

Memorandum of Understanding

Between

Coal India Limited

&

Central Coalfields Limited

2021–22

Central Coalfields Ltd-MoU 2021-22.

Sl. No.	Name of Parameter	Unit	Weightage	Target 2021-22
1	Revenue from Operations (Net)	Rs. crore	5	12811.00
2	Asset Turnover Ratio	%	5	74.39
3	EBITDA as a percentage of Revenue	%	10	17.88
4	Return on Net-worth	%	10	20.38
5	Return on Capital Employed	%	5	27.72
6	Earnings Per Share	Rs.	15	1366
7	Trade Receivables (Net) as number of days of Revenue from Operations	No. of Days	5	57
8	Production of Coal	MT	20	80
9	Capex	Rs. Cr.	15	1850
10	Capex achievement till end of 3 rd quarter (31 st December)	Rs. Cr.	3	1665
11	Quality of Coal: -Actual achievements of grades	%	3	90
12	Overburden Removal	Mill. Cu. m	4	128.00
		Total	100	

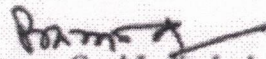
Notes:

- Quality of Coal: Grade achievements, Percentage achievement = (Weighted Avg realizable basic price per Te / Weighted Avg basic price per Te) *100. Minimum achieved percentage should be 80% for prorata marks.
- Proportionate marks for achievement of 50% to 100% Targets-Applicable to all except for parameter at Sl. No. 10 & 11. No marks for achievement below 80% of Targets for parameter at Sl. 11. For Sl. No. 10 No marks if targets not achieved by Q3. No marks for achievement below 50% of target for rest of the parameters except parameter on "Earnings per Share".

Explanation: Weighted Avg realizable basic price per tonne means the Weighted Avg realizable basic price per tonne corresponding to the supplies during the reporting year for which final third-party sampling/joint sampling/referee result, as applicable and acceptable to both parties, have been received by the respective subsidiaries till the reporting date. Similarly, the Weighted Avg basic price per Te means Weighted Avg basic price per Te as per the billed amount corresponding to the supplies during the reporting year for which final third-party sampling/joint sampling/referee result, as applicable and acceptable to both parties have been received by the respective subsidiaries till the reporting date

Compliance Parameters for 2021-22

Sl. No.	Parameter	Marks	Source/Verification
1	25% of Total Procurement from GEM Portal: (Procurement of goods and services through GeM Portal during the year as per GeM)/(Total Procurement of goods and services during the previous year as per Sambandh portal)*100	-2	On the basis of GeM Portal and Sambandh Portal & Certification through Board Resolution
2	DPE Guidelines on select matters: (i) Pay Revision guidelines and review of profitability of CPSEs for pay revision (ii) Expenditure Management Economy Measures and Rationalization of Expenditure (iii) Guidelines on Accessible India Campaign (Sugamya Bharat Abhiyan) (iv) Guidelines on implementation of Apprenticeship Act, 1961 (v) Guidelines issued time to time on CSR Expenditure by CPSEs.	-2	On the basis of CAG Reports etc. & Certification through Board Resolution
3	Compliance of provisions in the Companies Act, 2013 (or SEBI (LODR) regulations in case of listed entities) on Corporate Governance such as: (i) Composition of Board of Directors (ii) Board Committees (Audit Committee etc.) (iii) Holding Board Meetings (iv) Related Party Transaction (v) Disclosure and Transparency	-3	On the basis of CAG/ Statutory/Secretarial Auditor Report (s) & Certification through Board Resolution
4	Targets as given by DIPAM/NITI Aayog: i. Dividend Pay-out ii. Asset Monetization Milestones iii. Specific disinvestment Milestones	-2	As per Audited Annual Accounts/Annual Report or Certification through Board Resolution
5	Procurement and timely payment to Micro Small and Medium Enterprises (25% of Procurement of goods or services through MSEs (including 4% from SC/ST MSEs and 3% from Women MSEs) during the year as per Sambandh Portal/ (Total Procurement of goods and services during the year as per Sambandh Portal)	-2	On the basis of Sambandh Portal & Certification through Board Resolution
6	Steps and initiatives taken for health & Safety improvement of Human Resources in CPSEs (Target to be prescribed by CIL)	-1	Certification through Board Resolution


Chairman, Coal India Ltd.

Date: -


Chairman Cum Managing Director, Central Coalfields Ltd.

Date: -

22/03/2022