changes in accounting policy or prior period errors	—	—	—	—
Profit for the Year	—	789.54	91.43	880.97
Adjustments during the year	—	—	—	—
Appropriations				
Transfer to / from General reserve	39.48	(39.48)	—	—
Transfer to / from Other reserves	—	—	—	—
Interim Dividend	—	(531.10)	—	(531.10)
Final Dividend	—	—	—	—
Corporate Dividend tax	—	(108.12)	—	(108.12)
Buyback of Equity Shares	—	—	—	—
Tax on Buyback	—	—	—	—
Adjustment of Pre-operative expenses	—	—	—	—
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—
Balance as at 31.03.2018	**2,068.48**	**326.55**	**143.82**	**2,538.85**

Significant Accounting Policies

NOTE 1 : CORPORATE INFORMATION

Central Coalfields Limited (CCL), a Miniratna company, is a 100% subsidiary of Coal India Limited (A Government of India Undertaking) having its registered office at Darbhanga House, Ranchi, Jharkhand – 834029.

The Company is mainly engaged in mining and production of Coal and also operates Coal washeries. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

CCL has a joint venture agreement with IRCON International Limited & Government of Jharkhand named Jharkhand Central Railway Limited (JCRL). The basic objective of JCRL is to build, construct, operate and maintain identified Rail Corridor Projects that are critical for evacuation of coal from mines in the State of Jharkhand which shall be used for both freight and passenger services and to develop required rail infrastructure including construction of railway lines together with all related facilities etc.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Standalone financial statements of the company have been prepared on historical cost basis of measurement, except for

- ➢ certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- ➢ Defined benefit plans- plan assets measured at fair value;
- ➢ Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.21).

2.1.1 Rounding of Amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in Crore' upto two decimal points.

2.2 Basis of Consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses between group companies are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All the companies within CCL Consolidated normally uses accounting policies as adopted by the CIL Consolidated for like transactions and events in similar circumstances. In case of significant deviations of a particular constituent company within CCL Consolidated, appropriate adjustments are made to the financial statement of such constituent company to ensure conformity with the CIL Consolidated accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.2.2 Associates

Associates are all entities over which the Company has significant influence but no control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the associates on the basis of objective evidence.

2.2.3 Joint Arrangements

Joint arrangements are those arrangements where the Company is having joint control with one or more other parties.

Joint control is the contractually agreed sharing of control of the arrangement which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint Arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

2.2.4 Joint Operations

Joint operations are those joint arrangements whereby the Company is having rights to the assets and obligations for the liabilities relating to the arrangements.

Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

2.2.5 Joint Ventures

Joint ventures are those joint arrangements whereby the Company is having rights to the net assets of the arrangements.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Investments in Joint venture are accounted for using the equity method of accounting, after initially being recognized at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the joint venture on the basis of objective evidence.

2.2.6 Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

2.2.7 Changes in Ownership Interests

The Company treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any fair value of consideration paid or received is recognised within equity.

When the Company ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Current and Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when :

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when :

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.4 Revenue recognition

2.4.1 Revenue from sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied :

(a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, gross revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.

2.4.2 Interest

Interest income is recognised using the Effective Interest Method.

2.4.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.4.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.4.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied :

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Company;

(c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.5 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution should be recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.6 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

2.6.1 Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.6.1.1 Finance Leases

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.6.1.2 Operating Lease

Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either :

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.6.2 Company as a Lessor

Operating Leases – Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either :

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

Finance Leases – Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.7 Non-current Assets held for Sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when :

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.8 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises :

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the ‘repairs and maintenance’ are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the de-recognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such de-recognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows :

Other Land (incl. Leasehold Land)	:	Life of the project or lease term whichever is lower
Building	:	3 – 60 years
Roads	:	3 – 10 years
Telecommunication	:	3 – 9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5 – 15 years
Computers and Laptops	:	3 Years
Office Equipment	:	3 – 6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8 – 10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, Plant and Equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of “Other Land” includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, Plant and Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.9 Mine Closure, Site Restoration and Decommissioning Obligation

The company’s obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.10 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following :

- acquisition of rights to explore
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.11 Development Expenditure

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head “Development”. All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of 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;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature “Other Mining Infrastructure”. Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

2.12 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, 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.

2.13 Impairment of Assets (other than Financial Assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.14 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as Investment Property.

Investment Property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment Properties are depreciated using the straight-line method over their estimated useful lives.

2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.15.1 Financial Assets

2.15.1 Initial Recognition and Measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.15.2 Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories :

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.15.2.1 Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met :

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.15.2.2 Debt Instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met :

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.15.2.3 Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.15.2.4 Equity investments in Subsidiaries, Associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.15.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.15.2.6 De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when :

- ❖ The rights to receive cash flows from the asset have expired, or
- ❖ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.15.2.7 Impairment of Financial Assets (other than Fair Value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are debt instruments and are measured as at FVTOCI

(c) Lease receivables under Ind AS 17

(d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on :

❖ Trade receivables or contract revenue receivables; and

❖ All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.15.3 Financial Liabilities

2.15.3.1 Initial Recognition and Measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.15.3.2 Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below :

2.15.3.3 Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.15.3.4 Financial Liabilities at Amortised Cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.15.3.5 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.15.4 Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various re-classifications and how they are accounted for

Original Classification	Revised Classification	Accounting Treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.15.5 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15.6 Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

2.16 Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.17 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from “profit before income tax” as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.18 Employee Benefits

2.18.1 Short-term Benefits

All short term employee benefits are recognized in the period in which they are incurred.

2.18.2 Post-employment Benefits and Other Long Term Employee Benefits

2.18.2.1 Defined Contributions Plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.18.2.2 Defined Benefits Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.18.3 Other Employee Benefits

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

2.19 Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.20 Stripping Activity Expense/Adjustment

In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'. In opencast mines, the company has to incur such expenses over the life of the mine (as technically estimated).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB: COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Provisions / Other Non-Current Assets as the case may be.

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

Annual Quantum of OBR Of the Mine	**Permissible limits of variance**	
	I	**II**
	%	Quantum (in Mill. Cu. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	

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

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

2.21 Inventories

2.21.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method.Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts 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. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.21.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

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

2.21.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

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

2.22 Provisions, Contingent Liabilities &Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements has been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.24.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements :

2.24.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is :

(a) relevant to the economic decision-making needs of users and

(b) reliable in that financial statements:

   (i) represent faithfully the financial position, financial performance and cash flows of the Company;

   (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;

   (iii) are neutral, i.e. free from bias;

   (iv) are prudent; and

   (v) are complete in all material respects on a consistent basis

In making the judgment management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgment, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geo-mining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.24.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

2.24.1.3 Operating Lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.24.2 Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.24.2.1 Impairment of Non-financial Assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.24.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.24.2.3 Defined Benefit Plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.24.2.4 Fair Value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.24.2.5 Intangible Asset under Development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.24.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on :

- Estimated cost per hectare as specified in guidelines issued by Ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.25 Abbreviation Used :

a.	CGU	Cash generating unit
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair value through Other Comprehensive Income
d.	FVTPL	Fair value through Profit & Loss
e.	GAAP	Generally accepted accounting principles
f.	Ind AS	Indian Accounting Standards
g.	OCI	Other Comprehensive Income
h.	P&L	Profit and Loss
i.	PPE	Property, Plant and Equipment
j.	SPPI	Solely Payment of Principal and Interest
k.	EIR	Effective Interest Rate

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 3 : PROPERTY , PLANT AND EQUIPMENTS

(₹ in Crores)

Particulars	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Tele-communication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infrastructures	Surveyed off Assets	Others	Total
Carrying Amount:															
As at 1st April, 2016	17.49	559.53	479.75	180.29	1,387.12	1.79	14.86	7.74	27.03	9.36	–	179.22	76.14	–	2,940.32
Additions	–	116.26	–	8.86	87.17	–	19.94	2.04	5.38	2.89	–	19.04	8.02	–	269.60
Deletions/Adjustments	–	(5.30)	–	–	(12.78)	–	(0.07)	(0.11)	0.04	(0.01)	–	–	(1.59)	–	(19.82)
As at 31st March, 2017	**17.49**	**670.49**	**479.75**	**189.15**	**1,461.51**	**1.79**	**34.73**	**9.67**	**32.45**	**12.24**	–	**198.26**	**82.57**	–	**3,190.10**
As at 1st April, 2017	17.49	670.49	479.75	189.15	1,461.51	1.79	34.73	9.67	32.45	12.24	–	198.26	82.57	–	3,190.10
Additions	–	64.39	–	61.23	206.64	0.07	–	2.07	10.83	0.06	–	13.05	3.72	–	362.06
Deletions/Adjustments	–	–	–	–	(10.17)	–	–	–	(0.06)	(0.01)	–	(0.29)	(5.78)	–	(16.31)
As at 31st March, 2018	**17.49**	**734.88**	**479.75**	**250.38**	**1,657.98**	**1.86**	**34.73**	**11.74**	**43.22**	**12.29**	–	**211.02**	**80.51**	–	**3,535.85**
Accumulated Depreciation and Impairment															
As at 1st April, 2016	–	25.10	50.43	8.59	242.16	0.14	3.14	1.94	4.67	1.20	–	23.00	37.97	–	398.34
Charge for the year	–	44.53	45.19	8.79	228.92	0.09	3.72	2.01	7.95	1.29	–	17.96	–	–	360.45
Impairment	–	–	–	–	–	–	–	–	–	–	–	2.03	8.42	–	10.45
Deletions/Adjustments	–	–	–	–	(4.84)	0.14	–	0.29	(0.46)	–	–	(0.67)	–	–	(5.54)
As at 31st March, 2017	–	**69.63**	**95.62**	**17.38**	**466.24**	**0.37**	**6.86**	**4.24**	**12.16**	**2.49**	–	**42.32**	**46.39**	–	**763.70**
As at 1st April, 2017	–	69.63	95.62	17.38	466.24	0.37	6.86	4.24	12.16	2.49	–	42.32	46.39	–	763.70
Charge for the period	–	54.98	36.41	10.68	213.76	0.14	3.94	1.44	7.83	1.53	–	17.94	–	–	348.65
Impairment	–	–	–	–	–	–	–	–	–	–	–	5.83	(1.65)	–	4.18
Deletions/Adjustments	–	0.78	–	(0.07)	(6.30)	–	–	(0.01)	0.06	–	–	0.48	(0.03)	–	(5.09)
As at 31st March, 2018	–	**125.39**	**132.03**	**27.99**	**673.70**	**0.51**	**10.80**	**5.67**	**20.05**	**4.02**	–	**66.57**	**44.71**	–	**1,111.44**
Net Carrying Amount															
As at 31st March, 2018	17.49	609.49	347.72	222.39	984.28	1.35	23.93	6.07	23.17	8.27	–	144.45	35.80	–	2,424.41
As at 31st March, 2017	17.49	600.86	384.13	171.77	995.27	1.42	27.87	5.43	20.29	9.75	–	155.94	36.18	–	2,426.40
As at 1st April, 2016	17.49	534.43	429.32	171.70	1,144.96	1.65	11.72	5.80	22.36	8.16	–	156.22	38.17	–	2,541.98

Note :

1- Other Land includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957, Land Acquisition Act, 1984 and other Acts.

2- Depreciation is provided based on estimated useful life, reviewed at the end of each year by the empowerd committee as referred in Significant Accounting Policy para no. 2.8. There is no significant component having different useful life of value, hence component accounting has not been considered.

3- During the current year, impairment has been withdrawn in respect of Surveyed off Assets amounting to ₹ 1.65 Cr. (P.Y. ₹ 8.42 Cr. charged).

4. In terms of lease agreements, the company has granted to its customers, a right to occupy and use of certain assets of the company having gross value of ₹ 88.09 Crs. and wdv of ₹ 2.50 Crs.

5. Total Depreciation amounting to ₹ 348.65 Crs. includes amortisation of ₹ 17.94 Crs. related to other Mining Infrastructures.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 4 : CAPITAL WIP

(₹ in Crores)

Particulars	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Others	Total
Carrying Amount:						
As at 1st April, 2016	52.11	39.91	91.43	132.55	—	316.00
Additions	59.01	45.77	756.41	17.24	—	878.43
Capitalisation/ Deletions	(7.52)	(21.60)	—	(1.85)	—	(30.97)
As at 31st March, 2017	**103.60**	**64.08**	**847.84**	**147.94**	—	**1,163.46**
As at 1st April, 2017	103.60	64.08	847.84	147.94	—	1,163.46
Additions	96.41	13.56	467.60	38.99	—	616.56
Capitalisation/ Deletions	(57.97)	(29.59)	—	(12.00)	—	(99.56)
As at 31st March, 2018	**142.04**	**48.05**	**1,315.44**	**174.93**	—	**1,680.46**
Accumulated Provision and Impairment						
As at 1st April, 2016	0.55	2.58	3.59	5.88	—	12.60
Charge for the year	1.05	0.53	4.11	3.94	—	9.63
Impairment	—	—	—	—	—	—
Deletions/Adjustments	—	—	—	—	—	—
As at 31st March, 2017	1.60	3.11	7.70	9.82	—	22.23
As at 1st April, 2017	1.60	3.11	7.70	9.82	—	22.23
Charge for the period	0.35	2.16	3.85	1.82	—	8.18
Impairment	—	—	—	1.45	—	1.45
Deletions/Adjustments	(0.01)	(0.20)	—	(0.51)	—	(0.72)
Net Carrying Amount						
As at 31st March, 2018	140.10	42.98	1,303.89	162.35	—	1,649.32
As at 31st March, 2017	102.00	60.97	840.14	138.12	—	1,141.23
As at 1st April, 2016	51.56	37.33	87.84	126.67	—	303.40

Note :

(i) In case of machinery/assets, which could not be put to use for more than three years from the date of purchase/ acquisition, provision equivalent to depreciation w.e.f. the fourth year has been made during the year amounting to ₹ 8.18 Crs. (previous year ₹ 9.63 Crs.) shown under note 33 of the financial statements. Out of the opening provision, an amount of ₹ 0.72 Crs. has been transferred to Property, Plant and Equipments (Note-3).

(ii) CIL Board in its 350th Board meeting approved the revised project cost of ₹ 2399.07 Crores in respect of Tori Shivpur Rail line project for facilitating evacuation of coal against which ₹ 2392.13 crore has been deposited with East Central Railway. EC Railway has spent ₹ 1141.54 Crore which has been recognised as enabling Asset under the head “ Railway Siding “ in CWIP and the balance amount of ₹ 1250.59 crore has been shown as Capital Advance in Note 10. The Company has received a grant of ₹ 434.17 Crore till date from CCDAC against the said project.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in Crores)

Particulars	Exploration and Evaluation Costs
Carrying Amount	
As at 1st April, 2016	201.14
Additions	36.69
Deletions/Adjustments	—
As at 31st March, 2017	**237.83**
As at 1st April, 2017	237.83
Additions	23.51
Deletions/Adjustments	—
As at 31st March, 2018	**261.34**
Accumulated Provision and Impairment	
As at 1st April, 2016	—
Charge for the year	—
Impairment	—
Deletions/Adjustments	0.67
As at 31st March, 2017	**0.67**
As at 1st April, 2017	0.67
Charge for the period	—
Impairment	—
Deletions/Adjustments	—
As at 31st March, 2018	**0.67**
Net Carrying Amount	
As at 31st March, 2018	**260.67**
As at 31st March, 2017	**237.16**
As at 1st April, 2016	**201.14**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 6 : OTHER INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Computer Software	Coal Blocks meant for Sale	Others	Total
Carrying Amount				
As at 1st April, 2016	5.14	1.71	—	6.85
Additions	0.07	—	—	0.07
Deletions/Adjustments	—	—	—	—
As at 31st March, 2017	**5.21**	**1.71**	—	**6.92**
As at 1st April, 2017	5.21	1.71	—	6.92
Additions	0.01	—	—	0.01
Deletions/Adjustments	—	—	—	—
As at 31st March, 2018	**5.22**	**1.71**	—	**6.93**
Accumulated Provision and Impairment				
As at 1st April, 2016	1.60	—	—	1.60
Charge for the year	1.73	—	—	1.73
Impairment	—	—	—	—
Deletions/Adjustments	—	—	—	—
As at 31st March, 2017	**3.33**	—	—	**3.33**
As at 1st April, 2017	3.33	—	—	3.33
Charge for the period	1.44	—	—	1.44
Impairment	—	—	—	—
Deletions/Adjustments	—	—	—	—
As at 31st March, 2018	**4.77**	—	—	**4.77**
Net Carrying Amount				
As at 31st March, 2018	**0.45**	**1.71**	—	**2.16**
As at 31st March, 2017	**1.88**	**1.71**	—	**3.59**
As at 1st April, 2016	**3.54**	**1.71**	—	**5.25**

Note :

Coal blocks meant for sale represents expenses incurred towards initial development on mines to be recovered on disposal of such blocks by the authority.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 7 : INVESTMENTS

(₹ in Crores)

	No. Shares Held	As at 31.03.2018	As at 31.03.2017
Non Current			
Investment in Shares			
Equity Shares in Subsidiary Company -JCRL	3,20,00,000 (32,00,000)	32.00	3.20
Other Investments			
Share Application Money – JCRL		—	28.80
In Secured Bonds		—	—
In Co-operative Shares		—	—
Total		**32.00**	**32.00**
Aggregate amount of quoted investments		—	—
Market value of quoted investments		—	—
Aggregate amount of unquoted investments		32.00	32.00
Aggregate amount of impairment in value of investments		—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 7 : INVESTMENTS (Contd...)

(₹ in Crores)

	Number of Units Current Year/ (Previous Year)	NAV/Face Value per unit (In ₹)	As at 31.03.2018	As at 31.03.2017
Current				
Mutual Fund Investment				
UTI Mutual Fund			—	—
SBI Mutual Fund			—	—
Canara Robeco Mutual Fund			—	—
Union KBC Mutual Fund			—	—
BOI AXA Mutual Fund			—	—
Other Investments				
8.5% Tax Free Special Bonds (Fully Paid Up)				
(On Securitisation of Trade Receivables)				
Major State Wise Break Up				
— UP			—	—
— Haryana			—	—
Total			—	—
Aggregate of Quoted Investment			—	—
Market value of Quoted Investment			—	—
Aggregate of unquoted investments			—	—
Aggregate amount of impairment in value of investments			—	—

Details of Mutual Fund purchased and redeemed during the year :

(₹ in Crores)

PARTICULARS	TOTAL PURCHASED DURING THE YEAR		TOTAL REDEEMED DURING THE YEAR		DIVIDEND RECEIVED	
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
UTI MUTUAL FUND	31,66,426.62	322.80	32,18,976.53	328.16	52,549.91	5.36
SBI MUTUAL FUND	29,26,987.29	293.65	29,72,681.62	298.23	45,694.33	4.58
CANARA ROBECO MUTUAL FUND	1,52,262.56	15.31	1,54,651.72	15.55	2,389.16	0.24
UNION KBC MUTUAL FUND	2,23,754.43	22.39	2,27,202.89	22.74	3,448.46	0.35
BOI MUTUAL FUND	68,319.07	6.85	68,900.10	6.91	581.03	0.06
TOTAL	**65,37,749.96**	**661.00**	**66,42,412.86**	**671.59**	**1,04,662.90**	**10.59**

Note :

The company invests in liquid scheme (daily dividend) of the above mutual funds. In the daily dividend scheme, dividends are received on daily basis in the form of units of mutual fund and the value of the NAV of the scheme remain constant.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 8 : LOANS

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Non-Current		
Loans to Related Parties		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less: Allowance for doubtful loans	—	—
	—	—
Loans to Employees		
— Secured, considered good	0.47	0.59
— Unsecured, considered good	—	—
— Doubtful	—	—
	0.47	0.59
Less: Allowance for doubtful loans	—	—
	0.47	0.59
Other Loans		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
Less: Allowance for doubtful loans		
TOTAL	**0.47**	**0.59**
CLASSIFICATION		
Secured, considered good	0.47	0.59
Unsecured, Considered good	—	—
Doubtful	—	—
Current		
Loans to Related Parties		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less: Allowance for doubtful loans	—	—
	—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 8 : LOANS (Contd...)

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Loans to Employees		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less: Allowance for doubtful loans	—	—
	—	—
Other Loans		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less: Allowance for doubtful loans	—	—
	—	—
TOTAL	**—**	**—**
CLASSIFICATION		
Secured, considered good	—	—
Unsecured, Considered good	—	—
Doubtful	—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 9 : OTHER FINANCIAL ASSETS

(₹ in Crores)

	As at 31.03.2018		As at 31.03.2017	
Non Current				
Bank Deposits		—		0.77
Deposits with bank under				
- Mine Closure Plan		839.46		721.48
- Shifting & Rehabilitation Fund scheme		—		—
Receivable from Escrow Account for Mine Closure Expenses		—		—
Security Deposit for utilities	—		—	
Less : Allowance for doubtful deposits	—	—	—	—
Receivable for Exploratory works	—		—	
Less : Allowance for doubtful	—	—	—	—
Other receivables	—		0.80	
Less: Allowance	—	—	—	0.80
TOTAL		**839.46**		**723.05**
Current				
Surplus Fund with CIL		72.74		45.14
Receivable from Escrow Account for Mine Closure Expenses		—		—
Current Account with				
Holding Company	—		—	
Less: Allowance for Doubtful Advances	—	—	—	—
				—
Current maturities of long term loan		—		—
Interest accrued on				
- Investments	—		—	
- Bank Deposits	58.93		47.64	
- Others	0.11	59.04	0.66	48.30
Other deposits (Mine Closure Plan)	180.39		150.71	
Less : Allowance for doubtful deposits	—	180.39	—	150.71
Claims receivables	—		4.40	
Less : Allowance for doubtful claims	—	—	—	4.40
Other receivables*	409.67		125.24	
Less : Allowance for doubtful claims	3.85	405.82	5.90	119.34
TOTAL		**717.99**		**367.89**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 9 : OTHER FINANCIAL ASSETS (Contd...)

Note :

1. Since coal became excisable w.e.f. 01.03.2011, Royalty and SED were considered as “Other Taxes” and excluded from the Transaction Value. Consequent upon the summon issued by 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 February’2013 and consequently supplementary bills have been raised for the said period to the tune of ₹ 79.95 Crs. Out of ₹ 79.95 Cr., balance realizable amount of ₹ 4.89 Crs. from cash sales customers has been shown under the head “Other Receivable “. Out of ₹ 4.89 Crs, customers have obtained stay order for ₹ 2.96 Crs. from Hon’ble High Courts of Kolkata and Jharkhand and against balance of ₹ 1.93 Crs., provision of ₹ 1.90 Crs. has been made.

2. Deposit with banks under mine closure plan is ₹ 1019.85 Crs. (Previous Year ₹ 872.19 Crs.) including interest on Escrow Account of ₹ 198.79 Crs. (Previous Year ₹ 158.68 Crs.) refer note no. 21.

3 *It includes fraudlent payment of ₹ 0.80 Crs. (refer para no. 7.10 of Note- 38)

4 Interest accrued on Bank Deposits includes accrued interest on deposits under mine closure plan of ₹ 3.08 Crs.

5. Bank Deposits consists of deposits with Bank with initial maturity of more than 12 months.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crores)

			As at 31.03.2018		As at 31.03.2017	
(i)		Capital Advances	1,503.94		1,090.90	
		Less : Provision for doubtful advances	1.29	1,502.65	0.02	1,090.88
(ii)		Advances other than Capital Advances				
	(a)	Security Deposit for utilities	1.16		3.39	
		Less : Provision for doubtful deposits	—	1.16	—	3.39
	(b)	Other Deposits	—		—	
		Less : Provision for doubtful deposits	—	—	—	—
	(c)	Advances to related parties*		175.58		175.58
	(d)	Advance for Revenue	—		—	
		Less :Provision for doubtful advances	—	—	—	—
	(e)	Prepaid Expenses		—		—
	(f)	Others		—		—
		TOTAL		**1,679.39**		**1,269.85**

Particulars	Closing Balance		Maximum Amount Due at Any Time During	
	Current Year (₹ in crores)	Previous Year (₹ in crores)	Current Year (₹ in crores)	Previous Year (₹ in crores)
Due by the Companies in which Directors of the Company is also a Director/Member	NIL	NIL	NIL	NIL
JCRL	175.58	175.58	175.58	175.58
Due by the parties in which the Director(s) of Company is /are interested	NIL	NIL	NIL	NIL

1 *Advance of ₹ 175.58 Crs made to JCRL (a subsidiary Company) is in respect of Shivpur Kathotia Rail Line given during the FY 2016-17 and shown as Advances Recoverable since it is within the scope of work of JCRL. The decision to convert the advance to unsecured loan will be taken up by the management on receipt of revised DPR and bankability report from IRCON.

2 Capital Advance of ₹ 1503.94 Crs. Includes ₹ 1250.59 Crs. given to EC Railway for construction of Tori – Shivpur Rail Line. (Refer Note-4).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 11 : OTHER CURRENT ASSETS

(₹ in Crores)

		As at 31.03.2018		As at 31.03.2017	
(a)	Advance for Revenue (for goods & services)	128.56		74.69	
	Less : Provision for doubtful advances	0.44	128.12	0.70	73.99
(b)	Advance payment of statutory dues	485.07		396.23	
	Less : Provision for doubtful advances	0.31	484.76	0.21	396.02
(c)	Advance to Related Parties		—		—
(d)	Advance to Employees	23.97		29.68	
	Less : Provision for doubtful advances	—	23.97	—	29.68
(e)	Advance — Others	—		—	
	Less : Provision for doubtful claims	—	—	—	—
(f)	Deposits- Others (under protest)	839.03		835.05	
	Less: Provision	1.61	837.42	1.52	833.53
(g)	CENVAT and VAT Credit Receivable	—		156.13	
	Less: Provision	—	—	5.59	150.54
(h)	Input Tax Credit Receivable	481.62		—	
	Less: Provision	—	481.62	—	—
(i)	MAT Credit Entitlement	—		—	
	Less: Provision	—	—	—	—
(j)	Prepaid Expenses		0.22		—
(k)	Claim Receivables — Others	154.10		51.36	
	Less: Provision	16.65	137.45	9.19	42.17
	TOTAL		**2,093.56**		**1,525.93**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 11 : OTHER CURRENT ASSETS (Contd...)

Particulars	Closing Balance		Maximum Amount Due at Any Time during	
	Current Year	Previous Year	Current Year	Previous Year
	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)
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 Company is /are interested	NIL	NIL	NIL	NIL

Note :

1. Advance for Revenue includes ₹ 11.73 Crs. (P.Y. ₹ 8.62 Crs.) paid to various Govt. Agencies/ Departments against CSR activities.

2. 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 is recoverable from customers and shown under the head Claim Receivable others and the corresponding amount has also been included in statutory dues payable for Royalty and Cess under the head " Other Current Liabilities" (Note-23).

3. Goods and Service Tax has been implemented w.e.f. 01.07.2017 by subsuming all other taxes. Input Tax Credit receivables for ₹ 481.62 Crore as on 31.03.2018 includes credit transit through GST TRAN-1 of ₹ 143.25 Crore (Related to pre-GST era), which could not be utilized during the year due to inverted tax structure and pending scrutiny of GSTR TRAN-1 at Commercial Tax Department. The same shall be utilized/claimed in the subsequent periods on completion of the formalities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 12 : INVENTORIES

(₹ in Crores)

		As at 31.03.2018	As at 31.03.2017
(a)	Stock of Coal	1,206.37	1,925.17
	Coal under Development	—	—
	Less : Provision	—	—
	Stock of Coal (Net)	1,206.37	1,925.17
(b)	Stock of Stores & Spares (at cost)	178.38	208.04
	Add: Stores-in-transit	4.42	1.53
	Less : Provision	44.88	44.79
	Net Stock of Stores & Spares (at cost)	137.92	164.78
(c)	Stock of Medicine at Central Hospital	0.82	0.58
(d)	Workshop Jobs:		
	Work-in-progress and Finished Goods	3.39	4.76
	Less: Provision		—
	Net Stock of Workshop Jobs	3.39	4.76
(e)	Press Jobs:		
	Work-in-progress and Finished Goods	0.73	0.97
	Total	**1,349.23**	**2,096.26**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

ANNEXURE TO NOTE – 12

(Qty in Lakh tonnes) (Value in ₹ Crores)

Table – A

Reconciliation of Closing Stock of Raw Coal Adopted in the Financial Statements with Book Stock as at the end of the year

Particulars	OVERALL STOCK		NON-VENDABLE STOCK/ MIXED STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening Stock as on 01.04.2017	176.94	1,469.68	1.21	—	175.73	1,469.68
(B) Adjustment in Opening Stock	—	—	—	—	—	—
2. Production for the Year	634.05	13,366.51	—	—	634.05	13,366.51
3. Sub-Total (1+2)	810.99	14,836.19	1.21	—	809.78	14,836.19
4. Off- Take for the Year:						
(A) Outside Despatch	581.01	12,421.85	—	—	581.01	12,421.85
(B) Coal feed to Washeries	94.08	1,462.02	—	—	94.08	1,462.02
(C) Own Consumption	—	0.01	—	—	—	0.01
TOTAL (A)	**675.09**	**13,883.88**	**—**	**—**	**675.09**	**13,883.88**
5. Derived Stock	135.90	952.31	1.21	—	134.69	952.31
6. Measured Stock	132.50	934.48	1.18	—	131.32	934.48
7. Difference (5-6)	3.40	17.83	0.03	—	3.37	17.83
8. Break-up of Difference:						
(A) Excess within 5%	0.13	1.35	—	—	0.13	1.35
(B) Shortage within 5%	3.53	19.18	0.03	—	3.50	19.18
(C) Excess beyond 5%	—	—	—	—	—	—
(D) Shortage beyond 5%	—	—	—	—	—	—
9. Closing stock adopted in A/c.(6 – 8A + 8B)	135.90	952.31	1.21	—	134.69	952.31

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

ANNEXURE TO NOTE – 12 (Contd...)

(Qty in Lakh tonnes) (Value in ₹ Crores)

Table – B

Summary of Closing Stock of Coal/Coke etc.

Particulars	Raw Coal		Washed/Deshaled Coal				Other Products*		Total	
			Coking		Non-Coking					
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock (Audited)	176.94	1,469.68	1.02	58.01	8.71	164.91	13.52	232.57	200.19	1,925.17
Less: Non-vendable Coal/ Mixed Stock	1.21	–	–	–	–	–	–	–	1.21	–
Adjusted Opening Stock (Vendable)	175.73	1,469.68	1.02	58.01	8.71	164.91	13.52	232.57	198.98	1,925.17
Production	634.05	13,366.51	11.15	1,059.62	60.76	1,571.34	16.80	710.88	722.76	16,708.35
Offtake										
(A) Outside Despatch	581.01	12,421.85	11.45	1,081.14	69.13	1,732.52	15.98	729.61	677.57	15,965.12
(B) Coal feed to Washeries	94.08	1,462.02	–	–	–	–	–	–	94.08	1,462.02
(C) Own Consumption	–	0.01	–	–	–	–	–	–	–	0.01
Closing Stock	134.69	952.31	0.72	36.49	0.34	3.73	14.34	213.84	150.09	1,206.37
Less: Shortage	–	–	–	–	–	–	–	–	–	–
Closing Stock (Adopted)	134.69	952.31	0.72	36.49	0.34	3.73	14.34	213.84	150.09	1,206.37

Note :

1. 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 15886 MT (PY 8733 MT) and Rejects (Both Coking & Non Coking) 1071303 MT (PY 1029625 MT).
2. Closing Stock of Non Coking Slurry and Coking and Non Coking Rejects as on 31.03.2018 is 275035 MT (P.Y. 256946 MT) and 1516069 MT (P.Y. 7979641 MT) repectively, valued at NIL in absence of availability of ready market. Sales are recognised on realisable basis.
3. Closing stock of coal is measured volumetrically and converted to weight (tonne) 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 and the net shortage of Book Stock of 3.40 Lakh tonne valuing ₹ 17.83 Crs. remains unadjusted in the Books of Account.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 13 : TRADE RECEIVABLES

(₹ in Crores)

	As at 31.03.2018		As at 31.03.2017	
Current				
Trade Receivables				
Outstanding for a period exceeding six months from the due date				
Secured considered good	—		—	
Unsecured considered good	904.67		760.11	
Doubtful	156.08		406.52	
	1,060.75		1,166.63	
Less : Allowance for bad & doubtful debts	156.08	904.67	406.52	760.11
Other Debts				
Secured considered good	—		—	
Unsecured considered good	840.64		913.68	
Doubtful	65.09		81.51	
	905.73		995.19	
Less : Allowance for bad & doubtful debts	65.09	840.64	81.51	913.68
Total		**1,745.31**		**1,673.79**

Particulars	Closing Balance		Maximum Amount Due at Any Time during	
	Current Year	Previous Year	Current Year	Previous Year
	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)
Due by the Companies in which Directors of the Company is also a Director/Member	Nil	Nil	Nil	Nil
Due by the parties in which the Director(s) of Company is /are interested	Nil	Nil	Nil	Nil

Movement of Provision against Trade Receivables

(₹ In Crs.)

PARTICULARS	AMOUNT
Opening Balance as on 01.04.2017	488.03
Add : Provision made during the year	88.41
Balance Provision	576.44
Less : Provision Withdrawn	355.27
Balance provision against Trade Receivables as on 31.03.2018	**221.17**

Note :

Against Trade Receivable, a Provision of ₹ 624.31 Crs. (₹ 387.99 Crs) has been recognised as Coal Quality Variance for sampling results awaiited from referee samples and disclosed separately in Note 21 Provisions.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 14 : CASH AND CASH EQUIVALENTS

(₹ in Crores)

		As at 31.03.2018	As at 31.03.2017
(a)	Balances with Banks		
	in Deposit Accounts	4.10	4.10
	in Current Accounts		
	- Interest Bearing	99.76	28.85
	- Non-interest Bearing	52.55	288.64
	in Cash Credit Accounts	—	—
(b)	Bank Balances outside India	—	—
(c)	Cheques, Drafts and Stamps in hand	5.55	0.04
(d)	Cash on hand	0.02	0.01
(e)	Cash on hand outside India	—	—
(f)	Others (Remittance in transit)	—	3.43
	Total Cash and Cash Equivalents	**161.98**	**325.07**
(g)	Bank Overdraft	—	—
	Total Cash and Cash Equivalents(net of Bank Overdraft)	**161.98**	**325.07**

Note:

1. Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments is ₹ NIL.

2. Balance of Cash on Hand is as per Cash Verification Report certified by the management.

3. The bank guarantees issued by CCL on account of two court cases i.e. Ghisha Lal Goyal Vs CCL in case 08/01 and M/s Nav Shakti Fuels Vs CCL &Ors in FA No. 101/2007 and to The Secretary, Department of IT and E-Governance, Govt. of Jharkhand, Ranchi against lien secured by Deposits in Account no. 0404002100045433 for an amount of ₹ 4.10 Crs.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 15 : OTHER BANK BALANCES

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Balances with Banks		
Deposit Accounts	1,194.23	1,349.08
Mine Closure Plan	—	—
Shifting and Rehabilitation Fund scheme	—	—
Escrow Account for Buyback of Shares	—	—
Unpaid Dividend Accounts	—	—
Dividend Accounts	—	—
Total	**1,194.23**	**1,349.08**

Note :

Deposits includes —

(i) ₹ 5.74 Crs. deposited against the order of the Hon'ble High Court, Kolkata against a claim from customer which includes interest of Rs. 1.59 Crs. with corresponding liability in Other Current Liability (Note-23).

(ii) ₹ 26.46 Crs. deposited as per order of Hon'ble High Court, Kolkata against 20% extra price charged form parties during the period Nov. 2006 to April 2008.

(iii) ₹ 15.05 Crs. Deposited against the order of the Hon'ble High Court, Jharkhand, case no. WP(C) 4179 of 2016 against encashment of Bank Guarantee of M/s. Adhunik Alloys & Power Limited.

(iv) Short Term loan amounting to ₹ 150 Crs. (P.Y. ₹ 1103.78 Crs.) has been raised against Fixed deposit of ₹ 162 Crs. (P.Y. ₹ 1218 Crs.)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 16 : EQUITY SHARE CAPITAL

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
AUTHORISED		
1,10,00,000 Equity Shares of ₹ 1000/- each (1,10,00,000 Equity Shares of ₹ 1000/- each)	1,100.00	1,100.00
ISSUED, SUBSCRIBED AND PAID UP		
94,00,000 Equity Shares of ₹ 1000/- each (94,00,000 Equity Shares of ₹ 1000/- each)	940.00	940.00
	940.00	940.00

Note :

1. 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.

2. Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
	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	9399997	100	9399997	100

3 The Company has only one class of equity shares having a face value ₹ 1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders. No larger dividend shall be declared than is recommended by the Board of Directors.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 17 : OTHER EQUITY

(₹ in Crores)

Particulars	General Reserve	Retained Earnings	OCI	Total
Balance as at 01.04.2016	1,958.94	3,278.52	40.66	5,278.12
Changes in Accounting Policy	—	—	—	—
Prior Period Errors	—	(6.02)	—	(6.02)
Balance as at 01.04.2016	**1,958.94**	**3,272.50**	**40.66**	**5,272.10**
Additions during the year	—	—	—	—
Adjustments during the year	—	—	—	—
Profit for the Year	—	1,387.11	11.73	1,398.84
Appropriations			—	—
Transfer to / from General reserve	70.06	(70.06)	—	—
Transfer to / from Other reserves	—	—	—	—
Interim Dividend	—	(3,634.04)	—	(3,634.04)
Final Dividend	—	—	—	—
Corporate Dividend tax	—	(739.80)	—	(739.80)
Buyback of Equity Shares	—	—	—	—
Tax on Buyback	—	—	—	—
Pre-operative expenses	—	—	—	—
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—
Balance as at 31.03.2017	**2,029.00**	**215.71**	**52.39**	**2,297.10**
Balance as at 01.04.2017	2,029.00	215.71	52.39	2,297.10
Additions during the year	—	—	—	—
Adjustments during the year	—	—	—	—
Changes in accounting policy or prior period errors	—	—	—	—
Profit for the Year	—	789.54	91.43	880.97
Appropriations				
Transfer to / from General reserve	39.48	(39.48)	—	—
Transfer to / from Other reserves	—	—	—	—
Interim Dividend	—	(531.10)	—	(531.10)
Final Dividend	—	—	—	—
Corporate Dividend tax	—	(108.12)	—	(108.12)
Buyback of Equity Shares	—	—	—	—
Tax on Buyback	—	—	—	—
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—
Balance as at 31.03.2018	**2,068.48**	**326.55**	**143.82**	**2,538.85**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 18 : BORROWINGS

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Non-Current		
Term Loans	–	–
Loans from Related Parties		
Mahanadi Coalfields Limited (MCL)	–	1,200.00
Other Loans	–	–
Total	**–**	**1,200.00**
CLASSIFICATION		
Secured	–	–
Unsecured	–	1,200.00
Current		
Loans repayable on demand		
– From Banks	150.00	1,103.78
– From Other Parties	–	–
Loans from Related Parties (MCL)	–	–
Total	**150.00**	**1,103.78**
CLASSIFICATION		
Secured	150.00	1,103.78
Unsecured	–	–

Loan Guaranteed by Directors & Others

Particulars of Loan	Amount in ₹ crores	Nature of Guarantee
N.A.	NIL	NA
N.A.	NIL	NA

1. **CASH CREDIT FACILITY**

   The Company is having Cash Credit facility of ₹ 55 Crs. from Consortium of bankers (having State Bank of India as the lead Bank) through its holding Company CIL. The said facilities is collaterally secured by creating hypothecation charge over the current assets comprising of Book Debts and Stock of Raw materials, Semi-finished and finished goods, Stores and Spares not relating to Plant & Equipment (Consumable Stores & Spares) to the extent of ₹ 83.00 Crs.

2. Short Term Loan amounting to ₹ 150 Crs. (P.Y. ₹ 1103.78 Crs.) has been raised against Fixed Deposit of ₹ 162 Crs. (P.Y. ₹ 1218 Crs.)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 19 : TRADE PAYABLES

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Current		
Trade Payables for Micro, Small and Medium Enterprises	—	—
Other Trade Payables for		
Stores and Spares	129.24	109.77
Power and Fuel	34.21	24.45
Others —	—	
TOTAL	**163.45**	**134.22**
CLASSIFICATION		
Secured	—	—
Unsecured	163.45	134.22

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Non Current		
Security Deposits	52.03	44.51
Earnest Money	1.62	1.05
Others	6.44	14.64
TOTAL	**60.09**	**60.20**
Current		
Current Account with Holding Company	—	—
Current Maturities of long-term debt (MCL)	—	300.00
Unpaid dividends	—	—
Security Deposits	119.71	101.74
Earnest Money	117.23	145.57
Liability for Salary, Wages and Allowances	323.56	282.12
Others	5.48	5.56
TOTAL	**565.98**	**834.99**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 21 : PROVISIONS

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Non Current		
Employee Benefits		
Gratuity	605.87	—
Leave Encashment	107.11	153.61
Other Employee Benefits	218.50	213.29
	931.48	366.90
Site Restoration/Mine Closure	902.56	855.11
Stripping Activity Adjustment	1,368.31	1,083.80
Others	—	—
TOTAL	**3,202.35**	**2,305.81**
Current		
Employee Benefits		
Gratuity	315.79	90.56
Leave Encashment	34.67	37.57
Ex- Gratia	223.67	219.94
Performance Related Pay	57.26	257.83
Other Employee Benefits	286.89	257.70
NCWA-X	474.73	289.76
Executive Pay Revision	136.26	12.86
	1,529.27	1,166.22
Site Restoration/Mine Closure	137.88	116.92
Excise Duty on Closing Stock of Coal	—	207.75
Provision for Coal Quantity Variance	624.31	387.99
Others	—	—
TOTAL	**2,291.46**	**1,878.88**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 21 : PROVISIONS (Contd...)

Note :

1. Liability on account of NCWA-X amounting ₹ 658.92 Crs. has been netted off with advance of ₹ 184.19 Crs.

2. Department of Public Enterprises (DPE) vide Office Memorandum (OM) NO. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3rd August,2017 has circulated the approval of the Government of India regarding the guidelines of the revision of pay and allowances of Board level and below Board level Executives and non-unionized supervisors of Central Public Sector Enterprises (CPSEs) w.e.f 01.01.2017.

   Pending final implementation of these guidelines, the provision for executive pay revision of ₹ 136.26 Crs., considering estimated impact of increase in all elements of executive salary (including the employer's PF contribution), other employee benefits and all superannuation benefits as per DPE guidelines, covering the period 01.01.2017 to 31.03.2018, has been made in these financial statements.

3. Provision for Other Employee Benefits include ₹ 252.13 Crs.(P.Y. ₹ 226.20 Crs.) provided for Superannuation Benefits @ 9.84% till the balance sheet date for which a separate Fund/Trust is yet to be created.

4. Provision for Ex-Gratia for Non-Executive has been made based on ₹ 57000/- (P.Y. ₹ 54000/-) per employee per annum as per the revised rate.

5. Leave Encashment Liabilities is netted off of ₹ 267.23 Crs., deposited with LIC against the Actuarial Liabilities.

6. Provision for Coal Quality Variance of ₹ 624.31 Crs. (₹ 387.99 Crs.) is towards grade variance, results for which are awaited/ finalised.

7. Pursuant to the guidelines received from Ministry of Coal, Government of India, in connection to Mine Closure Plan, provision for Mine Closure Expenses is made in the accounts based on the technical assessment of CMPDIL, a subsidiary of Coal India Limited. The liability for such expenses as estimated by CMPDIL of each mine has been discounted @ 8% (i.e. G-Sec rate) and the same is capitalised to arrive at the Mine Closure Liability as on first year of making such provision. Thereafter, the provision is re-estimated in subsequent years by unwinding the discount to arrive at the provision as on 31.03.2018. Deposit in ESCROW A/C is ₹ 1019.85 Crs. (P.Y. ₹ 872.19 Crs.) including interest accrued of ₹ 198.79 Crs.(P.Y. ₹ 158.68 Crores) against the Mine Closure Provision of ₹ 1040.44 (P.Y. ₹ 972.03 Crs).

8. As per the Payment of Gratuity Act, 1972 and amendment notifications issued thereafter, the ceiling for maximum gratuity has been increased from ₹ 10 Lakh to ₹ 20 Lakh w.e.f. 29.03.2018. Provision for Gratuity for the year ended 31.03.2018 includes ₹ 900.33 Crs. being the incremental liability due to change in gratuity ceiling.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 22 : OTHER NON CURRENT LIABILITIES

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Shifting & Rehabilitation Fund		
Opening balance	–	–
Add: Interest from investment of the fund (Net of TDS)	–	–
Add: Contribution received	–	–
Less: Amount released to subsidiaries during the period	–	–
	–	–
Deferred Income*	438.46	183.83
Total	**438.46**	**183.83**

Note :

1. * It includes Grant received from CCDAC for Tori-Shivpur project amounting to ₹ 434.17 Crs. (P.Y. ₹ 179.54 Crs.) and strengthening of road of NK Area of ₹ 4.29 Crs. (P.Y. ₹ 4.29 Crs.).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 23 : OTHER CURRENT LIABILITIES

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Capital Expenditure	125.22	99.45
Statutory Dues:		
Goods and Service Tax	110.34	—
GST Compenstaion Cess	258.58	—
Sales Tax/Vat	6.29	46.36
Provident Fund & Others	70.14	63.73
Central Excise Duty	—	0.79
Royalty & Cess on Coal*	202.24	168.07
Stowing Excise Duty	—	13.31
Clean Energy Cess	—	310.47
National Mineral Exploration Trust	1.53	1.44
District Mineral Foundation	34.79	23.60
Other Statutory Levies	23.15	26.63
Income Tax deducted/collected at Source	18.00	93.69
	725.06	748.09
Advance for Coal Import	—	—
Advance from customers / others	3,181.55	1,581.08
Cess Equalization Account	—	—
Others Liabilities	870.79	540.95
TOTAL	**4,902.62**	**2,969.57**

* Refer foot note point no-2 of Note- 11.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 24 : REVENUE FROM OPERATIONS

(₹ in Crores)

			For the Year ended 31.03.2018		For the Year ended 31.03.2017
A.	**Sales of Coal**		15,965.12		14,899.71
	Less : Other Statutory Levies				
	Royalty	1,109.31		821.06	
	Goods and Sevice Tax	470.45		—	
	GST Compenstaion Cess	2,076.22		—	
	Cess on Coal	—		—	
	Stowing Excise Duty	14.18		48.32	
	Central Sales Tax	48.37		183.22	
	Clean Energy Cess	567.09		1,932.72	
	State Sales Tax/VAT	73.68		270.93	
	National Mineral Exploration Trust	22.19		16.69	
	District Mineral Foundation	332.74		486.09	
	Other Levies (New Management Fees)	1.27		—	
	Total Levies		**4,715.50**		**3,759.03**
	Sale of Coal (Net) (A)		**11,249.62**		**11,140.68**
B.	**Other Operating Revenue**				
	Facilitation charges for coal import		—		—
	Subsidy for Sand Stowing & Protective Works		1.05		1.42
	Loading and transportation charges	453.62		372.97	
	Less : GST	17.38		—	
	Less : Other Statutory Levies	2.43	433.81	7.98	364.99
	Evacuation Facility Charges	107.68		—	
	Less : Other Statutory Levies	5.13	102.55	—	—
	Other Operating Revenue (Net) (B)		**537.41**		**366.41**
	Revenue from Operations (A+B)		**11,787.03**		**11,507.09**

Note :

1. Excise Duty, SED, JVAT, CST etc. have been subsumed w.e.f. 01.07.2017 with the introduction of GST. Hence the current year figures where ever disclosed are for a period of 3 months and not comparable.

2. Sales of coal includes excise duty of ₹ 195.41 Crore (P.Y. ₹ 711.80 crore). Sales of coal (Net) exclusive of excise duty is ₹ 2737.70 crore upto 30.06.2017(P.Y. ₹ 10428.88 crore).

3. Loading and transportation charges (net of excise duty) for the period upto 30.06.2017 is ₹ 86.39 Crores (Excise Duty ₹ 5.19 Crores). Such charges for the PY is ₹ 344.52 Crores (Excise Duty ₹ 20.47 Crores).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 25 : OTHER INCOME

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Interest Income (Gross)		
Deposits with Banks* (Tax deducted at Source ₹ 17.29 Cr., P.Y. ₹ 20.74 Cr.)	201.02	255.12
Investments	—	—
Loans		
– Employees	0.53	0.35
– JCRL (Related Party)	—	0.21
(Tax deducted at Source ₹ NIL, P.Y. ₹ 0.02 Cr.)		
Funds parked within CIL (Related Party) (Tax deducted at Source ₹ 0.34 Cr., P.Y. ₹ 0.16 Cr.)	3.42	1.53
Others (Tax deducted at Source ₹ 0.22 Cr., P.Y. ₹ 0.16 Cr.)	59.84	1.57
Dividend Income		
Investments in Subsidiaries	—	—
Investments in Mutual Funds	10.59	23.25
Investments in Govt Securities (8.5% Tax free Special Bonds)	—	—
Other Non-Operating Income		
Apex charges	—	—
Profit on Sale of Assets	—	0.02
Gain on Foreign exchange Transactions	—	—
Exchange Rate Variance	—	—
Lease Rent (Tax deducted at Source ₹ 0.08 Cr., P.Y. ₹ 0.08 Cr.)	4.02	4.01
Liability / Provision Write Backs	136.25	185.44
Excise Duty on Decrease in Stock	—	—
Miscellaneous Income	93.29	89.97
Total	**508.96**	**561.47**
Miscellaneous Income		
Penalty/LD Recovery	46.13	33.42
Recovery Siding Charges	5.77	6.26
Recovery from Employees	12.86	10.24
Others	28.53	40.05
Total	**93.29**	**89.97**

* Interest on Deposit with Banks includes interest on Escrow Account of ₹ 43.19 Crs. (P.Y. ₹ 56.46 Crs.) including accrued interest of ₹ 3.08 Crs. (Refer Note-21).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 26 : COST OF MATERIALS CONSUMED

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Explosives	152.85	175.85
Timber	0.40	0.77
Oil & Lubricants	361.31	350.93
HEMM Spares	137.70	179.21
Other Consumable Stores & Spares	79.00	92.74
Total	**731.26**	**799.50**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crores)

		For the Year ended 31.03.2018	For the Year ended 31.03.2017
	Opening Stock of Coal	1,925.17	1,313.62
	Add: Adjustment of opening stock	(207.75)	0.09
	Less: Deterioration of Coal	—	—
		1,717.42	1,313.71
	Closing Stock of Coal	1,206.37	1,925.17
	Less: Deterioration of Coal	—	—
		1,206.37	1,925.17
A	**Change in Inventory of Coal**	**511.05**	**(611.46)**
	Opening Stock of Workshop made finished goods and WIP	4.76	3.59
	Add: Adjustment of Opening Stock	—	—
	Less: Provision	—	—
		4.76	3.59
	Closing Stock of Workshop made finished goods and WIP	3.39	4.76
	Less: Provision	—	—
		3.39	4.76
B	**Change in Inventory of workshop**	**1.37**	**(1.17)**
	Press Opening Job		
	(i) Finished Goods	0.62	0.47
	(ii) Work in Progress	0.35	0.52
		0.97	0.99
	Less: Press Closing Job		
	(i) Finished Goods	0.54	0.62
	(ii) Work in Progress	0.19	0.35
		0.73	0.97
C	**Change in Inventory of Closing Stock of Press Job**	**0.24**	**0.02**
	Change in Inventory of Stock in trade (A+B+C) { Decretion / (Accretion) }	**512.66**	**(612.61)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 28 : EMPLOYEE BENEFIT EXPENSE

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Salary, Wages, Allowances, Bonus etc.	3,028.04	2,877.81
Provision for National Coal Wages Agreement (NCWA) - X	369.16	289.76
Executive Pay Revision*	123.40	12.86
Ex-Gratia	222.92	231.76
Performance Related Pay	22.38	30.26
Contribution to P.F. & Other Funds	382.34	383.91
Gratuity	1,014.03	161.84
Leave Encashment	66.38	202.39
Voluntary Retirement Scheme	0.40	0.91
Workman Compensation	(0.64)	1.26
Medical Expenses for existing employees	37.55	34.74
Medical Expenses for retired employees	28.91	(26.13)
Grants to Schools & Institutions	24.09	25.16
Sports & Recreation	2.84	2.70
Canteen & Creche	0.33	0.35
Power - Township	106.39	105.91
Hire Charges of Bus, Ambulance etc.	6.98	7.30
Other Employee Benefits	54.81	58.94
Total	**5,490.31**	**4,401.73**
Details of Other Employee's Benefits		
LTC/LLTC	12.32	13.32
LCS	4.53	6.64
HRA	21.61	21.02
Reimbursement of Gas	10.34	12.05
Others	6.01	5.91
Total	**54.81**	**58.94**

*Refer foot note point no- 2 of Note – 21

Note :

1. The NCWA -X for the year ended 31.03.2018 above includes ₹ 104.75 Crs. relating to the period 01.07.2016 to 31.03.2017.
2. As per the Payment of Gratuity Act, 1972 and amendment notifications issued thereafter, the ceiling for maximum gratuity has been increased from ₹ 10 Lakh to ₹ 20 Lakh w.e.f. 29.03.2018 Gratuity for the year ended 31.03.2018 above includes ₹ 900.33 Crs. being the incremental liability due to change in gratuity ceiling.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
CSR Expenses	37.90	30.29
Total	**37.90**	**30.29**

Particulars		In Cash	Yet to be paid in Cash	Total
(i)	Construction/acquisition of any assets	4.81	1.14	5.95
(ii)	On purpose other than (i) above	30.20	1.75	31.95
Total		**35.01**	**2.89**	**37.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 30 : REPAIRS

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Building	199.61	110.98
Plant & Machinery*	110.91	80.48
Others	16.63	13.93
Total	**327.15**	**205.39**

Detail of Others		
Road & Culverts	4.19	6.28
Heavy Vehicles	1.98	2.54
Cars & Jeeps	0.37	0.54
Others	10.09	4.57
Total	**16.63**	**13.93**

* Netted off with workshop Debit of ₹ 140.07 Crores (P.Y. ₹ 149.29 Crores).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 31 : CONTRACTUAL EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Transportation Charges :		
Sand	0.04	0.17
Coal	341.57	326.35
Stores & Others	0.64	6.76
Wagon Loading	31.55	29.05
Hiring of Plant and Equipments	814.32	853.59
Other Contractual Works	115.95	105.07
Total	**1,304.07**	**1,320.99**

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Details of Other Contractual Works		
Other Contractual Expenses	58.38	49.27
Miscellaneous Mining Jobs	57.46	55.68
Others	0.11	0.12
Total	**115.95**	**105.07**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 32 : FINANCE COSTS

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Interest Expenses		
Borrowings		
— Loan from MCL (Related Party)	90.53	0.29
— Others	11.17	1.45
Unwinding of discounts	68.41	68.11
Funds parked within Group	—	—
Fair value changes (net)	—	—
Others	1.90	2.03
Total	**172.01**	**71.88**

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Others		
Interest on Pension Fund	0.02	0.10
Interest on Security Deposit of Employees	0.51	1.09
Others	1.37	0.84
Total	**1.90**	**2.03**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
(A) Allowance/Provision made for		
Doubtful debts	88.41	120.30
Doubtful Advances & Claims	1.35	—
Stores & Spares	0.09	3.49
Coal quality variance	404.33	367.14
Others (Prov. On CWIP)	8.18	9.63
Total (A)	**502.36**	**500.56**
(B) Allowance/Provision Reversal		
Doubtful debts	97.02	—
Doubtful Advances & Claims	—	24.60
Stores & Spares	—	—
Coal quality variance	168.01	25.26
Others	—	—
Total (B)	**265.03**	**49.86**
Total (A-B)	**237.33**	**450.70**

Note :

During the year net provision of ₹ 236.32 Crs. (₹ 341.88 Crs.) is recognised on account of Coal Quality Variance for sampling results awaited from referee samples.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 34 : WRITE OFF (Net of Past Provisions)

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Doubtful debts	258.97	332.29
Less :- Provided earlier	258.25	315.34
	0.72	16.95
Doubtful advances	—	9.85
Less :- Provided earlier	—	6.01
	—	3.84
Stock of Coal	—	—
Less : Provided earlier	—	—
	—	—
Others	—	0.01
Less : Provided earlier	—	—
	—	0.01
Total	**0.72**	**20.80**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 35 : OTHER EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Travelling expenses		
Domestic	19.56	21.04
Foreign	0.21	0.23
Training Expenses	6.34	7.43
Telephone & Postage	3.05	2.95
Advertisement & Publicity	3.76	3.23
Freight Charges	0.02	0.04
Demurrage	25.88	16.17
Donation/Subscription	—	—
Security Expenses	175.70	156.68
Service Charges of CIL	63.43	33.69
Hire Charges	44.43	44.18
CMPDI Charges	41.13	23.96
Legal Expenses	5.58	8.35
Bank Charges	0.11	0.20
Guest House Expenses	0.71	0.79
Consultancy Charges	1.10	3.00
Under Loading Charges	199.57	142.16
Loss on Sale/Discard/Surveyed of Assets	3.10	0.58
Auditor's Remuneration & Expenses		
For Audit Fees	0.20	0.27
For Taxation Matters	—	—
For Other Services	0.21	0.16
For Reimbursement of Exps.	0.11	0.10
Internal & Other Audit Expenses	2.56	2.29
Rehabilitation Charges	40.54	36.55
Royalty & Cess	302.11	818.23
Central Excise Duty	—	91.71

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 35 : OTHER EXPENSES (Contd...)

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
GST	—	—
Rent	0.52	0.57
Rates & Taxes	6.39	3.24
Insurance	0.90	0.85
Loss on Foreign Exchange Transactions	—	—
Loss on Exchange rate variance	—	—
Lease Rent —	—	
Rescue/Safety Expenses	2.31	2.55
Dead Rent/Surface Rent	0.18	0.08
Siding Maintenance Charges	9.21	22.87
Land/Crops Compensation	—	—
R & D expenses	0.38	0.22
Environmental & Tree Plantation Expenses	3.36	5.03
Expenses on Buyback of shares	—	—
Miscellaneous expenses	58.14	72.34
Total	**1,020.80**	**1,521.74**

Note :

1. Rehabilitation Charges as per the directives of Ministry of Coal, ₹ 40.54 Crores (P.Y. ₹ 36.55 Crores) is debited on the basis of debit memo received from CIL.

2. Service Charges amounting to ₹ 63.43 Crs. (P.Y. ₹ 33.69 Crs.) levied by CIL, the Holding Company @ ₹ 10 per tonne (P.Y. ₹ 5 per tonne) of coal produced towards rendering various services like procurement, marketing, Corporate Service etc. based on debit memo received from CIL.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 36 : TAX EXPENSE

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Current Year	801.15	1,030.65
Deferred tax	(247.09)	(46.46)
MAT Credit Entitlement	—	—
Earlier Years —	—	
Total	**554.06**	**984.19**

Reconciliation of Tax Expenses and Accounting profit multiplied by Indian's domestic Tax rate

Total Comprehansive Income before Tax	1,499.19	2,391.35
Impact of restatement	—	2.30
Total Comprehansive Income before Tax (Net of restatement)	**1,499.19**	**2,393.65**
Tax using the Company's domestic tax rate of 34.608% (P.Y. 34.608%)	518.84	828.39
Tax effect of :		
Non-deductable Tax Expenses	381.62	134.35
Tax-exempt Income	(3.66)	(8.05)
Adjustment in respect of current Income tax of Previous Year	(2.88)	84.67
Income Tax Expenses reported in Statement of Profit & Loss (Tax on TCI)	**893.92**	**1,039.36**
Tax on OCI	92.77	8.71
Income Tax Expenses reported in Statement of Profit & Loss	**801.15**	**1,030.65**
Effective Income Tax Rate	**34.608%**	**34.608%**

Deferred Tax Assets/ (Liability)

Deferred Tax Liability :		
Related to Fixed Assets	3.60	0.06
Others	—	—
Total Deferred Tax Liability	**3.60**	**0.06**
Deferred Tax Assets :		
Provision for Doubtful Advances, Claims & Debts	301.32	311.56
Provision for Employee Benefits	635.43	354.30
Others	114.43	106.08
Total Deferred Tax Assets	**1,051.18**	**771.94**
Net Deferred Tax Assets/(Deferred Tax Liability)	**1,047.58**	**771.88**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crores)

			For the Year ended 31.03.2018	For the Year ended 31.03.2017
(A)	(i)	**Items that will not be reclassified to profit or loss**		
		Changes in revaluation surplus	—	—
		Remeasurement of defined benefit plans	155.59	20.05
		Equity instrument through OCI	—	—
		Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	—	—
		Share of OCI in Joint ventures	—	—
		Total (A)	**155.59**	**20.05**
	(ii)	**Income tax relating to items that will not be reclassified to profit or loss**		
		Changes in revaluation surplus	—	—
		Remeasurement of defined benefit plans	64.16	8.32
		Equity instrument through OCI	—	—
		Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	—	—
		Share of OCI in Joint ventures	—	—
		Total (B)	**64.16**	**8.32**
		Total [C = A-B]	**91.43**	**11.73**
(B)	(i)	**Items that will be reclassified to profit or loss**		
		Exchange differences in translating the financial statements of a foreign operation	—	—
		Debt instrument through OCI	—	—
		The effective portion of gains and loss on hedging instruments in a cash flow hedge	—	—
		Share of OCI in Joint ventures	—	—
		Total (D)	**—**	**—**
	(ii)	**Income tax relating to items that will be reclassified to profit or loss**		
		Exchange differences in translating the financial statements of a foreign operation	—	—
		Debt instrument through OCI	—	—
		The effective portion of gains and loss on hedging instruments in a cash flow hedge	—	—
		Share of OCI in Joint ventures	—	—
		Total (E)	**—**	**—**
		Total [F = D-E]	**—**	**—**
		Total [C + F]	**91.43**	**11.73**

NOTE – 38

ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

1. FAIR VALUE MEASUREMENT

(a) Financial Instruments by Category

(₹ in Crores)

Particulars	31st March 2018			31st March 2017		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets						
Investments :	—	—	—	—	—	—
Secured Bonds	—	—	—	—	—	—
Co-Operative Share	—	—	—	—	—	—
Mutual Fund	—	—	—	—	—	—
Other Investments	—	—	32.00	—	—	32.00
Loans	—	—	0.47	—	—	0.59
Deposits & receivable	—	—	1557.45	—	—	1090.94
Trade receivables	—	—	1745.31	—	—	1673.79
Cash & cash equivalents	—	—	161.98	—	—	325.07
Other Bank Balances	—	—	1194.23	—	—	1349.08
Financial Liabilities						
Borrowings	—	—	150.00	—	—	2603.78
Trade payables	—	—	163.45	—	—	134.22
Security Deposit and Earnest money	—	—	290.59	—	—	292.87
Other Liabilities	—	—	335.48	—	—	302.32

(b) Fair value hierarchy

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Financial assets and liabilities measured at fair value	31st March 2018			31st March 2017		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL						
Investments :						
Mutual Fund	—	—	—	—	—	—
Financial Liabilities						
If any item	—	—	—	—	—	—

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31st March, 2018	31st March 2018			31st March 2017		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets						
Investments :						
Equity Shares in JV	—	—	32.00	—	—	32.00
Mutual Fund	—	—	—	—	—	—
Loans	—	—	0.47	—	—	0.59
Deposits & receivable	—	—	1557.45	—	—	1090.94
Trade receivables	—	—	1745.31	—	—	1673.79
Cash & cash equivalents	—	—	161.98	—	—	325.07
Other Bank Balances	—	—	1194.23	—	—	1349.08
Financial Liabilities						
Preference Share	—	—	—	—	—	—
Borrowings	—	—	150.00	—	—	2603.78
Trade payables	—	—	163.45	—	—	134.22
Security Deposit and Earnest money	—	—	290.59	—	—	292.87
Other Liabilities	—	—	335.48	—	—	302.32

The Company uses the judgments and estimates in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below.

Level I : Level I hierarchy includes financial instruments measured using quoted prices.

Level II : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level II.

Level III : If one or more of the significant inputs is not based on observable market data, the instrument is included in level III. This is the case for unlisted equity securities, preference shares, borrowings, security deposits and other liabilities taken included in level III.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices of instruments.

(d) Fair value measurements using Significant Unobservable Inputs

At present there are no fair value measurements using significant unobservable inputs.

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2018

(e) Fair values of financial assets and liabilities measured at amortised cost

- ➢ The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- ➢ The Company considers that the Security Deposits does not include a significant financing component. The milestone payments (security deposits) coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

2. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs"); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Expected Credit Loss : The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit Losses for Trade Receivables under Simplified Approach As on 31.03.2018

(₹ in Crs.)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 years	Due for 3 years	Due for more than 3 years	Total
Gross Carrying Amount	480.06	425.67	591.36	170.13	132.18	167.08	1966.48
Expected Loss rate	3.86	5.06	8.48	17.68	35.22	32.51	11.25
Expected Credit Loss allowance	18.54	21.56	50.13	30.08	46.55	54.31	221.17

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2018

Expected Credit Losses for Trade Receivables under Simplified Approach As on 31.03.2017

(₹ in Crs.)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 years	Due for 3 years	Due for more than 3 years	Total
Gross Carrying Amount	491.93	503.26	536.29	295.39	90.72	244.23	2161.82
Expected Loss rate	5.74	10.58	15.78	31.10	46.73	76.83	22.58
Expected Credit Loss allowance	28.25	53.26	84.62	91.86	42.39	187.65	488.03

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

A. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

B. Market Risk

(a) Cash flow and fair value interest rate risk

Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company's policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

C. Capital Management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows :

(₹ in Crs)

Particulars	31.03.2018	31.03.2017
Equity Share capital	940.00	940.00
Long term debt	—	1200.00

3. EMPLOYEE BENEFITS: RECOGNITION AND MEASUREMENT (IND AS-19)

(i) Provident Fund

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹ 332.14 Crore (P.Y ₹ 325.97Crore) has been recognized in the Statement of Profit and Loss (Note 28).

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis :

(a) Funded

- Gratuity
- Leave Encashment

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Medical Benefits
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2018 based on valuation made by the Actuary, details of which are mentioned below is ₹ 3070.16 Crores.

(₹ in Crs.)

Particulars	Opening Actuarial Liability as on 01.04.2017	Incremental Liability during the Year	Closing Actuarial Liability as on 31.03.2018
Gratuity	1590.34	798.37	2388.71
Earned Leave	408.39	(38.01)	370.38
Half Pay Leave	59.36	(20.74)	38.62
Life Cover Scheme	11.22	(1.10)	10.12
Settlement Allowance Executives	0.61	6.56	7.17
Settlement Allowance Non-executives	18.16	(1.56)	16.60
Gross Personal Accident Insurance Scheme	0.16	(0.01)	0.15
Leave Travel Concession	34.21	0.15	34.36
Medical Benefits Executives	149.82	24.32	174.14
Medical Benefits Non-Executives	3.36	1.46	4.82
Compensation to dependents in case of mine accidental death	26.20	(1.11)	25.09
Total	**2301.83**	**768.33**	**3070.16**

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(iii) Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below :

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2018

CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crs.)

Changes in Present Value of defined benefit obligations	As at 31.03.2018	As at 31.03.2017
Present Value of obligation at beginning of the period	1590.34	1565.83
Current Service Cost	99.50	115.01
Interest Cost	116.34	106.41
Plan Amendaments	900.33	—
Actuarial (Gain) / Loss on obligations due to change in financial assumption	(113.16)	92.46
Actuarial (Gain) / Loss on obligations due to unexpected experience	(42.10)	(93.02)
Benefits Paid	162.55	196.35
Present Value of obligation at end of the period	2388.71	1590.34

(₹ in Crs.)

Changes in Fair Value of Plan Assets	As at 31.03.2018	As at 31.03.2017
Fair Value of Plan Asset at beginning of the period	1561.37	1387.62
Interest Income	117.10	100.60
Employer Contributions	0.24	250.00
Benefits Paid	162.55	196.35
Return on Plan Assets excluding Interest income	0.32	19.49
Fair Value of Plan Asset as at end of the period	1516.49	1561.37

(₹ in Crs.)

Statement showing Reconciliation to Balance Sheet	As at 31.03.2018	As at 31.03.2017
Funded Status	(872.22)	(28.97)
Unrecognized actuarial (gain) / loss at end of the period	—	—
Fund Asset	1516.49	1561.37
Fund Liability	2388.71	1590.34

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Statement showing Plan Assumptions	As at 31.03.2018	As at 31.03.2017
Discount Rate	7.71%	7.00%
Expected Return on Plan Asset	7.71%	7.00%
Rate of Compensation Increase (Salary Inflation)	Executives-9.00% Non-Executives- 6.25%	Executives-9.00% Non-Executives- 6.50%
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	0.30% p.a.	1.00% p.a.

(₹ in Crs.)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2018	As at 31.03.2017
Current Service Cost	99.50	115.01
Past Service cost (vested)	900.33	5.80
Net Interest Cost	(0.75)	5.80
Benefit Cost (Expense recognised in Statement of Profit/Loss)	999.08	120.81

(₹ in Crs.)

Other Comprehensive Income	As at 31.03.2017	As at 31.03.2016
Actuarial (Gain) / Loss on obligations due to change in financial assumption	(113.16)	92.46
Actuarial (Gain) / Loss on obligations due to unexpected experience	(42.10)	(93.02)
Total Actuarial (Gain) / Loss	(155.27)	(0.56)
Return on Plan Asset, excluding Interest Income	0.32	19.49
Net (Income) / Expense for the period recognised in Other Comprehensive Income	(155.59)	(20.05)

Mortality Table

Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2018

CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crs.)

Changes in Present Value of defined benefit obligations	As at 31.03.2018	As at 31.03.2017
Present Value of obligation at beginning of the period	467.75	378.15
Current Service Cost	43.33	50.72
Interest Cost	30.14	23.33
Actuarial (Gain) / Loss on obligations due to change in financial assumption	(23.89)	66.86
Actuarial (Gain) / Loss on obligations due to unexpected experience	45.35	61.48
Benefits Paid	153.67	112.79
Present Value of obligation at end of the period	409.01	467.75

(₹ in Crs.)

Changes in Fair Value of Plan Assets	As at 31.03.2018	As at 31.03.2017
Fair Value of Plan Asset at beginning of the period	276.57	—
Interest Income	21.32	6.73
Employer Contributions	125.13	382.96
Benefits Paid	153.67	112.79
Return on Plan Assets excluding Interest income	(2.11)	(0.33)
Fair Value of Plan Asset as at end of the period	267.23	276.57

(₹ in Crs.)

Statement showing reconciliation to Balance Sheet	As at 31.03.2018	As at 31.03.2017
Funded Status	(141.77)	(191.18)
Unrecognized actuarial (gain) / loss at end of the period	—	—
Fund Asset	267.23	276.57
Fund Liability	409.01	467.75

(₹ in Crs.)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2018	As at 31.03.2017
Current Service Cost	43.33	50.72
Net Interest Cost	8.82	16.59
Net Actuarial Gain / Loss	23.57	128.68
Benefit Cost (Expense recognised in Statement of Profit/Loss)	75.72	195.99

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Statement showing Plan Assumptions	As at 31.03.2018	As at 31.03.2017
Discount Rate	7.71%	7.25%
Expected Return on Plan Asset	7.71%	7.25%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executives and 6.25% for Non-Executives	9.00% for Executives and 6.50% for Non-Executives
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	0.30% p.a.	1.00% p.a.
Voluntary Retirement	Ignored	Ignored

Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

4. Unrecognized items

(a) Contingent Liabilities

I. Claims against the company not acknowledged as debt

(₹ in Crores.)

Sl. No.	Particulars	Central Government	State Government and Other Localities	CPSEs	Others	Total
1	Opening Balance as on 01.04.2017	766.32	2387.67	—	831.04	3985.03
2	Addition during the year	501.20	13543.58	—	114.20	14158.98
3	Claims settled during the year					
	a. From Opening Balance	597.62	4.33	—	301.68	903.63
	b. Out of addition during the year	—	—	—	—	—
	c. Total claims settled during the year	597.62	4.33	—	301.68	903.63
4	Closing as on 31.03.2018	669.90	15926.92	—	643.56	17240.38

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Demand for alleged, Production of coal beyond Environmental Clearance Limit

Following the judgment of the Hon'ble Supreme Court of India in the case of Common Cause vs. UOI and Others (W.P. (C) No. 114 of 2014), certain District Mining Officers of Jharkhand, issued demand notices in 41 projects, alleging the production in these projects exceeding the available Environmental Clearances limits.

The Company has duly filed revision petition against the above demands, before the Hon'ble Coal Tribunal, Ministry of Coal, Govt. of India, the adjudicating authority under the MMDR, Act. The Revisional Authority, Ministry of Coal Govt. of India in their interim order dated 16.01.2018 has admitted the revision application and stayed the execution of the demand order (of ₹ 13389.38 Crores) till further order.

II. Guarantee

As on 31.03.2018 Bank guarantee issued is ₹ 290.25 Crores (P.Y ₹ 4.10 Crores).

III. Letter of Credit :

As on 31.03.2018 outstanding letters of credit is ₹ 32.58 Crores (P.Y ₹ 46.91 Crores).

(b) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for(net of advance) : ₹ 1432.87 Crores (P.Y ₹ 959.63 Crores).

(c) Other Commitments

₹ 8615.11 Crores (P.Y ₹ 8654.82 Crores)

5. Group Information

Name	Principal activities	Country of Incorporation	% Equity Interest	
			31st March, 2018	31st March, 2017
Coal India Limited (Holding Company)	Mining & Production of Coal	India	100 %	100 %
Jharkhand Central Railway Ltd. (Subsidiary Company)	Development of Railway Infrastructure in Jharkhand	India	64.00 %	71.03 %

6. Other Information

(a) Segment Reporting

In accordance with the provisions of Ind AS 108 'operating segment', the operating segment used for presenting segment information are identified based on internal report used by Board to allocate resources to the segment and assess their performance. The Board is the group of Chief operating decision maker within the meaning of Ind AS 108.

The Board consider a business from a prospect of significant product offering and have decided that presently there is one single reportable segment being sale of Coal. Information of financial performance and assets is presented in the consolidated information to statement of profit and loss and balance sheet.

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Revenue by destination is as follows :

(₹ In Crores)

	India	Other countries
Revenue (Net)	11,249.62	Nil

Revenue by customer is as follows :

(₹ In Crores)

Name of each parties having more than 10% of Revenue (Net)	Amount	Country
NTPC	2,116.80	India
Others	9,132.82	
Total Revenue (Net)	**11,249.62**	

Current Assets by location are as follows :

(₹ In Crores)

	India	Other countries
Current Assets	7,317.80	Nil

(b) Authorised Share Capital

Particulars	As on 31.03.2018	As on 31.03.2017
1,10,00,000 Equity Shares of ₹1000/- each	1,100.00	1,100.00

(c) Earnings per share

(₹ in Crores.)

Sl. No.	Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
		PAT	TCI	PAT	TCI
(i)	Net profit after tax attributable to Equity Share Holders (₹ In Crores)	789.54	880.97	1387.11	1398.84
(ii)	Weighted Average no. of Equity Shares Outstanding	94 Lakhs	94 Lakhs	94 Lakhs	94 Lakhs
(iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share)	839.94	937.20	1475.65	1488.13

(d) Related Party Disclosures

(i) Key Managerial Personnel

Mr. Gopal Singh, Chairman-cum-Managing Director

Mr. D.K.Ghosh, Dirctor (Finance)

Mr. R.S.Mahapatro, Director (Personnel)

Mr. S. Chandra, Director (Technical/Operation) (superannuated on 31.03.2018)

Mr. A.K.Mishra, Director (Technical/P&P)

Mr. Ravi Prakash, Company Secretary

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(ii) Independent Directors

Mr. Ashok Gupta

Mr. Bharat Bhusan Goyal

(iii) Government Director

Mr. Ashish Upadhyay, Jt. Secretary, Ministry of Coal, Govt. of India

(iv) Permanent Invitees

Mr. S. K. Burnwal, Secretary, Mines & Geology Deptt., Govt. of Jharkhand

Mr. S. K. Jha, COM, East Central Railway, Hajipur

Remuneration of Key Managerial Personnel

(₹ in Crores.)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	**Short Term Employee Benefits**		
	Gross Salary	2.24	2.83
	Medical Benefits	0.01	0.01
	Perquisites and Other Benefits	0.16	0.22
(ii)	**Post-Employment Benefits**		
	Contribution to P.F. & other fund	0.15	0.19
(iii)	**Acturial valuation of Defined Benefits**		
	Gratuity	0.60	0.44
	Leave Encashment	0.83	0.86
(iv)	**Termination/Retirement Benefits**		
	Leave Encashment	—	0.36
	Gratuity	0.20	0.20
	TOTAL	**4.19**	**5.11**

Note :

(i) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹2000/- per month as per service conditions.

(₹ in Crores.)

(ii)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	Sitting Fees	0.22	0.24

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2018

Balances Outstanding as on 31.03.2018

Sl. No.	Particulars	As on 31.03.2018	As on 31.03.2017
(i)	Amount Payable	Nil	Nil
(ii)	Amount Receivable	Nil	Nil

(e) Related Party Transactions Within Company

The Company being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government.

Central Coalfields Limited has entered into transactions with its subsidiaries and Holding company which include Apex charges, Rehabilitation charges, CMPDIL Expenses, R&D Expenses, Lease rent, Interest on Surplus Fund, IICM charges and other expenditure incurred by or on behalf of other subsidiaries through current account.

As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

(₹ in Crores.)

Name of the Company	Nature of Relationship	Amount of Transactions during the Year
Coal India Limited (CIL)	Holding Company	778.41
Eastern Coalfields Limited	100% Subsidiary of CIL	0.79
Bharat Coking Coal Limited	100% Subsidiary of CIL	2.24
Western Coalfields Limited	100% Subsidiary of CIL	0.44
Northern Coalfields Limited	100% Subsidiary of CIL	3.30
South Eastern Coalfields Limited	100% Subsidiary of CIL	0.95
Mahanadi Coalfields Limited	100% Subsidiary of CIL	1590.90
CMPDI Limited	100% Subsidiary of CIL	113.48
Jharkhand Central Railway Limited	Subsidiary of CCL	—

(f) Taxation

An amount of ₹ 893.92 Crores (PY ₹ 1,039.36 Crores) has been provided in the accounts during current year towards income tax.

(g) Leases

(i) M/s. Imperial Fastners Pvt. Limited, In terms of lease agreement, has been granted a right to occupy and use the assets of the Company. The cost of gross carrying amount of the asset is ₹ 80.19 Crores and progressive depreciation there on is ₹ 77.69 Crores and WDV is ₹ 2.50 Crores (reserve value). The future minimum lease payment receivable in the aggregate during the period of lease is ₹ 32.16 Crores. The details of future lease payment receivables are as under :

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crores.)

	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	Not later than one year	3.84	3.84
(ii)	Later than one year and not later than five years	15.36	15.36
(iii)	Later than five years and till the period of lease	12.96	16.80
	Total	**32.16**	**36.00**

(ii) Punjab State Electricity Board, In terms of lease agreement, has been granted a right to use 15.50 acres of land of the company. The cost of gross carrying amount of the asset is ₹ 7.90 Crores and progressive depreciation there on is ₹ 7.90 Crores and WDV is Nil. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 3.06 Crores. The details of future lease payments receivable are as under :

(₹ in Crores.)

	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	Not later than one year	0.17	0.17
(ii)	Later than one year and not later than five years	0.68	0.68
(iii)	Later than five years and till the period of lease	2.21	2.38
	Total	**3.06**	**3.23**

(iii) EIPL, In terms of lease agreement, has been granted a right to occupy and use the assets of the company. The cost of gross carrying amount of the asset is ₹ 4968 and progressive depreciation there on is ₹ 4968 and WDV is Nil. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 1.44 Lakhs. The details of future lease payments receivable are as under :

(₹ in Lakhs)

	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	Not later than one year	0.12	0.12
(ii)	Later than one year and not later than five years	0.48	0.48
(iii)	Later than five years and till the period of lease	0.84	0.96
	Total	1.44	1.56

(h) Goods procured by Coal India Ltd. on behalf of Subsidiaries

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(i) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

(j) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

(k) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

(l) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

(m) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities.

(n) Value of imports on CIF basis

(₹ in Crores.)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i) Raw Material	NIL	NIL
(ii) Capital Goods	63.13	45.22
(iii) Stores, Spares & Components	NIL	2.77

(o) Expenditure incurred in Foreign Currency

(₹ in Crores.)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Travelling Expenses	0.21	0.23
Training Expenses	0.02	—
Consultancy Charges	—	—
Interest	—	—
Others	—	—

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2018

(p) Earning in Foreign Exchange: NIL

(q) Total Consumption of Stores and Spares

(₹ in Crores.)

Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	5.49	0.75%	14.17	2.00%
(ii) Indigenous	725.77	99.25%	785.33	98.00%

(r) Significant accounting policy

Significant accounting policy (Note-2) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (IND AS) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

7. GENERAL

7.1 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 receipt of final order except as otherwise not recognized under IND AS-37.

7.2 The Government of Jharkhand has demanded Royalty for ₹ 2.55 Crores in respect of 9 LT non-vendable coal at Rajrappa Area written-off in the year 1989. The company (CCL) preferred to appeal before Commissioner of Mines, Jharkhand but the same was rejected. On rejection, the company filed writ petition WP 1754(c) of 2014 before Hon'ble High Court of Jharkhand and the same was pending at the court. Last hearing date was 09.05.2016. Hon'ble High Court has directed Government of Jharkhand to produce documentary evidence in support of their claim which has not been filed till date.

7.3 (a) There is a long pending dispute over capitalization cost of Rajrappa and Giddi Captive Power Plant, commissioned by EIPL 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 the Appellate Tribunal.

(b) Pursuant to Interim Orders of the Hon'ble Supreme Court dated 14.09.12 and 23.11.12 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 EIPL (erstwhile DLF Ltd) 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 the Hon'ble Supreme Court. As directed by the 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 up to 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 been provided. For the financial year 2015-16 additional liability of ₹ 0.26 Crores has also been provided. The details of balance receivable amount from EIPL is as under :

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(i)	Differential Tariff for the period upto March'08 in respect of which liability has been provided in the Financial Statements of 2012-13.	₹ 94.33 Crores.
(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 Crores.
(iii)	Old keep back amount in respect of deemed energy Charges.	₹ 31.36 Crores.
(iv)	Differential tariff for the year 2014-15	₹ 3.26 Crores.
(v)	Differential tariff for the year 2015-16 (A/C-Rajrappa Area)	₹ 0.26 Crores.
		₹152.46 Crores.
	Less: Ad-hoc payment (as per Order of the Hon'ble Supreme Court)	183.03 Crores.
	Net Balance amount (shown in Note-9 under the head Other Receivables)	₹ 30.57 Crores.

However, EIPL 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 the Hon'ble Supreme Court.

(c) As per clause 1.18.3 of the Power Purchase Agreement with M/s. EIPL, 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 EIPL 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 DLF Ltd. vide letter Ref. 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 from July,2000 to December, 2011 from EIPL. Consequent upon the issue of above letter, Sales bill and power tariff has been revised.

As on 31.03.2016, the amount receivable from EIPL on account of supply of rejects after adjusting enhanced tariff was ₹ 38.69 Crores. Due to non-payment of the same, the following action has been taken :

As per clause 2.6 of the Power Purchase Agreement dated 8th February, 1993, in the event of any dispute arising out of or in relation to the agreement, the same shall be referred to the sole arbitration of an arbitrator mutually acceptable to CIL & EIPL as per provisions of Arbitration Act. The emerging situation is that as the parties to the agreement have failed to mutually agree to the appointment of an arbitrator, the petitioner (CCL) is left with no other alternative but to move to the Hon'ble High Court for appointment of an arbitrator in exercising powers under section 11(6) of the Arbitration and Conciliation Act, 1996. The Arbitration Application has been filed on 7th April, 2016. However, provision for ₹ 38.69 Crores has been made in the financial year 2015-16. The present status of this case is the Hon'ble Supreme Court has appointed Ld. Arbitrator as per Agreement claim during 2017-18 and the same is pending before Ld. Arbitrator.

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

7.4 Bad debts written-off during the year for ₹ 258.97 Crores include ₹ 70.06 Crores in respect of coal sale dues of DVC and ₹ 188.91 Crores of SAIL against which a provision of ₹ 258.25 Crores was existing in the books.

7.5 M/s. Gardenreach Ship Builders & Engineering Company had been awarded contracts for supply and repairs of equipment in the year 1990. Since, the work was not to the satisfaction, the company withheld the payment. Subsequently against the demand of ₹ 49.68 Crores, the company agreed to pay ₹ 10.09 Crores, and the same has been provided during the year.

7.6 Theft of goods during the year is ₹ 0.44 Crores (Previous year ₹ 0.29 Crores), which has been duly accounted for.

7.7 Compensation Receivable in terms of “Fuel Supply Agreement” (FSA) is accounted for on Receipt basis.

7.8 The Company has signed a MOU with the President of India acting through Sri R. Subrahmanyam, Additional Secretary, and Ministry of Human Resource Development on 12th December, 2015 as third industry partner for setting of Indian Institute of Information Technology, Ranchi (IIIT) under Public Private Partnership (PPP) mode in the state of Jharkhand. An amount of ₹ 3.20 Crores was remitted through RTGS to IIIT, Ranchi by the company and also executed a Bank Guarantee worth ₹ 3.20 Crores to the Secretary, Department of IT and E-governance, Government of Jharkhand.

7.9 In terms of Memorandum of Understanding signed on 07.05.2015 between Central Coalfields Limited (CCL), IRCON International Limited (IRCON) and the Govt. of Jharkhand (GoJ) for development, financing and implementation of Railway Infrastructure works in the State of Jharkhand, a Subsidiary Company named as “Jharkhand Central Railway Limited”(JCRL) was incorporated on 31.08.2015 under the Companies Act, 2013 with an authorized capital of ₹ 5 Crores, which has subsequently been increased to ₹ 500 Crores. The committed equity share holding pattern, as per MOA, of CCL, IRCON International Limited and Govt. of Jharkhand are 64%, 26% and 10% respectively. As on Balance sheet date, JCRL has allotted shares to the value of ₹ 32.00 Crores to the company, ₹ 13.00 Crores to IRCON International Limited and ₹ 5.00 Crores to Government of Jharkhand. The paid-up capital of JCRL as on 31.03.2018 is ₹ 50.00 Crores.

CCL has prepared Consolidated Financial Statements in addition to its Standalone Financial Statements for compliance of the Section 129(3) of the Companies Act, 2013.

JCRL has incurred a Loss of ₹ 0.03 Crores [P.Y. (₹ 0.58) Crores] for the year ended 31st March 2018.

7.10 Alleged fraudulent payment to the tune of ₹ 0.80 Crores has been detected against 104 fake bills at Barkasayal area in 2015-16. The matter is under investigation and pending before CBI.

7.11 The Company is making provisions for Doubtful Debts on account of grade slippage on certain bills which are pending for confirmation of the Joint Sampling on the basis of past trends.

7.12 For the purpose of valuation of inventories, power cost has been distributed on the basis of internal department certificate to the units of the area instead of actual consumption basis.

7.13 Consequent upon the agreement made with Coal India Limited and President of India for allocation of coal block Kotre Basantpur and Panchmo Coal Blocks under Coal Mines (Special Provisions) Act, 2015, and subsequent allocation to CCL for operation and commercial use of mines, the company (CCL) has deposited 50% of Upfront fees amounting to ₹ 20.65 Crores and fixed amount for ₹ 9.91 Crores and furnished Performance Bank Guarantee (Performance Security) amounting to ₹ 286.14 Crores, in designated bank account of Nominated Authority for allotment.

7.14 The Hon’ble Supreme Court of India, in Transferred Case (CIVIL) No. 43 of 2016 vide order dated 13.10.2017 has held that DMF will be applicable in the State of Jharkhand on and from the date of establishment of DMF Trust i.e. 07.12.2015. Accordingly, the amount of ₹ 286.30 Crore deposited with the State Govt. relating to the period prior to 07.12.2015 shall be refunded/adjusted from the DMF payable by the company. Out of the said amount a sum of ₹ 64.55 Crores has been refunded /adjusted and balance amount of ₹ 221.75 Crores is yet to be refunded/ adjusted from the State Government.

As per directive of State Govt., Areas have submitted their claim to the respective DMO for getting Refund / adjustment. Against

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

the said payment to be refunded to the customers, the company has issued credit note of ₹ 176.23 Crores for Rail Sales and credit note of ₹ 82.33 Crores for Road Sale is yet to be raised.

7.15 Against the demand of Income Tax Department under section 206 C of the Income Tax Act' 1961, for an amount of ₹ 106.56 Crores, the department has collected ₹ 71.79 Crores by attaching the bank account of the company and the balance amount of ₹ 34.77 Crores has been deposited by the company. The company has recovered ₹ 61.79 Crores from the customers during the year 2017-18 and the balance ₹ 44.77 Crores is under process of recovery.

7.16 The amount equal to the expenditure incurred on the activities under Progressive Mine Closure Plan in first five years or 80% of the total deposited amount including interest accrued in the ESCROW Account, whichever is less, is entitled to be withdrawn from the ESCROW Account, after approval of Coal Controller. The Company is in the process of identifying and ascertaining the amount incurred on this account for withdrawal from ESCROW Account. Adjustment of the same shall be done on completion of the requisite formalities.

During the year, Board has approved foreclosure of 9 mines and closure of 1 mine, which had completed its estimated useful life, under Mine Closure Plan. All these mines were closed and the final mine closure plan is under preparation at CMPDIL. Moreover, during the periodical review of 14 mines, whose balance intended useful life is five years or less than five years, it transpires that due to various technical and operational issues the balance life of these mines are varying from those as mentioned in the Mines Closure Plan. As per the accounting policy, Site Restoration Expenses is amortised over the useful life of the mines and charged to Profit & Loss Account every year. During the year, an amount of ₹ 1.06 Crores has been amortised to Profit & Loss Account and the balance amount of Site Restoration Expenses, in respect of these 10 mines which are subjected to closure, is ₹ 8.59 Crores. After complying with all formalities prescribed under the guidelines, final adjustment in the Site Restoration Expenses A/c and Mine Closure Expenses A/c will be made.

7.17 **Reconciliation of Profit for the Quarter/Year due to restatement of Prior period adjustments**

Particulars	for the Q.E. 31.03.2017	For the Year Ended 31.03.2017
Total Comprehensive Income attributable to owners of the company reported earlier	**502.99**	**1,401.14**
Adjustments for prior period items :		
Other Income (Decrease)	(0.28)	(0.28)
Contractual Expenses (Increase)	—	(0.13)
Other Expenses (Increase)	1.49	(1.89)
Net Decrease in Total Comprehensive Income	**1.21**	**(2.30)**
Total Comprehensive Income (Restated) attributable to owners of the company	**504.20**	**1,398.84**

EPS (Basic & Diluted) – Restated	**493.49**	**1,475.65**
EPS (Basic & Diluted) – reported earlier	**492.20**	**1,478.10**

NOTE – 38 : ADDITIONAL NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of Other Equity (Reserve excluding Revaluation Reserve) as at 31.03.2017

Particulars	As at 31.03.2017
Other Equity (Reserve excluding Revaluation Reserve) as at 31.03.2017 – Reported earlier (Audited)	**2,305.42**
Adjustments for prior period items :	
Decrease in retained earnings as on 01.04.2016 for incomes/expenses relating to periods prior to FY 2016-17	(6.02)
Decrease in retained earnings as on 01.04.2016 for incomes/expenses relating to FY 2016-17 (Refer above table)	(2.30)
Other Equity (Reserve excluding Revaluation Reserve) as at 31.03.2017 – Restated	**2,297.10**

Others

i. Previous year's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

ii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31st March, 2018 and 24 to 37 form part of Statement of Profit and Loss for the year ended on that date. Note – 38 represents Additional Notes to the Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
(Ravi Prakash)	**(Ashok Kumar)**	**(D.K.Ghosh)**	**(Gopal Singh)**
Company Secretary	*General Manager (Finance)*	*Director (Finance)*	*Chairman-cum-Managing Director*
		DIN-06638291	DIN-02698059

As per our Report Annexed

For S. K. Singhania & Co.
Chartered Accountants
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

Sd/-
(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

ADDENDUM TO DIRECTORS' REPORT

AUDITORS' REPORT	MANAGEMENT'S REPLY

To

The Members
Central Coalfields Limited,
Darbhanga House,
Ranchi.

This audit report supersedes the earlier audit report dated 26th May 2018 and is being revised at the instance of Comptroller & Auditor General (C&AG) of India. The revised report is being issued in view of certain corrections in the audit report, to substitute the word 'Member' in place of 'Shareholders' and inadvertent printing omission of, "for which there were any material foreseeable losses" in para 3(h)(ii) of 'Report on Other Legal and Regulatory Requirements' and also modification in Annexure – B to the Independent Auditors' Report. Further, we confirm that these changes do not effect true and fair view and our opinion as expressed earlier and also none of the figures have undergone any change in the Standalone Financial Statements of the Company as at 31st March 2018.

Report on the Standalone Ind As Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **CENTRAL COALFIELDS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income) and Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements") 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 audited by us.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the

AUDITORS' REPORT | **MANAGEMENT'S REPLY**

Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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 Standalone Ind AS 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 Ind AS financial statements based on our audit and the branch auditors of the respective areas.

We have taken into account the provisions of the Act, the accounting and auditing standards including Ind AS and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing 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 Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 Standalone Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" paragraph below, are sufficient

AUDITORS' REPORT	MANAGEMENT'S REPLY
and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.	
Opinion	
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors, the aforesaid Standalone Ind AS 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 including the Ind AS, of the financial position of the company as at 31st March, 2018 and its financial performance including other comprehensive income, its cash flow and the statement of changes in equity for the year ended on that date.	
Emphasis of Matters	
We draw attention to to the following matters :	
(a) The demand of Rs.13389.38 crores received, during the year, towards penalty for mining of coal in excess of the environmental clearances limit in respect of 41 mines, refer para 4(a)(1) of Note 38 to the financial statements	It is adequately disclosed under Contingent Liability in the Notes to Accounts (Refer Note 38.4(a)).
(b) Regarding non preparation/ non submission of claims to CMPDIL for scrutiny in respect of the amount to be withdrawn from the Escrow account towards Progressive Mine Closure Plan, amount unascertained.	It is adequately disclosed in the Notes to Accounts (Refer Note 38.point No.7.16).
(c) Regarding non preparation of Final Closure Plan for mines intended for final closure, Amount amortized, during the year, Rs. 1.06 crores for 9 mines which have been foreclosed and 1 mine which has completed its useful life. The adjustment to be made in 'Site Restoration Expenses A/c' and 'Mine Closure Expenses A/c', is not ascertainable.	It is adequately disclosed under in the Notes to Accounts (Refer Note 38.point No.7.16).
(d) Regarding ultimate recoverability of the amount due from customers towards "Royalty and Cess" and amount payable to State Government on such account, refer note 11 and 23.	It is adequately disclosed under in the Notes to Accounts (Refer Note 11 and 23).
Other Matter	No Comments.
We did not audit the financial statements / information of 10 areas included in the Standalone Ind AS financial statements of the company whose financial statements reflect total assets of Rs. 4975.59 crores as at 31st March 2018 and total revenues of Rs. 11507.53 crores for the year ended on that date, as considered in the Standalone Ind AS financial statements. The financial statements of these areas	

AUDITORS' REPORT | **MANAGEMENT'S REPLY**

have been audited by the Branch Auditors whose reports have been furnished to us, and in our opinion 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.

Report on Other Legal and Regulatory Requirements

1. As required by the **Companies (Auditor's Report) Order, 2016** ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of books and other records as considered appropriate, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. 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 – B annexed herewith.

3. As required by section 143(3) of the Act, we further report that :

   (a) We have sought & obtained all the information & explanation which to best of our knowledge and belief were necessary for purpose of our audit of the aforesaid standalone Ind AS financial statements read with as reported in clauses (a), (b) (c) and (d) of the "Emphasis of Matters" paragraph above.

   (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid standalone Ind AS financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors.

   (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 in preparing this report.

   (d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report, including the statements of areas audited by branch auditors, are in agreement with the books of account.

AUDITORS' REPORT	MANAGEMENT'S REPLY

(e) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued thereunder.

(f) In pursuance of the Notification No. G.S.R.463(E) dated 05.06.2015 issued by the Ministry of Corporate affairs, section 164(2) of the Act, pertaining to disqualification of Directors is not applicable to the Government company.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure C, and

(h) 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 38 of the Standalone Ind AS financial statement. The impact, if any, of these litigations will be given effect to as and when the same are determined/settled.

(ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.

For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Registration No. 302206E)

(Rajesh Kr. Singhania)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph -1 on other Legal and Regulatory Requirements of our Report of even date to the members of Central Coalfields Limited on the financial statements of the Company for the year ended 31st March, 2018)

AUDITORS' REPORT	MANAGEMENT'S REPLY
1. (a) The Company has generally maintained records to show full particulars of fixed assets including quantitative details and situation of fixed assets.	No Comments
(b) The Physical verification of Fixed Assets, each valuing Rs. 1.00 lakh and above, and of each asset irrespective of the value in case of additions during the year, has been conducted at reasonable intervals except Surveyed Off Assets. As informed to us, no material discrepancies have been noticed on such verification. In our opinion, procedure for physical verification needs to be further improved and strengthened in view of the size and operations of the company.	Physical verification of fixed assets is done for all the assets for last three years and assets valuing more than 1 lakh beyond three years except the physical verification of surveyed off assets through Committee constituted at area level as well as HQ level. The Physical verification of surveyed off assets is carried out at the time of survey off of the P&M as well as at the time of disposal through auction.
(c) According to the information and explanations given to us, Lease of Coal Mines Nationalized under Coal Mines (Nationalization Act) 1973 were vested in Coal Mines Authority Limited by Statutory Order No. GSR/345.E.dt. 9th July 1973, New Delhi. The rights, title and interest of such land and mining taken over 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 on the same. Title deeds/evidences of titles for land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984 are available for freehold and leasehold lands substantially. In rest of the cases, the title deeds could not be made available as such quantification is not possible.	Land transferred from erstwhile Coal Companies under pre-nationalisation period to CCL, the deeds and agreements are kept in Land & Revenue Department and also available at CCL website. Land acquired in post nationalisation period under Coal Bearing Act, notification under section 9(1) of CB Act along with the S. O. are uploaded in CCL website. On payment of final land compensation to the land outstees, original land documents are kept in the Land & Revenue Department.
2. (a) 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. Physical verification of major part of Stock & Spares Parts of Regional Stores has been done by the outside agencies, appointed by the management.	No comments.
(b) According to the information and explanations given to us, the procedures of physical verification of Coal, Coke etc. followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.	No Comments.

	AUDITORS' REPORT	MANAGEMENT'S REPLY
	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. 2.21.1 of Note-2 of the Company.	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.2.21.1 of Note-2 of the Company.
3.	According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited liability partnership of other parties covered in the register maintained under Section 189 of the Act, except maintaining a Current Account with the holding Company.	No Comments.
(a)	Interest is allowed by the holding company on such account. Considering the holding and subsidiary relationship, we are unable to express our opinion on the rate of interest and other terms and conditions of such current account.	No Comments.
(b)	As per records, the receipts of interest are regular.	No Comments.
(c)	Since there is no overdue amount, hence, clause iii (c) of the Order is not applicable.	No Comments.
4.	According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, in respect of the loans and investments made and guarantees and security provided by it.	No Comments.
5.	The Company has not accepted any deposits during the year as per the provisions of Section 73 to 76 of the Act. However, 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 Customers / Others, the Company is of the view that these deposits do not come under the purview of the Companies (Acceptance of Deposits) Rules 2014.	No Comments.
6.	The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, and are of the opinion that, prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records	No Comments.

		AUDITORS' REPORT	MANAGEMENT'S REPLY
		with a view to determine whether they are accurate or complete.	
7.	(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 statutory dues including Provident Fund, Income Tax, GST, Sales 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 2018 for a period or more than six months from the date they became payable. As informed to us, Employee State Insurance Act is not applicable to the Company. However, in absence of reconciliation of these statutory liabilities with expenses incurred for the year and delay in filing of Returns, we are unable to comment on deposits of applicable dues by the Company. We are also unable to comment on old outstanding balances lying under the heads CMPF Contribution, CMPF Admin Charges, Pension Fund and CMPF Pension Fund.	Reconciliation of statutory dues, old outstanding balance lying 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 admission of appeal. The same amount has been shown under Loans & Advances. Contingent Liabilities for the total amount disputed has been shown in the Additional Notes on Financial Statements.
8.		According to the information and explanations given to us and on the basis of books and records examined by us, we report that the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government. The company has not issued any debentures.	No comments.
9.		According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan.	No comments.
10.		According to the information and explanations given to us, no material fraud by the Company and any fraud on the Company by its officers and employees has been noticed or reported during the course of our audit except a fraud, in earlier years, as reported in Para 7.10 of Note No. 38 of the financial statement.	No Comments
11.		Section 197 of the Act regarding managerial remuneration is not applicable to Company by virtue	No Comments

AUDITORS' REPORT		MANAGEMENT'S REPLY
	of Notification No. G.S.R 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India.	
12.	According to the information and explanations given to us, the Company is not a Nidhi Company accordingly, clause 3(xii) of the Order is not applicable.	No Comments.
13.	According to the information and explanations given to us, the transaction with related parties are in compliance with sections 177 and 188 of the Act wherever applicable and the details have been disclosed in the Standalone Ind AS financial statements etc. as required by the applicable accounting standard.	No comments.
14.	We report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause 3(xiv) of the Order is not applicable.	No comments.
15.	According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, Clause 3(xv) of the Order is not applicable.	No Comments
16.	The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, Clause 3(xvi) of the order is not applicable.	No Comments

For S. K. SINGHANIA & CO.
Chartered Accountants
(Firm Registration No. 302206E)

(RAJESH KR. SINGHANIA)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

Annexure – B to the Independent Auditor's Report

Directions under Section 143(5) of the Companies Act, 2013 on the Financial Statements of the Company for the year ended 31st March, 2018.

Annexure – B (I)

AUDITORS' REPORT	MANAGEMENT'S REPLY
1. Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available. ***According to the information and explanations given to us, Lease of Coal Mines Nationalized under Coal Mines (Nationalization Act) 1973 were vested in Coal Mines Authority Limited by Statutory Order No. GSR/345.E.dt. 9th July 1973, New Delhi. The rights, title and interest of such land and mining taken over 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 on the same. Title deeds/evidences of titles for land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984 are available for freehold and leasehold lands substantially. In rest of the cases, the title deeds could not be made available as such quantification is not possible.***	
2. 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. 258.97 Crores against the coal sale consumers with due approval of the Board of Directors in 458th Board Meeting held on 23.04.2018 (Refer para No. 7.4 of the Note 38 of the Financial Statements).***	
3. Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities. ***As per the information and explanations given by the management and as per our test checks, there is no inventory lying with third parties and there are no assets received as gift from Government or any authority.***	

Annexure – B to the Independent Auditor's Report

Additional directions under Section 143(5) of the Companies Act, 2013

Annexure – B (II)

AUDITORS' REPORT	MANAGEMENT'S REPLY

1. 1. Whether coal 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 keeping in view the contour map which is accompanied with the measurement report. Further, any new heap is created only after approval of the competent authority.

2. Whether the Company conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so whether the concerned subsidiary followed the requisite procedure?

   As per the information and explanations given to us the Company has conducted verification exercise of assets and properties at the time of merger/split/restructure of an area.

3. Whether separate Escrow Accounts for each mine has been maintained by the company. Also examine the utilization of the fund of the account.

   As per the information and explanations given to us, Escrow Account for 64 mines has been maintained and there is no withdrawal from such Escrow account till date. However Escrow account in respect of 4 mines have not been opened.

4. Whether the impact for illegal mining as imposed by the Hon'ble Supreme Court of India has been duly considered and accounted for.

   Pursuant to such order of the Hon'ble Supreme Court of India, certain District Mining Officers of Jharkhand had raised a demand of Rs. 13389.38 crores for mining in excess of the environmental clearances limit in 41 mines. Against the said

AUDITORS' REPORT | **MANAGEMENT'S REPLY**

demand, the company has filed a revision petition before the Hon'ble Coal Tribunal, Ministry of Coal, Govt. of India, the adjudicating authority under the MMDR Act. The Revisional Authority vide its interim order dt.16.01.2018 has stayed the execution of the demand till further order. The said demand has not been acknowledged as debt and included under Contingent Liability in para 4(a)(1) of Note 38 of the financial statement.

For S. K. SINGHANIA & CO.
Chartered Accountants
(Firm Registration No. 302206E)

(RAJESH KR. SINGHANIA)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

Annexure – C to the Independent Auditor's Report

AUDITORS' REPORT	MANAGEMENT'S REPLY

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Central Coalfields Limited** ('the Company') as of 31st March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit

AUDITORS' REPORT | **MANAGEMENT'S REPLY**

of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

AUDITORS' REPORT	MANAGEMENT'S REPLY

Opinion

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. K. SINGHANIA & CO.
Chartered Accountants
(Firm Registration No. 302206E)

(RAJESH KR. SINGHANIA)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

APPENDIX – 1

DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.2018

(₹ in Crores)

TAX TYPE	NO. OF CASES	NAME OF COURT	PERIOD	DISPUTED AMOUNT
ROYALTY CASES	45	CERTIFICATE OFFICE-Dhanbad, Ranchi, Bokaro, Hazaribagh	1984-85 TO 2016-17	91.27
ROYALTY CASES	4	DY.COMMISSIONER, HAZARIBAGH, RAMGARH	1995-96 TO 2014-15	2.26
ROYALTY CASES	5	COMMISSIONER, HAZARIBAGH	1992-93 TO 2008-09	4.73
ROYALTY CASES	35	HIGH COURT, JHARKHAND	1987-88 TO 2017-18	414.66
ROYALTY CASES	6	SUPREME COURT, DELHI	1991-92 TO 2008-09	45.38
SALES TAX CASES	256	COMMERCIAL TAX OFFICER-Ranchi,Hazaribagh,Tenughat,Ramgarh	1989-90 TO 2015-16	748.86
SALES TAX CASES	184	JCCT(A),HAZARIBAGH	1989-90 TO 2017-18	263.04
SALES TAX CASES	16	JCCT(A),RANCHI	1985-86 TO 2012-13	0.66
SALES TAX CASES	80	COMMISSIONER, COMMERCIAL TAX,RANCHI	1988-89 TO 2015-16	216.41
SALES TAX CASES	133	TRIBUNAL, RANCHI	1990-91 TO 2014-15	352.25
SERVICE TAX & EXCISE CASES	17	COMMISSIONER, RANCHI	2004-05 TO 2008-09 & 2017-18	107.06
SERVICE TAX & EXCISE CASES	3	CESTAT, KOLKATA	2004-05 TO 2007-08 & 2015-16	1.85
SERVICE TAX & EXCISE CASES	5	OTHERS		1.03
ELECTRICITY DUTY CASES	8	DCCT	2006-07 TO 2013-14	1.86
ELECTRICITY DUTY CASES	7	CCT, RANCHI	2006-07 TO 2011-12	3.07
ELECTRICITY DUTY CASES	187	JCCT(A), HAZARIBAG	1992-93 TO 2013-14	57.58
ELECTRICITY DUTY CASES	21	TRIBUNAL, RANCHI	1993-94 TO 2010-11	2.89
ELECTRICITY DUTY CASES	8	HIGH COURT, JHARKHAND	1997-98 TO 2004-05	3.18
ENTRY TAX CASES	1	SUPREME COURT, DELHI	2006-07	25.00
INCOME TAX CASES	4	CIT(APPEAL), RANCHI	2003-04 TO 2015-16	243.47
INCOME TAX CASES	16	CIT(APPEAL), JAMSHEDPUR	2004-05 TO 2010-11	6.70
INCOME TAX CASES	9	ITAT, RANCHI	2005-06 TO 2013-14	309.27
INCOME TAX CASES	1	HIGH COURT, JHARKHAND	1989-90	0.52
	1051	**TOTAL**		**2903.03**

S. K. Singhania & Co.
Chartered Accountants

Auditor's Report on Quarterly Consolidated Financial Results and year to date results for the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

TO THE BOARD OF DIRECTORS OF
CENTRAL COALFIELDS LIMITED

1. We have audited the accompanying statement of quarterly consolidated financial results of **CENTRAL COALFIELDS LIMITED** ("the Company"), and its subsidiary Jharkhand Central Railway Limited (collectively referred to as "the Group") for the quarter ended 31st March, 2018 and the year ended 31st March 2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The consolidated financial results for the quarter and year ended 31st March 2018 have been prepared on the basis of the consolidated financial results for the nine-month period ended 31st December 2017, the audited annual consolidated Ind AS financial stateents as at and for the year ended 31st March 2018, and the relevant requirements of the Regulation and Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our review of the consolidated financial results for the nine-month period ended 31st December 2017 which was prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, our audit of the annual consolidated Ind AS financial statements as at and for the year ended 31st March 2018 and the relevant requirements o the Regulation and the Circular.

2. 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 consolidated financial results are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information an according to the explanations given to us and based on the consideration of the reports o the other auditors on separate financial statement and the other finanial information of the subsidiary, these quarterly consolidated financial results as well as the year to date results :

    (i) includes the subsidiary's results of Jharkhand Central Railway Ltd.

    (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

    (iii) give a true and fair view of the consolidagted total comprehensive income (composing of net profit and other comprehensive income) and other financial information for the quarter and year ended 31st March 2018.

4. We did not audit the financial statements/information of subsidiary Company whose financial statements reflect total assets of ₹ 228.42 crores as at 31st March, 2018, total revenues of ₹ 1.72 crores, net loss ₹ 0.03 crores and net cash flow amounting to ₹ 11.87 crores for the year ended on that date as considered in the consolidated Ind AS financial statements. These financial

statements have been audited by other auditor whose report have been furnished to us by the management, and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of such other auditor.

5. The comparative Ind AS financial information of the Group for the quarter and year ended 31st March 2017, included in these consolidated Ind AS financial results, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dagted 26.05.2017 expressed an unmodified opinion.

6. Further, read with paragraph 1 above, we report that the figures for the quarter ended 31st March 2018 represent the derived figures between the audited figures in respect of the financial year ended 31st March 2018 and the published year-to-date figures up to 31st December 2017, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Registration No. 302206E)
Sd/-
(Rajesh Kr. Singhania)
Partner
(Membership No. 52722)

Place : Ranchi

Dated : 26th May 2018

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

Consolidated Statement of Assets and Liabilities

(₹ in Crores)

Sl. No.	Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	a) Equity Share Capital	940.00	940.00
	b) Other Equity	2,538.42	2,296.65
	c) Money Received against Share Warrants	–	–
	Sub - total - Shareholder's funds	**3,478.42**	**3,236.65**
2	**Share Application Money pending allotment**	–	–
3	**Non-Controlling Interest**	17.76	1.12
4	**Non-Current Liabilities**		
	(a) Financial Liabilities	60.09	1,260.20
	(b) Deferred tax liabilities (Net)	–	–
	(c) Other non-current liabilities	438.46	183.83
	(d) Provisions	3,202.35	2,305.81
	Sub - total - Non-current Liabilities	**3,700.90**	**3,749.84**
5	**Current Liabilities**		
	(a) Financial Liabilities	879.43	2,072.99
	(b) Current Tax Liabilities (net)	–	35.35
	(c) Other current liabilities	4,906.13	2,969.57
	(d) Provisions	2,291.46	1,878.88
	Sub - total - Current Liabilities	**8,077.02**	**6,956.79**
	TOTAL - EQUITY AND LIABILITIES	**15,274.10**	**13,944.40**
B	**ASSETS**		
1	**Non- current Assets**		
	(a) Fixed assets	4,520.85	3,983.96
	(b) Goodwill on consolidation	–	–
	(c) Deferred tax assets (Net)	1,047.58	771.88
	(d) Financial Assets	839.93	723.64
	(e) Other non-current assets	1,507.87	1,099.27
	Sub-total - Non-current Assets	**7,916.23**	**6,578.75**
2	**Current Assets**		
	(a) Financial assets	3,859.37	3,743.46
	(b) Inventories	1,349.23	2,096.26
	(c) Other current assets	2,093.56	1,525.93
	(d) Current Tax assets (net)	55.71	–
	Sub - total - Current Assets	**7,357.87**	**7,365.65**
	TOTAL - ASSETS	**15,274.10**	**13,944.40**

(Ravi Prakash)	(Ashok Kumar)	(D.K.Ghosh)	(Gopal Singh)
Company Secretary	General Manager (Finance)	Director (Finance) DIN-06638291	Chairman-cum-Managing Director DIN-02698059

In terms of our Report of even date
For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

Statement of Consolidated Results for the Year Ended 31.03.2018

(₹ in Crores except Shares and EPS)

Sl. No:	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Income from Operations**					
	Gross Sales	4,420.49	4145.05	4,626.39	15,965.12	14,899.71
	Less: Other levies	1,320.60	1285.12	1,125.39	4,715.50	3,759.03
	(a) Net Sales/ Income from operations (Net of levies excluding excise duty)	3,099.89	2,859.93	3,501.00	11,249.62	11,140.68
	(b) Other operating income	236.64	129.75	114.33	537.41	366.41
	Total income from operations (Net) (a+b)	**3,336.53**	**2,989.68**	**3,615.33**	**11,787.03**	**11,507.09**
2	**Expenses**					
	(a) Cost of materials consumed	239.28	200.80	253.23	731.26	799.50
	(b) Changes in inventories of finished goods, work-in-progress and Stock-In-Trade	(462.98)	216.75	(634.04)	512.66	(612.61)
	(c)Excise Duty	—	—	243.36	200.60	732.27
	(d) Employee benefits Expenses	2,110.99	1,107.56	1,188.44	5,490.31	4,401.73
	(e) Depreciation/amortisation/impairment	97.69	84.40	98.49	355.72	372.63
	(f) Power & fuel Expenses	74.28	69.61	77.93	277.35	290.92
	(g) Corporate Social Responsibility Expenses	28.68	3.26	8.22	37.90	30.29
	(h) Repairs	195.94	51.66	99.42	327.15	205.39
	(i) Contractual Expenses	492.34	277.32	411.94	1,304.07	1,320.99
	(j) Other Expenses	268.49	253.40	574.83	1,022.55	1,522.49
	(k)Provisions/write off	(290.24)	297.52	327.61	238.05	471.50
	(l) Stripping Activity expenses	369.83	101.87	342.77	284.51	91.03
	Total expenses (a to l)	**3,124.30**	**2,664.15**	**2,992.20**	**10,782.13**	**9,626.13**
3	**Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)**	**212.23**	**325.53**	**623.13**	**1,004.90**	**1,880.96**
4	Other income	302.82	77.06	274.38	510.68	561.64
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**515.05**	**402.59**	**897.51**	**1,515.58**	**2,442.60**
6	Finance costs	35.58	39.51	18.63	172.01	71.88
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**479.47**	**363.08**	**878.88**	**1,343.57**	**2,370.72**

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

Statement of Consolidated Results for the Year Ended 31.03.2018 (Contd...)

(₹ in Crores except Shares and EPS)

Sl. No:	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Unaudited	Unaudited	Unaudited	Audited	Audited
8	Exceptional items	—	—	—	—	—
9	**Profit / (Loss) from ordinary activities before tax (7-8)**	479.47	363.08	878.88	1,343.57	2,370.72
10	Tax expense	168.19	135.81	414.72	554.06	984.19
11	**Net Profit / (Loss) for the year (9-10) [A]**	**311.28**	**227.27**	**464.16**	**789.51**	**1,386.53**
12	**Other Comprehensive Income/(loss)(net of tax) [B]**	**55.48**	**21.65**	**40.32**	**91.43**	**11.73**
13	**Total Comprehensive Income/(loss) [A + B]**	**366.76**	**248.92**	**504.48**	**880.94**	**1,398.26**
14	Paid-up equity share capital (Face Value of share ₹ 1000/- each)	940.00	940.00	940.00	940.00	940.00
15	**Earnings per share (EPS) (Face Value of share ₹ 1000 /-each) (not annualised)**					
	(a) Basic	**330.95**	**241.60**	**493.70**	**839.91**	**1,475.21**
	(b) Diluted	**330.95**	**241.60**	**493.70**	**839.91**	**1,475.21**

(Ravi Prakash)
Company Secretary

(Ashok Kumar)
General Manager
(Finance)

(D.K.Ghosh)
Director (Finance)
DIN-06638291

(Gopal Singh)
Chairman-cum-Managing Director
DIN-02698059

In terms of our Report of even date
For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Crores)

	Notes	As at 31.03.2018	As at 31.03.2017
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	3	2,424.41	2,426.40
(b) Capital Work in Progress	4	1,833.61	1,316.81
(c) Exploration and Evaluation Assets	5	260.67	237.16
(d) Intangible Assets	6	2.16	3.59
(e) Intangible Assets under Development		—	—
(f) Investment Property		—	—
(g) Financial Assets			
(i) Investments	7	—	—
(ii) Loans	8	0.47	0.59
(iii) Other Financial Assets	9	839.46	723.05
(h) Deferred Tax Assets (net)		1,047.58	771.88
(i) Other non-current assets	10	1,507.87	1,099.27
Total Non-Current Assets (A)		**7,916.23**	**6,578.75**
Current Assets			
(a) Inventories	12	1,349.23	2,096.26
(b) Financial Assets			
(i) Investments	7	—	—
(ii) Trade Receivables	13	1,745.31	1,673.79
(iii) Cash & Cash equivalents	14	162.34	325.07
(iv) Other Bank Balances	15	1,233.73	1,376.71
(v) Loans	8	—	—
(vi) Other Financial Assets	9	717.99	367.89
(c) Current Tax Assets (Net)		55.71	—
(d) Other Current Assets	**11**	**2,093.56**	**1,525.93**
Total Current Assets (B)		**7,357.87**	**7,365.65**
Total Assets (A+B)		**15,274.10**	**13,944.40**

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018 (Contd.)

(₹ in Crores)

	Notes	As at 31.03.2018	As at 31.03.2017
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	940.00	940.00
(b) Other Equity	17	2,538.42	2,296.65
Equity attributable to equityholders of the company		**3,478.42**	**3,236.65**
Non-Controlling Interests		17.76	1.12
Total Equity (A)		**3,496.18**	**3,237.77**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	—	1,200.00
(ii) Trade Payables		—	—
(iii) Other Financial Liabilities	20	60.09	60.20
(b) Provisions	21	3,202.35	2,305.81
(c) Other Non-Current Liabilities	22	438.46	183.83
Total Non-Current Liabilities (B)		**3,700.90**	**3,749.84**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	150.00	1,103.78
(ii) Trade payables	19	163.45	134.22
(iii) Other Financial Liabilities	20	565.98	834.99
(b) Other Current Liabilities	23	4,906.13	2,969.57
(c) Provisions	21	2,291.46	1,878.88
(d) Current Tax Liabilities (net)		—	35.35
Total Current Liabilities (C)		**8,077.02**	**6,956.79**
Total Equity and Liabilities (A+B+C)		**15,274.10**	**13,944.40**
Significant Accounting Policies	2		
Additional Notes to the Financial Statements	38		

The Accompanying Notes form an integral part of the Financial Statements.

(Ravi Prakash) Company Secretary	(Ashok Kumar) General Manager (Finance)	(D.K.Ghosh) Director (Finance) DIN-06638291	(Gopal Singh) Chairman-cum-Managing Director DIN-02698059

In terms of our Report of even date
For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crores)

		Notes	For the year ended 31.03.2018	For the year ended 31.03.2017	
Revenue from Operations		24			
A.	Sales (Net of other levies but including Excise Duty)		11,249.62	11,140.68	
B.	Other Operating Revenue (Net of other levies but including Excise Duty)		537.41	366.41	
(I)	Revenue from Operations (A+B)		11,787.03	11,507.09	
(II)	Other Income	25	510.68	561.64	
(III)	**Total Income (I+II)**		**12,297.71**	**12,068.73**	
(IV)	**EXPENSES**				
	Cost of Materials Consumed	26	731.26	799.50	
	Changes in inventories of finished goods/work in progress and Stock in trade	27	512.66	(612.61)	
	Excise Duty on sale of coal		200.60	732.27	
	Employee Benefits Expense	28	5,490.31	4,401.73	
	Power Expenses		277.35	290.92	
	Corporate Social Responsibility Expenses	29	37.90	30.29	
	Repairs	30	327.15	205.39	
	Contractual Expenses	31	1,304.07	1,320.99	
	Finance Costs	32	172.01	71.88	
	Depreciation/Amortization/ Impairment		355.72	372.63	
	Provisions	33		237.33	450.70
	Write off	34	0.72	20.80	
	Stripping Activity Adjustments		284.51	91.03	
	Other Expenses	35	1,022.55	1,522.49	
	Total Expenses (IV)		**10,954.14**	**9,698.01**	
(V)	**Profit before Exceptional items and Tax (III-IV)**		**1,343.57**	**2,370.72**	
(VI)	Exceptional Items		—	—	
(VII)	**Profit before Tax (V-VI)**		**1,343.57**	**2,370.72**	
(VIII)	Tax expense	36	554.06	984.19	
(IX)	**Profit for the year from continuing operations (VII-VIII)**		**789.51**	**1,386.53**	
(X)	Profit from discontinued operations		—	—	
(XI)	Tax expenses of discontinued operations		—	—	
(XII)	Profit from discontinued operations (after Tax) (X-XI)		—	—	
(XIII)	Share in JV's/Associate's Profit/(Loss)		—	—	
(XIV)	**Profit for the year (IX+XII+XIII)**		**789.51**	**1,386.53**	
	Other Comprehensive Income	37			
	A (i) Items that will not be reclassified to profit or loss		155.59	20.05	
	(ii) Income tax relating to items that will not be reclassified to profit or loss		64.16	8.32	
	B (i) Items that will be reclassified to profit or loss		—	—	
	(ii) Income tax relating to items that will be reclassified to profit or loss		—	—	
(XV)	**Total Other Comprehensive Income**		**91.43**	**11.73**	

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd..)

(₹ in Crores)

	Notes	For the year ended 31.03.2018	For the year ended 31.03.2017
(XVI) Total Comprehensive Income for the year (XIV+XV) (Comprising Profit/ (Loss) and Other Comprehensive Income for the year)		**880.94**	**1,398.26**
Profit attributable to:			
Owners of the Company		789.52	1,386.70
Non-Controlling Interest		(0.01)	(0.17)
		789.51	**1,386.53**
Other Comprehensive Income attributable to:			
Owners of the Company		91.43	11.73
Non-Controlling Interest		–	–
		91.43	**11.73**
Total Comprehensive Income attributable to:			
Owners of the Company		880.95	1,398.43
Non-Controlling Interest		(0.01)	(0.17)
(XVII) Earnings per equity share (for continuing operation):			
(1) Basic		839.91	1,475.21
(2) Diluted		839.91	1,475.21
(XVIII) Earnings per equity share (for discontinued operation):			
(1) Basic		—	—
(2) Diluted		—	—
(XIX) Earnings per equity share (for discontinued & continuing operation):			
(1) Basic		839.91	1,475.21
(2) Diluted		839.91	1,475.21
Significant Accounting Policies	2		
Additional Notes to the Financial Statements	38		

The Accompanying Notes form an integral part of the Financial Statements.

(Ravi Prakash)	(Ashok Kumar)	(D.K.Ghosh)	(Gopal Singh)
Company Secretary	General Manager (Finance)	Director (Finance) DIN-06638291	Chairman-cum-Managing Director DIN-02698059

In terms of our Report of even date
For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)

Regd. Office: Ranchi, Jharkhand

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)

FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crores)

		For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES			
Total Comprehensive Income before tax		1,499.16	2,390.77
Adjustments for :			
Depreciation / Impairment of Fixed Assets		358.09	377.39
Interest from Bank Deposits		(206.69)	(258.95)
Finance cost related to financing activity		172.01	71.88
Adjustment of pre-operative Exp. (JCRL)		—	(0.06)
Interest / Dividend from investments		(10.59)	(23.25)
Profit / Loss on sale of Fixed Assets		3.10	0.56
Provisions made & write off during the Year		238.05	471.50
Liability write back during the Year		(136.25)	(185.44)
Stripping Activity Adjustment		284.51	91.03
Operating Profit before Current/Non Current Assets and Liabilities		**2,201.39**	**2,935.43**
Adjustment for :			
Trade Receivables		(71.52)	74.13
Inventories		747.03	(605.00)
Short/Long Term Loans/Advances & Other Current Assets		(1,264.30)	295.01
Short/Long Term Liablities and Provisions		2,838.76	796.81
Cash Generated from Operation		**4,451.36**	**3,496.38**
Income Tax Paid/Refund		(984.97)	(1,042.32)
Net Cash Flow from Operating Activities	**(A)**	**3,466.39**	**2,454.06**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(898.08)	(1,310.14)
Investment in Bank Deposit		206.69	258.95
Change in investments		—	—
Investment in Subsidiary		—	—
Interest pertaining to Investing Activities		—	—
Interest / Dividend from investments		10.59	23.25
Net Cash from Investing Activities	**(B)**	**(680.80)**	**(1,027.94)**

CENTRAL COALFIELDS LIMITED

(CIN: U10200JH1956GOI000581)
Regd. Office: Ranchi, Jharkhand

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)
FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

(₹ in Crores)

		For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings		(2,153.78)	1,374.78
Investment in Equity Share Capital (Non-Controling Interest)-JCRL		16.69	1.31
Interest & Finance cost pertaining to Financing Activities		(172.01)	(71.88)
Receipt of Shifting & Rehabilitation Fund		—	—
Dividend Paid		(531.10)	(3,634.04)
Dividend Distribution Tax		(108.12)	(739.80)
Buyback of Equity Share Capital		—	—
Net Cash used in Financing Activities	(C)	**(2,948.32)**	**(3,069.63)**
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)		**(162.73)**	**(1,643.51)**
Cash & Cash equivalents as at the beginning of the year		**325.07**	**1,968.58**
Cash & Cash equivalents as at the end of the year		**162.34**	**325.07**

(All figures in bracket represent outflow.)

(Ravi Prakash)
Company Secretary

(Ashok Kumar)
General Manager
(Finance)

(D.K.Ghosh)
Director (Finance)
DIN-06638291

(Gopal Singh)
Chairman-cum-Managing Director
DIN-02698059

In terms of our Report of even date
For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

CENTRAL COALFIELDS LIMITED

(A Miniratna Company)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 - CONSOLIDATED

(₹ in Crores)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01.04.2016	Changes In Equity Share Capital during the year	Balance as at 31.03.2017	Balance as at 01.04.2017	Changes In Equity Share Capital during the year	Balance as at 31.03.2018
9400000 Equity Shares of `1000/- each (9400000 Equity Shares of `1000/- each)	940.00	—	940.00	940.00	—	940.00

B. OTHER EQUITY

Particulars	General Reserve	Retained Earnings	OCI	Equity Attributable to Equity Shareholders	Non-Controlling Interest	Total
Balance as at 01.04.2016	**1,958.94**	**3,278.52**	**40.66**	**5,278.12**	—	**5,278.12**
Changes in Accounting Policy	—	—	—	—	—	—
Prior Period Errors	—	(6.02)	—	(6.02)	—	(6.02)
Restated balance as at 01.04.2016	**1,958.94**	**3,272.50**	**40.66**	**5,272.10**	—	**5,272.10**
Additions during the year	—	—	—	—	—	—
Investment during the year	—	—	—	—	1.31	1.31
Adjustments during the year	—	—	—	—	—	—
Profit for the Year	—	1,386.70	11.73	1,398.43	(0.17)	1,398.26
Appropriations						—
Transfer to / from General reserve	70.06	(70.06)	—	—	—	—
Transfer to / from Other reserves	—	—	—	—	—	—
Interim Dividend	—	(3,634.04)	—	(3,634.04)	—	(3,634.04)
Final Dividend	—	—	—	—	—	—
Corporate Dividend tax	—	(739.80)	—	(739.80)	—	(739.80)
Buyback of Equity Shares	—	—	—	—	—	—
Tax on Buyback	—	—	—	—	—	—
Pre-operative expenses	—	(0.04)	—	(0.04)	(0.02)	(0.06)
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—	—	—
Balance as at 31.03.2017	**2,029.00**	**215.26**	**52.39**	**2,296.65**	**1.12**	**2,297.77**
Balance as at 01.04.2017	2,029.00	215.26	52.39	2,296.65	1.12	2,297.77
Additions during the year	—	—	—	—	—	—
Investment during the year	—	—	—	—	16.69	16.69
Adjustments during the year	—	0.04	—	0.04	(0.04)	—
Changes in accounting policy or prior period errors	—	—	—	—	—	—
Profit for the Year	—	789.52	91.43	880.95	(0.01)	880.94
Adjustments during the year	—	—	—	—	—	—
Appropriations						
Transfer to / from General reserve	39.48	(39.48)	—	—	—	—
Transfer to / from Other reserves	—	—		—	—	—
Interim Dividend	—	(531.10)	—	(531.10)	—	(531.10)
Final Dividend	—	—	—	—	—	—
Corporate Dividend tax	—	(108.12)	—	(108.12)	—	(108.12)
Buyback of Equity Shares	—	—	—			—
Tax on Buyback	—	—	—			—
Adjustment of Pre-operative expenses	—	—	—	—	—	—
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—	—	—
Balance as at 31.03.2018	**2,068.48**	**326.12**	**143.82**	**2,538.42**	**17.76**	**2,556.18**

CENTRAL COALFIELDS LIMITED

(A Miniratna Company)

SIGNIFICANT ACCOUNTING POLICIES

NOTE : 1 CORPORATE INFORMATION

Central Coalfields Limited (CCL), a Miniratna company, is a 100% subsidiary of Coal India Limited (A Government of India Undertaking) having its registered office at Darbhanga House, Ranchi, Jharkhand – 834029.

The Company is mainly engaged in mining and production of Coal and also operates Coal washeries. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

CCL has a joint venture agreement with IRCON International Limited & Government of Jharkhand named Jharkhand Central Railway Limited (JCRL). The basic objective of JCRL is to build, construct, operate and maintain identified Rail Corridor Projects that are critical for evacuation of coal from mines in the State of Jharkhand which shall be used for both freight and passenger services and to develop required rail infrastructure including construction of railway lines together with all related facilities etc.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Consolidated financial statements of the company have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.21).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in Crore' upto two decimal points.

2.2 Basis of consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses between group companies are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All the companies within CCL Consolidated normally uses accounting policies as adopted by the CIL Consolidated for like transactions and events in similar circumstances. In case of significant deviations of a particular constituent company within CCL Consolidated, appropriate adjustments are made to the financial statement of such constituent company to ensure conformity with the CIL Consolidated accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.2.2 Associates

Associates are all entities over which the Company has significant influence but no control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the associates on the basis of objective evidence.

2.2.3 Joint arrangements

Joint arrangements are those arrangements where the Company is having joint control with one or more other parties.

Joint control is the contractually agreed sharing of control of the arrangement which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint Arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

2.2.4 Joint Operations

Joint operations are those joint arrangements whereby the Company is having rights to the assets and obligations for the liabilities relating to the arrangements.

Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

2.2.5 Joint ventures

Joint ventures are those joint arrangements whereby the Company is having rights to the net assets of the arrangements.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Investments in Joint venture are accounted for using the equity method of accounting, after initially being recognized at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the joint venture on the basis of objective evidence.

2.2.6 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

2.2.7 Changes in ownership interests

The Company treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any fair value of consideration paid or received is recognised within equity.

When the Company ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.4 Revenue recognition

2.4.1 Revenue from sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

(a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, gross revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.

2.4.2 Interest

Interest income is recognised using the Effective Interest Method.

2.4.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.4.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.4.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Company;

(c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.5 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution should be recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.6 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

2.6.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.6.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.6.1.2 Operating lease- Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.6.2 Company as a lessor

Operating leases- Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

Finance leases - Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.7 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- ➢ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ➢ An active programme to locate a buyer and complete the plan has been initiated
- ➢ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ➢ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ➢ Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.8 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the ‘repairs and maintenance’ are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the de-recognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such de-recognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land (incl. Leasehold Land)	:	Life of the project or lease term whichever is lower
Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-15 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, Plant and Equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of “Other Land” includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, Plant and Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised) in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.9 Mine Closure, Site Restoration and Decommissioning Obligation

The company’s obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.10 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- acquisition of rights to explore
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.11 Development Expenditure

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head “Development”. All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of 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;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature “Other Mining Infrastructure”. Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

2.12 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, 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.

2.13 Impairment of Assets (other than financial assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.14 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.15.1 Financial assets

2.15.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.15.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.15.2.1 Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.15.2.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.15.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.15.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.15.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.15.2.6 De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.15.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are debt instruments and are measured as at FVTOCI

(c) Lease receivables under Ind AS 17

(d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.15.3 Financial liabilities

2.15.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.15.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.15.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.15.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.15.3.5 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.15.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various re-classifications and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.15.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15.6 Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

2.16. Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.17 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from “profit before income tax” as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.18 Employee Benefits

2.18.1 Short-term Benefits

All short term employee benefits are recognized in the period in which they are incurred.

2.18.2 Post-employment benefits and other long term employee benefits

2.18.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.18.2.2 Defined benefits plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.18.3 Other Employee Benefits

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

2.19 Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.20 Stripping Activity Expense/Adjustment

In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'. In opencast mines, the company has to incur such expenses over the life of the mine (as technically estimated).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB: COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Provisions / Other Non-Current Assets as the case may be.

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

Annual Quantum of OBR Of the Mine	Permissible limits of variance	
	I	II
	%	Quantum (in Mill. Cu. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	

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

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

2.21 Inventories

2.21.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method.Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts 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. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.21.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

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

2.21.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

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

2.22 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements has been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.24.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements :

2.24.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is :

(a) relevant to the economic decision-making needs of users and

(b) reliable in that financial statements:

- (i) represent faithfully the financial position, financial performance and cash flows of the Company;
- (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
- (iii) are neutral, i.e. free from bias;
- (iv) are prudent; and
- (v) are complete in all material respects on a consistent basis

In making the judgment management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgment, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geo-mining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.24.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

2.24.1.3 Operating Lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.24.2 Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.24.2.1 Impairment of Non-financial Assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.24.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.24.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.24.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.24.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.24.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by Ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.25 ABBREVIATION USED:

a.	CGU	Cash generating unit	g.	OCI	Other Comprehensive Income
b.	DCF	Discounted Cash Flow	h.	P&L	Profit and Loss
c.	FVTOCI	Fair value through Other Comprehensive Income	i.	PPE	Property, Plant and Equipment
d.	FVTPL	Fair value through Profit & Loss	j.	SPPI	Solely Payment of Principal and Interest
e.	GAAP	Generally accepted accounting principles	k.	EIR	Effective Interest Rate
f.	Ind AS	Indian Accounting Standards			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 3 : PROPERTY, PLANT AND EQUIPMENTS

(₹ in Crores)

Particulars	Freehold Land	Other Land	Land Recla-mation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Tele-commu-nication	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Vehicles	Aircraft	Other Mining Infrastruc-tures	Surveyed off Assets	Others	Total
Carrying Amount:															
As at 1st April, 2016	17.49	559.53	479.75	180.29	1,387.12	1.79	14.86	7.74	27.03	9.36	—	179.22	76.14	—	2,940.32
Additions	—	116.26	—	8.86	87.17	—	19.94	2.04	5.38	2.89	—	19.04	8.02	—	269.60
Deletions/Adjustments	—	(5.30)	—	—	(12.78)	—	(0.07)	(0.11)	0.04	(0.01)	—	—	(1.59)	—	(19.82)
As at 31st March, 2017	**17.49**	**670.49**	**479.75**	**189.15**	**1,461.51**	**1.79**	**34.73**	**9.67**	**32.45**	**12.24**	**—**	**198.26**	**82.57**	**—**	**3,190.10**
As at 1st April, 2017	17.49	670.49	479.75	189.15	1,461.51	1.79	34.73	9.67	32.45	12.24	—	198.26	82.57	—	3,190.10
Additions	—	64.39	—	61.23	206.64	0.07	—	2.07	10.83	0.06	—	13.05	3.72	—	362.06
Deletions/Adjustments	—	—	—	—	(10.17)	—	—	—	(0.06)	(0.01)	—	(0.29)	(5.78)	—	(16.31)
As at 31st March, 2018	**17.49**	**734.88**	**479.75**	**250.38**	**1,657.98**	**1.86**	**34.73**	**11.74**	**43.22**	**12.29**	**—**	**211.02**	**80.51**	**—**	**3,535.85**
Accumulated Depreciation and Impairment															
As at 1st April, 2016	—	25.10	50.43	8.59	242.16	0.14	3.14	1.94	4.67	1.20	—	23.00	37.97	—	398.34
Charge for the year	—	44.53	45.19	8.79	228.92	0.09	3.72	2.01	7.95	1.29	—	17.96	—	—	360.45
Impairment	—	—	—	—	—	—	—	—	—	—	—	2.03	8.42	—	10.45
Deletions/Adjustments	—	—	—	—	(4.84)	0.14	—	0.29	(0.46)	—	—	(0.67)	—	—	(5.54)
As at 31st March, 2017	**—**	**69.63**	**95.62**	**17.38**	**466.24**	**0.37**	**6.86**	**4.24**	**12.16**	**2.49**	**—**	**42.32**	**46.39**	**—**	**763.70**
As at 1st April, 2017	—	69.63	95.62	17.38	466.24	0.37	6.86	4.24	12.16	2.49	—	42.32	46.39	—	763.70
Charge for the year	—	54.98	36.41	10.68	213.76	0.14	3.94	1.44	7.83	1.53	—	17.94	—	—	348.65
Impairment	—	—	—	—	—	—	—	—	—	—	—	5.83	(1.65)	—	4.18
Deletions/Adjustments	—	0.78	—	(0.07)	(6.30)	—	—	(0.01)	0.06	—	—	0.48	(0.03)	—	(5.09)
As at 31st March, 2018	**—**	**125.39**	**132.03**	**27.99**	**673.70**	**0.51**	**10.80**	**5.67**	**20.05**	**4.02**	**—**	**66.57**	**44.71**	**—**	**1,111.44**
Net Carrying Amount															
As at 31st March, 2018	**17.49**	**609.49**	**347.72**	**222.39**	**984.28**	**1.35**	**23.93**	**6.07**	**23.17**	**8.27**	**—**	**144.45**	**35.80**	**—**	**2,424.41**
As at 31st March, 2017	**17.49**	**600.86**	**384.13**	**171.77**	**995.27**	**1.42**	**27.87**	**5.43**	**20.29**	**9.75**	**—**	**155.94**	**36.18**	**—**	**2,426.40**
As at 1st April, 2016	**17.49**	**534.43**	**429.32**	**171.70**	**1,144.96**	**1.65**	**11.72**	**5.80**	**22.36**	**8.16**	**—**	**156.22**	**38.17**	**—**	**2,541.98**

Note :

1. Other Land includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 , Land Acquisition Act, 1984 and other Acts.
2. Depreciation is provided based on estimated useful life, reviewed at the end of each year by the empowerd committee as referred in Significant Accounting Policy para no. 2.8. There is no significant component having different useful life of value, hence component accounting has not been considered.
3. During the current year, impairment has been withdrawn in respect of Surveyed off Assets amounting to ₹ 1.65 Cr. (P.Y. ₹ 8.42 Cr. charged).
4. In terms of lease agreements, the company has granted to its customers, a right to occupy and use of certain assets of the company having gross value of ₹ 88.09 Crs. and wdv of ₹ 2.50 Crs.
5. Total Depreciation amounting to ₹ 348.65 Crs. includes amortisation of ₹ 17.94 Crs. related to other Mining Infrastructures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 4 : CAPITAL WIP

(₹ in Crores)

Particulars	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Others	Total
Carrying Amount:						
As at 1st April, 2016	52.11	39.91	91.43	132.55	—	316.00
Additions	59.01	45.77	931.99	17.24	—	1,054.01
Capitalisation/ Deletions	(7.52)	(21.60)	—	(1.85)	—	(30.97)
As at 31st March, 2017	**103.60**	**64.08**	**1,023.42**	**147.94**	**—**	**1,339.04**
As at 1st April, 2017	103.60	64.08	1,023.42	147.94	—	1,339.04
Additions	96.41	13.56	476.31	38.99	—	625.27
Capitalisation/ Deletions	(57.97)	(29.59)	—	(12.00)	—	(99.56)
As at 31st March, 2018	**142.04**	**48.05**	**1,499.73**	**174.93**	**—**	**1,864.75**
Accumulated Provision and Impairment						
As at 1st April, 2016	0.55	2.58	3.59	5.88	—	12.60
Charge for the year	1.05	0.53	4.11	3.94	—	9.63
Impairment	—	—	—	—	—	—
Deletions/Adjustments	—	—	—	—	—	—
As at 31st March, 2017	**1.60**	**3.11**	**7.70**	**9.82**	**—**	**22.23**
As at 1st April, 2017	1.60	3.11	7.70	9.82	—	22.23
Charge for the year	0.35	2.16	3.85	1.82	—	8.18
Impairment	—	—	—	1.45	—	1.45
Deletions/Adjustments	(0.01)	(0.20)	—	(0.51)	—	(0.72)
As at 31st March, 2018	**1.94**	**5.07**	**11.55**	**12.58**	**—**	**31.14**
Net Carrying Amount						
As at 31st March, 2018	**140.10**	**42.98**	**1,488.18**	**162.35**	**—**	**1,833.61**
As at 31st March, 2017	**102.00**	**60.97**	**1,015.72**	**138.12**	**—**	**1,316.81**
As at 1st April, 2016	**51.56**	**37.33**	**87.84**	**126.67**	**—**	**303.40**

Note :

(i) In case of machinery/assets, which could not be put to use for more than three years from the date of purchase/ acquisition, provision equivalent to depreciation w.e.f. the fourth year has been made during the year amounting to ₹ 8.18 Crs. (previous year ₹ 9.63 Crs.) shown under note 33 of the financial statements. Out of the opening provision, an amount of ₹ 0.72 Crs. has been transferred to Property, Plant and Equipments (Note-3).

(ii) CIL Board in its 350th Board meeting approved the revised project cost of ₹ 2399.07 Crores in respect of Tori Shivpur Rail line project for facilitating evacuation of coal against which ₹ 2392.13 crore has been deposited with East Central Railway. EC Railway has spent ₹ 1141.54 Crore which has been recoginised as enabling Asset under the head " Railway Siding " in CWIP and the balance amount of ₹ 1250.59 crore has been shown as Capital Advance in Note 10. The Company has received a grant of ₹ 434.17 Crore till date from CCDAC against the said project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in Crores)

Particulars	Exploration and Evaluation Costs
Carrying Amount:	
As at 1st April, 2016	201.14
Additions	36.69
Deletions/Adjustments	—
As at 31st March, 2017	**237.83**
As at 1st April, 2017	237.83
Additions	23.51
Deletions/Adjustments	—
As at 31st March, 2018	**261.34**
Accumulated Provision and Impairment	
As at 1st April, 2016	—
Charge for the year	—
Impairment	—
Deletions/Adjustments	0.67
As at 31st March, 2017	**0.67**
As at 1st April, 2017	0.67
Charge for the year	—
Impairment	—
Deletions/Adjustments	—
As at 31st March, 2018	**0.67**
Net Carrying Amount	
As at 31st March, 2018	**260.67**
As at 31st March, 2017	**237.16**
As at 1st April, 2016	**201.14**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 6 : OTHER INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Computer Software	Coal Blocks meant for sale	Others	Total
Carrying Amount:				
As at 1st April, 2016	5.14	1.71	—	6.85
Additions	0.07	—	—	0.07
Deletions/Adjustments	—	—	—	—
As at 31st March, 2017	**5.21**	**1.71**	**—**	**6.92**
As at 1st April, 2017	5.21	1.71	—	6.92
Additions	0.01	—	—	0.01
Deletions/Adjustments	—	—	—	—
As at 31st March, 2018	**5.22**	**1.71**	—	**6.93**
Accumulated Provision and Impairment				
As at 1st April, 2016	1.60	—	—	1.60
Charge for the year	1.73	—	—	1.73
Impairment	—	—	—	—
Deletions/Adjustments	—	—	—	—
As at 31st March, 2017	**3.33**	**—**	**—**	**3.33**
As at 1st April, 2017	3.33	—	—	3.33
Charge for the year	1.44	—	—	1.44
Impairment	—	—	—	—
Deletions/Adjustments	—	—	—	—
As at 31st March, 2018	**4.77**	**—**	**—**	**4.77**
Net Carrying Amount				
As at 31st March, 2018	**0.45**	**1.71**	**—**	**2.16**
As at 31st March, 2017	**1.88**	**1.71**	**—**	**3.59**
As at 1st April, 2016	**3.54**	**1.71**	**—**	**5.25**

Note :

Coal blocks meant for sale represents expenses incurred towards initial development on mines to be recovered on disposal of such blocks by the authority.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 7 : INVESTMENTS

(₹ in Crores)

	No. of Shares Held	As at 31.03.2018	As at 31.03.2017
Non Current			
Investment in Shares			
Equity Shares in Subsidiary Company	—	—	—
Other Investments			
Share Application Money	—	—	—
In Secured Bonds	—	—	—
In Co-operative Shares	—	—	—
Total	**—**	**—**	**—**
Aggregate amount of quoted investments:	—	—	—
Market value of quoted investments:	—	—	—
Aggregate amount of unquoted investments:	—	—	—
Aggregate amount of impairment in value of investments:	—	—	—

(₹ in Crores)

Current	Number of units current year/ (previous year)	NAV/ Face Value per unit (In ₹)	As at 31.03.2018	As at 31.03.2017
Mutual Fund Investment				
UTI Mutual Fund			—	—
SBI Mutual Fund			—	—
Canara Robeco Mutual Fund			—	—
Union KBC Mutual Fund			—	—
BOI AXA Mutual Fund			—	—
Other Investments				
8.5% Tax Free Special Bonds (Fully Paid Up)			—	—
(On Securitisation of Trade Receivables)			—	—
Major State Wise Break Up				
– UP			—	—
– Haryana			—	—
Total			—	—
Aggregate of Quoted Investment:			—	—
Market value of Quoted Investment:			—	—
Aggregate of unquoted investments:			—	—
Aggregate amount of impairment in value of investments:			—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 7 : INVESTMENTS (Contd...)

(₹ in Crores)

Details of Mutual Fund purchased and redeemed during the year :

PARTICULARS	TOTAL PURCHASED DURING THE YEAR		TOTAL REDEEMED DURING THE YEAR		DIVIDEND RECEIVED	
	NO. OF UNITS	AMOUNT	NO. OF UNITS	AMOUNT	NO. OF UNITS	AMOUNT
UTI MUTUAL FUND	3,166,426.62	322.80	3,218,976.53	328.16	52,549.91	5.36
SBI MUTUAL FUND	2,926,987.29	293.65	2,972,681.62	298.23	45,694.33	4.58
CANARA ROBECO MUTUAL FUND	152,262.56	15.31	154,651.72	15.55	2,389.16	0.24
UNION KBC MUTUAL FUND	223,754.43	22.39	227,202.89	22.74	3,448.46	0.35
BOI MUTUAL FUND	68,319.07	6.85	68,900.10	6.91	581.03	0.06
TOTAL	**6,537,749.96**	**661.00**	**6,642,412.86**	**671.59**	**104,662.90**	**10.59**

Note :

The Company invests in liquid scheme (daily dividend) of the above mutual funds. In the daily dividend scheme, dividends are received on daily basis in the form of units of mutual fund and the value of the NAV of the scheme remain constant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 8 : LOANS

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Non-Current		
Loans to Related Parties		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less : Allowance for doubtful loans	—	—
	—	—
Loans to Employees		
— Secured, considered good	0.47	0.59
— Unsecured, considered good	—	—
— Doubtful	—	—
	0.47	0.59
Less : Allowance for doubtful loans	—	—
	0.47	0.59
Other Loans		
— Secured, considered good		
— Unsecured, considered good		
— Doubtful		
Less : Allowance for doubtful loans		
TOTAL	**0.47**	**0.59**
CLASSIFICATION		
Secured, considered good	0.47	0.59
Unsecured, Considered good	—	—
Doubtful	—	—
Current		
Loans to Related Parties		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less : Allowance for doubtful loans	—	—
	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2017

NOTE - 8 : LOANS (Contd.)

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Loans to Employees		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less : Allowance for doubtful loans	—	—
	—	—
Other Loans		
— Secured, considered good	—	—
— Unsecured, considered good	—	—
— Doubtful	—	—
	—	—
Less : Allowance for doubtful loans	—	—
	—	—
TOTAL	**—**	**—**
CLASSIFICATION		
Secured, considered good	—	—
Unsecured, Considered good	—	—
Doubtful	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crores)

		As at 31.03.2018		As at 31.03.2017
Non Current				
Bank Deposits		—		0.77
Deposits with bank under				
– Mine Closure Plan		839.46		721.48
– Shifting & Rehabilitation Fund scheme		—		—
Receivable from Escrow Account for Mine Closure Expenses		—		—
Security Deposit for utilities	—		—	
Less : Allowance for doubtful deposits	—		—	
		—		—
Receivable for Exploratory works	—		—	
Less: Allowance for doubtful	—		—	
		—		—
Other receivables	—		0.80	
Less : Allowance	—		—	
		—		0.80
TOTAL		**839.46**		**723.05**
Current				
Surplus Fund with CIL		72.74		45.14
Receivable from Escrow Account for Mine Closure Expenses		—		—
Current Account with				
Holding Company	—		—	
Less: Allowance for Doubtful Advances	—		—	
		—		—
Current maturities of long term loan		—		—
Interest accrued on				
– Investments	—		—	
– Bank Deposits	58.93		47.64	
– Others	0.11		0.66	
		59.04		48.30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 9 : OTHER FINANCIAL ASSETS (Contd...)

(₹ in Crores)

	As at 31.03.2018		As at 31.03.2017	
Other deposits (Mine Closure Plan)	180.39		150.71	
Less : Allowance for doubtful deposits	—		—	
		180.39		150.71
Claims receivables	—		4.40	
Less : Allowance for doubtful claims	—		—	
		—		4.40
Other receivables*	409.67		125.24	
Less : Allowance for doubtful claims	3.85		5.90	
		405.82		119.34
TOTAL		**717.99**		**367.89**

Note :

1. Since coal became excisable w.e.f. 01.03.2011, Royalty and SED were considered as “Other Taxes” and excluded from the Transaction Value. Consequent upon the summon issued by 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 February’2013 and consequently supplementary bills have been raised for the said period to the tune of ₹ 79.95 Crs. Out of ₹ 79.95 Cr., balance realizable amount of ₹ 4.89 Crs. from cash sales customers has been shown under the head “Other Receivable “. Out of ₹ 4.89 Crs, customers have obtained stay order for ₹ 2.96 Crs. from Hon’ble High Courts of Kolkata and Jharkhand and against balance of ₹ 1.93 Crs., provision of ₹ 1.90 Crs. has been made.

2. Deposit with banks under mine closure plan is ₹ 1019.85 Crs. (Previous Year ₹ 872.19 Crs.) including interest on Escrow Account of ₹ 198.79 Crs. (Previous Year ₹ 158.68 Crs.) refer note no. 21.

3. *It includes fraudlent payment of ₹ 0.80 Crs. (refer para no. 7.10 of Note- 38)

4. Interest accrued on Bank Deposits includes accrued interest on deposits under mine closure plan of ₹ 3.08 Crs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE – 10 : OTHER NON-CURRENT ASSETS

(₹ in Crores)

			As at 31.03.2018		As at 31.03.2017	
(i)		Capital Advances	1508.00		1095.90	
		Less : Provision for doubtful advances	1.29	1506.71	0.02	1095.88
(ii)		Advances other than capital advances				
	(a)	Security Deposit for utilities	1.16		3.39	
		Less : Provision for doubtful deposits	—	1.16	—	3.39
	(b)	Other Deposits	—		—	
		Less : Provision for doubtful deposits	—	—	—	—
	(c)	Advances to related parties		—		—
	(d)	Advance for Revenue	—		—	
		Less :Provision for doubtful advances	—	—	—	—
	(e)	Prepaid Expenses		—		—
	(f)	Others		—		—
		TOTAL		**1507.87**		**1099.27**

Particulars	Closing Balance		Maximum Amount Due At Any Time During	
	Current Year	Previous Year	Current Year	Previous Year
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Due by the Companies in which Directors of the Company is also a Director/Member	NIL	NIL	NIL	NIL
Due by the parties in which the Director(s) of Company is /are interested	NIL	NIL	NIL	NIL

Note :

1. Capital Advance of ₹ 1508.00 Crs. Includes ₹ 1250.59 Crs. given to EC Railway for construction of Tori-Shivpur Rail Line. (Refer Note-4)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE – 11 : OTHER CURRENT ASSETS

(₹ in Crores)

		As at 31.03.2018		As at 31.03.2017	
(a)	Advance for Revenue (for goods & services)	128.56		74.69	
	Less : Provision for doubtful advances	0.44		0.70	
			128.12		73.99
(b)	Advance payment of statutory dues	485.07		396.23	
	Less : Provision for doubtful advances	0.31		0.21	
			484.76		396.02
(c)	Advance to Related Parties		—		—
(d)	Advance to Employees	23.97		29.68	
	Less : Provision for doubtful advances	—		—	
			23.97		29.68
(e)	Advance- Others	—		—	
	Less : Provision for doubtful claims	—		—	
			—		—
(f)	Deposits- Others (under protest)	839.03		835.05	
	Less: Provision	1.61		1.52	
			837.42		833.53
(g)	CENVAT and VAT CREDIT Receivable	—		156.13	
	Less: Provision	—		5.59	
			—		150.54
(h)	Input Tax Credit Receivable	481.62		—	
	Less: Provision	—		—	
			481.62		—
(i)	MAT Credit Entitlement	—		—	
	Less: Provision	—		—	
			—		—
(j)	Prepaid Expenses		0.22		—
(k)	Claim Receivables- Others	154.10		51.36	
	Less: Provision	16.65		9.19	
			137.45		42.17
	TOTAL		**2,093.56**		**1,525.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE -11 : OTHER CURRENT ASSETS (Contd...)

(₹ in Crores)

Particulars	Closing Balance		Maximum Amount Due at any time During	
	Current Year	Previous Year	Current Year	Previous Year
	(₹ In Crores)	(₹ In Crores)	(₹ In Crores)	(₹ In Crores)
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 Company is / are interested	Nil	Nil	Nil	Nil

Note :

1. Advance for Revenue includes ₹ 11.73 Crs. (P.Y. ₹ 8.62 Crs.) paid to various Govt. Agencies/ Departments against CSR activities.

2. 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 is recoverable from customers and shown under the head Claim Receivable others and the corresponding amount has also been included in statutory dues payable for Royalty and Cess under the head “Other Current Liabilities” (Note-23).

3. Goods and Service Tax has been implemented w.e.f. 01.07.2017 by subsuming all other taxes. Input Tax Credit receivables for ₹ 481.62 Crore as on 31.03.2018 includes credit transit through GST TRAN-1 of ₹ 143.25 Crore (Related to pre-GST era), which could not be utilized during the year due to inverted tax structure and pending scrutiny of GSTR TRAN-1 at Commercial Tax Department. The same shall be utilized/ claimed in the subsequent periods on completion of the formalities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE -12 : INVENTORIES

(₹ in Crores)

		As at 31.03.2018	As at 31.03.2017
(a)	Stock of Coal	1,206.37	1,925.17
	Coal under Development	—	—
	Less : Provision	—	—
	Stock of Coal (Net)	1,206.37	1,925.17
(b)	Stock of Stores & Spares (at cost)	178.38	208.04
	Add: Stores-in-transit	4.42	1.53
	Less : Provision	44.88	44.79
	Net Stock of Stores & Spares (at cost)	137.92	164.78
(c)	Stock of Medicine at Central Hospital	0.82	0.58
(d)	Workshop Jobs:		
	Work-in-progress and Finished Goods	3.39	4.76
	Less: Provision	—	—
	Net Stock of Workshop Jobs	3.39	4.76
(e)	Press Jobs:		
	Work-in-progress and Finished Goods	0.73	0.97
	Total	**1,349.23**	**2,096.26**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

ANNEXURE TO NOTE - 12

(Qty in lakh tonnes) (Value in ₹ Crores)

Table:A

Reconciliation of Closing Stock of Raw Coal adopted in the Financial Statements with Book Stock as at the end of the year :

PARTICULARS	OVERALL STOCK		NON-VENDABLE STOCK/ MIXED STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (a) Opening Stock as on 01.04.2017	176.94	1,469.68	1.21	—	175.73	1,469.68
(b) Adjustment in Opening Stock	—	—	—	—	—	—
2. Production for the Year	634.05	13,366.51	—	—	634.05	13,366.51
3. Sub-Total (1+2)	810.99	14,836.19	1.21	—	809.78	14,836.19
4. Off- Take for the Period:						
(a) Outside Despatch	581.01	12,421.85	—	—	581.01	12,421.85
(b) Coal feed to Washeries	94.08	1,462.02	—	—	94.08	1,462.02
(c) Own Consumption	—	0.01	—	—	—	0.01
TOTAL(A)	675.09	13,883.88	—	—	675.09	13,883.88
5. Derived Stock	135.90	952.31	1.21	—	134.69	952.31
6. Measured Stock	132.50	934.48	1.18	—	131.32	934.48
7. Difference (5-6)	3.40	17.83	0.03	—	3.37	17.83
8. Break-up of Difference :						
(a) Excess within 5%	0.13	1.35	—	—	0.13	1.35
(b) Shortage within 5%	3.53	19.18	0.03	—	3.50	19.18
(c) Excess beyond 5%	—	—	—	—	—	—
(d) Shortage beyond 5%	—	—	—	—	—	—
9. Closing stock adopted in A/c.(6 – 8(a) + 8(b))	135.90	952.31	1.21	—	134.69	952.31

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

ANNEXURE TO NOTE - 12

(Qty in lakh tonnes) (Value in ₹ Crores)

Table : B

Summary of Closing Stock of Coal/Coke etc

PARTICULARS	Raw Coal		Washed / Deshaled Coal				Other Products		Total	
	Qty	Value	Coking		Non-Coking					
			Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock (Audited)	176.94	1,469.68	1.02	58.01	8.71	164.91	13.52	232.57	200.19	1,925.17
Less: Non-vendable Coal/Mixed Stock	1.21	—	—	—	—	—	—	—	1.21	—
Adjusted Opening Stock (Vendable)	175.73	1,469.68	1.02	58.01	8.71	164.91	13.52	232.57	198.98	1,925.17
Production	634.05	13,366.51	11.15	1,059.62	60.76	1,571.34	16.80	710.88	722.76	16,708.35
Offtake										
(A) Outside Despatch	581.01	12,421.85	11.45	1,081.14	69.13	1,732.52	15.98	729.61	677.57	15,965.12
(B) Coal feed to Washeries	94.08	1,462.02	—	—	—	—		—	94.08	1,462.02
(C) Own Consumption	—	0.01	—	—	—	—	—	—	—	0.01
Closing Stock	134.69	952.31	0.72	36.49	0.34	3.73	14.34	213.84	150.09	1,206.37
Less: Shortage	—	—	—	—	—	—	—	—	—	—
Closing Stock (Adopted)	134.69	952.31	0.72	36.49	0.34	3.73	14.34	213.84	150.09	1,206.37

Note :

1. 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 15886 MT (PY 8733 MT) and Rejects (Both Coking & Non Coking) 1071303 MT (PY 1029625 MT).

2. Closing Stock of Non Coking Slurry and Coking and Non Coking Rejects as on 31.03.2018 is 275035 MT (P.Y. 256946 MT) and 1516069 MT (P.Y. 7979641 MT) repectively, valued at NIL in absence of availability of ready market. Sales are recognised on realisable basis.

3. Closing stock of coal is measured volumetrically and converted to weight (tonne) 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 and the net shortage of Book Stock of 3.40 Lakh tonne valuing ₹ 17.83 Crs. remains unadjusted in the Books of Account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 13 - TRADE RECEIVABLES

(Value in ₹ Crores)

	As at 31.03.2018		As at 31.03.2017	
Current				
Trade Receivables				
Outstanding for a period exceeding six months from the due date				
Secured considered good	—		—	
Unsecured considered good	904.67		760.11	
Doubtful	156.08		406.52	
	1060.75		1166.63	
Less : Allowance for bad & doubtful debts	156.08	904.67	406.52	760.11
Other Debts				
Secured considered good	—		—	
Unsecured considered good	840.64		913.68	
Doubtful	65.09		81.51	
	905.73		995.19	
Less : Allowance for bad & doubtful debts	65.09	840.64	81.51	913.68
Total		**1,745.31**		**1,673.79**

Particulars	Closing Balance		Maximum Amount Due at any time During	
	Current Year	Previous Year	Current Year	Previous Year
	(₹ In Crores)	(₹ In Crores)	(₹ In Crores)	(₹ In Crores)
Due by the Companies in which Directors of the Company is also a Director/Member	Nil	Nil	Nil	Nil
Due by the parties in which the Director(s) of Company is /are interested	Nil	Nil	Nil	Nil

Movement of Provision against Trade Receivables

(₹ In Crores.)

Particulars	Amount
Opening Balance as on 01.04.2017	488.03
Add : Provision made during the year	88.41
Balance Provision	576.44
Less : Provision Withdrawn	355.27
Balance provision against Trade Receivables as on 31.03.2018	221.17

Note :

Against Trade Receivable, a Provision of ₹ 624.31 Crs. (P.Y. ₹ 387.99 Crs) has been recognised as Coal Quality Variance for sampling results awaiited from referee samples and disclosed separately in Note 21 ‘Provisions’.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 14 - CASH AND CASH EQUIVALENTS

(Value in ₹ Crores)

		As at 31.03.2018	As at 31.03.2017
(a)	Balances with Banks		
	in Deposit Accounts	4.10	4.10
	in Current Accounts		
	- Interest Bearing	99.76	28.85
	- Non-interest Bearing	52.91	288.64
	in Cash Credit Accounts	—	—
(b)	Bank Balances outside India	—	—
(c)	Cheques, Drafts and Stamps in hand	5.55	0.04
(d)	Cash on hand	0.02	0.01
(e)	Cash on hand outside India	—	—
(f)	Others (Remittance in transit)	—	3.43
	Total Cash and Cash Equivalents	**162.34**	**325.07**
(g)	Bank Overdraft	—	—
	Total Cash and Cash Equivalents(net of Bank Overdraft)	**162.34**	**325.07**

Note:

1. Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments is ₹ NIL.
2. Balance of Cash on Hand is as per Cash Verification Report certified by the management.
3. The bank guarantees issued by CCL on account of two court cases i.e. Ghisha Lal Goyal Vs CCL in case 08/01 and M/s Nav Shakti Fuels Vs CCL & Ors in FA No. 101/2007 and to The Secretary, Department of IT and E-Governance, Govt. of Jharkhand, Ranchi against lien secured by Deposits in Account no. 0404002100045433 for an amount of ₹ 4.10 Crs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 15 - OTHER BANK BALANCES

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
Balances with Banks		
Deposit Accounts	1,233.73	1,376.71
Mine Closure Plan	—	—
Shifting and Rehabilitation Fund scheme	—	—
Escrow Account for Buyback of Shares	—	—
Unpaid Dividend Accounts	—	—
Dividend Accounts	—	—
Total	**1,233.73**	**1,376.71**

Deposits includes :

(i) ₹ 5.74 Crs. deposited against the order of the Hon'ble High Court, Kolkata against a claim from customer which includes interest of ₹ 1.59 Crs. with corresponding liability in Other Current Liability (Note-23).

(ii) ₹ 26.46 Crs. deposited as per order of Hon'ble High Court, Kolkata against 20% extra price charged form parties during the period Nov. 2006 to April 2008.

(iii) ₹ 15.05 Crs. Deposited against the order of the Hon'ble High Court, Jharkhand, case no. WP (C) 4179 of 2016 against encashment of Bank Guarantee of M/s. Adhunik Alloys & Power Limited.

(iv) Short Term loan amounting to ₹ 150 Crs. (P.Y. ₹ 1103.78 Crs.) has been raised against Fixed deposit of ₹ 162 Crs. (P.Y. ₹ 1218 Crs.)

NOTE - 16 - EQUITY SHARGE CAPITAL

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
AUTHORISED		
1,10,00,000 Equity Shares of ₹ 1000/- each	1,100.00	1,100.00
ISSUED, SUBSCRIBED AND PAID UP		
94,00,000 Equity Shares of ₹ 1000/- each	940.00	940.00
	940.00	940.00

Note :

1. 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.
2. Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
	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	9399997	100	9399997	100

3. The Company has only one class of equity shares having a face value ₹ 1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders. No larger dividend shall be declared than is recommended by the Board of Directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 17 - OTHER EQUITY

(Value in ₹ Crores)

Particulars	General Reserve	Retained Earnings	OCI	Total
Balance as at 01.04.2016	1,958.94	3,278.52	40.66	5,278.12
Changes in Accounting Policy	—	—	—	—
Prior Period Errors	—	(6.02)	—	(6.02)
Balance as at 01.04.2016	**1,958.94**	**3,272.50**	**40.66**	**5,272.10**
Additions during the year	—	—	—	—
Adjustments during the year	—	—	—	—
Profit for the year	—	1,386.70	11.73	1,398.43
Appropriations				
Transfer to / from General reserve	70.06	(70.06)	—	—
Transfer to / from Other reserves	—	—	—	—
Interim Dividend	—	(3,634.04)	—	(3,634.04)
Final Dividend	—	—	—	—
Corporate Dividend tax	—	(739.80)	—	(739.80)
Buyback of Equity Shares	—	—	—	—
Tax on Buyback	—	—	—	—
Pre-operative expenses	—	(0.04)	—	(0.04)
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—
Balance as at 31.03.2017	**2,029.00**	**215.26**	**52.39**	**2,296.65**
Balance as at 01.04.2017	2,029.00	215.26	52.39	2,296.65
Additions during the Year	—	—	—	—
Adjustments during the Year	—	0.04	—	0.04
Changes in accounting policy or prior period errors	—	—	—	—
Profit for the Year	—	789.52	91.43	880.95
Appropriations				
Transfer to / from General reserve	39.48	(39.48)	—	—
Transfer to / from Other reserves	—	—	—	—
Interim Dividend	—	(531.10)	—	(531.10)
Final Dividend	—	—	—	—
Corporate Dividend tax	—	(108.12)	—	(108.12)
Buyback of Equity Shares	—	—	—	—
Tax on Buyback	—	—	—	—
Reimbursement of Defined Benefit Plan (Net of Tax)	—	—	—	—
Balance as at 31.03.2018	**2,068.48**	**326.12**	**143.82**	**2,538.42**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 18 - BORROWINGS

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
Non-Current		
Term Loans	—	—
Loans from Related Parties		
Mahanadi Coalfields Limited (MCL)	—	1,200.00
Other Loans	—	—
Total	**—**	**1,200.00**
CLASSIFICATION		
Secured	—	—
Unsecured	—	1,200.00
Current		
Loans repayable on demand		
– From Banks	150.00	1,103.78
– From Other Parties	—	—
Loans from Related Parties (MCL)	—	—
Total	**150.00**	**1,103.78**
CLASSIFICATION		
Secured	150.00	1,103.78
Unsecured	—	—

Loan Guaranteed by Directors & Others

Particulars of Loan		Amount in ₹ crores	Nature of Guarantee
N.A.		NIL	NA
N.A.		NIL	NA

Note :

1 **CASH CREDIT FACILITY:**

The Company is having Cash Credit facility of ₹ 55 Crs. from Consortium of bankers (having State Bank of India as the lead Bank) through its holding Company CIL. The said facilities is collaterally secured by creating hypothecation charge over the current assets comprising of Book Debts and Stock of Raw materials, Semi-finished and finished goods, Stores and Spares not relating to Plant & Equipment (Consumable Stores & Spares) to the extent of ₹ 83.00 Crs.

2 Short Term Loan amounting to ₹ 150 Crs. (P.Y. ₹ 1103.78 Crs.) has been raised against Fixed Deposit of ₹ 162 Crs. (P.Y. ₹ 1218 Crs.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 19 - TRADE PAYABLES

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
Current		
Trade Payables for Micro, Small and Medium Enterprises	—	—
Other Trade Payables for		
Stores and Spares	129.24	109.77
Power and Fuel	34.21	24.45
Others —	—	
TOTAL	**163.45**	**134.22**
CLASSIFICATION		
Secured	—	—
Unsecured	163.45	134.22

NOTE - 20 - OTHER FINANCIAL LIABILITIES

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
Non Current		
Security Deposits	52.03	44.51
Earnest Money	1.62	1.05
Others	6.44	14.64
TOTAL	**60.09**	**60.20**
Current		
Current Account with Holding Company	—	—
Current Maturities of long-term debt (MCL)	—	300.00
Unpaid dividends	—	—
Security Deposits	119.71	101.74
Earnest Money	117.23	145.57
Liability for Salary, Wages and Allowances	323.56	282.12
Others	5.48	5.56
TOTAL	**565.98**	**834.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 21 - PROVISIONS

(₹ in Crores)

	As at 31.03.2018	As at 31.03.2017
Non Current		
Employee Benefits		
Gratuity	605.87	—
Leave Encashment	107.11	153.61
Other Employee Benefits	218.50	213.29
	931.48	366.90
Site Restoration/Mine Closure	902.56	855.11
Stripping Activity Adjustment	1,368.31	1,083.80
Others	—	—
TOTAL	**3,202.35**	**2,305.81**
Current		
Employee Benefits		
Gratuity	315.79	90.56
Leave Encashment	34.67	37.57
Ex- Gratia	223.67	219.94
Performance Related Pay	57.26	257.83
Other Employee Benefits	286.89	257.70
NCWA-X	474.73	289.76
Executive Pay Revision	136.26	12.86
	1,529.27	1,166.22
Site Restoration/Mine Closure	137.88	116.92
Excise Duty on Closing Stock of Coal	—	207.75
Provision for Coal Quality Variance	624.31	387.99
Others	—	—
TOTAL	**2,291.46**	**1,878.88**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 21 - PROVISIONS (Contd....)

Note :

1. Liability on account of NCWA-X amounting ₹ 658.92 Crs. has been netted off with advance of ₹ 184.19 Crs.

2. Department of Public Enterprises (DPE) vide Office Memorandum (OM) NO. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3rd August,2017 has circulated the approval of the Government of India regarding the guidelines of the revision of pay and allowances of Board level and below Board level Executives and non-unionized supervisors of Central Public Sector Enterprises (CPSEs) w.e.f 01.01.2017.

   Pending final implementation of these guidelines, the provision for executive pay revision of ₹ 136.26 Crs., considering estimated impact of increase in all elements of executive salary (including the employer's PF contribution), other employee benefits and all superannuation benefits as per DPE guidelines, covering the period 01.01.2017 to 31.03.2018, has been made in these financial statements.

3. Provision for Other Employee Benefits include ₹ 252.13 Crs. (P.Y. ₹ 226.20 Crs.) provided for Superannuation Benefits @ 9.84% till the balance sheet date for which a separate Fund/Trust is yet to be created.

4. Provision for Ex-Gratia for Non-Executive has been made based on ₹ 57000/- (P.Y. ₹ 54000/-) per employee per annum as per the revised rate.

5. Leave Encashment Liabilities is netted off of ₹ 267.23 Crs., deposited with LIC against the Actuarial Liabilities.

6. Provision for Coal Quality Variance of ₹ 624.31 Crs. (₹ 387.99 Crs.) is towards grade variance, results for which are awaited/finalised.

7. Pursuant to the guidelines received from Ministry of Coal, Government of India, in connection to Mine Closure Plan, provision for Mine Closure Expenses is made in the accounts based on the technical assessment of CMPDIL, a subsidiary of Coal India Limited. The liability for such expenses as estimated by CMPDIL of each mine has been discounted @ 8% (i.e. G-Sec rate) and the same is capitalised to arrive at the Mine Closure Liability as on first year of making such provision. Thereafter, the provision is re-estimated in subsequent years by unwinding the discount to arrive at the provision as on 31.03.2018. Deposit in ESCROW A/C is ₹ 1019.85 Crs. (P.Y. ₹ 872.19 Crs.) including interest accrued of ₹ 198.79 Crs. (P.Y. ₹ 158.68 Crores) against the Mine Closure Provision of ₹ 1040.44 Crs. (P.Y. ₹ 972.03 Crs).

8. As per the Payment of Gratuity Act, 1972 and amendment notification issued thereafter, the ceiling for maximum Gratuity has been increased from ₹10.00 lakhs to ₹20.00 lakhs w.e.f. 29.03.2018. Provision for gratuity for the year ended 31.03.18 includes ₹900.33 Crs. being the incremental liability due to change in gratuity ceiling.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 22 - OTHER NON CURRENT LIABILITIES

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
Shifting & Rehabilitation Fund		
Opening balance	—	—
Add: Interest from investment of the fund (Net of TDS)	—	—
Add: Contribution received	—	—
Less: Amount released to subsidiaries during the period	—	—
Deferred Income*	438.46	183.83
Total	**438.46**	**183.83**

* It includes Grant received from CCDAC for Tori-Shivpur project amounting to ₹ 434.17 Crs. (P.Y. ₹ 179.54 Crs.) and strengthening of road of NK Area of ₹ 4.29 Crs. (P.Y. ₹ 4.29 Crs.).

NOTE - 23 - OTHER CURRENT LIABILITIES

(Value in ₹ Crores)

	As at 31.03.2018	As at 31.03.2017
Capital Expenditure	128.65	99.45
Statutory Dues :		
Goods and Service Tax	110.34	—
GST Compenstaion Cess	258.58	—
Sales Tax/Vat	6.29	46.36
Provident Fund & Others	70.14	63.73
Central Excise Duty	—	0.79
Royalty & Cess on Coal*	202.24	168.07
Stowing Excise Duty	—	13.31
Clean Energy Cess	—	310.47
National Mineral Exploration Trust	1.53	1.44
District Mineral Foundation	34.79	23.60
Other Statutory Levies	23.15	26.63
Income Tax deducted/collected at Source	18.08	93.69
	725.14	**748.09**
Advance for Coal Import	—	—
Advance from customers / others	3,181.55	1,581.08
Cess Equalization Account	—	—
Others Liabilities	870.79	540.95
TOTAL	**4,906.13**	**2,969.57**

* Refer foot note point no-2 of Note- 11.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 24 - REVENUE FROM OPERATIONS

(Value in ₹ Crores)

			For the year ended 31.03.2018		For the year ended 31.03.2017
A.	**Sales of Coal**		**15,965.12**		**14,899.71**
	Less : Other Statutory Levies				
	Royalty	1,109.31		821.06	
	Goods and Service Tax	470.45		—	
	GST Compenstaion Cess	2,076.22		—	
	Cess on Coal	—		—	
	Stowing Excise Duty	14.18		48.32	
	Central Sales Tax	48.37		183.22	
	Clean Energy Cess	567.09		1,932.72	
	State Sales Tax/VAT	73.68		270.93	
	National Mineral Exploration Trust	22.19		16.69	
	District Mineral Foundation	332.74		486.09	
	Other Levies (New Management Fees)	1.27		—	
	Total Levies		**4,715.50**		**3,759.03**
	Sale of Coal (Net) (A)		**11,249.62**		**11,140.68**
B.	**Other Operating Revenue**				
	Facilitation charges for coal import		—		—
	Subsidy for Sand Stowing & Protective Works		1.05		1.42
	Loading and transportation charges	453.62		372.97	
	Less : GST	17.38		—	
	Less : Other Statutory Levies	2.43		7.98	
			433.81		364.99
	Evacuation facility Charges	107.68		—	
	Less : Other Statutory Levies	5.13		—	
			102.55		—
	Other Operating Revenue (Net) (B)		**537.41**		**366.41**
	Revenue from Operations (A+B)		**11,787.03**		**11,507.09**

Note :

1. Excise Duty, SED, JVAT, CST etc. have been subsumed w.e.f. 01.07.2017 with the introduction of GST. Hence the current year figures where ever disclosed are for a period of 3 months and not comparable.
2. Sales of coal includes excise duty of ₹ 195.41 Crore (P.Y. ₹ 711.80 crore). Sales of coal (Net) exclusive of excise duty is ₹ 2737.70 Crores upto 30.06.2017(P.Y. ₹ 10428.88 Crores).
3. Loading and transportation charges (net of excise duty) for the period upto 30.06.2017 is ₹ 86.39 Crores (Excise Duty ₹ 5.19 Crores). Such charges for the PY is ₹ 344.52 Crores (Excise Duty ₹ 20.47 Crores).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 25 - OTHER INCOME

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Interest Income (Gross)		
Deposits with Banks* (Tax deducted at Source ₹ 17.29 Cr., P.Y. ₹ 20.74 Cr.)	202.74	255.50
Investments	—	—
Loans		
– Employees	0.53	0.35
Funds parked within CIL (Related Party) (Tax deducted at Source ₹ 0.34 Cr., P.Y. ₹ 0.16 Cr.)	3.42	1.53
Others (Tax deducted at Source ₹ 0.22 Cr., P.Y. ₹ 0.16 Cr.)	59.84	1.57
Dividend Income		
Investments in Subsidiaries	—	—
Investments in Mutual Funds	10.59	23.25
Investments in Govt Securities (8.5% Tax free Special Bonds)	—	—
Other Non-Operating Income		
Apex charges	—	—
Profit on Sale of Assets	—	0.02
Gain on Foreign exchange Transactions	—	—
Exchange Rate Variance	—	—
Lease Rent (Tax deducted at Source ₹ 0.08 Cr., P.Y. ₹ 0.08 Cr.)	4.02	4.01
Liability / Provision Write Backs	136.25	185.44
Excise Duty on Decrease in Stock	—	—
Miscellaneous Income	93.29	89.97
Total	**510.68**	**561.64**
Miscellaneous Income		
Penalty/LD Recovery	46.13	33.42
Recovery Siding Charges	5.77	6.26
Recovery from Employees	12.86	10.24
Others	28.53	40.05
Total	**93.29**	**89.97**

Note :

* Interest on deposits with Banks includes interest on ESCROW Account of ₹ 43.19 crores (P.Y. ₹ 56.46 crores) including accrued interest of ₹ 3.08 crores (Refer Note – 21).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 26 - COST OF MATERIALS CONSUMED

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Explosives	152.85	175.85
Timber	0.40	0.77
Oil & Lubricants	361.31	350.93
HEMM Spares	137.70	179.21
Other Consumable Stores & Spares	79.00	92.74
Total	**731.26**	**799.50**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(Value in ₹ Crores)

		For the Year ended 31.03.2018	For the Year ended 31.03.2017
	Opening Stock of Coal	1,925.17	1,313.62
	Add: Adjustment of opening stock	(207.75)	0.09
	Less: Deterioration of Coal	—	—
		1,717.42	1,313.71
	Closing Stock of Coal	1,206.37	1,925.17
	Less: Deterioration of Coal	—	—
		1,206.37	1,925.17
A	**Change in Inventory of Coal**	**511.05**	**(611.46)**
	Opening Stock of Workshop made finished goods and WIP	4.76	3.59
	Add: Adjustment of Opening Stock	—	—
	Less: Provision	—	—
		4.76	3.59
	Closing Stock of Workshop made finished goods and WIP	3.39	4.76
	Less: Provision	—	—
		3.39	4.76
B	**Change in Inventory of workshop**	**1.37**	**(1.17)**
	Press Opening Job		
	(i) Finished Goods	0.62	0.47
	(ii) Work in Progress	0.35	0.52
		0.97	0.99
	Less: Press Closing Job		
	(i) Finished Goods	0.54	0.62
	(ii) Work in Progress	0.19	0.35
		0.73	0.97
C	**Change in Inventory of Closing Stock of Press Job**	**0.24**	**0.02**
	Change in Inventory of Stock in trade (A+B+C) { Decretion / (Accretion) }	**512.66**	**(612.61)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 28 - EMPLOYEE BENEFITS EXPENSES

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Salary, Wages, Allowances, Bonus etc.	3,028.04	2,877.81
Provision for National Coal Wages Agreement (NCWA) - X	369.16	289.76
Executive Pay Revision*	123.40	12.86
Ex-Gratia	222.92	231.76
Performance Related Pay	22.38	30.26
Contribution to P.F. & Other Funds	382.34	383.91
Gratuity	1,014.03	161.84
Leave Encashment	66.38	202.39
Voluntary Retirement Scheme	0.40	0.91
Workman Compensation	(0.64)	1.26
Medical Expenses for existing employees	37.55	34.74
Medical Expenses for retired employees	28.91	(26.13)
Grants to Schools & Institutions	24.09	25.16
Sports & Recreation	2.84	2.70
Canteen & Creche	0.33	0.35
Power - Township	106.39	105.91
Hire Charges of Bus, Ambulance etc.	6.98	7.30
Other Employee Benefits	54.81	58.94
Total	**5,490.31**	**4,401.73**

Details of Other Employee's Benefits:

LTC/LLTC	12.32	13.32
LCS	4.53	6.64
HRA	21.61	21.02
Reimbursement of Gas	10.34	12.05
Others	6.01	5.91
Total	**54.81**	**58.94**

*Refer foot note no- 2 of Note- 21

1 The NCWA - X for the year ended 31.03.2018 above includes ₹ 104.75 Crs. relating to the period 01.07.2016 to 31.03.2017.

2 As per the Payment of Gratuity Act, 1972 and amendment notifications issued thereafter, the ceiling for maximum gratuity has been increased from ₹ 10 Lakh to ₹ 20 Lakh w.e.f. 29.03.2018 Gratuity for the year ended 31.03.2018 above includes ₹ 900.33 Crs. being the incremental liability due to change in gratuity ceiling.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 29 - CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
CSR Expenses	37.90	30.29
Total	**37.90**	**30.29**

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any assets	4.81	1.14	5.95
(ii) On purpose other than (i) above	30.20	1.75	31.95
Total	**35.01**	**2.89**	**37.90**

NOTE - 30 - REPAIRS

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Building	199.61	110.98
Plant & Machinery*	110.91	80.48
Others	16.63	13.93
Total	**327.15**	**205.39**
Detail of Others		
Road & Culverts	4.19	6.28
Heavy Vehicle	1.98	2.54
Car & Jeep 0.37	0.54	
Others	10.09	4.57
Total	**16.63**	**13.93**

* Netted off with workshop Debit of ₹ 140.07 Crores (P.Y. ₹ 149.29 Crores).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 31- CONTRACTUAL EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Transportation Charges		
Sand	0.04	0.17
Coal	341.57	326.35
Stores & Others	0.64	6.76
Wagon Loading	31.55	29.05
Hiring of Plant and Equipments	814.32	853.59
Other Contractual Work	115.95	105.07
Total	**1,304.07**	**1,320.99**
Details of Other Contractual Work		
Other Contractual Expenses	58.38	49.27
Miscellaneous Mining Jobs	57.46	55.68
Others	0.11	0.12
Total	**115.95**	**105.07**

NOTE - 32- FINANCE COSTS

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Interest Expenses		
Borrowings		
— Loan from MCL (Related Party)	90.53	0.29
— Others	11.17	1.45
Unwinding of discounts	68.41	68.11
Funds parked within Group	—	—
Fair value changes (net)	—	—
Others	1.90	2.03
Total	**172.01**	**71.88**
Others		
Interest on Pension Fund	0.02	0.10
Interest on Security Deposit of Employees	0.51	1.09
Others	1.37	0.84
Total	**1.90**	**2.03**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 33 - PROVISIONS (NET OF REVERSAL)

(Value in ₹ Crores)

		For the Year ended 31.03.2018	For the Year ended 31.03.2017
(A)	**Allowance/Provision made for**		
	Doubtful debts	88.41	120.30
	Doubtful Advances & Claims	1.35	—
	Stores & Spares	0.09	3.49
	Coal quality variance	404.33	367.14
	Others (Prov. On CWIP)	8.18	9.63
	Total (A)	**502.36**	**500.56**
(B)	**Allowance/Provision Reversal**		
	Doubtful debts	97.02	—
	Doubtful Advances & Claims	—	24.60
	Stores & Spares	—	—
	Coal quality variance	168.01	25.26
	Others	—	—
	Total (B)	**265.03**	**49.86**
	Total (A-B)	**237.33**	**450.70**

Note :

During the year net provision of ₹ 236.32 Crs. (P.Y. ₹ 341.88 Crs.) is recognised on account of Coal Quality Variance for sampling results awaited from referee samples.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 34 - WRITE OFF (NET OF PAST PROVISIONS)

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Doubtful debts	258.97	332.29
Less :- Provided earlier	258.25	315.34
	0.72	16.95
Doubtful advances	—	9.85
Less :- Provided earlier	—	6.01
	—	3.84
Stock of Coal	—	—
Less : Provided earlier	—	—
	—	—
Others	—	0.01
Less : Provided earlier	—	—
	—	0.01
Total	**0.72**	**20.80**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 35 - OTHER EXPENSES

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Travelling expenses		
Domestic	19.56	21.04
Foreign	0.21	0.23
Training Expenses	6.34	7.43
Telephone & Postage	3.05	2.95
Advertisement & Publicity	3.76	3.23
Freight Charges	0.02	0.04
Demurrage	25.88	16.17
Donation/Subscription	—	—
Security Expenses	175.70	156.68
Service Charges of CIL	63.43	33.69
Hire Charges	44.43	44.18
CMPDI Charges	41.13	23.96
Legal Expenses	5.58	8.35
Bank Charges	0.11	0.20
Guest House Expenses	0.71	0.79
Consultancy Charges	1.10	3.00
Under Loading Charges	199.57	142.16
Loss on Sale/Discard/Surveyed off Assets	3.10	0.58
Auditor's Remuneration & Expenses		
For Audit Fees	0.21	0.28
For Taxation Matters	—	—
For Other Services	0.21	0.16
For Reimbursement of Exps.	0.11	0.10
Internal & Other Audit Expenses	2.56	2.29
Rehabilitation Charges	40.54	36.55
Royalty & Cess	302.11	818.23
Central Excise Duty	—	91.71

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE 35 : OTHER EXPENSES (Contd...)

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
GST	—	—
Rent	0.52	0.57
Rates & Taxes	8.13	3.98
Insurance	0.90	0.85
Loss on Foreign Exchange Transactions	—	—
Loss on Exchange rate variance	—	—
Lease Rent —	—	
Rescue/Safety Expenses	2.31	2.55
Dead Rent/Surface Rent	0.18	0.08
Siding Maintenance Charges	9.21	22.87
Land/Crops Compensation	—	—
R & D expenses	0.38	0.22
Environmental & Tree Plantation Expenses	3.36	5.03
Expenses on Buyback of shares	—	—
Miscellaneous expenses	58.14	72.34
Total	**1,022.55**	**1,522.49**

Note :

1. Rehabilitation Charges as per the directives of Ministry of Coal, ₹ 40.54 Crores (P.Y. ₹ 36.55 Crores) is debited on the basis of debit memo received from CIL.
2. Service Charges amounting to ₹ 63.43 Crs. (P.Y. ₹ 33.69 Crs.) levied by CIL, the Holding Company @ ₹ 10 per tonne (P.Y. ₹ 5 per tonne) of coal produced towards rendering various services like procurement , marketing, Corporate Service etc. based on debit memo received from CIL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 36 - TAX EXPENSES

(Value in ₹ Crores)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Current Year	801.15	1,030.65
Deferred tax	(247.09)	(46.46)
MAT Credit Entitlement of earlier Years	—	—
Total	**554.06**	**984.19**

Reconciliation of Tax Expenses and Accounting profit multiplied by Indian domestic Tax rate:

Total Comprehansive Income before Tax	**1,499.16**	**2,390.77**
Adjustment:		
Impact of restatement	—	2.30
Loss of Subsidiary (JCRL)	(0.03)	(0.58)
Total Comprehansive Income before Tax (Adjusted)	**1,499.19**	**2,393.65**
Tax using the Company's domestic tax rate of 34.608% (P.Y. 34.608%)	518.84	828.39
Tax effect of:		
Non-deductable Tax Expenses	381.62	134.35
Tax-exempt Income	(3.66)	(8.05)
Adjustment in respect of current Income tax of Previous Year	(2.88)	84.67
Income Tax Expenses reported in Statement of Profit & Loss (Tax on TCI)	**893.92**	**1,039.36**
Tax on OCI	92.77	8.71
Income Tax Expenses reported in Statement of Profit & Loss	**801.15**	**1,030.65**
Effective Income Tax Rate	**34.608%**	**34.608%**

Deferred Tax Assets/ (Liability)

Deferred Tax Liability:		
Related to Fixed Assets	3.60	0.06
Others	—	—
Total Deferred Tax Liability	**3.60**	**0.06**
Deferred Tax Assets:		
Provision for Doubtful Advances, Claims & Debts	301.32	311.56
Provision for Employee Benefits	635.43	354.30
Others	114.43	106.08
Total Deferred Tax Assets	**1,051.18**	**771.94**
Net Deferred Tax Assets/(Deferred Tax Liability)	**1,047.58**	**771.88**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

NOTE - 37 - OTHER COMPREHENSIVE INCOME

(Value in ₹ Crores)

			For the Year ended 31.03.2018	For the Year ended 31.03.2017
(A)	(i)	**Items that will not be reclassified to profit or loss**		
		Changes in revaluation surplus	—	—
		Remeasurement of defined benefit plans	155.59	20.05
		Equity instrument through OCI	—	—
		Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	—	—
		Share of OCI in Joint ventures	—	—
		Total (A)	**155.59**	**20.05**
	(ii)	**Income tax relating to items that will not be reclassified to profit or loss**		
		Changes in revaluation surplus	—	—
		Remeasurement of defined benefit plans	64.16	8.32
		Equity instrument through OCI	—	—
		Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	—	—
		Share of OCI in Joint ventures	—	—
		Total (B)	**64.16**	**8.32**
		Total [C = A-B]	**91.43**	**11.73**
(B)	(i)	**Items that will be reclassified to profit or loss**		
		Exchange differences in translating the financial statements of a foreign operation	—	—
		Debt instrument through OCI	—	—
		The effective portion of gains and loss on hedging instruments in a cash flow hedge	—	—
		Share of OCI in Joint ventures	—	—
		Total (D)	**—**	**—**
	(ii)	**Income tax relating to items that will be reclassified to profit or loss**		
		Exchange differences in translating the financial statements of a foreign operation	—	—
		Debt instrument through OCI	—	—
		The effective portion of gains and loss on hedging instruments in a cash flow hedge	—	—
		Share of OCI in Joint ventures	—	—
		Total (E)	**—**	**—**
		Total [F = D-E]	**—**	**—**
		Total [C + F]	**91.43**	**11.73**

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. FAIR VALUE MEASUREMENT

(a) Financial Instruments by Category

(₹ in Crores)

	31st March, 2018			31st March, 2017		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets						
Investments :	—	—	—	—	—	—
Secured Bonds	—	—	—	—	—	—
Co-Operative Share	—	—	—	—	—	—
Mutual Fund	—	—	—	—	—	—
Other Investments	—	—	—	—	—	—
Loans	—	—	0.47	—	—	0.59
Deposits & receivable	—	—	1557.45	—	—	1090.94
Trade receivables	—	—	1745.31	—	—	1673.79
Cash & cash equivalents	—	—	162.34	—	—	325.07
Other Bank Balances	—	—	1233.73	—	—	1376.71
Financial Liabilities						
Borrowings	—	—	150.00	—	—	2603.78
Trade payables	—	—	163.45	—	—	134.22
Security Deposit and Earnest money	—	—	290.59	—	—	292.87
Other Liabilities	—	—	335.48	—	—	302.32

(b) Fair Value Hierarchy

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crores)

Financial assets and liabilities measured at fair value	31st March 2018			31st March 2017		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL						
Investments :						
Mutual Fund	—	—	—	—	—	—
Financial Liabilities						
If any item	—	—	—	—	—	—

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crores)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31st March, 2018	31st March, 2018			31st March, 2017		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets						
Investments :						
Equity Shares in JV	—	—	—	—	—	—
Mutual Fund	—	—	—	—	—	—
Loans	—	—	0.47	—	—	0.59
Deposits & receivable	—	—	1557.45	—	—	1090.94
Trade receivables	—	—	1745.31	—	—	1673.79
Cash & cash equivalents	—	—	162.34	—	—	325.07
Other Bank Balances	—	—	1233.73	—	—	1376.71
Financial Liabilities						
Preference Share	—	—	—	—	—	—
Borrowings	—	—	150.00	—	—	2603.78
Trade payables	—	—	163.45	—	—	134.22
Security Deposit and Earnest money	—	—	290.59	—	—	292.87
Other Liabilities	—	—	335.48	—	—	302.32

The Company uses the judgments and estimates in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below.

Level I: Level I hierarchy includes financial instruments measured using quoted prices.

Level II: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level II.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level III. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level III.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices of instruments.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- The Company considers that the Security Deposits does not include a significant financing component. The milestone payments (security deposits) coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

2. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs"); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Expected credit loss

The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit losses for trade receivables under simplified approach As on 31.03.2018

(₹ in Crores.)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 years	Due for 3 years	Due for more than 3 years	Total
Gross Carrying Amount	480.06	425.67	591.36	170.13	132.18	167.08	1966.48
Expected Loss rate	3.86	5.06	8.48	17.68	35.22	32.51	11.25
Expected Credit Loss allowance	18.54	21.56	50.13	30.08	46.55	54.31	221.17

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Expected Credit losses for trade receivables under simplified approach As on 31.03.2017

(₹ in Crores.)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 years	Due for 3 years	Due for more than 3 years	Total
Gross Carrying Amount	491.93	503.26	536.29	295.39	90.72	244.23	2161.82
Expected Loss rate	5.74	10.58	15.78	31.10	46.73	76.83	22.58
Expected Credit Loss allowance	28.25	53.26	84.62	91.86	42.39	187.65	488.03

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

A. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

B. Market risk

(a) Cash flow and fair value interest rate risk

Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital Management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows:

(₹ in Crores.)

Particulars	31.03.2018	31.03.2017
Equity Share capital	940.00	940.00
Long term debt	—	1200.00

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. EMPLOYEE BENEFITS: RECOGNITION AND MEASUREMENT (IND AS-19)

(i) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹ 332.14 Crore (P.Y ₹ 325.97Crore) has been recognized in the Statement of Profit and Loss (Note 28).

(ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded

- Gratuity
- Leave Encashment

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Medical Benefits
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2018 based on valuation made by the Actuary, details of which are mentioned below is ₹ 3070.16 Crores.

(₹ In Crores)

Particulars	Opening Actuarial Liability as on 01.04.2017	Incremental Liability during the Year	Closing Actuarial Liability as on 31.03.2018
Gratuity	1590.34	798.37	2388.71
Earned Leave	408.39	(38.01)	370.38
Half Pay Leave	59.36	(20.74)	38.62
Life Cover Scheme	11.22	(1.10)	10.12
Settlement Allowance Executives	0.61	6.56	7.17
Settlement Allowance Non-executives	18.16	(1.56)	16.60
Gross Personal Accident Insurance Scheme	0.16	(0.01)	0.15
Leave Travel Concession	34.21	0.15	34.36
Medical Benefits Executives	149.82	24.32	174.14
Medical Benefits Non-Executives	3.36	1.46	4.82
Compensation to dependents in case of mine accidental death	26.20	(1.11)	25.09
Total	**2301.83**	**768.33**	**3070.16**

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(iii) Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2018
CERTIFICATES AS PER IND AS 19 (2015)

(₹ In Crores)

Changes in Present Value of defined benefit obligations	As at 31.03.2018	As at 31.03.2017
Present Value of obligation at beginning of the period	1590.34	1565.83
Current Service Cost	99.50	115.01
Interest Cost	116.34	106.41
Plan Amendaments	900.33	—
Actuarial (Gain) / Loss on obligations due to change in financial assumption	(113.16)	92.46
Actuarial (Gain) / Loss on obligations due to unexpected experience	(42.10)	(93.02)
Benefits Paid	162.55	196.35
Present Value of obligation at end of the period	2388.71	1590.34

(₹ In Crores)

Changes in Fair Value of Plan Assets	As at 31.03.2018	As at 31.03.2017
Fair Value of Plan Asset at beginning of the period	1561.37	1387.62
Interest Income	117.10	100.60
Employer Contributions	0.24	250.00
Benefits Paid	162.55	196.35
Return on Plan Assets excluding Interest income	0.32	19.49
Fair Value of Plan Asset as at end of the period	1516.49	1561.37

(₹ In Crores)

Statement showing reconciliation to Balance Sheet	As at 31.03.2018	As at 31.03.2017
Funded Status	(872.22)	(28.97)
Unrecognized actuarial (gain) / loss at end of the period	—	—
Fund Asset	1516.49	1561.37
Fund Liability	2388.71	1590.34

Statement showing Plan Assumptions:	As at 31.03.2018	As at 31.03.2017
Discount Rate	7.71%	7.00%
Expected Return on Plan Asset	7.71%	7.00%
Rate of Compensation Increase (Salary Inflation)	Executives-9.00% Non-Executives- 6.25%	Executives-9.00% Non-Executives- 6.50%
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	0.30% p.a.	1.00% p.a.

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ In Crores)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2018	As at 31.03.2017
Current Service Cost	99.50	115.01
Past Service cost (vested)	900.33	5.80
Net Interest Cost	(0.75)	5.80
Benefit Cost (Expense recognised in Statement of Profit/Loss)	999.08	120.81

(₹ In Crores)

Other Comprehensive Income	As at 31.03.2018	As at 31.03.2017
Actuarial (Gain) / Loss on obligations due to change in financial assumption	(113.16)	92.46
Actuarial (Gain) / Loss on obligations due to unexpected experience	(42.10)	(93.02)
Total Actuarial (Gain) / Loss	(155.27)	(0.56)
Return on Plan Asset, excluding Interest Income	0.32	19.49
Net (Income) / Expense for the period recognised in Other Comprehensive Income	(155.59)	(20.05)

Mortality Table	
Age	**Mortality (Per Annum)**
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Actuarial Valuation Of Leave Encashment Benefit (EL/HPL) As At 31.03.2018 Certificates As Per Ind AS 19 (2015)

(₹ In Crores)

Changes in Present Value of defined benefit obligations	As at 31.03.2018	As at 31.03.2017
Present Value of obligation at beginning of the period	467.75	378.15
Current Service Cost	43.33	50.72
Interest Cost	30.14	23.33
Actuarial (Gain) / Loss on obligations due to change in financial assumption	(23.89)	66.86
Actuarial (Gain) / Loss on obligations due to unexpected experience	45.35	61.48
Benefits Paid	153.67	112.79
Present Value of obligation at end of the period	409.01	467.75

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ In Crores)

Changes in Fair Value of Plan Assets	As at 31.03.2018	As at 31.03.2017
Fair Value of Plan Asset at beginning of the period	276.57	—
Interest Income	21.32	6.73
Employer Contributions	125.13	382.96
Benefits Paid	153.67	112.79
Return on Plan Assets excluding Interest income	(2.11)	(0.33)
Fair Value of Plan Asset as at end of the period	267.23	276.57

(₹ In Crores)

Statement showing reconciliation to Balance Sheet	As at 31.03.2018	As at 31.03.2017
Funded Status	(141.77)	(191.18)
Unrecognized actuarial (gain) / loss at end of the period	—	—
Fund Asset	267.23	276.57
Fund Liability	409.01	467.75

(₹ In Crores)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2018	As at 31.03.2017
Current Service Cost	43.33	50.72
Net Interest Cost	8.82	16.59
Net Actuarial Gain / Loss	23.57	128.68
Benefit Cost (Expense recognised in Statement of Profit/Loss)	75.72	195.99

Statement showing Plan Assumptions:	As at 31.03.2018	As at 31.03.2017
Discount Rate	7.71%	7.25%
Expected Return on Plan Asset	7.71%	7.25%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executives and 6.25% for Non-Executives	9.00% for Executives and 6.50% for Non-Executives
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	0.30% p.a.	1.00% p.a.
Voluntary Retirement	Ignored	Ignored

Mortality Table	
Age	**Mortality (Per Annum)**
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

4. UNRECOGNIZED ITEMS

(a) Contingent Liabilities

I. Claims against the company not acknowledged as debt :

(₹ In Crores)

Sl.no	Particulars	Central Government	State Government and Other Localities	CPSEs	Others	Total
1	Opening Balance as on 01.04.2017	766.32	2387.67	—	831.04	3985.03
2	Addition during the year	501.20	13543.58	—	114.20	14158.98
3	Claims settled during the year					
	a. From Opening Balance	597.62	4.33	—	301.68	903.63
	b. Out of addition during the year	—	—	—	—	—
	c. Total claims settled during the year	597.62	4.33	—	301.68	903.63
4	Closing Balance as on 31.03.2018	669.90	15926.92	—	643.56	17240.38

Demand for alleged, Production of coal beyond Environmental Clearance Limit

Following the judgment of the Hon'ble Supreme Court of India in the case of Common Cause vs. UOI and Others (W.P. (C) No. 114 of 2014), certain District Mining Officers of Jharkhand, issued demand notices in 41 projects, alleging the production in these projects exceeding the available Environmental Clearances limits.

The Company has duly filed revision petition against the above demands, before the Hon'ble Coal Tribunal, Ministry of Coal, Govt. of India, the adjudicating authority under the MMDR, Act. The Revisional Authority Ministry of Coal Govt. of India in their interim order dated 16.01.2018 has admitted the revision application and stayed the execution of the demand order (of ₹13389.38 Crores) till further order.

II. Guarantee

As on 31.03.2018 Bank guarantee issued is ₹ 290.25 Crores (P.Y ₹ 4.10 Crores).

III. Letter of Credit :

As on 31.03.2018 outstanding letters of credit is ₹ 32.58 Crores (P.Y ₹ 46.91 Crores).

(b) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for(net of advance) : ₹ 1438.99 Crores (P.Y ₹ 959.63 Crores).

(c) Other Commitments: ₹ 8615.11 Crores (P.Y ₹ 8654.82 Crores).

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

5. GROUP INFORMATION

Name	Principal activities	Country of Incorporation	% Equity Interest	
			31st March, 2018	31st March 2017
Coal India Limited (Holding Company)	Mining & Production of Coal	India	100 %	100 %
Jharkhand Central Railway Ltd. (Subsidiary Company)	Development of Railway Infrastructure in Jharkhand	India	64.00 %	71.03 %

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

(₹ In Crores)

Name of Enterprises	Net Assets i.e. Total Assets minus Total Liabilities		Share in profit or loss		Share in OCI	
	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated OCI	Amount
Central Coalfields Limited	99.09	3,446.85	100.00	789.54	100.00	91.43
Jharkhand Central Railway Limited	1.42	49.33	—	(0.03)	—	—
Less:- Non-Controlling Interests	0.51	17.76	—	(0.01)	—	—
Total	**100.00**	**3,478.42**	**100.00**	**789.52**	**100.00**	**91.43**

6. OTHER INFORMATION

(a) Segment Reporting

In accordance with the provisions of Ind AS 108 ‘operating segment’, the operating segment used for presenting segment information are identified based on internal report used by Board to allocate resources to the segment and assess their performance. The Board is the group of Chief operating decision maker within the meaning of Ind AS 108.

The Board consider a business from a prospect of significant product offering and have decided that presently there is one single reportable segment being sale of Coal. Information of financial performance and assets is presented in the consolidated information to statement of profit and loss and balance sheet.

Revenue by destination is as follows:

(₹ In Crores)

	India	Other countries
Revenue (Net)	11,249.62	Nil

Revenue by customer is as follows:

(₹ In Crores)

Name of each parties having more than 10% of Revenue (Net)	Amount	Country
NTPC	2,116.80	**India**
Others	9,132.82	
Total Revenue (Net)	11,249.62	

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Current Assets by location are as follows :

(₹ In Crores)

	India	Other countries
Current Assets	7,357.87	Nil

(b) Authorised Share Capital

(₹ In Crores)

Particulars	As on 31.03.2018	As on 31.03.2017
1,10,00,000 Equity Shares of ₹1000/- each	1,100.00	1,100.00

(c) Earnings per share

Sl. No.	Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
		PAT	TCI	PAT	TCI
i)	Net profit after tax attributable to Equity Share Holders (₹ In Crores)	789.52	880.95	1386.70	1398.43
ii)	Weighted Average no. of Equity Shares Outstanding	94 Lakhs	94 Lakhs	94 Lakhs	94 Lakhs
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹1000/- per share)	839.91	937.18	1475.21	1487.69

(d) Related Party Disclosures

(i) Key Managerial Personnel

Mr. Gopal Singh, Chairman-cum-Managing Director

Mr. D.K.Ghosh, Dirctor (Finance)

Mr. R.S.Mahapatro, Director (Personnel)

Mr. S. Chandra, Director (Technical/Operation) (superannuated on 31.03.2018)

Mr. A.K.Mishra, Director (Technical/P&P)

Mr. Ravi Prakash, Company Secretary.

(ii) Independent Directors

Mr. Ashok Gupta

Mr. Bharat Bhusan Goyal

(iii) Government Director

Mr. Ashish Upadhyay, Jt. Secretary, Ministry of Coal, Govt. of India

(iv) Permanent Invitees

Mr. S. K. Barnwal, Secretary, Mines & Geology Department, Govt. of Jharkhand

Mr. S. K. Jha, COM, East Central Railway, Hajipur

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Remuneration of Key Managerial Personnel

(₹ In Crores)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	**Short Term Employee Benefits**		
	Gross Salary	2.24	2.83
	Medical Benefits	0.01	0.01
	Perquisites and other benefits	0.16	0.22
(ii)	**Post-Employment Benefits**		
	Contribution to P.F. & other fund	0.15	0.19
(iii)	**Actuarial valuation of Defined Benefits -**		
	Gratuity	0.60	0.44
	Leave Encashment	0.83	0.86
(iv)	**Termination/Retirement Benefits**		
	Leave Encashment	—	0.36
	Gratuity	0.20	0.20
	TOTAL	**4.19**	**5.11**

Note:

(i) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹2000/- per month as per service conditions.

Payment to Independent Directors

(₹ In Crores)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	Sitting Fees	0.22	0.24

Balances Outstanding with Key Managerial Personnel as on 31.03.2018

(₹ In Crores)

Sl. No.	Particulars	As on 31.03.2018	As on 31.03.2017
(i)	Amount Payable	—	—
(ii)	Amount Receivable	—	—

(e) Related Party Transactions within Company

The Company being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government.

Central Coalfields Limited has entered into transactions with its subsidiaries and Holding company which include Apex charges, Rehabilitation charges, CMPDIL Expenses, R&D Expenses, Lease rent, Interest on Surplus Fund, IICM charges and other expenditure incurred by or on behalf of other subsidiaries through current account.

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

(₹ In Crores)

Name of the Company	Nature of relationship	Amount of transactions during the Year
Coal India Limited (CIL)	Holding Company	778.41
Eastern Coalfields Limited	100% Subsidiary of CIL	0.79
Bharat Coking Coal Limited	100% Subsidiary of CIL	2.24
Western Coalfields Limited	100% Subsidiary of CIL	0.44
Northern Coalfields Limited	100% Subsidiary of CIL	3.30
South Eastern Coalfields Limited	100% Subsidiary of CIL	0.95
Mahanadi Coalfields Limited	100% Subsidiary of CIL	1590.90
CMPDI Limited	100% Subsidiary of CIL	113.48

(f) Taxation

An amount of ₹ 893.92 Crores (PY ₹ 1,039.36 Crores) has been provided in the accounts during current year towards income tax.

(g) Leases

(i) M/s. Imperial Fastners Pvt. Limited, In terms of lease agreement, has been granted a right to occupy and use the assets of the Company. The cost of gross carrying amount of the asset is ₹ 80.19 Crores and progressive depreciation there on is ₹ 77.69 Crores and WDV is ₹ 2.50 Crores (reserve value). The future minimum lease payment receivable in the aggregate during the period of lease is ₹ 32.16 Crores. The details of future lease payment receivables are as under :

(₹ In Crores)

	Particulars	As at 31.03.2018	As at 31.03.2017
(I)	Not later than one year	3.84	3.84
(II)	Later than one year and not later than five years	15.36	15.36
(III)	Later than five years and till the period of lease	12.96	16.80
	Total	**32.16**	**36.00**

(ii) Punjab State Electricity Board, In terms of lease agreement, has been granted a right to use 15.50 acres of land of the company. The cost of gross carrying amount of the asset is ₹ 7.90 Crores and progressive depreciation there on is ₹ 7.90 Crores and WDV is Nil. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 3.06 Crores. The details of future lease payments receivable are as under :

(₹ In Crores)

	Particulars	As at 31.03.2018	As at 31.03.2017
(I)	Not later than one year	0.17	0.17
(II)	Later than one year and not later than five years	0.68	0.68
(III)	Later than five years and till the period of lease	2.21	2.38
	Total	**3.06**	**3.23**

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(iii) EIPL, In terms of lease agreement, has been granted a right to occupy and use the assets of the company. The cost of gross carrying amount of the asset is ₹ 4968 and progressive depreciation there on is ₹ 4968 and WDV is Nil. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 1.44 Lakhs. The details of future lease payments receivable are as under :

(₹ In Lakhs)

		As at 31.03.2018	As at 31.03.2017
(I)	Not later than one year	0.12	0.12
(II)	Later than one year and not later than five years	0.48	0.48
(III)	Later than five years and till the period of lease	0.84	0.96
	Total	**1.44**	**1.56**

(h) Goods procured by Coal India Ltd. on behalf of Subsidiaries.

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

(i) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

(j) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

(k) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

(l) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

(m) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities.

(n) Value of imports on CIF basis

(₹ In Crores)

	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	Raw Material	Nil	Nil
(ii)	Capital Goods	63.13	45.22
(iii)	Stores, Spares & Components	Nil	2.77

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

o) Expenditure incurred in Foreign Currency

(₹ In Crores)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Travelling Expenses	0.21	0.23
Training Expenses	0.02	—
Consultancy Charges	—	—
Interest	—	—
Others	—	—

(p) Earning in Foreign Exchange: NIL

(q) Total Consumption of Stores and Spares

(₹ In Crores)

Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	5.49	0.75%	14.17	2.00%
(ii) Indigenous	725.77	99.25%	785.33	98.00%

(r) Significant accounting policy

Significant accounting policy (Note-2) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs (MCA)under theCompanies (Indian Accounting Standards) Rules, 2015.

7. GENERAL

7.1 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 receipt of final order except as otherwise not recognized under IND AS-37.

7.2 The Government of Jharkhand has demanded Royalty for ₹ 2.55 Crores in respect of 9 LT non-vendable coal at Rajrappa Area written-off in the year 1989. The company (CCL) preferred to appeal before Commissioner of Mines, Jharkhand but the same was rejected. On rejection, the company filed writ petition WP 1754(c) of 2014 before Hon'ble High Court of Jharkhand and the same was pending at the court. Last hearing date was 09.05.2016. Hon'ble High Court has directed Government of Jharkhand to produce documentary evidence in support of their claim which has not been filed till date.

7.3 (a) There is a long pending dispute over capitalization cost of Rajrappa and Giddi Captive Power Plant, commissioned by EIPL 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 the Appellate Tribunal.

(b) Pursuant to Interim Orders of the Hon'ble Supreme Court dated 14.09.12 and 23.11.12 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 EIPL (erstwhile DLF Ltd.) withholding 25% deemed energy charges during the said period. Further an ad-hoc payment of

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

₹ 75 Crores. and ₹ 25 Crores. had been made on 20.11.13 and 10.01.14 respectively as per directives of the Hon'ble Supreme Court. As directed by the 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 up to 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 been provided. For the financial year 2015-16 additional liability of ₹ 0.26 Crores has also been provided. The details of balance receivable amount from EIPL is as under:

(i)	Differential Tariff for the period upto March'08 -in respect of which liability has been provided in the Financial Statements of 2012-13.	₹ 94.33 Crores.
(ii)	Differential Tariff for the period April'08- to March'14 in in respect of which liability has been provided in the year 2013-14.	₹ 23.25 Crores.
(iii)	Old keep back amount in respect of deemed energy charges	₹ 31.36 Crores.
(iv)	Differential tariff for the year 2014-15	₹ 3.26 Crores.
(v)	Differential tariff for the year 2015-16 (A/C-Rajrappa Area)	₹ 0.26 Crores.
		₹152.46 Crores.
	Less: Ad-hoc payment (as per Order of the Hon'ble Supreme Court)	₹ 183.03 Crores.
	Net Balance amount (shown in Note-9 under the head Other Receivables)	₹ 30.57 Crores.

However, EIPL 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 the Hon'ble Supreme Court.

(c) As per clause 1.18.3 of the Power Purchase Agreement with M/s. EIPL, 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 EIPL 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 DLF Ltd. vide letter Ref. 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 from July,2000 to December, 2011 from EIPL. Consequent upon the issue of above letter, Sales bill and power tariff has been revised.

As on 31.03.2016, the amount receivable from EIPL on account of supply of rejects after adjusting enhanced tariff was ₹ 38.69 Crores. Due to non-payment of the same, the following action has been taken:

As per clause 2.6 of the Power Purchase Agreement dated. 8th February, 1993, in the event of any dispute arising out of or in relation to the agreement, the same shall be referred to the sole arbitration of an arbitrator mutually acceptable to CIL & EIPL as per provisions of Arbitration Act. The emerging situation is that as the parties to the agreement have failed to mutually agree to the appointment of an arbitrator, the petitioner (CCL) is left with no other alternative but to move to the Hon'ble High Court for appointment of an arbitrator in exercising powers under section 11(6) of the Arbitration and Conciliation Act, 1996. The Arbitration Application has been filed on 7th April, 2016. However, provision for ₹ 38.69 Crores has been made in the financial year 2015-16. The present status of this case is the Hon'ble Supreme Court has appointed Ld. Arbitrator as per Agreement claim during 2017-18 and the same is pending before Ld. Arbitrator.

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

7.4 Bad debts written-off during the year for ₹ 258.97 Crores include ₹ 70.06 Crores in respect of coal sale dues of DVC and ₹ 188.91 Crores of SAIL against which a provision of ₹ 258.25 Crores was existing in the books.

7.5 M/s. Gardenreach Ship Builders & Engineering Company had been awarded contracts for supply and repairs of equipment in the year 1990. Since, the work was not to the satisfaction, the company withheld the payment. Subsequently against the demand of ₹ 49.68 Crores, the company agreed to pay ₹ 10.09 Crores, and the same has been provided during the year.

7.6 Theft of goods during the year is ₹ 0.44 Crores (Previous year ₹ 0.29 Crores), which has been duly accounted for.

7.7 Compensation Receivable in terms of "Fuel Supply Agreement" (FSA) is accounted for on Receipt basis.

7.8 The Company has signed a MOU with the President of India acting through Sri R. Subrahmanyam, Additional Secretary, and Ministry of Human Resource Development on 12th December, 2015 as third industry partner for setting of Indian Institute of Information Technology, Ranchi (IIIT) under Public Private Partnership (PPP) mode in the state of Jharkhand. An amount of ₹ 3.20 Crores was remitted through RTGS to IIIT, Ranchi by the company and also executed a Bank Guarantee worth ₹ 3.20 Crores to the Secretary, Department of IT and E-governance, Government of Jharkhand.

7.9 In terms of Memorandum of Understanding signed on 07.05.2015 between Central Coalfields Limited (CCL), IRCON International Limited (IRCON) and the Govt. of Jharkhand (GoJ) for development, financing and implementation of Railway Infrastructure works in the State of Jharkhand, a Subsidiary Company named as "Jharkhand Central Railway Limited"(JCRL) was incorporated on 31.08.2015 under the Companies Act, 2013 with an authorized capital of ₹ 5 Crores, which has subsequently been increased to ₹ 500 Crores. The committed equity share holding pattern, as per MOA, of CCL, IRCON International Limited and Govt. of Jharkhand are 64%, 26% and 10% respectively. As on Balance sheet date, JCRL has allotted shares to the value of ₹ 32.00 Crores to the company, ₹ 13.00 Crores to IRCON International Limited and ₹ 5.00 Crores to Government of Jharkhand. The paid-up capital of JCRL as on 31.03.2018 is ₹ 50.00 Crores.

CCL has prepared Consolidated Financial Statements in addition to its Standalone Financial Statements for compliance of the Section 129(3) of the Companies Act, 2013.

JCRL has incurred a Loss of ₹ 0.03 Crores [P.Y. ₹ 0.58 Crores] for the year ended 31st March 2018.

7.10 Alleged fraudulent payment to the tune of ₹ 0.80 Crores has been detected against 104 fake bills at Barkasayal area in 2015-16. The matter is under investigation and pending before CBI.

7.11 The Company is making provisions for Doubtful Debts on account of grade slippage on certain bills which are pending for confirmation of the Joint Sampling on the basis of past trends.

7.12 For the purpose of valuation of inventories, power cost has been distributed on the basis of internal department certificate to the units of the area instead of actual consumption basis.

7.13 Consequent upon the agreement made with Coal India Limited and President of India for allocation of coal block Kotre Basantpur and Panchmo under Coal Mines (Special Provisions) Act, 2015, and subsequent Deed of Adherence held on 05.12.2017 to make CCL as a party to comply allotment agreement for operation and commercial use of mines. The company (CCL) has deposited 50% of Upfront fees amounting to ₹ 20.65 Crores and fixed amount of ₹ 9.91 Crores and furnished Performance Bank Guarantee (Performance Security) amounting to ₹ 286.14 Crores, in designated bank account of Nominated Authority for allotment. The above deposit is appearing under capital advance as on 31.03.2018.

7.14 The Hon'ble Supreme Court of India, in Transferred Case (CIVIL) No. 43 of 2016 vide order dated 13.10.2017 has held that DMF will be applicable in the State of Jharkhand on and from the date of establishment of DMF Trust i.e. 07.12.2015. Accordingly, the amount of ₹ 286.30 Crores deposited with the State Govt. relating to the period prior to 07.12.2015 shall be refunded/adjusted from the DMF payable by the company. Out of the said amount a sum of ₹ 64.55 Crores has been refunded /adjusted and balance amount of ₹ 221.75 Crores is yet to be refunded/ adjusted from the State Government.

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

As per directive of State Govt., Areas have submitted their claim to the respective DMO for getting Refund / adjustment. Against the said payment to be refunded to the customers, the company has issued credit note of ₹ 176.23 Crores for Rail Sales and credit note of ₹ 82.33 Crores for Road Sale is yet to be raised.

7.15 Against the demand of Income Tax Department under section 206 C of the Income Tax Act' 1961, for an amount of ₹ 106.56 Crores, the department has collected ₹ 71.79 Crores by attaching the bank account of the company and the balance amount of ₹ 34.77 Crores has been deposited by the company. The company has recovered ₹ 61.79 Crores from the customers during the year 2017-18, and the balance ₹ 44.77 Crores is under process of recovery.

7.16 The amount equal to the expenditure incurred on the activities under Progressive Mine Closure Plan in first five years or 80% of the total deposited amount including interest accrued in the ESCROW Account, whichever is less, is entitled to be withdrawn from the ESCROW Account, after approval of Coal Controller. The Company is in the process of identifying and ascertaining the amount incurred on this account for withdrawal from ESCROW Account. Adjustment of the same shall be done on completion of the requisite formalities.

During the year, Board has approved foreclosure of 9 mines and closure of 1 mine, which had completed its estimated useful life, under Mine Closure Plan. All these mines were closed and the final mine closure plan is under preparation at CMPDIL. Moreover, during the periodical review of 14 mines, whose balance intended useful life is five years or less than five years, it transpires that due to various technical and operational issues the balance life of these mines are varying from those as mentioned in the Mines Closure Plan. As per the accounting policy, Site Restoration Expenses is amortised over the useful life of the mines and charged to Profit & Loss Account every year. During the year, an amount of ₹ 1.06 Crores, has been amortised to Profit & Loss Account and the balance amount of Site Restoration Expenses, in respect of these 10 mines, which are subjected to closure, is ₹ 8.59 Crores After complying with all formalities, prescribed under the guidelines, final adjustment in the Site Restoration Expenses A/c and Mine Closure Expenses A/c will be made.

7.17 Reconciliation of Profit for the Quarter/Year due to restatement of Prior period adjustments.

(₹ In Crores)

Particulars	for the Q.E. 31.03.2017	For the Year Ended 31.03.2017
Total Comprehensive Income attributable to owners of the company reported earlier	**503.27**	**1,400.73**
Adjustments for prior period items:-		
Other Income (Decrease)	(0.28)	(0.28)
Contractual Expenses (Increase)	—	(0.13)
Other Expenses (Increase)	1.49	(1.89)
Net Decrease in Total Comprehensive Income	**1.21**	**(2.30)**
Total Comprehensive Income (Restated) attributable to owners of the company	**504.48**	**1,398.43**
EPS (Basic & Diluted) -Restated	**493.70**	**1,475.21**
EPS (Basic & Diluted)	**492.20**	**1,477.48**

NOTE - 38 : ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of Other Equity (Reserve excluding Revaluation Reserve) as at 31.03.2017

Particulars	As at 31.03.2017
Other Equity (Reserve excluding Revaluation Reserve) as at 31.03.2017 - Reported earlier (Audited)	**2,304.97**
Adjustments for prior period items:-	
Decrease in retained earnings as on 01.04.2016 for incomes/expenses relating to periods prior to FY 2016-17	(6.02)
Decrease in retained earnings as on 01.04.2016 for incomes/expenses relating to FY 2016-17 (Refer above table)	(2.30)
Other Equity (Reserve excluding Revaluation Reserve) as at 31.03.2017 - Restated	**2,296.65**

Others

i. Previous year's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

ii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31st March, 2018 and 24 to 37 form part of Statement of Profit and Loss for the year ended on that date. Note – 38 represents Additional Notes to the Financial Statements.

(Ravi Prakash)
Company Secretary

(Ashok Kumar)
General Manager
(Finance)

(D.K.Ghosh)
Director (Finance)
DIN-06638291

(Gopal Singh)
Chairman-cum-Managing Director
DIN-02698059

As per our report annexed

For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANT
(Firm Reg. No. 302206E)

Place : Ranchi
Date : 26th May, 2018

(Rajesh Kumar Singhania)
Partner
(Membership No. 052722)

Form AOC – 1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statemnet of Subsidiaries/ associate companies/Joint ventures

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Crores)

1.	Sl. No.	:	1
2.	Name of the subsidiary	:	Jharkhand Central Railway Limited.
3.	The date since when subsidiary was acquired	:	31.08.2015.
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	NA.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	:	NA
6.	Share Capital	:	₹ 50.00 Crores
7.	Reserves & Surplus	:	₹ (0.67) Crores
8.	Total Assets	:	₹ 228.42 Crores
9.	Total Liabilities	:	₹ 179.09 Crores
10.	Investments	:	—
11.	Turnover	:	—
12.	Profit before Taxation	:	₹ (0.03) Crores
13.	Provision for Taxation	:	—
14.	Profit after Taxation	:	₹ (0.03) Crores
15.	Proposed Dividend	:	—
16.	Extent of Share holding (in percentage)	:	64 %

ADDENDUM TO DIRECTORS' REPORT

AUDITORS' REPORT	MANAGEMENT'S REPLY

To

The Members
Central Coalfields Limited,
Darbhanga House,
Ranchi.

This audit report supersedes the earlier audit report dated 26th May 2018 and is being revised at the instance of Comptroller & Auditor General (C&AG) of India. The revised report is being issued in view of certain corrections and omissions in the audit report, to substitute the word 'Members' in place of 'Shareholders' and inadvertent printing omission of, "for which there were any material foreseeable losses" in para 3(h)(ii) of 'Report on Other Legal and Regulatory Requirements' and also modification in Annexure – A to the Independent Auditors' Report. Further, we confirm that these changes do not effect true and fair view and our opinion as expressed earlier and also none of the figures have undergone any change in the Consolidated Financial Statements of the Company as at 31st March, 2018.

Report on the Consolidated Ind As Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of Central Coalfields Limited ("the Holding Company") and its subsidiary, Jharkhand Central Railway Limited (collectively referred to as 'the Company' or the 'Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the Companies included in the Group are responsible for

AUDITORS' REPORT	MANAGEMENT'S REPLY
maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.	
Auditor's Responsibility	
Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, 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.	
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 Consolidated Ind AS Financial Statements are free from material misstatement.	
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.	No Comments.
We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" paragraph below, are sufficient	

AUDITORS' REPORT	MANAGEMENT'S REPLY
and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.	
Opinion	
In our opinion and to the best of our information and according to the explanations given to us and the other financial information of the subsidiary company,the aforesaid Consolidated Ind AS 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, including the Ind AS, of the consolidated financial position of the Group, as at 31st March, 2018, and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year then ended.	
Emphasis of Matters	
We draw attention to to the following matters :	
(a) The demand of Rs.13389.38 crores received, during the year, towards penalty for mining of coal in excess of the environmental clearances limit in respect of 41 mines, refer para 4(a)(1) of Note 38 to the financial statements.	It is adequately disclosed under Contingent Liability in the Notes to Accounts (Refer Note 38.4(a)).
(b) Regarding non preparation/ non submission of claims to CMPDIL for scrutiny in respect of the amount to be withdrawn from the Escrow account towards Progressive Mine Closure Plan, amount unascertained.	It is adequately disclosed in the Notes to Accounts (Refer Note 38.point No.7.16).
(c) Regarding non preparation of Final Closure Plan for mines intended for final closure, Amount amortized, during the year, Rs. 1.06 crores for 9 mines which have been foreclosed and 1 mine which has completed its useful life. The adjustment to be made in 'Site Restoration Expenses A/c' and 'Mine Closure Expenses A/c', is not ascertainable.	It is adequately disclosed under in the Notes to Accounts (Refer Note 38.point No.7.16).
(d) Regarding ultimate recoverability of the amount due from customers towards "Royalty and Cess" and amount payable to State Government on such account, refer note 11 and 23.	It is adequately disclosed under in the Notes to Accounts (Refer Note 11 and 23).
Other Matter	
We did not audit the financial statements/information of subsidiary Company whose financial statements reflect total assets of Rs. 228.42 crores as at 31st March, 2018, total revenues of Rs. 1.72 crores, net loss Rs. 0.03 crores and net cash flow amounting to Rs. 11.87 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial	No Comments.

AUDITORS' REPORT **MANAGEMENT'S REPLY**

statements have been audited by other auditor whose report have been furnished to us by the management, and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of such other auditor.

Report on Other Legal and Regulatory Requirements

1. Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable on the consolidated Ind AS financial statements as referred in proviso to para 2 of the said order.

2. 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 of the group in Annexure A annexed herewith.

3. As required by section 143(3) of the Act, we report that :

   (a) We have sought & obtained all the information & explanation which to best of our knowledge and belief were necessary for purpose of our audit of the aforesaid consolidated Ind AS financial statements read with as reported in clauses (a), (b), (c) and (d) of the "Emphasis of Matters" paragraph above.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Holding Company so far as appears from our examination of those books and the reports of the other auditors.

   (c) The reports on the accounts of the Holding company (including areas which are audited by branch auditors) audited by us and its subsidiary company incorporated in India audited under section 143(8) of the Act by other auditor have been sent to us and have been properly dealt with in preparing this report.

   (d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, Consolidated Cash Flow Statement and the Consolidated Statement of Change in Equity dealt with by this Report, are in agreement with the relevant books of account maintained for the

AUDITORS' REPORT	MANAGEMENT'S REPLY

purpose of preparation of the consolidated Ind AS financial statements.

(e) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued thereunder.

(f) In pursuance of the Notification No. G.S.R.463(E) dated 05.06.2015 issued by the Ministry of Corporate affairs, section 164(2) of the Act, pertaining to disqualification of Directors is not applicable to the Government company.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure B, and

(h) 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 Group has disclosed its pending litigations under Additional Note 38 of the Consolidated Ind AS financial statement. The impact, if any, of these litigations will be given effect to as and when the same are determined/settled.

(ii) The Group did not have any long-term contracts including derivative contracts.

(iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.

For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Registration No. 302206E)

(Rajesh Kr. Singhania)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

Annexure – A to the Independent Auditor's Report

Directions under Section 143(5) of the Companies Act, 2013 on the Consolidated Financial Statements of the Company for the year ended 31st March, 2018.

Annexure – A (I)

AUDITORS' REPORT	MANAGEMENT'S REPLY

1. Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available.

   According to the information and explanations given to us, Lease of Coal Mines Nationalized under Coal Mines (Nationalization Act) 1973 were vested in Coal Mines Authority Limited by Statutory Order No. GSR/345.E.dt. 9th July 1973, New Delhi. The rights, title and interest of such land and mining taken over 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 on the same. Title deeds/evidences of titles for land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984 are available for freehold and leasehold lands substantially. In rest of the cases, the title deeds could not be made available as such quantification is not possible.

2. 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. 258.97 Crores against the coal sale consumers with due approval of the Board of Directors in 458th Board Meeting held on 23.04.2018 (Refer para No. 7.4 of the Note 38 of the Financial Statements).

3. Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities.

   As per the information and explanations given by the management and as per our test checks, there is no inventory lying with third parties and there are no assets received as gift from Government or any authority.

Annexure – A to the Independent Auditor's Report

Additional directions under Section 143(5) of the Companies Act, 2013

Annexure – A (II)

AUDITORS' REPORT	MANAGEMENT'S REPLY
1. Whether coal 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 keeping in view the contour map which is accompanied with the measurement report. Further, any new heap is created only after approval of the competent authority.***	
2. Whether the Company conducted physical verification exercise of assets and properties at the time of merger/ split/re-structure of an area. If so whether the concerned subsidiary followed the requisite procedure? ***As per the information and explanations given to us the Company has conducted verification exercise of assets and properties at the time of merger / split / restructure of an area.***	
3. Whether separate Escrow Accounts for each mine has been maintained by the company. Also examine the utilization of the fund of the account. ***As per the information and explanations given to us, Escrow Account for 64 mines has been maintained and there is no withdrawal from such Escrow account till date. However, Escrow account in respect of 4 mines have not been opened.***	
4. Whether the impact for illegal mining as imposed by the Hon'ble Supreme Court of India has been duly considered and accounted for. ***Pursuant to such order of the Hon'ble Supreme Court of India, certain District Mining Officers of Jharkhand had raised a demand of Rs. 13389.38 crores for mining in excess of the environmental***	

AUDITORS' REPORT	**MANAGEMENT'S REPLY**
clearances limit in 41 mines. Against the said demand, the company has filed a revision petition before the Hon'ble Coal Tribunal, Ministry of Coal, Govt. of India, the adjudicating authority under the MMDR Act. The Revisional Authority vide its interim order dt.16.01.2018 has stayed the execution of the demand till further order. The said demand has not been acknowledged as debt and included under Contingent Liability in para 4(a)(1) of Note 38 of the financial statement.	

For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Registration No. 302206E)

(Rajesh Kr. Singhania)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

Annexure – B to the Independent Auditor's Report

AUDITORS' REPORT	MANAGEMENT'S REPLY

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Central Coalfields Limited ('the Company') and its subsidiary which is incorporated in India, as of 31st March 2018 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

AUDITORS' REPORT	MANAGEMENT'S REPLY

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in

AUDITORS' REPORT	MANAGEMENT'S REPLY

condition, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary company, which is incorporated in India, has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. K. Singhania & Co.**
Chartered Accountants
(Firm Registration No. 302206E)

(Rajesh Kr. Singhania)
Partner
Membership No. 52722

Place: Ranchi
Date: 6th June, 2018

APPENDIX – 1

DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.2018

(₹ in Crores)

TAX TYPE	NO. OF CASES	NAME OF COURT	PERIOD	DISPUTED AMOUNT
ROYALTY CASES	45	CERTIFICATE OFFICE-Dhanbad, Ranchi, Bokaro, Hazaribagh	1984-85 TO 2016-17	91.27
ROYALTY CASES	4	DY.COMMISSIONER, HAZARIBAGH, RAMGARH	1995-96 TO 2014-15	2.26
ROYALTY CASES	5	COMMISSIONER, HAZARIBAGH	1992-93 TO 2008-09	4.73
ROYALTY CASES	35	HIGH COURT, JHARKHAND	1987-88 TO 2017-18	414.66
ROYALTY CASES	6	SUPREME COURT, DELHI	1991-92 TO 2008-09	45.38
SALES TAX CASES	256	COMMERCIAL TAX OFFICER-Ranchi,Hazaribagh,Tenughat,Ramgarh	1989-90 TO 2015-16	748.86
SALES TAX CASES	184	JCCT(A),HAZARIBAGH	1989-90 TO 2017-18	263.04
SALES TAX CASES	16	JCCT(A),RANCHI	1985-86 TO 2012-13	0.66
SALES TAX CASES	80	COMMISSIONER, COMMERCIAL TAX,RANCHI	1988-89 TO 2015-16	216.41
SALES TAX CASES	133	TRIBUNAL, RANCHI	1990-91 TO 2014-15	352.25
SERVICE TAX & EXCISE CASES	17	COMMISSIONER, RANCHI	2004-05 TO 2008-09 & 2017-18	107.06
SERVICE TAX & EXCISE CASES	3	CESTAT, KOLKATA	2004-05 TO 2007-08 & 2015-16	1.85
SERVICE TAX & EXCISE CASES	5	OTHERS		1.03
ELECTRICITY DUTY CASES	8	DCCT	2006-07 TO 2013-14	1.86
ELECTRICITY DUTY CASES	7	CCT, RANCHI	2006-07 TO 2011-12	3.07
ELECTRICITY DUTY CASES	187	JCCT(A), HAZARIBAG	1992-93 TO 2013-14	57.58
ELECTRICITY DUTY CASES	21	TRIBUNAL, RANCHI	1993-94 TO 2010-11	2.89
ELECTRICITY DUTY CASES	8	HIGH COURT, JHARKHAND	1997-98 TO 2004-05	3.18
ENTRY TAX CASES	1	SUPREME COURT, DELHI	2006-07	25.00
INCOME TAX CASES	4	CIT(APPEAL), RANCHI	2003-04 TO 2015-16	243.47
INCOME TAX CASES	16	CIT(APPEAL), JAMSHEDPUR	2004-05 TO 2010-11	6.70
INCOME TAX CASES	9	ITAT, RANCHI	2005-06 TO 2013-14	309.27
INCOME TAX CASES	1	HIGH COURT, JHARKHAND	1989-90	0.52
	1051	**TOTAL**		**2903.03**

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CENTRAL COALFIELDS LIMITED
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