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Board of Directors

(As on 13th July, 2009)



Shri R. K. Saha



Shri D. N. Prasad



Shri R. Mohan Das



Dr. Kalyan Sen



Ms. Rama Rani Hota



Shri M. K. Sinha



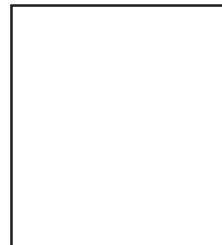
Shri T. K. Chand



Shri T. K. Nag



Shri R. S. Pandey



Shri S. K. Satapathi

COMPANY SECRETARY



Shri C.V.N.
Gangaram

PRESENT MANAGEMENT

As on 13th July, 2009

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

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri R. K. Saha

FUNCTIONAL DIRECTORS

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

PART TIME DIRECTORS

Shri D.N. Prasad : Director(Tech.),
Ministry of Coal,
Govt. of India,
New Delhi

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

NON-OFFICIAL PART TIME DIRECTORS

Dr. Kalyan sen
Ms. Rama Rani Hota
Shri M. K. Sinha

PERMANENT INVITEES

Shri R. S. Pandey, IRTS : Chief Operations Manager
East Central Railway, Hajipur (Bihar)

Shri Santosh Kumar Satapathy, IAS : Secretary, Mines & Geology Deptt.
Govt. of Jharkhand, Ranchi

COMPANY SECRETARY :

Shri C.V.N.Gangaram

MANAGEMENT DURING 2008-2009

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri R. P. Ritolia
(upto 31.07.2008)

Shri R. K. Saha
(from 01.08.2008)

FUNCTIONAL DIRECTORS

Dr. A. K. Sarkar : Director(Finance) (upto 17.03.2009)

Shri R. K. Saha : Director (Tech./Oprn) (from 01.01.2008 to 31.07.2008)

Shri T. K. Chand : Director (Personnel)

Shri T. K. Nag : Director (Tech./P&P) (From 24.05.2008 to 31.07.2008)
Director (Tech./Oprn.) (from 01.08.2008)

PART TIME DIRECTORS

Shri D. N. Prasad : Director (Tech.),
Ministry of Coal, Govt. of India, New Delhi

Shri R. Mohan Das : Director(P&IR),
Coal India Limited, Kolkata (From 23.06.2007)

Shri R. S. Pandey, IRTS : Chief Operations Manager
East Central Railway, Hajipur (Bihar) (Upto
02.07.2008)

Shri Jai Shankar Tiwary, IAS : Secretary, Mines & Geology Deptt.,
Govt. of Jharkhand, Ranchi (Upto 30.06.2008)

NON-OFFICIAL PART-TIME DIRECTORS

Dr. Kalyan Sen
Ms. Rama Rani Hota
Shri M. K. Sinha

PERMANENT INVITEES

Shri R. S. Pandey : Chief Operations Manager,
East Central Railway, Hajipur (Bihar) (From
03.07.2008)

Shri K. K. Khandelwal : Secretary, Mines & Geology Deptt.,
Govt. of Jharkhand, Ranchi (From 03.07.2008)

Shri S. K. Satapathy, IAS : Secretary, Mines & Geology Deptt.,
Govt. of Jharkhand, Ranchi (from 02.02.2009)

COMPANY SECRETARY

Shri C.V.N. Gangaram : 4
(From 03.10.2006)

BANKERS

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

STATUTORY AUDITORS

M/s. Anand Rungta & C0.
Chartered Accountants,
405, Capitol Tower-B,
Fraser Road, Patna.

BRANCH AUDITORS

M/s. Sanjay Bajoria & Associates
5, Kunjlal Street, Upper Bazar
Ranchi

M/s. Lodha Patel Wadhwa & Co.
304, Shreelok Complex
4-H.B. Road, Ranchi

M/s. L. K. Saraf & Co.
2nd Floor Chauhan Mansion
Lalji Hirji Road, Ranchi

M/s. V. K. Jindal & Co.
663-Shree Gopal Complex
Court Road, Ranchi

REGISTERED OFFICE

Darbhanga House
Ranchi 834 029
(Jharkhand)

NOTICE

Ref. No. : Secy3(2)/2009/648

Dated : 08.07.2009

FIFTY THIRD ANNUAL GENERAL MEETING

Notice is hereby given to all Shareholders of Central Coalfields Limited that the Fifty Third Annual General Meeting of the Company will be held on Monday, the 13th day of July, 2009 at 11.00 AM at Darbhanga House, Ranchi to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date together with the Reports of the Statutory Auditors, Comptroller & Auditor General of India and the Board of Directors of the Company thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2009 as proposed by the Board.
3. To appoint a Director in place of Shri D.N. Prasad, Director (Technical), Ministry of Coal, Govt. of India, as a Part-time Director of the Company who retires as per the provisions of Article 34 (iii) of the Articles of Association of the Company and is eligible for re-appointment.
4. To appoint a Director in place of Shri R. Mohan Das, Director (P&IR), Coal India Limited as a Part-time Director of the Company who retires as per the provisions of Article 34 (iii) of the Articles of Association of the Company and is eligible for re-appointment.

By order of the Board of Directors
Central Coalfields Limited

(C.V.N. Gangaram)
Company Secretary

Registered Office : Darbhanga House
Ranchi - 834029
(Jharkhand)

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

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

ANNEXURE-I

EXPLANATORY STATEMENT AS PER SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ABOVE MENTIONED SPECIAL RESOLUTION

1. The Board of Directors, CIL at its 240th meeting held on 8th March 2008, adopted the Revised Delegation of Powers and also directed that necessary action be taken to amend relevant clauses of Articles of Association of subsidiary Companies to reflect the revised Delegation of Powers under reference.

The proposal seeking approval for amendment of Clauses 37(b)(i), 37(b)(vi), 48(7), 48(18)(ii), 48(25), 48(26) and 48(27) of the Articles of Association of CCL to give effect in the Articles of Association and the Revised Delegation of Power has been approved by the Board of Directors, CCL vide Item No.4(13) at its 346th meeting held on 29/4/2008.

None of the Directors is in any way concerned or interested in the resolution.

For CENTRAL COALFIELDS LIMITED
(C.V.N. Gangaram)
Company Secretary

MEMBERS

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

Shri Partha Sarathi Bhattacharyya,
Chairman,
Coal India Limited,
10, Netaji Subhas Road,
Kolkata- 700 001

Shri Ranjan Kumar Saha
Chairman-cum-Managing Director,
Central Coalfields Limited,
Darbhanga House,
Ranchi – 834 029

Shri S. Bhattacharya
Director (Finance),
Coal India Limited,
10, Netaji Subhas Road,
Kolkata- 700 001

STATUTORY AUDITORS
M/s. Anand Rungta & Co.,
405, Capital Tower – B,
Fraser Road, Patna (Bihar)

OPERATIONAL STATISTICS

Year Ending 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
1. (a) Production of Raw Coal : (Million Tonnes)										
Underground	1.56	1.83	1.96	2.31	2.66	2.75	2.76	2.74	2.88	3.01
Opencast	41.68	42.32	39.36	38.20	34.73	34.58	34.22	31.07	28.87	29.39
TOTAL	43.24	44.15	41.32	40.51	37.39	37.33	36.98	33.81	31.75	32.40
(b) Overburden Removal : (Million Cu.Mts.)	55.63	55.22	45.90	49.97	46.68	48.10	46.64	46.41	47.55	46.54
2. Off take (Raw Coal) (Million Tonnes)										
Steel	4.37	4.14	4.85	5.49	5.82	5.44	5.10	4.80	5.04	4.94
Power	29.80	29.25	25.29	27.29	25.35	26.35	27.13	24.59	24.34	23.25
Cement	0.05	0.07	0.05	0.05	0.05	0.07	0.00	0.01	0.03	0.10
Fertilizer	0.88	0.59	0.75	0.60	0.60	0.90	0.93	1.02	0.81	0.67
Colliery Consumption	0.02	0.02	0.04	0.06	0.09	0.19	0.22	0.25	0.27	0.31
Others	8.55	7.53	7.12	5.37	3.98	3.15	3.42	2.60	2.72	3.30
TOTAL	43.67	41.60	38.10	38.86	35.89	36.10	36.80	33.27	33.21	32.57
3. Average Manpower	57681	60209	62905	65536	68335	71100	73664	76405	79399	82955
4. Productivity :										
(A) Average per Man per Year (Tonnes)	749.65	733.28	656.86	618.14	547.16	525.04	502.01	442.51	399.88	390.58
(B) Output per manshift (OMS) :										
(i) Underground (Tonnes)	0.36	0.39	0.40	0.43	0.47	0.47	0.46	0.44	0.42	0.40
(ii) Opencast (Tonnes)	4.65	4.66	4.02	4.12	3.75	3.75	3.68	3.23	3.16	3.05
(iii) Overall (Tonnes)	3.27	3.22	2.81	2.75	2.51	2.48	2.43	2.13	1.99	1.89
5. Information — As per Cost Report :										
(i) Earning per Manshift (Rs.)	1616.43	1099.19	868.48	781.13	774.22	659.51	605.87	584.02	533.63	453.39
(ii) Avg. Cost of Production of Net Saleable Coal (Rs. P.T.)	914.03	696.70	630.71	600.00	644.03	608.20	571.29	609.83	609.96	550.01
(iii) Avg. Sale Value of Production of Net Saleable Coal (Rs. P.T.)	977.45	868.97	807.04	798.25	768.30	667.41	632.46	594.88	569.45	529.36

FINANCIAL POSITION

(Rs. in lakh)

Year Ending 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
(A) What is owned										
Gross Fixed Assets	448490.81	437863.79	419881.08	403692.50	381103.31	376939.05	370378.33	365463.55	359024.59	355097.66
Less Depreciation	303800.93	298292.52	278372.96	269641.86	246728.25	236702.28	221109.47	203999.50	188932.10	170036.06
(1) Net Fixed Assets	144689.88	139571.27	141508.12	134050.64	134375.06	140236.77	149268.86	161464.05	170092.49	185061.60
(2) Capital Work -in -Prog	31135.31	32338.15	26707.89	27174.13	43635.33	32321.85	21550.23	19430.11	18045.20	17434.79
(3) Misc expenditure (others)	0.00	0.00	0.00	0.00	0.00	0.00	1680.16	2832.06	3812.46	3899.45
(4) Investment	6596.12	7538.42	8480.72	9423.02	9423.02	9423.02	0.02	0.02	0.02	0.02
(5) Deferred Tax Assets	56499.53	34356.89	21405.78	16619.36	12972.16	0.00	0.00	0.00	0.00	0.00
(6) Current Assets:										
(i) (a) Inventory of coal, coke etc.	80626.38	85803.88	68268.19	57881.77	44268.74	33505.73	25986.34	27151.21	22725.30	25041.85
(b) Inventory of stores & Spares etc	14199.42	12987.48	12793.06	13518.08	14517.65	14635.70	14870.14	15273.48	17501.63	16739.52
(c) Other Inventories	1980.52	326.58	302.26	184.70	1799.90	1942.71	1755.30	1592.21	1494.91	1531.55
(ii) Sundry Debtors	74526.48	54130.98	47217.31	61106.59	65984.02	64922.68	66868.30	62846.16	62982.85	82909.00
(iii) Cash & Bank Balances	181588.39	111546.67	33408.78	23482.02	18411.43	11155.59	16552.79	11906.16	7495.07	5341.97
(iv) Loans & Advances (incl. Other C/Assets & Adj)	274092.26	223695.97	207696.63	188181.52	79648.42	25372.79	20390.35	19608.77	21352.41	20952.85
(v) O.B.R. Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	5609.81	13756.29	16394.05	14552.04
Total Current Assets (6)	627013.45	488491.56	369686.23	344354.68	224630.16	151535.20	152033.03	152134.28	149946.22	167068.78
(7) Less Current Liab & Prov. (Excl. intt Acct. but not Due)	621854.11	471391.32	340848.12	309780.55	229529.00	147861.20	135481.78	185111.31	188904.93	140201.42
Net Current Assets (6-7)	5159.34	17100.24	28838.11	34574.13	-4898.84	3674.00	16551.25	-32977.03	-38958.71	26867.36
TOTAL (A)	244080.18	230904.97	226940.62	221841.28	195506.73	185655.64	189050.52	150749.21	152991.46	233263.22
(B) What is owed :										
(1) Govt Loan/CIL	15727.44	30727.44	45727.44	75727.44	90727.44	105727.44	131366.35	119472.01	105727.44	105727.44
(2) Interest Accrued but not Due	0.00	0.00	0.00	0.00	0.00	172.99	224.51	305.30	430.17	79.18
(3) Term Loan (F.intt & Banks)	13670.14	11560.33	12585.36	13866.32	15142.66	23980.09	35270.33	46748.90	51953.09	53153.98
SUB TOTAL (1 TO 3)	29397.58	42287.77	58312.80	89593.76	105870.10	129880.52	166861.19	166526.21	158110.70	158960.60
(7) Bank Borrowings (incl. Bank O.D. & Others)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	498.63	2.28	133.36
TOTAL (B)	29397.58	42287.77	58312.80	89593.76	105870.10	129880.52	166861.19	167024.84	158112.98	159093.96
Net Worth (A-B) 214682.60	188617.20	168627.82	132247.52	89636.63	55775.12	22189.33	-16275.63	-5121.52	74169.26	
Represented by										
(1) Equity Capital (incl. pending allotment)	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00
(2) Reserves	40554.00	32580.00	22228.00	11650.00	0.00	0.00	0.00	0.00	0.00	47.94
(3) Profit/Loss(+)/(-)	80128.60	62037.20	52399.82	26597.52	-4363.37	-38224.88	-71810.67	-110275.63	-99121.52	-19878.68
Net Worth (1 to 3)	214682.60	188617.20	168627.82	132247.52	89636.63	55775.12	22189.33	-16275.63	-5121.52	74169.26
Capital Employed	149849.22	156671.51	170346.23	168624.77	129476.22	143737.78	165595.60	128181.72	130703.61	211849.78

INCOME AND EXPENDITURE STATEMENT

(Rs. in lakh)

Year Ending 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
(A) Earned From										
Gross Sales	597837.36	506054.49	450640.99	451290.55	404373.49	348852.20	333440.55	274284.54	248870.12	239564.81
Less Coal from Development Mines	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less Levies (Royalties, Cess etc.)	76748.58	69760.12	60568.38	60289.85	55161.80	53273.50	47888.28	38106.02	36914.32	36680.48
(1) Net Sales		521088.78	436294.37	390072.61	391000.70	349211.69	295578.70	285552.27	236178.52	211955.80
202884.33										
(2) Accretion/Decretion in Stock	-6993.82	13657.74	7269.90	13762.05	10910.82	5411.65	-287.16	4337.24	-1754.75	-637.36
(3) Coal Issued For Other Purposes (including washery)	103844.53	107800.14	105972.03	102938.85	103702.98	91154.88	84847.93	77029.43	74566.22	77440.49
(4) Other Revenue Receipts										
CMPDIL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	46457.60	36553.39	41848.03	26012.33	22139.49	24414.21	23038.90	20567.83	17981.14	14354.03
(Afttr Trans & Other Recov & Contras)										
TOTAL(A) (1to 4)	664397.09	594305.64	545162.57	533713.93	485964.98	416559.44	393151.94	338113.02	302748.41	294041.49
(B) Paid to/Provided for										
Employees' Remu & Benefits (Gross -Rev)	262128.61	179989.52	145116.06	131185.86	170694.50	135013.00	115340.93	119016.49	146578.39	100658.70
Less Trans to Oth Rev Heads	4641.27	3340.80	3073.18	2487.61	2426.12	1964.16	1910.92	1858.60	2035.20	1068.03
(1) Net Salary & Wages (Excl'd V.R.S Payment)	257487.34	176648.72	142042.88	128698.25	168268.38	133048.84	113430.01	117157.89	144543.19	99590.67
(2) V.R.S Payment (Net of Grant Received)	1440.66	2443.42	3082.26	3593.84	3577.20	5325.55	4266.18	5228.58	4637.81	1715.83
(3) Social Overheads (incl'd LLTC & Dom Coal)	19300.53	16527.31	14360.09	11977.50	11645.39	11546.92	10654.60	11317.66	11339.12	10344.71
Less : Social Overheads Dep & intt	748.95	642.29	769.94	743.29	817.77	891.25	977.49	1141.63	1043.95	1112.75
Social Overheads (Excl'd. Dep & Int)	18551.58	15885.02	13590.15	11234.21	10827.62	10655.67	9677.11	10176.03	10295.17	9231.96
(4) Stores & Spares (Gross-Rev)	48491.42	48834.51	42417.96	44107.38	42354.04	39346.21	35968.93	33662.30	31075.77	30123.72
Less: Trans to oth. Rev. Heads	511.42	679.20	749.34	649.89	887.03	807.55	888.75	902.18	918.05	829.94
Stores & Spares (Net)	47980.00	48155.31	41668.62	43457.49	41467.01	38538.66	35080.18	32760.12	30157.72	29293.78
(5) (i) Power & Fuel	25628.66	22595.23	22651.97	21952.80	21151.64	20110.88	19798.73	19624.33	17845.40	15279.71
(ii) Coal issued for other purposes (including washery)	102017.24	103772.84	102489.02	104293.66	103242.22	87499.38	84008.54	75093.29	74019.06	74855.04
(6) Contractors (Trans. & Repairs)	49277.63	43891.84	38097.30	37076.98	31927.87	28881.77	29917.18	26525.71	26072.63	25168.23
(7) (a) Misc. Expenses	37535.06	28045.58	18355.66	24951.43	16255.91	12369.63	10092.16	12802.90	24624.41	8211.75
(b) Provisions/Write-off	18593.48	9190.90	5209.21	9748.06	9515.44	2420.92	7332.38	11231.07	13206.97	7528.49
(8) Interest(incl'd. S/O P.P. & Waiver)	4351.05	6425.70	8918.16	9798.43	10961.70	11990.18	13289.77	15990.08	15407.24	15747.04
(9) Depreciation(incl'd. S/O & P.P.)	19207.92	23863.87	19488.79	32573.48	19223.46	19200.59	20855.28	21173.94	22746.73	23443.82
(10) O.B.R. Adjustment	7198.27	10356.62	26383.39	2179.12	5921.83	12740.03	8146.48	2637.76	-1842.01	-2496.49
(11) Financial Charges	330.60	174.32	202.10	235.99	265.83	440.29	680.59	873.11	932.25	339.23
(12) Prior Period Adj. (excl. int. & dep)	-1582.79	-668.24	952.67	-12577.82	-422.58	-3701.39	-1887.61	-2330.22	-607.38	-1743.98
TOTAL (B)	588016.70	490781.13	443132.18	417215.92	442183.53	379521.00	354686.98	348944.59	382039.19	306165.08
Profit/Loss for the Year (A-B)	76380.39	103524.51	102030.39	116498.01	43781.45	37038.44	38464.96	-10831.57	-79290.78	-12123.59
Investment Allowance Reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1807.00
Contingency Reserve Written Back	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47.94	0.00
Fringe Benefit Tax	1189.12	1050.51	911.48	752.02	0.00	0.00	0.00	0.00	0.00	0.00
Provision for Income Tax	48341.00	46122.51	40931.45	44566.10	22892.10	3452.65	0.00	-322.54	0.00	0.00
Provision for Deferred Tax	22142.64	6206.47	4786.42	3647.20	7097.05	0.00	0.00	0.00	0.00	0.00
Provision for I.Tax (Written Back)	0.00	0.00	0.00	1010.70	0.00	0.00	0.00	0.00	0.00	0.00
Trans to General Reserve	7974.00	10352.00	10578.00	11650.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend (Including Dividend Tax)	22927.51	29275.66	28593.58	33226.90	0.00	0.00	0.00	0.00	0.00	0.00
Cumulative Profit/Loss blf from Prev. Year	62037.20	39106.90	26597.52	-4363.37	-32349.77	-71810.67	-110275.63	-99121.52	-19878.68	-9562.09
Cumulative Profit/Loss trans to Balance Sheet	80128.60	62037.20	52399.82	26597.52	-4363.37	-38224.88	-71810.67	-110275.63	-99121.52	-19878.68

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

(A) FINANCIAL INFORMATION

(Rs. in lakh)

Year Ending 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
(A) Related to Assets & Liabilities :										
(1) Shareholders' Fund :										
(a) Equity	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00	94000.00
(b) Reserve & Surplus	40554.00	32580.00	22228.00	11650.00	0.00	0.00	0.00	0.00	0.00	47.94
(c) Profit/Loss (+)/(-)	80128.60	62037.20	52399.82	26597.52	-4363.37	-38224.88	-71810.67	-110275.63	-99121.52	-19878.68
Net Worth 214682.60	188617.20	168627.82	132247.52	89636.63	55775.12	22189.33	-16275.63	-5121.52	74169.26	
(2) Loan	29397.58	42287.77	58312.80	89593.76	105870.10	129880.52	166861.19	166526.21	158110.70	158960.60
(3) Capital Employed	149849.22	156671.51	170346.23	168624.77	129476.22	143737.78	165595.60	128181.72	130703.61	211849.78
(4) (i) Net Fixed Assets	144689.88	139571.27	141508.12	134050.64	134375.06	140236.77	149268.86	161464.05	170092.49	185061.60
(ii) Current Assets	627013.45	488491.56	369686.23	344354.68	224630.16	151535.20	152033.03	152134.28	149946.22	167068.78
(iii) Net Current Assets (W/C)	5159.34	17100.24	28838.11	34574.13	-4898.84	3674.00	16551.25	-32977.03	-38958.71	26867.36
(5) Current Liabilities										
(Excl. intt. accrued & due)	621854.11	471391.32	340848.12	309780.55	229529.00	147861.20	135481.78	185111.31	188904.93	140201.42
(6) (a) Sundry Debtors (Net)	74526.48	54130.98	47217.31	61106.59	65984.02	64922.68	66868.30	62846.16	62982.85	82909.00
(b) Cash & Bank	181588.39	111546.67	33408.78	23482.02	18411.43	11155.59	16552.79	11906.16	7495.07	5341.97
(7) Closing Stock of :										
(a) Stores & Spares (Net)	14199.42	12987.48	12793.06	13518.08	14517.65	14635.70	14870.14	15273.48	17501.63	16739.52
(b) Coal & Cokes etc. (Net)	80626.38	85803.88	68268.19	57881.77	44268.74	33505.73	25986.34	27151.21	22725.30	25041.85
(c) Other Inventories (Net)	1980.52	326.58	302.26	184.70	1799.90	1942.71	1755.30	1592.21	1494.91	1531.55
(8) Average Stock of Stores & Spares (Net)	13593.45	12890.27	13155.57	14017.87	14576.68	14752.92	15071.81	16387.56	17120.58	15551.02
(B) Related to Profit/Loss :										
(1) (a) Gross Margin	99939.36	133814.08	130437.34	158869.92	73966.61	68229.21	72610.01	26332.45	-41136.81	27067.27
(b) Gross Profit	80731.44	109950.21	110948.55	126296.44	54743.15	49028.62	51754.73	5158.51	-63883.54	3623.45
(c) Net Profit (Before Tax & Invest Allowance etc.)	76380.39	103524.51	102030.39	116498.01	43781.45	37038.44	38464.96	-10831.57	-79290.78	-12123.59
(2) (a) Gross Sales	597837.36	506054.49	450640.99	451290.55	40373.49	348852.20	333440.55	274284.54	248870.12	239564.81
(b) Net Sales (after levies & Dev. etc.)	521088.78	436294.37	390072.61	391000.70	349211.69	295578.70	285552.27	236178.52	211955.80	202884.33
(c) Paid/Payable Amount of Royalty, Cess etc.	76748.58	69760.12	60568.38	60289.85	55161.80	53273.50	47888.28	38106.02	36914.32	36680.48
(d) Avg. Net Sales per Month	43424.07	36357.86	32506.05	32583.39	29100.97	24631.56	23796.02	19681.54	17662.98	16907.03
(3) Cost of Goods Sold (Sales-Profit)	444708.39	332769.86	288042.22	274502.69	305430.24	258540.26	247087.31	247010.09	291246.58	215007.92
(4) (a) Total Expenditure (Excl. Recov. & others)	588016.70	490781.13	443132.18	417215.92	442183.53	379521.00	354686.98	348944.59	382039.19	306165.08
(b) Salary & Wages (Gross Rev. only)	262128.61	179989.52	145116.06	131185.86	170694.50	135013.00	115340.93	119016.49	146578.39	100658.70
(c) Stores & Spares (Gross Rev. only)	48491.42	48834.51	42417.96	44107.38	42354.04	39346.21	35968.93	33662.30	31075.77	30123.72
(d) Power & Fuel	25628.66	22595.23	22651.97	21952.80	21151.64	20110.88	19798.73	19624.33	17845.40	15279.71
(e) Int. & Depreciations (Gross rev. only)	23558.97	30289.57	28406.95	42371.91	30185.16	31190.77	34145.05	37164.02	38153.97	39190.86
(5) Avg. Consump. of Stores & Spares (Gross) per month	4040.95	4069.54	3534.83	3675.62	3529.50	3278.85	2997.41	2805.19	2589.65	2510.31
(6) (a) Avg. Manpower Employed during the year	57681	60209	62905	65536	68335	71100	73664	76405	79399	82955
(b) Social Overhead (incl. LTC/LLTC)	19300.53	16527.31	14360.09	11977.50	11645.39	11546.92	10654.60	11317.66	11339.12	10344.7
(c) Social O.H. expnd./employees (Rs. '000)	33.46	27.45	22.83	18.28	17.04	16.24	14.46	14.81	14.28	12.47
(7) (a) Value Added	440578.19	379326.60	333270.84	339809.50	298247.67	243701.16	231915.77	189864.35	163868.74	159347.83
(b) Value Added per employee (Rs. '000)	763.83	630.02	529.80	518.51	436.45	342.76	314.83	248.50	206.39	192.09

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

(B) FINANCIAL RATIOS/PERCENTAGES

Year Ending 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
(A) PROFITABILITY RATIO :										
(1) As % Net Sales :										
(a) Gross Margin	19.18	30.67	33.44	40.63	21.18	23.08	25.43	11.15	-19.41	13.34
(b) Gross Profit	15.49	25.20	28.44	32.30	15.68	16.59	18.12	2.18	-30.14	1.79
(c) Net Profit	14.66	23.73	26.16	29.79	12.54	12.53	13.47	-4.59	-37.41	-5.98
(2) As % Total Expenditure										
(a) Salaries & Wages (Gross Rev.)	44.58	36.67	32.75	31.44	38.60	35.57	32.52	34.11	38.37	32.88
(b) Stores & Spares (Gross-Rev.)	8.25	9.95	9.57	10.57	9.58	10.37	10.14	9.65	8.13	9.84
(c) Power & Fuel	4.36	4.60	5.11	5.26	4.78	5.30	5.58	5.62	4.67	4.99
(d) Interest & Depreciation (Gross-Rev.)	4.01	6.17	6.41	10.16	6.83	8.22	9.63	10.65	9.99	12.80
(3) As % Capital Employed										
(a) Gross Margin	66.69	85.41	76.57	94.22	57.13	47.47	43.85	20.54	-31.47	12.78
(b) Gross Profit	53.88	70.18	65.13	74.90	42.28	34.11	31.25	4.02	-48.88	1.71
(c) Net Profit	50.97	66.08	59.90	69.09	33.81	25.77	23.23	-8.45	-60.66	-5.72
(4) Operating Ratio (Sales-Profit/Sales)										
	0.85	0.76	0.74	0.70	0.87	0.87	0.87	1.05	1.37	1.06
(B) LIQUIDITY RATIO :										
(1) Current Ratio (Current Asset/Current Liability)										
	1.01	1.04	1.08	1.11	0.98	1.02	1.12	0.82	0.79	1.19
(2) Quick Ratio (Quick Asset/Current Liability)										
	0.41	0.35	0.24	0.27	0.37	0.51	0.62	0.40	0.37	0.63
(3) Working Capital as % of										
(a) Capital Employed	3.44	10.91	16.93	20.50	-3.78	2.56	9.99	-25.73	-29.81	12.68
(b) Net Fixed Assets	3.57	12.25	20.38	25.79	-3.65	2.62	11.09	-20.42	-22.90	14.52
(C) TURNOVER RATIO										
(1) Capital Turnover Ratio (Net Sales/Capital Employed)										
	3.48	2.78	2.29	2.32	2.70	2.06	1.72	1.84	1.62	0.96
(2) Working Capital Turnover Ratio (Net Sales/Working Capital)										
	101.00	25.51	13.53	11.31	-71.28	80.45	17.25	-7.16	-5.44	7.55
(3) Sundry Debtors as no. of months										
(a) Gross Sales	1.50	1.28	1.26	1.62	1.96	2.23	2.41	2.75	3.04	4.15
(b) Net Sales	1.72	1.49	1.45	1.88	2.27	2.64	2.81	3.19	3.57	4.90
(4) As Ratio of Net Sales										
(a) Sundry Debtors	0.14	0.12	0.12	0.16	0.19	0.22	0.23	0.27	0.30	0.41
(b) Coal Stocks	0.15	0.20	0.18	0.15	0.13	0.11	0.09	0.11	0.11	0.12
(5) Stock of Stores & Spares										
(a) Avg. Stock/Annual Consumption	0.28	0.26	0.31	0.32	0.34	0.37	0.42	0.49	0.55	0.52
(b) Closing Stock as no. of months consp.	3.51	3.19	3.62	3.68	4.11	4.46	4.96	5.44	6.76	6.67
(D) STRUCTURAL RATIO										
(1) Debt : Equity										
	0.31	0.45	0.62	0.95	1.13	1.38	1.78	1.77	1.68	1.69
(2) Debt : Net Worth										
	0.14	0.22	0.35	0.68	1.18	2.33	7.52	-10.23	-30.87	2.14
(3) Net Worth : Equity										
	2.28	2.01	1.79	1.41	0.95	0.59	0.24	-0.17	-0.05	0.79
(4) Net Fixed Assets : Net Worth										
	0.67	0.74	0.84	1.01	1.50	2.51	6.73	-9.92	-33.21	2.50

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 53rd Annual Report of your Company along with the Audited Accounts for the year ended 31st March, 2009. The Audited Statements of Accounts, report of the Statutory Auditors and Management's reply thereon as well as comments of the Comptroller & Auditor General of India on the audited Accounts are annexed to this report.

1. PRODUCTION

The table below shows the Production and Productivity Figures achieved by your Company during the year 2008-09 as compared to the targets and actual of 2007-08.

Particulars	2008-09		2007-08	%age Growth over last year
	Target	Actual	Actual	
Production				
From OC(MT)	44.742	41.678	42.316	-1.51
From UG(MT)	2.258	1.558	1.830	-14.86
TOTAL(MT)	47.00	43.236	44.146	-2.06
OBR(MM³)	58.000	55.628	55.215	0.75
Washed Coal (Coking)				
Production(MT)	2.400	1.709	1.838	-7.02
Dispatch(MT)	—	1.742	1.867	-6.70
Washed Coal (Non-Coking)				
Production(MT)	6.650	6.838	6.595	3.68
Dispatch (MT)	—	6.733	6.684	0.73
Productivity (OMS-Te)				
OC	5.14	4.65	4.66	-0.21
UG	0.50	0.36	0.39	-7.69
OVERALL	3.57	3.27	3.22	1.55

2. WASHERY PERFORMANCE

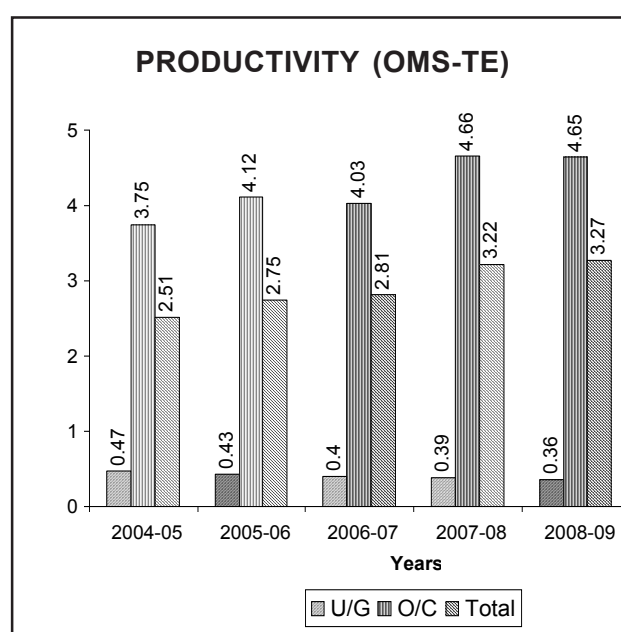
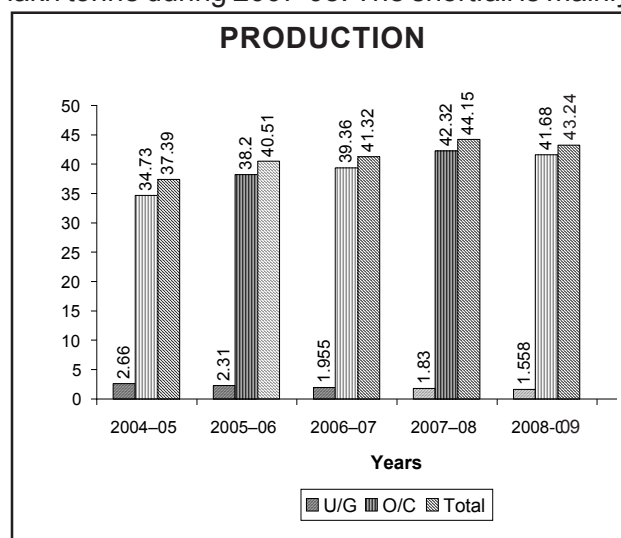
Your Company is in the business of washing Coking Coal as well as Non-Coking Coal. There are four Coking Coal Washeries and three

Washeries for washing / beneficiation of Non-Coking Coal.

The Washeries have contributed Rs.524.63 crore towards overall profit during the year 2008-09 compared to Rs.275.72 crore in 2007-08, registering a remarkable positive growth of 90.28%.

COKING COAL WASHERIES

Washed Coking Coal production during 2008-09 has been 17.09 lakh tonne against 18.38 lakh tonne during 2007-08. The shortfall is mainly



due to shutting down of Rajrappa, Kathara & Sawang Washeries for major maintenance works undertaken during the year. However, the above maintenance jobs have contributed an increase in clean coal yield by 4.2% as compared to last year.

Since the Washeries had been under shut down, 2.92 lakh tonne of raw coal was diverted to SAIL-ISP, Chasnalla during 2008-09. The equivalent clean coal at 48.6% yield comes to 1.42 lakh tonne. Thus total Clean Coal Production from Coking Coal Washeries of your Company may be taken as 18.51 (17.09 + 1.42) lakh tonne.

Coking Coal Washeries have registered a profit of Rs.389.32 crore during 2008-09 against Rs.179.81 crore during 2007-08, recording an exemplary growth of 116.52%.

Washery-wise production and yield during 2008-09 vis-à-vis the previous year are given below:

Washery	Prod'n. (in lakh tonnes)		Yield%	
	2008-09	2007-08	2008-09	2007-08
Kathara	3.20	4.69	37.90	40.0
Sawang	2.57	2.84	47.30	47.6
Rajrappa	6.11	6.18	58.50	53.4
Kedla	5.21	4.67	48.20	38.7
Total	17.09	18.38	48.60	44.4
Equivalent Clean Coal production for Raw Coking Coal diverted to SAIL-ISP	1.42	—	48.60	—
Grand Total	18.51	18.38	48.60	44.40

NON-COKING COAL WASHERIES :

The Washed Non-Coking Coal production during 2008-09 has been 68.38 lakh tonne against 65.95 lakh tonne during 2007-08, registering a positive growth of 3.68%. It is note-worthy that there has been an increase in yield of Washed Non-coking Coal by 3.2% as compared to last year.

Non-coking Coal Washeries have contributed a profit of Rs.135.31 crore during 2008-09 against Rs.95.91 crore during 2007-08, registering a remarkable positive growth of 41.08%.

The Washery-wise production and yield during 2008-09 vis-à-vis the previous year is given below :

Washery	Prod'n. (in lakh tonnes)		Yield%	
	2008-09	2007-08	2008-09	2007-08
Piparwar	59.34	54.67	87.0	83.9
Kargali	05.39	7.12	93.7	93.8
Gidi	03.65	4.16	63.6	58.7
Total	68.38	65.95	85.8	82.6

2(A). STATUS OF NEW WASHERIES PROPOSED FOR CONSTRUCTION :

Non-coking Coal Washery :

1. Ashok Washery (10.0 MTY)

- (i) Soil investigation completed in June'08
- (ii) Approval of TEFR & Bid Document by the Board of your Company obtained on 11.11.08
- (iii) EMP is under preparation by RI-III/ CMPDIL.
- (iv) Pre-qualification bid of five tenders opened on 15.5.09 were sent to CMPDIL for evaluation. The comparative statement and questionnaires, submitted by CMPDIL after evaluation, are under review by Committee.

2. Karo Washery (2.5 MTY)

- (i) Site for construction of washery has been selected and approved on 12.01.09.
- (ii) Recommendation of the Committee after review of conceptual report submitted by CMPDIL has been forwarded to GM(CMP), CMPDIL on 06.06.09 for preparation of final conceptual report which is expected by middle of July'09.
- (iii) Area has been entrusted with the job of soil investigation of the Washery site.

- (iv) Availability of process water for operation of washery has been confirmed by CMPDIL.

3. Konar (3.5 MTY)

The details of the site identified by the Site Selection Committee has been submitted by Area, which are under review by the Committee.

4. New Piparwar Washery (3.5 MTY)

The details of the two sites at Purnadih identified by the site selection committee have been furnished by the Area authority on revenue plan which are under review by the Committee.

5. Dhori Washery (2.5 MTY)

Techno Economic Feasibility Report was approved by the Board of your Company on 12.10.07 for a total cost of Rs.97.31 crore.

Present Status : In principle 1st stage clearance has been accorded by MoEF, Bhubaneshwar on 06.02.2009. A sum of Rs.88,78,596/- has been paid on 31.3.09 for stage-II clearance.

NIT : NIT is ready and will be floated after clearance of Stage-II.

3. OFFTAKE

The total off-take during 2008-09 was 43.843 million tonnes. The mode-wise details of off-take compared to that of previous year are given below :

(Fig. In Million Tonnes)

Mode	2008-09	2007-08
Rail	24.019	23.883
Road	8.137	5.569
Internal Transfer	11.672	12.572
Colliery Consumption	0.015	0.019
Total Off-Take	43.843	42.043

The sector wise dispatches of coal and its different by-products during the year 2008-09 are given below:

(Figs. in Million Tonnes)

Sector	Raw Coal	Clean Coal	Non-Coking washed coal	Washed coal power	Slurry	Rejects
STEEL	-	1.747	-	1.161	-	-
POWER	21.830	-	6.773	0.233	-	0.160
CEMENT	0.050	-	-	-	-	-
FERTILIZER	0.883	-	-	-	-	-
SPONGE IRON	0.855	-	-	-	-	-
OTHERS	8.553	-	-	-	0.469	0.306
TOTAL	32.171	1.747	6.773	1.394	0.469	0.466

4. COAL STOCK

The stock of Raw Coal(*) as on 31 March 2009 stood at 13.23 Million Tonnes as against 13.91 Million Tonnes as on 31.03.2008.

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

5. TURNOVER AND SALES REALIZATION

During the year under reference the gross sales turnover of the Company was Rs. 5978.37 Crore and the sales realization was Rs. 5837.35 Crore. The Sector wise position of Debtors (Gross) as on 31 March 2009 is given below :

(Figs. in Crore)

SECTOR	As on 31.03.2009	As on 31.03.2008	
			Updated
POWER	777.71	583.78	617.43
STEEL	358.54	178.80	219.28
OTHERS	12.53	0.20	10.97
TOTAL	1148.78	774.27	847.68

6. POPULATION AND PERFORMANCE OF HEMM

The population of HEMM in Mechanized Opencast Mines of CCL as on 31.03.09 and 31.03.08 are given below:

HEMM	POPULATION AS ON	
	31.03.09	31.03.08
Shovel	116	123
Dumper615	614	
Dozer	178	171
Drill	121	124

The performance of HEMM in terms of Availability and Utilization percentage against CMPDIL norms during the year under reference vis-à-vis 2007-08 are given as under:

HEMM	% Availability			% Utilization		
	2008-09 Norms	2008-09 Actual	2007-08 Actual	2008-09 Norms	2008-09 Actual	2007-08 Actual
Shovel	80	74	74	58	45	47
Dumper	67	65	67	50	34	36
Dozer	70	61	59	45	26	28
Drill	78	77	74	40	24	27

7. SYSTEM CAPACITY UTILISATION

System Capacity For 2008-09 assessed as on 01.04.08 (MM ³)	Total Production Achievement by Opencast Mines (2008-09)			% Capacity Utilisation	
	Coal (MT)	OBR (MM ³)	Composite (MM ³)	08-09	07-08
94.06	41.678	55.628	82.174	87.4	82.8

8. WAGON LOADING

The coalfield wise wagon loading position for the year 2008-09 is given below:

RAILWAY FIELDS	(FWW/Day)	
	2008-09	2007-08
South Karanpura	670	667
North Karanpura	2059	2149
Sub Total Karanpura	2729	2816
Jharia	648	602
Total E.C.RAILWAYS	3377	3418
Giridih	65	27
Total Eastern Railways	65	27
Adra	229	274
Total S.E. Railways	229	274
TOTAL CCL	3671	3719

9. SIZING AND CRUSHING OF COAL

There are 8 full-fledged CHPs having facilities of picking, coal crushing and loading of coal into railway wagons. In these CHPs coal of (-) 1200 mm size is crushed to (-) 200 mm size. Extraneous material, if any, found with coal is picked at the picking stations.

Besides the above, as on 31 March 2009 there are 25 nos. of Feeder Breakers at different Projects for crushing of coal from (-)1200 mm to (-)200 mm size. During 2008-09, four nos. of Feeder Breakers have been installed/

commissioned viz. one each at Kathara PF-II, Dakra Siding of NK Area and two nos. at Amla Siding of Dhori Area to ensure 100% crushing of coal before dispatch.

Further, it is proposed to install and commission Feeder Breakers in the following areas/locations during 2009-10 to achieve 100% crushing of coal in your Company :

Sl.No.	Location/Area	Number
1.	Saunda Siding	1
2.	Urimari (Pit Head)	2
3.	Dakra Siding	1
4.	Giridih (B & K Area)	1
5.	Piparwar	1

During 2008-09, about 21.204 million tonne of coal was crushed through CHPs, and FBs and 100% coal despatched to the Power Sector, was sized.

10. PERFORMANCE OF WEIGH BRIDGES

It has been the endeavour of your Company to ensure 100% weightment of coal before despatch. With that end in view, as on 31 March 2009, 33 rail weighbridges, including 7 rail weighbridges working as standby, were fully functional to weigh the coal despatch by rail at Ray, Mcluskiganj, Jarangdih, RCM, Tarmi, Chainpur and N.R. sidings. The overall availability of rail weighbridges during 2008-09 was 97% as against 99% during 2007-08. The total percentage of coal weighed by rail weighbridges during this period was 99.5%. Five more new 100T Rail weighbridges, at Gidi "W", Saunda Siding, Tori Siding, KDH Siding, Dakra Siding are under installation, in order to ensure 100% weightment of coal for dispatch by Rail from your Company.

For weightment of coal dispatched by road, your Company has installed 67 road weighbridges, which include 55 electronic road weighbridges. The remaining 12 mechanical weighbridges are proposed for survey off and will be replaced by new 50T electronic road weighbridges during 2009-10. Further, 2 new electronic road weighbridges are under installation at Bachra Project in Piparwar Area for weightment

of coal despatched by road. In addition, 25 nos. of 50 Tonne new Electronic Road Weighbridges are under procurement in order to ensure 100% weightment of coal before despatch.

11. CONSUMER SATISFACTION

The satisfaction of consumers in respect of quantity, quality and size of coal supplies is one of the prime objectives of your Company. CCL has an effective Quality Management Team with well-trained officials and adequate infrastructure, like sampling arrangements, well-equipped coal analysis laboratory, etc. at Hqrs. and Areas. Automatic Bomb Calorimeters have been installed in all the relevant Coal Labs and training imparted to the personnel, so as to cater to the future requirement of change over from present UHV system of coal grading to GVC system of grading. Further, effective measures were taken for achieving better "Consumer Satisfaction" through delivery of sized coal of proper quality and quantity. Your Company has adopted the system of 3rd Party Sampling/ Joint Sample Analysis to ensure consumers' satisfaction. Almost 100% sized coal was despatched to the consumers. Necessary measures have been taken to redress consumers' grievances.

12. POWER SUPPLY MANAGEMENT

CCL draws power from four sources, viz. DVC, JSEB, EIPL (DLF) & CPP Kathara. However, the main source of power supply is DVC having contract demand agreement for 107.8 MVA, which has reduced to 102.00 MVA during the period under reference. This reduction of contract demand was possible by optimizing the performance of Kathara CPP. The plant was installed by your Company at a cost of Rs. 85 crore and leased out to M/s. Imperial Fasteners Pvt. Ltd., Delhi. The plant has been running successfully. A new Sub-station at Urimari, Barka-Sayal Area has been commissioned in January 2009 with an initial contract demand of 4.5 MVA to cater to North Urimari/Birsa mines and upcoming Birsa Project.

Kuju and Rajhara Areas draw power from JSEB with a contract demand of 10.02 MVA. While the two DLF captive plants supply power to Argada

& Rajrappa Areas respectively, the CPP at Kathara, partially caters to the need of Kathara Area. Besides above, colonies, hospitals, water supply, workshop, etc., located at Ranchi, are receiving power from JSEB with a contract demand of 4.9 MVA.

Energy Conservation & Audit:

In the world of competitive economy, energy plays a very crucial role in the countries social & economic development. The progress of human society without energy is inconceivable. It is becoming a vital issue day by day, not only because of the tremendous gap between demand & supply of energy but more importantly, due to the concern for fast depletion of the known non-renewable sources of energy worldwide. Considering that energy options are limited at present, all efforts should be undertaken in using the energy more efficiently & judiciously. In your Company also, steps were taken for energy conservation.

Energy conservation meets were organized at Area level to create awareness amongst the Engineers, Supervisors and Operating personnel during the year 2008-09, because creating awareness is the key to conservation. In-depth deliberation was made on energy conservation measures & techniques at Area & HQ level. To review the performance of the Areas regarding specific consumption of energy, a conservation meet was organized at HQ on 30th January, 2009.

The efforts towards energy conservation have enabled the Company to improve specific energy consumption of HSD & Lubricant. There has been marginal increase in Specific Consumption of Power. The following table delineates the Specific Energy Consumption values for the year 2008-09, vis-a-vis the year 2007-08:

Specific consumption		2008-09	2007-08
HSD	Ltrs./CuM	0.661	0.669
Lubricant	Ltrs./CuM	0.035	0.038
POWER	kWh/CuM	6.283	6.265

∩∩The specific power consumption includes the service units of the Areas, whereas consumption of POL is only for Opencast Projects of the Company and cubic meter is based on total composite output (Coal & OBR).

Tentative benchmarking for HSD of 14 Open cast Mines of CCL have been carried out by CMPDIL. Detailed reports on HSD consumption audit & bench marking of Urimari & Parej East opencast mines have also been carried out by CMPDIL. Specific consumption of HSD for all the 14 Opencast mines is being monitored every month & broad performance is being placed in CMDs meet for review.

Energy Audit of Kathara Area has been carried out by Petroleum Conservation Research Association (Eastern Region), Kolkata. They have conducted audit for Power and HSD consumption of all the Opencast Projects, i.e. Kathara, Govindpur & Jarangdih; power consumption audit for underground mines, i.e. Govindpur, Jarangdih & Swang and Kathara & Swang Washeries. Reports and action plan have already been submitted. Recommendations on Energy Conservation are being implemented, gradually.

R&D Project on operational improvement of HEMM through lube oil analysis programme, sanctioned by the R & D Board of Coal India Ltd. is under consideration for implementation.

13. COMMUNICATION ARRANGEMENT AND INFORMATION SYSTEM

Surface Communication

- (A) **Land Line** : Your Company has 58 Electronic Exchanges having a capacity of about 7,520 lines. One exchange was replaced with enhanced version at CCL, HQ and another exchange has been added and installed at MRS, Ramgarh during the year under reference. The MRS exchange will also be utilized during implementation of COALNET programme for interconnecting CCL Areas with voice and DATA circuit. 9 more EPABXs will be installed during 2009-10. A PRI circuit with Direct Inward Dialing facility will be taken at CCL HQ EPABX during 2009-10. With this all Internal extensions at CCL HQ will function as BSNL extensions for incoming calls.
- (B) **UHF Link**: One UHF link (2 MB) is installed to tie the EPABXs of CCL HQ and Jawaharnagar Colony.

(C) **Radio Communication :**

VHF Communication: Radio communication in the Opencast Projects as well as between AHQ and Projects is through VHF based Walkie-talkie and Fixed/Mobile sets. Three Areas have been provided with Repeater Stations for smooth communication within Areas. During the financial year 2009-10, 107 sets of Walkie-talkie, 18 Nos. of Fixed/Wireless sets will be provided. Your Company is also procuring Walkie-talkie and Fixed Wireless sets for Security personnel to strengthen security operations.

(D) **COALNET (VSAT) :**

The VSAT link established in July 2003, is in operation for speech and video conferencing. The Speech with direct dialing facility to CIL HQ, Kolkata, MoC, New Delhi and all other Subsidiaries, are in full operation. Video conferencing with MOC and other subsidiaries is held regularly.

- (E) **SAT PHONE** : Two Satellite Phones are used at Piparwar and NK Area for emergency communication.

(F) **Underground Communication system:**

Auto-cum-Manual (ACM) system in addition to point-to-point Loud Hailer communication system, is provided in the U/G mines. During 2009-10 more ACM systems will be provided in remaining U/G Mines to strengthen communication as well as for safety support.

- (G) **CUG Network:** CCL is going to have a closed user group network of mobile phones amongst all Senior Officers and Officers who are directly linked with production and safety.

14. SAFETY

Being a key thrust area, safety is being given due attention consistently. The safety in mines as well as in allied operations like Workshops has improved through a well-planned

safety awareness drive. The efforts in this regard have resulted in restricting the fatalities and serious injuries to the minimum level during the financial year under report. The Fatality rate is 0.09 per MT of coal produced during the year 2008-09.

Every accident is thoroughly enquired into and to avoid recurrence of such accidents, recommended measures are circulated for discussion in Safety Committee meetings at unit, Area, Headquarter level and in the Co-ordination Meetings of CGMs / GMs. Culture has been introduced for carrying out an enquiry of "Near miss Incidents" also and discuss its recommendations in PSC meetings. To upgrade Safety awareness / skills, basic, refresher and special training programmes on safety have been conducted throughout the year.

Underground Mines:

One of the major causes of fatal accidents in underground coal mines had been the fall of roof and sides. Accordingly, thrust was given to the support of "Green Roof" with steel supports, e.g. Steel cogs, Pit props, Roof bolts, W-straps, etc. The culture of "No work other than support work after blasting" has been introduced. The inspection of face equipments and their required maintenance were carried out. Check survey was done in all the mines having potential danger of inundation. Emergency organisation plan in underground mines with marking of escape route were formulated and displayed at mine entrances to make all the workers aware of the same. Mock rehearsal/ drill were also done regularly to keep the workers prepared.

Opencast mines :

Training has been imparted regularly to HEMM operators/ maintenance crew for the operation of fire fighting equipments. Traffic Rules have been prepared in "Hindi" and circulated to all Areas of your Company. Safe code of practice for machines including HEMM in opencast mine was prepared in Hindi which has been circulated in all mines for implementation. Special drive on "Maintenance practices in Workshops" and testing the preparedness of "Emergency organization to deal with fire in opencast mines/

HEMMs" was made during the year.

Annual Safety Week:

Annual Safety Week 2008 was observed from 5th January'09 to 11th January'09. During the week, special emphasis was laid on wide publicity of safety rules, regulation and practices. Final day function was held at Sirka Shramik Stadium of Argada Area on 22.02.2009. The function was presided over by CMD CCL Sri R.K. Saha. Shri M.M. Sharma, Director General of Mines Safety was the Chief Guest on the occasion. Best performers for Special Safety Drives, Trade Test and Annual Safety Week were given prizes during the function.

Special Safety Drive:

During the financial year 2008-09, Special Safety Drives have been conducted and observed by ISO on the following :

- 1 Roof Support & Anchorage Testing of Roof Bolts.
- 1 Monsoon preparation.
- 1 Ventilation & Isolation Stoppings.
- 1 Haul Road, Traffic Rules & Safety of Contractor's Workers in OC mines.
- 1 Workshop, Safe Practices of Maintenance Crew, Safety Features of HEMM especially those related to fire.
- 1 Special Fire Service Day was celebrated for awareness against danger from fire and preventive actions.

Safety Audit:

The 6th Safety Audit for all operating underground mines and open cast mines was conducted to appraise safety status/standard by a special team consisting of an ex-Director (T), CCL and an ex-Director of Mines Safety, DGMS. 7th Safety Audit Phase-I has been completed and Phase-II is being conducted for underground mines by ex.-GM(S&R), CCL and ex-GM (Rescue Services) CCL. 7th Safety Audit Phase-I is being conducted for opencast mines.

Risk Management :

The concept of Risk management has been adopted when further reduction in rate of accident/incident could not be achieved by implementing the provisions of the Statute. This approach is participative and pro-active in nature and involves measurement of apprehended risk and its control. There are two stages namely Risk Assessment & Risk Management and these are exercised by a team of experienced persons at unit level.

Risk Assessment & its Management in the mines is a continuous process and period of review depends on level of risk. This is especially required whenever there is a change in working condition or introduction of new machine / practice.

In CCL, persons in different units have been trained by ISO for Risk Assessment & Management exercise. All the mines have completed the Risk assessment exercise.

Disaster Management :

Emergency action plan in all the mines have been framed to meet the situation arising out of disaster, where lives of persons are lost or threatened.

To make it more effective, necessary action, which is required at the time of crisis arising out of any disaster, has been framed for quick action & First Hand Information.

The Action plan includes

- 1 Sending First Information Report in the prescribed format by the Colliery Official to Company Head Quarters , DGMS , District Collector and then to Ministry of Coal, State Govt., within one hour of the disaster.
- 1 Establishing Control Room at Area, Company Head Quarter and also at Ministry of Coal.

Safety Training:

To provide better training to workers, Basic and Refresher Training programmes were organized at the VTCs and at Group Vocational Training Centres at Area level. Moreover Training/ Coaching was imparted to the potential candidates for Mining Sirdar, Overman etc. to enable them to acquire requisite statutory qualifications from

DGMS. Structured training of two weeks duration is being provided to the Statutory persons in supervisory capacity.

Scientific Study :

Your Company has engaged expert for conducting scientific studies wherever it is required so as to eliminate the dangers associated in the mines. It has been planned to procure equipments and material like Hydraulic Roof Bolter, Total Stations, Fluorescent Jacket, BG-4 Breathing Apparatus, latest version of Rescue tools, Non-Visible Dust collectors for Drills etc. for betterment of safety in the mines. Besides Safety, your Company also takes care of the health of the employees working in the mines and all-out efforts are made against Pneumoconiosis, dangers against noise and supply of potable water. Your Company has also planned to introduce Continuous Miner and Man Riding System in a phased manner in Underground mines.

Monsoon Preparation :

Before the onset of monsoon, like previous years, strategies were chalked out to face monsoon and to take necessary preventive action. Close liaison was maintained with DVC/State Authorities and meteorological agencies regarding release of water from Patratu, Tenughat and Konar dams. As a result, there was no major disruption in production or any incidence of inundation / flooding in the mines during the year.

Rescue :

Your Company has altogether three Rescue Rooms at Sayal, Dhori & Kedla, two Rescue Room cum Refresher Training (RRRT) Centres at Churi and Kathara and one Central Mines Rescue Station at Ramgarh, to cater to the needs of rescue services. In order to improve the preparedness of rescue trained personnel, regular refresher training is imparted in mines and in the Rescue station. The Zonal Rescue Competition was organized on 13.01.2009 at MRS, Ramgarh and the best performers were awarded with prizes at the Final Day Function.

Future planning for improving safety :

Man Riding System is to be introduced in Churi U/G mine. Environmental Telemonitoring

System will be installed in Degree III U/G mines of Kathara Area in the first phase. 5000 nos. of Self Contained Self rescuers(SCSR) are under process of procurement which will be provided as escape apparatus for the workpersons of UG mines. One Simulator which is to be installed shortly in CETI Barkakana, will help in providing quality training to the operators.

General :

Internal Safety Organization, headed by Chief General Manager (S&R), is maintaining close liaison with DGMS to enhance safety status in the mines. Tripartite Committee meeting on Safety is held at Area level with DGMS and Union Representatives for improvement of safety status in the mines.

Participative Management with trade union is encouraged by organizing bipartite meeting regularly in the Areas. Tripartite Safety Committee meetings were held with DGMS authorities and Trade Union Officials in the following Areas:

Area	Date of Area Level Tripartite Safety Committee meetings
Hazaribagh	10.09.2008
Dhori	01.09.2008
B&K	22.08.2008
Kuju	26.08.2008
NK	19.07.2008
Argada	19.08.2008
Piparwar	22.08.2008
Barka-sayal	22.07.2008
Rajrappa	02.01.2009
CCL Hq	02.09.2008
	Date of Bipartite Meeting with DGMS officials
CCL Hq	14.08.2008

Accident Statistics :

Accident Statistics pertaining to CCL mines for the year 2008-2009 vis-à-vis 2007-2008 are given below:

	2008-09	2007-08
No. of fatal accident	04	07
No. of fatalities	04	07
No. of serious accident	08	15
No. of serious injuries	08	15

Place-wise classification of accident:

	2008-09	2007-08
Fatal:		
Underground	nil	nil
Opencast	3(3)	4(4)
Aboveground	1(1)	3(3)
Total	4(4)	7(7)
Serious:		
Underground	4(4)	5(5)
Opencast	3(3)	8(8)
Aboveground	1(1)	2(2)
Total	8(8)	15(15)

Rate of Accident

	2008-09	2007-08
Overall		
Fatalities / MT	0.09	0.16
Fatalities / 3 Lakh Manshift	0.10	0.17
Serious injuries / MT	0.19	0.34
Serious injuries / 3 Lakh Manshift	0.21	0.37
Underground		
Fatalities / MT	0.00	0.54
Fatalities / 3 Lakh Manshift	0.00	0.06
Serious injuries / MT	2.56	2.73
Serious injuries / 3 Lakh Manshift	0.28	0.32
Opencast		
Fatalities / MT	0.10	0.14
Fatalities / 3 Lakh Manshift	0.17	0.24
Serious injuries / MT	0.10	0.24
Serious injuries / 3 Lakh Manshift	0.17	0.40

Causewise break-up of Fatal and Serious Accidents:

Cause	2008-09		2007-08	
	Fatal	Serious	Fatal	Serious
Roof Fall	-	-	-	2(2)
Side Fall	-	-	-	-
Rope haulage	-	2(2)	-	-
Explosive	1(1)	-	-	-
Dumper	-	2(2)	-	4(4)
Truck	1(1)	1(1)	1(1)	-
Other machinery	1(1)	1(1)	2(2)	4(4)
Fall of person	-	-	1(1)	1(1)
Fall of Object	-	-	-	1(1)
In rush of water	-	-	-	-
Other Causes	1(1)	2(2)	3(3)	3(3)
TOTAL	4(4)	8(8)	7(7)	15(15)

Area-wise break-up of Accidents :

Area	FATAL		SERIOUS	
	2008-09	2007-08	2008-09	2007-08
Barka-Sayal	-	-	1(1)	4(4)
Argada	-	1(1)	2(2)	3(3)
Piparwar	-	1(1)	-	-
N.K.	1(1)	-	1(1)	4(4)
Rajhara	-	-	-	-
Kuju	-	-	-	1(1)
Hazaribagh	-	-	2(2)	-
Rajrappa	-	-	-	-
Kathara	2(2)	1(1)	1(1)	-
B&K	-	1(1)	-	2(2)
Dhori	1(1)	3(3)	1(1)	1(1)
TOTAL	4(4)	7(7)	8(8)	15(15)

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

Figures for 2008-09 & 2007-08 are subject to reconciliation with DGMS

15. PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS

The manpower strength of the company as on 31.03.2009 was 56553 as against 58808 on 31.03.08. The category wise break up of manpower strength as on 31.03.2009 vis-a-vis 31.03.2008 is given below:

Category	31.3.2009	31.3.2008
Executive	2418	2491
Supervisory	3929	3878
Highly Skilled / Skilled	16878	17152
Semi Skilled / Unskilled (TR)	18513	19714
Semi Skilled / Unskilled (PR)	9394	9897
Ministerial Staff	4983	5197
Others	438	479
Total	56553	58808

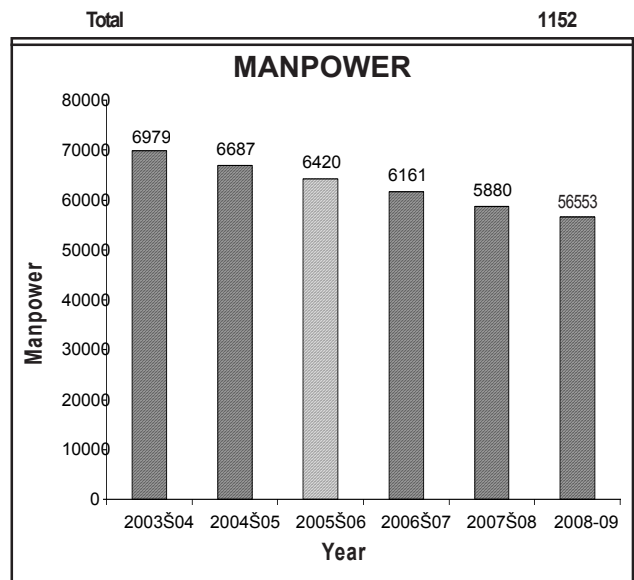
Hence during the year 2008 – 09 the overall reduction in manpower was to the tune of 2255, while the number of employees in the Company came down by 3407 during the year under reference, 1152 employees were added to the existing manpower. The aforesaid reduction and

addition has been under the following heads :
REDUCTION :

Manpower Reduction under the head	No. of Employees
Retirement / Superannuation	2442
VRS (GHS)	220
Death	551
Termination / Dismissal	71
Resignation	12
Inter Company Transfer	103
Medically unfit	08
Total Reduction	3407

ADDITION :

Manpower Addition under the head	No. of Employees
Appointment under 9.3.2	789
Appointment under 9.4.0	02
Appointment under Dependent of deceased Executives	00
Appointment under Land loser's scheme	94
Inter Company Transfer	98
Reinstatement	82
Fresh Recruitment	31
Award Case	54
Regularisation of Stipendary Trainees	02
Total	1152



At the beginning of the year 2008–09, 462 cases relating to labour and industrial disputes were pending before different courts, authorities and tribunals. While 172 cases of labour and industrial disputes were added, 161 cases were disposed off during the year. Thus 473 cases in total, remained pending on 31.03.2009.

The Industrial Relations scenario was peaceful and harmonious throughout the year (2008–09). However, there were three cases of Strikes called by centrally affiliated trade unions all over CIL on the issue of wage revision of workers. There was marginal or no impact in the functioning of the Company. Industrial Relation Machinery (IRM) consisting of JCC at Company level, ACC at Area level and UCC at Unit level have sorted out major collective bargaining issues through discussions and this has created a lot of goodwill amongst the workers.

With a view to maintaining harmonious industrial relation as well as to serve the society as a responsible Corporate citizen, the Company has provided a total of 789 compassionate appointments under Para 9.3.2 to dependents during 2008-09. Apart from this, pursuant to the discussion in the Parliamentary Consultative Committee, 82 workers, who were terminated on account of unauthorized long absenteeism and who appealed before the Appellate Authority against such termination, have been considered for reinstatement. In summary, the manpower profile of the Company shows that the jobs in the Company have been accessible to poor and marginalized section of the society.

16. HUMAN RESOURCE DEVELOPMENT:

Human Resource Development is considered as “Brain trust” of CCL Management. Technology is changing very fast and this requires special attention for improving and upgrading the skills of workmen from time to time. In this direction, your Company is giving special emphasis to impart knowledge of higher/new skills to all grades of the work-force so as to facilitate their performance with new equipment.

Well trained employees with increased level of job satisfaction have helped the Company in ensuring higher level of safety, better maintenance of machines and a remarkable increase in production.

To increase the HEMM utilization and in turn coal production, as a special drive, 209 workers were given transformational training to fulfil the shortage of HEMM Operators.

As a special achievement 4(four) executives of CCL were certified as Project Managers against the MoU of 2(two) during the year.

The details of training programmes are as under:

(A) IN COMPANY TRAINING :

Sl. No.	Name of the Institute	No. of Persons Trained			Total
		Executive	Supervisors	Workers	
1	Management Training Centre, Darbhanga House,Ranchi(MTC)	484	256	118	858
2	Bhurkunda Technical Training Institute, Bhurkunda(BTTI)	—	166	286	452
3	Central Excavation Training Institute, Barkakana(CETI)	3	8	319	330
4	Security Training Institute, GNH, Ranchi (STI)	—	—	220	220
5	Institute of Occupational Health & Hygiene Gandhinagar,Ranchi (IOMH)	9	127	6	142
TOTAL		496	557	949	2002

(B) HEMM Transformational Training (Basic) 209 —

(C) TRAINING OUTSIDE COMPANY

Sl. No.	Type of Training	No. of Persons Trained			Total
		Exe.	Sup.	Workers	
I	External Training (in India)	333	19	8	360
II	Foreign Training	4	—	—	4
III	Training at IICM				
	(a) more than 6 days	70	—	—	70
	(b) upto 6 days	263	—	—	263
	(c) Workshop/seminar/ conference	46	—	—	46
	Total Training at IICM	379	—	—	379
IV	P.D.P.T. / V.T.	364 students from outside Mining Institutes completed their PDPT courses during the year.			

Note :

1. Out of the employees trained as mentioned at A above, 27 Executives, 75 Supervisors and 317 Workers belong to SC / ST.
2. On-the-job practical training / summer training was provided to 238 students coming from different Institutions/ Colleges doing MBA / BCA / BBA / MCA etc.
3. In addition to above, 352 employees attended Seminars / Workshops at different HRD Institutes.

17. WELFARE AND COMMUNITY DEVELOPMENT

The welfare of employees is another major thrust area of your Company. During 2008-09, concerted efforts have been made to improve the quality of life of the employees at working places as well as at the living places.

The achievements made by your Company in different areas of Welfare are detailed below:-

- I. **Housing:** As on 31.03.2009, the number of permanent houses stood at 59,827 serving manpower of 56,553.
- II. **Water Supply:** Through operation of different Water Supply Schemes, 16.4697 MGD water was supplied to 5.02 lakh beneficiaries. The status of water supply during the year under reference is as under:

Sl.No.	S c h e m e s	Total generation (in MGD)
1.	Existing IWSS (12 Nos.)	7.6111
2.	Through 76 nos. of Pressure Filters	4.5456
3.	Through Deep Bore Holes	2.4600
4.	Through other arrangements	1.8530
TOTAL		16.4697

- III. **Medical Facilities:** There are 2 Central Hospitals, 7 Regional Hospitals, 10 Colliery Hospitals, 67 Dispensaries, 111 Ambulances and 266 Doctors & 670 Para Medical Staff in CCL. In total, there are 892 beds in different hospitals with a bed to employee ratio of 1:63. The Central Hospitals at Ranchi and Naisarai are equipped with some of the latest Medical facilities. Efforts are being made to improve the quality of existing medical services in CCL. During the year 2008-09, a total of 8,92,782 patients got indoor as well as outdoor Medical Services in the hospitals/dispensaries.

Moreover, 2 Mobile ambulance vans fully equipped with doctors, para medical staff and medicines have been regularly visiting villages for rural health check-up. During the year under reference, 341 different Medical camps were organized under the Community Health Programme, through which 86467 people got benefitted.

Persons working in the Coal industry under hazardous conditions require instant medical attention to take care of their health and keep them fit throughout the year. Besides the employees, the dependants living with the employees also require appropriate medical care, which CCL has been providing through its comprehensive medical facilities scheme.

The preventive aspects of disease mitigation are also an important service, which the Medical Department of CCL extends in a proactive manner through holding of awareness camps. CCL has decided to hold different types of camps in the medical units as well as in nearby villages surrounding the mines under the aegis of the Community Development Programme where curative as well as preventive health service and education is rendered free of cost by the Medical Department.

Some of the significant achievements of the Medical Department are as follows:

- (1) *Periodical Medical Examination :* Periodical Medical Examination (PME) Programme is a preventive measure and is undertaken for detection of diseases at an early stage. This programme is mandatory for all employees whereby an employee is examined clinically and investigated Radiologically & Pathologically once in every 5 years. The PME centers are equipped with Audiometers to detect deafness and Spirometers to detect Lung Diseases. Under Periodical Medical Examination 13385 employees were examined.
- (2) Drugs amounting to Rs.3.48 Crore have been procured in the current Financial Year and distributed to all medical units of CCL for disbursement among patients.
- (3) During the year 2008-09 new equipment like Haemodialysis Machine with RO Plant, ABG

Analyzer, Lap Surgery Unit, Semi Auto Analyzer, Pulse Oxymeter, Suction Machine, Nebulizer, Medical Ventilator, Oxygen Concentrator, C-Arm Image Intensifier, C-Arm Image Processor, Mammography, Electro Cautery, Operating Microscope (Eye), Phacoemulsification Machine have been procured. The addition of these equipment will result in better medical care and diagnosis of diseases.

(4) CCL has implemented two unique CSR schemes: "Operation Jyoti" and "Girl Child Promotion" during the financial year 2008-09.

(5) Patient Satisfaction Index (PSI) has been introduced in Gandhinagar Hospital, Ranchi to have in place a Performance Indicator Monitoring System (PIMS) and Quality Level Service System (QLSS).

One of the main objectives of the CCL Management is to make Medical Plan a strategic role in the overall HRD policy of the Company for attracting and retaining employees as well as taking the society in and around the command areas on board.

IV. Educational Facilities: Your Company provides financial assistance, both of recurring and non-recurring nature, to different schools. The details of schools running in the command area of your Company as on 31.03.2009, are as under:

Sl.No.	Type of Schools	No. of Schools
1.	Central Schools fully financed	01
2.	DAV Schools (Fully financed by CCL)	07
3.	Schools based on non financial support from CCL :	
	i. DAV	08
	ii. Krishna Sudarshan Central School	02
	iii. Others	05
4.	No. of Privately Managed Schools	44
	Total	67

V. During 2008-09, a sum of Rs. 5.58 Crore was sanctioned towards financial assistance to various educational institutions

and towards CIL Scholarship. 971 wards of employees were paid CIL Scholarship during the year. Moreover, CCL maintains and operates 92 School Buses for the benefit of children of the employees.

VI. The Company has introduced Reward Scheme for meritorious wards of the CCL employees by providing Rs.2,000/- & Rs.3,000/- cash to students who obtain 90% and above marks in Class X & XII Board Examination in addition to normal scholarship scheme.

18. SPORTS & GAMES

Your Company encourages sports activities amongst its employees and conducts different tournaments and sports meets.

(i) Inter Coal Badminton Tournament was organized by your Company at Ranchi during March'2008

(ii) CCL Athletic Team was adjudged, Runner-up in the Inter Coal Athletic Meet held at NCL during Feb.,2008,

(iii) CCL Women Athletic Team was also adjudged, Runner-up in the Inter Coal Athletic Meet held at NCL during Feb., 2008,

(iv) Shri Ghanshyam Sahu of CCL was declared Individual Champion (Men) of Inter Coal Athletic Meet 2008-09.

19. COMMUNITY DEVELOPMENT INCLUDING TRIBAL WELFARE

The Projects and Collieries of your Company are located in Jharkhand State and are spread over the districts of Ranchi, Hazaribagh, Bokaro, Giridih, Chatra and Palamu. The management of your Company is conscious about its corporate social responsibility towards community development in the surrounding villages and localities. Since the initiation of Community Development in the year 1982-83, a large number of villages have been benefited by C.D. activities of your Company.

Adhering to the principles of Global Compact, the management of your Company has

specific vision under Corporate Social Responsibility (CSR) for providing quality life and all round development for a sizeable number of people belonging to SC/ST and other socio-economically challenged communities residing in the peripheral localities of its command area. Accordingly, the C.D. programme under the CSR covers Special Component Plan for SC communities besides the C.D. Component for others.

The C.D. Programme of your Company focuses on the following activities:-

- (i) Improvement in living conditions through
 - A. Provision of potable water,
 - B. Construction of village roads,
 - C. Construction and repairing of community assets,
 - D. Self employment programme.
- (ii) Promotion of Education and Health,
- (iii) Promotion of sports and culture,
- (iv) Protection and conservation of Environment

During the year infrastructural help has been extended to –

- 1 75 rural schools making 12,073 beneficiaries;
- 1 Construction & repair of 32 K.Ms. of rural road link, provision of 200 solar light systems for rural electrification;
- 1 Sponsoring and organizing State level sports for physically challenged persons;
- 1 87 no. of works in the form of installation of hand pumps, digging and renovation of wells, development of ponds, laying of pipelines and supply of water to the villagers through tankers giving benefit to 11,600 persons;
- 1 The rural health programme under C.D. during the year was carried out by organizing around 341 no. of health camps giving benefits to more than 57,000 persons. In aggregate, Rs.797.02 Lakh has been spent during the year under CD Programme compared to Rs.385.28 lakh (Actual being Rs. 651.89 lakh) during 2007-08 by

undertaking 703 works and giving benefit to 86,859 persons.

20. CAPITAL EXPENDITURE ON SOCIAL OVERHEAD TILL 31.03.2009

Till 31.03.2009, the cumulative amount spent by your Company towards social overhead is Rs.331.14 Crore, details of which are tabulated below:

(Rs.in Cr.)

Sl.No.	Particulars	2008-09	2007-08
(i)	Building	247.31	241.54
(ii)	Plant & Machinery	53.56	53.05
(iii)	Furniture & Fittings	14.37	12.67
(iv)	Vehicles	6.79	7.34
(v)	Developments	9.11	13.39
Total:		331.14	327.99

21. FINANCIAL PERFORMANCE

The year 2008-09 has been a year of impressive financial performance, in view of the fact that profit before tax has been Rs.763.80 Cr. after absorbing additional impact of Rs.210.40 Cr. for NCWA-VIII, Rs.91.42 Cr. for Executive Salary Revision, Rs.346.05 Cr. for Incremental Gratuity and Rs.51.08 Cr. for Incremental Leave Encashment. The net profit after tax has been Rs.489.93 Cr. after provision of Rs.483.41 Cr. towards Income Tax. Such improvement has been possible mainly due to significant increase in turnover and better realization for our products. The financial results of your Company during 2008-09 as compared to 2007-08 are as under:

(Rs. in Cr.)

Sl.No.	Particulars	2008-09	2007-08
(i)	Gross profit before Depreciation and Interest	976.07	1325.04
(ii)	Depreciation	190.05	217.75
(iii)	Interest	43.51	64.26
(iv)	Net profit before prior period adjustment	742.51	1043.03
(v)	Adjustment pertaining to Prior period (Cr.)	21.29	-7.78
(vi)	Net profit after prior period adjustment	763.80	1035.25
(vii)	(a) Provision for Income Tax	483.41	461.23
	(b) Fringe Benefit Tax	11.89	10.50
(viii)	Provision for Deferred Tax (Cr)	221.43	62.06
(ix)	Net Profit after Tax	489.93	625.58

The Board of Directors of your Company has recommended a dividend of Rs.208.48 (previous year Rs.266.20) per Equity Share on 94,00,000 Equity Shares of Rs.1000/- each amounting to Rs.195.97 Cr. (previous year Rs.250.23 Cr.).

22. CAPITAL EXPENDITURE

The capital expenditure during the year 2008-09 has been Rs.334.84 Cr. compared to Rs.297.84 Cr. in the previous year. The head-wise details of capital expenditure during the year 2008-09 are detailed below :

(Rs.in Cr.)

Sl.No.	Heads of expenditure	2008-09	2007-08
(i)	Land	75.28	2.17
(ii)	Building	0.41	1.90
(iii)	Plant & Machinery	192.49	170.33
(iv)	Furniture & Fittings	4.51	1.98
(v)	Railway Siding	0.00	0.00
(vi)	Vehicles	0.26	0.02
(vii)	Prospecting & Boring	0.00	0.00
(viii)	Other Developments	13.71	4.97
(ix)	Capital work in progress	48.18	116.47
TOTAL		334.84	297.84

23. CONTRIBUTION TO EXCHEQUER

The contribution to the State/Central Exchequer during the year 2008-09 vis-à-vis 2007-08 is detailed below :

(Rs. in Cr.)

Sl.No.	Particulars	2008-09	2007-08
(i)	Royalty on Coal	556.46	485.53
(ii)	Sales Tax /VAT	174.20	182.86
(iii)	Stowing Excise Duty	43.66	40.60
(iv)	Income Tax	453.09	513.01
(v)	Dividend Tax	42.53	41.54
(vi)	Fringe Benefit Tax	13.25	9.15
(vii)	Service Tax	4.61	0.00
TOTAL		1287.80	1272.69

24. CAPITAL STRUCTURE

During the year under report, the Authorised 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 31 March 2009 is Rs.2146.83 Crore compared to Rs.1886.17 Cr. as on 31 March 2008.

25. LOAN

- (i) During the year, the Company has repaid installments of IBRD and JBIC loan to the tune of Rs.4.83 Cr. and Rs.6.64 Cr. respectively. Moreover, outstanding loan amount has increased by Rs.32.57 Cr. due to unfavourable foreign exchange rate fluctuation. Thus the total outstanding loan amount has increased to Rs.136.70 Cr. at the year-end against previous year's outstanding balance of Rs.115.60 Cr.
- (ii) As against the opening balance of loan from CIL amounting to Rs.307.27 Cr. as on 31 March 2008, Rs.150.00 Cr. has been repaid during the year, leaving a balance of Rs.157.27 Cr. as on 31 March 2009.

26. STATUS OF PROJECT IMPLEMENTATION

Till 31.03.2009 a total number of 58 Mining Projects, including one Advance Action Proposal with ultimate capacity of 111.66 MTY and 26 Non-mining Projects each costing Rs.2.00 Cr. and above, were sanctioned by different competent authorities. Out of these Projects, 50 Projects (30 mining & 20 non-mining) have already been completed. The remaining 27 Mining Projects (excluding 1 advance Action proposal) having an aggregate ultimate capacity of 71.94 million tones per annum at a sanctioned capital cost of Rs.3940.98 Cr. and six non-mining Projects at a sanctioned capital cost of Rs.113.42 Cr. (Including DRD AAP) are at various stages of implementation. Category wise details are tabulated below:

Projects	Total No. of Projects (Incl. Compl. Proj.)	Capital Outlay (Rs. in Cr.)	Ultimate Capacity (MTY) (Coal)
Above Rs. 100 Cr.			
MINING	13	3951.12	63.07
NON-MINING	1	130.41	—
Rs. 50 Cr. to Rs. 100 Cr.			
MINING	7	515.44	15.95
NON-MINING	2	161.34	—
Rs. 20 Cr. to Rs. 50 Cr.			
MINING	5	177.12	3.55
NON-MINING	1	48.78	—
Rs. 2 Cr. to Rs. 20 Cr.			
MINING	32	480.77	17.09
NON-MINING	22	178.70	—
ADV.ACTION	1	8.89	12.00
MINING	57+1(A.A.)	5147.32	111.66
NON-MINING	26	519.23	—
GRAND TOTAL	84	5666.55	111.66

Details of 50 completed Projects are as under :

Projects	Number			Sanc. Capital (Rs. Cr.)			Ultimate Cap. (MTY) (Coal)
	Min.	Non-Min.	Total	Min.	Non-Min.	Total	
Above Rs.100 crs.	3	1	4	612.63	130.41	743.04	9.25
Between Rs.50 Cr.-Rs.100 Cr.	2	2	4	144.21	161.34	305.55	3.25
Between Rs.20 Cr.-Rs.50 Cr.	3	-	3	95.00	0.00	95.00	1.75
Between Rs.2 Cr.-Rs.20 Cr.	22	17	39	345.61	114.06	459.67	13.47
Sub-Total	30	20	50	1197.45	405.81	1603.26	27.72

The implementation status of 33 ongoing projects (excluding AAP) costing Rs. 2 Cr. and above are as under:

Projects	Number			Sanc. Capital (Rs. Cr.)			Ultimate Capacity (MTY) (Coal)
	Min.	Non-Min.	Total	Min.	Non-Min.	Total	
Above Rs.100 Cr.	10	-	10	3352.27	-	3352.27	53.82
Between Rs.50 Cr to 100 Cr.	5	-	5	371.23	-	371.23	12.70
Between Rs.20 Cr to 50 Cr.	2	1	3	82.32	48.78	131.10	1.80
Between Rs.2 Cr to 20 Cr.	10	5	15	135.16	64.64	199.80	3.62
Sub-Total	27	6	33	3940.98	113.42	4054.40	71.94

Out of 13 mining delayed Projects, 2 are yet to start, namely Hurilong UG & Tisri UG. The remaining 11 Projects are delayed due to:

- (a) Land Acquisition : 5
- (b) Adverse Geo-mining condition : 4
- (c) Change/Finalisation of Technology & others : 2

Projects Envisaged to be commissioned during the Xth Plan Period (2002-2007)

Following 8 Mining Projects have been commissioned during the Xth Plan period. The total capacity of these Projects is 42.51 MTY. Out of this, Topa RO OCP was sanctioned in 2002. Magadh, Ashok EPR (6.5 MTY), Karo OCP and Konar OCP have been sanctioned in 2006-07 and North Urimari & Churi Benti UGP have been sanctioned in 2007-08. Piparwar Expn (10 MTY) and Ashok Expn (10 MTY) have been approved under Emergency Coal Production Programme. Amrapali OCP is at CCEA for its approval.

Sl. No.	Name of Project	Capacity (in MTY)	Proposed Capital Outlay (in Rs. Cr.)	Approval from CCL/ CIL Board	Govt.'s approval/ Present Status
1.	Magadh OCP	12.00	469.78	Feb'03 – CIL Board	Approval from Govt. vide letter dated 19.07.06 from MoC. Project is under implementation.
2.	Ashok Expn. OCP	6.5	471.66 (Incremental)	June'03– CIL Board	Approval from Govt. vide letter dated 13.04.06 from MoC. Project is under implementation.
3.	Konar OCP	3.5	74.53	Apr'04 – CIL Board	Approved by CCL Board on 12.08.06 (As per revised delegation of power of CCL Board)
4.	Karo OC	3.5	96.53	July'05 CCL Board	Approved by CCL Board on 12.08.06 (As per revised delegation of power of CCL Board).
5.	Topa RO	1.2	65.25	—	Approved by CIL Board on 06.03.02. Project is under implementation.
6.	Amrapali OCP	12.00	682.35 (Mar '09)	Feb'03 – CIL Board	CCEA note submitted to MoC on 06.11.2006. UCE was prepared in March, 2009 price basis. MoC has been requested to send it back as per enhanced DoP of CIL on attaining Navratna status.
7.	North Urimari OCP	3.00	179.87	May'04 – CCL Board	Approved by CCL Board on 07.12.07 (as per Revised delegation of Power of CCL Board)
8.	Churi Benti UGP	0.81	163.51	April'07 CCL Board	Approved by CIL Board on 27.08.07. Project is under implementation

Project under Emergency Coal Production Plan

Sl. No.	Project	Original Capacity (MTY)	New Capacity (MTY)	PR Status
1.	Piparwar Expn	6.50	10.00	Approved. Project is under implementation.
2.	Magadh OCP	12.00	20.00	Dir.(Tech.), MOC vide letter No.43011/130/2006-CPAM dated 10.04.08 has instructed that the expansion proposal can be considered as a separate entity and in view of Mini Ratna Category-I Status accorded to CCL can be approved by CCL Board. Accordingly, Project was approved by CCL Board on 23.08.08 at a cost of Rs.706.4 Cr. (Total).
3.	Ashok Expn	6.50	10.00	Approved. Project is under implementation.

With the commissioning of the above projects, your Company's production level is expected to be as under :

(Fig. in MT)

GROUP	2008-09 (Actual)	Terminal Year of	
		BE (2009-10)	XI th Plan (2011-12)
Existing Mines & Completed Projects	23.54	25.14	21.22
On Going Projects	19.70	22.06	19.93
New Projects/Future Projects —	—	0.90	36.85
TOTAL	43.24	48.10	78.00

27. ENVIRONMENT MANAGEMENT

- No. of Projects for which Environmental Clearance Received: 03, viz., Ashoka OCP (10 MTPA), Magadh OCP (20 MTPA), Topa RO(1.2 MTPA).
- No. of Projects for which environmental clearance is under reconsideration at MoEF : 02, viz. Karo

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OCP (3.5 MTPA), Tetariakhar OCP (0.5 MTPA).

- No. of Projects for which Environmental Clearance Rejected: Nil
- No. of Projects for which Form I submitted to MoEF: 25, viz. Ray Bachra UG, Kuju UG, Dakra Karketta OC, Dhori OC, NS Dhori UG, Dhori Khas, Religara UG, Central Saunda UG, Urimari UG, Gidi A OC, Religara OC, Kathara OC, Argada UG, Sirka UG, Sirka OC, Laiyo UG, Topa UG, Pindra UG, Jarangdih UG, Jarangdih OCP, Sarubera OCP, Sarubera UG, Ara OCP, Govindpur Ph.II OCP, Karketta OCP.
- No. of Projects/Mines for which TOR has been approved by MoEF : 16, viz. Govindpur Ph.II (1.2 MTPA), Ray Bachra, Kuju UG, Dakra OCP, Dhori OC, Dhori Khas UG, NS Dhori UG, Urimari UG, Kathara OC, Argada UG, Sirka UG, Sirka OCP, Laiyo UG, Pindra UG, Jarangdih OC, Jarangdih UG.
- No. of EMPs prepared by CMPDI is for 7 Projects, viz. Amlo OCP EPR (2.5 MTPA), Tapin OCP, Tarmi OCP, Khasmahal OCP, Karma OCP, Rohini OCP.
- No. of EMPs submitted to JSPCB for public hearing is for 6 Projects, viz. Amlo OCP (2.5 MTPA), Tarmi OCP (1.5 MTPA), Tapin OCP (2.5 MTPA), Rohini OCP (2.0 MTPA), Khasmahal OCP (0.7 MTPA), Karma OCP (1.0 MTPA).
- No. of Public hearing held for 5 Projects, viz. Amlo OCP(2.5 MTPA), Tarmi OCP (1.5 MTPA), Tapin OCP (2.5 MTPA), Rohini OCP (2.0 MTPA), Khasmahal OCP (0.7 MTPA).

AFFORESTATION

During 2008 about 5,46,000 saplings were planted in Barka-Sayal, Dhori, B&K, Piparwar, Kuju, Kathara, Argada & N.K Areas. The saplings were of fruit bearing, medicinal and commercial

varieties. The plantation was done through State Forest Department in about 218 Ha. of land.

DIVERSION OF FOREST LAND

1. During the year 2008-09, 17 nos. of regularization forest proposals have finally been accorded Stage-II clearance by Ministry of Environment and Forest, Govt. of India for 2005.44 Ha. Forest land,
1. In principle approval, i.e. Stage-I clearance for 7 Forest proposals have been granted by MOEF, Govt. of India for 1393.85 Ha. Forest land of future Projects of CCL.
1. A sum of Rs.74.82 Crore has been paid as forest compensation including NPV, etc. for five proposals, namely Tapin North, Tarmi, Magadh, Amrapali OCPs and New Kargali Washery (Dhori Washery).

Some additional important activities during 2008-09 :

1. Environment conservation week for creating awareness and carrying various activities of pollution control was organized for OCPs and Washeries from 12.01.09 to 17.01.09 which resulted in enormous response from the Mines and Washeries in the Areas for environmental upgradation.
2. An awareness drive for curbing the use of plastic bags was carried out in Kanke Dam, Ranchi on 02.02.09 in collaboration with Jharkhand State Pollution Control Board, Ranchi for improvement of the environment.
3. A video recording on Environment Conservation Measures in CCL was screened at Udyog Mela at Ranchi and in the Industrial Exposition at Pragati Maidan, New Delhi.
4. The recirculation arrangement system of water in Washeries was improved in all the Washeries of CCL and zero discharge has been achieved. Other efforts like slurry

dispatch have increased which has improved recirculation system in Washeries.

5. Environmental clearance was expedited and 23 old mines were considered for environmental clearance out of which Form I was submitted to MOEF for all 23 mines and TOR has been received for about 16 mines. The environmental clearance of 3 new mines/expansion Projects was received from MOEF and two more are in the process of finalization for clearance.
6. During 2008-09, seventeen Forest land proposals have been granted Stage II final Forestry clearance and seven Forest land proposals have been granted Stage I (in principle approval for forestry clearance).

28. LAND ACQUISITION STATUS

Under LA Act, 1894:

Acquisition proceedings for 65.56 acre of tenancy land in villages Topa, Ara and Patratu have been completed. Payment is in progress and partly completed. The award for 271.81 acre of land in village Ara for Ara Project is expected to be declared by June 2009. A fresh proposal for 10.30 acre of land for New Gidi C Project has been initiated under emergency provision.

Under CBA (A&D) Act 1957:

No acquisition of land was made under CBA (A&D) Act 1957 during the year under reference.

Payment of Compensation:

During the year under reference, for land and other interest acquired earlier under the provision of CBA (A&D) Act, 1957 compensation amounting to Rs.1.41 crore has been disbursed. 24 payment camps were held in different Areas for payment of compensation.

During the year an amount of Rs.1.96 crore has been sanctioned for payment of compensation of land and other interests as per CBA(A&D) Act, 1957 involving about 147.34 acre of tenancy and converted tenancy land.

Following important rehabilitation proposals have been sanctioned::

- 1 One time lump-sum grant of Rs.178.30 lakh for 182 families in lieu of developed plot at R&R site of Purnadih OCP
- 1 Rs.173.70 lakh as one time lump-sum grant and shifting allowance of village Mangardh & Banwar of Topa OCP

Employment :

During the year 223 fresh employments have been provided to different land losers or their nominees in different Areas/units enabling your Company to take physical possession of 472.5 acres of land.

Rehabilitation & Re-settlement :

52 families were rehabilitated in different Projects.

Allotment of coal blocks to different captive users and their transfer:

Coal Blocks like Chitarpur, Kotre Basantpur, Pachnmo, Chakla, and Lohari, which have been allotted to different captive users by Government of India, have been transferred and their conveyance deeds signed. Further, transfer process of Seregarha and Ganeshpur, Rajhara North (Central & Eastern), Lalgah and Macherkunda Coal Blocks are in progress.

29. RAILWAY SIDING

There are 24 (twenty four) no. of full rake sidings under operation, having a total daily loading capacity of 4220 (FWW/day)

New Sidings under construction:

(A) PIPARWAR SIDING:

The Piparwar Siding with 6x44 C / 58 N Box capacity and a total length of 30.50 Km, branching off from Mc-Cluskieganj Railway Station of East Central Railway, is under construction.

Status of Construction of Piparwar Siding:

The formation work of 13.783 Km long siding & track linking of 11 Km. covered under Phase - I

and a bridge over Damodar river have been completed. Out of 16.5 KM under Phase-II, formation work for 9.76 Km & track laying for 1 Km have been completed.

Your Company has engaged M/s. RITES Ltd. for completing the balance work related to Piparwar Railway Siding at a cost of Rs.90.61 crore – on deposit term basis. This amount has already been deposited with M/s. RITES Ltd. and the job is in progress.

Track linking of 1.683 K.M., electrification, signalling & telecommunication only at Junction point are to be completed by EC Railway as a deposit work.

(B) TORI RAILWAY SIDING FOR TETARIAKHAR OCP :

An amount of Rs.3.47 crore has been deposited with East Central Railway as per their revised estimate for the work. The work is in progress by E.C. Railway, Dhanbad and is nearing completion.

(C) CONSTRUCTION OF TORI-SHIVPUR-HAZARIBAGH RAILWAY LINE UNDER CCDA :

The Tori-Shivpur-Hazaribagh new BG rail line of 93.28 Km length is under execution by EC Railway, Patna, including land acquisition, etc. The present estimated cost of this work is Rs.600.58 crore. It is being funded fully under CCDAC. The work has been taken up in two phases :

(1) Tori-Shivpur	42.65 KM
(2) Shivpur – Hazaribagh	50.63 KM
	93.28 KM

Presently, the work of land acquisition & forestry clearance are under process. Rs.148.14 crore has been deposited till date with EC Railway, Patna. The work is in progress in 0-10 KM portion from Hazaribagh end. For rest of the length, finalization of award of work after re-tendering is in process by EC Railway, Patna. Up-to-date expenditure incurred is Rs.25.6046 Cr. The schedule date of completion is 30.06.2010.

30. GEOLOGICAL SERVICES

A. Drilling

Against the target of 1.20 lakh meters, total 1.44 lakh mtrs. of drilling has been done during the Financial Year 2008-09, achieving a productivity level of more than 2783 mtrs. per drill per month with 7 operating drills from 2 base drilling camps at Topa and Lapanga. This includes 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 Documentation and Related works

(i) **On Geology** : During the year 2008-09 the following activities have been completed, majority of which are related to production support, mining services and for future mining activities:

1. Study and preparation of note on XIth plan period Projects like Koed-Manatu, Pachra and Kedla EPR and Parej West blocks in respect of total area to be acquired for mining.
2. Preparation of note on the view of the Company on the issue of transfer of part of Pundi block (patches A, B1 and B2) to M/s. Tata Steel.
3. Preparation of land use/land cover plans of different Areas showing Forest cover for site selection of new washeries.
4. A report titled "Illegal mining of coal in the State of Jharkhand and its mitigation measures."
5. Study and providing solutions to modification of block boundaries of blocks allocated to different parties.
6. Updation of coal resource in CCL Command Area, mineable coal reserves of existing operating mines as on 01.04.2008 based on the data provided by CMPDI in association with MECL and GSI.

7. Preparation of note providing the list of mines where Coal Mine Methane (CMM) study can be done regarding permission to carry out the feasibility study for recovery and utilisation of CMM in Bokaro (E&W) coalfields.
8. Vetting of draft project report for Ashoka West OCP (10 MTPY) and making of comments.
9. Estimation of coal reserves blocked under the office building premises of Ara colliery and calculation of overburden to be handled for progressing the 16B quarry.
10. A summer training programme is being organised by the Department for post graduate students on the topic, "Various aspects of coal mining and mining geology". During the year under reference, one student from Banglore University was trained.
11. Vetting of draft report on, "Georeferencing of cadastral maps and digital conversion on national grid co-ordinate system pertaining to Urimari block, South Karanpura Coalfield, Jharkhand" prepared for your Company by MECL.
12. Preparation of note and plans for prospective integrated Project in WBCF for Gose, Gose-East Asanapani part of NKCF.
13. Reserve and overburden computation of seams IX and XII of Pindra Colliery for proposed IX and XII quarry.
14. Presentation on, "Sterilisation of Coal Resources below proposed sites of North Karanpura STPP, railway line from Chhattibariatu and Garhi Water Reservoir in NKCF."

(ii) **On Washery**: Associated with the work related to finalization of the location of proposed Washerries in Ashoka, Karo, Konar and Dhori Projects.

(iii) On Captive Mine Blocks :

1. Finalisation of tripartite agreement on Dumri block.
2. Note on Agenda item "Allocation of coal blocks" in the meeting of the Consultative Committee attached to MoC, time to time whenever required.
3. Preparation of letter, notes and related plans to resolve various issues related to dispute in boundaries of allocated blocks, forest, land use etc. on regular basis.
4. A total of 46 blocks in the command Area of your Company have been allocated by MoC to Pvt. Parties for using coal in their captive use.

(iv) Others :

1. Updation of mineable coal reserves as on 01/04/08 of existing operating mines of your Company.
2. The mine statistic format for 2007-08 asked by Coal Controller, Govt. of India.
3. Exploration programme of CMPDI in CIL blocks during 2009-10 and up to 2011-12.

C. Hydrogeology :

A total of 59 nos. deep tube well boreholes have been drilled for meeting the requirement of potable water in different Areas of CCL.

D. R&D and Computerization Work :

The CIL R&D Project entitled "Interactive Geo-mining and Hydro-geological models for augmentation of coking coal and ground water resources in WBCF" has been completed in collaboration with CMPDIL, IIT Kharagpur, Jadavpur University, Kolkata and MECL, Nagpur.

1. Following reports have been incorporated in the final report :
 - (a) Report entitled "Preparation of ground water resource management model in WBCF" prepared by BIT, Mesra;
 - (b) Report entitled "Preparation of palaeo-depositional, quality variance and geo-

structural model of West Bokaro Coalfield" prepared by Jadavpur University;

- (c) Report entitled 'Environment Model in WBCF', submitted by Central Institute of Mining and Fuel Research, Dhanbad;
- (d) Report entitled 'Land use land cover Mapping of WBCF using Remote Sensing Data submitted by Geomatics Division of CMPDIL;
- (e) Report entitled 'Trace element availability in coal, coal bearing rocks, water, river bed sediments and soils in WBCF.

2. All the blocks of WBCF were taken up and borehole data (lithology, quality, location etc.) entered in different formats, map data covering different plans were digitized and brought to National Coalgrid.
3. The result of R&D Project was presented in MGMI seminar as a paper on, "Potentiality of Coking Coal in India with special reference to West Bokaro Coalfield, CCL(Area)."
4. Application softwares like Minex, Cempgeodoc, Autocad Map, GIS, VP Studio, SQL-Server are being used for processing of basic data, geological modeling and various other applications.

E. Coal Reserves:

The geological reserves as compiled & computed by Geological Survey of India as on 01/04/2008 in Proved, Indicated and Inferred categories, together within the CCL Command Area is of 38.41 billion tonnes (up to a depth of 1200 mtrs.). The details of coal reserves are as under :

(fig. in billion tonnes)

Type of Coal	Proved	Indicated	Inferred	Total
Coking	7.285	9.169	1.660	18.114
Non Coking	11.188	6.971	3.205	21.364
Total	18.473	16.140	4.865	39.478

F. Right To Information

With the advent of RTI Act, 2005, GM (Geol.) has been given additional responsibility as PIO, CCL to furnish information of ever increasing public requests for seeking information on varied subjects and functions of your Company.

1. No. of applications received	669
2. No. of applications disposed	610
3. No. of applications under process	10
4. No. of applications transferred under para 6(3) of RTI Act54	
5. No. of applications rejected	5

31. COMPUTERISATION & IT ENABLED SERVICES

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

- IT infrastructural Development
- CoalNet Software Implementation
- Online Material Management System
- Publication of Tenders on Website of the Company.

Infrastructural Development:

An ICT based computer centre equipped with latest servers, communication equipments like routers, switches etc. is operational at CCL HQ for providing high speed Internet facility through established 2 mbps Internet leased line.

817 nos. Windows based PCs have been provided to officers / staff to be used either as client of CoalNet system or as stand alone office automation tool.

CoalNet Software Status:

Selected modules of CoalNet Software are being used for day to day functions under LAN environment.

Online Material Management System (OMMS):

All eleven Stores have been made ready with required Hardware, Software and infrastructure for implementation of OMMS. The OMMS has been implemented and is fully operational at all eleven Store sites namely, C/S Barkakana, Regional Store, Piparwar, Regional

Store, NK, Regional Store, Parej, Regional Store, Gidi, Regional Store, B&K, Regional Store, Rajrappa, Regional Store, Kathara, Regional Store, Saunda, Regional Store, Dhori and Regional Store, Kuju.

CCL Website :

A new website www.ccl.gov.in as well as CCL's own mail messaging system has been launched on our own server installed at CCL HQ Computer Centre powered by Linux Operating System.

Publication of Tenders on Website of the Company :

All tender enquiries which are to be published in newspaper or which require circulation to all Areas of CCL as per extant guidelines of your Company, are being published on the Company website to bring in more participation/competition and transparency in the procurement process.

32. SECURITY MANAGEMENT

The Security Department of your Company keeps close liaison/touch with District Police/State Administration for maintaining law and order in the command Areas of CCL as well as to thwart incidents of theft/pilferage of coal/other property etc. White Paper on Illegal Mining has been prepared and Action Plan drawn along with Task Force constituted by State Govt. to check/stop illegal mining activities. CISF personnel are presently deployed in B&K, Dhori Areas whilst in Piparwar and NK Areas part induction has been effected. Based on completion of civil infrastructure, etc. balance deployment of CISF shall take place in these two Areas. Considering threat perceptions it has been decided to hand over Security of Explosives to CISF and survey in this regard has been requested. Your Company has accepted DGR Scheme in to-to and Ex-servicemen Agencies sponsored by Ministry of Defence are also under deployment. New appointees/land oustee Dependents are parallelly being absorbed in Security Cadre after grooming, training, to function as Security Strike Force. Separate Security Communication network is being established for quick information collection, action, etc. Security Techno-Gadgetory like Electronic Intruder Alarm is proposed for

installation at all Stores/Workshops, to adequately protect your Company's Property.

33. ACTIVITIES AND ACHIEVEMENTS OF VIGILANCE DEPARTMENT

The Vigilance Department is an integral organ of the Company, manned by 22 executives and 25 non-executives and headed by a Chief Vigilance Officer. This department has been rendering its services effectively in creating an environment conducive to achievement of organizational goals and objectives. A brief overview of important activities and achievements of the Vigilance Department on investigation, punitive and preventive fronts during the year 2008-09 is given below :

Investigation of cases

Investigation into 51 cases were taken up, out of which 50 cases were completed and report submitted during the year based on which decision for initiation of major penalty proceedings as per provisions under the applicable Conduct Rules/ Standing Orders was taken in 8 cases, minor penalty proceedings in 3 cases and administrative action in 8 cases and decision of closure was taken in 8 cases. Besides above, action was also initiated on 455 complaints by the CCL Vigilance during this fiscal year.

Punitive Actions

A total of 23 disciplinary proceedings arising out of Vigilance investigations were fully completed during the year resulting in imposition of major penalty in 14 cases involving 39 persons and minor penalty in 9 cases involving 21 persons. In addition to above, 21 disciplinary proceedings arising out of Vigilance investigations were partly completed during the year resulting in imposition of major penalty in 10 cases involving 19 persons and minor penalty in 11 cases involving 30 persons.

Preventive Actions

(1) Your Company has signed an MoU with Transparency International India on 11.8.2008 in order to implement the Integrity Pact Programme in CCL. Now Integrity Pact is an integral part of all the tender documents which attract the approval of Board of Directors of CCL/CMD, CCL.

(2) After observing irregularities in purchase of Electrical Items & spares of Crane the following system improvement have been suggested :

- (a) NIT should be prepared strictly according to the provision of clause 6.1 of Purchase Manual,
- (b) The supply order must enclose all the standard terms & condition of CCL as per clause 7.10.1 of Purchase Manual.
- (c) The approval of Director (T) must be obtained in case of single tender enquiries as per clause 2.6 of Purchase Manual.

(3) CMC was advised for issuance of suitable guidelines for fixing monthly/daily targets in regard to transportation contracts being executed at various locations such as mines, siding, washeries, etc.

(4) CGM(CMC) has been directed to prepare a Schedule of Rates for making estimates for transport proposals in an objective, scientific & transparent manner,

(5) In order to avoid formation of cartel by the transport contractors the competent authority has been advised to shift to e-tendering process with reverse e-auction method for price discovery instead of existing manual tendering process.

(6) CGM(Civil) was advised for issuance of suitable guidelines for proper implementation of different provisions of Civil Engineering Manual, including maintenance of Hindrance Register and Site Order Book, etc. during execution of Civil Contractual Works.

(7) Director (Personnel) was advised for issuance of suitable guidelines for implementation of guidelines in CCL regarding grant of Bank Loans and recoveries against granted loans from the salary or the terminal dues of employees, circulated by GM (P&IR) vide no. 1674 dtd. 13.3.2003.

- (8) The following preventive measures have been suggested regarding preparation of NIT for award of Civil Contractual Works in CCL,
- (a) Definition of "Similar Work" incorporated in any NIT should be relatable to the work for which the NIT is being issued. It should be kept in mind that while Similar Work does not mean identical work; it should have sufficient degree of affinity to the tendered work so that competence of the prospective bidders in carrying out the tendered work can be reasonably judged.
- (b) It should be ensured that Pre-Qualification Criteria are exhaustive and clearly stipulated in unambiguous terms in the bid document/NIT.

Observance of Vigilance Awareness Week :

Vigilance Awareness Week was observed in your Company with much fervor and enthusiasm in all units, Areas and Headquarters from 03.11.2008 to 07.11.2008 in line with the directive of Central Vigilance Commission. During this week following activities were organized/observed:

- 1 The week started with taking of pledge by all the employees of CCL posted in HQ and different Areas and units of CCL. Importance of celebrating Vigilance Awareness week was explained to the employees of HQ by the Functional Directors and CVO, CCL. Team of officers of CCL Vigilance visited all Areas of CCL to interact with the executives and non-executives of the Areas and ensure that the week is observed in full pace.
- 1 Seminar on "Right to Information Act, 2005" was organized on 5.11.2008 at Vichar Manch, Darbhanga House, Ranchi wherein large number of executives & non-executives including CMD, CCL, CVO, CCL, Director (Finance), Director(Tech./Oprn.), CCL and Director(Personnel), CCL actively participated. The aforesaid seminar was addressed by all the Functional Directors of CCL. Shri B. Mishra, Information Commissioner, Jharkhand delivered the key

note address.

- 1 On 6.11.2008, a Seminar on "Various aspect of Preventive Vigilance in Public life" was organized at Vichar Manch, Darbhanga House, Ranchi wherein executive and non-executives of CCL including Director (Tech./Oprn.), CCL and CVO, CCL actively participated. On this day two eminent speakers Shri Niyaz Ahmad, DG, Vigilance, Jharkhand and Shri M.K.Mishra, Additional Commissioner, Income Tax delivered the talks.
- 1 On 7.11.2008, a Seminar on "Preventive Vigilance" was organized at Vichar Manch, Darbhanga House, Ranchi wherein executives and non-executives of CCL including Director (Tech./Oprn.), CCL and CVO, CCL actively participated. On this day two eminent speakers Sri A.P.Sinha, retired judge, Hon'ble High Court, Patna and Sri R.C. Choudhary, SP, CBI, AHD, Ranchi delivered the talk.

Other Special Achievements:

- (a) The Board of Directors of your Company at its 355th (No.2 of 2009) meeting held on 12.3.2009 reviewed the vigilance work of CCL and appreciated the performance of Vigilance Department and efforts of CVO, CCL. The Board further noted the various suggestions of CVO, CCL and directed to take necessary action.
- (b) In compliance of directives of CVC, following Notices, Circulars/Rules and information have been made available on the web-site of CCL:
- 1 Notices for e-booking of coal,
 - 1 Terms & conditions of spot e-Auction Scheme 2007,
 - 1 Right to Information Act, 2005,
 - 1 Ministry of Coal Acts & Notifications,
 - 1 CIL Manuals
 - * Purchase Manual & its amendment,

- * Civil Engineering Manual
 - * Contract management Manual (Including Transport Contract manual),
 - 1 CIL CDA Rules,
 - 1 CCL Certified Standing Orders,
 - 1 Code for uniform system of maintenance control & verification of coal stock,
 - 1 Indian Electricity Rules 1956 (Amended upto 25th Nov., 2000),
 - 1 Coal Mines Regulation 1957,
 - 1 Organisational setup of CCL,
 - 1 Name of Areas & Mines of CCL,
 - 1 Corporate Social Responsibility of CCL,
 - 1 Guideliens for issuance of Letter of Assurance (LOA) for implementation of New Coal Distribution Policy approved by Govt. of India,
 - 1 Status of unauthorized occupation of Company's quarters,
 - 1 Details of HQ outstanding bills and bills for which payment has been made,
 - 1 Date wise/Month wise/Power House wise details of coal dispatched by the CCL to power houses through Rail.
 - 1 Global Seniority in respect of executives of E-I to E-5 grade,
 - 1 Annual Report of CCL for the year 2005-06, 2006-07 & 2007-08,
 - 1 Information on payment of bills made available on website.
 - 1 Property Return format available on website,
 - 1 Code of ethics made available on website.
- (c) In compliance to the directive of CVC, e-payment has been introduced at CCL HQ w.e.f. 11.2.2008 and payment to the tune of Rs.49.26 crore was made through e-payment during the year 2007-08. During the financial year 2008-09 payment to the tune

of Rs.200.43 crore has been made through e-payment mode, to 209 number of parties.

Further, competent authority has been advised to introduce e-payment at different Area levels at the earliest.

- (d) CCL CVO's/Vigilance corner has been published on the website of CCL in order to make the functioning of Vigilance Department more transparent.

34. CORPORATE GOVERNANCE

Your Company believes that great Companies are built on the foundation of good governance practices. 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 2009 is also placed at **Annexure-II** to this report.

35. BOARD OF DIRECTORS

During the year under reference your Directors held 11 (eleven) Board Meetings. Your Company had the following Directors on the Board including Non-official Part-time Directors and Permanent Invitees, as on 05-07-2008, i.e. the date of the 52nd Annual General Meeting :

1. Shri R.P. Ritolia, CMD
2. Shri R. Mohan Das, Director(P&IR),CIL
3. Shri D.N. Prasad, Director(Tech.), MoC
4. Dr. A.K. Sarkar, Director(Finance)
5. Shri R.K. Saha, Director(Tech./Oprn.)
6. Shri T.K. Chand, Director (Personnel)
7. Shri T.K. Nag, Director(Tech./P&P)

Non-official Part-time Directors :

1. Dr. Kalyan Sen,
2. Ms. Rama Rani Hota, and
3. Shri M.K. Sinha.

Permanent Invitees:

1. Shri R.S. Pandey, IRTS, COM, E/C Rly.
2. Shri K.K.Khandelwal, IAS, Secretary (Mines & Geology), Govt. of Jharkhand,

After the AGM held on 05-07-2008, Shri R.P. Ritolia superannuated on 31/07/2008 and Shri R.K. Saha assumed the charge of CMD, CCL w.e.f. 01/08/2008.

Subsequently, Shri S.K. Satapathy, IAS was appointed as Secretary (Mines & Geology), Govt. of Jharkhand, on 2.02.09 vice Shri K. K. Khandelwal.

Dr.A.K. Sarkar relinquished the charge of Director(Finance), CCL on 17/03/2009 on being appointed as Director(Marketing), CIL.

Accordingly, your Company has the following Directors and three non-official Part-time Directors on the Board as on 13-07-2009, i.e. the date of the 53rd Annual General Meeting :

1. Shri R.K. Saha, CMD,
2. Shri D.N. Prasad, Director(Tech.), MoC,
3. Shri R. Mohan Das, Director(P&IR),CIL,
4. Shri T.K. Chand, Director (Personnel),
5. Shri T.K. Nag, Director(Tech./Oprn.)

Non-official Part-time Directors :

1. Dr. Kalyan Sen,
2. Ms. Rama Rani Hota, and
3. Shri M.K. Sinha.

Permanent Invitees:

1. Shri R.S. Pandey, IRTS, COM, E/C Rly.
2. Shri S.K. Satapathy, IAS, Secretary (Mines & Geology), Govt. of Jharkhand

36. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies (Amendment) Act

2000, with respect to Directors' Responsibility Statement, it is hereby confirmed:

That in the preparation of the accounts for the financial year ended 31st March 2009, the Uniform Accounting Policy approved by CIL, the Holding Company, has been followed. The said uniform Accounting Policy has been drawn in compliance with the Accounting Standards issued by the ICAI subject to a few deviations from Accounting Standards which are not material in nature;

That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were considered reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

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

That the Directors have prepared the annual accounts for the financial year ended 31st March 2009 on a 'going concern' basis.

37. AUDITORS OF THE COMPANY

Under Section 619(2) of the Companies Act, 1956 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for auditing the Financial Accounts of your Company for the year 2008-09:

Statutory Auditors:

M/s. Anand Rungta & Co.,
405, Capitol Tower-B, Fraser Road, Patna.

Branch Auditors:

M/s. Sanjay Bajoria & Associates
5, Kunjal Street, Upper Bazar,
Ranchi.

M/s. Lodha Patel Wadhwa & Co.
304, Shreelok Complex
4-H.B. Road, Ranchi.

M/s. L.K. Saraf & Co.
2nd Floor Chauhan Mansion,
Lalji Hirji Road, Ranchi

M/s. V.K. Jindal & Co.
663-Shree Gopal Complex
Court Road, Ranchi.

Office of the Comptroller and Auditor General of India will be moved for the appointment of Statutory Auditor/Branch Auditors for the year 2009-10 under Section 619(2) of the Companies Act, 1956.

38. AUDIT COMMITTEE OF DIRECTORS

With the induction of 3 non-official part-time Directors on the Board of your Company, the Audit Committee of Directors has the following Directors:

- | | | | |
|----|--|-----|----------|
| 1. | Ms. Rama Rani Hota,
Non-official part-time Director | ... | Chairman |
| 2. | Dr. Kalyan Sen,
Non-official part-time Director | ... | Member |
| 3. | Shri D.N. Prasad,
Director, MOC. | ... | Member |

Shri M.K.Sinha, Non-official part-time Director has been inducted in the Audit Committee of Directors by the Board of your Company at its 346th meeting held on 29.04.08 so that in the absence of either Ms. Rama Rani Hota or Dr. Kalyan Sen, Non-official Part-time Directors, he may act as Chairman/Member of the ACD as the case may be, to maintain the quorum.

Besides the above, Shri R. Mohan Das, Dir.(P&IR), CIL and Shri R.S. Pandey, COM, East Central Rlys. have been nominated as 'Invitees'.

During the year ended 31st March, 2009, 4 meetings were held on 27.5.08, 29.9.08, 18.12.2008 & 12.03.2009.

39. 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.

40. ADDENDA:

The following papers are annexed hereto for your consideration:

- (i) Addendum to the Directors' Report pursuant to Section 217 of the Companies Act, 1956 giving:
 - (a) Particulars of employees who were in receipt of remuneration Rs.24,00,000/- per annum/ Rs.2,00,000/- per month or more, if employed for the year or part thereof (Annexure-III).
 - (b) Details of foreign exchange earning & outgo (Annexure-IV).
 - (c) Details about research and development activities of the Company (Annexure-V).
- (ii) Comments of the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
- (iii) Review of the Accounts of the Company for the year ended 31st March 2009 by the Comptroller & Auditor General of India.
- (iv) Addendum to the Director's Report under section 217(3) and 227(2) of the Company's Act, 1956 stating statutory Auditor's Report and Management's reply thereon.

For & on behalf of the Board of Directors

Sd/-

(R. K. Saha)

Chairman-cum-Managing Director

ANNEXURE-I

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY

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

Transparency, accountability and integrity are the main ingredients of good Corporate Governance. 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 provisions 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, 2009 comprised of 8 Directors, viz. three Functional Directors (including CMD), two part-time Directors, three non-official part-time Directors (Independent Directors) and two Permanent Invitees to the Board.

During the financial year ended March 31st, 2009, 11 number of Board meetings were held on 29.04.2008, 27.05.2008, 02.07.2008, 26.07.2008, 23.08.2008, 29.09.2008, 11.11.2008, 18.12.2008, 21.01.2009, 12.03.2009 & 25.03.2009. Thus, the maximum time gap between consecutive Board meetings was not more than two calendar months.

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

Sl.No	Name & Designation	Category	Board meetings		No. of other Directorships	Membership in other committees of Board	
			Held during the tenure	Attended		Audit Committee	Empowered Sub Committee
1.	Shri R.P. Ritolia,* Chairman-cum-Managing Director	Functional Director	4	4	Nil	—	Chairman
2.	Shri R.K. Saha, ** Chairman-cum-Managing Director	Functional Director	{ 4 7	3 7	Counsel Member of MGMI	—	Chairman
3.	Dr. A.K. Sarkar *** Director (Finance)	Functional Director	10	10	Nil	—	Member
4.	Shri T.K. Chand, Director (Personnel)	Functional Director	11	10	Nil	—	—

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5	Shri T.K. Nag Director (Tech.)	Functional Director	10	10	Nil	—	Member
6	Shri R. Mohan Das, Director (P&IR), CIL	Part-time Director	11	9	(i) CIL (ii) WCL	Special Invitee	—
7	Shri D.N. Prasad, Dir.(Tech.), MoC	Part-time Director	11	11	Nil	Member	Member
8	Dr. Kalyan Sen	Non-official Part Time Director		11	8 Consultancy, Kolkata	Indian Mining	Member —
9	Ms. Rama Rani Hota	Non-official Part Time Director	11	7	Nil	Chairman	—
10	Shri M.K. Sinha	Non-official Part Time Director	11	9	M/s Clean Coal Enterprises Pvt. Ltd.	Member	Member
11	Shri R.S. Pandey, # COM, EC Rlys.	Part-time Director Permanent Invitee	3 8	2 6	NCL	Special Invitee	Member
12	Shri J.S. Tiwary, # # IAS, Secy., Govt. of Jharkhand	Part-time Director	2	0	(i) JSMDCL (ii) BCCL	—	—
13	Sri KK Khandelwal, # # # IAS, Secy., Govt. of Jharkhand	Permanent Invitee	6	1	-do-	—	—
14	Sri S.K. Satapathy, IAS Secy., Govt. of Jharkhand	Permanent Invitee	2	0	-do-	—	—

* Ceased to be CMD w.e.f. 31.07.2008 on account of superannuation.

** Attended three Board meetings as Member and seven as Chairman of the Board.

*** Ceased to be Director w.e.f. 17.03.2009.

Ceased to be Director w.e.f. 02.07.2008 and nominated as Permanent Invitee. Attended two Board meetings as Member and six as Permanent Invitee to the Board. Nominated as Member for Empowered Sub-Committee.

Ceased to be Director w.e.f. 30.06.2008 on account of superannuation

Ceased to be Permanent Invitee w.e.f. 02.02.2009.

SCHEDULE FOR REMUNERATION OF CMD AND OTHER DIRECTORS FOR THE YEAR 2008-09:

A. Functional Directors:

Name	Relationship with other Director	Business relationship with the company	Remuneration for the year 08-09 (Rs.)									Total
			Salary & Allow.	HRA	Leave Encashment	Ex-Gratia	CMPF Cont.	Med. Expenses	LTC	LLTC	Gratuity	
Shri R.P. Ritolia superannuated on 31.07.2008	Nil	Chairman-cum- Managing Director	275692.18	0.00	830288.13 (EL&HPL)	8300	138717	0.00	0.00	90000	350000	1692997.31
Shri R.K. Saha (from 01.08.2008)	Nil	Chairman-cum- Managing Director	576862.00	0.00	0.00	8300	67431	0.00	0.00	0.00	0.00	652593.00
Shri R.K. Saha (From April'08 to July'08)		Director (T/Opr)	261452.00	0.00	0.00	0.00	36442	0.00	0.00	126000	0.00	423894.00
Dr. A.K. Sarkar	Nil	Director (Finance)	862849.80	0.00	0.00	8300	102404	286	0.00	0.00	0.00	973839.80
Shri T.K. Chand	Nil	Director (Personnel)	734110.50	0.00	0.00	7048	94009	1312.14	0.00	131945	0.00	968424.64
Shri T.K. Nag Assumed on 24.05.08(F/N).	Nil	Director (Tech.)	729636.50	0.00	0.00	8300	85699	0.00	0.00	19816	0.00	843451.50
GRAND TOTAL			34060298	0.00	830288.13	40248	524702	1598.14	0.00	367761	350000	5555200.25

Service contract

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

B. Part-time Directors:

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

C. Non-official Part Time Directors

No remuneration is being paid, except sitting fee for attending the Board/Committee meetings.

3. BOARD COMMITTEE**(i) Empowered Sub-Committee of Directors**

In compliance with the principles of Corporate Governance, Empowered Sub-Committee of Directors, has been constituted for evaluation, appraisal & approval of projects, comprising the following:

1.	Chairman-cum-Managing Director, CCL	—	Chairman
2.	Director (Finance), CCL	—	Member
3.	Director (Technical), CCL	—	Member
4.	Director (Technical), MoC	—	Member
5.	Chief Operations Manager, EC Rly. Permanent Invitee	—	Member
6.	Shri M.K. Sinha (Non-official part-time Director)	—	Member

(ii) Audit Committee of Directors

Subsequent to the induction of 3 non-official part-time Directors on the Board of your Company, in compliance with the directives on Corporate Governance, the Board at its 343rd meeting held on 07.12.2007 accorded approval for reconstitution of the Audit Committee of Directors(ACD) with the following Directors:

1.	Ms. Rama Rani Hota, Non-official part-time Director	...	Chairman
2.	Dr. Kalyan Sen, Non-official part-time Director	...	Member
3.	Shri D.N. Prasad, Director(Technical), MOC.	...	Member

Besides the above, the Board nominated Shri R. Mohan Das, Dir.(P&IR), CIL and Shri R. S. Pandey, COM, East Central Rlys. as 'Invitees'. Shri M.K.Sinha, Non-official part-time Director has been inducted in the Audit Committee of Directors by the Board of your Company at its 346th meeting held on 29.04.08 so that in the absence of either Ms. Rama Rani Hota or Dr. Kalyan Sen, Non-official Part-time Directors, he may act as Chairman/Member of the ACD as the case may be, to maintain the quorum.

The terms of reference of Audit Committee inter-alia are to oversee the Company's financial reporting process, review of internal control system, adequacy of internal audit functions. The Audit

Committee periodically reviews reports of the Internal Auditors, interacts with the Statutory and Internal Auditor and also reviews the half yearly and annual financial statement before submission to the Board.

During the year ended 31st March, 2009, 4 meetings of ACD were held on 27.5.2008, 29.09.2008, 18.12.2008 & 12.03.2009. The Company Secretary is also the Secretary to the Audit Committee.

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2008-09 are as under:

Name	Audit Committee meeting		Remarks
	Held during the tenure	Attended	
Ms. Rama Rani Hota, Non-official part-time Director	4	3	Chairman of the ACD
Dr. Kalyan Sen, Non-official part-time Director	4	3	Member
Shri D.N. Prasad, Director, MOC	4	4	Member
Shri M.K. Sinha, Non-official part-time Director	4	2	Chairman/ Member in absence of Ms. Rama Rani Hota or Dr. Kalyan Sen, Non-Official Part-time Directors.
Shri R. Mohan Das, Dir.(P&IR),CIL	4	1	Special Invitee
Shri R.S. Pandey, COM, EC Rlys.	4	3	Special Invitee

STATUTORY AUDITORS

Under Section 619(2) of the Companies Act, 1956 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for auditing the Financial Accounts of your Company for the year 2008-09:

Statutory Auditors:

M/s. Anand Rungta & Co.,

405, Capitol Tower-B, Fraser Road, Patna.

Branch Auditors:

M/s. Sanjay Bajoria & Associates

5, Kunjlal Street , Upper Bazar,
Ranchi.

M/s. Lodha Patel Wadhwa & Co.

304, Shreelok Complex
4-H.B. Road, Ranchi.

M/s. L.K. Saraf & Co.

2nd Floor Chauhan Mansion,
Lalji Hirji Road, Ranchi

M/s. V.K. Jindal & Co.

663-Shree Gopal Complex
Court Road, Ranchi.

In terms of Section 224 sub-section 8 of Clause-AA of Companies Act, 1956, the shareholders of CCL at its 52nd Annual General Meeting held on 5th July, 2008 have fixed remuneration to Statutory

Auditors/Branch Auditors of Central Coalfields Ltd. for the year 2008-09, in line with the approval accorded in the previous year.

ANNUAL GENERAL MEETING

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

Year	Date & Time	Location	Attendance	Special Resolution, if any
2005-06	24th August'06 At 10.30 AM	Darbhanga House Ranchi.	1. Shri R.P.Ritolia, Member & Chairman, 2. Shri R.Chakraborty, Rep. of CIL.	Amendment in Sub-clauses 1(e), 1(f) & 1(g) in the Main Object Clause III of Memorandum & Articles of Association of CCL so as to enable CCL to explore, produce, sell and distribute Coal Bed Methane Gas and byproducts as well as electricity and gas, as approved by the Board at its 329 th meeting held on 31.01.06 vide item No. 4(1).
2006-07	9th August'07 At 11.00AM	Darbhanga House, Ranchi.	1. Shri R.P.Ritolia, Member & Chairman, 2. Shri U.S.Neogi, Rep. of CIL	N I L
2007-08	5th July'08 At 10.30 AM	Darbhanga House Ranchi	1. Shri R. P. Ritolia Member & Chairman 2. Shri S. Chakraborty Rep. of CIL	Amendment in clauses 37 (b) (i) 37(b)(vi), 48 (7), 48(18)(ii), 48(25), 48(26) and 48(27) of Articles of Association of the Company and approval of Revised Delegation of Powers as approved by the Board at its 346 th meeting held on 29.04.08 vide Item No. 4 (13).

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 were no material related party transactions that have 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 <http://www.ccl.gov.in>. An Acknowledgement of receipt of code of conduct and Affirmation regarding compliance with the same for the year ending March'09 has been done.

Delegation of Power :

As per direction of CVC and CVO, CCL, Delegation of Powers have been uploaded on the website of CCL :

<http://www.ccl.gov.in>.

Accounting Treatment

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

Risk Management

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

5. MEANS OF COMMUNICATION:

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

6. AUDIT QUALIFICATIONS:

It is always the Company's endeavour to present unqualified financial statements. Management Reply to the Statutory Auditors' observation on the Accounts of the Company for the year ended 31st March, 2009 are furnished as an Annexure to Directors' Report. Comments of the Comptroller and Auditor General of India Under Section 619(4) of the Companies Act, 1956 on the Accounts of Central Coalfields Limited for the year ended 31st March, 2009 are also enclosed.

7. TRAINING OF BOARD MEMBERS:

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

8. MECHANISM FOR EVALUATION OF PART-TIME DIRECTORS:

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

9. WHISTLE BLOWER POLICY:

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

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

10. INTEGRITY PACT:

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

11. COMPLIANCE BY THE COMPANY:

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

12. UN GLOBAL COMPACT:

The Global Compact is a framework for businesses that are committed to aligning their operation and strategies with ten universally accepted principles in the area of human rights, labour, environment and anti-corruption. As the world's largest global corporate citizenship, the Global Compact is first and foremost concerned with exhibiting and building the social legitimacy of business and markets. Top companies of the world are members of UN Global Compact. Your Company had submitted a report on the Corporate Social Responsibility (CSR) activities to UN Global Compact to admit CCL as its member. Based on performance in CSR, UN Global Compact confirmed the membership of your Company. Since then your Company has stepped up its CSR activities with application of business excellence principles and making CSR a key business process. Your Company emphasizes on Triple Bottom Line i.e. People, planet and profit with "People" as its first principle. Some of the innovative CSR Schemes taken up by your Company are: Operation Joyti, Akshar Joyti, Girl Child Promotion, Model Village Development, etc. CSR activities of your Company have helped to cultivate goodwill of the people in the command areas, State Administration, Media and other stakeholders. Your Company has also received words of praise for its CSR activities from Parliamentary Committee on Labour, Global Compact Society of India, CAG Audit and EAC of MOEF. Sri R.K. Saha, CMD of your Company has been conferred with Vice-President position of Global Compact Society of India to promote corporate leadership in CSR in Eastern India Region.

ANNEXURE-II

Anand Rungta & Co.

Chartered Accountants

Ph : 2216802, 2235406 (O)

405, Capitol Tower – B

Fraser Road,

Patna – 800 001

To

The Members,

M/s Central Coalfields Limited

1. We have examined the compliance of conditions of Corporate Governance by Central Coalfields Limited for the year ended 31st March, 2009 although Clause 49 of the Listing Agreement is not applicable to the Company.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Anand Rungta & Co.

Chartered Accountants

Sd/-

(S. K. Shahi)

Partner

Place : Patna

Date : 01.07.2009

ANNEXURES FORMING PART OF DIRECTORS' REPORT (For the Year Ended 31.3.2009)

Annexure-III

**INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956
READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AS AMENDED**

LIST OF EMPLOYEES DRAWING Rs. 24.00 LAKH OR MORE DURING THE YEAR 2008-09

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

EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION AT A RATE WHICH IN THE AGGREGATE WERE NOT LESS THAN Rs. 2.00 LAKH PER MONTH FOR PART OF THE YEAR 2008-09

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

Annexure-IV**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

(Rs. in Lakh)

<i>Sl. No.</i>	<i>Description</i>	<i>2008-09</i>	<i>2007-08</i>
(A)	Foreign Exchange used		
1.	Interest	344.69	420.72
2.	Agency Commission	0.43	0.39
	Total	345.12	421.11

- (B) Foreign Exchange Earned**

No earning by the Company

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

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

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

**COMMENTS OF
THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956
ON THE ACCOUNTS OF CENTRAL COALFIELDS LIMITED, RANCHI
FOR THE YEAR ENDED 31ST MARCH, 2009**

The preparation of financial statements of Central Coalfields Limited, Ranchi for the year ended 31st March, 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 06.06.2009

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Central Coalfields Limited, Ranchi for the year ended 31st March, 2009. 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. In view of the revisions made in the financial statements by the management, as a result of my audit observation highlighted during supplementary audit as indicated in the Note No. 15 of the Notes forming part of Accounts (Schedule NO. Q), I have no further comments to offer upon or supplement to the Statutory Auditor's report under Section, 619(4) of the Companies Act, 1956

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

Sd/-
(Dr. Smita S. Chaudhri)
Principal Director of Commercial Audit
Ex-Officio MAB-II
Kolkata - 20

Place : Kolkata

Dated : 3 July, 2009

**MINUTES OF THE 53rd ANNUAL GENERAL MEETING OF
CENTRAL COALFIELDS LIMITED HELD IN THE REGISTERED OFFICE
AT DARBHANGA HOUSE, RANCHI ON 13TH JULY, 2009**

PRESENT:

1. **Shri R. K. Saha** .. Member & Chairman
2. **Shri P. V. Krishna** .. Representative of CIL, a Corporate Member, and Proxy of Shri PARTHA S. BHATTACHARYYA, Member and Shri S. Bhattacharya, Member.

IN ATTENDANCE:

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

Special Invitee : Shri D. K. Ghosh, CGM (Finance), CCL.

Shri R.K. Saha, Chairman-cum-Managing Director, took the Chair. Being informed about the receipt of consent for Shorter Notice from all the members of the Company as per Article 22 and about the presence of quorum pursuant to Article 24 of the Articles of Association of the Company, the Chairman welcomed **Shri P.V. Krishna**, Chief of Internal Audit, CIL, representative of CIL, and called the meeting to order.

The Statement of Accounts for the year 2008-09, Reports of Statutory Auditors as well as of Comptroller & Auditor General of India thereon, Management's comments on those Reports, and Review of Accounts by the Comptroller & Auditor General of India alongwith Directors' Report to the members, as circulated, were taken as read.

ORDINARY BUSINESS:

1. ADOPTION OF ACCOUNTS:

Thereafter, Shri R.K. Saha, Chairman & Member of the Company proposed that the audited Balance Sheet as on 31st March, 2009 and Profit & Loss Account for the year ended 31st March, 2009, Reports of Statutory Auditors as well as of Comptroller & Auditor General of India thereon, Management's comments on those Reports, and Review of Accounts by the Comptroller & Auditor General of India along with Directors' Report be received and adopted. The motion was seconded by Shri P.V. Krishna and after detailed discussion, the Accounts were adopted unanimously.

2. A proposal to declare an amount of Rs.195.97 Crore as dividend on Equity Shares for the financial year ended 31st March, 2009 as recommended by the Board at its 359th meeting held on 29th June, 2009, was moved by the Chairman and was seconded by Shri P.V. Krishna. The resolution was adopted unanimously.

3. A proposal as per the provisions of Article 34(iii) of the Articles of Association of the Company for re-appointment of Shri D.N. Prasad, Director(Technical), Ministry of Coal, Govt. of India, as a Part-time Director of the Company was moved by the Chairman and seconded by Shri P.V. Krishna. The resolution was adopted unanimously.
4. A proposal as per the provisions of Article 34(iii) of the Articles of Association of the Company for re-appointment of Shri R. Mohan Das, Director(P&IR), Coal India Limited, as a Part-time Director of the Company was moved by the Chairman and seconded by Shri P.V. Krishna. The resolution was adopted unanimously.

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

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

Sd/-
(R. K. Saha)
Chairman-cum-Managing Director

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.3.2009 (Rs. in Lakh)	As at 31.3.2008 (Rs. in Lakh)
I. SOURCES OF FUNDS :			
1. Share Holders' Funds :			
(a) Share Capital	A	94000.00	94000.00
(b) Reserves & Surplus	C	120682.60	94617.20
		<u>214682.60</u>	<u>188617.20</u>
2. Loan Funds :			
(a) Secured		0.00	0.00
(b) Unsecured	E	29397.58	42287.77
		<u>29397.58</u>	<u>42287.77</u>
TOTAL		<u>244080.18</u>	<u>230904.97</u>
II. APPLICATIONS OF FUNDS :			
1. Fixed Assets :			
(a) Gross Block	F	448490.81	437863.79
Less : Depreciation		303800.93	298292.52
Net Block		<u>144689.88</u>	<u>139571.27</u>
(b) Capital Work in Progress (Net)	G	31135.31	32338.15
		<u>175825.19</u>	<u>171909.42</u>
2. Investments	H	6596.12	7538.42
3. Deferred Tax Assets		56499.53	34356.89
4. Current Assets, Loans & Advances :			
(a) Inventories	I	96806.32	99117.94
(b) Debtors	J	74526.48	54130.98
(c) Cash & Bank Balances	K	181588.39	111546.67
(d) Loans & Advances	L	262270.48	212206.20
(e) Other Current Assets	M	11821.78	11489.77
Total Current Assets, Loans & Advances		<u>627013.45</u>	<u>488491.56</u>
Less : Current Liabilities & Provisions	N	621854.11	471391.32
Net Current Assets		<u>5159.34</u>	<u>17100.24</u>
TOTAL		<u>244080.18</u>	<u>230904.97</u>
SIGNIFICANT ACCOUNTING POLICY	P		
NOTES ON ACCOUNTS	Q		
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE	R		
CASH FLOW STATEMENT	S		

The schedules referred to above form an integral part of Accounts.

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

Sd/-
D. K. Ghosh
Chief General Manager (Finance)

Sd/-
T. K. Chand
Director (Personnel)

Sd/-
R. K. Saha
Chairman-cum-Managing Director

Place : Delhi
Dated : 29.06.2009

Place : Patna
Dated : 01 July, 2009

In terms of our report of even date
For **M/s Anand Rungta & Co.**
Chartered Accountants
Sd/-
(S. K. Shahi)
Partner

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2009

31.3.2008	Schedule	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED (Rs. in Lakh)
INCOME :			
Sales	1	521088.78	436294.37
Coal issued for other purposes	2(A)	103844.53	107800.14
Accretion/Decretion in stock	3	-6993.82	13657.74
Other Income	4	46457.60	36553.39
TOTAL INCOME		664397.09	594305.64
EXPENDITURE :			
Colliery consumption	2(B)	102017.24	103772.84
Consumption of Stores & Spares	5	47980.00	48155.31
Employees Remuneration & Benefits	6	258928.00	179092.14
Social Overhead	7	19300.53	16527.31
Power & Fuel	8	25628.66	22595.23
Repairs	9	17378.46	15374.61
Contractual Expenses	10	31899.17	28517.23
Miscellaneous Expenses	11	37535.06	28045.58
Overburden Removal Adjustment		7198.27	10356.62
TOTAL EXPENDITURE		547865.39	452436.87
GROSS OPERATING PROFIT		116531.70	141868.77
Interest	12(A)	4351.05	6425.70
Financial Charges	12(B)	330.60	174.32
Depreciation		19005.30	21774.76
Provisions	13(A)	18511.96	5866.43
Write-Off	13(B)	81.52	3324.47
PROFIT FOR THE YEAR		74251.27	104303.09
Prior Period Adjustment (Credit)	14	2129.12	-778.58
PROFIT BEFORE TAX		76380.39	103524.51
PROVISION FOR INCOME TAX		48341.00	46122.51
PROVISION FOR DEFERRED TAX		-22142.64	-6206.47
FRINGE BENEFIT TAX		1189.12	1050.51
PROFIT AFTER TAX		48992.91	62557.96
APPROPRIATION			
General Reserve		7974.00	10352.00
Proposed Dividend		19597.00	25023.00
Tax on Dividend		3330.51	4252.66
PROFIT UPTO THE PREVIOUS YEAR		62037.20	39106.90
BALANCE CARRIED TO BALANCE SHEET		80128.60	62037.20

SIGNIFICANT ACCOUNTING POLICY P
NOTES ON ACCOUNTS Q
BALANCE SHEET ABSTRACT AND
COMPANY'S GENERAL BUSINESS PROFILE R
CASH FLOW STATEMENT S
The schedules referred to above form an Integral part of Accounts

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

Sd/-
D. K. Ghosh
Chief General Manager (Finance)

Sd/-
T. K. Chand
Director (Personnel)

Sd/-
R. K. Saha
Chairman-cum-Managing Director

Place : Delhi
Dated : 29.06.2009

In terms of our report of even date
For **M/s Anand Rungta & Co.**
Chartered Accountants

56

Place : Patna
Dated : 01 July, 2009

Sd/-
(S. K. Shahi)
Partner

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - A SHARE CAPITAL

	As at 31.3.2009 (Rs. in Lakh)	As at 31.3.2008 (Rs. in Lakh)
AUTHORISED :		
110,00,000 Equity shares (Previous year 110,00,000) of Rs. 1000 each.	110000.00	110000.00
	<u>110000.00</u>	<u>110000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
9400000 Equity Shares (Previous year 9400000) of Rs. 1000 each fully paid in cash	94000.00	94000.00
	<u>94000.00</u>	<u>94000.00</u>
Note : The entire share capital is held by Coal India Limited, Holding Company and its nominees.		

Schedule -C RESERVES AND SURPLUS

	As at 31.3.2009 (Rs. in Lakh)	As at 31.3.2008 (Rs. in Lakh)
General Reserve :		
Opening Balance	32580.00	22228.00
Add : Transfer from Profit & Loss A/c	<u>7974.00</u>	<u>10352.00</u>
	40554.00	32580.00
Profit & Loss A/c		
Opening Balance	62037.20	52399.82
Less : Adjustment of Transitional Provision	0.00	13292.92
Add : Transfer from Profit & Loss A/c	<u>18091.40</u>	<u>22930.30</u>
	80128.60	62037.20
TOTAL	<u>120682.60</u>	<u>94617.20</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - E

UNSECURED LOAN

		As at 31.3.2009 (Rs. in Lakh)		As at 31.3.2008 (Rs. in Lakh)
Loan from Holding Company	30727.44		45727.44	
Less Repayment	15000.00		15000.00	
	<u> </u>	15727.44	<u> </u>	30727.44
Foreign Loans : (Through CIL Holding Company)				
World Bank Loan (CSRP)				
IBRD	6703.11		5651.33	
JBIC (JEXIM)	6967.03		5909.00	
	<u> </u>	13670.14	<u> </u>	11560.33
TOTAL		<u>29397.58</u>		<u>42287.77</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - F FIXED ASSETS

(Rs. in Lakh)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As at 1.4.2008	Addition During the Period	Adjust- ment for Dispo- sal/Dis- carded Fixed Assets	Total Cost As at 31.3.2009	Depre- ciation As at 1.4.2008	Depre- ciation For the Period	Adjust- ment For dispo- sal/Dis- carded etc.	Total Depre- ciation upto 31.3.2009	Net Block As at 31.3.2009	Net Block As at 31.3.2008
(A) COMPLETED ASSETS :										
LAND - Freehold	1126.88	0.00	0.00	1126.88	0.00	0.00	0.00	0.00	1126.88	1126.88
Leasehold	37930.21	7528.60	-768.89	44689.92	27124.18	822.19	—	27946.37	16743.55	10806.03
BUILDINGS	36707.70	40.59	31.97	36780.26	21658.21	667.11	-6.70	22318.62	14461.64	15049.49
ROADS AND CULVERTS	6764.35	17.55	34.75	6816.65	3995.31	206.42	0.00	4201.73	2614.92	2769.04
RAILWAY SIDINGS	8403.96	0.00	0.00	8403.96	5461.22	331.93	0.00	5793.15	2610.81	2942.74
Plant & Machinery										
(a) HEMM	169256.75	17580.41	-14234.75	172602.41	110948.62	11458.38	-13696.27	108710.73	63891.68	58308.13
(b) Power Plant	9224.34	12.95	-0.76	9236.53	6985.54	474.40	-0.72	7459.22	1777.31	2238.80
(c) Others	73845.74	1194.41	-649.60	74390.55	58868.76	1824.42	-324.35	60368.83	14021.72	14976.98
TELECOMMUNICATION	1537.98	68.70	0.00	1606.68	1162.33	59.59	0.00	1221.92	384.76	375.65
ELECTRICAL INSTALLATION	20337.14	392.15	-8.18	20721.11	10554.96	646.12	-7.77	11193.31	9527.80	9782.18
FURNITURE AND OFFICE EQUIPMENT	4157.60	451.23	-7.66	4601.17	3098.59	184.93	-7.28	3276.24	1324.93	1059.01
DEVELOPMENT :										
(i) PROSPECTING & BORING	4667.80	0.00	0.00	4667.80	4228.07	202.00	0.00	4430.07	237.73	439.73
(ii) MINES DEVELOPMENT	58192.42	1353.43	-2921.54	56624.31	41497.75	2835.03	-59.32	44273.46	12350.85	16694.67
VEHICLES	3097.08	25.92	-192.96	2930.04	2698.10	1.71	-104.02	2595.79	334.25	398.98
FIRE ARMS	15.78	0.00	0.00	15.78	10.88	0.61	0.00	11.49	4.29	4.90
TOTAL(A)	435265.73	28665.94	-18717.62	445214.05	298292.52	19714.84	-14206.43	303800.93	141413.12	136973.21
(B) DISCARDED/ SURVEYED OFF ASSETS HELD FOR DISPOSAL										
	2598.06	752.63	-73.93	3276.76	0.00	0.00	0.00	0.00	3276.76	2598.06
TOTAL (A+B)	437863.79	29418.57	-18791.55	448490.81	298292.52	19714.84	-14206.43	303800.93	144689.88	139571.27
PREVIOUS YEAR	419881.08	18393.85	-411.14	437863.79	278372.96	24401.46	-4481.90	298292.52	139571.27	

NOTE 1 :

(Rs. in lakh)

	CURRENT YEAR	PREVIOUS YEAR
ALLOCATION OF DEPRECIATION :		
1. Profit and loss Account		
(a) 100% Depn. on Coal Tub etc.	66.07	79.68
(b) 100% deprn. on Assets Costing below Rs. 5000.	2.04	5.65
(c) Others	18937.19	21689.43
Total (1)	19005.30	21774.76
2. Social overhead (Sch. 7)	748.95	642.29
3. Depreciation on Power (Sch. 8)	504.20	524.55
4. Prior Period depreciation (Sch.14)	-546.33	1446.82
5. Depreciation capitalised	2.72	13.04
6. Impairment Depreciation	0.00	0.00
TOTAL	19714.84	24401.46

NOTE 2 :

SOCIAL OVERHEAD ASSETS INCLUDED IN THE SCHEDULE ARE AS FOLLOWS :

	As At 31.3. 2009	(Rs. in lakh) As AT 31.3.2008
1. Buildings		
(a) Residential	17363.60	17356.15
(b) Hospital	1249.89	1232.58
(c) School	1039.67	1027.68
(d) Crech	7.37	7.49
(e) Others	2177.50	2155.64
2. Roads & Culverts	1721.11	1714.52
3. Water Supply	1801.17	1780.47
4. Plant & Machinery		
(a) Hospital		
(b) Canteen		
(c) Others	3555.05	3524.78
5. Furniture & Office Equip.		
(a) Hospital	1240.47	1073.24
(b) Residential	0.00	0.00
(c) School	150.74	150.74
(d) Canteen	0.00	0.00
(e) Others	45.42	42.98
6. Vehicles		
(a) Hospital	249.31	267.50
(b) Others	429.40	466.45
TOTAL	31030.70	30800.22

NOTE 3 :

(Rs. in lakh)

	CURRENT YEAR	PREVIOUS YEAR
RECONCILIATION OF DEPREN. FUND :		
Opening Balance	298292.52	278372.96
Add Depn. provided during the year	19714.84	24401.46
Add Adjustment of Depn. on CWIP	0.00	0.00
TOTAL	318007.36	302774.42
Less Net outflow fund for Surveyed/Written off Assets (including adjustments)	-14206.43	-4481.90
Flow fund : Inter Company	0.00	0.00
Transfer to Depn. Fund	0.00	0.00
Closing Balance	303800.93	298292.52

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - G CAPITAL WORK IN PROGRESS

(Rs. in Lakh)

PARTICULARS	COST				PROVISION				NET ASSETS		
	Cost As at 14.2008	Addition During the Period	Adjustment for Disposal/ Discarded of Assets etc.	Transfer to completed Assets	Cost As At 31.3.2009	As On 14.2008	During the Period	Withdrawal/ Adjustment during the Year	Total As On 31.3.2009	Net Assets As on 31.3.2009	Net Assets As on 31.3.2008
Buildings	659.86	938.49	-5.18	-41.62	1551.55	258.80	1.57	0.00	260.37	1291.18	401.06
Roads & Culverts	80.48	172.00	-121.83	-34.75	95.90	10.95	0.00	0.00	10.95	84.95	69.53
Water Supply	932.26	32.69	0.00	-53.70	911.25	682.04	27.14	0.00	709.18	202.07	250.22
Railway Sidings	16721.43	5.83	0.00	0.00	16727.26	2388.91	321.30	0.00	2710.21	14017.05	14332.52
Plant & Machinery and Capital Stores in Stores	2930.25	1050.95	0.00	0.00	3981.20	850.96	25.03	1.39	877.38	3103.82	2079.29
Other Plant and Coal Handling											
Plant under Installation	1677.32	1270.85	-12.76	-224.92	2710.49	280.88	57.21	0.00	338.09	2372.40	1396.44
Development :											
(i) Prospecting & Boring	6334.37	10.77	-2286.21	0.00	4058.93	147.18	0.00	0.00	147.18	3911.75	6187.19
(ii) Mines Development	3438.41	96.26	-149.85	0.00	3384.82	5.25	0.00	0.00	5.25	3379.57	3433.16
(iii) Others	4249.16	1240.28	-2656.50	0.00	2832.94	60.42	0.00	0.00	60.42	2772.52	4188.74
TOTAL	37023.54	4818.12	-5232.33	-354.99	36254.34	4685.39	432.25	1.39	5119.03	31135.31	32338.15
PREVIOUS YEAR	31105.30	11646.96	-382.70	-5346.02	37023.54	4397.41	425.10	-137.12	4685.39	32338.15	

NOTE 1 :

	As At 31.3.2009 (Rs. in Lakh)	As At 31.3.2008 (Rs. in Lakh)
SOCIAL OVERHEAD ASSETS INCLUDED IN THE SCHEDULE ARE AS FOLLOWS :		
(i) Buildings	1144.10	509.39
(ii) Roads & Culverts	28.64	150.47
(iii) Water Supply	911.25	932.26
(iv) Others	0.00	406.83
TOTAL	2083.99	1998.95

NOTE 2 :

	FOR THE YEAR AMOUNT (Rs. in Lakh)	AS ON 31.3.09 AMOUNT (Rs. in Lakh)
Break-up of Provision		
(i) Provision for Unused Assets	432.25	3841.03
(ii) Provision for Loss of Assets	1.39	1278.00
TOTAL	433.64	5119.03

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - H

INVESTMENTS (AT COST)

	AS AT 31.3.2009 (Rs. in Lakh)	AS AT 31.3.2008 (Rs. in Lakh)
Long term Investments (Unquoted)		
(i) Bonds :		
8.5% UP Tax Free Power Bonds	5663.00	6472.00
8.5% Haryana Tax Free Power Bonds	933.10	1066.40
	6596.10	7538.40
(ii) Others :		
25 Fully paid "B" Class shares of Rs.100 each in N.C.D.C. Saunda Employees Consumer Co-operative Stores Limited.	0.02	0.02
TOTAL	6596.12	7538.42

Note : Tax Free Power Bonds were allotted to the company by UPSEB and HSEB for Rs.8090 Lakh and Rs.1333 Lakh respectively towards partial settlement of its coal sale outstanding dues as per scheme for "one time settlement of SEB dues" approved by GOI.

Schedule - I

INVENTORIES

	AS AT 31.3.2009 (Rs. in Lakh)	AS AT 31.3.2008 (Rs. in Lakh)
1. Stock of Stores and Spares	17080.15	16728.64
Less : Provision	3159.24	4086.47
Add	13920.91	12642.17
In- transit/under inspection	275.45	342.26
Stock Adjustment	3.06	3.05
	14199.42	12987.48
2. Stock of Coal		
Raw Coal		
Revenue Mines	66105.57	65978.97
Capital Mines	0.00	0.00
	66105.57	65978.97
Coke		
Soft Coke	0.69	0.69
Hard coke	62.39	63.98
	63.08	64.67
Washery Products		
Washed coal	3055.52	3054.19
Middlings/Slurry	11297.37	16601.21
	14352.89	19655.40
Magnetite	1.61	1.61
Coal tar and other By-products	103.23	103.23
	80626.38	85803.88
Less : Provision for deterioration : 10% on vendible Stock	0.00	0.00
	80626.38	85803.88
3. Workshop Jobs :	159.85	184.03
4. Press :		
Work in Progress/Finished goods	61.57	119.14
5. Medicines (Central Hospital)	26.22	23.41
6. Non-CIL Block	1732.88	0.00
TOTAL	96806.32	99117.94

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Annexure To Schedule - I

[[Qty. in Lakh tones) (value in lakh Rs.)]

	OVERALL STOCK		NON VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening Stock as on 01.04.08	140.52	51032.82	1.21	0.00	139.31	51032.82
2. Production for the year	432.36	512841.72	0.00	0.00	432.36	512841.72
3. Sub-Total (1+2)	572.88	563874.54	1.21	0.00	571.67	563874.54
4. Offtake for the year :						
(A) Outside Desp.	321.64	393190.08	0.00	0.00	321.64	393190.08
(B) Inter-Transfer	114.85	101929.97	0.00	0.00	114.85	101929.97
(C) Own consumption	0.17	157.54	0.00	0.00	0.17	157.54
Total (4)	436.66	495277.59	0.00	0.00	436.66	495277.59
5. Derived Stock	136.22	68596.95	1.21	0.00	135.01	68596.95
6. Measured Stock	130.99	64766.01	1.17	0.00	129.82	64766.01
7. Difference (5-6)	5.23	3830.94	0.04	0.00	5.19	3830.94
8. Break-up of Difference :						
(A) Excess within 5%	0.08	41.21	0.00	0.00	0.08	41.21
(B) Shortage within 5%	2.62	1380.77	0.04	0.00	2.58	1380.77
(C) Excess beyond 5%	0.00	0.00	0.00	0.00	0.00	0.00
(D) Shortage beyond 5%	2.70	2491.38	0.01	0.00	2.69	2491.38
9. Closing Stock adopted in A/c (6-8A+8B)	133.53	66105.57	1.21	0.00	132.32	66105.57

Reconciliation of Closing Stock adopted in Account with Book stock as at the end of the year.

Note : Closing stock of non-vendable coal includes 0.20 lakh tonnes mixed stock not physically measured by CIL Stock Measurement Team due to water logging.

	Qty.	Value
Stock as per Books	133.53	66105.57
Less : Non-vendable stock including Mixed stock and stock on fire for which provision equivalent to the value has been made in the A/C, but quantity not adjusted in Book Stock as well as in Accounts	1.21	0.00
Stock as per Accounts after all provisions	132.32	66105.57

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - J

SUNDRY DEBTORS

	AS AT 31.3.2009 (Rs. in Lakh)	AS AT 31.3.2008 (Rs. in Lakh)
Debts Outstanding for a period exceeding six months	79073.39	67103.47
Other Debts	35805.09	17664.51
	114878.48	84767.98
Less : Provision for doubtful debts	40352.00	30637.00
TOTAL	74526.48	54130.98
Classification :		
Secured and considered good	0.00	0.00
Unsecured and Considered good	74526.48	54130.98
Unsecured and considered doubtful	40352.00	30637.00

Schedule - K

CASH AND BANK

	AS AT 31.3.2009 (Rs. in Lakh)	AS AT 31.3.2008 (Rs. in Lakh)
Cash, Cheques and Drafts in hand (including Postal Orders and stamps in hand)	3532.78	4693.91
Remittance in transit	0.00	0.00
With scheduled Banks in :		
Current Account	30935.05	12371.17
Less Provision	20.39	20.39
	30914.66	12350.78
Deposit Account	346.09	160.73
Short Term Deposit with Banks	120000.00	94340.92
Short Term Deposit with Banks (CLTD)	26794.54	0.00
(including accrued interest of Rs. 3268.04 lakh)		
With R.B.I. for exchange of Soiled Notes	0.32	0.33
TOTAL	181588.39	111546.67

Note : Cash in hand includes :

- (i) Soiled/Mutilated Notes of Rs.0.30 lakh (Previous year Rs. 0.00 lakh)
- (ii) Cheque/Drafts in hand etc. Rs.3513.62 lakh (Previous year Rs. 4992.43 lakh)
- (iii) Stamps in hand Rs. 1.46 lakh (Previous year Rs. 0.44 lakh)

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - L

LOANS & ADVANCES

	AS AT 31.3.2009 (Rs. in Lakh)	AS AT 31.3.2008 (Rs. in Lakh)
Advances recoverable in cash or in kind or for value to be received		
(i) Advance to suppliers :		
(a) For Capital items	1046.85	959.44
(b) For other Stores	4487.48	2023.27
	5534.33	2982.71
(ii) Advance to Contractors :		
(a) For Capital	601.72	571.53
(b) For others	3.73	43.40
	605.45	614.93
(iii) Advance to Employees :		
(a) For House Building	569.91	660.32
(b) For Motor Car & other conveyance	11.31	14.27
(c) For others	625.46	610.13
	1206.68	1284.72
(iv) Deposits :		
(a) P & T, Electricity etc.	41.34	66.54
(b) Others	9726.84	8390.12
	9768.18	8456.66
(v) Amount due from Central/State Govt. :		
(a) Subsidy	92.18	115.72
(b) Sales Tax	1586.80	1612.25
	1678.98	1727.97
(vi) Advance payment of Statutory Dues :		
(a) Sales Tax & Royalty	5868.83	6303.81
(b) Others	50.56	19.17
(c) Advance Income Tax	224961.84	179652.84
(d) Tax Deducted at Source	7932.57	4357.33
	238813.80	190333.15
(vii) Prepaid expenses	46.55	48.97
(viii) Current Account with Subsidiaries of holding Company :		
(i) E.C.L.	36.19	29.48
(ii) B.C.C.L.	506.31	456.19
(iii) W.C.L.	1.97	1.55
(iv) C.M.P.D.I.L.	241.22	330.85
(v) N.C. L.	7.40	11.10
(vi) S.E.C.L.	9.67	10.21
(vii) M.C.L.	1.04	17.70
	803.80	857.08
(ix) Surplus Fund with CIL (Holding Company)	8621.28	6086.26
	267079.05	212392.45
Less Provisions for doubtful Advances	4808.57	186.25
TOTAL	262270.48	212206.20
Classification :		
(a) Considered good and in respect of which the company is fully secured	581.22	674.59
(b) Considered good for which the company holds no security other than party's personal security	261689.26	211531.61
(c) Considered doubtful	4808.57	186.25

Amount due by	Directors	Officers
During the year	0.00	0.00
Maximum amount due at any time	0.00	0.00

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - M

OTHER CURRENT ASSETS

	AS AT 31.3.2009 (Rs. in Lakh)		AS AT 31.3.2008 (Rs. in Lakh)
(1) Claims receivables :			
(i) Railway	0.00		0.00
(ii) Insurance	0.70		0.70
(iii) Cess	10033.04		10033.04
(iv) Coal Controller	282.74		278.87
(v) Others	1859.08		1497.65
	12175.56		11810.26
(2) Other Receivables :			
(i) Employees	355.09		383.82
(ii) Others (Accrued Interest on Bonds)	0.00		0.00
	355.09		383.82
	12530.65		12194.08
Less Provision for Doubtful Claims receivables	708.87		704.31
TOTAL	11821.78		11489.77
Classification :			
(a) Considered good	11821.78		11489.77
(b) Considered doubtful	708.87		704.31

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule - N

CURRENT LIABILITIES AND PROVISIONS

		AS AT 31.3.2009 (Rs. in Lakh)	AS AT 31.3.2008 (Rs. in Lakh)
(A) Current Liabilities :			
(i) Sundry Creditors for goods (Small Scale Industry) :			
(a) For Capital	0.00		0.00
(b) For Revenue	47.91		17.21
	47.91		17.21
(ii) Sundry Creditors for goods (Others) :			
(a) For Capital	2165.41		1923.13
(b) For Revenue	5793.07		5400.17
	7958.48		7323.30
(iii) Expenses :			
Employees remuneration	75677.97		38046.48
Gratuity	112959.71		74511.31
Attendance Bonus	1364.83		1364.67
PPLB/PPLR	4678.71		3663.99
Unpaid Wages	1042.48		623.72
Leave Pay	19721.90		11373.60
Power & Fuel	5457.31		3522.32
Repairs	3108.59		2291.24
Contractual Expenses :			
Capital	3538.06	6378.16	
Revenue	19842.42	19411.29	
	23380.48	25789.45	
	247391.98	161186.78	
(iv) Statutory Dues :			
Sales Tax - Central	698.44		579.23
State	687.01		481.60
Royalty	917.83		676.08
Cess on Coal	11714.87		11714.87
Stowing Excise Duty	837.58		1197.62
Tax deducted at source (I. Tax) :			
Employees	315.53		12.26
Contractors	41.98		286.99
Govt. Grants (Environmental)	12.65		12.65
Life Cover Scheme	963.11		764.61
Provident Fund	2024.10		2142.10
	18213.10	17868.01	
(v) Current Account with CIL		-2188.66	-6057.45
(vi) Interest Accrued but not Due		0.00	0.00
(vii) Advances and Deposits from :			
Customers	38909.04		28572.94
Contractors & Others	16298.30		18499.66
	55207.34	47072.60	
(viii) Employees' Pension Contribution		338.81	293.31
(ix) Accumulated Reserve for future OBR	64878.47		57964.50
Less : Advance Stripping	5777.72		6062.02
	59100.75	51902.48	
(x) Other Liabilities			
Capital (for Loss of Assets)	1087.08		1125.71
Revenue	8916.65		6871.55
	10003.73	7997.26	
TOTAL (A)		396073.44	287603.50
(B) Provisions :			
Provisions for Income Tax		202853.16	154512.16
Proposed Dividend (incl. Dividend Tax)		22927.51	29275.66
TOTAL (B)		225780.67	183787.82
TOTAL (A+B)		621854.11	471391.32

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 1

SALES

	PRODUCTS						For the Year ended 31.3.09	For the Year ended 31.3.08
	Raw coal	Hard Coke	Soft Coke	Washed Coal	Washery Products	Bye-prod.	(Rs. in Lakh)	(Rs. in Lakh)
Quantity (in Lakh Tonne)	321.64	0.000	0.00	84.75	19.33	6.27		
Gross Sale Value (A)	393190.08	0.00	0.00	172609.25	26700.66	5337.37	597837.36	506054.49
LESS : STATUTORY LEVIES								
(a) Royalty on coal							56100.66	49020.79
(b) Stowing Excise Duty							4375.77	4199.88
(c) Sales Tax :								
(i) Central							9859.63	11674.95
(ii) State							6412.52	4864.50
Total Levies (B)							76748.58	69760.12
Basic Value (A-B)							521088.78	436294.37
Less : Transfer to Development							0.00	0.00
NET VALUE							521088.78	436294.37
Previous yr. (Gross)	334891.76	0.00	0.00	141912.15	26912.79	2337.79	506054.49	

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 2(A)

COAL ISSUED FOR OTHER PURPOSES

	Washed Coal	Hard Coke	Colliery/ Domestic Consumption	For the year Ended 31.3.09 (Rs. in Lakh)	For the year Ended 31.3.08 (Rs. in Lakh)
Quantity (in Lakh Tonne)	121.84	0.00	0.17		
Basic Value	88862.76	0.00	148.03	89010.79	92471.08
<hr/>					
Add : STATUTORY LEVIES					
(a) Royalty on coal	13664.29	0.00	7.53	13671.82	14072.97
(b) Stowing Excise Duty	1161.92	0.00	0.00	1161.92	1256.09
(c) Other Levies	0.00	0.00	0.00	0.00	0.00
<hr/>					
Total Levies	14826.21	0.00	7.53	14833.74	15329.06
<hr/>					
Gross Value	103688.97	0.00	155.56	103844.53	107800.14
<hr/>					
Previous Year (Gross)	107607.93	0.00	192.21	107800.14	

Schedule - 2 (B)

COLLIERY CONSUMPTION

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Hard Coke Making :		
Opening Stock	4.22	4.22
Add : Transferred to Hard Coke during the year	0.00	0.00
Less : Closing Stock	4.22	4.22
	0.00	0.00
Washeries :		
Opening Stock	8654.31	4752.04
Add : Transferred to Washeries during the year :	103688.97	107607.93
Less : Closing Stock	10391.69	8654.31
	101951.59	103705.66
Workshop Consumption	65.65	67.18
Free issue to Employees	91.89	125.03
	102109.13	103897.87
Less:		
Transferred to Social Overhead	91.89	125.03
	102017.24	103772.84

Workshop Consumption includes Rs. 1.98 lakhs towards 15.07 MT of coal received from BCCL.

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 3

ACCRETION/DECRETION IN STOCK

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
1. Stock of Coal/Coke etc.		
A. Closing Stock :		
(a) Raw Coal	66105.57	65978.97
(b) Soft Coke	0.69	0.69
(c) Hard Coke	62.39	63.98
(d) Washed Coal	3055.52	3054.19
(e) Middlings	11297.37	16601.21
(f) Magnetite	1.61	1.61
(g) Coal Tar	4.03	4.03
(h) Other Bye-Products	99.20	99.20
	80626.38	85803.88
Less : Raw Coal at Washery	10391.69	8654.31
Raw Coal at Coke Oven	4.22	4.22
	10395.91	8658.53
	70230.47	77145.35
Less : Provision for deterioration of coal value due to fire or longer period of stacking	0.00	0.00
TOTAL (A)	70230.47	77145.35
B. Opening Stock :		
(a) Raw Coal	65978.97	51032.82
(b) Soft Coke	0.69	0.69
(c) Hard Coke	63.98	65.69
(d) Washed Coal	3054.19	3405.02
(e) Middlings	16601.21	13659.13
(f) Magnetite	1.61	1.61
(g) Coal Tar	4.03	4.03
(h) Other Bye-Products	99.20	99.20
	85803.88	68268.19
Less : Raw Coal at Washery	8654.31	4752.04
Raw Coal at Coke Oven	4.22	4.22
	8658.53	4756.26
	77145.35	63511.93
Less : Provision for deterioration of coal value due to fire or longer period of stacking	0.00	0.00
TOTAL (B)	77145.35	63511.93
NET TOTAL (A-B) OF 1	-6914.88	13633.42

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 3 (Contd.)

ACCRETION/DECRETION IN STOCK

		FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
2.	Workshop Job		
(a)	Workshop Closing Job		
	(i) Finished Goods	79.47	122.02
	(ii) Work in progress	80.38	62.01
		159.85	184.03
(b)	Less : workshop Opening Job		
	(i) Finished Goods	122.02	117.44
	(ii) Work in Progress	62.01	32.23
		184.03	149.67
	NET TOTAL (a-b) of 2	-24.18	34.36
3.	Press Job		
(a)	Press Closing Job		
	(i) Finished Goods	33.49	58.93
	(ii) Work in Progress	28.08	60.21
		61.57	119.14
(b)	Less : Press Opening Job		
	(i) Finished Goods	58.93	49.90
	(ii) Work in progress	60.21	55.19
		119.14	105.09
	NET TOTAL (a-b) of 3	-57.57	14.05
4.	Medicine (Central Hospital)		
	Closing Stock	26.22	23.41
	Less : Opening Stock	23.41	47.50
		2.81	-24.09
	TOTAL OF 4	2.81	-24.09
GRAND TOTAL OF 1+2+3+4		-6993.82	13657.74

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 4

OTHER INCOME

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Stowing Subsidy	206.86	212.22
Value of job done :		
Work Shop	11097.53	10142.18
Press	374.85	274.86
	————— 11472.38	————— 10417.04
Interest received :		
On Loans & Advances to Employees	73.27	65.99
On Bank Deposit	1.03	2.04
From Customers	4497.00	0.00
On Short Term Deposit	9780.27	1719.42
On Tax Free Bonds	961.14	359.93
On Surplus Fund Parked with CIL	1808.95	7121.62
	————— 17121.66	————— 9269.00
Rent received from outsider	10.72	17.83
Recovery of transportation & Loading Cost	12918.22	12836.20
Lease Rent	393.67	400.77
Profit on sale of Surveyed off assets	111.26	280.24
Exchange Fluctuation (Net)	0.00	92.15
Tender Fees	36.66	40.76
Sale of Scrap	375.78	181.20
Liquidated Damages	496.62	561.71
Penalty	20.23	19.20
Water Charges 4.41	3.68	
Others	3289.86	2220.66
TOTAL	46457.60	
36553.39		

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule -5

CONSUMPTION OF STORES AND SPARES

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Explosive	8710.94	7006.02
Timber	111.74	133.00
P.O.L.	21003.91	21650.91
Other Stores & Spares		
(a) HEMM	10752.87	10655.90
(b) Others	7911.96	9388.68
	-----	-----
	18664.83	20044.58
<hr/>		
SUB TOTAL	48491.42	48834.51
<hr/>		
Less Transfer to		
(a) Social overhead	221.99	289.95
(b) Miscellaneous	261.98	347.30
(c) Power & Fuel	25.33	38.47
(d) Development	2.12	3.48
	-----	-----
	511.42	679.20
<hr/>		
TOTAL	47980.00	
48155.31		

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 6

EMPLOYEE REMUNERATION AND BENEFITS

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Salaries & Wages	104180.79	95003.56
Provision for NCWA VIII	42389.27	21349.00
Provision for Executive Salary Revision	12510.67	3368.29
Overtime		
(a) Normal	1901.70	1745.05
(b) Sunday/Holiday Production	6905.76	6302.90
(c) Sunday/Holiday Maintenance	2382.02	2137.51
	11189.48	10185.46
Incentives and other Perks	255.83	75.92
Leave encashment	10608.42	3643.83
Fallback wages	304.23	375.12
Contribution to PF	15137.23	12073.80
C.M. Bonus	5511.36	5709.57
Ex-gratia		
(a) PPLB - Non Executive	6662.54	3750.17
(b) PPLB - Executive	139.99	92.56
	6802.53	3842.73
LTC/LLTC	1838.40	2817.25
Pension	2444.12	1877.22
Gratuity		48295.09
19235.84		
Workmen compensation	75.81	51.82
Deposit Link Insurance	67.91	65.26
Life cover Scheme	517.47	314.85
Voluntary Retirement Scheme	1440.66	2443.42
Sub Total	263569.27	182432.94
Less transfer to		
(a) Social Overhead	4471.20	3200.06
(b) Power & Fuel	75.94	73.87
(c) Development	94.13	66.87
	4641.27	3340.80
TOTAL	258928.00	179092.14

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule -7

SOCIAL OVERHEAD

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Salary, Wages & Allowances (From schedule - 6)	4471.20	3200.06
Free issue of coal to Employees	91.89	125.03
Medical facilities		
(a) Medical re-imburement		
(i) Within the Company	848.44	699.40
(ii) Outside the Company	427.92	419.05
	1276.36	1118.45
(b) Medicine	388.26	297.46
(c) Diet expenses	70.01	42.92
(d) Medical Grants	0.00	0.00
	1734.63	1458.83
Grants to		
(a) School & Institutions	634.48	440.24
(b) Sports Recreation	40.47	33.59
	674.95	473.83
Canteen upkeep	10.27	8.23
House Rent	1188.11	1020.23
Power (From Schedule 8)	2504.98	2760.52
Repairs & Maintenance (from Sch. 9)		
(a) Township	4497.75	3645.65
(b) Other Welfare Buildings	157.76	61.36
(c) Plant & Machinery	5.59	26.17
(d) Others	2.99	1.82
	4664.09	3735.00
Maintenance of vehicles		
(a) Petrol & Diesel (from Sch-5)	63.71	93.16
(b) Repairs (from Schedule-9)	9.55	10.41
(c) Road Tax	0.27	0.51
(d) Insurance	0.06	0.94
(e) Stores & Spares (from Sch-5)	11.86	51.28
	85.45	156.30
Consumption of Stores & Spares (from Sch-5)	146.42	145.51
Training Expenses		
(a) Within Company	87.43	58.76
(b) Outside Company	225.39	221.46
	312.82	280.22
Depreciation	748.95	642.29
Community Development	797.02	651.89
Environmental Expenditure		
(a) Tree Plantation	147.76	169.52
(b) Others	77.35	51.74
	225.11	221.26
Family Planning Expenses	9.19	6.58
Uniform/Stitching Charges	133.45	94.62
Hire Charges of Bus/ Ambulance/School Bus	10.12	16.78
Water Charges	157.60	113.96
Other Benefits	1504.35	1535.59
SUB TOTAL	19470.60	16646.73
Less : Recoveries:		
(a) House Rent	49.38	42.26
(b) Electricity	80.73	46.55
(c) Hospital Charges	24.82	22.79
(d) Water Charges	0.00	0.00
(e) School Bus	15.14	7.82
	170.07	119.42
TOTAL	75 19300.53	16527.31

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 8 POWER & FUEL

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Purchased	27527.68	24718.62
Power Generation		
Salaries, Wages & Allowances (From Sch-6)	75.94	73.87
Consumption of stores (From Sch-5)	25.33	38.47
Repairs (From Sch-9)	0.49	0.24
Depreciation	504.20	524.55
	605.96	637.13
SUB TOTAL	28133.64	25355.75
Less : Transferred to		
(a) Social Overhead	2504.98	2760.52
(b) Development	0.00	0.00
	2504.98	2760.52
TOTAL	25628.66	22595.23

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 9

REPAIRS

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Factory & Office Building	619.77	505.72
Plant & Machinery		
(a) Outside Agency	5569.07	5131.83
(b) Workshop Job	10756.91	9544.86
	16325.98	14676.69
Office Equipment & Furniture	49.59	64.84
Vehicles	257.38	264.76
Others	4930.36	3745.66
Sub Total	22183.08	19257.67
Less : Transfer to		
Social overhead	4673.64	3745.42
Power & Fuel	0.49	0.24
Misc. Expenses	130.49	136.82
Development	0.00	0.58
	4804.62	3883.06
TOTAL	17378.46	15374.61

Schedule - 10

CONTRACTUAL EXPENSES

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Transport Charges :		
Sand	169.07	130.89
Coal	20065.24	19233.94
Stores	2.86	4.77
	20237.17	19369.60
Wagon Loading	944.63	850.41
Other Contractual Works	10717.37	8297.22
TOTAL	31899.17	28517.23

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 11

MISCELLANEOUS EXPENSES

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Travelling :		
(a) In country	1214.05	867.11
(b) Outside Country	0.00	9.97
	1214.05	877.08
Printing & stationery	331.13	201.10
Postage	28.29	23.63
Telephone	98.07	97.49
Advertisement & Publicity:		
i)Advertisement for Tender	240.96	312.89
ii)Publicity	47.25	16.36
Freight charges	26.58	18.18
Demurrage	705.43	474.43
Donation	0.05	0.00
Subscriptions	0.00	2.20
Security Expenses	4845.62	2427.93
Hire Charges:		
a)Computer	263.09	247.38
b)Others	1229.69	909.54
	1492.78	1156.92
Maintenance of car & Jeeps :		
(i) Petrol & Diesel (From Sch-5)	190.98	174.68
(ii) Repairs (From Sch-9)	130.49	136.82
(iii) Stores & Spares (From Sch-5)	71.00	172.62
(iv) Road Tax	862.28	140.16
(v) Insurance	51.97	41.62
	1306.72	665.90
Legal Expenses	82.23	121.75
Bank Charges	40.46	44.69
Guest House Expenses	4.93	6.22
Consultancy Charges	0.02	6.87
Underloading/Overloading Charges	5534.25	4764.38
Loss on Sale of Stores	0.03	0.04
Loss on Sale of Assets	0.80	1.85

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 11 (Contd.)

MISCELLANEOUS EXPENSES

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Auditors remuneration :		
(a) Audit fees	9.53	9.70
(b) Travelling & out of pocket exp	4.32	4.32
	-----	-----
	13.85	14.02
Internal audit expenses	39.02	40.23
Tax audit fee including out of pocket exp	1.41	1.41
Service Charges of CIL	4238.01	2471.92
Rehabilitation Charges	2619.00	2520.60
Impairment Loss	0.00	0.00
Mine Closure Expenses	121.53	1985.73
Exchange Fluctuation (Net)	3257.21	0.00
Royalty & Cess	7.70	29.23
Rates & Taxes	33.78	34.85
Rent	204.12	38.22
Surface Rent	2.98	1.87
Dead Rent	0.44	1.88
Insurance	35.18	11.50
Land & Crop Compensation	2665.86	280.62
Siding Maintenance Charges	1468.91	2157.92
CMPDI Exp-Revenue	1913.85	1836.39
Wealth Tax	1.02	0.73
Others	4914.84	5399.75
<hr/>		
SUB TOTAL	37538.36	28046.78
<hr/>		
Less : Recoveries :		
(a) Guest House	3.30	1.20
<hr/>		
TOTAL	37535.06	28045.58
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SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 12 (A)

INTEREST

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
On Holding Company Loan	3929.96	5800.58
On World Bank Loan	344.69	420.72
On Term Loan	0.00	0.00
On Others	76.40	204.40
	4351.05	6425.70
Less : Development	0.00	0.00
TOTAL	4351.05	6425.70

Schedule - 12 (B)

FINANCIAL CHARGES

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Commitment Charges (IBRD & JBIC)	0.00	0.00
Guarantee Fees (IBRD & JBIC)	330.60	173.40
Swapping Charges for Foreign Loan	0.00	0.92
	330.60	174.32
TOTAL	330.60	174.32

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 13 (A)

PROVISIONS

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)		FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
PROVISIONS FOR :			
Doubtful debts	14417.29		7810.83
Less : Earlier Provision written back	0.00		3171.81
	14417.29		4639.02
Doubtful Advances & Claims Receivables	4631.15		38.35
Less : Earlier Provision written back	4.27		18.97
	4626.88		19.38
Loss/Obsolescence of Stores	18.26		618.92
Less : Earlier Provision written back	-945.49	-927.23	0.00
	1.39		164.01
Loss of assets	1.39		164.01
Less : Earlier Provision written back	38.62		0.00
	-37.23		164.01
Unused Assets	432.25		425.10
TOTAL	18511.96		5866.43

Schedule - 13 (B)

WRITE OFFS

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)		FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
Bad Debts Written off	4783.81		8680.67
Less : Provision released	4702.29		5356.20
	81.52		3324.47
TOTAL	81.52		3324.47

SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Schedule - 14

PRIOR PERIOD ADJUSTMENTS

	FOR THE YEAR ENDED 31.3.2009 (Rs. in Lakh)	FOR THE YEAR ENDED 31.3.2008 (Rs. in Lakh)
DEBIT		
Power & Fuel	91.73	-13.53
TOTAL (A)	91.73	-13.53
CREDIT		
Depreciation	546.33	-1446.82
salary & wages	242.64	0.00
Social Welfare Expenses	15.08	0.00
Contractors Payment	57.86	0.00
Purchase repair	10.32	0.00
Consumption of Stores & Spare Parts	530.00	470.20
Royalty & Cess	43.90	-207.58
Bonus Received from Customer	0.00	-14.40
Misc. Income	774.72	406.49
TOTAL (B)	2220.85	-792.11
CREDIT (B-A)	2129.12	-778.58

SCHEDULE - P

SIGNIFICANT ACCOUNTING POLICY

1.0 BASIS FOR PREPARATION OF FINANCIAL STATEMENT

The Financial statements are prepared and presented under the historical cost convention on an accrual basis of accounting following going concern concept and complying with generally accepted Accounting Principles, the accounting standards (AS) issued by ICAI to the extent applicable and the relevant provisions of the Companies Act, 1956.

2.0 USE OF ESTIMATES:

The presentation of financial statements in conformity with the generally accepted Accounting Principles requires that the management of the Company makes estimates and assumptions that affect the reported amounts of Assets and Liabilities, revenue and expenses of the period and the disclosure relating to contingent liabilities as at the date of the financial statements. Actual results could differ from those estimates, but the management of the Company believes that the estimates used in the preparation of financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

3.0 REVENUES AND EXPENDITURES:

All Income and Expenditures having a material bearing on the financial statements are recognized on the accrual basis and provision is made for all known losses and liabilities except in the following cases:-

- 3.1 Liquidated damages, interest on delayed payment and escalation claims from customers are recognized on the basis of final settlement.
- 3.2 Insurances/Railway claims are accounted for on admission/final settlement.
- 3.3 Sale of Scraps are accounted for on delivery of the scraps.
- 3.4 Refund/ adjustment of Tax from Tax Authorities are accounted for on cash basis. Additional demand for Income Tax , Royalty, Cess, Sales Tax, Entry Tax etc. are accounted for after final order. In appeals, payment made against additional demand are treated as Advance Claim.
- 3.5 Interest payable on account of income tax / sales tax as, demanded by tax authorities, are accounted for in the year of payment. Similarly, interest receivable, if any, are accounted for in the year of receipt.
- 3.6 Demands/Claims against the Company, which are not likely to materialise into actual liabilities, are regarded as Contingent liabilities. To disclose claims against the Company not acknowledged as debts after a careful evaluation of the facts and legal aspects of the matter involved.
- 3.7 Pending finalization of investigation, no adjustment is carried out in the books in respect of contingent nature of assets and liabilities.

4.0 REVENUE RECOGNITION:

- 4.1 Revenue from sale of coal is recognized when all the significant risks and rewards of ownership of the products are passed on to the customers i.e. on the basis of D notes for despatch by Rail and weightment cards in respect of road despatches.

- 4.2 Sales exclude Royalty, SED, CST/JST /JVAT and accepted deductions made by customers on account of quality of coal and shortage etc.
- 4.3 The revenue recognition is done where there is a reasonable certainty of collection. On the other hand revenue recognition is postponed in case of uncertainty as assessed by management.
- 4.4 Bonus claims on customers in the case of sale of coal, as a result of Joint sampling, are accounted for in sales in the year of settlement irrespective of period of despatch.

5.0 FIXED ASSETS:

- 5.1 Land includes the cost of acquisition, compensation, cash rehabilitation and resettlement expenses. Other expenditure incurred on acquisition of Land viz. compensation in lieu of employment etc. are, however, treated as revenue expenditure.
- 5.2 Plant & Machinery include cost and expenses incurred for erection/ installation and other costs attributable to bring those assets, to working conditions for their intended use.
- 5.3 Capital Work-in-Progress includes the advances paid to acquire fixed assets and the cost of the assets not put to use during the year.
- 5.4 Gross Block as well as the accumulated depreciation on surveyed off P&M, Vehicles etc. are taken out of Fixed Assets and provision for depreciation respectively and the residual value at 5% of Book value are transferred to "Surveyed off assets for disposal" and the same is separately shown in the Fixed Assets Schedule (Sch-F). In case of premature survey off of assets the difference between the WDV and residual value of 5% is charged to Profit & Loss Account, as loss on surveyed off assets.
- 5.5 Development Expenses net of income of the projects/ mines under development are booked to Development account and grouped under Capital Work-in-Progress till the projects/mines are brought to Revenue Account, except otherwise specially stated in the Project Report to determine the commercial readiness of the Project to yield production on a sustainable basis and completion of required development activity during the period of construction, projects and mines under development are brought to revenue:-
 - (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.

- 5.6 Prospecting & Boring and other Development Expenditure: The cost of exploration and other development expenditure incurred in one "Five Year" plan period will be kept in Capital Work-in-Progress till the end of subsequent two "Five Year" plan periods for formulation of projects before it is written off except in the case of Blocks identified for sale or proposed to be sold to outside agency where the expenditures are kept under Inventory at cost till finalization of sale.
- 5.7 To charge off as a revenue expenditure all up-gradation / enhancements unless they bring similar significant additional benefits.

6. INVESTMENTS:

Investments are stated at cost.

7.0 INVENTORIES:

7.1 Book stock of coal/coke is considered in the Accounts where the variance between book stock and measured stock is up to +/- 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. Cost of Inventories comprises all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The allocation of fixed production overheads for the purpose of their inclusion in the costs of conversion is based on the normal capacity i.e. Annual Action Plan (AAP). The actual production is considered where it approximates to AAP and in case where the actual production exceeds AAP, the actual production is considered.

7.2 Coking slurry, middlings of washeries are valued at net realisable value except in the case of the stock of coking slurry on the basis of E-auction price for the quantity booked through E-auction sale.

7.3 Stock of stores & spare parts (including loose tools) at Central & Area stores are generally valued at weighted average basis after providing for cost of obsolescence and other anticipated losses. The year end inventory of stores & spare parts lying at collieries/sub-stores/consuming centers, which have been initially charged off, are valued at issue price of Area stores. Workshop jobs i.e. manufactured items in progress are valued at cost plus appropriate production overheads.

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

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

8.0 DEPRECIATION

8.1 Depreciation on Fixed Assets is provided on straight line method at the rates and manner prescribed in Schedule-XIV of the Companies Act, 1956. However, in respect of the following assets depreciation is provided at the higher rates in line with their estimated useful life.

<i>Particular of the asset.</i>	<i>Rate of depreciation.</i>
Telecommunication equipment	15.83% or 10.55%
Dumper upto 35T	15.83%
Dumper upto 50T	13.57%
Hydraulic Shovels >5.0-10.0 CUM	11.87%
Hydraulic Shovels upto 1.2 CUM	13.57%
Hydraulic Shovels >1.2-2.2 CUM	13.57%
Hydraulic Shovels >2.2-5.0 CUM	13.57%
B.H.Drills Less than 160 MM	13.57%
LHD	15.83%
SDL	19.00%

Depreciation for additions to /deductions from owned assets during the year is provided with reference to the month of addition /deduction. Extra shift depreciation is provided on a location basis except the cases pointed out in para- 8.5.

- 8.2 Capital asset whose ownership does not vest in the company is depreciated over their estimated useful life.
- 8.3 Provision equivalent to the amount of depreciation is made against machinery/assets which could not be put to use for more than three years from the date of purchase/acquisition after three years i.e. from the fourth year prospectively.
- 8.4 Prospecting, Boring and Development expenditure are amortized over 20 years from the year when the Mine is brought under Revenue or over the estimated useful working life of the Project whichever is lower.
- 8.5 Individual Assets costing Rs. 5000/-or less and in the case of 100% depreciable assets are entirely depreciated in the year of acquisition. Assets attracting 100% depreciation, other than items costing Rs. 5,000/- are taken out from the Accounts after expiry of two years following the year in which these are fully depreciated.
- 8.6 In case of impairment of assets, the depreciation is on the adjusted cost computed after impairment.

9. EFFECT OF EXCHANGE FLUCTUATION:

The reporting currency of the Company is Indian Rupee.

Balances of dues from /to overseas parties at the end of the year are translated at the rate of exchange prevailing at year end date and the resultant net losses or net gains relating to revenue items as well as the fixed assets are charged to P&L Accounts as the case may be.

10. BALANCE WITH COAL INDIA LIMITED (HOLDING COMPANY)

Amount due to Coal India Limited on account of loan is shown as Unsecured Loan. Amount due/receivable arising out of the transaction of revenue nature under Current Account is shown as Current Liabilities/Current Assets/ Short term deposit, as the case may be.

11. APEX OFFICE CHARGES AND INTEREST TO HOLDING COMPANY

- 11.1 Apex office charges by Holding Company is allocated to revenue mines on the basis of coal production.
- 11.2 Interest on loans from CIL is allocated to the units on the basis of Net Fixed Assets (excluding the Assets procured against specific loan) at the beginning of the year.
- 11.3 In terms of CIL's letter No. CGM(F)/126/07 dtd. 08.04.2004 an additional charge at the rate of Rs. 6/- per tonne of coal released towards rehabilitation fund for dealing with fire, shifting and stabilization of unstable areas of ECL & BCCL is accounted for on the basis of debit advice received from CIL.

12. OVERBURDEN REMOVAL(OBR) EXPENSES

- 12.1 For Opencast mines which have been brought to revenue and have rated capacity of 1 million tonnes or above, the cost of OBR is charged on technically evaluated average ratio (Coal : OB) at each mine with due adjustment for advance stripping and ratio variance account.

The net balance of advance stripping and ratio variance at the end of the year is shown as cost of removal of Overburden.

The reported quantity of overburden is considered in the Accounts where the variance between reported quantity and measured quantity is within the permissible limits detailed here under:

Annual Quantum of OBR of the mine	Permissible limits of variance (Whichever is less)	
	%age	Quantum (In Mill. Cu. Mtr.)
Less than 1 Mill. C.UM	+/-5%	0.03
Between 1 and 5 Mill. CUM	+/-3%	0.20
More than 5 Mill. CUM	+/-2%	NIL

If the variance between reported quantity and measured quantity is more than the above permissible limit, measured quantity will be considered in the Accounts.

13. LEASE TRANSACTIONS:

Assets given on operating lease are capitalized at cost. Rental receipts are recognized in Profit & Loss Account when becomes due.

14. IMPAIRMENT OF ASSETS:

The carrying amount of the assets, other than Inventories is reviewed at each Balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated.

15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- (1) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
 - (a) The Company has a present obligation as a result of a past event.
 - (b) A probable outflow of resources is expected to settle the obligation :and
 - (c) The amount of the obligation can be reliably estimated.
- (2) Reimbursements by another party expected in respect of expenditure required to settle a provision is recognized when it is virtual certain that the reimbursement will be received if obligation is settled.
- (3) Contingent liability is disclosed in case of.
 - (a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
 - (b) A present obligation when no reliable estimate is possible: and.
 - (c) A possible obligation arising from past events where the probability of outflow is not remote.

- (4) Contingent Assets are neither recognized nor disclosed.
- (5) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

16. EMPLOYEE BENEFITS:

- (a) Defined contribution plan:

Company's contributions paid / payable during the year to provident fund are recognized in the profit and Loss Accounts on actual liability basis.

- (b) Defined Benefit plan:

Company's liabilities towards gratuity, leave encashment ,LLTC/LTC,LCS, Personal Accident Insurance and settlement allowance, are determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation and is accrued on the basis of actuarial valuation.

17. TAXES ON INCOME:

- (a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act,1961 and based on the expected outcome of assessments /appeals.
- (b) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (c) Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- (d) Deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

18. GENERAL:

- 18.1 Securities by way of deposit in the form of Fixed Deposit Receipts, National Saving Certificates, Bank Guarantee etc. received from the suppliers, contractors etc. are kept in Company's custody and are not accounted for.
- 18.2 Research and Development Expenditure of revenue nature are charged to various natural revenue head of accounts in the year the expenses are incurred. Expenses of capital nature are treated as fixed assets.
- 18.3 The Mandatory Accounting Standard on Segment Reporting(AS-17) , related Party Transactions(AS-18), Leases (AS-19), Discontinuing Operation(AS-24) , Interim Financial Report(AS-25) and Financial Reporting of Interest in Joint Ventures(AS-27) are not applicable to the Company.

SCHEDULE - "Q"

NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES/CAPITAL COMMITMENT

1.1 Description of Contingent Liabilities which have not been provided in the Accounts (refer Para-15 of Sch-P) are as under:

Particulars	2008-09 (Rs. in Lakh)	2007-08 (Rs. in lakh)	Payment under protest and shown under Loans & Advances (Sch.-L)	
			2008-09 (Rs. in lakh)	2007-08 (Rs. in lakh)
(a) Claims against the Company not acknowledged as debt.	9685.64	9160.90	0.00	0.00
(b) Sales Tax Liability that may arise in respect of matters in appeal	17217.24	17740.01	5466.76	3004.10
(c) Royalty & Cess Liability that may arise in respect of matters in appeal	11278.82	11688.38	3712.16	3148.21
(d) Income Tax liability that may arise in respect of which the Company has preferred an appeal.	10867.94	375.94	375.94	311.84
(e) Un-expired letter of credit	2042.53	14.16	0.00	0.00

1.2 Capital Commitment

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) is Rs. 4067.76 lakh (previous year Rs. 2944.93 lakh).

2. Secured Loans

The Company through its holding Company CIL entered into an agreement with State Bank Consortium to avail Cash Credit facilities for an aggregate sum of Rs. 8300.00 lakh and the said facilities shall be collaterally secured by creating hypothecation charge over the current assets comprising of Book Debts, Stock of Raw materials, Semi-finished and finished goods, Stores and Spares not relating to Plant & Machinery (Consumable Stores & Spares), both present and future jointly and severally in favour of the said Banks for a sum of Rs. 8300.00 lakh. Moreover, the said facilities have not been availed by the Company during the year under review.

3. Unsecured Loans

Loans from IBRD and JBIC on account of Coal Sector Rehabilitation Project forming part of Unsecured Loan (Ref. Schedule-E), obtained through CIL are covered by guarantee of CIL and counter-guarantee by Govt. of India.

4. Fixed Assets

- 4.1 Land consists of free/ lease hold land and land acquired under Coal Bearing Acquisition Act, 1957.
- 4.2 Cost of Notified land is capitalized on physical /constructive possession basis and completion of assessment by the competent authority.
- 4.3 41,959.32 Ha. Of land has been acquired under CBA (A&D) Act, 1957. Out of this approximately 13,644.32 Ha. is tenancy land. The balance is forest and GMK land. Out of 13,644.32 Ha. of tenancy land, compensation has been assessed as Rs. 32.53 crore for 6,578.32 Ha. Out of this

amount Rs. 30.87 crores has been paid. The balance amount is being paid by holding regular payment camps in different projects.

- 4.4 Fixed Assets include certain tangible assets in respect of closed project during the year or in earlier year(s) and have not been adjusted in the accounts pending review regarding further use of these assets.
- 4.5 Provision of Rs. NIL lakh (Previous year- Rs. 164.01 lakh) has been made . Total provision amounting to Rs. 1087.08 lakh (Previous year-Rs. 1125.71 lakh) after withdrawal of excess provision amounting to Rs. 38.62 lakh as on 31.03.2009 has been retained which is considered adequate (Refer Schedule-N).
- 4.6 Buildings include Electrical fittings, water supply arrangements, sanitary fittings.
- 4.7 The Assets and Liabilities of two hospitals taken over from Coal Mines Labour Welfare Organization in 1981 have not been reflected in the accounts pending determination of values thereof.
- 4.8 The Assets and Liabilities of three Mines Rescue stations taken over during 1985-86 have not been reflected in the accounts pending determination of values thereof.

5. Capital Work-in-Progress

- 5.1 For 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 from the date of purchase/acquisition has been made during the year amounting to Rs. 432.25 lakh (previous year Rs. 425.10 lakh). Total provision as on 31.03.2009 is Rs. 3841.03 lakh (Refer Schedule-G).
- 5.2 Provision of Rs. 1.39 lakh (Previous year Rs. 137.12 lakh) has been made towards the loss of capital expenditures. Total provision amounting to Rs. 1278.00 lakh (Previous year Rs. 1276.61 lakh) as on 31.03.2009 has been retained which is considered adequate (Refer Schedule-G).

6. INVENTORIES

- 6.1 The difference on reconciliation of numerical ledger with price ledger for the purpose of these accounts have been reflected in the consumption of stores and spares parts to the extent such reconciliation is completed during the year.
- 6.2 Pursuant to the Accounting Policy (Referred in para-7.4 of Sch-P), provision of Rs. 18.26 lakh (previous year Rs. 618.92 lakh) has been made during the year for unserviceable/damaged/obsolete stores and also for Stores & Spares unremoved for 5 years. The provision of Rs. 3159.24 lakh (Previous year 4086.47 lakh) after withdrawal of excess provision of Rs. 945.49 lakh as on 31.03.2009 is considered adequate(Refer Sch-I).
- 6.3 Physical stock has been adopted in the following cases over the book stock, because of difference being beyond 5%, pursuant to the Accounting Policy as referred in Para 7.1 of Sch-P.

Type of Coal	Name of the Project	Book Stock	Physical Stock	Difference Qty.	%age
Raw coal	Saunda	117366	110967	(-) 6399	(-) 5.45
	Ara	188970	169427	(-) 19543	(-) 10.34
	Kathara(W)	612756	370071	(-) 242685	(-) 39.61
	TOTAL	919092	650465	(-) 268627	
Clean coal	Kathara(W)	89047	55580	(-) 33467	(-) 37.58
Slurry	Kathara(W)	835423	588012	(-) 247411	(-) 29.62

- 6.4 On conservative basis, the closing stock of Coking Slurry at Swang Washery and Giddi Washery has been valued at last year's valuation rate although the current selling price is higher.
- 6.5 A provision of Rs. 210.00 lakh was made in the year 2006-07 pending investigation of shortage/ difference in the closing stock of raw coal as on 31.03.07 in between the Kathara colliery and Kathara washery. The said provision has been retained as on 31.03.2009 which is considered necessary.

7. SUNDRY DEBTORS

- 7.1 A provision of Rs. 14417.29 lakh (previous year Rs. 7810.83 lakh) has been made during the year against disputed dues on the basis of fair estimate. The total provision of Rs. 40352.00 lakh (after utilizing against Bad Debt written off Rs. 4702.29 lakh) as on 31.3.2009 is considered adequate.
- 7.2 Sundry Debtors balances are subject to confirmation by the parties. The requisite procedures shall be followed in the next financial year.

8. LOANS & ADVANCES AND OTHER CURRENT ASSETS

- 8.1 Pending final hearing by the Commissioner of Payments in respect of claims of Rs. 51.94 lakh receivable on account of certain collieries of Dhori Group, transferred from Bharat Coking Coal Limited, no adjustment has been made in this account.
- 8.2 Sundry Debtors, Advances, Stores in Transit and Claims Receivable include some old items pending reconciliation/ review and adjustments to appropriate accounts.
- 8.3 Provision of Rs. 4631.15 lakh (previous year Rs. 38.35 lakh) has been made during the year towards long pending advances and claims. Total provision of Rs. 5537.83 lakh (after write back of the excess provision of Rs. 4.27 lakh which had been made in earlier years) up to 31.3.09 is considered adequate (Refer Sch-K, L & M).

9. CURRENT LIABILITIES & PROVISIONS

- 9.1 By virtue of enactment of Cess and Other Taxes on Minerals (Validation) Act, 1992, the Company, in 1992-93, raised supplementary bills on customers up to 4th April, 1991 for Rs.10033.04 lakh on account of cess and sales tax thereon. The said amount has been included in statutory dues payable for cess and sales tax under the head "Current liabilities and Provisions"(Sch-N) with corresponding Debit in "Claims Receivable-Cess"(Sch-M).
- 9.2 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2009. This information as required to be disclosed under the MS & MED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- 9.3 Sundry creditors, other current liabilities includes some old items pending reconciliation and review and adjustments to appropriate accounts.

10. PROFIT AND LOSS ACCOUNT

- 10.1 The liability towards Incremental Gratuity for the year amounting to Rs. 38448.41 lakh (previous year Rs. 10185.45 lakh) has been provided on actuarial basis making a total provision of Rs. 112959.72 lakh (Previous year 74511.31 lakh). Incremental actuarial liability on account of gratuity & others because of pay revision over and above the actuarial liability calculated on the basis of pre-revised salary is Rs. 34605.26 lakh.

- 10.2 An amount of Rs. 8348.30 lakh has been provided in the accounts during the year towards leave encashment & HPL (Previous year Rs. 1315.65 lakh)making a total provision of Rs. 19721.90 lakh .(Previous year Rs. 11373.60 lakh). Incremental actuarial liability on account of EL and HPL because of pay revision over and above the actuarial liability calculated on the basis of pre-revised salary is Rs. 5108.38 lakh.
- 10.3 Interest amounting to Rs. 3929.96 lakh charged by the Holding Company (previous year Rs. 5800.58 lakh) has been accounted for during the year.
- 10.4 Apex charges amounting to Rs. 4238.01 Lakh (previous year Rs. 2471.92 lakh) levied by the Holding Company @ Rs. 5 per tonne of coal produced towards rendering various services like procurement , marketing, Corporate Service etc. based on agreement entered into, have been accounted for.
- 10.5 IICM charge amounting to Rs. 216.22 lakh (previous Year Rs. 220.00 lakh) levied by the Holding Company @ Rs. 0.50 per tonne of coal produced, has been accounted for.
- 10.6 In terms of CIL's letter No. CGM(F)/126/07 dtd. 08.04.2004 a charge of Rs. 2619.00 lakh (Previous year Rs. 2520.60 lakh) levied by the Holding Company @ Rs. 6.00 per tonne of coal released during 2008-09 towards Rehabilitation fund for dealing with fire, shifting and stabilization of unstable areas have been accounted for.
- 10.7 Pursuant to the finalization of the NCWA-VIII wage agreement an amount of Rs. 42389.27 lakh has been provided in the year 2008-09 towards salary & wages including PF thereon. Similary in the case of Executives Pay–Revision an amount of Rs. 12510.67 lakh has been provided in the year 2008-09 towards salary and including PF thereon. The year-wise revision is tabulated below :

(Rs. in lakh)

	2006-07	2007-08	2008-09	Total
Non-Executives	9560.70	13873.14	18955.43	42389.27
Executives	848.32	3936.17	7726.18	12510.67

11. GENERAL

- 11.1 In terms of lease agreement , the Company has granted a right to occupy and use the assets of the Company. The cost of gross carrying amount at the beginning of the year is Rs. 5428.73 lakh. The accumulated depreciation as at the end of the year Rs. 4335.09 lakh. Depreciation for the year is Rs. 286.47 lakh. The future minimum lease payment receivable in the aggregate during the period of lease is Rs. 6578.00 lakh. The details of future lease payment receivables are as under:

	2008-09 (Rs. in lakh)
(i) Not later than one year	393.67
(ii) Later than one year and not later Than five years	1161.67
(iii) Later than five years	4962.66
Total	6518.00

There is no provision relating to contingent lease rent.

- 11.2 The Bonds received on securitization of dues from State Electricity Boards, from the State Government of Uttar Pradesh and Haryana are treated as long time investment and is valued at cost. During the year under audit an amount of Rs. 942.30 lakh has been redeemed.
- 11.3 In compliance with AS-22, Deferred Tax Assets has been recognized for Rs. 64601.80 lakh for the year 2008-09 making a total net deferred tax asset for Rs. 22142.64 lakh as on 31.03.2009. The total deferred tax assets is Rs. 56499.53 lakh, liable to reversal in one or more subsequent period(s) , consists of Doubtful debts , Gratuity and Leave encashment on actuarial basis, provision for Loans & Advances, Obsolescence of stores and carry forward of expenditures of VRS and P&B etc. Similarly, the deferred tax liability, being the difference of WDV of fixed assets as per books and as per I.T. Rules, is Rs. 8102.27 lakh.
- 11.4 As per Significant Accounting Policy No. 12.1 for Opencast mine with a rated capacity of 1 Million Tonnes or above, OBR Accounting is to be done. However, it has not been followed in case of Amla Project since inception i.e. during the last 22 years.
- 11.5 The Company has reviewed the useful life of LHD and SDL during the year. Consequently, depreciation rates of those categories have been revised (vide policy No.8.1), resulting in additional charge of depreciation of Rs. 115.81 lakh and profit for the year is lower to that extent.
- 11.6 The Carpet coal at colliery as measured by CIL Measurement Team, is 0.74 lakh tonne which has been included in adopted stock of 132.32 lakh tonne as on 31.03.09. The quantity of carpet coal is only 0.56% of the total quantity of coal at collieries, as adopted in the accounts of 2008-09. While valuing carpet coal, digging cost equivalent to loading cost is deducted from net realizable value of the coal in case the stock is valued at NRV.
- 11.7 Pursuant to detailed technical assessment of required quantity and the methodology to be adopted by a constituted committee of CIL in respect of the provision for land reclamation, back filling and the other corrective activities within the purview of EMP/ EIA Act in regard to OC mines and U/G mines, total estimated provision equivalent to Rs. 121.53 lakh has been made in the year 2008-09. The total provision as on 31.03.2009 is Rs. 2254.15 lakh (Previous year Rs. 2132.62 lakh).
- 11.8 Defined Benefit Plans (where it is unfunded) as per actuarial valuation as on 31st March, 2009 and recognized in the financial statement in respect of the components of the employer expense and the present value of obligation at the end of the year as per certificate of the actuary is furnished below :

In the case of Gratuity Liability:

	As at 31.03.2009
Present value of obligation at the beginning of the year	7451130607
Acquisition Adjustment	0
Interest Cost	556703722
Past Service Cost	0
Current Service Cost	466394580
Curtailment cost	0
Settlement Cost	0
Benefits paid	984668141
Actuarial gain/loss on obligations	3806410830
Present value of obligation at the end of the year	11295971599

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

	As at 31.03.2009
Present value of obligation at the beginning of the year	1137360226
Acquisition Adjustment	0
Interest Cost	81948314
Past Service Cost	0
Current Service Cost	541932667
Curtailement cost	0
Settlement Cost	0
Benefits paid	226012589
Actuarial gain/loss on obligations	436960814
Present value of obligation at the end of the year	1972189433

In both the cases, the changes in Fair Value of Plan Assets and the Fund Status is not applicable as the scheme is unfunded.

12. EFFECT OF EXCHANGE FLUCTUATION:

- 12.1 Coal India Limited (Holding Company) has entered into Principal- Only Swap (POS) transaction which will entitle CIL to receive dollar at a fixed rate prevailing on the trade date, for repayment of IBRD loan falling due on different dates from 15.11.2005 to 15.05.2007. The loan amount covered under such Swap transaction has therefore been revalued at fixed rates prevailing on the trade dates. The balance amount of IBRD Loan(not covered under SWAP transaction) and the amount of JBIC(JEXIM) loan have been revalued at the spot USD/INR Rate and JPY/INR rate respectively prevailing on 31.03.09. As a result, there is a adverse impact of Rs. 3257.21 lakh which have been debited to P&L Account.

13. DIRECTORS REMUNERATION*(Rs. in lakh)*

Particulars	Chairman/Managing Director		Functional Directors	
	2008-09	2007-08	2008-09	2007-08
Salary & Allowances (including Gratuity & leave encashment)	20.33	6.09	25.88	37.61
Provident Fund	2.06	0.73	3.18	3.66
Perquisites	1.06	0.50	3.03	0.00

Note : Perquisites do not include value/charges for furniture rent and electric energy and use of Company's car which have been recovered as per rules of the Company and value of free medical facilities in Company's hospitals.

14. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 4C AND 4D OF PART-II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

(a) Licenced Capacity, Installed Capacity and Actual Production :

(Fig. in lakh tonne)

Class of Goods	Licenced Capacity		Installed Capacity		Actual Production	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Coal	NA	NA	NA	NA	432.36	441.46
Washed Coal:						
(a) Coking	48.10	48.10	48.10	48.10	17.09	18.38
(b) Non Coking	86.40	86.40	86.40	86.40	68.37	65.95
Slurry (Coking)/Washed Coal Power	NA	NA	NA	NA	16.16	20.59
Hard Coke	NA	NA	NA	NA	0.00	0.00
Soft Coke	NA	NA	NA	NA	0.00	0.00
Total					533.98	546.38

- (i) Licensed Capacity registered with appropriate authorities. No industrial license is required for production of these goods.
- (ii) Installed Capacity has been certified by Company's Technical Expert.

(b) Particulars in respect of Outside Despatch :

*(Value Rs. in lakh)
(Quantity tonnes in lakh)*

Class of Goods	2008-09		2007-08	
	Quantity	Value	Quantity	Value
Coal	321.64	393190.08	294.63	334891.76
Washed Coal				
(a) Coking	17.42	80986.64	18.70	61547.60
(b) Non-Coking	67.33	91622.61	66.84	80364.55
Middlings/Slurry/Washed Coal Power	18.53	26700.66	18.41	26912.79
Hard Coke	0.00	0.00	0.00	0.00
Soft Coke	0.00	0.00	0.00	0.00
Bye-Products	6.27	5337.37	5.16	2337.79
Total	431.19	597837.36	403.74	506054.49

*Outside dispatch of 0.80 lakh of Non-Coking Slurry is not included in the quantity of Middling/Slurry/WCP.

(C) Particulars in respect of finished stocks :*(Value Rs. in lakh)
(Quantity tonnes in lakh)*

Class of Goods	2008-09		2007-08	
	Quantity	Value	Quantity	Value
(I) Opening Stock :				
Coal	139.31	65978.97	113.72	51032.82
Washed Coal				
(a) Coking	1.48	2744.33	1.80	699.29
(b) Non-Coking	0.29	309.86	1.18	2705.73
Middlings/Slurry (coking)/Washed Coal Power	16.25	16601.21	14.07	13659.13
Hard Coke	0.017	63.98	0.018	65.69
Soft Coke	0.0004	0.69	0.0004	0.69
Bye-Products	0.06	103.23	0.06	103.23
Magnetite	0.003	1.61	0.003	1.61
Total	157.4104	85803.88	130.8514	68268.19

*(Value Rs. in lakh)
(Quantity tonnes in lakh)*

Class of Goods	2008-09		2007-08	
	Quantity	Value	Quantity	Value
(II) Closing Stock				
Coal	132.32	66105.57	139.31	65978.97
Washed Coal :				
(a) Coking	0.82	1770.01	1.48	2744.33
(b) Non-Coking	1.33	1285.51	0.29	309.86
Middlings/Slurry/(coking)/Washed Coal Power	11.41	11297.37	16.25	16601.21
Hard Coke	0.017	62.39	0.017	63.98
Soft Coke	0.0004	0.69	0.0004	0.69
Bye-Products	0.06	103.23	0.06	103.23
Magnetite	0.003	1.61	0.003	1.61
Total	145.9604	80626.38	157.4104	85803.88

Washed Coal excludes contaminated coal of 83795 tonnes (Previous year 83795 tonnes).

(d) Details of coal consumed in Washeries, Coke Ovens and Soft Coke Making :*(Value Rs. in lakh)
(Quantity tonnes in lakh)*

Class of Goods	2008-09		2007-08	
	Quantity	Value	Quantity	Value
Washeries	114.85	101929.97	121.25	103705.66
Coke Oven	0.00	0.00	0.00	0.00
Soft Coke	0.00	0.00	0.00	0.00
Total	114.85	101929.97	121.25	103705.66

(e) Value of imported and indigenous stores, spares parts and components consumed:*(Rs. in lakh)*

Particulars	2008-09	Per (%)	2007-08	Per. (%)
Imported	687.49	1.43	527.36	1.07
Indigenous	47292.51	98.57	48338.24	98.93
TOTAL	47980.00	100.00	48865.60	100.00

(f) CIF Value of Imports :*(Rs. in lakh)*

	2008-09	2007-08
Components & Spares Parts	855.35	908.23
Capital Goods	215.88	0.00
TOTAL	1071.23	908.23

(g) Expenditure incurred in Foreign Currency on account of (As per debit advice of Holding Company) :*(Rs. in Lakh)*

	2008-09	2007-08
(i) Interest	344.69	420.72
(ii) Agency Commission	0.43	0.39
Total	345.12	421.11

15. EFFECT CONSEQUENT TO CHANGES IN THE AMENDED ACCOUNTS:

The Accounts for the year 2008-09 with Notes on Accounts approved by the Board of Directors in its 358th meeting held on 04.06.2009 reported upon by Statutory Auditors on 06.06.2009 have been revised resulting in decrease in profit of Rs. 3358.12 lakh in pursuance of audit

mema issued by the Comptroller & Auditor General of India U/S 619(4) of the Companies Act, 1956.

As a result of revision the following changes have been made in the Profit & Loss Accounts and Balance Sheet.

1. Profit & Loss Account **(Rs. in Lakh)**

Decrease in Net profit before Tax(PBT) (-) 3358.12

Represented by

(a) Increase in Employees Remuneration & Benefits	(-)	92.00	
(b) Increase in Power & Fuel	(-)	2055.40	
(c) Increase in Contractual Exps.	(-)	70.79	
(d) Increase in Misc. Expenses	(-)	770.75	
(e) Increase in Depreciation	(-)	163.69	
(f) Decrease in stock of coal	(-)	70.48	
(h) Increase in Colliery Consumption	(-)	21.61	
(i) Increase in Social Overhead Exp.	(-)	113.40	
			(-) 3358.12

2. Balance Sheet

(a) Decrease in Net Block	(-)	163.69	
(b) Increase in Current Liabilities & Provision.	(-)	820.85	
(c) Decrease in current assets, Loans & Advances	(-)	92.09	
(d) Decrease in I.Tax Provision	(-)	1335.00	
(e) Decrease in proposed dividend including I.T.	(-)	946.49	
			(-) 3358.12

Due to above changes in Profit & Loss Account and Balance Sheet, Sch-2(b),Sch-3, Sch-6, Sch-7,Sch-8, Sch-10, Sch-11 and depreciation of the Porfit & Loss Account and Sch-F, Sch-I, Sch-N, Sch-Q, Sch-R and Sch-S of the Balance Sheet have been modified/ corrected.

16. During the year various heads of account of Balance Sheet and Profit & Loss Account have been rearranged /regrouped and accordingly previous year's figures to the extent possible have been rearranged/ regrouped to make them comparable.

17. Figures have been expressed in "Lakh" and rounded off to the nearest thousand.

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

Sd/-
D. K. Ghosh
Chief General Manager (Finance)

Sd/-
T. K. Chand
Director (Personnel)

Sd/-
R. K. Saha
Chairman-cum-Managing Director

Place : Delhi
Dated : 29.06.2009

Place : Patna
Dated : 01 July, 2009

Signed for identification
For **M/s Anand Rungta & Co.**
Chartered Accountants
Sd/-
(S. K. Shahi)
Partner

SCHEDULE - "R"**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS :**

Registration No.	:	581
State Code	:	34
State	:	Jharkhand
Balance Sheet Date	:	31.03.2009

II. CAPITAL RAISED DURING THE YEAR (Amount Rs. in lakh):

Public Issue	:	NIL
Right Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount Rs. in lakh) :

Total Liabilities	:	865934.29
Total Assets	:	865934.29

Sources of Funds :

Paid-up Capital	:	94000.00
Reserve & Surplus	:	120682.60
Secured Loan	:	0.00
Unsecured Loans	:	29397.58

Application of Funds:

Net Fixed Assets	:	175825.19
Investments	:	6596.12
Deferred Tax Assets (Net)	:	56499.53
Net Current Assets	:	5159.34
Misc. expenditure	:	0.00
Accumulated Loss	:	0.00

IV. PERFORMANCE OF COMPANY (Amount Rs. in lakh) :

Turnover (Net)	:	521088.78
Total Expenditure (Net)	:	588016.70
Profit/Loss before Tax	:	76380.39
Profit /Loss after Tax	:	48992.91
Earning per Share (Rs.) (on par value of Rs. 1000 per share)	:	521.20
Dividend Rate %	:	20.85

V. GENERIC NAMES OF PRINCIPAL PRODUCTS OF COMPANY :

Item Code No. (ITC Code)	:	270112.00	Product Description	:	BITUMINOUS COAL
Item Code No. (ITC Code)	:	270119.01	Product Description	:	COKING COAL
Item Code No. (ITC Code)	:	270400.03	Product Description	:	HARD COKE

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

Sd/-
D. K. Ghosh
Chief General Manager (Finance)

Sd/-
T. K. Chand
Director (Personnel)

Sd/-
R. K. Saha
Chairman-cum-Managing Director

Place : Delhi
Dated : 29.06.2009

For M/s Anand Rungta & Co.
Chartered Accountants
Sd/-
(S. K. Shahi)
Partner

Place : Patna
Dated : 01 July, 2009

SCHEDULE - S**CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR 2008-09***(Rs. in Lakh)*

	Current Year	Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra-ordinary items	74251.27	104303.09
Adjustment for :		
Depreciation	5508.41	19919.56
Deferred Tax	-22142.64	-12951.11
O.B.R. Adjustment	7198.27	10356.62
Adjustment for Transitional Provision	0.00	-13292.92
Interest on Investment (Tax Free Bonds)	-961.14	-359.93
Interest on Short Term Deposit	-9780.27	-1719.42
Interest on Surplus Fund Parked with CIL	-1808.95	-7121.62
Interest & Finance Charges	4681.65	6600.02
	-17304.67	1431.20
Operating Profit before working Capital Changes	56946.60	105734.29
Adjustment for :		
Increase (-)/Decrease (+) in Loans & Advances	-50064.28	-16739.72
Increase (-)/Decrease (+) in Debtors	-20395.50	-6913.67
Increase (-)/Decrease (+) in Inventories	2311.62	-17754.43
Increase (-)/Decrease (+) in Other Current Asset	-332.01	740.38
Decrease (-)/Increase (+) in Current Liabilities	123667.52	95163.58
	55187.35	54496.14
Cash Flow before Extra Ordinary items	112133.95	160230.43
Prior Period Adjustment	2129.12	-778.58
Cash Flow from Operating Activities	114263.07	159451.85
Tax Provision	-30717.99	-45219.21
Net Cash Flow from Operating Activities	83545.08	114232.64

B CASH FLOW FROM INVESTING ACTIVITIES

Purchased/Acquisition of Fixed Assets (Net of Adjustment)	-9424.18	-23612.97
Interest on Short Term Deposit	9780.27	1719.42
Redemption of Tax Free Power Bonds	942.30	942.30
Interest on Surplus Fund Parked with CIL	1808.95	7121.62
Interest on Investment (Tax Free Bonds)	961.14	359.93
	4068.48	-13469.70

C CASH FLOW FROM FINANCING ACTIVITIES

World Bank Loan through CIL	3257.21	-92.15
Repayment of World Bank Loan	-1147.40	-932.88
Repayment of CIL Loan	-15000.00	-15000.00
Interest & Finance Charges	-4681.65	-6600.02
	-17571.84	-22625.05

**Net Increase/Decrease in Cash and Cash Equivalent
(A+B+C)**

70041.72	78137.89
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Cash and Cash equivalent as on 01.04.2008 (Refer to Sch. K of the Balance Sheet)	111546.67	33408.78
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Cash and Cash equivalent as on 31.03.2009 (Refer to Sch. K of the Balance Sheet)	181588.39	111546.67
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70041.72	78137.89
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Sd/-
C. V. N. Gangaram
Company Secretary

Sd/-
D. K. Ghosh
Chief General Manager (Finance)

Sd/-
T. K. Chand
Director (Personnel)

Sd/-
R. K. Saha
Chairman-cum-Managing Director

Place : Delhi
Dated : 29.06.2009

Place : Patna
Dated : 01 July, 2009

In terms of our report of even date
For **M/s Anand Rungta & Co.**
Chartered Accountants
Sd/-
(S. K. Shahi)
Partner

ADDENDUM TO DIRECTORS' REPORT

(Under Section 217 (3) & 227 (2) of the Companies Act, 1956)

AUDITORS' REPORT

MANAGEMENT'S REPLY

To

The Members,

We have audited the attached Balance Sheet of Central Coalfields Limited as at 31st March 2009 and also the Profit & Loss Account of the Company and Cash Flow statement for the year ended on that date, in which are incorporated the accounts of the Areas audited by respective Branch Auditors. The report of the Branch Auditors as submitted and forwarded to us have been considered by us in preparing this report. These financial statements are the responsibility of the management. Our responsibility is to express our opinion on these financial statements based on audit conducted by us as well as by the Branch Auditors for the respective area.

We conducted our Audit in accordance with Auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation, we believe that our audit provides reasonable basis for our opinion.

- 1A. The statement of Accounts together with Notes thereon approved by the Board of Directors in their meeting held on 4th June, 2009 and reported thereon by us on 6th June, 2009; have been revised and amended at Head office, including in respect of certain areas/ branches; which were audited by the Branch Auditors to give

AUDITORS' REPORT**MANAGEMENT'S REPLY**

effect to the observations of the Comptroller and Auditor General of India. Accordingly, the Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date read together with Accounting Policy and Notes thereon have been amended as per Note No.15 of Schedule-Q and the impact of amendment of the accounts are summarised as follows :

Decrease in Net Fixed Assets Rs.163.69
lakh

Decrease in current assets Rs. 92.09 lakh

Increase in Current Liabilities
& Provisions Rs. 820.85 lakh

Decrease in net profit
(before Tax) after adjustment
of Prior Period Account Rs. 3358.12 lakh

Decrease in net profit(after
Tax) after adjustment of Prior
Period Account Rs. 2023.12 lakh

- 1B. As required by the Companies (Auditors' Report) Order, 2003 issued by the Government of India in term's of Section 227(4A) of the Companies Act, 1956 we annex hereto a statement on the matter specified in paragraphs 4 & 5 of the said order, to the extent applicable to the Company.
2. Further to our comments in annexure referred to in paragraph 1 above and subject to our observations contained in paragraphs 3 to 8 to follow and our inability to quantify the impact of Profit, assets and liabilities in the absence of proper information/ explanation and record at the end of the Company as stated in appropriate part of those paragraphs read together with " Significant Accounting Policies" in Schedule-P and other Notes in " Notes on Accounts" in Schedule-Q we report that:
- 2.1 We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

AUDITORS' REPORT

MANAGEMENT'S REPLY

- 2.2a In our opinion, proper books of account, as required by law, have been kept by the Company so far as, appears from our examination of those books.
- 2.2b The Branch Auditor's Report made available to us, has been appropriately dealt with while preparing our report.
- 2.3 The said Balance Sheet and Profit & Loss Account are in agreement with the books of account.
- 2.4 In our opinion, the Balance Sheet and Profit & Loss Account and Cash flow statement dealt with this report comply with the Accounting Standards referred to in Sub-Section 3(c) of Section 211 of the Companies Act, 1956. However, we draw attention to point No. 3.1, 5.4, 8.3 & 18.3 on Schedule "P" regarding Interest on delayed payment; accounting of surveyed-off assets; depreciation on CWIP and related party information respectively. Full disclosure as required under AS-15 ® and AS-29 have not been made and in absence of details compliance of AS-28, regarding Impairment of Assets could not be ensured. Provision for post retirement Medical Benefit to employees (in absence of actuarial valuation) has not been made in the accounts as AS-15.
- 2.5 As explained to us and as per Notification No. GSR 829(E) issued by Department of Company Affairs the provisions of Section 274(1)(g) of the Companies Act, 1956 are not applicable to a Government Company.
- 2.6 In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (a) In the case of the Balance Sheet, of the State of affairs as on 31st March, 2009 and

AUDITORS' REPORT**MANAGEMENT'S REPLY**

- (b) In the case of Profit & Loss Account, of the Profit for the year ended on that date, and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

3. FIXED ASSETS (SCHEDULE - F)

- | | | |
|-----|---|---|
| 3.1 | Amount of un-assessed tenancy land as well as unpaid amount of Rs. 1.66 crore in respect of assessed tenancy land have not been accounted for; resulting under capitalisation of land and its' impact on profit due to non-amortisation of land; as stated in Note No. 4.3 of Schedule-Q. | This is a continuous process. The existing procedure of ascertaining the quantum of Tenancy land and the unpaid amount thereon is being followed consistently. |
| 3.2 | Capital Work-in-Progress includes both tangible and intangible assets including Advances and payments for Railway Siding Rs. 9918.06 lakh that have been appearing since long. In absence of linking and information about present status, we are unable to verify the same. | Some facilities / assets do remain idle for some time due to technical or economical reason. Sometimes it requires considerable time to bring the assets for its intended use. However, Idle assets no longer required, are expensed after proper scrutiny at the year end. |
| 3.3 | Plant & Machinery pertaining to closed mines and other fixed assets which is not in use for considerable time continue to be shown under Fixed Assets schedule (Refer Note No. 4.4 in Schedule-Q); instead of being surveyed-off. | A review regarding further use of the assets or otherwise to be gainfully used is carried out every year end and necessary accounting is made in respect of the assets which is no longer considered necessary. |
| 3.4 | The right, title and interest for land & mining , taken over from holding and its' subsidiary companies and others at the time of nationalisation are not supported by title deeds and not available for our verification, as such we are unable to comment on the same. | Lease of coal mines nationalized under Coal Mines(Nationalization) Act, 1973 were vested in Coal Mines Authority Limited by statutory Order No. GSR/345-E dtd. The 9th July, 1973, New Delhi. Thus, individual title deeds are not available with the Company. |

4. INVENTORIES (SCHEDULE - I)

- | | | |
|-----|--|--|
| 4.1 | The provision of Rs. 18.26 lakh has been made during the year, in respect of non-moving stores and spares at Regional stores only (Refer para 7.4 on Schedule-P); but in absence of thorough technical | Provisions made against stock of obsolete and damaged stores has been considered to be adequate by the management. There is well defined policy in this regard. The assessment of items which are obsolete and un-moved for more |
|-----|--|--|

AUDITORS' REPORT

review of the position of non-moving/ obsolete / unserviceable stores and spares; we are unable to comment on the adequacy of the provision made in this respect.

5. SUNDRY DEBTORS (SCHEDULE-J)

5.1 Confirmation of balances due from Sundry Debtors were not available for our verification.

5.2 In absence of year wise break up of unlinked debit balance of Rs.30.24 lakh due from cash sale parties, we are unable to express opinion on it's realisability or adjustability.

6. LOANS AND ADVANCES (SCHEDULE-L) OTHER CURRENT ASSETS (SCHEDULE-M)

6.1 Confirmation in respect of various debit and credit balances of parties included in " Loans & Advances"; " Other Current Assets" and balances of CIL and its' other subsidiaries were not available for our verification and as such we are unable to comment on its correctness and impact on the profit and other accounts.

6.2 The claim for refund of Sales Tax relating to 1985-86 onwards is still pending and in absence of details; amount involved and present position could not be ascertained.

6.3 Deposit others includes Rs 3712.16 Lakh being deposit of Royalty / Cess and Rs.5466.77 lakh being deposit of sales tax against cases under appeal, etc. During the year Rs. 4605.63 lakh only has been provided against above and so implication of the balance amount on Profit, asset and liability could not be ascertained.

7. CURRENT LIABILITIES AND PROVISION (SCHEDULE-N)

7.1 The Company has not accounted for a sum of Rs. 214.21 lakh payable to BCCL, a

MANAGEMENT'S REPLY

than five years is made by the external firms of accountants. .

System of taking confirmation from Debtors is not in vogue . However, Sundry debtors balances are reconciled at regular intervals.

This is a case of negative balances in respect of advance deposit related to cash sale. The reconciliation of such balance is a continuous process and adjustment shall be carried out in due course.

The system of taking confirmation from outside parties is not in vogue. However, the balances with major sundry debtors and creditors are reconciled at regular intervals.

The amount is due from Government and can not be considered bad because of the expiry of the limitation period of the same.

This is a case of demand in dispute in respect of Royalty and Sales Tax claim. The amount has been paid to authority under protest. All the cases are lying with the appropriate forum and are consistently being followed up. However, the said amount has been shown as contingent liability to the extent the amount has not been crystallized as liability.

This is a very old case pertaining to the year 1986. Debit note of Rs. 307.36 lakh showing the transfer

AUDITORS' REPORT**MANAGEMENT'S REPLY**

subsidiary Company of Coal India limited, since 1990-91, relating to its Gore Mine Project. In the absence of information, the effect on Assets and Liabilities could not be ascertained.

7.2 Up-to-date status of assessment and appeal towards Sales Tax and position of non receipt of Sales Tax declaration forms and Royalty could not be verified in some of the areas in the absence of necessary documents or information with consequent inability on our part to comment on any additional liability incidental or contingent thereon lying un-provided/ undisclosed.

8 GENERAL:

8.1 We observed, as in the earlier years, that in the consolidated Central Ledger at the Headquarters a number of entries relating to different areas have been passed after completion of audit by the area auditors. The final position of Profit/Loss and Balance Sheet after such entries have not been certified by the respective Area Auditors.

8.2 Debit/Credit balances against various parties in Sundry Creditors/Loans & Advances have been deducted from gross aggregate of Sundry Creditors/loans & Advances instead of adding the debit/credit aggregate of respective accounts with Loans & Advances/Current Liabilities. The quantum of understatement of Sundry Creditors/ Loans and Advances and Current liabilities remain unascertainable for non-availability of detailed information from the Company.

8.3 Due to non-availability/ verification of some schedules of current assets and current liabilities in some Areas we are unable to comment about impact of the same; If any, on the accounts.

8.4 We draw attention to point No. 6.3; 6.5; 9.2 and 11.4 on Schedule - "Q" regarding

value of the assets and liabilities was sent by BCCL . Out of which, stock of magnetite valued at Rs. 76.13 lakh and sundry debtors amounting to Rs. 138.08 lakh was not considered due to litigation about the stock and lack of details about debtors.

Up-to-date status of assessment towards sales tax and royalty are available with concerned project/unit. However, any liability arising out of such assessment is accounted for in the year of settlement as per the extant policy of the Company.

This is a statement of fact. Due to un-avoidable circumstances at the time of the merger of the Company's Accounts some journal entries to be passed at Headquarters' level, the impact of which are transferred to the Areas account.

Linking up of the old balances of loans & advances with that of the Sundry Creditors and Liabilities is being followed regularly. However, CCL has generally followed the procedure of not netting up of the credit balance in Sundry Debtors and loans & Advances and debit balance in the Sundry Creditors and Loans & Advances. The balances in such cases are shown as per the requirement of the Sch-VI of the Companies Act, 1956.

Noted for necessary action.

Regarding the shortage on physical verification the details has been furnished vide point no. 6.3

AUDITORS' REPORT

shortage/surplus found on physical verification of coal, coke etc. within +/-5% over book stock (colliery wise), is ignored pursuant to Accounting Policy (refer para 7.1 of Schedule-P), however substantial shortage found during the year in Raw Coal, Clean Coal & Slurry at Kathara(W) remained unexplained; provision for shortage/ difference of raw coal; non-disclosure of details about MICRO, Small and Medium Enterprises and non –accounting of OBR in Amlo Project.

8.5 In absence of Expert legal opinion/latest position of cases/litigation against the company as referred in Note No. 1 of Schedule-Q, we are unable to express our opinion on additional liability, if any, which are required to be provided under AS-29 lying un-provided.

8.6 The technical data are submitted by the management in respect of Advance Stripping, Coal Exposed, Over Burden Removal (OBR), Average Ratio, Current Ratio, Ratio Variance etc, in the matter of OBR Accounting . Since OBR calculation is a technical assessment, we are unable to express our opinion on the adequacy and correctness of the same.

For Anand Rungta & Co.,
Chartered Accountants

Sd/-
(S. K. Shahi)
Partner
(Membership No.071510)

Place: Patna

Date: 01.07.2009

MANAGEMENT'S REPLY

to the Notes on Accounts(Sch-Q) and valuation has been made pursuant to the Accounting Policy(Refer para 7.1 of Sch-P) pending the investigation. Regarding the disclosure of MICRO the reference has been made to the Notes to the Accounts(Sch-Q) refer para- 9.2. The review as regard to the accounting of OBR in Amlo Project shall be made in the year 2009-10 and the accounting shall be made if required necessary.

The individual cases have been examined with reference to the conditions existed at the reporting date as well as the additional events after the Balance Sheet date. No such liabilities have been crystallized under AS-29.

This is a statement of fact. However, the review is conducted by the CMPDIL on regular intervals .

AUDITORS' REPORT TO THE MEMBERS

(As referred in paragraph-1 of our report of even date)

AUDITORS' REPORT	MANAGEMENT'S REPLY
<p>1. In respect of its fixed assets:</p> <p>(a) The Company has generally maintained records to show particulars of fixed assets including quantitative details and location.</p> <p>(b) Physical verification of fixed assets have been conducted at reasonable interval except verification of surveyed off Assets. However no Physical verification of fixed assets conducted at Giridih area & Dhori . Further, physical verification of all the fixed assets have not been done at Hazaribagh, Bokaro Coalfields Washeries, Kathara & Kuju Area and discrepancies, if any; have not been worked out at Hazaribagh and B&K Area. Discrepancies observed during the course of physical verification in other areas stated not to be material, have been adjusted.</p> <p>(c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year, which would affect the going concern status of the Company.</p>	<p>The Physical verification is carried out at the time of survey off of the P&M as well as the time of disposal through auction. Regarding the physical verification of the asset and the reconciliation of the same with the fixed assets registers for the areas , where such verification has not been done, the point has been noted for necessary action.</p> <p>This is a statement of fact, hence, calls for no comment.</p>
<p>2. In respect of its inventories:</p> <p>(a) Stock of coal, coke etc. has been physically verified by way of volumetric measurement with reference to contour map at each mine, by Coal Measurement Team of CIL at the year-end and by the CCL team at reasonable interval. The procedure of physical verification of coal, coke etc. appears to be reasonable and adequate in relation to the size of the Company and nature of its business.</p> <p>(b) Physical verification of major part of stock of Stores and Spare parts of Regional Stores have been done by the management/ outside agencies at reasonable interval and/ or at year end. However there is no procedure for physical</p>	<p>This is a statement of fact, hence, calls for no comment.</p> <p>The follow up is being made on regular basis so as to improve the position with regard to up-dation, maintenance , reconciliation and verification of the stock of stores. In the case of Giridih Area physical verification should be done. At Bokaro Coalfield Washeries, where the discrepancies were</p>

AUDITORS' REPORT

verification of stores at Giridih. Again, no physical verification Report of stores and spares was received at Kuju, Dhori, Kathara, North Karanpura and Hazaribagh area. At Bokaro Coalfield Washeries discrepancies between physical stock and the book stock were material for which no book adjustment has been made. The procedure of physical Verification appears to be inadequate and considering the size of the area and nature of its business, coverage and frequency of physical verification need to be increased and reviewed and efforts should be made to make meaningful use of verification reports.

- (c) In our opinion, present system of SPL accounting which results into converting some non moving items into moving items and system of merging two items having high difference in prices in one code, etc. needs review for avoiding such stock mismatches.
- (d) Discrepancies found on physical verification compared to the book records in respect of Coal, Coke etc. which were not material have not been dealt with in the accounts; keeping in view the Accounting Policy No.7.1 of Schedule-P as shortage/ surplus was within +/- 5% over book stock. We are unable to state that discrepancies observed during physical verification of stock of stores and spares have been properly dealt with in the books in view of details at para 2(b) above.
- 3(a) The Company has deposited surplus fund of Rs.8621.28 lakh with its holding Company Coal India Limited.
- (b) As per information and explanations given to us, the holding company has allowed interest @ 10.18% on surplus fund parked with holding company. Considering the relationship of holding company with its subsidiary company, we are unable to express our opinion.

MANAGEMENT'S REPLY

material i.e. more than +/-5%,the physical stock has been adopted as per accounting policy of the Company. The frequency of audit has also been increased over the years and the Internal Auditors have been submitting the report regularly. However, necessary action is being taken so as to bring the required improvements in receipt of audit report in time.

The system shall be improved through the completion of NL/PL reconciliation. Necessary action is being taken so as to bring required improvement in the existing system.

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. 7.1 of Sch-P.

This is a statement of fact. Hence, it calls for no comment.

This is a statement of fact. Hence, it calls for no comment.

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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|--|--|
| <p>(c) As per information and explanations given to us, the receipt of interest is regular and there is no programme prescribed for repayment of Principal amount.</p> | <p>This is a statement of fact in respect of receipt of interest. In the case of the loan, CCL has adopted a steady policy till the loan amount becomes NIL.</p> |
| <p>(d) The Company has taken loan from one party, M/s Coal India Limited, the holding company, amounting to Rs. 15727.44 lakh (including foreign loans through CIL).</p> | <p>This is a statement of fact. Hence, it calls for no comment.</p> |
| <p>(e) As per information and explanations given to us, the holding company has charged interest @ 12.25% to 13.75% on loan amount. Considering the relationship of holding company with its subsidiary company, we are unable to express our opinion.</p> | <p>This is a statement of fact. Hence, it calls for no comment.</p> |
| <p>(f) As per information and explanations given to us, there is no loan agreement prescribing repayment schedules and as such, we are unable to express any opinion on the payment of the principal and interest.</p> | <p>This is a statement of fact. But the Company has adopted a consistent policy to repay the loan on a regular basis.</p> |
| <p>4. In our opinion, there are reasonable internal control system commensurate with the size of the company and nature of its business relating to purchase of inventory and fixed assets and for sale of goods and services subject to certain lapses, such as long time lag between receipt of materials and recording of liabilities and/or adjustment with the advances, non maintenance of proper records for unexecuted orders and non receipt of goods ,or non/delayed accountal of such cases for which payments were made, non maintenance of inward bill register at the basic operational unit etc. As per our test checks and as reported by the Branch Auditors there is no serious continuing failure to correct major weakness in internal control system.</p> | <p>This is a statement of fact. However, the existing system is being reviewed for improvement.</p> |
| <p>5. In respect of transactions covered under Section 301 of the Companies Act, 1956:</p> | |
| <p>(a) According to the information and explanation given to us, in our opinion the Company has entered particulars of</p> | <p>This is a statement of fact. Hence, it calls for no comment.</p> |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

contracts or arrangements referred to in Section 301 of the Act in the register maintained under that Section.

(b) According to the information and explanation given to us, in our opinion transactions made in pursuance of such contracts or arrangements have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.

6 The Company has not accepted deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.

7. The Company has an Internal Audit System. Reports of Internal Auditors pertaining to the financial year under audit were not available in some area for our or Branch auditors' reference. Further, the Coverage of Internal Audit is for the calendar year and not for whole Financial Year and in some Areas it was inadequate. The internal audit, in our opinion, leaves scope for improvement in widening scope and coverage of audit specially transaction audit to make it commensurate with the size and operations of the company, regular follow up actions and disposal of internal audit comments by the management.

8. As explained to us by the Management, the Central Government has not prescribed maintenance of Cost records under section 209(1)(d) of the Companies Act, 1956 for the products of the Company.

9(a) According to the information and explanations given by the Company, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues are generally deposited regularly and no undisputed dues were outstanding as at

This is a statement of fact. Hence, it calls for no comment.

This is a statement of fact. Hence, it calls for no comment.

Presently, Audit Report for January to December i.e. the calendar year is made available. Thus, the statutory auditors have access to the internal audit report on a continuous basis. As for the increase in the coverage of scope of internal audit, the issue will be taken up with the CIL, the Holding Company.

This is a statement of fact. Hence, it calls for no comment.

This is a statement of fact. Hence, it calls for no comment.

AUDITORS' REPORT**MANAGEMENT'S REPLY**

31st March, 2009 for a period of more than six months from the date of becoming payable, except an amount of Rs.1.25 lacs (unreconciled) which relates to Rajhara area in respect of Provident Fund pertaining to earlier years pending since long; Rs. 28.98 lakh relating to Rajhara area in respect of Service Tax; Rs. 1595.37 lakh relating to Piparwar Area in respect of Service Tax and Rs. 565.45 lakh relating to North Karanpura Area in respect of Service Tax. As informed to us Investor Education and Protection Fund and Employees' State Insurance Act are not applicable to the Company.

9(b) According to the information and explanations given by the Company, there is no disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise, Cess that have not been deposited on account of matters pending before appropriate authorities except the cases which are stated in Appendix –1 to the report.

10. There is no accumulated loss of the Company at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.

11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

12. The records and documents relating to loans and advances granted by the Company to the ex-army personnel for purchase of vehicle by way of pledge of the vehicles and Housing / Vehicle loans to employees were not made available to us, so we are unable to comment on the adequacy of documentation and records relating to such loans and advances.

In the case of disputed dues of sales tax, royalty, cess etc. advance payment is to be made to the authority as a pre-requisite for appeal. The same amount has been shown as Loans & Advances. Contingent Liabilities for the total amount disputed has been shown in the Notes on Accounts.

This is a statement of fact. Hence, it calls for no comment.

This is a statement of fact. Hence, it calls for no comment.

There are well defined procedures which are required to be complied with before the approval/ release of Loans & advances granted to the employees. Adequate documentation is available with the Company. No loans and advances are given to Ex-Army personnel. The HEMM was handed over to Ex-Service men for transportation purposes under a special package earlier but the said system has been dispensed with.

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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|---|--|
| 13. In our opinion, the Company is not a chit fund or a Nidhi/Mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company. | This is a statement of fact. Hence, it calls for no comment. |
| 14. The Company has not done any transactions for trading in Shares, securities, debentures and other investments. The Company has maintained proper records of transactions and contracts in respect of power bonds allotted to the company by Power companies under tripartite agreement. All power bonds have been held by the Company in its own name. | This is a statement of fact. Hence, it calls for no comment. |
| 15. The Company has not given guarantees for loans taken by others. However, The company through its' holding company CIL entered into an agreement with State Bank of India consortium to avail cash credit facility and charge has been created against the Current Assets of the Company amounting to Rs.8300.00 lakh in favour of State Bank of India and members of its consortium for a loan of Rs.8300.00 lakh. However, the said facilities have not been availed by the company during the year. | This is a statement of fact. Hence, it calls for no comment. |
| 16. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, We are of the opinion that the term loans were applied for the purpose for which the loans were obtained. | This is a statement of fact. Hence, it calls for no comment. |
| 17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, We report that no funds raised on short-term basis have been used for long-term investment by the Company. | This is a statement of fact. Hence, it calls for no comment. |
| 18. During the year the Company has not made any preferential allotment of shares. | This is a statement of fact. Hence, it calls for no comment. |
| 19. The Clauses 4(xix) & (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company. | It calls for no comment. |

AUDITORS' REPORT

MANAGEMENT'S REPLY

20. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.

It calls for no comment.

For Anand Rungta & Co.,
Chartered Accountants

Sd/-
(S. K. Shahi)
Partner
(Membership No.071510)

Place: Patna

Date: 01.07.2009

DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.09

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
1. Mines & Mineral Act				
Piparwar	Royalty & Cess	5.51	1991-92	Supreme Court
Total		5.51		
Kathara Area	Royalty	6.52	1980	Hon'ble Supreme Court of India
	Royalty	12.77	1986-87	Hon'ble Supreme Court of India
	Royalty	11.91	1987-88	Hon'ble Supreme Court of India
	Royalty	84.01	1988-89	Hon'ble Supreme Court of India
	Royalty	5.73	1989-90	Hon'ble Supreme Court of India
	Royalty	17.65	1993-94	Hon'ble Supreme Court of India
	Royalty	627.84	1994-95	Hon'ble Supreme Court of India
	Royalty	792.46	1998-99	Hon'ble Supreme Court of India
	Royalty	25.36	2001-02	Hon'ble Supreme Court of India
	Royalty	9.89	2004-05	Hon'ble Supreme Court of India
Total		1594.14		
Bokaro & Kargali Area	Royalty & Cess	161.76		Info. Not supplied by Branch auditor
Total		161.76		
Dhori	Royalty	1353.64	1999-00	HC (Ranchi)
	Royalty	837.31	2004-05	
Total		2190.95		
Barka Sayal	Royalty	27.38	1999-00	ADDL Collector (H'Bagh)
	Royalty	66.35	1999-00	ADDL Collector (H'Bagh)
	Royalty	52.23	2002-03	ADDL Collector (H'Bagh)
	Royalty	34.65	2002-03	ADDL Collector (H'Bagh)
	Royalty	23.03	1998-99	Certificate Officer (H'Bagh)
	Royalty	7.35	1994-95	ADDL Collector (H'Bagh)
	Cess	960.27	1999-00	SC
	Cess	857.40	2008-09	ADDL Collector (H'Bagh)
	Cess	113.12	2008-09	ADDL Collector (H'Bagh)
	Cess	2.40	2008-09	ADDL Collector (H'Bagh)
	Cess	34.40	2008-09	ADDL Collector (H'Bagh)
Total		2178.66		
ARGADA AREA				
Religara Colliery				Various Auth.
Argada Colliery	Royalty & Cess	47.52	2002-03	Comm. H'Bagh
Sirka Colliery	Royalty & Cess	27.15	2002-03	Comm. H'Bagh
	Royalty & Cess	148.57	2002-03	Comm. H'Bagh
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Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
Gidi - C	Royalty & Cess	57.60	2007-08	Comm. H'Bagh
	Royalty & Cess	16.37	1995-96	Comm. H'Bagh
	Royalty & Cess	108.76	1996-97	Comm. H'Bagh
	Royalty & Cess	2.04	2000-01	Comm. H'Bagh
	Royalty & Cess	0.92	1997-98	Comm. H'Bagh
	Royalty & Cess	0.14	1998-99	Comm. H'Bagh
Total		409.07		
Giridih	Royalty & Cess	4268.09	—	Info. not supplied by Branch Auditor
Total		4268.09		
RAJRAPPAAREA				
Rajrappa Proj.	Royalty	58.48	1991-92	H. C. (Appeal)
	Cess	1171.24	1991-92	Supreme Court
	Royalty & Cess	4.02	1994-95	DMO, H'Bagh
	Royalty & Cess	38.88	1992-93	H. Q.
	Royalty	34.05	1986-87	H. Q.
Total		1306.67		
North Kampura Area				
Dakra	Royalty & Cess	55.24	1990-91	Court of Cer. Off.
	Royalty & Cess	459.17	1994-95	Court of Cer. Off.
	Royalty & Cess	34.91	1991-92	Court of Cer. Off.
	Royalty & Cess	12.39	2006-07	Court of Cer. Off.
	Royalty & Cess	0.98	2004-05	Court of Cer. Off.
Total		562.69		
HAZARIBAGHAREA				
Kedla Washery				
Laiyo U/G Proj.	Royalty & Cess	30.54	—	Supreme Court
	Royalty & Cess	4.35	1986-87	High Court, Ranchi
	Royalty & Cess	4.16	—	High Court, Ranchi
Total		39.05		
2. Sales Tax Act				
Rajhara				
	BST	0.57	1995-96	ACCT, Palamau
	CST	0.49	1995-96	ACCT, Palamau
	CST	0.45	2000-01	ACCT, Palamau
	BST	15.50	1995-96	JCCT, Ranchi Division
	CST	25.83	1995-96	ACCT, Palamau
	BST	5.33	1996-97	JCCT, Ranchi Division
	CST	0.37	1996-97	JCCT, Ranchi Division
	BST	1.90	1998-99	ACCT, Daltonganj
	BST	0.68	1999-00	ACCT, Daltonganj
	CST	ijj0.11	1999-00	
	Total		51.23	

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
Piparwar	C.S.T./J.S.T.	6.39	1991-92	Appellate Tribunal
	C.S.T./J.S.T.	60.21	1992-93	Appellate Tribunal
	C.S.T./J.S.T.	696.36	1993-94	Appellate Tribunal
	C.S.T./J.S.T.	453.76	1994-95	Appellate Tribunal
	C.S.T./J.S.T.	1585.99	1995-96	Appellate Tribunal
	C.S.T./J.S.T.	192.85	1996-97	Appellate Tribunal
	C.S.T./J.S.T.	121.29	1997-98	Appellate Tribunal
	C.S.T./J.S.T.	2045.51	1998-99	Appellate Tribunal
	C.S.T./J.S.T.	468.20	1999-00	Appellate Tribunal
	C.S.T./J.S.T.	206.88	2000-01	Appellate Tribunal
	C.S.T./J.S.T.	936.81	2001-02	Appellate Tribunal
	C.S.T./J.S.T.	841.10	2002-03	Appellate Tribunal
	C.S.T./J.S.T.	750.04	2003-04	Appellate Tribunal
	C.S.T./J.S.T.	210.36	2004-05	Appellate Tribunal
	Total		8575.75	
Kathara Area	C.S.T.	14.20	1991-92	DCCT, Bermo at Phusro
	C.S.T.	35.99	1992-93	DCCT, Bermo at Phusro
	C.S.T./B.S.T.	6.69	1999-00	DCCT, Bermo at Phusro
	C.S.T./B.S.T.	14.45	2000-01	JCCT, Hazaribagh
	C.S.T.	1.99	2001-02	DCCT, Bermo at Phusro
	C.S.T.	46.97	2002-03	DCCT, Bermo at Phusro
	C.S.T./J.S.T.	334.83	2003-04	DCCT, Bermo at Phusro
	C.S.T./J.S.T.	271.37	2004-05	DCCT, Bermo at Phusro
	C.S.T./J.S.T.	360.19	2005-06	DCCT, Bermo at Phusro
Total		1086.68		
Bokaro Washeries Area				
Kathara (ws)	J.S.T.	2.11	1997-98	Tribunal
		16.09	1998-99	Tribunal
		0.50	2004-05	
	C.S.T.	9.33	2005-06	
		0.24	1997-98	Tribunal
		8.20	1998-99	Tribunal
Sawang (ws)	J.S.T.	13.15	2004-05	Tribunal
		2.91	1991-92	Tribunal
		2.69	1994-95	Tribunal
		0.15	2000-01	JCCT, H'Bagh
		58.83	2002-03	JCCT, H'Bagh
		5.33	2003-04	JCCT, H'Bagh
		0.38	2004-05	JCCT, H'Bagh
		0.37	2005-06	JCCT, H'Bagh

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
	C.S.T.	11.12	1991-92	Tribunal
		5.94	1993-94	DCCT, Phusro
		131.83	1996-97	JCCT, H'Bagh
		0.83	2000-01	JCCT, H'Bagh
		0.48	2002-03	JCCT, H'Bagh
		0.58	2003-04	JCCT, H'Bagh
		30.08	2004-05	JCCT, H'Bagh
		1.05	2005-06	JCCT, H'Bagh
Total		302.19		
Dhori	CST/JST/BST	0.02	1985-86	
	CST/JST/BST	3.62	1988-89	S. T. Tribunal, Hazaribagh
	CST/JST/BST	3.40	1989-90	S. T. Tribunal, Hazaribagh
	CST/JST/BST	4.45	1990-91	S. T. Tribunal, Hazaribagh
	CST/JST/BST	17.43	1991-92	S. T. Tribunal, Hazaribagh
	CST/JST/BST	119.40	1992-93	S. T. Tribunal, Hazaribagh
	CST/JST/BST	33.81	1993-94	S. T. Tribunal, Hazaribagh
	CST/JST/BST	18.47	1994-95	S. T. Tribunal, Hazaribagh
	CST/JST/BST	17.06	1995-96	S. T. Tribunal, Hazaribagh
	CST/JST/BST	8.73	1996-97	S. T. Tribunal, Hazaribagh
	CST/JST/BST	27.45	1997-98	S. T. Tribunal, Hazaribagh
	CST/JST/BST	4.62	1998-99	S. T. Tribunal, Hazaribagh
	CST/JST/BST	4.70	1999-00	S. T. Tribunal, Hazaribagh
	CST/JST/BST	1.20	2000-01	S. T. Tribunal, Hazaribagh
	CST/JST/BST	62.38	2003-04	S. T. Tribunal, Hazaribagh
	CST/JST/BST	85.89	2004-05	S. T. Tribunal, Hazaribagh
	CST/JST/BST	89.37	2005-06	S. T. Tribunal, Hazaribagh
Total		502.00		
Barka Sayal	CST/JST	1112.74	1990-2008	—
Total		1112.74		
ARGADAAREA				
Religara Colliery	BST	0.28	2000-01	STO, H'Bagh
	CST	0.28	2000-01	STO, H'Bagh
	CST	13.09	1989-90	
	BST	0.17	2001-02	J. Comm. Com. Tax, H'Bagh
	CST	0.37	2001-02	JCCT, H'Bagh
	BST	0.10	2002-03	JCCT, H'Bagh
	CST	2.27	2002-03	J. Comm. Com. Tax, H'Bagh
	BST	0.54	2003-04	J. Comm. Com. Tax, H'Bagh
Sirka Colliery	CST	3.66	2003-04	J. Comm. Com. Tax, H'Bagh

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Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
Giddi 'A'	CST	44.50	2008-09	JCCT, H'Bagh
	CST/JST	55.33	1988-89	DCCT, H'Bagh
	CST/JST	94.51	1989-90	DCCT, H'Bagh
	CST/JST	12.84	1990-91	DCCT, H'Bagh
	CST/JST	4.42	1991-92	Tribunal, Patna
	CST/JST	10.46	1992-93	Tribunal, Patna
	CST/JST	30.59	1994-95	Tribunal, Ranchi
	CST/JST	2.05	1995-96	Tribunal, Ranchi
	CST/JST	3.13	1996-97	Tribunal, Ranchi
	CST/JST	29.61	1998-99	JCCT, H'Bagh
	CST/JST	71.70	1999-00	JCCT, H'Bagh
	CST/JST	1.04	2000-01	JCCT, H'Bagh
	CST/JST	50.78	2001-02	JCCT, H'Bagh
	CST/JST	131.13	2002-03	JCCT, H'Bagh
	CST/JST	115.08	2003-04	JCCT, H'Bagh
	CST/JST	589.93	2004-05	JCCT, H'Bagh
Giddi 'C'	CST/JST	992.28	2005-06	JCCT, H'Bagh
	CST/BST	77.68	1990-91	
	CST/BST	9.47	1992-93	
	CST/BST	12.09	1993-94	
	CST/BST	12.89	1994-95	
	CST/BST	1.34	1995-96	
	CST/BST	3.40	1997-98	
	CST/BST	42.28	1998-99	
	CST/BST	3.41	1999-00	
	CST/BST	0.19	2000-01	
	CST/BST	0.85	2001-02	
	CST/BST	23.07	2002-03	
	CST/BST	17.13	2003-04	
Total		2463.94		
KUJUAREA Kuju Siding	JST	1799.68		
	CST	511.08		
	CST/JST	826.81	1998-99	In Appeal
	CST/JST	118.62	1999-00	In Appeal
	CST/JST	664.53	2000-01	In Appeal
	CST/JST	968.25	2001-02	In Appeal
	CST/JST	311.49	2002-03	In Appeal
	CST/JST	620.59	2003-04	In Appeal
	CST/JST	1018.30	2004-05	In Appeal
	CST/JST	680.07	2005-06	In Appeal
Kuju Colliery	CST/JST	32.67	2001-02	In Appeal
	CST/JST	18.81	2002-03	In Appeal
		120		

CENTRAL COALFIELDS LIMITED

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
Pundi Colliery	CST/JST	34.86	2003-04	In Appeal
	JST	28.07	1996-97	In Appeal
	JST	43.12	1998-99	In Appeal
	JST	3.64	1999-00	In Appeal
	JST	7.16	2000-01	In Appeal
	JST	63.34	2001-02	In Appeal
	JST	15.47	2002-03	In Appeal
Ara Colliery	JST	10.00	2003-04	In Appeal
	JST	0.88	2000-01	In Appeal
	JST	120.87	2001-02	In Appeal
	JST	93.67	2002-03	In Appeal
	CST	1.54	2002-03	In Appeal
	JST	0.33	2005-06	In Appeal
Sarubera Colliery	CST	0.57	2005-06	In Appeal
	JST	80.00	2003-04	In Appeal
	JST	99.73	2004-05	In Appeal
	CST	0.96	2004-05	In Appeal
Topa Colliery	JST	0.53	2005-06	In Appeal
	JST	0.27	1996-97	In Appeal
	JST	0.12	1998-99	In Appeal
	JST	0.46	2000-01	In Appeal
	JST	27.38	2001-02	In Appeal
	JST	108.01	2002-03	In Appeal
	JST	140.00	2003-04	In Appeal
	JST	0.07	2004-05	In Appeal
	CST	0.18	2004-05	In Appeal
Total		8452.13		
Girdih	CST/BST	6.53	—	Info. not supplied by Branch Auditor
Total		6.53		
RAJRAPPAAREA				
R. R. P. Washery	CST	75.10	1993-94	DCCT, H'Bagh
	CST	77.80	1994-95	DCCT, H'Bagh
	CST	75.16	1995-96	DCCT, H'Bagh
	CST/BST	89.21	1996-97	Tribunal, Ranchi
	CST/BST	30.25	1997-98	DCCT, H'Bagh
	CST	56.88	1998-99	DCCT, H'Bagh
	CST/BST	14.43	1999-00	DCCT, H'Bagh
	CST/JST	24.39	2000-01	JCCT (Appeal), H'Bagh
	CST/JST	41.35	2001-02	JCCT (Appeal), H'Bagh
	JST	25.20	2005-06	JCCT (Appeal), H'Bagh
		121		

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
Rajrappa Project	CST/MAT	741.34	2006-07	JCCT (Appeal), H'Bagh
	JST	0.43	2003-04	JCCT (Appeal), H'Bagh
	JST	0.61	2004-05	JCCT (Appeal), H'Bagh
	JST	0.43	2005-06	JCCT (Appeal), H'Bagh
Total		1252.58		
North Kampura Area Dakra	Sales Tax	234.93	2001-02 to 1990-06	Lower Court
		119.22	1993-94 to 1998-99	Appellate Authority
Total		354.15		
Bokaro & Kargali Area	CST/JST	445.54	—	—
		326.54		
Total		772.08		
HAZARIBAGH AREA				
Jharkhand OCP	CST	4.49	1992-93	Tribunal
	JST	0.12	2001-02	
PEOCP	CST	400.05		CCT, Ranchi
	JST	2.52		JCCT (Appeal)
	CST	4.50	1996-97	JCCT (Appeal)
	JST	9.03	1996-97	JCCT (Appeal)
	JST	3.10	1999-00	JCCT (Appeal)
	JST	0.78	2000-01	JCCT (Appeal)
	JST	0.69	2001-02	JCCT (Appeal)
	JST	0.50	2002-03	JCCT (Appeal)
	CST	0.12	2002-03	JCCT (Appeal)
	JST	39.28	2004-05	JCCT (Appeal)
	CST	209.23	2005-06	JCCT (Appeal)
	Tapin North	CST	895.17	2004-05
JST		0.12	1999-00	Tribunal
CST		0.15	1999-00	Tribunal
JST		0.29	2004-05	JCCT (Appeal)
CST		21.14	2004-05	JCCT (Appeal)
JST		133.19	2005-06	JCCT (Appeal)
Tapin South	CST	71.87	2005-06	JCCT (Appeal)
	CST/JST	0.34	1999-00	JCCT (Appeal)
	CST	0.31	1999-00	JCCT (Appeal)
	CST/JST	0.51	2001-02	JCCT (Appeal)
		122		

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
Reg. Stores, Parej	CST/JST	0.17	2001-02	JCCT (Appeal)
	JST	23.55	1998-99	Tribunal
Kedla Washery	CST	705.27	1998-99	Tribunal
	CST	0.32	2000-01	Tribunal
	BST	2.51	2000-01	Tribunal
	CST	0.48	2000-01	Tribunal
	CST	0.88	2001-02	Tribunal
	BST	0.37	2001-02	Tribunal
	CST/BST	0.80	1999-00	JCCT (Appeal)
	CST	21.67	2001-02	JCCT (Appeal)
	BST	2.62	2001-02	JCCT (Appeal)
	CST	0.11	2002-03	JCCT (Appeal)
	JST	2.52	2002-03	JCCT (Appeal)
	JST	0.61	2003-04	JCCT (Appeal)
Laiyo U/G Project	JST	0.47	2004-05	JCCT (Appeal)
	Sales Tax	0.03	1988-99	HQ
		0.03	2000-01	HQ
Total		2559.91		
3. Electricity Duty				
Kathara Area	E. D.	125.35		Commissionor of Commercial Taxes, Jharkhand, Ranchi
Total		125.35		
Barka Sayal		112.24		
Total		112.24		
CWS/CS	E. D.	9.71	1998-99 to 2005-06	Management level
Total		9.71		
Girdih	E. D.	1130.00	—	Info. not supplied by Branch Auditor
Total		1130.00		
Bokaro & Kargali Area	E. D.	501.15	—	Info. not supplied by Branch Auditor
Total		501.15		
Total		1766.21		

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Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
ARGADAAREA				
Sirka Colliery	E. D.	3.05	2004-05	JCCT, H'Bagh
Sirka Colliery	E.D.	5.34	2004-05	JCCT, H'Bagh
Religara Colliery	E. D.	5.35	2005-06	JCCT, H'Bagh
	E. D.	5.57	2006-07	JCCT, H'Bagh
Religara Colliery	E. D.	6.04	2007-08	JCCT, H'Bagh
	E. D.	0.71	1998-99	JCCT, (Appeal) H'Bagh
	E. D.	2.21	1999-00	JCCT, (Appeal) H'Bagh
	E. D.	2.34	2000-01	JCCT, (Appeal) H'Bagh
	E. D.	2.15	2001-02	JCCT, (Appeal) H'Bagh
Giddi 'C'	E. D.	1.84	2002-03	JCCT, (Appeal) H'Bagh
	E. D.	1.01	1999-00	JCCT, (Appeal) H'Bagh
	E. D.	2.98	2000-01	JCCT, (Appeal) H'Bagh
	E. D.	3.59	2001-02	JCCT, (Appeal) H'Bagh
	E. D.	7.45	2002-03	JCCT, (Appeal) H'Bagh
	E. D.	7.52	2003-04	JCCT, (Appeal) H'Bagh
Total		57.15		
RAJRAPPAAREA				
Rajrapa Proj.	Surcharge on E. D.	4.61	2003-04	JCCT, (Appeal) H'Bagh
	Surcharge on E. D.	4.76	2004-05	JCCT, (Appeal) H'Bagh
	Surcharge on E. D.	4.34	2005-06	JCCT, (Appeal) H'Bagh
	Surcharge on E. D.	8.77	2006-07	JCCT, (Appeal) H'Bagh
	Surcharge on E. D.	6.22	2007-08	JCCT, (Appeal) H'Bagh
Total		28.70		
4. Excise Duty				
5. Surface Rent				
Dhori	Surface land rent	154.92	2005-06	
Total		154.92		
Girdih	Surface land rent	133.97	—	Info. not supplied by Branch Auditor
Total		133.97		
Kathara Area	Surface land rent	61.32	—	Info. not supplied by Branch Auditor
Total		61.32		
TOTAL		350.21		
		124		

Name of the Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which relates	Where Dispute is pending
6. Workmens Compensation Act				
Hazaribag Area	Compensation	42.94		
Total		42.94		
7. Entry Tax				
Kuju Area	Entry Tax	73.17	—	Info. not supplied by Branch Auditor
Total		73.17		
Dhori	Entry Tax	14.93	2003-04	
	Entry Tax	213.11	Various Year	H. C., Ranchi
Total		301.21		
8. Others				
Girdih	—	1.72	—	Various Authorities
Total		1.72		
CWS/CS	Int. & Surcharge of JSEB	145.62		Mines rescue station, Ramgarh
Total		145.62		
Bokaro & Kargali Area	Various Authorities	15.16		Info. not supplied by Branch Auditor
Total		15.16		
ARGADAAREA				
Gidi Washery	Cess, S. Tax, E. D.	2530.18	Various Years	—
Total		2530.18		
Barka Sayal		236.63	Various Years	Various Authorities
Total		236.63		
Bokaro Coalfield Washeries Area				
Kathara Washery	Interest & Maint. Charges of Railways	42.58	1998-99 to 2005-06	Info. not supplied by Branch Auditor
	-do-	7.72	2006-07	
	Claim DVC for Raw Water Supply	0.59	1970-1995	
Total		50.89		