**COAL INDIA LIMITED**
**A Maharatna Company**
**CIN: L23109WB1973GOI028844**
Registered office-Coal Bhawan, Premises No-04 MAR, Plot No-AF-III,
Action Area-1A, New town, Rajarhat, Kolkata-700156
Tel No-033-23245555, Fax No-033-23246510
Email-complianceofficer.cil@coalindia.in, Website: www.coalindia.in

## NOTICE

**Dated: 12.07.2019**

**Notice of Forty-Fifth Annual General Meeting of Coal India Limited**

NOTICE is hereby given to the members of Coal India Limited that the Forty-fifth Annual General Meeting of the Company will be held on **Wednesday, the 21st August, 2019 at 10.30 A.M** at Science City, Auditorium, JBS Haldane Avenue, Kolkata -700046 to transact the following businesses:

**ORDINARY BUSINESS:**

**1**. To receive, consider and adopt:

a. the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.

b. the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019 and Statement of Profit & Loss for the year ended on that date and the Report of Statutory Auditor and Comptroller and Auditor General of India thereon.

**2.** To approve 1st and 2nd Interim dividend paid on equity shares for the Financial Year 2018-19 as final dividend for the year 2018-19.

**3.** To appoint a director in place of Smt. Reena Sinha Puri [DIN-07753040] who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and Article 39(j) of Articles of Association of the Company and being eligible, offers herself for reappointment.

**SPECIAL BUSINESS:**

**ITEM No.4**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities, Smt. Loretta M.Vas, [DIN:02544627], who was appointed by the Board of Directors as an

Additional Director in the capacity of an Independent Director of the Company with effect from 17th November, 2018 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company w.e.f 17th November, 2018 till 16th November, 2019 or until further orders, in terms of Ministry of Coal letter no-21/33/2018-BA(iii) dated 17th November, 2018. She is not liable to retire by rotation.

**ITEM No.5.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities, Dr. S. B. Agnihotri, [DIN:03390553], who was appointed by the Board of Directors as an Additional Director in the capacity of an Independent Director of the Company with effect from 17th November, 2018 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company w.e.f 17th November, 2018 till 16th November, 2019 or until further orders, in terms of Ministry of Coal letter no-21/33/2018-BA(iii) dated 17th November, 2018. He is not liable to retire by rotation.

**ITEM No.6**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities, Dr. D.C. Panigrahi, [DIN:07355591], who was appointed by the Board of Directors as an Additional Director in the capacity of an Independent Director of the Company with effect from 17th November, 2018 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company w.e.f 17th November, 2018 till 16th November, 2019 or until further orders, in terms of Ministry of Coal letter no-21/33/2018-BA(iii) dated 17th November, 2018. He is not liable to retire by rotation.

**ITEM No.7**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities, Dr. Khanindra Pathak, [DIN:07348780], who was appointed by the Board of Directors as an Additional Director in the capacity of an Independent Director of the Company with effect from 17th November, 2018 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company w.e.f 17th November, 2018 till 16th November, 2019 or until further orders, in terms of Ministry of Coal letter no-21/33/2018-BA(iii) dated 17th November, 2018. He is not liable to retire by rotation.

**ITEM No. 8**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities, Sri Vinod Jain, [DIN:00003572], who was appointed by the Board of Directors as an Additional Director in the capacity of an Independent Director of the Company with effect from 17th November, 2018 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company w.e.f 17th November, 2018 till 16th November, 2019 or until further orders, in terms of Ministry of Coal letter no-21/33/2018-BA (iii) dated 17th November, 2018. He is not liable to retire by rotation.

**ITEM No. 9**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any other statutory modification(s) or re-enactment thereof for the time being in force) the remuneration of Rs. 2,01,094/-, out of pocket expenditures and applicable taxes as set out in the explanatory statement to this Resolution and payable to M/s Balwinder & Associates, Cost Auditor (Registration Number 000201) who was appointed as Cost Auditor by the Board of Directors of the Company to conduct the audit of the cost records of the CIL (Standalone)for the financial year ended 31st March, 2019 be and is hereby ratified."

**ITEM No. 10**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s)

or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities, Shri Sanjiv Soni, [DIN:08173548], who was appointed by the Board of Directors as an Additional Directorto function as Director(Finance), CIL of the Company with effect from 10th July' 2019 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as a Whole time Director of the Company w.e.f 10th July, 2019 till 30.06.2021 i.e the date of superannuation or until further orders, in terms of Ministry of Coal letter no-21/23/2018-BA dated 10th July, 2019. He shall be liable to retirement by rotation.

By order of the Board of Directors
For Coal India Limited
Sd/-

(M. VISWANATHAN)
GM(F)& Company Secretary

Date : 12.07.2019

**Registered Office:**

CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in

**NOTES:-**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.**

   **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**

2. The Company is providing facility for voting by electronic means (e-voting) and the business set out in the notice will be transacted through such voting. Information and instructions relating to e-voting are given in this notice.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 14th August, 2019 to 21st August, 2019 (both days inclusive) for the purpose of Annual General Meeting.

4. Members are requested to:

   (i) Note that copies of Annual Report will not be distributed at the Annual General Meeting.

   (ii) Bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.

   (iii) Deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the attendance slip.

   (iv) Quote their Folio / Client ID & DP ID Nos. in all correspondence.

   (v) Note that due to strict security reasons, eatables and other belongings are not allowed inside the Auditorium.

   (vi) **Duplicate admission slips will not be provided at the AGM venue.**

5. Members are advised to submit their Electronic Clearing System (ECS) mandates, to enable the Company to make remittance by means of ECS. Those holding shares in physical form may obtain and send ECS mandate form to M/s Alankit Assignments Limited, Registrar & Share Transfer Agent (RTA) of the Company. Those holding shares in Electronic Form may obtain and send ECS mandate form directly to their Depository Participant (DP). Those who have already furnished ECS Mandate Form to the Company/ RTA /DP with complete details need not send it again.

6. Members holding shares in electronic mode may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or M/s Alankit Assignments Ltd cannot act on any request received directly from members holding shares in electronic mode for any change of bank particulars or bank mandates. Such changes are advised only to the Depository Participants (DPs) by the members.

7. Members may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating any person to whom their shares in the Company shall vest on occurrence of events stated

in Form-SH.13. Form-SH.13 is to be submitted in duplicate to M/s Alankit Assignments Limited, RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.

8. Corporate Members intending to send their authorized representative(s) pursuant to section 113 of the Companies Act 2013 to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. An authorized representative of a body corporate member may also appoint a proxy under his signature in the manner provided above.

9. Non-Resident Indian Members are requested to inform M/s Alankit Assignments Limited, immediately of :

   (i) Change in their residential status on return to India for permanent settlement.

   (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC code and address of the bank with pin code number, if not furnished earlier.

10. Members are requested to notify immediately any change of address and Bank Account:

   **i**. to their DP in respect of shares held in dematerialized form, and

   **ii**. to the Company at its Registered Office or to its RTA, M/s Alankit Assignments Ltd. in respect of their physical shares, if any, quoting their folio number.

11. The Board of Directors of your company in its 377$^{th}$ meeting held on 20$^{th}$ December, 2018 had declared 1$^{st}$ interim dividend @ 72.50% (Rs.7.25 per share) on the paid-up equity share capital of the company which was paid on and from 5$^{th}$ January, 2019. The Board of Directors of your company in its 381$^{st}$ meeting held on 14$^{th}$ March, 2019 had declared 2$^{nd}$ interim dividend @ 58.50% (Rs.5.85 per share) on the paid-up equity share capital of the company which was paid on and from 29$^{th}$ March, 2019. Members who have not received or not encashed their dividend warrants may approach M/s Alankit Assignments Limited, Registrar & Share Transfer Agent of the Company for obtaining Demand Draft.

   The Ministry of Corporate Affairs has notified provisions relating to unpaid/unclaimed dividend under Section 124 of Companies Act 2013, Transfer of unpaid Dividend amount to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund [Accounting, Audit, Transfer and Refund] Rules 2017. As per these Rules, dividend which are not encashed/ claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund Authority (IEPF). The new IEPF Rules also mandates the companies to transfer the shares of shareholders whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the Demat account of IEPF Authority. Hence the company urges all the shareholders to encash/claim their respective dividend during the prescribed period. Company has uploaded the details of unclaimed dividend amount lying in unpaid dividend Account on the website of the Company (www.coalindia.in), and also on the website of dividend Ministry of Corporate Affairs (www.mca.gov.in).

   As per Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund [Accounting, Audit, Transfer and Refund] Rules 2017, the Company had also transferred Rs. 5,73,029/- to IEPF Authority on 20.10.2018, towards final Dividend 2010-11. The details are available in CIL website.

   Further the Company had transferred Rs.11979624/- being the unclaimed dividend amount pertaining to Interim Dividend 2011-12 on 11.04.2019 to the IEPF. The Company has been sending reminders to those members having unclaimed dividends before transfer of such dividend(s) to IEPF as per IEPF Rules

2017. Details of the unclaimed dividend are also uploaded as per the requirements on the Company's website www.coalindia.in. Members, who have not encashed their dividend pertaining to Final Dividend 2011-12 and other dividends declared by the company thereafter are advised to write to the Company immediately to claim dividends declared by the Company.

Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company had transferred 13073 equity shares of Rs. 10/- each to the IEPF Account on which final dividend 2010-11 remained unclaimed for seven consecutive years with reference to the due date of 20.10.2018 after following the prescribed procedure.

Company has transferred 7104 shares to IEPF Authorities on 11.04.2019 in respect of Interim Dividend 2011-12 has remained unclaimed for seven consecutive years.

Further, all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from final Dividend of 2011-12 are requested to claim the same at the earliest. In case valid claim is not received by 17th Oct, 2019, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer are uploaded on the "Investors Section" of the website of the Company viz. www.coalindia.in.

Due dates for transfer to IEPF account of unclaimed dividends declared by the company till date are as under:

| Particulars | Declared on | Due date of transfer |
|---|---|---|
| Final Dividend 2011-12 | 18.09.2012 | 17.10.2019 |
| Interim Dividend 2012-13 | 14.03.2013 | 13.04.2020 |
| Final Dividend 2012-13 | 18.09.2013 | 17.10.2020 |
| Interim Dividend 2013-14 | 14.01.2014 | 13.02.2021 |
| Interim Dividend 2014-15 | 27.02.2015 | 01.03.2022 |
| Interim Dividend 2015-16 | 05.03.2016 | 04.04.2023 |
| 1st Interim Dividend 2016-17 | 06.03.2017 | 05.04.2024 |
| 2nd Interim Dividend 2016-17 | 26.03.2017 | 25.04.2024 |
| Interim Dividend 2017-18 | 10.03.2018 | 09.04.2025 |
| 1st Interim Dividend 2018-19 | 20.12.2018 | 19.01.2026 |
| 2nd Interim Dividend 2018-19 | 14.03.2019 | 13.04.2026 |

12. Pursuant to Section 143(5) of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C & AG) under Section 139(5) of Companies Act 2013 and in terms of sub-section(1) of Section 142 of the Companies Act, 2013. Their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine. The Members of your Company in its 27th Annual General Meeting held on 29th September, 2001 authorised the Board of Directors to fix the remuneration of Statutory Auditors.

13. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

14. The Register of Contracts or Arrangements, in which Directors are interested, maintained under section 189 of Companies Act, 2013, will be available for inspection by the members at the AGM.

15. All documents referred to in the accompanying notice are open for inspection at the AGM and such documents will also be available for inspection in physical or in electronic form at the Registered office of the Company during normal business hours on working days from 11.00 AM to 1.00 PM.

16. Members may also note that notice of 45th AGM and Annual Report 2018-19 will be available on the Company`s website, www.coalindia.in and on the website of M/s Alankit Assignments Limited. The physical copies of the aforesaid documents will also be available at the Company's Registered office for inspection during the normal business hours on working days from 11.00 A.M to 1.00 P.M. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: complianceofficer.cil@coalindia.in.

17. In terms of Section 152 of the Companies Act, 2013 Smt. Reena Sinha Puri (DIN-07753040), Director, retires by rotation at the general meeting and being eligible, offers herself for re-appointment. Details of Director seeking appointment or re-appointment as required to be provided pursuant to the provisions of (i) Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) para 1.2.5 of Secretarial Standard on General Meetings ("SS-2"), issued by The Institute of Company Secretaries of India. The Director has furnished the requisite consent/declaration for her re-appointment.

| **Name of Director** | **Smt. Reena Sinha Puri** |
|---|---|
| DIN | 07753040 |
| Date of Birth | 22.01.1964 |
| Nationality | Indian |
| Date of appointment on the Board | 09.06.2017 |
| Qualification | IRS |
| List of Directorships held in other companies | Northern Coalfields Ltd<br>Hindustan Zinc Limited<br>Bharat Aluminium Co. Ltd |
| Chairman/Membership of other Committee in Coal India Ltd | Audit Committee<br>Empowered Sub-Committee |

Profile of Smt. Reena Sinha Puri is given under "Brief profile of Directors" in Annual Report 2018-19.

18. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ M/s Alankit Assignments Limited.

19. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special business is annexed herewith.

20. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company.

21. Route Map to the venue of the meeting is annexed herewith for the convenience of the members to attend the meeting. The prominent landmark for the venue of the meeting is Hotel ITC Sonar.

22. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s Alankit Assignments Limited, for consolidation into a single folio. **SEBI has stipulated that securities of listed companies can be transferred only in dematerialized form from 1st April, 2019. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.**

23. Members are requested to address all correspondences, including dividend matters to our Registrar and Share Transfer Agents on any one of the below mentioned addresses:

| Registered Office | Local Address |
|---|---|
| M/s Alankit Assignments Limited,<br>Alankit Height,<br>3E/7, Jhandewalan Extension,<br>New Delhi-110055<br>Email-id-alankit_rta@alankit.com<br>Ph.no-011-4254-1234/2354-1234<br>Fax-011-4154-3474<br>Toll-free-1860-121-2155<br>Website-www.alankit.com | M/s Alankit Assignments Limited<br>19 R N Mukherjee,<br>Main Building, 2nd floor,<br>Kolkata-700001<br>Email-id-alankit_rta@alankit.com<br>Ph. no-033-4401-4100/4200<br>Toll-free-1860-121-2155 |

**24. STEPS FOR REMOTE E-VOTING :**

Pursuant to section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the notice convening the 45th Annual General Meeting to be held on Wednesday, the 21st August, 2019 at 10.30 A.M at Science City, Auditorium, JBS Haldane Avenue, Kolkata -700046 through remote e-voting services provided by NSDL.

The remote e-voting facility is available at the links www.evoting.nsdl.com

The electronic voting particulars are set out below:

| R-EVEN (REMOTE E-VOTING EVENT NUMBER) | USER-ID | PASSWORD |
|---|---|---|
| | | |

The remote e-voting facility will be available during the following voting period:

| Commencement of remote e-voting | End of remote e-voting |
|---|---|
| August 18, 2019, IST 9.00 A.M. | August 20, 2019, IST 5.00 P.M. |

Please read the instructions given below before exercising your vote.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on 21st August, 2019.

**Voting electronically using NSDL e-Voting system.**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at** https://www.evoting.nsdl.com/

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

| **Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical** | **Your User ID is:** |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12********** then your user ID is 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **"Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the evoting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csrakhidasgupta@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

**General Instructions:**

a) The remote e-voting period will commence on 18th August, 2019 (9:00 AM IST) and ends on 20th August, 2019 (5:00 P.M IST). The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility will be blocked forthwith. During this period, shareholders of the company holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e 14th August, 2019** may cast their vote electronically. A person who is not a member as on cut-off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

b) Any Person who has acquired shares and became Member of the Company after the dispatch of the notice of the AGM but before the cut-off date of **14th August' 2019**, may obtain his/her user ID and sequence number for remote e-voting from Company's Registrar & Transfer Agents, M/s Alankit Assignments Limited, Ltd, Alankit Height,1E/13, Jhandewalan Extension, New Delhi-110055, Email-id alankit_rta@alankit.com, Ph.no-011-4254-1234/2354-1234, Fax-011-4154-3474,Toll-free-1860-121-2155 and can also request for the physical copy of the Annual Report or may obtain the login ID and sequence number by sending a request at **alankit_rta@alankit.com** also.

c) Members who have casted their vote through remote e-voting facility prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. At the venue of the meeting members who have not casted their vote through remote e- voting may cast their vote through electronic voting system. The company has opted to electronic voting system at the meeting and the said facility shall be in operation till all the resolutions are considered and voted upon at the meeting. This may be used for voting by the member holding shares as on the cut-off date and who have not already casted their vote through remote- e-voting or their proxy.

d) Persons whose names are recorded in the Register of Members maintained by M/s Alankit Assignments Ltd, Registrar as on cutoff date i.e 14th August, 2019 shall only avail the facility of remote e-voting or voting through tab at venue of the meeting.

e) In case of any query, members are requested to contact:

Name: Mr. Amit Vishal /Ms. Pallavi Mhatre,

Designation: -Senior Manager /Manager, NSDL,

E-mail id evoting@nsdl.co.in

Address: Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013

Contact details: 022 24994360 / 022 – 24994545 or toll free no. 1800222990.

f) CS Rakhi Dasgupta, Practicing Company Secretary, Sonarpur, Link Road, New Power house, Kol-700150 has been appointed as Scrutinizer to scrutinize the remote e-voting process and polling process in a fair and transparent manner.

g) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 14th August, 2019.

h) The scrutinizer shall, immediately after the conclusion of the voting through electronic voting at the General Meeting, first count the votes cast at the meeting vide electronic voting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours from conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, to Chairman or Director authorized by the Board of the Company.

i) The results of voting along with details of the number of votes cast for and against the Resolution, invalid votes will be declared within 48 hours from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the company's website www.coalindia.in and on the website of M/s NSDL. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office. It shall also be communicated to BSE & NSE.

By order of the Board of Directors
For Coal India Limited
Sd/-
(M. VISWANATHAN)
GM(F) & Company Secretary

Date : 12.07.2019

**Registered Office:**

CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in

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

The following Statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

**Item No.4:**

The Board of Directors in its 376th meeting held on 30th November, 2018 had approved appointment of Ms Loretta M. Vas [DIN:02544627] as an Additional Director to function as an Independent Director and passed the following resolution.

"**RESOLVED THAT** pursuant to Article-39(c) of Articles of Association of the company, Section-161(1) of the Companies Act, 2013 and in terms of letter No.21/33/2018-BA (iii) dated 17th November, 2018 from Ministry of Coal, Board hereby 'takes on record' appointment of Smt. Loretta Mary Vas as an Additional Director to function as an Independent Director on the Board of Coal India Limited for a period of one year from 17th November, 2018 or until further order. She will hold office upto the date of next AGM or the last date on which AGM should have been held whichever is earlier.

"**FURTHER RESOLVED THAT** Company Secretary be and is hereby authorised to take necessary action including filing necessary forms, affixing digital signature and do all such acts and deeds that may be required to give effect to the above resolution."

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended from a member proposing the candidature of Smt. Loretta M.Vas as a director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from her (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Smt. Loretta M. Vas as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 in terms of Ministry of Coal letter no. 21/33/2018-BA (iii) dated 17th November, 2018. She is not liable to retire by rotation.

Smt. Loretta Mary Vas is graduate in B.A. (English), B.Ed., M.A.(Economics), Masters Diploma in Public Administration, M. Phil (Social Sciences) and LLB. She has joined Indian Administrative Service in 1977 and allotted U.P. cadre. She has worked as Secretary, Ministry of Panchayati Raj, GoI, during 2012-14. She was Special Secretary, Addl. Secretary, Department of Economics Affairs, Ministry of Finance during 2008-2011. She was Joint Secretary (Budget) in Ministry of Finance, during 2005-2008. She was Export Commissioner/Joint Secretary in Ministry of Commerce, during 1993-98 and Under Secretary/Dy. Secretary, Festival of India, Department of Culture in 1984-88. She was Vice Chairperson of Ghaziabad Development Authority during 1999-2000 and 2001-2002, Addl. CEO, Greater NOIDA Industrial Development Authority during 1991-93. She had worked in Departments of Health, Education in U.P. Govt., and District Magistrate of Hardoi, Addl. District Magistrate of Lakhimpur Kheri and Sub-Divisional Magistrate of Malihabad, Lucknow.

No Director, Key managerial personnel or their relatives, except Smt. Loretta Mary Vas to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board of Directors considered that in view of the background and experience of Smt. Loretta Mary Vas, it would be in the interest of the company to appoint her as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 or until further orders. The Board recommends the resolution as set forth in Item no.4 for the approval of the members.

**Item No. 5:**

The Board of Directors in its 376th meeting held on 30th November, 2018 had appointed Dr. S.B. Agnihotri [DIN: 03390553] as an Additional Director to function as an Independent Director and passed the following resolution.

**"RESOLVED THAT** pursuant to Article-39(c ) of Articles of Association of the company, Section -161(1) of the Companies Act,2013 and in terms of letter No.21/33/2018-BA (iii) dated 17th November, 2018 from Ministry of Coal, Board hereby 'takes on record' appointment of Dr. S.B.Agnihotri as an Additional Director to function as an Independent Director on the Board of Coal India Limited for a period of one year from 17th November, 2018 or until further orders. He will hold office upto the date of next AGM or the last date on which AGM should have been held whichever is earlier.

**"FURTHER RESOLVED THAT** Company Secretary be and is hereby authorised to take further necessary action including filing necessary forms, affixing digital signature and do all such acts and deeds that may be required to give effect to the above resolution."

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended by Companies (Amendment) Act 2017, from a member proposing the candidature of Dr. S.B. Agnihotri as a director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Dr. S.B. Agnihotri as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 in terms of Ministry of Coal letter no 21/33/2018-BA (iii) dated 17th November, 2018. He is not liable to retire by rotation.

Dr. S.B. Agnihotri is an IAS officer of Odisha cadre from 1980 batch. He has done his Master's degree in Physics followed by M. Tech in Environment Science and Engineering from IIT, Bombay. He later did MA in Rural Development followed by PhD on sex ratio patterns in Indian Population from School of Development Studies, University of East Anglia, Norwich, UK. Dr. Satish B. Agnihotri retired as Secretary (Coordination & Public Grievances), Cabinet Secretariat. Prior to this he was Secretary, Ministry of New & Renewable Energy, Director General (Acquisition) in the Ministry of Defence, Additional Secretary in the Ministry of Agriculture discharging the role of Financial Advisor and Director General of Shipping during 2010-12. He has worked as Joint Secretary in the Cabinet Secretariat, Transport Commissioner, Odisha and Secretary, Women and Child Development and General Administration Department. He was Vice Chairman, Cuttack Urban Development Authority, CEO of Odisha Renewable Energy Development Agency, Director Industries and District Magistrate in Dhenkanal District. He also worked with UNICEF, Kolkata as Consultant on Child Nutrition and Health.

No Director, Key managerial personnel or their relatives, except Dr. S.B. Agnihotri to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board of Directors considered that in view of the background and experience of Dr. S.B. Agnihotri, it would be in the interest of the company to appoint him as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 or until further orders. The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

**Item No. 6:**

The Board of Directors in its 376th meeting held on 30th November, 2018 had appointed Dr. D. C. Panigrahi [DIN: 07355591] as an Additional Director to function as an Independent Director and passed the following resolution.

**"RESOLVED THAT** pursuant to Article-39(c) of Articles of Association of the company, Section -161(1) of the Companies Act,2013 and in terms of letter No.21/33/2018-BA (iii) dated 17th November, 2018 from Ministry of Coal, Board hereby 'takes on record' appointment of Dr.D.C.Panigrahi as an Additional Director to function as an Independent Director on the Board of Coal India Limited for a period of one year from 17th November, 2018 or until further order. He will hold office upto the date of next AGM or the last date on which AGM should have been held whichever is earlier.

**"FURTHER RESOLVED THAT** Company Secretary be and is hereby authorised to take further necessary action including filing necessary forms, affixing digital signature and do all such acts and deeds that may be required to give effect to the above resolution."

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended by Companies (Amendment) Act 2017, from a member proposing the candidature of Dr. D. C. Panigrahi as a director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Dr D C Panigrahi as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 in terms of Ministry of Coal letter no 21/33/2018-BA (iii) dated 17th November, 2018. He is not liable to retire by rotation.

Dr. D. C. Panigrahi obtained his B. Tech in Mining Engineering in 1984 from Indian School of Mines, Dhanbad. Subsequently he did his M. Tech in Mining Engineering in 1990 and M. Tech in Industrial Engineering and Management in 1992 from Indian School of Mines, Dhanbad. He did his Ph. D in Mining Engineering from Indian School of Mines, Dhanbad in the year 1994. After graduating from Indian School of Mines, Dhanbad he served as Assistant Manager in coal mines of Tata Iron and Steel Company Limited for a period of 3½ years, as Scientist in erstwhile Central Mining Research Institute, Dhanbad, a CSIR lab., for a period of 4½ years and subsequently joined as Assistant Professor in the Department of Mining Engineering, ISM, Dhanbad in 1992. In 1998, he was promoted to Professor in Mining Engineering. He was the Chairman, IIT-Joint Entrance Examination during 2004-2007 from ISM, Dhanbad. He was Head, Department of Mining Engineering, Indian School of Mines, Dhanbad from 2007 to 2010. He took over as the Director, Indian School of Mines, Dhanbad on 9th September, 2011. He continued as the Director, Indian Institute of Technology (Indian School of Mines), Dhanbad from September, 2016 to March, 2018. From April, 2019 onwards, he is continuing as the Head, Centre of Excellence in Safety, Occupational Health and Disaster Management (CESOHDM). He specializes in mine ventilation, mine fire control, coal bed methane and other areas related to sub-surface mine environmental engineering. During his period of work, he has executed 11 major research projects as Project Leader and Coordinator, and submitted reports as single/main author, and he is presently executing 03 major research projects as Project Leader and Coordinator. He has published 139 research papers in the areas of mine ventilation, coal bed methane and sub-surface mine environmental engineering. He has edited a book containing 64 papers of reputed authors from 9 countries and the book has been published by A. A. Balkema, Rotterdam, Netherlands in 2001. He has edited his second book containing 100 papers from reputed authors of 14 countries and the book has been published by Science Publishers of USA in 2009. He has guided 12 students for their Ph.D degree and 13 students for their M. Tech degree in Mining Engineering. Presently he is guiding 07 students for their Ph.D degree in Mining Engineering. Prof. Panigrahi has successfully executed more than 375 major industry sponsored projects as Project Leader and Coordinator for solving the real life problems of 51 different organizations and submitted the reports as single/first author. Prof. Panigrahi has designed the ventilation system for most of the complex coal, metal and also uranium mines of the country to a depth of 1.2 km from the surface and remained associated with these companies for their implementation in the mines to accrue the benefits to the bottom line of these companies. Prof. Panigrahi was nominated as one of the 11 members of the International Mine Ventilation committee representing 11 leading mineral producing countries of the world in 1997, viz. USA, Canada, Australia, South Africa, UK, Germany, Japan, France, China and India. He was also elected as Chairman of the same committee for the duration 2009-14. He has been an Honorary Member of International Bureau of Mining Thermophysics since 1997 and is a member of International Advisory Board for the Journal Archives of Mining Sciences published by Polish Academy of Sciences, Poland since 2002. Prof. Panigrahi was invited to chair technical sessions in 7th, 10th and 11th International

Mine Ventilation Congresses in Poland, South Africa and China respectively. He has received the certificate of appreciation in recognition for contributions to India Education Abroad in 2014 from University of South Florida, USA. He has been nominated as a member of Governing Body and General Body of National Institute of Rock Mechanics, Kolar Gold Fields, Karnataka; member of Governing Council of Association of Indian Universities, New Delhi; member of Executive Council of Central University of Jharkhand under Ministry of Human Resource Development, Govt. of India; Chairman of Sectoral Innovation Council of Occupational Safety and Health of the Ministry of Labour and Employment under the National Innovation Council constituted by the Prime Minister of India; member of the Section 12 Committee under Mines Act constituted by Ministry of Labour and Employment, Govt. of India for formulating Rules and Regulations on safety and health in the Mining and Mineral Sector of the country; member of Mentor Council for Mining and Mineral Sector of the country to bridge the burgeoning gap faced by the Indian economy under the Ministry of Labour and Employment, Govt. of India. He is also a member of PERC (Project Evaluation and Review Committee) and SSAG (Standing Scientific Advisory Group) of Ministry of Mines, Govt. of India. He was also appointed as a member of the expert committee for studying the problems leading to a mine disaster in New Kenda Mine in 1994 in which 55 persons had died and he had also been chosen by the Ministry of Coal as a member of the Expert Committee for Anjan Hill Mine Disaster in 2010 in which 14 persons had died and 34 persons seriously injured. For his significant contributions and distinguished services to the mining industry in India, he has been conferred with prestigious National Mineral Award - 1998 by the Ministry of Mines and Minerals, Govt. of India; S.S.B. Memorial Award - 2005 by ISM, Dhanbad; ASPIRE recognition by Tata Steel Limited in 2005; National Design Award-2012 at Vigyan Bhawan during 27th Indian Engineering Congress by National Design and Research Forum of Institution of Engineers (India); Eminent Mining Engineer award during 23rd National Convention of Mining Engineers at Kolkata in 2012; State Bank of India(SBI) Best Researcher Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Hon'ble President of India; ISM Alumni Association Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Hon'ble President of India; Indian Mining Engineering Journal Golden Jubilee Award - 2012 for his contribution in the field of Mining Education & Research; Debadutta Memorial Best Academic Management Excellence Award for the year 2011-12 on 22nd May, 2012 during National Technology Day Celebration of the Indian Mineral Industry Journal at Bhubaneswar, Odisha; SBI Best Researcher Award of the year 2011-12 during the Convocation of Indian School of Mines, Dhanbad on 23rd February, 2013; Prof S. K. Bose Memorial Award for the year 2013-14 for excellence in teaching in Mining Engineering by Mining, Geological and Metallurgical Institute of India; the certificate of merit for the year 2004-05 by the Institutions of Engineers (India) for publication of a paper in the Journal of the Institution of Engineers (India); Dewan Bahadur D.D Thacker Coal Mining (Gold) Medal for the year 2015-16 by Mining, Geological and Metallurgical Institute of India (MGMI) for his outstanding contribution to Indian Coal Mining Industry; Prince Mukarram Jah Endowment Award Lecture in 2016 by Indian Geophysical Union (IGU); and Dr. Rajendra Prasad Memorial Prize in 2016 by the Institute of Engineers (India) for research publication; and Gopabandhu Memorial Shield for securing 1st position of the University in Intermediate Science in 1979.

No Director, Key managerial personnel or their relatives, except Dr. D. C. Panigrahi to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. As recommended by Nomination and Remuneration committee, the Board of Directors considered that in view of the background and experience of Dr D C Panigrahi, it would be in the interest of the company to appoint him as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 or until further orders. The Board recommends the resolution set forth in Item no. 6 for the approval of the members.

**Item No. 7:**

The Board of Directors in its 376th meeting held on 30th November, 2018 had appointed Dr. Khanindra Pathak [DIN:07348780] as an Additional Director to function as an Independent Director and passed the following resolution.

**"RESOLVED THAT** pursuant to Article-39(c ) of Articles of Association of the company, Section -161(1) of the Companies Act,2013 and in terms of letter No.21/33/2018-BA (iii) dated 17th November, 2018 from Ministry of Coal, Board hereby 'takes on record' appointment of Dr.K.Pathak as an Additional Director to function as an Independent Director on the Board of Coal India Limited for one year from 17th November, 2018 or until further orders. He will hold office upto the date of next AGM or the last date on which AGM should have been held whichever is earlier.

**"FURTHER RESOLVED THAT** Company Secretary be and is hereby authorised to take further necessary action including filing necessary forms, affixing digital signature and do all such acts and deeds that may be required to give effect to the above resolution."

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended from a member proposing the candidature of Dr Khanindra Pathak as a director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Dr Khanindra Pathak as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 in terms of Ministry of Coal letter no 21/33/2018-BA (iii) dated 17th November, 2018. He is not liable to retire by rotation .

Dr. Khanindra Pathak was born in 1960 at Abhayapuri, Assam is currently Professor and Ex-HOD of the Department of Mining Engineering, IIT Kharagpur. Graduating in Mining Machinery from Indian School of Mines, Dhanbad in 1983 he served Neyveli Lignite Corporation, Tamilnadu before joining as a postgraduate student of Open-cast Mining at ISM. Prof. Pathak served in the Surface Mining Division of CMPDIL for a brief period before returning back to his almamater in 1987 as Lecturer for teaching Drilling Technology at the Dept. of Mining Machinery, Indian School of Mines, Dhanbad. ISM sent Prof. Pathak for training at OIL, Duliajan in 1988, to teach oil and gas well drilling in Applied Geology and Applied Geophysics. On receiving the prestigious Commonwealth Academic Staff fellowship, Prof Pathak surrendered his nearly completed research on Drillability of Indian Coal Measure Rocks under late Prof. A. K. Ghose and joined Royal School of Mines, Imperial College of Science, Technology and Medicine in 1993. His PhD research was in Modelling and Prediction of Environmental Noise due to Surface Mining and Quarrying and completed his period in 1996. In 1998 Prof. Pathak became Assistant Professor in the Department of Mining Engineering, ISM Dhanbad and in 2000 he was selected as Associate Professor in the Department of Mining Engineering of Indian Institute of Technology Kharagpur. In July 2003, Dr Pathak was elevated to the Position of Professor. During February 2006 to December 2007 the Department of Mining Engineering, University of Technology, Lae, Papua New Guinea invited Dr. Pathak to serve as Professor and Head of the Department, which gave him the opportunity to work with ABET (the Accreditation Board for Engineering and Technology, Inc.) System and Pedagogy as well as with the Chamber of Mining and Petroleum of PNG as member that enabled him to understand the international mining business. Prof. Pathak has published more than 100 national and international papers on interdisciplinary subjects including surface mining, mining machinery and mine environment and also authored two technical books and contributed chapters in books published by reputed publishers. His research areas include application of Remote Sensing and GIS for resource and environmental management. Passionately involved in Pedagogic research project with the Centre of Educational Technology, IIT Kharagpur, Prof. Pathak has also contributed a chapter of Encyclopedia of Life Support System (EOLSS) published under a UNESCO project. Prof Pathak has carried out number of industrial projects in the country and abroad. The Environmental Protection Agency of Republic of Ireland through Imperial College, London implemented environmental noise modeling methods developed by Prof Pathak during his PhD for preparation of environmental noise map of the country in 2002. The concept of Equivalent Acoustic Centre for prediction and modelling of environmental noise for noise mapping and contouring

using GIS was used for this purpose. Introducing the Remote Sensing and GIS for mine closure planning in India Prof. Pathak had started offering short term courses on mine closure planning since 2001, before mine closure planning became mandatory. A software named as UMDSS for RS-GIS based mine closure planning for Umrer Mines of WCL was developed through a sponsored project by Space Application Centre, ISRO in 2005. Prof. Pathak also developed a methodology of spatial evaluation of soil and water contamination and applied for NECL mines under a project sponsored by the Central Pollution Control Board. Prof. Pathak has also been propagating the concept of Integration of CSR and EMP in mining as a means of sustainable development in and around mining sites.

One of the approaches he has popularized in the iron ore sector of mining is the Vetiver System Approach for erosion prevention and slope stabilization. Joda Mines of Tata Steel adopted this approach and Prof. Pathak demonstrated besides stabilizing and preventing erosions and rain cuts in dump slopes how vetiver system technology can transform vast barren surfaces into a green vegetation covered area within six months. This approach is now implemented in Noamundi, Katamati mines of Tatasteel, Gua and Bolani mines of SAIL, Rungta Mining Corporation's mines at Jijang and in many other places in India during the last four years. Prof. Pathak has successfully demonstrated this approach in Jharkhand, Odisha and Goa. Experiments of Vetiver Grass for management of refinery waste water by bringing the concepts of hydroponic vetiver were also carried out by Prof. Pathak and IOCL's Bongaigaon refinery is now proud of being the first refinery in the country to trap oil from the wastewater in a pond using hydroponic Vetiver. Other initiatives of Prof. Pathak led to the development of patentable magnetic sponge for oil spill removal and laboratory scale development of super hydrophobic a super oleophilic powder. A student working with Prof. Pathak has developed now innovative technique of blasting to reduce the consumption of explosives. Well known in the Indian mining industry for offering executive training programs in emerging areas and training to the practicing engineers, Prof. Pathak is often invited to deliver lectures in different parts of the country and abroad. Besides his multi-disciplinary interests in the technical problems of mining industry, he is passionately involved in science of teaching and learning. Because of this interest, the Centre of Education Technology of IIT Kharagpur inducted him as Co-PI of the prestigious national project sponsored by MHRD on Developing suitable pedagogical methods for various classes, intellectual calibers and research in e-Learning. As a part of this project, he has been training faculty of different disciplines of engineering in many institutions including IIT Roorkee, NIT Warrangle, NIT Silchar, NIT Meghalyay, BITS Mesra etc. He is also invited to train even non-technical teachers to adopt pedagogy. Known for his expertise in academic quality matters, he was a nominated member of the Internal Quality Assesement Cell of Dibrugarh University and currently Chairman of the TEQIP-III implementation Governing Body of DUIET, Dibrugarh. Prof. Pathak believes in industry-Academic collaborative research. A research project funded by the European Union for the study of Coal Bed Methane was completed in 2015 under Prof. Pathak's coordination where he was instrumental in getting CMPDIL as a partner of a consortium coordinated from Imperial College, London, along with partners from the UK, Slovakia, Slovenia, China and Spain. Prof. Pathak felt the absence of focus on Petroleum Engineering and oil and gas industry at IIT Kharagpur and introduced a course on Petroleum Engineering in 2002 and later started a Students Chapter of SPE which had about 300 student members. It was one of the very active Chapter of SPE under his guidance. At present IIT Kharagpur has a Center of Excellence for Petroleum Engineering. Prof. Pathak also formed amongst students a Mineral Economics and Mineral Policy Research Group and started addressing the issues related to minor minerals and sand mining. Students interested in this group availed the opportunity of doing research in mineral economics in collaboration with Leoben University of Austria. Well-travelled in the UK, US, Australia, Ireland, Papua New Guinea, Turkey, France and Italy, Fiji, Singapur, Japan, Taiwan, Thailand, Belgium, China, Russia, Prof. Pathak is interested in social work and was actively involved in NSS at Indian School of Mines, Dhanbad from his student life. He was also President of the Kharagpur Chapter of the Bharat Vikas Parishad and actively involved in this organization from 2001. As a connoisseur of art and literature, he used to write, play and direct One Act Plays in Hindi at ISM, Dhanbad. Poetry is his passion and still composes romantic and

patriotic verses. There are two story books in Assamese in his credit: Kakshyachyut (Displaced from Orbit) and Nirjyax (Extract). In 2012 some of his poems in Assamese were compiled in a book "Anubhaber Rong (Colour of feelings)" by a literary body of Bongaigaon District of Assam. He has translated a number of Hindi Plays to Assmaese for an amateur drama group in Assam. Two such plays Adhe Adhure and Leheron ki Rajhans of the famous Hindi Dramatist, Mohan Rakesh translated by Prof. Pathak was selected by NSD in 2016 and 2018 for the North East Drama festival in Gangtok, Sikkim and National Drama Festival at Kolkata respectively.

Prof Pathak has received different scholarship and awards e.g.:

- Recipient of National Scholarship (India) from 1976-1983 (received after standing Xth in HSLC of SEBA in 1976)
- Recipient of Commonwealth Academic Staff Scholarship during 1993-1996
- Smt Bala Tandan award for the year 2007-2008 for contribution in upgrading the quality of life in the mining environment by Mining, Geological and Metallurgical Institute of India (MGMI)
- Sir John Dunn Medal from MGMI for 2008-2009
- Life Time Achievement Award for teaching and research from Indian Mining and Engineering Journal June 2014.
- National Geoscience Award 2014 (awarded on April 3, 2016 by the President of India, a citation and Rs.5 lakh)

Prof. Pathak was also a member of the Standardization Committee formed by MoEF for Environmental Clearance of Mining Projects and currently Chairman of Eastern Regional Committee of the AICTE.

No Director, Key managerial personnel or their relatives, except Dr Khanindra Pathak to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board of Directors considered that in view of the background and experience of Dr. Khanindra Pathak, it would be in the interest of the company to appoint him as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 or until further orders. The Board recommends the resolution set forth in Item no. 7 for the approval of the members.

**Item No. 8:**

The Board of Directors in its 376th meeting held on 30th November, 2018 had appointed Shri Vinod Jain [DIN:00003572] as an Additional Director to function as an Independent Director and passed the following resolution:

**"RESOLVED THAT** pursuant to Article-39(c ) of Articles of Association of the company, Section -161(1) of the Companies Act,2013 and in terms of letter No.21/33/2018-BA (iii) dated 17th November, 2018 from Ministry of Coal, Board hereby 'takes on record' appointment of Shri Vinod Jain as an Additional Director to function as an Independent Director on the Board of Coal India Limited from 17th November, 2018 and until further orders. He will hold office upto the date of next AGM or the last date on which AGM should have been held whichever is earlier.

**"FURTHER RESOLVED THAT** Company Secretary be and is hereby authorised to take further necessary action including filing necessary forms, affixing digital signature and do all such acts and deeds that may be required to give effect to the above resolution."

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended by Companies (Amendment) Act 2017, from a member proposing the candidature of Shri Vinod Jain as a director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not

disqualified under sub section (2) of Section 164 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Shri Vinod Jain as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 in terms of Ministry of Coal letter no 21/33/2018-BA (iii) dated 17th November, 2018. He is not liable to retire by rotation.

CA Vinod Jain is commerce graduate with Honours from Shri Ram College of Commerce in 1976 and passed LLB in 1979. Shri Jain passed CA Intermediate Examination in November,1977 with 7th Rank in all India Merit List, Final Examination in November,1979 with 13th Rank on All India merit list and became a Fellow Member of The Institute of Chartered Accountants of India. He qualified in Company Secretary Examination in December 1979 and became a Fellow Member of the Institute of Company Secretaries of India. He also qualified in Cost Accountant exam in the year 1983 and became a Fellow Member of the Institute of Cost Accountants of India. He is a Diploma holder in Information System Audit (DISA) from the Institute of Chartered Accountants of India in 2004. CA Vinod Jain has about 40 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law, Education and strategic planning and business management. Shri Vinod Jain started his career with Apollo Tyres Limited. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants. He was a Statutory Auditor of different Banks and Insurance Companies. He worked as Legal Representative and Attorney of various clients before Securities Appellate Tribunal (SAT), National Company Law Tribunal(NCLT), NCLAT and Income Tax Appellate Tribunal(ITAT). He is also Chairman of Inmacs Management Services Limited. Shri Jain was the Chairman of Northern India Regional Council of The Institute of Chartered Accountants of India (1983-84). He was a Central Council Member of' The Institute of Chartered Accountants of India' from 1998 to 2004 and 2007 to 2013 and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of the Institute of Chartered Accountants of India from 2010 to 2011 being incharge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He served as Chairman of Financial Market and Investors Protection Committee for 5 years, Professional Development Committee, Management Accounting Committee for 4 years & Expert Advisory Committee of ICAI. He had also served as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc. CA Vinod Jain was Founder and National Director and Dean of One Year Certificate Course in Finance (MBF) from July, 2009 to February, 2013. Shri Jain was Founder and National Director of 3 months Certificate Course on Valuation conducted by The Institute of Chartered Accountants of India. Shri Jain was National Director of Certificate Course on Forex Risk and Treasury Management of ICAI from 2010 to 2013. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and following committees of Securities and Exchange Board of India (SEBI):

i) SEBI "Committee on Primary Markets Advisory".

ii) SEBI "Secondary Market Advisory Committee".

iii) SEBI "Mutual Fund Advisory Committee".

iv) SEBI "Take-over Code Committee ".

v) SEBI Sub Committee on "Entry Qualification in the Primary Market".

Shri Jain has been elected member of National Council of CII and a former National President of ANMI (Association Of National Stock Exchanges members of India). Presently Shri Jain is a Member, High Powered Committee, appointed by Finance Ministry to simplify Income Tax Law. Shri Vinod Jain has bagged many Awards and Honours. He holds directorship at Inmacs Limited, Infrastructure Projects and Engineers Pvt. Ltd., Inmacs Microsystems Pvt. Ltd., Intergria Technologies Pvt. Ltd., Inmacs Management services Ltd., Five Square Agro Gold Pvt. Ltd., Aptel Softek System Pvt. Ltd., Auatech Hong Kong Pvt. Ltd. and Inmacs Managements Services Limited- British Virgin Islands. He also holds Directorship in SECL from 14th March 2017 till 16th November, 2018.

No Director, Key managerial personnel or their relatives, except Shri Vinod Jain to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board of Directors considered that in view of the background and experience of Shri Vinod Jain, it would be in the interest of the company to appoint him as an Independent Director of the Company from 17th November, 2018 till 16th November, 2019 or until further orders. The Board recommends the resolution set forth in Item no. 8 for the approval of the members.

**Item No. 9:**

The Board on the recommendation of the Audit Committee, had approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the CIL Standalone for the financial year ended March 31, 2019 in its 372nd meeting held on 25th September, 2018 and passed the following resolution as per the following details

**Name of the Cost Auditor:- M/s Balwinder & Associates**

**Audit Fees**:- (a) Cost Audit for 2018-19: Rs.2,01,094./-

(b) The travelling and out of pocket expenses will be reimbursed at actuals restricted to 50% of audit fees.

(c) Applicable taxes shall be paid extra.

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to **M/s Balwinder & Associates**, Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of remuneration payable to **M/s Balwinder & Associates**, Cost Auditor for the financial year ended March 31, 2019.

No director, key managerial personnel or their relatives, is interested or concerned financially or otherwise in the resolution. The Board recommends the resolution set forth in Item no 9 for the approval of the members.

**Item No. 10:**

The Board of Directors through Circular resolution dated 10th July, 2019 had appointed Shri Sanjiv Soni, [DIN:08173548] as an Additional Director to function as Director (Finance), CILand passed the following resolution.

**"RESOLVED THAT** pursuant to Article-39(c) of Articles of Association of the company, Section -161(1) of the Companies Act,2013 and in terms of letter No.21/23/2018-BAdated 10th July, 2019 from Ministry of Coal, Board hereby 'takes on record' appointment of Shri Sanjiv Soni as an Additional Director to function as Director(Finance), CIL on the Board of Coal India Limited from 10th July, 2019 till 30.06.2021 or until further orders. He will hold office upto the date of next AGM or the last date on which AGM should have been held whichever is earlier.

**"FURTHER RESOLVED THAT** Company Secretary be and is hereby authorised to take further necessary action including filing necessary forms, affixing digital signature and do all such acts and deeds that may be required to give effect to the above resolution."

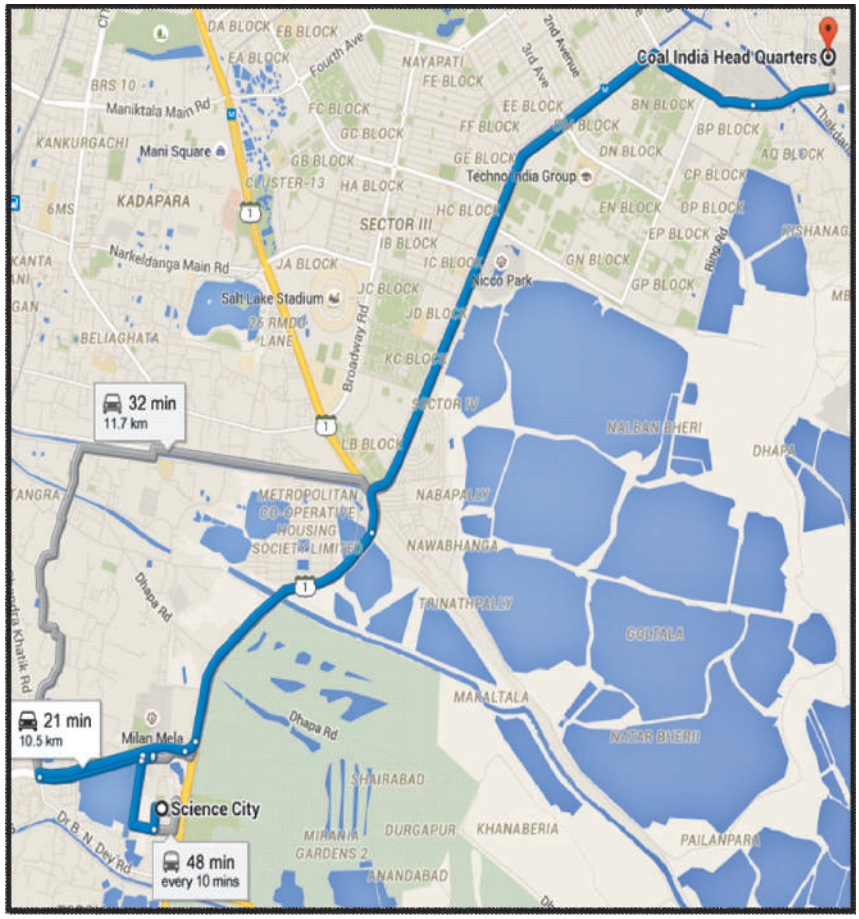
The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended by Companies (Amendment) Act 2017, from a member proposing the candidature of Shri Sanjiv Sonias a director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from him(i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. The resolution seeks the

approval of members for the appointment of Shri Sanjiv Sonias a Whole Time Director of the Company from 10th July, 2019 till 30.06.2021 or until further orders in terms of Ministry of Coal letter no 21/23/2018-BA dated 10th July, 2019. He shall be liable to retirement by rotation.

Shri Sanjiv Soni has assumed the charge of Director (Finance), CIL on 10th July, 2019. Prior to that he was Director (Finance) of Eastern Coalfields Limited from 19.06.18. He was born on 18th June, 1961 and graduated in commerce from St. Xavier's College, Kolkata and is a member of the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India and. Shri Soni has wide experience of over 32 years and has served the Coal Industry in different capacities. Shri Soni joined CMPDI on 27.05.1986. Prior to joining as Director (Finance) of Eastern Coalfields Limited, he worked as General Manager (Finance), IAD at WCL HQ, Nagpur. During his professional career Shri Soni worked in different capacities at CMPDI. He was in-charge of finance function for UNDP/GEF/GOI- Coal Bed Methane Recovery & Utilization project implemented jointly by CMPDI/BCCL/GOI/UNDP. Shri Soni, while head of Internal Audit Deptt., at WCL, took various initiatives towards building-up robust internal controls. He has visited Vienna, Austria in the Year 2004 on account of CBM project implementation and Toronto, Canada for PDAC 2019 as member of CIL delegation.

No Director, Key managerial personnel or their relatives, except Shri Sanjiv Soni to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board of Directors considered that in view of the background and experience of Shri Sanjiv Soni, it would be in the interest of the company to appoint him as a Whole time Director of the Company from 10th July' 2019 till 30.06.2021 or until further orders. The Board recommends the resolution set forth in Item no. 10 for the approval of the members.

**Map: From Coal India Limited, Rajarhat to Science City**



COAL INDIA LIMITED
A MAHARATNA COMPANY
CIN: L23109WB1973GOI028844
Registered office-Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
PHONE: 033-23245555, FAX: 033-26246510, www.coalindia.in

**PROXY FORM**

FORTY FIFTH ANNUAL GENERAL MEETING

| DP ID | CLIENT ID | FOLIO NO | NO OF SHARE(S) HELD |
|---|---|---|---|
| | | | |

I/We _____ of _____ in the district of _____ being a Member/Members of Coal India Limited, hereby appoint _____ _____ of _____ in the district of _____ or failing him/her _____ of _____ or failing him/her _____ of _____ as my/our Proxy to attend and vote for me/us and on my/our behalf at the forty-fifth Annual General Meeting of the Company to be held on Wednesday, the 21st August, 2019 at 10.30 A.M. at Science City, Auditorium, JBS Haldane Avenue, Kolkata -700046 and at any adjournment thereof.

Signed this _____ day of _____ 2019 _____

Affix Revenue Stamp

Signature of Shareholder

| | | |
|---|---|---|
| | | |
| Signature of 1st Proxy-holder | Signature of 2nd Proxy-holder | Signature of 3rd Proxy holder |

**NOTES:-**

1) **The Proxy form must be received at Coal India Limited, Coal Bhawan, 3rd floor, core-2, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156 not less than 48 hours before the commencement of the Annual General Meeting.**
2) When a member appoints a Proxy and both the members and Proxy attend the meeting, the Proxy will stand automatically revoked.
3) Members/Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.
4) No instruments of proxy shall be valid unless,
   - In the case of an individual shareholder, it is signed by him/her or his/her attorney, duly authorised in writing;
   - In the case of joint holder, it is signed by the shareholder first named in the register or his/her attorney, duly authorised in writing;
   - In the case of a body corporate signed by its officer or an attorney duly authorised in writing and deposited with the company 48 hours before the commencement of the meeting.
5) An instrument of Proxy deposited with the Company shall be irrevocable and final.
6) A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**COAL INDIA LIMITED**
A MAHARATNA COMPANY
CIN: L23109WB1973GOI028844
Registered Office-Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
PHONE: 033-23245555, FAX:033-23246510, www.coalindia.in

## ATTENDANCE SLIP

(to be surrendered at the time of entry)
Date: **Wednesday, 21st August'2019 at 10.30 A.M**
Venue: Science City, Auditorium, JBS Haldane Avenue, Kolkata -700046

I hereby record my presence at the Forty-fifth Annual General Meeting of the company

**Name of Shareholder :-**

**Registered Address of the Shareholder :-**

**Name of Joint Holders :-**

**Regd. Folio/DPID/Client ID No. :-**

**Number of Shares :-**

**Name of Proxy/Representative, if any :-**

**Signature of Member(s)/Proxy/Representative:-**

**Note:**
Shareholders/Proxy/Representatives are requested to produce this Attendance Slip signed, for admission to meeting hall. The admission may, however, be subject to further verification/checks, as may be deemed necessary. **Under no circumstances, any duplicate Attendance Slip** will be issued at the entrance to the meeting hall.

……tear here……

**FOR IMMEDIATE ATTENTION OF THE SHAREHOLDER**

| ELECTRONIC VOTING PARTICULARS | | |
|---|---|---|
| **Electronic Voting Sequence Number** | **User ID** | **Password** |
| | | |

Please read the instructions for e-voting as set out in notice of 45th Annual General Meeting dated 12th July' 2019. The E-voting period starts from **18th August' 2019, 09.00 A.M. IST and ends at 20th August' 2019, 05.00 P.M IST**. At the end of the E-voting period, the portal where the votes are cast shall be blocked.

Coal India Limited
A Maharatna Company

# ANNUAL REPORT & ACCOUNTS
# 2018 - 2019










# Digging Deeper
# Aiming Higher











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## GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

Pursuant to the initiatives undertaken by the Ministry of Corporate Affairs, encouraging the companies to reduce the carbon footprint by enabling them to send the Annual Report etc to the Shareholders through electronic mode, your company has already taken the following steps:-

Emails have been sent to all shareholders who have not exercised the option to receive the Annual Report 2018-19 in physical mode. They have been provided with a link (URL) to the website of COAL INDIA LIMITED for downloading the Annual Report 2018-19.

For members who have not registered their email addresses, physical copy of Annual Report 2018-19 is being sent by the permitted mode.

In case you have not yet registered your email id, we urge you to furnish your email id to NSDL/CDSL/M/s Alankit Assignments Limited (R&T Agent of Coal India Ltd) at their address indicated in the report elsewhere or email at **alankit_rta@alankit.com.** Please ensure that you have indicated your Folio No/DP & Client ID number as well as your consent to receive future communications from Coal India Ltd including Annual Report etc through email at your registered email address.

Please help us to save the environment.

Sd/-
M.Viswanathan
Company Secretary

## MISSION

To produce and market the planned quantity of coal and coal products efficiently and economically in an eco-friendly manner with due regard to safety, conservation and quality.

## VISION

To emerge as one of the global players in the primary energy sector committed to provide energy security to the country by attaining environmentally & socially sustainable growth through best practices from mine to market.

# BOARD OF DIRECTORS



Shri A K Jha



Shri R.K.Sinha



Smt. Reena Sinha Puri



Shri S N Prasad



Shri B Dayal



Shri R P Srivastava



Shri Sanjiv Soni

# INDEPENDENT DIRECTORS



Smt. Loretta Mary Vas



Dr S.B.Agnihotri



Dr D.C.Panigrahi



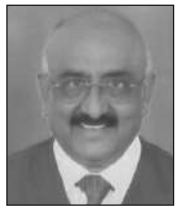
Dr. Khanindra Pathak



Shri Vinod Jain



Shri V K Thakral



Shri B L Gajipara

# PERMANENT INVITEES



Shri R R Mishra



Shri S Saran



Shri Anurag

# MEMBERS OF THE BOARD

## as on 12th July, 2019

### Functional Directors:

| | | |
|---|---|---|
| Shri A K Jha | : | Chairman |
| Shri S.N. Prasad | : | Marketing |
| Shri B Dayal | : | Technical |
| Shri R.P Srivastava | : | Personnel |
| Shri S. Soni | : | Finance |

### Part-Time Official Directors:

| | | |
|---|---|---|
| Shri R. K. Sinha | : | Joint Secretary, MoC, New Delhi |
| Smt. Reena Sinha Puri | : | JS & FA, MoC, New Delhi |

### Independent Directors:

Ms. Loretta Mary Vas

Dr S.B.Agnihotri

Dr. D.C.Panigrahi

Dr. Khanindra Pathak

Shri Vinod Jain

Shri V K Thakral

Shri B L Gajipara

### Permanent Invitees:

| | | |
|---|---|---|
| Shri R R Mishra | : | Chairman-cum-Managing Director, WCL. |
| Shri S.Saran | : | Chairman-cum-Managing Director, CMPDIL |
| Shri Anurag | : | Addl. Member (Traffic Transportation) Railway Board |

### Company Secretary

Shri M. Viswanathan

# MANAGEMENT DURING 2018-19

| | | |
|---|---|---|
| Shri A K Jha | : | Chairman (From 18.05.2018)-AN |
| Shri Suresh Kumar | : | Chairman [Addl. Charge] (From 23.04.2018 till 18.05.2018) |
| Shri Gopal Singh | : | Chairman [Addl. Charge] (From 01.09.2017 till 20.04.2018) |

**Functional Directors:**

| | | |
|---|---|---|
| Shri S.N. Prasad | : | Director (Marketing) (From 01.02.2016)<br>[Addl. Charge- Director (Finance) from 01.10.2018 till 09.07.2019] |
| Shri C.K. Dey | : | Director (Finance) (From 01.03.2015 till 30.09.2018) |
| Shri B. Dayal | : | Director (Technical) (From 11.10.2017) |
| Shri R P Srivastava | : | Director(Personnel)[From 31.01.2018] |

**Part Time Official Directors**

| | | |
|---|---|---|
| Shri R. K. Sinha | : | Joint Secretary, MoC (from 05.08.2016) |
| Shri R. Sinha Puri | : | Joint Secretary, MoC (From 09.06.2017) |

**Independent Directors**

| | | |
|---|---|---|
| Ms. Loretta Mary Vas | : | (From 17.11.15 till 16.11.18 and from 17.11.2018) |
| Dr S.B. Agnihotri | : | (From 17.11.15 till 16.11.18 and from 17.11.2018) |
| Dr D.C. Panigrahi | : | (From 17.11.15 till 16.11.18 and from 17.11.2018) |
| Dr. Khanindra Pathak | : | (From 17.11.15 till 16.11.18 and from 17.11.2018) |
| Shri Vinod Jain | : | (From 17.11.15 till 16.11.18 and from 17.11.2018) |
| Shri V K Thakral | : | (From 06.09.17) |
| Shri B L Gajipara | : | (From 22.09.17) |

**Permanent Invitees**

| | | |
|---|---|---|
| Shri R.R. Mishra | : | CMD, WCL (From 06.11.15) |
| Shri S. Saran | : | CMD, CMPDI (From 01.01.16) |
| Shri Anurag | : | Addl.Member (Traffic Transportation),<br>Railway Board (From 19.06.2018) |

**Company Secretary:**

| | | |
|---|---|---|
| Shri M. Viswanathan | : | (From 14.12.2011) |

# BANKERS, AUDITORS AND REGISTERED OFFICE

**LIST OF BANKS AS ON 31.03.2019**

1. STATE BANK OF INDIA
2. PUNJAB NATIONAL BANK
3. UNITED BANK OF INDIA
4. CANARA BANK
5. ALLAHABAD BANK
6. UNION BANK OF INDIA
7. BANK OF BARODA
8. BANK OF INDIA
9. ORIENTAL BANK OF COMMERCE
10. HDFC BANK
11. ICICI BANK
12. CORPORATION BANK
13. STANDARD CHARTERED BANK
14. ANDHRA BANK
15. CITI BANK
16. DEUTSCHE BANK
17. IDBI BANK
18. UCO BANK
19. SYNDICATE BANK

| Statutory Auditor | Registered Office | Website | Registrar & Share Transfer Agent |
|---|---|---|---|
| M/s RAY & RAY<br>Chartered Accountants<br>Webel Bhawan, ground floor,<br>Block-EP&GP, Sector V,<br>Saltlake, Kol-91 | Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat,<br>Kolkata-700156<br>Phone-033-23245555<br>Fax-033-23246510 | www.coalindia.in | **M/s. Alankit Assignment Limited**<br>Alankit Height, 1E/13, Jhandewalan Extension,<br>New Delhi – 110 055<br>Phone No: 011-4254-1234/2354-1234<br>Fax No: 011-4154-3474<br>E-mail id: alankit_rta@alankit.com<br>Website: www.alankit.com<br>Toll free no-1860-121-2155 |

## CHAIRMAN'S STATEMENT

### Dear Members,

I am delighted to welcome you all to the 45th Annual General Meeting of Coal India Limited. The Directors' Report and the Financial Statement for the year ended 31st March' 2019 together with the report of Statutory Auditors and report and review of Comptroller & Auditor General of India are already with you. I am sure you are fully aware of the financial & physical health of your company.

**Importance of Coal and Coal India Limited**

In India, Coal is irreplaceable as prime energy and it would continue to be so in the foreseeable future. Coal accounts for around 55% of the India's primary commercial energy. Nearly 72% of the entire power generated in the country is coal based, which is a testimony to the importance of coal. Admittedly, a conscious impetus is laid on alternative clean and renewable energy sources, especially solar. India targets to add renewable energy capacity to 175 GW by 2022 and 275 GW by 2027. This move is in accordance with Paris protocol and certainly a welcome step as it would supplement coal's role, if not entirely substitute it. World over, many countries are migrating from coal to cleaner forms of renewable energy sources but in India, the situation is different from the world scenario. The question is can renewables take over coal completely in our country? Not in the near future at least. It would not be an exaggeration to state that CIL is synonymous with India's energy scenario.

In India, the current power demand is being met predominantly by coal and through a lesser extent by Solar, Wind, Hydel and natural gas. For the past couple of years, India accounted for around11% of the global coal consumption. India remains the second largest coal consumer in the world.

With Coal holding such a large sway in the Indian energy sector, your company spearheads the country's coal production and produces around 83% of the Nation's entire coal output. During 2018-19 around 81% of the company's entire coal supply was catered to power sector. Importantly, Coal India ascertained that as of 1st April 2019 there was not a single coal fired power station in the country that was in critical or super critical condition for want of coal. Notwithstanding the extraneous factors, CIL is committed to increase its coal supply and meet the coal demand in the country with a pledge to do better on all fronts and make a difference.

India's energy use is projected to grow at a rapid pace to fuel economic development, increased urbanization, improved electricity access, manufacturing base and rural electrification programme. This is where your company is poised to play a greater and more responsible role as energy supplier in fulfilling the noble cause of the nation.

Renewables and coal have to co-exist for some time before renewable can significantly contribute to a larger share of India's energy basket. At some point of time in future this is bound to happen but till such time coal remains the dominant energy source in the country.

**2. Notable Achievements of 2018-19**

The performance of your company was excellent during the financial year 2018-19. The company's high orbit performance had created **'many new highs'** as under:-

- Coal India Limited for the first time, had breached the 600 Million Tonne (MT) mark in coal production and off-take ending FY 2019 by producing 606.89 MTs of coal and supplying 608.14 MTs, clocking growths of 6.97% and 4.8% over previous year respectively.
- Around 7% growth in coal production during the year is almost three-fold increase compared to last fiscal's output growth of 2.4%. The volume increase in coal production during the referred period has been a robust 39.52 MTs against previous year's production of 567.37 MTs.
- The upbeat production tempo of your company in the recent years was evident in the fact that it leaped from the 500 MTs production to 600 MTs in a mere three years, whereas it took the company seven years to migrate from 400 MTs production to that of 500 MTs.
- NCL went past its production target of 100 MTs, 5 days ahead of the closure of the fiscal, in the process becoming the third subsidiary of CIL to join the coveted 100 MTs producing companies after SECL and MCL. In another new high SECL became the first subsidiary company of CIL to cruise over 150 MTs production mark. ECL and WCL have become 50 MTs plus companies for the first time. Production achievement against MoU Target was 99.5% whereas off-take had witnessed 99.7% target achievement.
- Scripting a new high in coal supplies to thermal power plants of the country, CIL's sources supplied 491 MTs of coal against 454 MTs supplied last fiscal the increase in volume terms being approximately 37 MTs clocking a year-on-year growth of 8.2%.
- The synergy between Railways, Ministry of Coal and Ministry of Power resulted in overall rake loading (including Washeries and Goods-shed) evincing a growth of 5.6% during FY 2019 compared to previous year as CIL on an average loaded 280.7 rakes/day during the fiscal, against 265.8 rakes last fiscal. The increase in absolute number is 14.9 per day.
- Coal India Limited and NLC India Limited (NLCIL), formerly Neyveli Lignite Corporation Limited, coming together in a significant step, have inked a Memorandum of Understanding (MoU) in October 2018 for formation of Joint Venture (JV) Company for Solar Power Generation of 3,000 MW and Thermal Power Projects of 2,000 MW capacity.
- Coal India Limited on 3rd October'18 has aligned itself as corporate partner of International Solar Alliance (ISA), through a contribution of 1 Million US $, a little over Rs. 6.75 Crores, to ISA's corpus fund. This significant step entails the company to take advantage of technical know-how in renewable energy field using ISA's digital platform while implementing its solar power projects. As a part of taking its green initiatives further combined with climate mitigation commitment, CIL has taken steps for installation of 3,000 MW capacity Solar Power Plants to become a 'Net Zero Company'.

- Coal India Limited has fast tracked the process of procuring various types and sizes of high capacity Heavy Earth Moving Machinery (HEMM) that would be pressed into operation in its opencast mines – the major source of coal production.
- CIL Planted 18.1 Lakhs saplings in 733 Ha Land in mine leasehold area during 2018-19.
- Dahibari Washery with a washing capacity of 1.6 Million Tonnes/Year commissioned in August 2018 has achieved 51% capacity utilization ending FY 2019.
- Two major rail links funded by CIL subsidiaries - Jharsuguda- Barpali- Sardega in Odisha and Tori – Shivpur in Jharkhand have become operational.
- MDMS (Mine Data Management System) portal has been designed by PMD in technical collaboration of ICT Division, CMPDI to store all the salient features of PR and data of ongoing projects and their performance against PR provision. Based on this information, reports can be generated facilitating various management decisions.

**3. Financial Performance 2018-19:**

- Your company achieved an unprecedented financial performance, for FY 2018-19 which was the best ever on many fronts since the inception. CIL had created many significant milestones.
- Profit After Tax for 2018-19 zoomed upto Rs. 17,462.18 Crores against Rs. 7,038.44 Crores the previous year registering a 148% growth, while Profit Before Tax at Rs. 27,125.46 Crores for FY 2018-19 grew by 152% against Rs. 10,770.31 Crores for FY 2017-18.
- CIL as a whole had recorded highest ever Gross Sales of Rs.1,40,603 Crores and Net Sales of Rs. 92,896.08 Crores.
- All the subsidiaries of CIL had earned Profits during the year.
- Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) the measure of a company's operating performance has been restored to 30% after a long gap.
- Your Company and its subsidiaries had also paid/adjusted Rs. 44,826.43 crores in Royalty, GST, Cess, District Mineral Foundation(DMF) and National Mineral Exploration Trust(NMET) and other levies.

**4. Strategies for Growth**

To meet the increased coal demand of the country, 9 Mining projects with capacity of 69.88 MTY having a Sanctioned Capital of Rs. 9093.07 Crores were approved by CIL Board. In addition, 2 Non Mining Rail Projects with a sanctioned capital of Rs. 6656.33 Crs have been approved by CIL Board.

18 proposals with 4110.418 Ha Forest land were granted Stage-I Clearance & 7 proposals having 1045.47 Ha were granted Stage-II Clearance.

3398 Ha land has been possessed in different subsidiaries of CIL.

**5. Other Development Areas**

**ERP**

Coal India Limited, on 18 September'18 inked a Rs. 270 Crore contract with Tech Mahindra for design and implementation of a robust, state-of-the-art Enterprise Resource Planning (ERP) and Hospital Management system in CIL and its subsidiaries. The effort is aimed to integrate all aspects of business operations into a single easy to use system and effectively plan, manage and optimize all the organizational resources through standardization of business processes and best practices. The project has already kicked off and will Go-live in 24 months i.e. by Sep'2020.

Important Project Milestones accomplished till date include commissioning of ERP Centre at CIL HQ and setting up of rental cloud infrastructure hosting 300 SAP licenses for Development and Training Phase.

**SAFETY**

For assessing safety of mines, Safety Audit of most of the operating mines of subsidiaries has been conducted through multi-disciplinary Inter-Area Safety Audit teams in 2018. Safety Committee members and other mine officials have been directly sensitized on the process of Risk Management by SIMTARS, Australia accredited executive trainers of CIL.

Mine Rescue Team of WCL, a subsidiary of CIL achieved "Most Active Team" Award in the International Mines Rescue Competition (IMRC) 2018 held at Yekaterinburg, Russia. An in-house Rock Testing Laboratory established in Nagpur, WCL for determination of Rock Mass Rating (RMR) of strata was accredited with NABL certificate.

**MAKE IN INDIA INITIATIVE**

Under the 'Make in India' initiative of Govt of India, CIL had placed trial order on M/s. BEML, to indigenously develop 190T and 150T dumpers. These dumpers have since been supplied and commissioned and resulted in savings of foreign exchange of Rs. 22.15 Crores (approx.)

**AGREEMENT FOR HIGH SPEED DIESEL (HSD)**

CIL had concluded Agreements with Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited for availing a uniform discount of Rs. 900/KL on supply of HSD to all subsidiaries/units of CIL. This positive move is expected to save an approximate Rs 75.73 Crores for the two- year period from 01-02-2019 to 31-03-2021.

**EXTENSION OF LONG TERM AGREEMENT (LTA):**

In order to have an assured and uninterrupted supply of Bulk explosives, CIL had renewed the Long Term Agreement with Indian Oil Corporation Limited (IBP Division) for a further period of 5 years i.e. from 1st August 2018 to 31st July 2023 for supply of 30% of the total requirement of Bulk explosives to CIL.

**CSR**

Under the CSR Project "Cure and better management of disease in Thalassemia Patients", 105 Bone Marrow Transplantation Operations have been conducted upto Jun'19 at six prominent hospitals giving relief to the poor patients

Another project of prominence is the Rural Development Project of TERI in Purulia District for holistic development of the region. As of now 8,891 Solar Home Lighting System, 100 solar street lights, 7,342 improved cook stoves have been installed. In sanitation, around 5,500 toilets are completed till June 2019.

Plans to sign an MoU with CPCB are on the anvil for setting up of Air Quality Monitoring Station in 16 cities of the country at a total project cost of Rs.65.26 crores.

A 300 bedded hospital has been provided financial assistance in Godda, Jharkhand. A medical college and hospital are coming up in Talcher with financial assistance of CIL subsidiary in Odisha.

**6. Corporate Governance**

Your company has complied with the conditions of Corporate Governance, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Government of India and Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. As required under the guidelines and provisions, a separate section on Corporate Governance has been added to Directors' Report and a Certificate for compliance of conditions of Corporate Governance has been obtained from a practising Company Secretary.

Your company has conducted Secretarial Audit for 2018-19, as required under Companies Act 2013 and obtained an unqualified report and the same is enclosed as a part of Director's Report. As stipulated by SEBI, your company also conducted Secretarial Audit by a practising Company Secretary of compliance of SEBI Regulations and circulars/guidelines during 2018-19 and received an unqualified report.

**7. Vision**

Coal India's vision is to ensure that there is no shortage of coal in the country and to make the country self-reliant in coal. Coal India envisions to be a commercially viable company and endeavours to move ahead as a contemporary, professional, consumer friendly and successful corporate entity committed to national developmental goals. The vision also extends to dedicate itself to the service of the countrymen in providing the primary commercial energy in an affordable and environmentally friendly manner. Your company aims to be not only a valued company but a company with values.

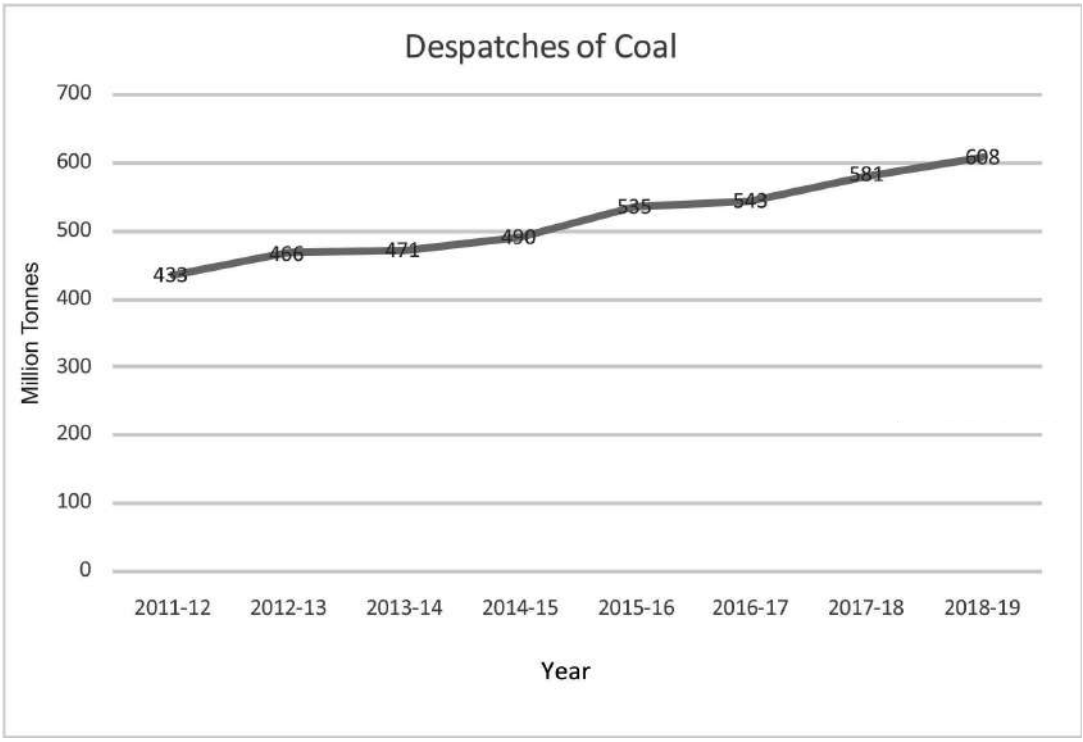
**8. Acknowledgement**

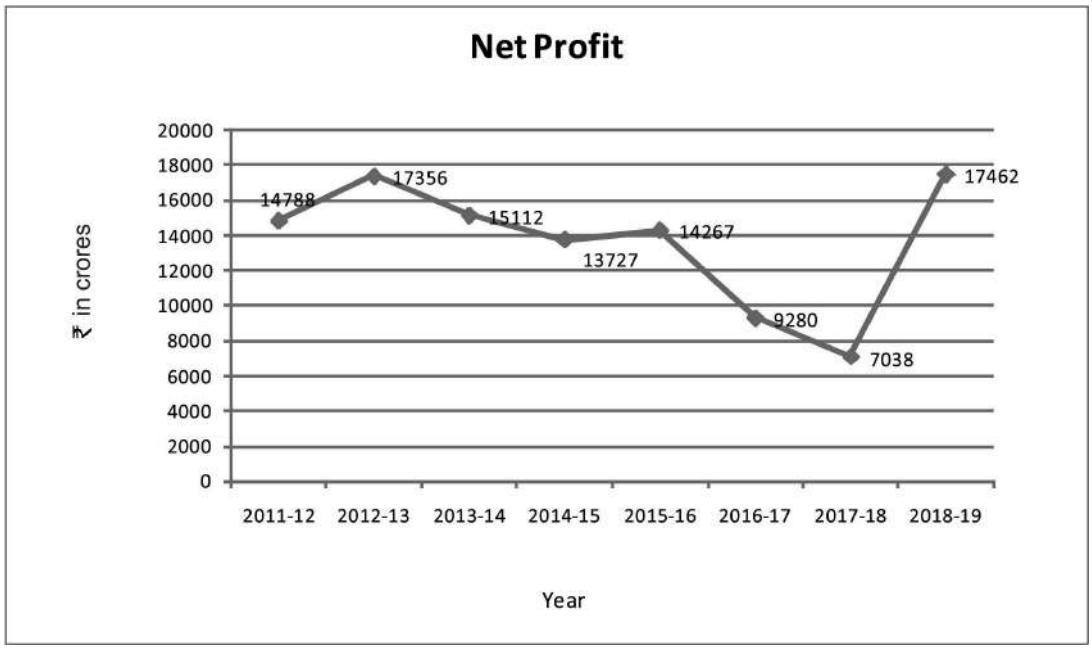
On behalf of your Company's Board of Directors, I wish to convey my deep gratitude to you, our valued shareholders, for your continued support and trust. This motivates us to excel in all our pursuits and constantly create value for you as well as for the nation.

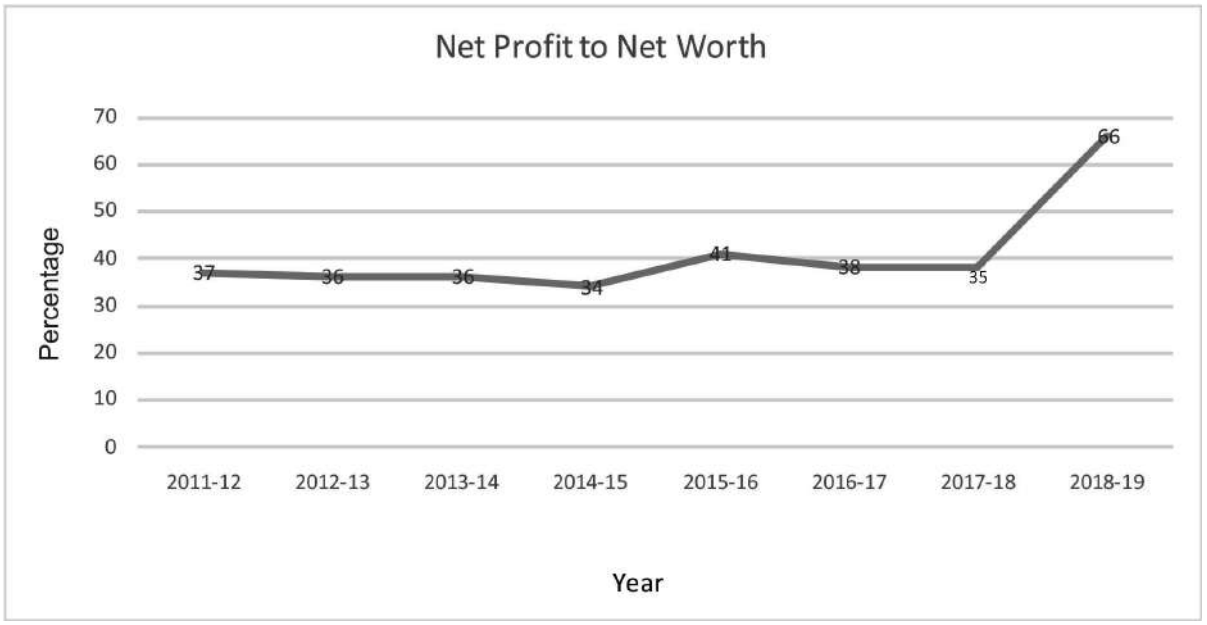
I appreciate the unstinted support and valuable guidance received from the Ministry of Coal, Government of India. I also express my sincere thanks to other Central Government Ministries and Departments, State Governments, all employees, Trade Unions, Auditors, Consumers, Suppliers and all other stakeholders for their continuous co-operation.

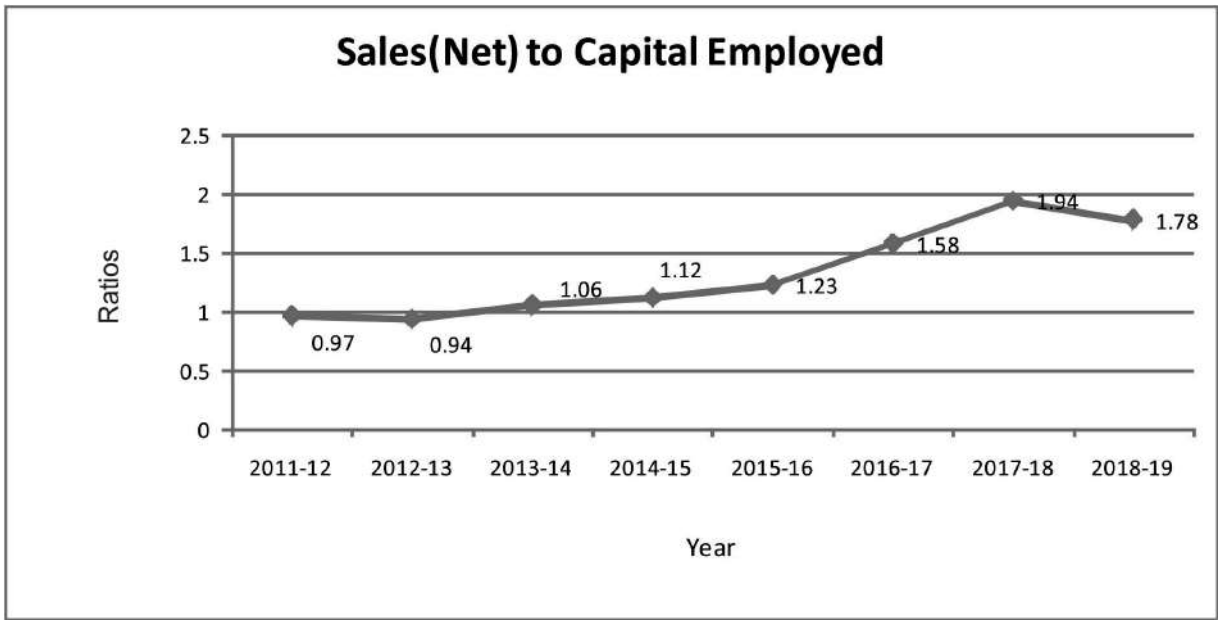
Sd/-
Anil Kumar Jha
Chairman
(DIN : 06645361)

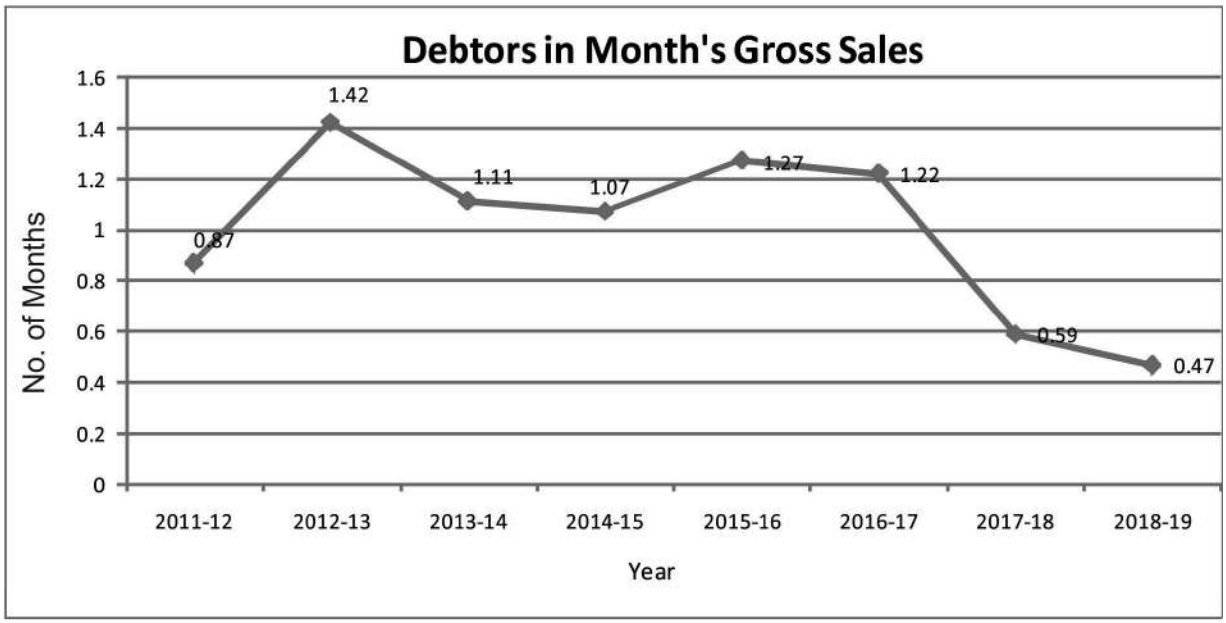
Place : Kolkata
Date: 4th July, 2019

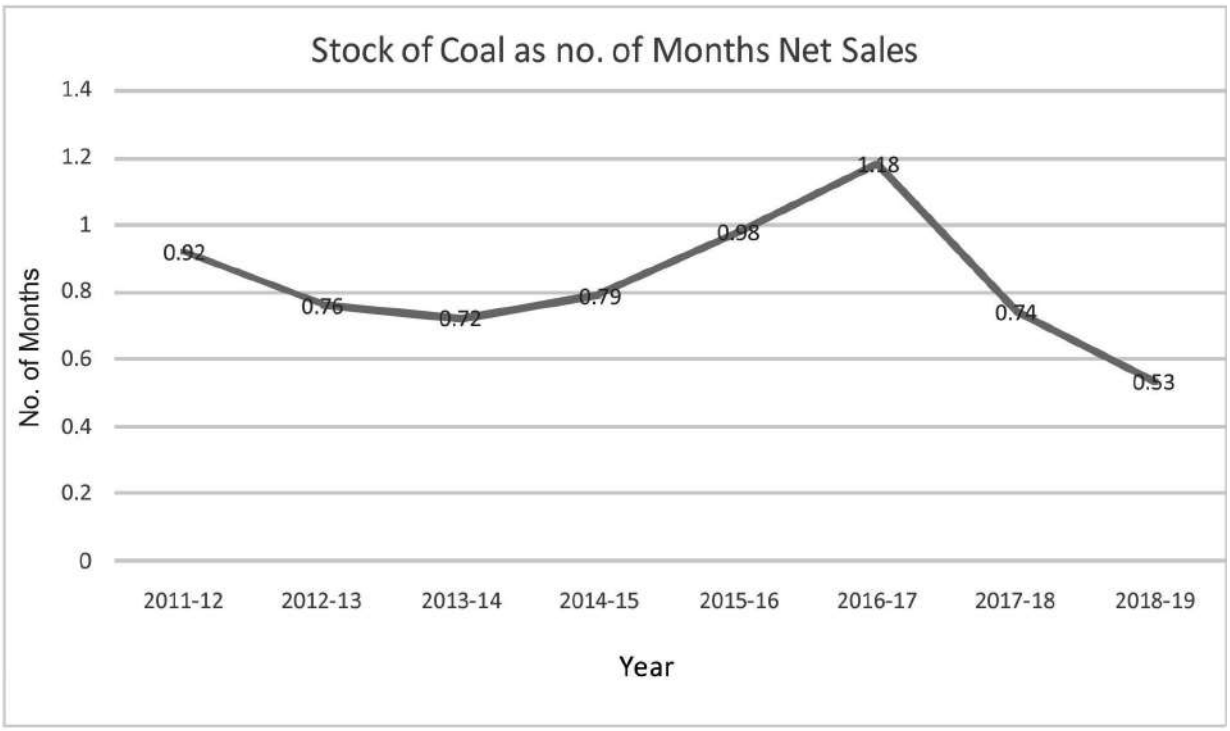

Despatches of Coal
Million Tonnes
700
600
500
400
300
200
100
0
433
466
471
490
535
543
581
608
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year

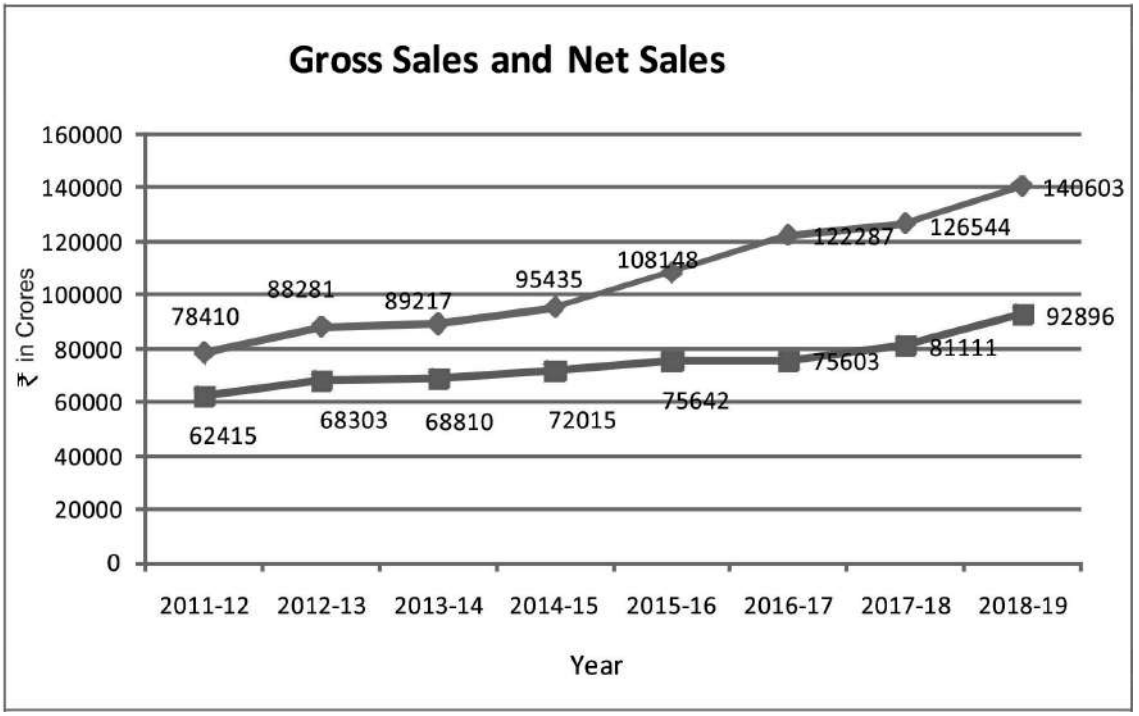

Net Profit
₹ in crores
20000
18000
16000
14000
12000
10000
8000
6000
4000
2000
0
14788
17356
15112
13727
14267
9280
7038
17462
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year

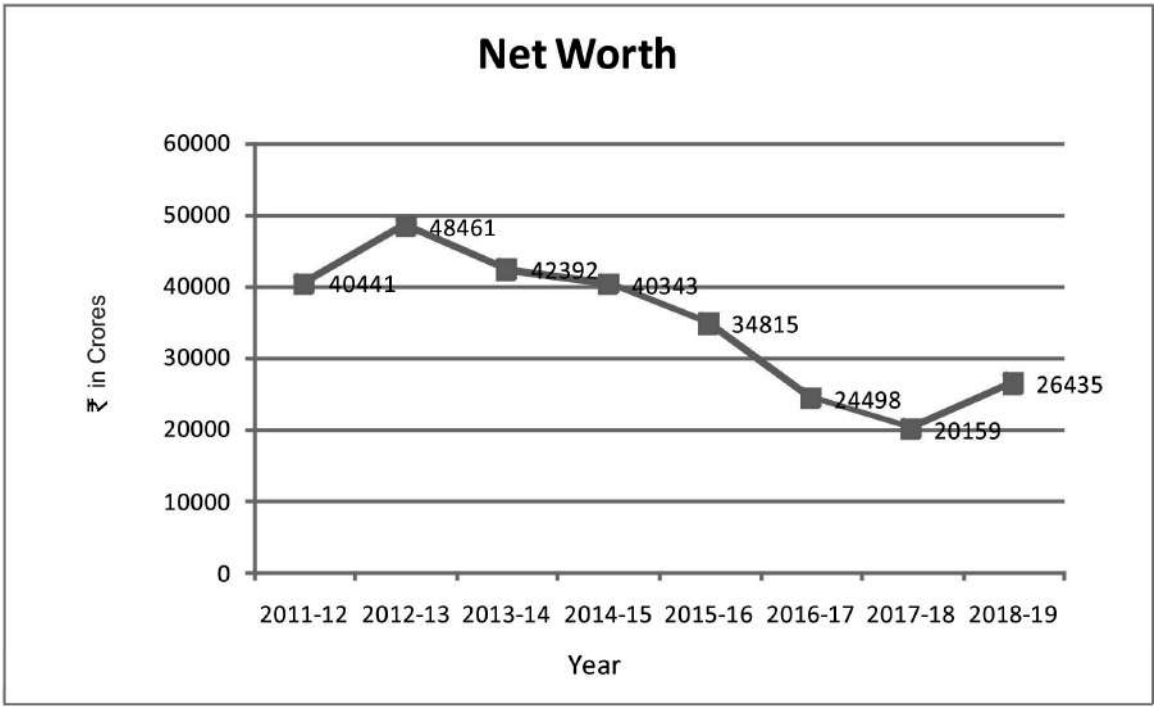

Net Profit to Net Worth
Percentage
70
60
50
40
30
20
10
0
37
36
36
34
41
38
35
66
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year

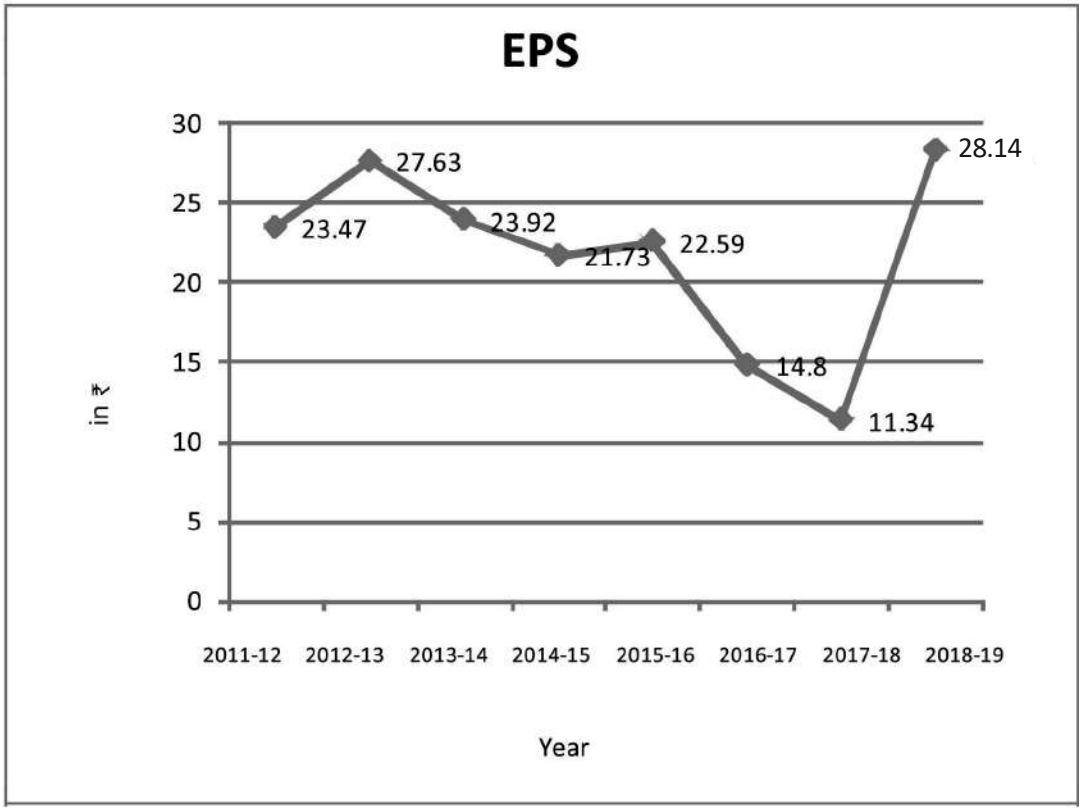

Sales(Net) to Capital Employed
Ratios
2.5
2
1.5
1
0.5
0
0.97
0.94
1.06
1.12
1.23
1.58
1.94
1.78
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year

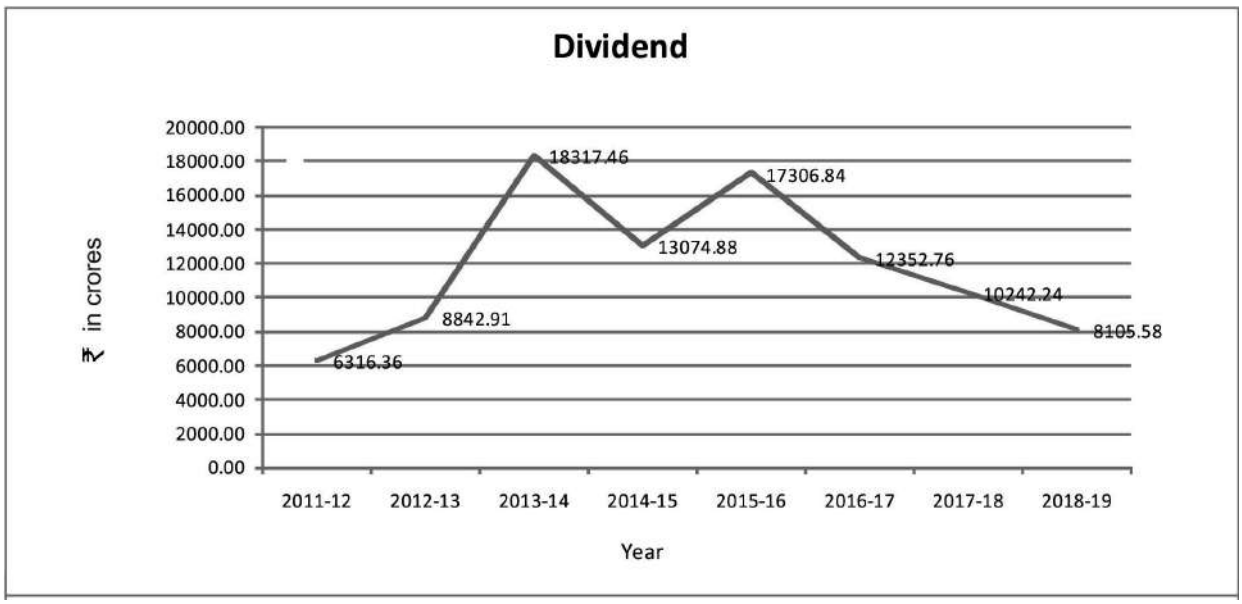

Debtors in Month's Gross Sales
No. of Months
1.6
1.4
1.2
1
0.8
0.6
0.4
0.2
0
1.42
1.11
1.07
1.27
1.22
0.87
0.59
0.47
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year


Stock of Coal as no. of Months Net Sales
No. of Months
1.4
1.2
1
0.8
0.6
0.4
0.2
0
0.92
0.76
0.72
0.79
0.98
1.18
0.74
0.53
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year


Gross Sales and Net Sales
160000
140000
120000
100000
80000
60000
40000
20000
0
₹ in Crores
78410
88281
89217
95435
108148
122287
126544
140603
62415
68303
68810
72015
75642
75603
81111
92896
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year


Net Worth
60000
50000
40000
30000
20000
10000
0
₹ in Crores
40441
48461
42392
40343
34815
24498
20159
26435
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year


EPS
30
25
20
15
10
5
0
in ₹
23.47
27.63
23.92
21.73
22.59
14.8
11.34
28.14
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year


Dividend
20000.00
18000.00
16000.00
14000.00
12000.00
10000.00
8000.00
6000.00
4000.00
2000.00
0.00
₹ in crores
6316.36
8842.91
18317.46
13074.88
17306.84
12352.76
10242.24
8105.58
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
Year

## OPERATIONAL STATISTICS

| Year Ending 31st March | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1.a) Production of Raw Coal (MillionTonnes) | | | | | | | | | | |
| Underground | 30.48 | 30.542 | 31.477 | 33.786 | 35.042 | 36.11 | 37.776 | 38.39 | 40.02 | 43.25 |
| Opencast | 576.40 | 536.823 | 522.663 | 504.968 | 459.196 | 426.31 | 414.435 | 397.45 | 391.30 | 388.01 |
| **Total** | **606.89** | **567.365** | **554.140** | **538.754** | **494.238** | **462.42** | **452.211** | **435.84** | **431.32** | **431.26** |
| b) Overburden Removal (million Cum) | 1161.99 | 1178.12 | 1156.377 | 1148.908 | 886.528 | 806.54 | 746.702 | 735.14 | 732.13 | 682.03 |
| 2. Off take (Raw Coal) (MillionTonnes) | | | | | | | | | | |
| Power | 491.247 | 453.473 | 426.294 | 407.648 | 385.852 | 354.62 | 345.32 | 312.05 | 304.30 | 298.87 |
| Steel/Hard Coke | 5.372 | 5.835 | 6.759 | 7.668 | 6.994 | 6.75 | 8.04 | 7.76 | 9.50 | 8.92 |
| Others | 111.517 | 120.976 | 110.266 | 119.180 | 96.531 | 110.211 | 111.818 | 113.27 | 110.70 | 108.09 |
| **TOTAL** | **608.137** | **580.284** | **543.319** | **534.496** | **489.377** | **471.581** | **465.178** | **433.08** | **424.50** | **415.88** |
| 3. Average Manpower | 292118 | 304386 | 316210 | 327750 | 339867 | 352282 | 364736 | 377447 | 390243 | 404744 |
| 4. Year-end Manpower | 285479 | 298757 | 310016 | 322404 | 333097 | 346638 | 357926 | 371546 | 383347 | 397138 |
| 5. Productivity | | | | | | | | | | |
| A) Average per Man per Year (tonnes) | 2126 | 1899 | 1787 | 1671 | 1484 | 1334 | 1263 | 1173 | 1125.1 | 1085.93 |
| B) Output per manshift (OMS) | | | | | | | | | | |
| i) Under Ground (Tonnes) | 0.95 | 0.86 | 0.80 | 0.80 | 0.79 | 0.76 | 0.77 | 0.75 | 0.77 | 0.78 |
| ii) Open Cast (Tonnes) | 14.68 | 14.1 | 15.26 | 14.35 | 13.13 | 12.18 | 11.48 | 10.40 | 10.06 | 9.51 |
| iii) Overall (Tonnes) | 8.51 | 7.71 | 7.53 | 6.95 | 6.20 | 5.62 | 5.32 | 4.89 | 4.73 | 4.47 |

**OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)**
**INCOME AND EXPENDITURE STATEMENT after IND AS**

(₹ in Crores)

| Sl No | For The Year Ending 31st March | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| **A** | **Earned From** | | | | |
| **1** | **Gross Sales (Coal)** | **1,40,603.00** | **1,26,543.97** | **1,22,286.96** | **1,08,147.54** |
| | Less: Excise Duty & Other Levies | 47,706.92 | 45,432.71 | 46,684.10 | 32,505.76 |
| **2** | **Net Sales** | **92,896.08** | **81,111.26** | **75,602.86** | **75,641.78** |
| 3.i | Facilitation charges for coal import | | | 0.00 | 0.38 |
| 3.ii | Subsidy for Sand Stowing & Protective Works | 7.64 | 80.79 | 126.84 | 126.85 |
| 3.iii | Recovery of Transportation & Loading Cost (Net of Excise Duty) | 3,814.45 | 2,980.60 | 2,490.91 | 2,238.62 |
| 3.iv | Evacuation facilitating Charges (Net of Levies) | 2,520.65 | 743.57 | | |
| 3.v | Revenue from Services (Net of Levies) | 308.07 | 328.02 | 190.60 | |
| **3** | **Other Operating Revenue (Net of Excise Duty)** | **6,650.81** | **4,132.98** | **2,808.35** | **2,365.85** |
| 4.i | Interest on Deposits & Investments | 3,163.63 | 2,770.90 | 3,536.11 | 4,747.97 |
| 4.ii | Dividend from Mutual Funds | 243.36 | 180.85 | 194.49 | 265.09 |
| 4.iii | Other non-operating Income | 2,466.74 | 2,023.13 | 1,593.61 | 927.52 |
| **4** | **Other Income** | **5873.73** | **4,974.88** | **5,324.21** | **5,940.58** |
| | **TOTAL (A)** | **1,05,420.62** | **90,219.12** | **83,735.42** | **83,948.21** |
| **B** | **Paid to / Provided for** | | | | |
| 1.i | Salary, Wages, Allowances, Bonus etc. | 28,293.13 | 28,008.89 | 25,995.43 | 23,675.76 |
| 1.ii | Contribution to P.F. & Other Funds | 8,053.38 | 12,035.02 | 2,666.44 | 2,635.76 |
| 1.iii | Gratuity | | | 1,029.68 | 912.12 |
| 1.iv | Leave Encashment | | | 1,349.67 | 754.07 |
| 1.v | Others | 2,423.59 | 2,577.93 | 2,481.66 | 2,149.07 |
| **1** | **Employee Benefits Expenses** | **38,770.10** | **42,621.84** | **33,522.88** | **30,126.78** |
| 2 | Cost of Materials Consumed | 7,331.43 | 6,813.33 | 6,968.52 | 7,039.76 |
| 3 | Changes in inventories of finished goods/work in progress and Stock in trade | 856.24 | 1,679.46 | -1,238.38 | -1,444.22 |
| 4 | Power & Fuel | 2,443.08 | 2,516.42 | 2,546.45 | 2,490.54 |
| 5 | Corporate Social Responsibility Expenses | 416.47 | 483.78 | 489.67 | 1,082.16 |
| 6 | Repairs | 1,446.41 | 1,439.01 | 1,285.92 | 1,241.67 |
| 7 | Contractual Expenses | 13,377.99 | 12,757.28 | 12,303.03 | 11,128.42 |
| 8 | **Finance Costs** | | | | |
| | Unwinding of discounts | 265.48 | 393.59 | 378.55 | 365.51 |
| | Other finance costs | 9.56 | 36.51 | 30.63 | 20.65 |
| 9 | Depreciation/Amortization/Impairment | 3,450.36 | 3,062.70 | 2,906.75 | 2,825.91 |
| 10 | Stripping Activity Adjustment | 5,071.19 | 3,358.25 | 2,672.21 | 2,811.42 |
| 11 | Provisions & Write Off | 115.72 | 82.61 | 2,331.95 | 884.57 |
| 12 | Other Expenses | 4,741.13 | 4,204.03 | 5,090.91 | 3,935.24 |
| | **TOTAL (B)** | **78,295.16** | **79,448.81** | **69,289.09** | **62,508.41** |
| 13 | **Profit before exceptional items and Tax (A-B)** | **27,125.46** | **10,770.31** | **14,446.33** | **21,439.80** |
| 14 | Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 |
| 15 | **Profit Before Tax** | **27,125.46** | **10,770.31** | **14,446.33** | **21,439.80** |
| 16 | Less: Tax Expenses | -9,662.45 | -3,732.31 | -5,164.79 | -7,171.87 |
| 17 | **Profit for the period from continuing operations** | **17,463.01** | **7,038.00** | **9,281.54** | **14,267.93** |
| 18 | Profit/(Loss) from discontinued operations (after Tax) | | | -0.01 | -0.01 |
| 19 | Share in JV's/Associate's profit/(loss) | -0.83 | 0.44 | -1.76 | -1.14 |
| 20 | **Profit For the Period** | **17,462.18** | **7,038.44** | **9,279.77** | **14,266.78** |

(₹ in Crores)

| Sl No | For The Year Ending 31st March | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| 21 | **Other Comprehensive Income** | | | | |
| | A (i) Items that will not be reclassified to profit or loss | -42.53 | 973.37 | 140.15 | 455.01 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | 59.53 | (330.56) | -58.16 | -160.89 |
| | B (i) Items that will be reclassified to profit or loss | 0.38 | 0.01 | 0.01 | 0.29 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - |
| 22 | **Total Other Comprehensive Income** | **17.38** | **642.82** | **82.00** | **294.41** |
| | **Total Comprehensive Income for the period ( ) (Comprising Profit (Loss) and Other Comprehensive Income for the period)** | **17,479.56** | **7,681.26** | **9,361.77** | **14,561.19** |
| 23 | **Profit attributable to:** | | | | |
| | Owners of the company | | | 9,280.02 | 14,266.82 |
| | Non-controlling interest | 0.33 | (0.12) | -0.25 | -0.04 |
| | | **17,462.18** | **7,038.44** | **9,279.77** | **14,266.78** |
| 24 | **Other Comprehensive Income attributable to:** | | | | |
| | Owners of the company | 17.38 | 642.82 | 82.00 | 294.41 |
| | Non-controlling interest | | | | |
| | | **17.38** | **642.82** | **82.00** | **294.41** |
| 25 | **Total Comprehensive Income attributable to:** | | | | |
| | Owners of the company | 17,479.23 | 7,681.38 | 9,362.02 | 14,561.23 |
| | Non-controlling interest | 0.33 | (0.12) | (0.25) | (0.04) |
| | | **17,479.56** | **7,681.26** | **9,361.77** | **14,561.19** |

**OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)**
**FINANCIAL POSITION after IND AS**

(₹ in Crores)

| | As at 31st March | | | | |
|---|---|---|---|---|---|
| **Sl No** | **Particulars** | **2019** | **2018** | **2017** | **2016** |
| | **ASSETS** | | | | |
| **A** | **Non-Current Assets** | | | | |
| | (a) Property, Plant & Equipments | 28,539.06 | 24,059.98 | 22,035.99 | 20,662.55 |
| | (b) Capital Work in Progress | 9,622.94 | 10,272.70 | 8,585.22 | 4,553.22 |
| | (c) Exploration and Evaluation Assets | 4,036.71 | 3,484.58 | 1,717.73 | 1,351.13 |
| | (d) Intangible assets | 73.88 | 29.53 | 57.65 | 68.81 |
| | (e) Financial Assets | | | | |
| | (i) Investments | 1,421.01 | 1,303.06 | 969.39 | 966.11 |
| | (ii) Loans | 1,141.73 | 1,020.08 | 23.29 | 80.60 |
| | (iii) Other Financial Assets | 12,329.67 | 11,315.98 | 9,534.29 | 8,883.05 |
| | (f) Deferred Tax Assets (net) | 4,269.16 | 5,355.05 | 2,732.76 | 2,044.54 |
| | (g) Other non-current assets | 1,965.01 | 2,514.08 | 2,238.99 | 1,891.67 |
| | **Total Non-Current Assets (A)** | **63,399.17** | **59,355.04** | **47,895.31** | **40,501.68** |
| **B** | **Current Assets** | | | | |
| | (a) Inventories | 5,583.93 | 6,443.85 | 8,945.27 | 7,569.17 |
| | (b) Financial Assets | | | | |
| | (i) Investments | 1,749.96 | 400.57 | 513.47 | 1,939.96 |
| | (ii) Trade Receivables | 5,498.55 | 6,257.80 | 12,476.27 | 11,447.61 |
| | (iii) Cash & Cash equivalents | 2,275.71 | 3,997.67 | 4,193.91 | 4,876.40 |
| | (iv) Other Bank Balances | 28,848.52 | 27,282.31 | 26,955.28 | 33,138.51 |
| | (v) Loans | 502.33 | 3.69 | 12.48 | 21.80 |
| | (vi) Other Financial Assets | 3,514.42 | 3,383.68 | 2,829.83 | 2,491.07 |
| | (c) Current Tax Assets (Net) | 8957.19 | 7996.58 | 7467.97 | 4397.87 |
| | (d) Other Current Assets | 12,389.05 | 10,349.48 | 6,525.43 | 6,444.13 |
| | **Total Current Assets (B)** | **69,319.66** | **66,115.63** | **69,919.91** | **72,326.52** |
| | **Total Assets (A+B)** | **1,32,718.83** | **1,25,470.67** | **1,17,815.22** | **1,12,828.20** |
| | **EQUITY AND LIABILITIES** | | | | |
| **A** | **Equity** | | | | |
| 1 | Issued, Subscribed and Paid-up Equity Share Capital | 6,162.73 | 6,207.41 | 6,207.41 | 6,316.36 |
| 2 | **Capital Redemption Reserve** | | | | |
| | Balance at opening | 1,013.13 | 2,064.51 | 1,808.36 | 1,808.36 |
| | Addition during the year | 189.83 | - | | |
| | Buyback of Equity Shares | | | 256.15 | 0.00 |
| | Issue of Bonus Shares | | (1,051.38) | 0.00 | 0.00 |
| | **Balance at Closing** | **1,202.96** | **1,013.13** | **2,064.51** | **1,808.36** |
| 3 | **Capital Reserve** | | | | |
| | Balance at opening | 1,567.66 | 19.81 | 18.18 | 18.18 |
| | Addition during the year | 1.00 | 0.39 | 2.32 | 0.00 |
| | Adjustment during the year | (1.33) | -0.99 | (0.69) | 0.00 |
| | Issue of Bonus Shares | | 1,548.45 | 0.00 | 0.00 |
| | Buyback of Equity Shares | (105.51) | | | |
| | **Balance at closing** | **1,461.82** | **1,567.66** | **19.81** | **18.18** |
| 4 | **General Reserve** | | | | |
| | Restated Balance at opening | 15,737.15 | 15,676.06 | 23,139.53 | 21,511.02 |
| | Transfer to/from General reserve | 782.12 | 544.89 | 510.75 | 1628.51 |
| | Buyback of Equity Shares | (1065.00) | 0.00 | (3797.20) | 0.00 |
| | Tax on Buyback | (141.90) | 0.00 | (262.85) | 0.00 |
| | Issue of Bonus Shares | | (483.80) | 0.00 | 0.00 |
| | **Balance at Closing** | **15,312.37** | **15,737.15** | **19,590.23** | **23,139.53** |

(₹ in Crores)

| | As at 31st March | | | | |
|---|---|---|---|---|---|
| Sl No | Particulars | 2019 | 2018 | 2017 | 2016 |
| 5 | **Retained Earnings** | | | | |
| | Balance at opening | (5365.55) | 477.82 | 3,234.13 | 11,455.93 |
| | Adjustments | | 0.04 | (0.04) | (7.77) |
| | Total comprehensive income during the period | 17,461.85 | 7,038.56 | 9,280.02 | 14,561.23 |
| | Appropriations | | | | |
| | Transfer to/from General reserve | (782.12) | (544.89) | (510.75) | (1628.51) |
| | Transfer to other reserves | 0.00 | 0.00 | 0.00 | 0.00 |
| | Interim Dividend | (8105.58) | (10,242.24) | (12,352.76) | (17306.84) |
| | Final Dividend | | 0.00 | 0.00 | 0.00 |
| | Corporate Dividend Tax | (1833.86) | (2,081.57) | (2,750.36) | (3523.31) |
| | Buyback of Equity Share | (24.64) | | | |
| | Tax on Buyback | (72.38) | 0.00 | (640.23) | 0.00 |
| | Issue of Bonus Shares | | (13.27) | 0.00 | 0.00 |
| | **Balance at Closing** | **1,277.72** | **(5365.55)** | **-3739.99** | **3,550.73** |
| 6 | **Other Comprehensive Income** | | | | |
| | Balance at opening | 1,018.94 | 376.12 | 294.12 | 0.00 |
| | Remeasurement of Defined Benefits Plans (net of Tax) | 17.38 | 642.82 | 82.00 | 0.00 |
| | **Balance at Closing** | **1,036.32** | **1,018.94** | **376.12** | **0.00** |
| 7 | **Other Equity** | **20,291.19** | **13,971.33** | **18,310.68** | **28,516.80** |
| 8 | **Equity Attributable to Equityholders of the company** | **26,453.92** | **20,178.74** | **24,518.09** | **34,833.16** |
| 9 | **Non-controlling Interest** | 406.78 | 362.45 | 345.92 | 104.78 |
| 10 | **TOTAL EQUITY** | **26,860.70** | **20,541.19** | **24,864.01** | **34,937.94** |
| | **Liabilities** | | | | |
| **B** | **Non-Current Liabilities** | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowings | 1,472.27 | 1,054.40 | 294.80 | 263.06 |
| | (ii) Trade Payables | - | - | 0.00 | 0.00 |
| | (iii) Other Financial Liabilities | 1,300.40 | 1,164.92 | 1,042.76 | 1,219.41 |
| | (b) Provisions | 52,419.56 | 50,024.48 | 43,778.11 | 41,542.71 |
| | (c) Deferred Tax Liabilities (net) | 0.00 | 0.00 | 0.00 | 0.00 |
| | (d) Other Non-Current Liabilities | 4,853.72 | 4,366.58 | 3,819.71 | 3,510.92 |
| | **Total Non-Current Liabilities (B)** | **60,045.95** | **56,610.38** | **48,935.38** | **46,536.10** |
| **C** | **Current Liabilities** | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowings | 730.47 | 476.54 | 2,712.97 | 929.03 |
| | (ii) Trade payables | 6,815.51 | 6,974.40 | 3,884.31 | 3,297.15 |
| | (iii) Other Financial Liabilities | 4,143.39 | 4,470.61 | 4,747.97 | 3,988.14 |
| | (b) Other Current Liabilities | 26,986.37 | 24,364.36 | 21,524.07 | 15,092.01 |
| | (c) Provisions | 7,136.44 | 12,033.19 | 11,146.51 | 8,047.83 |
| | **Total Current Liabilities (C)** | **45,812.18** | **48,319.10** | **44,015.83** | **31,354.16** |
| | **Total Equity and Liabilities (A + B + C)** | **1,32,718.83** | **1,25,470.67** | **1,17,815.22** | **1,12,828.20** |

## OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

### IMPORTANT FINANCIAL INFORMATION after IND AS

(₹ in Crores)

| Sl No | For The Year Ending 31st March | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| **A** | **Related to Assets & Liabilities** | | | | |
| 1.i | No. of Equity Shares (CIL) of ₹ 10 each | 6162728327 | 6207409177 | 6207409177 | 6316364400 |
| 1.ii | **Shareholder's Funds** | | | | |
| 1.ii.a | Equity Share Capital | 6162.73 | 6207.41 | 6207.41 | 6316.36 |
| 1.ii.b | Reserves (General & Statutory) (including Capital Reserve arising out of Bonus shares) | 17958.27 | 18298.73 | 21654.74 | 24947.89 |
| 1.ii.c | Accumulated Profit/Loss (including OCI) | 2314.04 | (4346.61) | (3363.87) | 3550.73 |
| | **Net Worth** | **26435.04** | **20159.53** | **24498.28** | **34814.98** |
| 1.ii.d | Capital Reserve (excluding issue of Bonus shares) | 18.88 | 19.21 | 19.81 | 18.18 |
| | **Shareholder's Funds** | **26453.92** | **20178.74** | **24518.09** | **34833.16** |
| 2.i | Long Term Borrowings incl. Current Maturities | 1479.47 | 1061.18 | 410.69 | 269.76 |
| 2.ii | Long Term Borrowings excl. Current Maturities | 1472.27 | 1054.40 | 294.80 | 263.06 |
| 3.i | Gross Property Plant & Equipment | 40084.53 | 32499.12 | 27630.94 | 23341.40 |
| 3.ii. | Accumulated Depreciation/Impairment | 11545.47 | 8439.14 | 5594.95 | 2678.85 |
| 3.iii. | Net Property Plant & Equipment | 28539.06 | 24059.98 | 22035.99 | 20662.55 |
| 4.i | Current Assets | 69319.66 | 66115.63 | 69919.91 | 72326.52 |
| 4.ii | Current Liabilities | 45812.18 | 48319.10 | 44015.83 | 31354.16 |
| **4.iii** | **Net Current Assets / Working Capital** | **23507.48** | **17796.53** | **25904.08** | **40972.36** |
| 5.i | **Capital Employed (3.iii + 4.iii)** | **52046.54** | **41856.51** | **47940.07** | **61634.91** |
| 5.ii | Net Capital WIP & Intangible Assets under Development | 13733.53 | 13786.81 | 10360.60 | 5973.16 |
| 5.iii | **Capital Employed including CWIP (5.i+5.ii)** | **65780.07** | **55643.32** | **58300.67** | **67608.07** |
| 6.i | Trade Receivables | 5498.55 | 6257.80 | 12476.27 | 11447.61 |
| 6.ii | Cash & Cash Equivalents | 2275.71 | 3997.67 | 4193.91 | 4876.40 |
| 6 iii | Other Bank Balances | 28848.52 | 27282.31 | 26955.28 | 33138.51 |
| 7.i | Closing Stock of Coal (Net) | 4138.24 | 4979.09 | 7412.79 | 6162.54 |
| 7.ii | Closing Stock of Stores & Spares (Net) | 1209.19 | 1231.92 | 1316.73 | 1212.69 |
| 7.iii | Closing Stock Others (Net) | 236.50 | 232.84 | 215.75 | 193.94 |
| **B** | **Related to Proft/Loss** | | | | |
| 1.i | Gross Margin (PBDIT) | 30850.86 | 14263.11 | 17762.26 | 24651.87 |
| 1.ii | Gross Profit (PBIT) | 27400.50 | 11200.41 | 14855.51 | 21825.96 |
| 1.iii | Profit Before Tax | 27125.46 | 10770.31 | 14446.33 | 21439.80 |
| 1.iv | Profit after Tax for the period | 17462.18 | 7038.44 | 9279.77 | 14266.78 |
| 1.v | Net Profit (After Tax & Dividend) | 9356.60 | (3203.80) | (3072.99) | (3040.06) |
| 1.vi | Total Comprehensive Income | 17479.56 | 7681.26 | 9361.77 | 14561.19 |
| 2.i | Gross Sales of Coal | 140603.00 | 126543.97 | 122286.96 | 108147.54 |
| 2.ii | Net Sales | 92896.08 | 81111.26 | 75602.86 | 75641.78 |
| 2.iii | Sale value of Production | 92039.84 | 79431.80 | 76841.24 | 77086.00 |
| 2.iv | Revenue from Operations(net) | 99546.89 | 85244.24 | 78411.21 | 78007.63 |
| 3 | Cost of Goods Sold (Net Sales-PBT) | 65770.62 | 70340.95 | 61156.53 | 54201.98 |
| 4 | Total Expenditure | 78295.16 | 79448.81 | 69289.09 | 62508.41 |
| 4.i | Employee Benefits Expenses | 38770.10 | 42621.84 | 33522.88 | 30126.78 |
| 4.ii | Cost of Materials Consumed | 7331.43 | 6813.33 | 6968.52 | 7039.76 |
| 4.iii | Power & Fuel | 2443.08 | 2516.42 | 2546.45 | 2490.54 |
| 4.iv | Finance Cost | 275.04 | 430.10 | 409.18 | 386.16 |
| 4.v | Depriciation | 3450.36 | 3062.70 | 2906.75 | 2825.91 |
| 5 | Average Consumption of Material per month | 610.95 | 567.78 | 580.71 | 586.65 |
| 6.i | Average Manpower Employed during the year | 292118 | 304387 | 316210 | 327751 |
| 6.ii | CSR Expenses | 416.47 | 483.78 | 489.67 | 1082.16 |
| 6.ii | CSR Expenses per employee(Rs.'000) | 14.26 | 15.89 | 15.49 | 33.02 |
| 7 | Value added | 82265.33 | 70102.05 | 67326.27 | 67555.70 |
| 7.i | Value added per employee (Rs.'000) | 2816.17 | 2303.06 | 2129.16 | 2061.19 |

## OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)
## IMPORTANT FINANCIAL RELATIVE RATIOS after IND AS

| Sl No | For The Year Ending 31st March | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|
| A | **PROFITABILITY RATIOS** | | | | |
| 1 | **AS % NET SALES** | | | | |
| 1.i | Gross Margin (PBDIT) | 33.21 | 17.58 | 23.49 | 32.59 |
| 1.ii | Gross Profit (PBIT) | 29.50 | 13.81 | 19.65 | 28.85 |
| 1.iii | Profit Before Tax | 29.20 | 13.28 | 19.11 | 28.34 |
| 2 | **AS % TOTAL EXPENDITURE** | | | | |
| 2.i | Employee Benefits Expenses | 49.52 | 53.65 | 48.38 | 48.20 |
| 2.ii | Cost of Materials Consumed | 9.36 | 8.58 | 10.06 | 11.26 |
| 2.iii | Power & Fuel | 3.12 | 3.17 | 3.68 | 3.98 |
| 3 | **AS % CAPITAL EMPLOYED** | | | | |
| 3.i | Gross Margin (PBDIT) | 59.28 | 34.08 | 37.05 | 40.00 |
| 3.ii | Gross Profit (PBIT) | 52.65 | 26.76 | 30.99 | 35.41 |
| 3.iii | Profit Before Tax (Total Expenses – Finance cost) / Revenue from operations (Net) | 52.12 | 25.73 | 30.13 | 34.79 |
| 4 | **OPERATING RATIO** | 0.78 | 0.93 | 0.88 | 0.80 |
| B | **LIQUIDITY RATIOS** | | | | |
| 1 | Current Ratio (Current Assets/Current Liability) | 1.51 | 1.37 | 1.59 | 2.31 |
| 2 | Quick Ratio (Quick Assets/Current Laibility) | 1.39 | 1.23 | 1.39 | 2.07 |
| C | **TURNOVER RATIOS** | | | | |
| 1 | Capital Turnover Ratio | 1.78 | 1.94 | 1.58 | 1.23 |
| | (Net Sales/Capital Employed) | | | | |
| 2 | Trade Receivables (net) as no of months | | | | |
| 2.i | Gross Sales | 0.47 | 0.59 | 1.22 | 1.27 |
| 2.ii | Net Sales | 0.71 | 0.93 | 1.98 | 1.82 |
| 3 | As Ratio of Net Sales | | | | |
| 3.i | Trade Receivables | 0.06 | 0.08 | 0.17 | 0.15 |
| 3.ii | Coal Stock | 0.04 | 0.06 | 0.10 | 0.08 |
| 4 | Stock of Coal | | | | |
| 4.i | As no of month's Value of Production | 0.54 | 0.75 | 1.16 | 0.96 |
| 4.ii | As no of month's of cost of goods sold | 0.76 | 0.85 | 1.45 | 1.36 |
| 4.iii | As no of month's Net Sales | 0.53 | 0.74 | 1.18 | 0.98 |
| D | **STRUCTURAL RATIOS** | | | | |
| 1 | Long Term Debt : Equity Share Capital | 0.24 | 0.17 | 0.05 | 0.04 |
| 2 | Long Term Debt : Net Worth | 0.06 | 0.05 | 0.01 | 0.01 |
| 3 | Net Worth : Equity | 4.29 | 3.25 | 3.95 | 5.51 |
| 4 | Net Fixed Assets : Net Worth | 1.08 | 1.19 | 0.90 | 0.59 |
| E | **SHARE HOLDER'S INTEREST** | | | | |
| 1 | Book Value of Shares (Rs.) (Net worth/No of Equity shares) | 42.90 | 32.48 | 39.47 | 55.12 |
| 2 | Dividend per Share (Rs.) | 13.10 | 16.50 | 19.90 | 27.40 |

## OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

## FINANCIAL POSITION PRIOR TO IND-AS

(₹ in Crores)

| Sl No | As at 31st March | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|
| **A** | **What is owned** | | | | | | |
| | Gross Fixed Assets (Tangible & Intangible) | 48418.14 | 44807.98 | 41479.46 | 39010.67 | 38096.41 | 36714.12 |
| | Less: Depreciation, Impairment & Provisions | (30057.37) | (28692.94) | (26695.07) | (25544.91) | (24656.12) | (23870.81) |
| **1** | **Net Carrying Value of Fixed Assets** | **18360.77** | **16115.04** | **14784.39** | **13465.76** | **13440.29** | **12843.31** |
| 2 | Capital WIP & Intangible Assets under Development | 5894.16 | 5159.37 | 4315.81 | 3495.95 | 2903.38 | 2057.16 |
| 3 | Non-Current Investments | 961.98 | 963.05 | 1187.58 | 1400.30 | 946.99 | 850.96 |
| 4 | Deferred Tax Assets (Net) | 2044.54 | 1959.62 | 1971.74 | 2255.02 | 1194.06 | 873.23 |
| 5 | Long-Term Loans & Advances | 2031.90 | 1688.22 | 1163.66 | 1181.36 | 1017.25 | 845.35 |
| 6 | Other Non-current Assets | 8421.41 | 6776.65 | 5259.55 | 2118.00 | 2000.21 | 1500.77 |
| 7 | **Current Assets** | | | | | | |
| 7.i.a | Inventory of Coal (Net) | 6162.54 | 4712.16 | 4154.61 | 4301.16 | 4801.14 | 4439.82 |
| 7.i.b | Inventory of Stores & Spares (Net) | 1211.97 | 1245.17 | 1167.16 | 1117.90 | 1126.45 | 1038.17 |
| 7.i.c | Other Inventories | 220.83 | 226.49 | 246.30 | 198.77 | 143.69 | 107.62 |
| 7.ii | Trade Receivables | 11463.70 | 8521.88 | 8241.03 | 10480.21 | 5662.84 | 3456.98 |
| 7.iii | Cash & Bank Balances | 38312.77 | 47268.89 | 47722.60 | 60192.17 | 56271.86 | 44382.00 |
| 7.iv | Current Investments | 1939.96 | 1850.39 | 2587.32 | 994.66 | 1034.41 | 212.73 |
| 7.v | Short term Loans & Advances | 8278.92 | 8826.80 | 6596.06 | 4919.81 | 13478.19 | 11180.14 |
| 7.vi | Other Current assets | 4914.22 | 5227.73 | 4844.54 | 4174.74 | 2965.50 | 2125.75 |
| | **Total Current Assets** | **72504.91** | **77879.51** | **75559.62** | **86379.42** | **85484.08** | **66943.21** |
| 8 | **Current Liabilities & Provisions** | | | | | | |
| 8.i | Short Term Borrowings | 929.00 | 200.11 | 0.32 | 0.00 | 0.00 | 32.60 |
| 8.ii | Trade Payables | 978.50 | 920.76 | 805.08 | 837.17 | 829.02 | 645.45 |
| 8.iii | Other Current Liabilities | 21521.05 | 20596.67 | 18070.40 | 16385.71 | 17832.16 | 13601.00 |
| 8.iv | Short Term Provisions | 8025.16 | 7691.96 | 6300.60 | 9761.53 | 16039.27 | 12757.37 |
| | **Total Current Liabilities & Provisions** | **31453.71** | **29409.50** | **25176.40** | **26984.41** | **34700.45** | **27036.42** |
| **9** | **Net Current Assets (7-8)** | **41051.20** | **48470.01** | **50383.22** | **59395.01** | **50783.63** | **39906.79** |
| | **TOTAL (A)** | **78765.96** | **81131.96** | **79065.95** | **83311.40** | **72285.81** | **58877.57** |
| **B** | **What is owed** | | | | | | |
| | Share Capital | 6316.36 | 6316.36 | 6316.36 | 6316.36 | 6316.36 | 6316.36 |
| | Reserves & Surplus | 27581.24 | 34036.71 | 36088.10 | 42155.63 | 34136.66 | 26997.84 |
| 1 | Shareholders' Fund | **33897.60** | **40353.07** | **42404.46** | **48471.99** | **40453.02** | **33314.20** |
| 2 | Long Term Borrowings | 263.06 | 201.83 | 171.46 | 1077.79 | 1305.35 | 1333.76 |
| 3 | Other Long Term Liabilities | 4334.96 | 3999.44 | 3528.94 | 3137.21 | 2647.03 | 2057.39 |
| 4 | Long Term Provisions | 40165.53 | 36511.79 | 32897.49 | 30560.81 | 27826.81 | 22139.61 |
| | **TOTAL (B)** | **78661.15** | **81066.13** | **79002.35** | **83247.80** | **72232.21** | **58844.96** |
| **C** | **Minority Interest** | 104.81 | 65.83 | 63.60 | 63.60 | 53.60 | 32.61 |
| | **TOTAL (B) + (C )** | **78765.96** | **81131.96** | **79065.95** | **83311.40** | **72285.81** | **58877.57** |
| | **Capital Employed excluding CWIP (A1+A9)** | **59411.97** | **64585.05** | **65167.61** | **72860.77** | **64223.92** | **52750.10** |
| | **Capital Employed including CWIP (A1+A2+A9)** | **65306.13** | **69744.42** | **69483.42** | **76356.72** | **67127.30** | **54807.26** |

## OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)
## INCOME AND EXPENDITURE STATEMENT PRIOR TO IND AS

(₹ in Crores)

| Sl No | For The Year Ending 31st March | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|
| **A** | **Earned From** | | | | | | |
| **1** | **Gross Sales (Coal)** | **108150.03** | **95434.76** | **89216.86** | **88281.32** | **78410.38** | **60240.90** |
| | Less: Excise Duty & Other Levies | (32505.76) | (23420.14) | (20406.84) | (19978.58) | (15994.95) | (10011.62) |
| **2** | **Net Sales** | **75644.27** | **72014.62** | **68810.02** | **68302.74** | **62415.43** | **50229.28** |
| 3.i | Facilitation charges for coal import | 0.38 | 0.30 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3.ii | Subsidy for Sand Stowing & Protective Works | 126.85 | 78.19 | 99.89 | 79.51 | 67.48 | 76.83 |
| 3.iii | Recovery of Transportation & Loading Cost (Net) | 2238.62 | 2026.96 | 1697.61 | 1469.02 | 1376.04 | 1218.88 |
| **3** | **Other Operating Revenue (Net)** | **2365.85** | **2105.45** | **1797.50** | **1548.53** | **1443.52** | **1295.71** |
| 4.i | Interest on Deposits & Investments | 4540.59 | 5297.89 | 5566.77 | 6216.71 | 5317.77 | 2964.34 |
| 4.ii | Dividend from Mutual Funds | 263.61 | 279.60 | 241.63 | 140.49 | 27.97 | 0.33 |
| 4.iii | Other non-operating Income | 924.25 | 993.15 | 1363.48 | 840.96 | 747.64 | 611.76 |
| **4** | **Other Income** | **5728.45** | **6570.64** | **7171.88** | **7198.16** | **6093.38** | **3576.43** |
| | **TOTAL (A)** | **83738.57** | **80690.71** | **77779.40** | **77049.43** | **69952.33** | **55101.42** |
| **B** | **Paid to / Provided for** | | | | | | |
| 1.i | Salary, Wages, Allowances ,Bonus etc. | 21761.12 | 21217.34 | 20615.96 | 18930.24 | 16571.73 | 13296.31 |
| 1.ii | Contribution to P.F. & Other Funds | 2635.03 | 2563.73 | 2470.01 | 2291.46 | 1778.31 | 1697.84 |
| 1.iii | Gratuity | 457.11 | 1121.60 | 514.51 | 1456.83 | 3944.09 | 1482.09 |
| 1.iv | Leave Encashment | 754.79 | 949.42 | 601.34 | 833.21 | 804.67 | 686.11 |
| 1.v | Others | 4051.78 | 4022.03 | 3712.58 | 4094.26 | 3317.70 | 2706.85 |
| 1 | Employee Benefits Expenses | 29659.83 | 29874.12 | 27914.40 | 27606.00 | 26416.50 | 19869.20 |
| 2 | Cost of Materials Consumed | 7082.55 | 7256.44 | 7022.05 | 6062.11 | 5504.07 | 5272.82 |
| 3 | Changes in inventories of finished goods/work in progress and Stock in trade | (1444.21) | (530.48) | 92.65 | 493.92 | (381.04) | (1214.97) |
| 4 | Power & Fuel | 2503.51 | 2347.28 | 2282.23 | 2333.48 | 2012.52 | 1749.48 |
| 5 | Corporate Social Responsibility Expenses | 1082.07 | 298.10 | 409.37 | 140.13 | 104.12 | 94.70 |
| 6 | Repairs | 1242.33 | 1122.73 | 985.18 | 822.40 | 645.71 | 657.36 |
| 7 | Contractual Expenses | 11129.24 | 8512.62 | 6827.53 | 5801.97 | 4900.97 | 4624.50 |
| 8 | Finance Costs | 20.65 | 7.32 | 58.00 | 45.17 | 53.98 | 73.70 |
| 9 | Depreciation/Amortization/Impairment | 2466.44 | 2319.80 | 1996.41 | 1812.97 | 1969.22 | 1765.40 |
| 10 | Overburden Removal Adjustment | 2811.42 | 3826.70 | 3286.56 | 3201.74 | 3693.89 | 2618.47 |
| 11 | Provisions & Write Off | 1703.29 | 993.80 | 1154.53 | 927.10 | 1469.84 | 578.84 |
| 12 | Other Expenses | 3933.81 | 3083.36 | 2872.36 | 2830.26 | 2381.04 | 2501.28 |
| 13 | Prior Period Adjustment/ Exceptional Items | (41.45) | (5.00) | (1.41) | (6.86) | (91.15) | 47.40 |
| | **TOTAL (B)** | **62149.48** | **59106.79** | **54899.86** | **52070.39** | **48679.67** | **38638.18** |
| | **Profit Before Tax (A - B)** | **21589.09** | **21583.92** | **22879.54** | **24979.04** | **21272.66** | **16463.24** |
| | Less: Tax Expenses | (7314.79) | (7857.30) | (7767.90) | (7622.67) | (6484.45) | (5595.88) |
| | Profit/(loss) from discontinuing operation | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) |
| | Share of Minority | 0.04 | 0.09 | 0.04 | 0.00 | 0.00 | 0.00 |
| | **Profit After Tax** | **14274.33** | **13726.70** | **15111.67** | **17356.36** | **14788.20** | **10867.35** |
| | Dividend for the year | 17306.84 | 13074.88 | 18317.46 | 8842.91 | 6316.36 | 2463.38 |
| | Corporate Dividend Tax | 3433.85 | 2424.55 | 2825.27 | 1323.23 | 1183.56 | 897.74 |
| | Transfer to General Reserve | 1628.51 | 2578.50 | 2827.44 | 2508.92 | 2143.24 | 1471.94 |
| | Transfer to CSR Reserve | 0.00 | 0.00 | 231.28 | 220.82 | 231.22 | 168.12 |
| | Other Transfers & Adjustments | 7.77 | 410.13 | 31.30 | (70.36) | 115.77 | 7.74 |
| | Retained Surplus/ (Deficit) for the year | (8102.64) | (4761.36) | (9121.08) | 4530.84 | 4798.05 | 5858.43 |
| | Cumulative Profit/Loss from Last year | 10754.00 | 15515.36 | 24636.44 | 20105.60 | 15307.55 | 9449.12 |
| | **Cumulative Profit/Loss in Balance Sheet** | **2651.36** | **10754.00** | **15515.36** | **24636.44** | **20105.60** | **15307.55** |

## OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)
## IMPORTANT FINANCIAL INFORMATION PRIOR TO IND AS

(₹ in Crores)

| Sl.No | For The Year Ending 31st March | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|
| **A** | **Related to Assets & Liabilities** | | | | | | |
| 1.i | No. of Equity Shares (CIL) of ₹ 10 each | 6316364400 | 6316364400 | 6316364400 | 6316364400 | 6316364400 | 6316364400 |
| 1.ii | Shareholder's Funds | | | | | | |
| 1.ii.a | Equity Share Capital | 6316.36 | 6316.36 | 6316.36 | 6316.36 | 6316.36 | 6316.36 |
| 1.ii.b | Reserves (General & Statutory) | 24947.89 | 23319.38 | 20599.89 | 17515.47 | 14023.38 | 11684.79 |
| 1.ii.c | Accumulated Profit/Loss | 2651.36 | 10754.00 | 15515.36 | 24636.44 | 20105.60 | 15307.55 |
| 1.ii.d | Misc. Expenditure | (36.14) | (46.37) | (39.71) | (7.42) | (4.54) | (3.37) |
| 1.ii.e | Reserves & Surplus of Joint Ventures | (0.05) | (0.04) | (0.04) | (0.04) | (0.04) | 0.00 |
| | **Net Worth** | **33879.42** | **40343.33** | **42391.86** | **48460.81** | **40440.76** | **33305.33** |
| 1.ii.f | Capital Reserve | 18.18 | 9.74 | 12.60 | 11.18 | 12.26 | 8.87 |
| | **Shareholder's Funds** | **33897.60** | **40353.07** | **42404.46** | **48471.99** | **40453.02** | **33314.20** |
| 2.i | Long Term Borrowings incl. Current Maturities | 269.76 | 208.21 | 177.82 | 1305.30 | 1527.38 | 1520.97 |
| 2.ii | Long Term Borrowings excl. Current Maturities | 263.06 | 201.83 | 171.46 | 1077.79 | 1305.35 | 1333.76 |
| 3 | Net Fixed Assets | 18360.77 | 16115.04 | 14784.39 | 13465.76 | 13440.29 | 12843.31 |
| 4.i | Current Assets | 72504.91 | 77879.51 | 75559.62 | 86379.42 | 85484.08 | 66943.21 |
| 4.ii | Current Liabilities | 31453.71 | 29409.50 | 25176.40 | 26984.41 | 34700.45 | 27036.42 |
| 4.iii | **Net Current Assets / Working Capital** | **41051.20** | **48470.01** | **50383.22** | **59395.01** | **50783.63** | **39906.79** |
| 5.i | **Capital Employed (3 + 4.iii)** | **59411.97** | **64585.05** | **65167.61** | **72860.77** | **64223.92** | **52750.10** |
| 5.ii | Capital WIP & Intangible Assets under Development | 5894.16 | 5159.37 | 4315.81 | 3495.95 | 2903.38 | 2057.16 |
| 5.iii | **Capital Employed including CWIP (5.i+5.ii)** | **65306.13** | **69744.42** | **69483.42** | **76356.72** | **67127.30** | **54807.26** |
| 6.i | Trade Receivables | 11463.70 | 8521.88 | 8241.03 | 10480.21 | 5662.84 | 3456.98 |
| 6.ii | Cash & Bank Balance | 38312.77 | 47268.89 | 47722.60 | 60192.17 | 56271.86 | 44382.00 |
| 7.i | Closing Stock of Coal (Net) | 6162.54 | 4712.16 | 4154.61 | 4301.16 | 4801.14 | 4439.82 |
| 7.ii | Closing Stock of Stores & Spares (Net) | 1211.97 | 1245.17 | 1167.16 | 1117.90 | 1126.45 | 1038.17 |
| **B** | **Related to Proft/Loss** | | | | | | |
| 1.i | Gross Margin (PBDIT) | 24076.18 | 23911.04 | 24933.95 | 26837.18 | 23295.86 | 18302.34 |
| 1.ii | Gross Profit (PBIT) | 21609.74 | 21591.24 | 22937.54 | 25024.21 | 21326.64 | 16536.94 |
| 1.iii | Profit Before Tax | 21589.09 | 21583.92 | 22879.54 | 24979.04 | 21272.66 | 16463.24 |
| 1.iv | Profit AfterTax | 14274.33 | 13726.70 | 15111.67 | 17356.36 | 14788.20 | 10867.35 |
| 2.i | Gross Sales of Coal | 108150.03 | 95434.76 | 89216.86 | 88281.32 | 78410.38 | 60240.90 |
| 2.ii | Net Sales | 75644.27 | 72014.62 | 68810.02 | 68302.74 | 62415.43 | 50229.28 |
| 2.iii | Sale value of Production | 77088.48 | 72545.10 | 68717.37 | 67808.82 | 62796.47 | 51444.25 |
| 3 | Cost of Goods Sold (Net Sales-PBT) | 54055.18 | 50430.70 | 45930.48 | 43323.70 | 41142.77 | 33766.04 |
| 4 | Total Expediture | 62149.48 | 59106.79 | 54899.86 | 52070.39 | 48679.67 | 38638.18 |
| 4.i | Employee Benefits Expenses | 29659.83 | 29874.12 | 27914.40 | 27606.00 | 26416.50 | 19869.20 |
| 4.ii | Cost of Materials Consumed | 7082.55 | 7256.44 | 7022.05 | 6062.11 | 5504.07 | 5272.82 |
| 4.iii | Power & Fuel | 2503.51 | 2347.28 | 2282.23 | 2333.48 | 2012.52 | 1749.48 |
| 5 | Average Consumption of Material per month | 590.21 | 604.70 | 585.17 | 505.18 | 458.67 | 439.40 |
| 6.i | Average Manpower Employed during the year | 327751 | 339868 | 352282 | 364736 | 377447 | 390243 |
| 6.ii | CSR Expenses per employee (₹ '000) | 33.02 | 8.77 | 11.62 | 3.84 | 2.76 | 2.43 |
| 7 | Value added | 67502.42 | 62941.38 | 59413.09 | 59413.23 | 55279.88 | 44421.95 |
| 7.i | Value added per employee (₹ '000) | 2059.57 | 1851.94 | 1686.52 | 1628.94 | 1464.58 | 1138.32 |

## OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)
## IMPORTANT FINANCIAL RELATIVE RATIOS PRIOR TO IND AS

| Sl.No | For The Year Ending 31st March | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|
| **A** | **PROFITABILITY RATIOS** | | | | | | |
| 1 | **AS % NET SALES** | | | | | | |
| 1.i | Gross Margin (PBDIT) | 31.83 | 33.20 | 36.24 | 39.29 | 37.32 | 36.44 |
| 1.ii | Gross Profit (PBIT) | 28.57 | 29.98 | 33.33 | 36.64 | 34.17 | 32.92 |
| 1.iii | Profit Before Tax | 28.54 | 29.97 | 33.25 | 36.57 | 34.08 | 32.78 |
| 2 | **AS % TOTAL EXPENDITURE** | | | | | | |
| 2.i | Employee Benefits Expenses | 47.72 | 50.54 | 50.85 | 53.02 | 54.27 | 51.42 |
| 2.ii | Cost of Materials Consumed | 11.40 | 12.28 | 12.79 | 11.64 | 11.31 | 13.65 |
| 2.iii | Power & Fuel | 4.03 | 3.97 | 4.16 | 4.48 | 4.13 | 4.53 |
| 3 | **AS % CAPITAL EMPLOYED** | | | | | | |
| 3.i | Gross Margin (PBDIT) | 40.52 | 37.02 | 38.26 | 36.83 | 36.27 | 34.70 |
| 3.ii | Gross Profit (PBIT) | 36.37 | 33.43 | 35.20 | 34.35 | 33.21 | 31.35 |
| 3.iii | Profit Before Tax | 36.34 | 33.42 | 35.11 | 34.28 | 33.12 | 31.21 |
| 4 | **OPERATING RATIO (Net Sales-PBT/Net Sales)** | 0.71 | 0.70 | 0.67 | 0.63 | 0.66 | 0.67 |
| **B** | **LIQUIDITY RATIOS** | | | | | | |
| 1 | Current Ratio (Current Assets/Current Liability) | 2.31 | 2.65 | 3.00 | 3.20 | 2.46 | 2.48 |
| 2 | Quick Ratio (Quick Assets/Current Laibility) | 2.06 | 2.44 | 2.78 | 2.99 | 2.29 | 2.27 |
| **C** | **TURNOVER RATIOS** | | | | | | |
| 1 | Capital Turnover Ratio (Net Sales/Capital Employed) | 1.27 | 1.12 | 1.06 | 0.94 | 0.97 | 0.95 |
| 2 | Trade Receivables (net) as no of months | | | | | | |
| 2.i | Gross Sales | 1.27 | 1.07 | 1.11 | 1.42 | 0.87 | 0.69 |
| 2.ii | Net Sales | 1.82 | 1.42 | 1.44 | 1.84 | 1.09 | 0.83 |
| **3** | **As Ratio of Net Sales** | | | | | | |
| 3.i | Trade Receivables | 0.15 | 0.12 | 0.12 | 0.15 | 0.09 | 0.07 |
| 3.ii | Coal Stock | 0.08 | 0.07 | 0.06 | 0.06 | 0.08 | 0.09 |
| **4** | **Stock of Coal** | | | | | | |
| 4.i | As no of month's Value of Production | 0.96 | 0.78 | 0.73 | 0.76 | 0.92 | 1.04 |
| 4.ii | As no of month's of cost of goods sold | 1.37 | 1.12 | 1.09 | 1.19 | 1.40 | 1.58 |
| 4.iii | As no of month's Net Sales | 0.98 | 0.79 | 0.72 | 0.76 | 0.92 | 1.06 |
| **D** | **STRUCTURAL RATIOS** | | | | | | |
| 1 | Long Term Debt : Equity Share Capital | 0.04 | 0.03 | 0.03 | 0.17 | 0.21 | 0.21 |
| 2 | Long Term Debt : Net Worth | 0.01 | 0.005 | 0.004 | 0.022 | 0.032 | 0.040 |
| 3 | Net Worth : Equity | 5.36 | 6.39 | 6.71 | 7.67 | 6.40 | 5.27 |
| 4 | Net Fixed Assets : Net Worth | 0.54 | 0.40 | 0.35 | 0.28 | 0.33 | 0.39 |
| **E** | **SHARE HOLDER'S INTEREST** | | | | | | |
| 1 | Book Value of Shares (₹)<br>(Net worth /No of Equity shares) | 53.64 | 63.87 | 67.11 | 76.72 | 64.03 | 52.73 |
| 2 | Dividend per Share (₹) (₹ 10 from 2009-10) | 27.40 | 20.70 | 29.00 | 14.00 | 10.00 | 3.90 |

## BRIEF PROFILE OF DIRECTORS

**Shri Anil Kumar Jha(59)[DIN-06645361]** a Post-Graduate Mining Engineer with Distinction from Indian School of Mines, Dhanbad (now IIT), took over as Chairman-cum-Managing Director of Coal India Limited on 18th May, 2018. Prior to the assumption of CIL's apex post Shri. Jha headed, Mahanadi Coalfields Limited (MCL) since 1st November, 2015 as its CMD - the second largest coal producing company among all CIL's subsidiaries. Under Shri Jha's leadership MCL's performance took a quantum upward leap and MCL currently accounts for 25% of CIL's overall production and around 24% of total coal supplies. Shri. Jha, is a Post Graduate (M. Tech) with Distinction in Mine Planning & Design graduated from Indian School of Mines, Dhanbad. He began his career in coal mining industry, in 1983, in Central Coalfields Limited. He had held many important assignments and senior positions in CCL including that as General Manager, Argada Area. Shri Jha had a 14-year stint in Central Mine Planning & Design Institute (CMPDI) - the Ranchi based consultancy arm of CIL - planning opencast and underground mines. Shri. Jha has over three decades of experience under his belt in mine planning, production, management supervision, direction and control of underground as well as open cast coal mines. For a while he worked as Director (P&P) in MOIL Limited where he was the Nominated Owner and Head of Production, Planning, Projects, Quality Control and Mine Safety Divisions and other allied departments including Personnel and Industrial Relations. Shri Anil Kumar Jha is the recipient of 'Best Chief Executive' Award conferred by GeoMine Tech for outstanding performance of MCL during 2017-18. He has presented many technical papers in national and international seminars and workshops. He is presently the President of MGMI a 113-year old Institute dedicated to promoting the scientific study of mining and mineral industries of the country. He doesn't hold any shares of Coal India Limited

**Shri Shyam Nandan Prasad(59),(DIN-07408431)** has taken over charge as Director (Marketing) of coal mining monolith Coal India Limited, Kolkata on 1st February'2016. From 1st Oct' 2018 he is holding additional Charge of Director(Finance), CIL. Shri S.N. Prasad is MBA (Marketing) and has joined as Management Trainee (Marketing) in the year 1982 in Coal India Limited. He has been working in the field of marketing for more than 33 years and gained experience from working in the mines - pit heads, coal stock yards, CHPs etc. and Corporate Office of subsidiaries. He has worked in CIL subsidiaries of Central Coalfields Limited, Western Coalfields Limited and South Eastern Coalfields Limited on various positions including General Manager (S&M) before joining as Director (Marketing) in Coal India Limited. He holds Directorship at Northern Coalfields Limited, Mahanadi Coalfields Limited, SECL and ECL. He was holding an additional charge as Director(P&IR), CIL from 31stMarch' 2017 till 18th June' 2017. He does not hold any shares of Coal India Limited.

**Shri Binay Dayal(57)[DIN- 07367625]** has assumed the charge of Director Technical on 11th Oct'17. Shri Dayal graduated in Mining Engineering in 1983 from Indian School of Mines (ISM), Dhanbad. He also obtained 1st Class Mine Manager's Certificate of Competency from DGMS, Dhanbad. He joined as Junior Executive (Trainee) in Coal India and was posted at Central Saunda Colliery, Barkakana Area of Central Coalfields Limited in the year 1983. He worked in various capacities such as Head of Technical Services and Public Relations in CMPDI (HQ), Regional Director, CMPDI, Regional Institute - V, Bilaspur, General Manager (Projects & Planning Services) in South Eastern Coalfields Limited. He took over the charge of Director Technical (Engineering Services), CMPDI on 1.12.2015. Shri Dayal has vast experience in Corporate Planning and Public Relations activities. He has to his credit the Planning and Implementation of Mega Projects of South Eastern Coalfields Limited and enhancement of productivity of hi-tech drills deployed for detailed exploration in Korba and Mand Raigarh coalfields. As General Manager (Project & Planning Services), South Eastern Coalfields Limited, he prepared the road map for coal production in respect of South Eastern Coalfields Limited as a part of 1 Billion tonne coal production exercise carried out by Coal India Limited. He was nominated as Nodal Officer on behalf of South Eastern Coalfields Limited for Rail Corridors for evacuation of coal from Mand Raigarh and Korba Coalfields. and represented South Eastern Coalfields Limited in the Board of Joint Venture Cos. viz. Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited (comprising of SECL, IRCON and Chhattisgarh State Government). Shri Dayal attended the 5th Meeting of 'India-Australia Joint Working Group on Energy and Minerals' as the member of Indian Contingent in Australia during the year 2007. He visited Chinese Coal Industry as participant of Advanced Management Training Programme in September 2010. He was Administrative Head on behalf of CMPDI for EU Research Project on Green House Gas Recovery from mines of abandoned coal seam to conversion to energy (GHG2E) in 2011 & 2012. He participated in 22nd World Mining Congress & Expo 2011 organised in Istanbul, Turkey in 2011 and contributed technical paper. He was part of Indian Delegation to attend 'Prospectors and Developers Association of Canada (PDAC) 2018' Convention organised in Toronto, Canada in 2018. He has presented numerous technical papers related to coal industry. He is a Life Member of MGMI & Computer Society of India (CSI). He holds Directorship in BCCL, CMPDI, HURL and TFL. He is the CMD of Coal India Africana Limitada. He holds 300 shares of Coal India Limited.

**Sri R.P. Srivastava(58)[DIN-08036468]** took over the charge of Director (Personnel & Industrial Relations), Coal India Limited on 31.01.2018. Prior to this he was Executive Director (Corporate Services) in Personnel Directorate in Rashtriya Ispat Nigam Ltd., Visakhapatnam. He pursued Post Graduate Diploma in Management from one of the Premier Institutes of India, MDI Gurgaon.After getting selected through an all-India competitive examination conducted by Steel Authority of India Ltd (SAIL), Sri R.P. Srivastava began his professional career in the field of Human Resources, over 34 years ago as a Management Trainee (Administration) in Visakhapatnam Steel Plant, Rashtriya Ispat Nigam Ltd.During his stint at RINL in different capacities, he has been credited for implementation of various HR initiatives. He has been instrumental in framing various policies, guidelines and procedures keeping in view the organisational requirement and expectations of the employees for systematic administration in Human Resources Management function of the organisation. Shri Srivastava, has continually strived for giving a comfortable environment to the employees of RINL for their growth as well as creating opportunities for their development by means of updating and formulating Personnel policies and simultaneously upholding the interest of organization. He holds expertise in Learning & Development and has pioneered the concept of Knowledge Management & TQM in RINL/VSP. He played a pivotal role in HR Planning, Recruitment & Selection, Training and Development of employees, implementation of Official Language, Industrial Relations, Wage & Salary Administration. He was also instrumental in carrying out various activities for the dramatic turnaround of the company mainly through several tailor made Communication exercises and Confidence Building Measures/ sessions to bring in requisite mind set among employeesHis dedicated role in Corporate Social Responsibility, Swatcch Bharat activities, Strategic Management Issues, Township Management, Land & Estate Matters, welfare of Displaced Persons (Project Affected Persons), implementation of Presidential Directives and other Statutory requirements and several other areas of importance are of immense significance. He holds Directorship in CCL & WCL. He does not hold any shares of Coal India Limited.

**Shri Sanjiv Soni (58) (DIN08173548)** has assumed the charge of Director(Finance), CIL on 10th July' 2019. Prior to that he was Director (Finance) of Eastern Coalfields Limited from 19.06.18. He was born on 18th June, 1961 and graduated in commerce from St. Xavier's College, Kolkata and is a member of the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India and. Shri Soni has wide experience of over 32 years and has served the Coal Industry in different capacities. Shri Soni joined CMPDI on 27.05.1986. Prior to joining as

Director (Finance) of Eastern Coalfields Limited, he worked as General Manager (Finance), IAD at WCL HQ, Nagpur. During his professional career Shri Soni worked in different capacities at CMPDI. He was in-charge of finance function for UNDP/GEF/GOI- Coal Bed Methane Recovery & Utilization project implemented jointly by CMPDI/BCCL/GOI/UNDP. Shri Soni, while head of Internal Audit Deptt., at WCL, took various initiatives towards building-up robust internal controls. He has visited Vienna, Austria in the Year 2004 on account of CBM project implementation and Toronto, Canada for PDAC 2019 as member of CIL delegation.

**Shri Rajesh Kumar Sinha (54),(DIN-05351383)** is an IAS officer of 1994 Batch, Kerala Cadre. Presently he is posted as Joint Secretary, Ministry of Coal, Government of India. Prior to this, Shri Sinha has also held the post of Collector, Idukki, and GM, Kerala Fin Corpn. Director, Ministry of Urban Development, Registrar of Delhi University, Secretary, Finance (Exp.) Govt. of Kerala. He has been appointed as Official part time Director in NCL Board w.e.f 20/04/2015 till 9th June'17. He also holds Directorship in MCL from 9th June'17. He does not hold any shares of Coal India Limited

**Smt. Reena Sinha Puri[55][DIN:07753040]** is an officer of Indian Revenue Service. She has held various positions in Income Tax Department and has worked in Mumbai, Kolkata, Delhi, Nagpur & Muzaffarnagar. She has also worked on secondment with Department of Taxes, Government of Botswana. She completed her Bachelor & Masters in Political Science from Punjab University, Chandigarh. She holds Bachelor law degree from Delhi University and Master's degree in Public Policy from LKY School of Public Policy, NUS, Singapore. She is also a director in Northern Coalfields Ltd, Hindustan Zinc Ltd and Bharat Aluminium Company Limited..She does not hold any shares of Coal India Limited

**Ms. Loretta Mary Vas(65)(DIN-02544627)** is graduate in B.A. (English), B.Ed., M.A.(Economics), Masters Diploma in Public Administration, M. Phil (Social Sciences) and LLB. She has joined Indian Administrative Service in 1977 and allotted to U.P. cadre. She has worked as Secretary, Ministry of Panchayati Raj, GoI, during 2012-14. She was Special Secretary, Addl. Secretary, Department of Economics Affairs, Ministry of Finance during 2008-2011. She was Joint Secretary (Budget) in Ministry of Finance, during 2005-2008. She was Export Commissioner/Joint Secretary in Ministry of Commerce, during 1993-98 and Under Secretary/Dy. Secretary, Festival of India, Department of Culture in 1984-88. She was Vice Chairperson of Ghaziabad Development Authority during 1999-2000 and 2001-2002, Addl. CEO, Greater NOIDA Industrial Development Authority during 1991-93. She had worked in Departments of Health, Education in U.P. Govt., and District Magistrate of Hardoi, Addl. District Magistrate of Lakhimpur Kheri and Sub-Divisional Magistrate of Malihabad, Lucknow.She does not hold any shares of Coal India Limited

**Dr. S.B. Agnihotri (64), (DIN-03390553)** is an IAS officer of Odisha cadre from 1980 batch. He has done his Master's degree in Physics followed by M.Tech in Environment Science and Engineering from IIT, Bombay. He later did MA in Rural Development followed by PhD on sex ratio patterns in Indian Population from School of Development Studies, University of East Anglia, Norwich, UK. Dr. Satish B. Agnihotri retired as Secretary (Coordination & Public Grievances), Cabinet Secretariat. Prior to this he was Secretary, Ministry of New & Renewable Energy, Director General (Acquisition) in the Ministry of Defence, Additional Secretary in the Ministry of Agriculture discharging the role of Financial Advisor and Director General of Shipping during 2010-12. He has worked as Joint Secretary in the Cabinet Secretariat, Transport Commissioner, Odisha and Secretary, Women and Child Development and General Administration Department. He was Vice Chairman, Cuttack Urban Development Authority, CEO of Odisha Renewable Energy Development Agency, Director Industries and District Magistrate in Dhenkanal District. He also worked with UNICEF, Kolkata as Consultant on Child Nutrition and Health. He does not hold any shares of Coal India Limited

**Dr. D. C. Panigrahi (58), (DIN-07355591)** obtained his B. Tech in Mining Engineering in 1984 from Indian School of Mines, Dhanbad. Subsequently he did his M. Tech in Mining Engineering in 1990 and M. Tech in Industrial Engineering and Management in 1992 from Indian School of Mines, Dhanbad. He did his Ph. D in Mining Engineering from Indian School of Mines, Dhanbad in the year 1994. After graduating from Indian School of Mines, Dhanbad he served as Assistant Manager in coal mines of Tata Iron and Steel Company Limited for a period of 3½ years, as Scientist in erstwhile Central Mining Research Institute, Dhanbad, a CSIR lab., for a period of 4½ years and subsequently joined as Assistant Professor in the Department of Mining Engineering, ISM, Dhanbad in 1992. In 1998, he was promoted to Professor in Mining Engineering. He was the Chairman, IIT-Joint Entrance Examination during 2004-2007 from ISM, Dhanbad. He was Head, Department of Mining Engineering, Indian School of Mines, Dhanbad from 2007 to 2010. He took over as the Director, Indian School of Mines, Dhanbad on 9th September 2011. He continued as the Director, Indian Institute of Technology(Indian School of Mines), Dhanbad from September, 2016 to March, 2018. From April, 2019 onwards, he is continuing as the Head, Centre of Excellence in Safety, Occupational Health and Disaster Management (CESOHDM). He specializes in mine ventilation, mine fire control, coal bed methane and other areas related to sub-surface mine environmental engineering. During his period of work, he has executed 11 major research projects as Project Leader and Coordinator, and submitted reports as single/main author, and he is presently executing 03 major research projects as Project Leader and Coordinator.He has published 139 research papers in the areas of mine ventilation, coal bed methane and sub-surface mine environmental engineering. He has edited a book containing 64 papers of reputed authors from 9 countries and the book has been published by A. A. Balkema, Rotterdam, Netherlands in 2001. He has edited his second book containing 100 papers from reputed authors of 14 countries and the book has been published by Science Publishers of USA in 2009. He has guided 12 students for their Ph.D degree and 13 students for their M. Tech degree in Mining Engineering. Presently he is guiding 07 students for their Ph.D degree in Mining Engineering. Prof. Panigrahi has successfully executed more than 375 major industry sponsored projects as Project Leader and Coordinator for solving the real life problems of 51 different organizations and submitted the reports as single/first author. Prof. Panigrahi has designed the ventilation system for most of the complex coal, metal and also uranium mines of the country to a depth of 1.2 km from the surface and remained associated with these companies for their implementation in the mines to accrue the benefits to the bottom line of these companies. Prof. Panigrahi was nominated as one of the 11 members of the International Mine Ventilation committee representing 11 leading mineral producing countries of the world in 1997, viz. USA, Canada, Australia, South Africa, UK, Germany, Japan, France, China and India. He was also elected as Chairman of the same committee for the duration 2009-14. He has been an Honorary Member of International Bureau of Mining Thermophysics since 1997 and is a member of International Advisory Board for the Journal Archives of Mining Sciences published by Polish Academy of Sciences, Poland since 2002. Prof. Panigrahi was invited to chair technical sessions in 7th, 10th and 11th International Mine Ventilation Congresses in Poland, South Africa and China respectively. He has received the certificate of appreciation in recognition for contributions to India Education Abroad in 2014 from University of South Florida, USA. He has been nominated as a member of Governing Body and General Body of National Institute of Rock Mechanics, Kolar Gold Fields, Karnataka; member of Governing Council of Association of Indian Universities, New Delhi; member of Executive Council of Central University of Jharkhand under Ministry of Human Resource Development, Govt. of India; Chairman of Sectoral Innovation Council of Occupational Safety and Health of the Ministry of Labour and Employment under the National Innovation Council constituted by the Prime

Minister of India; member of the Section 12 Committee under Mines Act constituted by Ministry of Labour and Employment, Govt. of India for formulating Rules and Regulations on safety and health in the Mining and Mineral Sector of the country; member of Mentor Council for Mining and Mineral Sector of the country to bridge the burgeoning gap faced by the Indian economy under the Ministry of Labour and Employment, Govt. of India. He is also a member of PERC (Project Evaluation and Review Committee) and SSAG (Standing Scientific Advisory Group) of Ministry of Mines, Govt. of India. He was also appointed as a member of the expert committee for studying the problems leading to a mine disaster in New Kenda Mine in 1994 in which 55 persons had died and he had also been chosen by the Ministry of Coal as a member of the Expert Committee for Anjan Hill Mine Disaster in 2010 in which 14 persons had died and 34 persons seriously injured. For his significant contributions and distinguished services to the mining industry in India, he has been conferred with prestigious National Mineral Award - 1998 by the Ministry of Mines and Minerals, Govt. of India; S.S.B. Memorial Award - 2005 by ISM, Dhanbad; ASPIRE recognition by Tata Steel Limited in 2005; National Design Award-2012 at Vigyan Bhawan during 27th Indian Engineering Congress by National Design and Research Forum of Institution of Engineers (India); Eminent Mining Engineer award during 23rd National Convention of Mining Engineers at Kolkata in 2012; State Bank of India(SBI) Best Researcher Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Hon'ble President of India; ISM Alumni Association Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Hon'ble President of India; Indian Mining Engineering Journal Golden Jubilee Award - 2012 for his contribution in the field of Mining Education & Research; Debadutta Memorial Best Academic Management Excellence Award for the year 2011-12 on 22nd May, 2012 during National Technology Day Celebration of the Indian Mineral Industry Journal at Bhubaneswar, Odisha; SBI Best Researcher Award of the year 2011-12 during the Convocation of Indian School of Mines, Dhanbad on 23rd February, 2013; Prof S. K. Bose Memorial Award for the year 2013-14 for excellence in teaching in Mining Engineering by Mining, Geological and Metallurgical Institute of India; the certificate of merit for the year 2004-05 by the Institutions of Engineers (India) for publication of a paper in the Journal of the Institution of Engineers (India); Dewan Bahadur D D Thacker Coal Mining (Gold) Medal for the year 2015-16 by Mining, Geological and Metallurgical Institute of India (MGMI) for his outstanding contribution to Indian Coal Mining Industry; Prince Mukarram Jah Endowment Award Lecture in 2016 by Indian Geophysical Union (IGU); and Dr. Rajendra Prasad Memorial Prize in 2016 by the Institute of Engineers (India) for research publication; and Gopabandhu Memorial Shield for securing 1st position of the University in Intermediate Science in 1979. He does not hold any shares of Coal India Limited.

**Dr. Khanindra Pathak(59)(DIN-07348780)** was born in 1960 at Abhayapuri, Assam is currently Professor and Ex-HOD of the Department of Mining Engineering, IIT Kharagpur. Graduating in Mining Machinery from Indian School of Mines, Dhanbad in 1983 he served Neyveli Lignite Corporation, Tamilnadu before joining as a postgraduate student of Open-cast Mining at ISM. Prof. Pathak served in the Surface Mining Division of CMPDIL for a brief period before returning back to his almamater in 1987 as Lecturer for teaching Drilling Technology at the Dept. of Mining Machinery, Indian School of Mines, Dhanbad. ISM sent Prof. Pathak for training at OIL, Duliajan in 1988, to teach oil and gas well drilling in Applied Geology and Applied Geophysics.On receiving the prestigious Commonwealth Academic Staff fellowship, Prof Pathak surrendered his nearly completed research on Drillability of Indian Coal Measure Rocks under late-Prof. A. K. Ghose and joined Royal School of Mines, Imperial College of Science, Technology and Medicine in 1993. His PhD research was in Modelling and Prediction of Environmental Noise due to Surface Mining and Quarrying and completed his period in 1996.In 1998 Prof. Pathak became Assistant Professor in the Department of Mining Engineering, ISM Dhanbad and in 2000 he was selected as Associate Professor in the Department of Mining Engineering of Indian Institute of Technology Kharagpur. In July 2003, Dr Pathak was elevated to the Position of Professor. During February 2006 to December 2007 the Department of Mining Engineering, University of Technology, Lae, Papua New Guinea invited Dr Pathak to serve as Professor and Head of the Department, which gave him the opportunity to work with ABET (the Accreditation Board for Engineering and Technology, Inc.) System and Pedagogy as well as with the Chamber of Mining and Petroleum of PNG as member that enabled him to understand the international mining business.

Prof. Pathak has published more than 100 national and international papers on interdisciplinary subjects including surface mining, mining machinery and mine environment and also authored two technical books and contributed chapters in books published by reputed publishers. His research areas include application of Remote Sensing and GIS for resource and environmental management. Passionately involved in Pedagogic research project with the Centre of Educational Technology, IIT Kharagpur, Prof. Pathak has also contributed a chapter of Encyclopedia of Life Support System (EOLSS) published under a UNESCO project. Prof Pathak has carried out number of industrial projects in the country and abroad. The Environmental Protection Agency of Republic of Ireland through Imperial College, London implemented environmental noise modeling methods developed by Prof Pathak during his PhD for preparation of environmental noise map of the country in 2002. The concept of Equivalent Acoustic Centre for prediction and modelling of environmental noise for noise mapping and contouring using GIS was used for this purpose.Introducing the Remote Sensing and GIS for mine closure planning in India Prof. Pathak had started offering short term courses on mine closure planning since 2001, before mine closure planning became mandatory. A software named as UMDSS for RS-GIS based mine closure planning for Umrer Mines of WCLwas developed through a sponsored project by Space Application Centre, ISRO in 2005. Prof. Pathak also developed a methodology of spatial evaluation of soil and water contamination and applied for NECL mines under a project sponsored by the Central Pollution Control Board.Prof. Pathak has also been propagating the concept of Integration of CSR and EMP in mining as a means of sustainable development in and around mining sites.

One of the approaches he has popularized in the iron ore sector of mining is the Vetiver System Approach for erosion prevention and slope stabilization. Joda Mines of Tata Steel adopted this approach and Prof. Pathak demonstrated besides stabilizing and preventing erosions and rain cuts in dump slopes how vetiver system technology can transform vast barren surfaces into a green vegetation covered area within six months. This approach is now implemented in Noamundi, Katamati mines of Tatasteel, Gua and Bolani mines of SAIL, Rungta Mining Corporation's mines at Jijang and in many other places in India during the last four years Prof. Pathak has successfully demonstrated this approach in Jharkhand, Odisha and Goa. Experiments of Vetiver Grass for management of refinery waste water by bringing the concepts of hydroponic vetiver were also carried out by Prof. Pathak and IOCL's Bongaigaon refinery is now proud of being the first refinery in the country to trap oil from the wastewater in a pond using hydroponic Vetiver.Other initiatives of Prof. Pathak led to the development of patentable magnetic sponge for oil spill removal and laboratory scale development of super hydrophobic asuper oleophilic powder. A student working with Prof. Pathak has developed now innovative technique of blasting to reduce the consumption of explosives. Well known in the Indian mining industry for offering executive training programs in emerging areas and training to the practicing engineers, Prof. Pathak is often invited to deliver lectures in different parts of the country and abroad.Besides his multi-disciplinary interests in the technical problems of mining industry, he is passionately involved in science of teaching and learning. Because of this interest, the Centre of Education Technology of IIT Kharagpur inducted him as Co-PI of the

prestigious national project sponsored by MHRD on Developing suitable pedagogical methods for various classes, intellectual calibers and research in e-Learning. As a part of this project, he has been training faculty of different disciplines of engineering in many institutions including IIT Roorkee, NIT Warrangle, NIT Silchar, NIT Meghalyay, BITS Mesra etc. He is also invited to train even non-technical teachers to adopt pedagogy. Known for his expertise in academic quality matters, he was a nominated member of the Internal Quality Assesement Cell of Dibrugarh University and currently Chairman of the TEQIP-III implementation Governing Body of DUIET, Dibrugarh. Prof. Pathak believes in industry-Academic collaborative research. A research project funded by the European Union for the study of Coal Bed Methane was completed in 2015 under Prof. Pathak's coordination where he was instrumental in getting CMPDIL as a partner of a consortium coordinated from Imperial College, London, along with partners from the UK, Slovakia, Slovenia, China and Spain.Prof. Pathak felt the absence of focus on Petroleum Engineering and oil and gas industry at IIT Kharagpur and introduced a course on Petroleum Engineering in 2002 and later started a Students Chapter of SPE which had about 300 student members. It was one of the very active Chapter of SPE under his guidance. At present IIT Kharagpur has a Center of Excellence for Petroleum Engineering.Prof. Pathak also formed amongst students a Mineral Economics and Mineral Policy Research Group and started addressing the issues related to minor minerals and sand mining. Students interested in this group availed the opportunity of doing research in mineral economics in collaboration with Leoben University of Austria.Well-travelled in the UK, US, Australia, Ireland, Papua New Guinea, Turkey, France and Italy, Fiji, Singapur, Japan, Taiwan, Thailand, Belgium, China, Russia, Prof. Pathak is interested in social work and was actively involved in NSS at Indian School of Mines, Dhanbad from his student life. He was also President of the Kharagpur Chapter of the Bharat Vikas Parishad and actively involved in this organization from 2001.As a connoisseur of art and literature, he used to write, play and direct One Act Plays in Hindi at ISM, Dhanbad. Poetry is his passion and still composes romantic and patriotic verses. There are two story books in Assamese in his credit: Kakshychyut (Displaced from Orbit) and Nirjyax (Extract). In 2012 some of his poems in Assamese were compiled in a book "Anubhabor Rong (Colour of feelings)" by a literary body of Bongaigaon District of Assam. He has translated a number of Hindi Plays to Assmaese for an amateur drama group in Assam. Two such plays Adhe Adhure and Leheron ki Rajhans of the famous Hindi Dramatist, Mohan Rakesh translated by Prof. Pathak was selected by NSD in 2016 and 2018 for the North East Drama festival in Gangtok, Sikkim and National Drama Festival at Kolkata respectively.

Prof Pathak has received different scholarship and awards e.g.:

- Recipient of National Scholarship (India) from 1976-1983 (received after standing Xth in HSLC of SEBA in 1976)
- Recipient of Commonwealth Academic Staff Scholarship during 1993-1996
- **Smt Bala Tandan award for the year 2007-2008** for contribution in upgrading the quality of life in themining environment by Mining, Geological and Metallurgical Institute of India (MGMI)
- **Sir John Dunn Medal** from MGMI for 2008-2009
- **Life Time Achievement Award** for teaching and research from Indian Mining and Engineering Journal June 2014.
- **National Geoscience Award 2014 (awarded on April 3, 2016 by the President of India, a citation and Rs 5 lakh)**

Prof. Pathak was also a member of the Standardization Committee formed by MoEF for Environmental Clearance of Mining Projects and currently Chairman of Eastern Regional Committee of the AICTE.He does not hold any shares of Coal India Limited

**CA Vinod Jain(63), (DIN-00003572)** is commerce graduate with Honours from Shri Ram College of Commerce in 1976 and passed LLB in 1979. Shri Jain passed CA Intermediate Examination in November'1977 with 7th Rank in all India Merit List, Final Examination in November'1979 with 13th Rank on All India merit list and became a Fellow Member of The Institute of Chartered Accountants of India. He qualified in Company Secretary Examination in December 1979 and became a Fellow Member of the Institute of Company Secretaries of India. He also qualified in Cost Accountant exam in the year 1983 and became a Fellow Member of the Institute of Cost Accountants of India. He is a Diploma holder in Information System Audit(DISA) from the Institute of Chartered Accountants of India in 2004.CA Vinod Jain has about 40 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law, Education and strategic planning and business management. Shri Vinod Jain started his career with Apollo Tyres Limited. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants. He was a Statutory Auditor of different Banks and Insurance Companies. He worked as Legal Representative and Attorney of various clients before Securities Appellate Tribunal(SAT),National Company Law Tribunal(NCLT) , NCLAT and Income Tax Appellate Tribunal(ITAT).He is also Chairman of Inmacs Management Services Limited. Shri Jain was the Chairman of Northern India Regional Council of The Institute of Chartered Accountants of India (1983-84).He was a Central Council Member of' The Institute of Chartered Accountants of India' from 1998 to 2004 and 2007 to 2013 and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of The Institute of Chartered Accountants of India from 2010 to 2011 being incharge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He served as Chairman of Financial Market and Investors Protection Committee for 5 years, Professional Development Committee, Management Accounting Committee for 4 years &Expert Advisory Committee of ICAI. He had also served as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc. CA Vinod Jain was Founder and National Director and Dean of One Year Certificate Course in Finance (MBF) from July'2009 to February'2013. Shri Jain was Founder and National Director of 3 months Certificate Course on Valuation conducted by The Institute of Chartered Accountants of India. Shri Jain was National Director of Certificate Course on Forex Risk and Treasury Management of ICAI from 2010 to 2013. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and following committees of Securities and Exchange Board of India (SEBI):

i) SEBI "Committee on Primary Markets Advisory.
ii) SEBI "Secondary Market Advisory Committee
iii) SEBI "Mutual Fund Advisory Committee.
iv) SEBI "Take-over Code Committee ".
v) SEBI Sub Committee on "Entry Qualification in the Primary Market"

Shri Jain has been elected member of National Council of CII and a former National President of ANMI (Association of National Stock Exchanges members of India). Presently Shri Jain is a Member, High Powered Committee, appointed by Finance Ministry to simplify Income Tax Law. Shri Vinod Jain has bagged many Awards and Honours. He holds directorship at Inmacs Limited, Infrastructure Projects and Engineers Pvt. Ltd.,

Inmacs Microsystems Pvt. Ltd., Intergria Technologies Pvt. Ltd., Inmacs Management services Ltd., Five Square Agro Gold Pvt. Ltd., Aptel Softek System Pvt. Ltd., Auatech Hong Kong Pvt. Ltd. and Inmacs Managements Services Limited-British Virgin Islands. He also holds Directorship in SECL from 14th March, 2017 till 16th November, 2018.

**Sri Vinod Kumar Thakral (62)[DIN-00402959]** is an IAS officer of 1982 batch. He has done his Master's Degree in Political Science, Masters in Development ADM from University of Birmingham, United Kingdom. He has held directorship in 11 reputed organisations including our own subsidiary SECL. He has wide experience in the field of Mining (both coal & non-coal), Steel and Environment, Forest. He retired as Special Secretary & Financial Advisor, Ministry of Chemical & Fertilizers. He does not hold any shares of Coal India Limited

**Sri Bharatbhai Laxmanbhai Gajipara(61)[DIN-07947068]** was appointed as Independent Director in CIL Board on 22nd Sept., 2017. He was born on 13th March,1958. He is a commerce and law graduate. He worked as Secretary, District Bar Association, Junagarh from 1981 to 1990.He became the member of Bar Council of Gujarat from 2000 to 2001.He was the Vice Chairman - Bar Council of Gujarat from 2001 to 2003 & Chairman - Bar Council of Gujarat from 2006 to 2008. He has 30 years' experience in Panchayati Raj. He is currently working as Working President at All India Panchayat Parishad from 2010 & as a General Secretary at All India Panchayat Parishad from 2005.He had worked as Honorary Secretary at Gujarat Pradesh Panchayat Parishad, Gandhinagar from 1995 to 2000 & 2005 to till date.He worked as President at District Panchayat, Junagadh from 1995 to 2000 and member at District Panchayat, Junagadh from 1983 to 1988. As a educationist,he is the Vice President in State level Administrative Board from 2008 to till date.He was the Senate member of Saurastra University from 1996 to 2000. He has also working as a Legal Advisor in weekly meeting at Gujarat Pradesh Panchayat Parishad, Gandhinagar. He is also working as a editor of "Panchayati Raj" booklet (published in Gujarati language monthly) its regular features area such as Question & Answer on legal matter;. The Magazine is supplied to all Village Panchayat, Taluka and District Panchayat at free of cost. This has proved a very useful tool for dissemination of information and exchange of idea since last 39 years.He does not hold any shares of Coal India Limited

**Shri Rajiv R. Mishra (59)[DIN-05103300]** has been appointed as "Permanent Invitee" on the Board of Directors' of Coal India Limited from 6th November, 2015. He was holding an additional charge as Director(P&IR) with effect from 16th June 2017 to till 30th Jan.'2018 . He joined Western Coalfields Limited as Chairman-cum-Managing Director on 11th October, 2014.Prior to that, he had worked in Central Coalfields Limited as Director (Personnel) and at Central Mine Planning and Design Institute Limited (CMPDIL), Ranchi as Head of Personnel & Administration. He has put in over 30 years of service in the field of Personnel, Human Resources Development etc. in different capacities at various subsidiaries of Coal India Limited. Holding a Master Degree in Geology & Post Graduate Diploma in Personnel Management & Industrial Relations, Shri Mishra began his career with CMPDIL over three decades ago. Shri Mishra also worked in Northern Coalfields Limited, Singrauli, Coal India Limited, Kolkata, Eastern Coalfields Limited, Sanctoria and again with CMPDIL, Ranchi before joining CCL as Director (Personnel). Shri Mishra had also participated in the Advance Management Programme at China conducted jointly by IICM, Ranchi and China Coal Information Institute in the year 2011 and also visited France and China in 2014 conducted by IIPA, New Delhi. Shri Mishra was awarded "Most Powerful HR Professional of India", "IME HR Leadership Award" for 2 (two) consecutive years during Asia Pacific HRM Congress, 2012 and 2013 held at Bangalore. "HR Leadership Award" at 2nd Indian Human Capital Sumit-2012, New Delhi and "30 Most Talented HR Leaders in PSUs Award" at World HRD Congress, 2013, Mumbai. He has also been awarded "Rajbhasha Kirti Samman-2012 & 2013" by Bharatiya Rajbhasha Vikas Sansthan for effective implementation of official Language. During his tenure in Central Coalfields Limited as Director(Personnel), CCL has been awarded the "Best Company for Health & Education in CSR" at Corporate CSR Conclave, 2012 at Ranchi. CCL has also been awarded "1st prize in CSR" among all the subsidiaries of Coal India Ltd during CIL Foundation Day celebrations held at Kolkata on 1st November, 2012 and "IPE CSR Corporate Governance Award, 2012 at World CSR Congress, Mumbai". He has also been awarded Global HR Excellence Award at World HRD Congress, Mumbai - 2014. Shri Mishra has also been awarded with BT-Star PSU Award for Excellence in Human Resource Management by Bureaucracy Today in New Delhi and "Excellent Administrator Coal Mine in India" in Mumbai by R.K. HIV AIDS Research & Care Centre during 2015. Shri Mishra is known for his team building capabilities and strategic management acumen. He has travelled widely in India and abroad and is associated with several professional organizations. He is the Member of Executive Body of Standing Conference of Public Enterprises (SCOPE) and Chairman of Western Regional Chapter of SCOPE. He is a Member of Confederation of Indian Industries, New Delhi - Council on PSEs and Member of Board of Governors of Indian Institute of Coal Management (IICM), Ranchi. He is also the Patron of The National Association for the Blind, Nagpur District Branch, Nagpur. Under his able leadership, WCL has set its way forward to paradigm shift in its operations. He is also a Director in Singreni Collieries Companies Limited.

**Shri Shekhar Saran (57)[DIN-06607551]** has been appointed as Permanent Invitee on the Board of Directors of CIL from 1st January' 2016. Heis the CMD of Central Mine Planning & Design Institute Limited, one of the largest Coal and Mineral Exploration and Consultancy Company across the country. He was holdingan additional charge as Director(Technical) with effect from 31st October' 2016 till 10th Oct.'2017. From 18th April' 2019, he is holding an additional charge of CMD, BCCL. Shri Saran is widely recognized for his path breaking and visionary contributions to the industry as Mechanized Mine Developer and transformed the landscape of the Mines by setting new standards in production and productivity. He joined CMPDIL as Director (Technical) in June, 2013 and looked after Coal Resource Development and then Planning & Design till December, 2015 and then took over as Chairman-cum-Managing Director of CMPDIL on 01.01.2016. Shri Saran graduated in 1981from the Deptt. of Mining Engineering, Institute of Technology, Banaras Hindu University (BHU), now IIT (BHU). Being the topper of his batch, he is the recipient of BHU Gold Medal as well as Roberton Medal from MGMI. Subsequently, during 2013-15, he has added to his credit Post-Graduate diploma "PG Exp" from IIM, Ranchi. Prior to joining CMPDIL, he worked at Sohagpur, Hasdeo and Bisrampur Areas of SECL as JET to Sub Area Manager, at Kunustoria, Satgram and Sodepur Areas of ECL as Agent to CGM and lastly as CGM(P&P) at Eastern Coalfields Limited, Headquarters. He is having a rich experience of managing large opencast & underground Mines in different subsidiary companies. While working at SECL, he converted many manual UG mines into mechanized mines with introduction of roof bolting/ steel support. He presented number of technical papers in different seminars/ workshops. He had also been a rescue trained member for more than 26 years and attended a number of rescue and recovery operations in underground mines. He has visited number of foreign countries viz. U.K, Germany, France, Netherlands, USA, Canada & Switzerland etc. He is a NCC Certificate holder & a good sportsman. He is widely credited with conceptualizing a unique and innovative techniques in Coal Mining Production. He has been a firm believer in corporate life and its superiority in the development of human resources.

**Sri Anurag (59)** was appointed as a Permanent Invitee on the Board of CIL on 19th June, 2018. He was born on 1st January, 1960 and holds a Masters degree in physics. He was directly recruited as Class-I Officer in Railways. He possesses varied and wide experience in the field of railway traffic and transportation.

## DIRECTORS' REPORT

To
The Members,
Coal India Limited

**Ladies and Gentlemen,**

On behalf of the Board of Directors, I have great pleasure in presenting to you, the 45th Annual Report of Coal India Limited (CIL) and Audited Accounts for the year ended 31st March, 2019 together with the reports of Statutory Auditors and Comptroller and Auditor General of India thereon.

Coal India Limited (CIL) is a 'Maharatna' company under the Ministry of Coal, Government of India with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and one of the largest corporate employers with manpower of 285479 (as on 1st April, 2019). CIL operates through 83 mining areas spread over eight (8) provincial states of India. Coal India Limited has 364 mines (as on 1st April, 2019) of which 166 are underground, 180 opencast and 18 mixed mines. CIL further operates 16 coal washeries, (12 coking coal and 4 non-coking coal) and also manages other establishments like workshops, hospitals, and so on. CIL has 27 training Institutes. Indian Institute of Coal Management (IICM) is an excellent training centre operates under CIL and imparts multi-disciplinary management development programmes to the executives. Coal India's major consumers are Power and Steel sectors. Others include cement, fertilizer, brick, kilns, and a host of other industries.

CIL has eight fully owned Indian subsidiary companies namely Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL),Central Coalfields Limited(CCL),Western Coalfields Limited (WCL),South Eastern Coalfields Limited (SECL),Northern Coalfields Limited (NCL),Mahanadi Coalfields Limited (MCL) and Central Mine Planning & Design Institute Limited (CMPDIL).In addition, CIL has a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL).

The mines in Assam i.e. North Eastern Coalfields is managed directly by CIL.

Mahanadi Coalfields Limited, a subsidiary of Coal India Ltd is having four (4) Subsidiaries, SECL has two (2) Subsidiaries and CCL has one (1) subsidiary.

### 1. STATE OF COMPANY AFFAIRS

1) For the year Company produced all time high production 606.89 MT with a growth of 6.97% and achieved an all time high off take 608.14 MT with a growth of 4.8%.

2) As on 01.04.19, not a single power plant in country was in critical, super critical list of CEA for want of coal.

3) Achieved highest PBT of Rs. 27125.46 crores and PAT of Rs. 17462.18 crores during the year.

4) All the eight subsidiaries of Coal India Ltd. achieved PBT and PAT during the year.

5) Tori-Shivpur single line of 44.37 KMs had been completed in September' 2018 and is now operational. Jharsuguda-Barpalli-Sardega Rail link of 52.41 KMs had been commissioned in April' 2018. CERL phase-I track linking of first 44 KM from Kharsia to Korichhapar (Single line) completed.

6) For implementation of ERP, contract signed and work commenced on 24th September' 2018.

### 2. FINANCIAL PERFORMANCE

#### 2.1 Financial Results (CIL Consolidated)

During the year, CIL has registered highest ever profit. CIL has achieved an aggregate Pre-Tax Profit of Rs 27,125.46 crores and post-tax profit of Rs. 17,462.18 crores for the year 2018-19 as against pre-tax profit of Rs. 10,770.31 crores and post-tax profit of Rs. 7038.44 crores in 2017-18 thereby recording an increase of 151.85% and 148.10% in pre-tax profit and post-tax profit respectively. The subsidiary wise details of Pre-tax Profit are given in **Annexure 1**.

**Highlights of performance**

The highlights of performance of Coal India Limited Consolidated for the year 2018-19 compared to previous year are shown in the table below:

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Production of Coal (in million tonnes)* | 606.89 | 567.37 |
| Off-take of Coal (in million tonnes) | 608.137 | 580.287 |
| Sales (Gross) (Rs./Crores) | 140603.00 | 126543.97 |
| Capital Employed (Rs/Crores) Note-1 | 65780.07 | 55643.32 |
| Capital Employed (Rs/Crores)- excluding capital work in progress and intangible assets under development | 52046.54 | 41856.51 |
| Net Worth (Rs./Crores) | 26435.04 | 20159.53 |

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Profit Before Tax (Rs./Crores) | 27125.46 | 10770.31 |
| Profit for the Period (Rs/Crores) | 17462.18 | 7038.44 |
| Total Comprehensive Income for the period (Rs/Crores) | 17479.56 | 7681.26 |
| Profit for the Period / Capital Employed (in %) | 26.55% | 12.65 % |
| Profit before Tax / Net Worth (in %) | 102.61% | 53.43 % |
| Profit for the period / Net Worth (in %) | 66.06% | 34.91% |
| Earning Per Share (Rs.)<br>(Considering Face Value of Rs.10 per share) | 28.14 | 11.34 |
| Dividend per Share (Rs.)<br>(Considering Face Value of Rs.10 per share) | 13.10 | 16.50 |
| Coal Stock (Net) (in terms of No. of months Net Sales) | 0.53 | 0.74 |
| Trade Receivables (Net) (in terms of No of Months Gross Sales) | 0.47 | 0.59 |

*Production and Offtake of Coal for FY 2018-19 includes 3.27 MT and 1.68 MT (FY 2017-18 3.227 MT and 1.327 MT) in respect of Gare Palma IV/2&3 and Gare Palma IV/1 OC Mine for which Coal India Ltd. has been appointed akin to a designated custodian w.e.f 01.04.2015 (through SECL)

**Note-1:** Capital employed = Gross Block of Fixed assets (including capital work in progress and intangible assets under development) less accumulated depreciation plus current assets minus current liabilities.

**Transfer to Reserves**

**General Reserve:**

During the year 2018-19, a sum of Rs. 782.12 crore (Rs. 544.89 crores) was transferred to General Reserves out of CIL Consolidated profits and amount of Rs. 1206.90 crores was utilized for buyback of shares and tax on buyback in 2018-19 (amount of Rs. 483.80 crores was utilized for issuing of bonus shares in 2017-18).

**Capital Reserve:**

Grant / Funds received from various implementing agencies like Science & Technology, Promotional Regional Exploration, Coal Controlling Development Authority etc. and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received. The balance of grants as on 31.03.2019 and 31.03.2018 is Rs.18.88 crores and Rs.19.21 crores respectively.

During the Year 2018-19, MCL, NCL and SECL bought back 442967, 518560 and 490039 No. of shares respectively for a cash outflow of Rs.355 Crore each along with premium of Rs.310.70 Crores, Rs.303.14 Crores and Rs.306 Crores respectively. Difference in Carrying Value of Investment in subsidiaries and Share capital of Subsidiaries after above Buy-Back Rs.105.51 Crores is adjusted to Capital Reserve.

**2.2 Dividend Income and Pay Outs (CIL Standalone)**

While the financial statements of both CIL Standalone and CIL Consolidated are presented separately, only CIL Standalone is listed and relevant for dividend payment to its shareholders. The dividend to its shareholders are paid out of CIL's Standalone income, the major part of which constitutes the dividend income received during 2018-19 from its five profit making subsidiaries i.e. CCL, NCL, SECL, MCL and CMPDIL. The breakup of such dividend received and accounted for during the year from different subsidiaries are given in **Annexure 2.**

During the year ended 31.03.2019, Government of India has further disinvested 7.388% of total Equity share capital equivalent to 45,83,61,363 no. of equity shares by way of placement of shares via various modes.(including Offer for Sale). Subsequently, Offer for Sale of shares was undertaken for Employees of Coal India Ltd. and its Subsidiaries. 1192 employees were successfully allotted 681840 Shares @ Rs. 254.22 amounting to Rs. 17.33 crores.

Further, during the year CIL has carried out a Buyback of 4,46,80,850 nos. comprising Govt. Shares 4,42,93,572 of its own equity shares of ₹10 each at a price of ₹ 235 per equity shares, aggregate consideration amounting to ₹ 1050 crores. The date of extinguishment of Share was 22.03.2019. Thus, holding of Government of India stands at 70.96% of Total Equity share capital as at 31st March, 2019.

During the year 2018-19, CIL Standalone has paid a total dividend (by way of interim dividend) of Rs. 8105.58 crores @ Rs. 13.10 per share of Rs.10/- each fully paid up. Out of above total dividend, the share of Govt of India was Rs. 5839.33 crores and for other shareholders, Rs. 2266.25 crores. (Earlier year - Total Dividend Rs. 10242.24 Crores; Govt of India - Rs. 8044.86 crores and Other shareholders - Rs. 2197.38 crores)

**2.3 Supplementary Audit of Financial Statements by Comptroller and Auditor General of India (C&AG)**

There are no comments issued by the office of the C&AG either on Standalone or Consolidated Financial Statements of the company for the year 2018-19 on supplementary audit conducted under section 143(6)(a) [and also read with Sec 129(4)] of the Companies Act,2013.The comments on supplementary audit of Standalone and Consolidated Financial Statements are enclosed as **Annexure 3 and Annexure 4** respectively.

**2.4 Management Explanation on Statutory Auditor's Report**

The statutory auditors of the company have given an unqualified report **[Annexure 3(A) and Annexure 4(A)]** on the Standalone Financial Statements and Consolidated Financial Statements respectively of the company for the financial year 2018-19. However, they have drawn attention to certain matters under "Emphasis of Matters".

The Auditors have drawn attention under Emphasis of Matter regarding long term (non-current) investments in two subsidiaries by the CIL Standalone, which have been adequately explained in footnote 1 of note no.7.

In consolidated accounts the Auditors have drawn attention regarding confirmation of balances (Ref. note no. 38.5(m) ) ; regarding contingent liability towards penalty for mining of coal in excess of the environmental clearance limit in respect of certain mines (Ref. note no.38.5(a)(i) ) ; regarding provision if any unascertained, pending price finalisation of washed medium coking coal supplied by CCL a subsidiary of CIL (Ref. note no. 38.7(p)(vii)).

These issues have been adequately explained in the respective notes/footnotes in the accounts referred above.

There were certain other issues in a few subsidiaries, wherein the Auditors have drawn attention viz.)/ regarding certain incomes/expenses of earlier years relating to write back of progressive mine closure expenses(in case of BCCL) / depreciation on PPE(in case of CMPDIL)/ adjustment in sales(in case of CMPDIL) etc. considered in current year in view of non-material impact in each of these cases ; non-inclusion of interest from the date of demand to the date of Balance sheet on disputed income tax in contingent liability (in case of NCL) in view of the company having obtained favourable decision from higher authorities on similar disputes in past cases ; absence of requisite women director in the Board and accumulation of Input Tax Credit of GST (in case of WCL) . While the issue of women director appointment has been taken up with appropriate authorities, the accumulated Input Tax Credit is non lapsable and is expected to be utilised in future.

**3. COAL MARKETING**

**3.1 Sale of Coal**

- Offtake of raw coal crossed 600 Million Tonnes (MT) landmark and a record offtake of 608.137 MT was achieved during 2018-19, surpassing the previous highest of 580.28 MT achieved during the last year by 4.80 %. In the process, 1.396 MT of coal stock was also liquidated during the year. Company-wise target vis-à-vis actual off-take for 2018-19 and 2017-18 are shown in **Annexure-5.**
- Despatch of coal and coal products during 2018-19 was at 608.300 MT, almost at 100% materialization of the target. Sector-wise break-up of dispatch of coal & coal products for 2018-19 against the target and last year's actual is given in **Annexure-6.**
- A major thrust was made to bring the linked thermal power stations of the country out of critical stock position. A record dispatch of 491.54 MT of coal and coal products was made to power sector in 2018-19, exceeding the target of 489.01 MT and registering a growth of 8.2% over 454.224 MT dispatched in 2017-18. As the result, about 15 MT of coal was added to the stocks of the linked power station and none of them was in the critical stock list of CEA as on 31.3.2019, though as many as 30 of them were in the critical stock list as on 1.4.2018
- Improvement in stocks with power sector had provided the leeway to CIL increase the despatches to Non-Power Sector from the fourth quarter of 2018-19 onwards.
- Auction of coal through Spot e-Auction, Special Spot e-Auction, Special Forward e-Auction for Power and Exclusive e-Auction for Non-Power schemes had continued during 2018-19 with better yields as compared to the previous year. Booking of coal in the auctions conducted during 2018-19 was against a premium of Rs. 8983 crores, at 77% over the notified price of coal. The booking of coal in the auctions conducted in 2017-18 was against a premium of Rs.6589 crores, at 50% over the notified price.

**3.2 Long term demand creation**

- Additional long term demands are created through linkages allotted through the below mentioned schemes formulated by the government:
  - A. Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI), for Power Sector notified by the government on 22.05.2017.
  - B. Auction of coal linkages to Non-Regulated Sector (NRS) notified by the government on 15.02.2016.

**A. SHAKTI :**

SHAKTI Policy contains provisions for coal supply for various categories of power plants fulfilling different criteria.

Until 2018-19, MoC has recommended signing of FSA with 8 Thermal Power Plants (TPPs) under the provisions of Para A(i) of SHAKTI for an Annual Contracted Quantity of 20.167 MT and FSAs have been signed with 5 TPPs for the ACQ of 16.967 MT. Also, on the recommendation of SLC(LT), FSAs have been signed under the provisions of Para B(i) of SHAKTI with 4 Central/State Gencos for an ACQ of 8.883 MT as on 31.3.2019.

Further, linkage of 27.18 MTPA had been booked by the power plants in the auction of linkage conducted by CIL under the provisions contained under Part B(ii) of SHAKTI, out of which FSAs for 26.28 MTPA had been executed until 2018-19. The levellised discounts in tariff offered by these power plants for securing these coal linkages is expected to result in an annual saving of Rs.125 crores in tariff for the end users.

More long term demand through FSAs shall be added, as linkages are expected to be granted through the second round of linkage auction under Part B(ii) of SHAKTI and as grant of linkages under other provisions of SHAKTI are gradually being operationalized, the modalities of which are under finalization by the Ministry of Power / Ministry of Coal.

**B. Auction of coal linkages to Non-Regulated Sector:**

Fresh linkages to consumers in Non-Regulated Sector are granted through auction of linkages conducted in terms of the policy formulated by the government on 15.2.2016. The coal against the linkages secured in the linkage auctions are supplied under the FSAs to be executed for a period of 5 years, the tenure of which can be extended further for 5 years upon mutual consent. In case of Steel Sector, the FSA tenure has been increased from 5 years to 10 years, with provision of mutual extension by another 5 years.

In the events of Tranche-IV of the linkage auctions conducted during 2018-19, linkage of 33.18 MT/Per Annum was secured by the consumers at an average premium of 32.68% of the Notified Price. In the four tranches of auctions conducted between the years 2016-17 and 2018-19, total linkage of 78.36 MT/Per Annum had been granted at weighted average premium of 20.26% over the Notified Price. The additional premium shall be applicable throughout the tenure of these FSAs over the Notified Price applicable from time to time for the supplies.

**3.3 Long term demand committed through FSAs:**

Considering the FSAs executed earlier with the power plants under the provisions of NCDP and the FSAs executed under various provisions of SHAKTI, there exists operative linkage for a total quantity of about 572 MTPA with the Power Sector as on 31.3.2019, which is bound by long term supply commitments through FSAs.

The total commitments with Non Power consumers, including the ACQ against the operative FSAs executed under the earlier linkage regime under NCDP, linkages secured under the linkage auction policy for Non-Regulated Sector notified by the government on 15.2.2016 and the FSAs executed with State Nominated Agencies, stands at around 95 MT as on 31.3.2019.

To cope up with any scenario of deficit in availability of coal, supplies under the FSAs have been pegged at various levels of commitment.

**3.4 Consumer satisfaction**

- **3.4.1 Quality Management**

For enhanced customer satisfaction, special emphasis has been given to Quality Management of coal from mine to dispatch point.

Now, all the consumers of CIL have the option for quality assessment of the supplies through independent third party sampling agencies. In order to monitor coal quality, a portal 'UTTAM' (Unlocking Transparency by Third Party Assessment of Mined Coal) has been launched by CIL to capture the entire cycle of sample. With the help of this portal, information of coal quality on regular basis will be accessible to both Coal Companies and Consumers.

As many as 46 coal testing laboratories across the subsidiary companies of CIL are now NABL accredited and accreditation process is underway in respect of another 09 labs.

As the result of conscious and continuous measures taken towards quality maintenance, the gap between the weighted average of declared and analyzed GCV of coal reduced remarkably to 275 Kcl/Kg in 2018-19 from 383 Kcl/Kg in 2017-18, narrowing down the variation well within one GCV band.

- **3.4.2 Linkage Rationalization**

Linkage rationalization initiatives to reduce the cost of transportation of coal and cost of generation of power were continued during the year 2018-19 also. Under the ambit of the linkage rationalization policy notified by the government on 15.5.2018, sources of linkage for a quantity of 5.42 MT for the State / Central Gencos was rationalized in 2018-19, yielding a potential savings in transportation cost by about Rs. 292 crs. Rationalization in respect of 2 IPPs is in the process, which upon implementation would result at a benefit of Rs.118 crs to end use consumers by way of reduction in power tariff as estimated by CEA. The total annual savings expected for the consumers due to linkage rationalization carried out until 2018-19 is around Rs.3700 crores.

**3.5 Coal Beneficiation:**

Presently, CIL is departmentally operating 16 Coal Washeries with a total coal capacity of 36.80 MTY. Out of which 12 are coking and balance 4 are non-coking with a capacity of 20.58 MTY and 16.22 MTY respectively. The total washed coal production from these existing washeries for the year2018-19 has been about 13 MTY.

To enhance the beneficiation capacity, CIL is setting up 18 new washeries with state-of-the-art technology in the field of coal beneficiation with an aggregate throughput capacity of 91.10 MTY. Out of these 18 new washeries, 9 are coking coal washery with a total capacity of 28.10 MTY. One coking coal washery with capacity of 1.6 MTY has been commissioned in 2018 on Build-Operate-Maintain concept. Another 9 washeries are being set up for non-coking coal with an aggregate capacity of 63 MTY.

**3.6 Stock of Coal**

The stock of coal (net of provisions) at the close of the year 2018-19 was Rs. 4138.24 Crores (earlier year Rs.4979.09 crores), which was equivalent to 0.53 month value of Net Sales (previous year 0.74 months). The company-wise position of stock held on 31st March 2019 & on 31st March 2018 are given in **Annexure 7.**

**3.7 Trade Receivables**

Trade Receivables i.e. net coal sales dues outstanding as on 31.03.2019, after providing Rs. 1721.76 crores (previous year Rs. 1742.91 crores) for bad and doubtful debts, was Rs. 5498.55 crores (previous year Rs. 6257.80 crores) which is equivalent to 0.47 months Gross Sales of CIL as a whole (previous year 0.59 months). Subsidiary-wise break-up of trade receivables outstanding as on 31st March 2019 as against 31st March 2018 are shown in **Annexure 8.**

**3.8 Payment of Royalty, Cess, Sales Tax, Stowing Excise Duty, Central Excise Duty, Clean Energy Cess, Entry Tax & Others**

During the year 2018-19, CIL and its Subsidiaries paid/adjusted Rs. 44,826.43 crores (previous year Rs. 44046.57) towards Royalty, Cess, Sales Tax and other levies as per details given in **Annexure-9.**

**4. COAL PRODUCTION & FUTURE OUTLOOK**

Raw coal production and production from underground and opencast mines.

Production of raw coal was 606.89 Mill Te during 2018-19 against 567.37 Mill Te during 2017-18. Production from opencast mines during 2018-19 was 94.98% of total raw coal production. Subsidiary wise production, production from underground and opencast mines and coking and non-coking coal production are disclosed under **Annexure 10.**

**Washed Coal (Coking) Production-** Subsidiary-wise production of Washed Coal (Coking) is given in **Annexure 10A.**

**Overburden Removal-** Company-wise overburden removal is disclosed in **Annexure 10B.**

**FUTURE OUTLOOK**

Based on the demand projection in 'Vision 2030' for coal sector in the country and subsequent demand projection on CIL, a Perspective Plan has been prepared to project production plan in medium and long term basis upto 2030-31 wherein CIL has envisaged to grow at the rate of about 7.6 % till FY 2024-25 to meet the coal demand of the country. To achieve projected growth in production, CIL has identified major projects and assessed their related issues.

The capital expenditure for the year 2019-20 has been set at Rs.10000 Crores. CIL has planned to invest substantial amount in diversification projects viz. Solar Power, Revival of Fertilizer Plants, acquiring coking coal assets in Australia and Canada, Coal Gasification, CBM, Rail Wagon procurement etc. during 2019-20.

**5. POPULATION OF EQUIPMENT**

The Population of Major Opencast Equipment (Heavy Earth Moving Machinery) as on 1.4.2019 and as on 1.4.2018 along with their Performance in terms of Availability & Utilization expressed as percentage of CMPDI Norm is disclosed in **Annexure 11.**

There are increase of 97 Dumpers in ECL, NCL & WCL on receipt of New Equipment ordered. CIL is planning to procure High Capacity Equipments of more than Rs. 7000 Crores viz. 6 Dragline, 31 Shovels, 300 Dumpers and 47 Dozers in next 3 years for enhanced coal production target in coming years.

**6. CAPACITY UTILIZATION**

During 2018-19, total volume of coal and overburden handled by CIL was about 1544 M.Cum. The overall system capacity utilisation of CIL thus worked out to be about 78% is given in **Annexure-12.**

**7.0 PROJECT FORMULATION**

**7.1 Project Implementation:**

**a) Projects Completed During the year 2018-19:**

5 coal projects, with a sanctioned capacity of 11.07 Mty and sanctioned capital of Rs 989.43 Crores have been completed during the year 2018-19. The details are enclosed as **Annexure-13**.

**b) Project started Production during the Year 2018-19:**

2 coal projects, with a sanctioned capacity of 11.20Mty and sanctioned capital of Rs 1502.65Crores have started during the year 2018-19 and Produced 2.91 Mty. The details are enclosed as **Annexure-13**.

**c) Status of Ongoing Projects:**

A total of 120 coal projects costing Rs. 20 Crores and above are in different stages of implementation. Out of which 66 Projects are on schedule and 54 Projects are delayed. The major reasons for delay in implementation of these projects are due to delay in obtaining EC, FC, possessions of land and issues related to R&R, contractual issues and evacuation facilities etc.

**7.2 Projects Sanctioned (Costing Rs 20 Crores & above):**

**a) PR/UCE/RPR/RCE sanctioned by CIL & Subsidiary during 2018-19:**

20 Projects with total rated capacity of 87.81 Mty and total investment of Rs. 11807.78 Crores have been approved during 2018-19. The details are enclosed as **Annexure-13**.

**b) Non-Mining Projects Sanctioned by CIL & Subsidiary during 2018-19:**

2 non-mining projects with a sanctioned capital of Rs. 6656.33 crores have been approved during 2018-19The details are enclosed as **Annexure-13**.

**7.3 Key Strategies:**

(i) Coal Evacuation:

In order to achieve the planned growth in coal evacuation, CIL has deployed a multi-pronged strategy, which is enumerated below.

**For Improved Coal evacuation and movement**

- Strengthening of existing infrastructure viz. CHP, Siding and road etc. for coal movement
- Constant persuasion with Ministry of Railways for expeditious implementation of identified critical railway projects in potential coalfields.

**CIL has planned to invest/invested in 6 Railway Projects for coal evacuation:**

- 3 funded by Coal India limited
- 3 funded through SPVs

**(Details available in MD & AR under the sub-head Marketing Out Look, head (Outlook)**

**(ii) Acquisition and Possession of land:**

In all Subsidiaries of Coal India, the major portion of land is acquired under the Coal Bearing Areas (Acquisition & Development) Act, 1957. During 2018-19, notification U/S-9 (1) has been issued for about 1557 Ha and notification U/S-11 (1) has been issued for about 2507 Ha. During 2018-19, about 3398 Ha of land has been taken in physical possession in different subsidiaries of Coal India Limited.

**(iii) WEB Based Online Monitoring System:**

Monitoring of 80 coal mining projects costing more than Rs 150 Crores with Project monitoring software 'MS Project' have been started in Coal India limited. Regular interactions with subsidiaries is being done. Regular workshops are also being organised to train the executives in MS Project software.

Project Monitoring Division of CIL in association with CMPDI has launched MDMS (Mine Database Management System) portal to monitor the ongoing projects costing Rs 20 Crs and above in CIL. The system is fully operational and projects are being reviewed periodically through this portal.

Crucial issues are also being uploaded by CIL and its subsidiary companies on the e-CPMP Portal of MOC and MOC is vigorously following up with the state governments and other associated ministries by holding meetings with concerned officials to expedite EC & FC approvals.

### 7.4 One Billion Coal Production Programme

As stated above, the road map for 1 Billion tonne coal production has been firmed up based on demand projection as in the 'Vision 2020-30' document of CIL. For achieving these targets, CIL has envisaged to grow at the rate of 7.6% till FY 2024-25 and has also identified major projects along with their related issues.

## 8. CONSERVATION OF ENERGY

Conservation of energy always remains a priority area and CIL/Subsidiaries have extensively exercised various measures towards reduction in specific energy consumption.

Even though Coal Production has increased by 6.97% in 2018-19 compared to 2017-18, electricity consumption has reduced to 4503.31 Million Units vis-à-vis 4605.68 Million Units during 2017-18 with a reduction of 2.22% in absolute terms. In terms of total coal production Electricity Consumption during 2018-19 is 7.42 kWh/T vis-à-vis 8.11 kWh/T during 2017-18 with a reduction of 8.59%. However, in terms of composite production, Specific Energy Consumption (kWh/CuM) during 2018-19 is 2.78 kWh/CuM vis-à-vis 2.99 kWh/CuM during 2017-18 with a reduction of 6.89% from previous year.

Some of the salient measures taken by CIL/Subsidiaries for energy conservation are stated below :-

- CMPDIL has undertaken energy conservation studies in 2018-19 and carried out Diesel Audit & Benchmarking of specific diesel consumption in 94 opencast mines in different subsidiary companies of CIL revealed an aggregate saving potential of 17920 kilo litres/ year in diesel consumption.
- Electrical Audit and Benchmarking carried out in 05 mines (03 opencast mines and 02 underground mine) revealed an aggregate saving potential of Rs 4.85 crores.
- High wattage luminaries /conventional light fittings have been replaced with low power consuming LEDs of appropriate wattage in majority of the places for street lighting, office and other work places, townships etc., thereby resulted huge saving potential in electricity consumption. In 2018-19 more than 76000 LED lights in different capacity have been installed in different Areas.
- Almost all the areas of the subsidiary companies have maintained Power Factoras high as 95% during 2018-19.by installing Power Capacitors of appropriate kVAR rating. Incentive received by different subsidiaries on account of power factor improvement are -NCL -Rs 3.42 Crore ,ECL-Rs 29.63 Crore, BCCL -Rs 5.0 Crore, NCL - Rs 7.6 Crore, SECL -Rs 4.34 Crore, CCL -Rs 1.35 Crore, MCL-Rs 1.00 Crore

CIL / Subsidiary Companies are also pursuing use of alternative energy sources. Various steps have been taken for utilizing solar power as alternate sources of energy, some of which are as stated below :

- In kilo-watt scale, roof top solar plants are in successful operation at various places since their commissioning. Some of these operating plants are at Corporate Office of Coal India Ltd, New town, Kolkata (160 kWp), CMPDIL HQ and regional institute (351kWp), different areas of ECL (159kWp), Different Areas of WCL (1097kWp), HQ office building ,CCL (477.5 kWp) and NEC(12 kWp) etc..
- In megawatt scale, one ground-mounted solar power plant (2.016 MWp) is in operation at MCL HQ premises since it's commissioning on 13.10.2014.

## 9. CAPITAL EXPENDITURE

Overall Capital Expenditure during 2018-19 was Rs. 7311.46 crores as against Rs. 9334.55 crores in previous year. Capital Expenditure incurred during 2018-19 is 76.96% of BE (109.82% in 2017-18). Subsidiary-wise details of which are given in **Annexure 14.**

## 10. COAL VIDESH DIVISION

## I. INITIATIVES FOR ACQUISITION OF COAL ASSETS ABROAD:

### (A) Acquisition of coking coal assets abroad

Pursuant to the directives of the Board, CIL has undertaken initiatives for acquiring stakes in coking coal assets in Australia, Canada &USA, being the major sources for coking coal imports to India. As an outcome of such initiatives, a few potential coking/semi coking coal assets have been identified in Australia and Canada for due diligence. Tenders have been floated for selection of Investment Banker (IB)/Merchant Banker (MB) to render financial due diligence and transaction advisory services for framing of asset specific investment proposal. The IB/MB will be assisted by Technical Consultant, Legal Consultant and Tax & Accounts Consultant for due diligence in their respective domains for whose selection tenders will be floated in due course.

## II. REVIVAL OF FERTILIZER PROJECTS:

### (A) Setting up of natural gas based ammonia-urea complex at Gorakhpur, Sindri and Barauni

A Joint Venture company named Hindustan Urvarak & Rasayan Limited (HURL) comprising of CIL, NTPC, IOCL, FCIL and HFCL has been constituted with the following shareholding pattern:

CIL: 29.67%, NTPC: 29.67%, IOCL: 29.67% & FCIL/HFCI (combined):10.99% to set up natural-gas based 1.27 MTPA urea plant at the premises of closed fertilizer plants of FCIL at Gorakhpur (U.P.) & Sindri (Jharkhand) and that of HFCL at Barauni (Bihar).

The three plants are being set up at a total estimated cost of around Rs. 22,000 crore which is being financed by a debt-equity structure of 75:25. Financial closure for the entire loan amount has been achieved through a consortium of banks led by State Bank of India as Prime Lender. Subsequently, contracts were awarded to the respective successful bidders for setting up of the three plants on Lump-Sum Turn Key (LSTK) basis. Currently, construction works of all three projects are on track and the urea production is expected to commence in the beginning of 2021.

**(B) Setting up of coal based ammonia-urea complex at Talcher**

A Joint Venture Company named Talcher Fertilizers Limited (TFL) comprising of RCF, CIL, GAIL and FCIL has been constituted with the following shareholding pattern:

CIL: 29.67%, RCF: 29.67%, GAIL: 29.67% & FCIL:10.99% to set up a Surface Coal Gasification based integrated fertilizer complex using coal from nearby Talcher coalfields. Coal blended with pet-coke upto 25% shall be gasified to produce syngas, which shall be converted into Ammonia and subsequently to 1.27 Million Tonnes of neem coated Urea annually.

TFL Board approved coal gasification technology of M/s Air Products (earlier M/s Shell) for the proposed plant. Policy for dispensation of subsidy to coal gasification based urea plants is under progress at NITI Aayog. Meanwhile, Dept. of Fertilizers, GOI has issued a Comfort Letter assuring that policy for payment of subsidy for the urea produced through coal gasification route will provide suitable support for ensuring 12% post-tax project IRR.

Hon'ble Prime Minister of India has laid the Foundation Stone of the plant at Talcher on 22.09.2018.

M/s Projects & Development India Limited (PDIL) is the Project Management Consultant (PMC) for this project. The project is being implemented on partial Lump Sum Turn Key (LSTK) basis. LSTK tenders for major plants (Coal Gasification& Ammonia-Urea) are under evaluation. NIT for Captive Power Plant and other Off-sites &Utilities are under preparation by the Consultant. Currently, all pre-project works such as Commissioning of Water System, Supply-cum-Erection for Power Works, Land Development etc. are progressing in full swing.

Ministry of Coal has allotted 50% of North of Arkhapal-Srirampur (Northern Part) coal block to TFL. Detailed Exploration, Preparation of Geological Report, Preparation of Mining Plan & Project Report for allotted Coal Block is in progress by CMPDI.

**III. DIVERSIFICATION IN COAL TO CHEMICAL SECTOR:**

**(A) Setting up of Coal to Methanol plant at Dankuni Coal Complex (DCC)**

In pursuance to initiatives towards development of Clean Coal Technology and alternate use of coal, CIL is exploring the possibilities for setting-up a coal based Methanol plant in the premises of Dankuni Coal Complex (DCC) near Kolkata. Coal sourced from Raniganj coalfields shall be gasified to produce syngas which shall be subsequently converted into methanol. Based on the Capex and Opex data and other technical information provided by potential technology suppliers shortlisted through global EOI, M/s. Project & Development India Ltd. (PDIL) has prepared the Pre-Feasibility Report (PFR) for setting up of a 2050 MTPD (0.676 MTPA) capacity Coal to Methanol plant. The PFR was deliberated by 362nd CIL Board held on 28.04.2018 and the Board agreed in-principle to go ahead with this clean-coal initiative. The Board also accorded approval for engagement of Technical Consultant through tendering for carrying out various Pre-Project activities and Pre-Award Consultancy Services upto preparation of Detailed Feasibility Report(DFR). In compliance of the CIL Board decision, M/s Projects & Development India Limited (PDIL) has been selected as the technical consultant through open e-tendering process.

**11. Master Plan for dealing with fire, subsidence and rehabilitation**

The Master Plan for dealing with fire, subsidence and rehabilitation in the lease hold of Bharat Coking Coal Limited (BCCL) and Eastern Coalfields Limited (ECL) was approved on 12th August 2009 by Govt. of India with an estimated investment of Rs. 7112.11 crores for Jharia Coalfields and Rs.2661.73 for Raniganj Coalfields. Implementation period has been delineated as 10 years for ECL & 12 years for BCCL. Eighteen (18) High Powered Central Committee (HPCC) meetings were conducted till date, under the chairmanship of the Secretary (Coal), MoC to review the activities of implementation of Master Plan. Jharia Rehabilitation and Development Authority (JRDA) and Asansol Durgapur Development Authority (ADDA) are the implementing agency for rehabilitation of non-BCCL & non ECL people under Master Plan.

**A. Summarized Status of Implementations of Raniganj Master Plan (in the leasehold of ECL) are as below:**

There are 03 unstable locations under ECL which were already vacated. As per the demographic survey report provided by ADDA, around 30,000 non ECL families are required to be rehabilitated from unstable locations. Total 12,976 flats in 811 Blocks has been proposed in the DPR prepared by Housing Department, Govt. of WB. Construction of 160 flats at Bijojnagarmouza have been started from March, 2017 which schedule to be completed by May 2019. Further, construction of 12,816 flats have been started from March, 2018 .Construction of 372 blocks are in progress till date .

Regarding infrastructure development activity i) ECL has been assigned to CIMFER for stability assessment of rail track in connection of Diversion of Andal -Sitarampur Railway line from unstable location. , ii) For assessment of stability of the area of NH-2 Bye-pass. ECL has been awarded the job to IIT, Kharagpur. Iii) For diversion route of Gorangdih -Begunia colliery, district level purchase committee has been constituted by state govt. to expedite the possibility of acquisition of land at Raiyati .

**B. Summarized Status of Implementations of Jharia Master Plan (In the leasehold of BCCL).**

As per Master Plan, total of 54,159 families in 595 sites which are to be surveyed, have completed survey of 595 sites for 91,879 families of encroachers by CIMFR, ISM, whiz Mantra and JRDA. Total 7,639 houses have been constructed out of 15,852 houses for rehabilitation of BCCL families, in which 3,878 families have been shifted till March 2019. Remaining 8,213 houses are in different stages of construction.

For rehabilitation of non BCCL families, 6,352 houses have been constructed by JRDA out of 10,352 houses in which 3,075 families have been shifted. Balance 4,000 houses are under different stages of construction. Regarding Status of fire dealing, NRSC has been submitted study report, where the surface fire area has been reported as 3.28 Sq km, against the earlier 8.9 sq km mentioned in the Master Plan.

## 12 ENVIRONMENTAL MANAGEMENT

### 12.1 Management System Standards

CIL HQ has obtained certification against ISO 9001, 14001 and 50001 (Quality Management, Environment Management and Energy Management System) from Bureau of Indian Standards (BIS). As on 31st March 2019, four of our Subsidiaries, ECL, CCL, NCL and MCL are certified for Integrated Management System (ISO 9001, 14001 and OHSAS 18001). CMPDI HQ and its seven RIs are certified for ISO 9001:2015.

### 12.2 Pollution Control Measures and their Efficacy

CIL has put utmost importance to protect environment by practicing and following sustainable mining practices right from mine planning stage. Various pollution control measures and initiatives are taken up concurrently with mining operations for maintaining acceptable/permissible limits of major physical and chemical attributes of environment namely air, water, hydrogeology, ground vibrations, noise, land & nearby community.

**(A) Air Pollution and its Control Measures:**

To control and reduce dust generation during drilling, blasting, loading and Coal transportation, CIL has taken up various initiatives based on the Environmental Management Plan (EMP). This EMP is prepared keeping in mind the impact on existing environment and forest due to coal mining projects through Environment Impact Assessment (EIA) study of each project.

Mist spray systems along conveyor routes, Mobile water sprinkling, automatic sprinklers have been provided to mitigate air pollution & its control measures. Some of the important initiatives taken by CIL like, a) Loading of coal by series of belt conveyors, silo, and transportation by tarpaulin covers trucks and railway wagons, b) Blacktopping, repairing and strengthening of haul roads, c) Development of wind break and vertical greenery system, d) Introduction of Surface Miners and Continuous Miners in opencast & U/G mine respectively.

**(B) Mine Water Management:**

Mine Discharge Treatment Plants (MDTP) are installed in mines for treatment of mine water which is pumped out on surface for second phase treatment. Treated mine water is then used partly within the mine premises for dust suppression, firefighting, plantation, washing etc. As per need of the community, a part of remaining treated mine water is supplied to the nearby villages for drinking & irrigation purpose.

In order to assess the impact of mining activities on ground water, quarterly monitoring of ground water levels is being carried out in and around of the mine lease hold area. For ground water recharge within mine premises and nearby villages, initiatives like rainwater harvesting, digging of ponds/development of lagoons, de-silting of existing ponds/tanks etc have been taken .

Regular monitoring of mine, workshop and domestic effluent is carried out as per rule. Reports of the same are regularly submitted to SPCBs and MoEF&CC.

**(C) Noise Pollution Control Measure:**

For control of noise pollution, various measures are adopted like Proper maintenance of equipment, Green belt development around the mine and residential area, blasting in only day time and use of ear muff / ear plugs at noisy areas.

**(D) Land Reclamation:**

Reclamation of the mined out areas and the external OB dumps are major environmental migratory activities taken up by CIL. Reclamation of mined out areas are being done as per the Environmental Management Plan (EMP) and Mine Closure Plan (MCP) which are approved by MoEF&CC. Top soil preservation, storing and use in the plantation areas are being done in the opencast mines. Concurrently reclamation and rehabilitation of mined out areas are taken up for gainful land use. After technical reclamation is completed, plantation is carried out which is termed as biological reclamation.

- **Eco-restoration:** For effective Bio- reclamation of disturbed land, scientific studies are carried out to select suitable species of plants for each coalfield and sustainable sequence of reclamation from grass to shrubs, to trees are being done. Forest Research Institute (FRI) have been engaged by CIL for sharing their expertise in the field of eco-restoration in the reclaimed areas. ECO restoration sites have been developed in BCCL, with technical guidance of FRI.
- **Eco-park in Reclaimed land:** Eco Parks have been developed in many of the mined out areas of CIL like Gunjan Park of ECL, AnanyaVatika of SECL, Nigahi of NCL, Saoner of WCL, KayakalpVatika, Rajarappa Eco Park in CCL etc.
- **Monitoring of Reclamation:** The land reclamation and rehabilitation operations are being monitored by Satellite Surveillance. 52 major OCPs excavating more than 5 $Mm^3$ (Coal + OB) per annum are being monitored every year while remaining OCPs, excavating less than 5 $Mm^3$ (Coal + OB) per annum, are being monitored every 3rd year. The study during 2018-19 shows that, in 52 major OCPs have reclaimed area of 62.95% and active mining area is only 37.05% of the total excavated area. In addition, CIL is conducting vegetation cover mapping through satellite surveillance in every 3 years.
- **Mine Closure Plan (MCP):** MCP is an integral part of the project report prepared by CMPDIL for Coal mines. This progressive mine closure plan also forms a part of the EIA/EMP prepared and submitted to MOEF&CC for Environmental Clearance. As on 31st March, 2019, Rs. 557.52 Crores have been reimbursed from the Escrow fund and balance of Rs. 6678.63 Crores have been deposited in the 455 Escrow accounts.

**(E) Strive for continual improvement in environmental performance.**

CIL has completed third party environmental audit of 20 OC mines of CIL by engaging Indian Council of Forestry Research & Education (ICFRE), Dehradun.

## 13. INFORMATION AND COMMUNICATION TECHNOLOGY IN CIL

CIL and its subsidiaries have undertaken the following key IT initiatives as on date:

1. Coal India has taken up implementation of ERP at CIL, MCL & WCL in the 1st phase.
2. To benefit its regular customers, as well as Power Sector Customers CIL has introduced mobile App like "SEVA" (Saral Eendhan Vitaran App) and "GSKV"(Grahak Sadak Koyla Vitaran).
3. CIL has also introduced mobile App "Uttam" for monitoring Coal Quality by its customers, "Khanan Prahari" to check illegal coal mining, "E-Awas" to manage quarter allotment, maintenance & prevent illegal occupancies, "Coyla" (Coal Yield Analysis) app to monitor production and dispatch data of all mines.
4. "CLIP" Contract Labour Information portal has been launched by CIL to keep an eye on fair wage payment to Contractor workers deployed at various locations.
5. "MDMS" (Mine Data Management System) portal has been designed and launched by Project Monitoring Division of CIL and CMPDI, Ranchi to store all the salient features of PR and data of ongoing projects and their performance against PR provision.
6. CIL Executive defined contributory Pension Scheme 2007 of all CIL executives is managed through an on-line Web Application.
7. CIL Asset data capture is being carried out through an on-line Web Application.
8. As a significant contribution towards "Digital Green India", E-office solution from NIC has been implemented in CIL and its subsidiaries to ensure paperless office.
9. Under the project "DDMA"(Document Digitization and Archival Management) Coal India Ltd. has digitized more than 80 Lakhs documents at its Corporate Hq.
10. Biometric attendance system has been introduced in CIL and its subsidiaries.

**11. Existing operational IT initiatives of Coal India include:**

- Procurement of Goods, Works and Services in Coal India and its subsidiary companies above Rs 2 lakh value is being done through E-procurement mode whereas tenders above Rs 1 Crore value are finalised through e-Tender mode with provision of reverse auction in Coal India to ensure greater transparency and better cost effectiveness during tender procedures in goods, works and services.
- E-auction of coal is operational through service providers of CIL.
- Performance Evaluation, Vigilance Information and Annual Property Return of executives in Coal India is carried out through web enabled systems. Web Applications for Production Information System, Safety Information System, CIL-CSR, HRMS are also in operation.
- Next Gen Firewall systems has been inducted to augment the LAN immunity against external breach.
- Leveraging technology in the area of Production and Dispatch through various IT initiatives viz GPS Based Vehicle Tracking Systems, GPS-GPRS Based route marking, RFID Based Vehicle authentication Systems, Boom barrier based automatic Gate control System and CCTV based monitoring system have been installed at various Rail/Road weighbridge, Entry-Exit Gates of collieries, Railway-Sidings, Coal-Heaps, workshops, Stores. As of now, more than 800 such integrated installations at various subsidiaries are in operation.
- Apart from Colliery to Area and Area to Subsidiary HQ recently a 3rd level of CCTV Monitoring Centre has been set-up at CIL Kolkata encompassing the surveillance reach to a more wider periphery of Coalfield Areas spread over various subsidiary companies.
- CIL has obtained recertification of its Data Centre for being compliant to Rated 3 standards.
- CIL is operating Operator Independent Truck Dispatch (OITDS) with high speed Data and Voice communications in 11 big Opencast Mines to ensure optimal usage of shovel, Dumpers and associated HEMM to curtail loss of time, fuel and manpower to enhance production and productivity of the mines.
- CIL successfully accomplishes every day a sizable number of in-house Video conferencing sessions involving all its Subsidiaries, MoC, other PSUs, Railways, Power Sector other Govt Organisations as per the schedule with recording facility as an important feature of its office automation. Additional VC room at all Subsidiaries are available for simultaneous multiple VC sessions amongst CIL HQ, Subsidiaries and other location across the globe.
- In order to improve coal dispatch, electronic weighbridges are connected with Central Servers of respective subsidiaries and initiatives have been taken up for implementing online generation of Challans/invoices.
- State-of-the-art IP based EPABX with support of convergent technology for voice and data, Radio communication System and UG communication system at different locations of Coal India and its subsidiary companies are operational in order to meet the business process requirements.

## 14. MINES SAFETY

### 14.1: Statutory Frame-work for safety in coal mines:

Coal mining, world over, is highly regulated industry due to presence of several inherent, operational and occupational hazards and associated risks. Coal Mine Safety Legislation in India is one of the most comprehensive and pervasive statutory framework for ensuring occupational health and safety (OHS). Compliance of these safety statutes is mandatory.

In India, the operations in coalmines are regulated by the Mines Act- 1952, Mines Rules -1955, Coal Mines Regulations-2017 and several other statutes framed there under. Directorate-General of Mines Safety (DGMS) under the Union Ministry of Labour & Employment (MOL&E) administers these statutes. Other major Act/Rule are applicable in coal mines are the Electricity Act- 2003, Central Electricity Authority (measures rel. to safety & supply) Regulations - 2010 ,Indian Explosive Act-1884 & Explosive Rules - 2008, Indian Boiler Act -1923, the Employee's Compensation (Amendment)Act-2017 and the Factories Act - 1948 Chapter -III & IV.

**14.2: Safety Policy of CIL:**

To implement CIL Safety Policy, the following are provided:

1. Provision of adequate funds for mine safety.
2. Deployment of adequate numbers of trained manpower for ensuring safety in mining operations.
3. A well-structured and multi-disciplinary Internal Safety Organization (ISO) established in all the subsidiaries of CIL to monitor implementation of CIL's Safety Policy.
4. Continuous and sustained improvement in technological inputs for mining operation.
5. Support of scientific planning and R&D activities made available through using in-house expertise of CMPDIL and in collaboration with the other scientific agencies and reputed educational institutes.
6. Ensuring workers' participation in every forum for monitoring safety in mines.

**14.3: Accident Statistics**

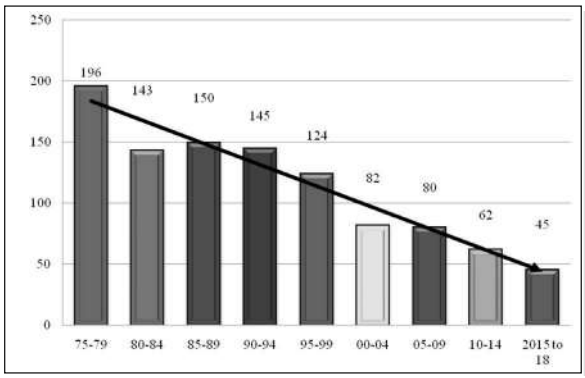
**Analysis of Accident Statistics in CIL -** Accident statistics is the relative indicator for safety status in mines. Over the years, the safety performance of CIL has improved significantly.

This improvement in mine safety in CIL is attributed to the following contributing factors:

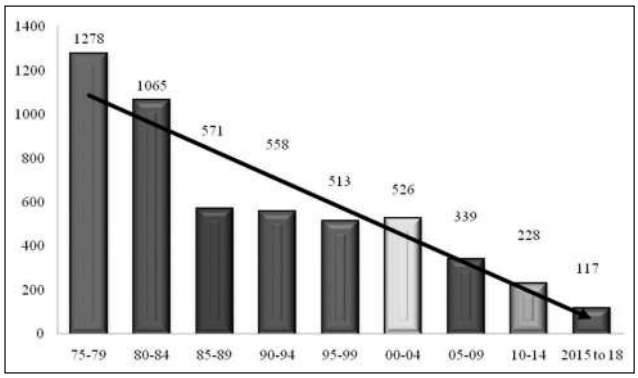
- Collective commitment and synergetic collaboration of the Management, Employees, the regulator (DGMS) and Trade Unions.
- Use of state-of-the-art technology in the field of Mining Methods, Mining Machineries and Safety Monitoring Mechanism.
- Continuous improvement in knowledge, skill and responsiveness of workforce through imparting excellence safety training and persistent safety awareness drives.
- Constant vigil, round-the-clock supervision and supports from various agencies.

Salient features of continuous and sustained improvement in CIL's safety performance is disclosed in following graphical representation and also in **Annexure-15.**

**Trend of 5 Yearly Average of fatalities in CIL since 1975**




**Trend of 5 Yearly Average of Serious Injuries since 1975**




**14.4: Measures for improvement of Mine Safety in 2018**

CIL has vigorously pursued several measures in the year 2018, along with, the on-going safety related initiatives, apart from compliance of statutory requirements for enhancing safety standard in mines of CIL and its Subsidiaries, which are given below:

a) Principal Hazards Management Plans (PHMPs)

b) Safety Management Plans (SMPs)

c) Standard Operating Procedures (SOPs)

d) Safety audit of all mines

e) Conducting Special Safety Drives on different Safety Issues

f) Participation in International Mines Rescue Competition (IMRC) 2018 held at Yekaterinburg, Russia and awarded "Most Active Team" Award in (IMRC) 2018.

g) Observation of "ILO's World Day for Safety and Health at Work" in CIL (HQ) as well as all subsidiary HQs, Areas and mines.

h) Foreign Technical Training Programme in China on "Coal Mine Safety Management for CIL Executives and Exposure to Best Practices in China".

i) The 17th meeting of the National Dust Prevention Committee (NDPC) was held on 6th September, 2018 in Kolkata.

**Apart from the above specific actions, the following are on-going measures for improving safety standards:**

1. Emphasis on adoption of the state-of-the art technology in suitable geo-mining locales.
2. Adoption of the state-of-the art mechanism for Strata Management
3. Mechanism for monitoring of mine environment
4. Strengthening Water Danger Management
5. Training on Mine Safety & Skill Upgradation

**15 MINE EMERGENCY RESPONSE SYSTEM**

**15.1 Emergency Plan**

Emergency Action Plans has been prepared which includes

- Mock Rehearsals
- Demarcating Emergency Escape Routes in below ground.
- Check list prepared to deal emergency in mine.
- Flow Chart prepared to deal crisis.

**15.2 Mine Rescue Services in CIL: CIL is maintaining a well-established Rescue Organization .**

**16 HUMAN RESOURCE DEVELOPMENT**

Human Resource is at the centre of Coal India's pursuit to achieve the targeted coal production. During 2018-19, different training programs were organized at subsidiary Headquarters, Training Centres, Vocational Training Centre and also at CIL's own in-house training facility-Indian Institute of Coal Management, Ranchi. These training programs were organized after accessing the training needs in the respective category of employees within the subsidiary.

**16.1 Training and Development of Human Resource:**

In FY 2018-19, a total of 1,07,077 employees of CIL & its subsidiaries have been trained in house including 14,526 executives. In addition, 5467 employees have been trained in premier institute like IITs, IIM etc which includes 4,611 executives.

In order to develop Human Resource to meet the challenges of future, 6,24,815 man-days of training were achieved for upgrading employee's knowledge and skill. The total training man-days at CIL registered a growth of 3.73% over last year. In addition, a total of 46378 contract workers were also trained in the financial year.

**16.2 Special Initiatives :**

- Ten executives were sponsored for a nine-day training program on Mine Safety which was held in Henan polytechnic university, China.
- Two executives attended a three-week training program on Seismic vibrator which was held in France.
- Ten executives attended a certified course on Project Management and secured the Team Excellence Award amongst 34 teams.

**16.3 Engagement of Apprentices:**

During the year 2018-19, CIL and its subsidiaries engaged a total of 7606 apprentices vis-à-vis 2813 apprentices in FY 17-18 through NATS and NAPS portals.

**17 RECRUITMENT**

During the financial year 2018-19, CIL has inducted Management Trainees & Medical Executives through direct recruitment to fill up the vacancies. The details of Executive manpower influx in CIL for F.Y. 2018-19 are as follows:

| Designation (Grade) | Nos. appointed |
|---|---|
| Management Trainee (E2 Grade) | 224 |
| Medical Specialist (E3 / E4 Grade) | 97 |
| Sr. Medical Officer (E3 Grade) | 72 |
| Sr. Officer (Mining) (E2 Grade) | 175 |
| **Total** | **568** |

With the recruitment of 169 Medical Executives, the strength of Doctors in the company has increased by 17% (approx.). Similarly, with the promotion / appointment of 175 Statutory Personnel in Executive cadre in Mining discipline, the strength of Statutory posts is increased by 3.5% (approx.).

**18. MANPOWER**

18.1 The total manpower of the Company including its subsidiaries as on 01.04.2019 stood at 2,85,479 against 2,98,757 as on 01.04.2018. A detailed Subsidiary wise position of Manpower is given in **Annexure 16.**

18.2 The presidential directives with respect to manpower for Scheduled Caste/Scheduled Tribes/OBC have been implemented in all the subsidiaries/units of Coal India Limited.

The representation of SC/ST employees in total manpower of CIL and its Subsidiary Companies as on 01.01.2017, 01.01.2018 and01.01.2019 is given below: -

| As on | Total Manpower | Scheduled Caste | | Scheduled Tribe | |
|---|---|---|---|---|---|
| | | Nos. | Percentage | Nos. | Percentage |
| 1.1.2017 | 313809 | 70513 | 22.47 | 39721 | 12.66 |
| 1.1.2018 | 302006 | 57761 | 19.13 | 41373 | 13.70 |
| 1.1.2019 | 288687 | 54578 | 18.91 | 43560 | 15.09 |

**19. INDUSTRIAL RELATIONS AND EMPLOYEES' PARTICIPATION IN MANAGEMENT**

The Industrial Relations scenario in CIL & its subsidiaries during the financial year remained cordial. Joint Consultative Committees and other Bipartite Committees at Unit/Area levels and Subsidiary (HQ) levels continued to function in harmony. Meetings of Bilateral Committees were held at regular intervals at CIL to address IR, Welfare, Productivity/Production, Safety etc. issues. Except for few minor issues of local nature at a few subsidiaries, there has been no major IR problem in the company.

**20. EMPLOYEES' WELFARE AND SOCIAL SECURITY SCHEMES**

The Welfare activities of Coal India Limited for welfare of its employees and their families are given below:

**20.1 Housing facilities**

- The ceiling of House Building Advance amount has been increased from Rs.2.5 lakh to Rs.30 lakhs per employee subsuming the advance amount under CIL Furniture and Household Goods Purchase Scheme.
- CIL Furniture and Household Goods Purchase Scheme has been formulated under which recoverable advance to an employee is available for purchases as per their eligibility ranging from Rs.2 lakhs to Rs.5 lakhs.

**20.2 Water supply**

Supply of water is done after proper treatment and several RO plants are also existing to cater to the needs of residential colonies of the company.

**20.3 Educational Facilities**

The subsidiary companies of CIL have been providing financial assistance and infrastructure facilities to schools operating in mining areas like DAV, KendriyaVidyalaya, Delhi Public School and other educational institutions run by the State Government to provide quality education to the employees' children. Through Scholarship Schemes, Cash Awards and Certificates of Appreciation, meritorious wards of employees are recognized for higher academic performance.

**20.4 Medical Facilities**

CIL is extending medical facilities to the employees and their families through various medical establishments from the dispensary level to the Central and Apex hospitals in different parts of the coalfields. For specialized treatment, where the expertise/ facilities is not available, they are also referred for treatment outside in the empanelled hospitals.

**20.5 Statutory Welfare Facilities**

In accordance with the provision of the Mines Act, 1952 and Rules and Regulations framed there-under, subsidiaries of Coal India Limited are maintaining various statutory welfare facilities for the coal mines such as Canteen, Rest Shelters etc.

**20.6 Non-Statutory Welfare Measures**

Various measures are taken to improve the quality of life of employees by encouraging them to form and run Co-operative Stores/ Credit Societies, bringing banking facilities closer to their residential colonies and providing various sports facilities as well as presence of Holiday Homes in 6 cities of country.

**20.7 Empowerment of Women**

- As on 01.04.2019, 19,779 female employees were working in CIL and its subsidiaries. The Forum of Women in Public Sector (WIPS) was established under the aegis of Standing Conference of Public Enterprises (SCOPE) on 12th February, 1990 which came into existence at CIL in the same year to empower women employees for working efficiently. As warranted under Prevention of Sexual Harassment Act, suitable mechanisms are in place to address such issues.
- The company, in addition to maternity benefits provided under the Maternity Benefit Act, 1961, provides 730 days of Child Care Leave to women employees, subject to other conditions as stipulated in the policy.

**21 TREE PLANTATION / AFFORESTATION**

Plantation and Green belt are developed through extensive tree plantation programme every year by the Subsidiaries of CIL. Avenue plantation, plantation on the OB dumps, plantation in and around mines, residential colonies, and available government land are undertaken in the existing as well as the new projects. The subsidiaries of CIL have planted around 18.1 lakh saplings during 2018-19 in an area covering 733 Ha.

**22 PROGRESSIVE USE OF HINDI**

**22.1** Coal India Limited is committed to implement the provisions of the Official Languages Act, Rules and Regulations and all activities are held regularly. During FY 18-19, the company has achieved the mandated usage of Hindi language as per the provisions of the Act.

**22.2** Following awards were conferred upon CIL by various Government organisations:

- 1st Prize of TOLIC (PSUs), Kolkata: Under the Rajbhasha Award Scheme of the Govt. of India.
- Active Participation Award awarded by His Excellency Shri Kesari NathTripathi, the Governor of West Bengal.

**23. VIGILANCE SETUP**

The anti-corruption activities in CIL and its Subsidiary Companies have been institutionalized by setting up Vigilance Departments headed by a Chief Vigilance Officer (CVO), appointed by the Govt. of India in consultation with Central Vigilance Commission (CVC) on tenure basis, drawn from various government services.

During the year 2018-19, 44 Intensive Examination of Works/Contracts(Major works) were undertaken by CIL(HQ) and its subsidiary companies. In addition,288 Surprise checks were carried out. Besides, 92Departmental Inquiries were disposed of which resulted in punitive action against 148 officials. Such examinations/investigations have resulted into initiation of various system improvement measures.

In accordance with the directives of the Central Vigilance Commission, the Vigilance Awareness Week was observed in Coal India Limited, IICM-Ranchi, North Eastern Coalfields-Margherita& Regional Sales Offices across the country w.e.f. 29.10.18 to 03.11.18 emphasizing the theme of this year for Vigilance Awareness Week "Eradicate Corruption: Build a New India".

Vigilance Awareness Week was observed by organizing various activities in order to generate awareness, educate and discuss transparency among officials /stake holders as well as general public to arrest the root cause & threat of corruption, to promote good governance and envisage the theme of this year. The activities were organized both in-house and as outreach programs in Schools/Colleges, across Kolkata, in Ranchi, in Margherita, Assam and also as Gram Sabha in different districts of West Bengal and NEC Projects, focusing this year's theme of Vigilance Awareness Week.

**Implemented Preventive Vigilance/ System Improvement**

i) SOP has been issued clearing specifying the role and responsibility of different level of executives for implementation of IT initiatives.

ii) Suggestion has been given to management to issue guidelines for including/ excluding GST for evaluation of BID sin tender.

**System Improvement Studies -** Studies were taken in following areas :-

| Sl. | Subject of Study |
|---|---|
| 1 | Measurement of OB and Coal in outsourced patches |
| 2 | CSR Policy of CIL and monitoring of projects. |
| 3 | E-surveillance through VTS, CCTV, Weigh-Bridge connectivity, RFID & other IT initiatives. |
| 4 | Implementation of Bill tracking system. |
| 5 | Complaint handling System. |
| 6 | Procurement policy at CIL & subsidiaries and Standardization of NITs and modification of Purchase Manual. |
| 7 | Recruitment process in CIL & subsidiaries. |
| 8 | Policy for compassionate appointment of medical unfit cases. |

**24 PARTICULARS OF EMPLOYEES**

Employee received remuneration either equal to or in excess of the limits prescribed under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during 2018-19 is given in **Annexure 17.** Details of Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on disclosure in the Board Report with reference to remuneration of Managerial Personnel of Top 10 employees are annexed to the Report.

**25. BOARD OF DIRECTORS**

Shri Anil Kumar Jha was appointed as Chairman cum Managing Director (CMD) w.e.f. 18.05.2018 (A/N). Shri Suresh Kumar, Addl. Secretary, MoC was holding an Additional Charge of CMD from 23.04.18 till 18.05.18 and Shri Gopal Singh, CMD,CCL was holding an Additional Charge of CMD from 01.09.17 till 20.04.2018. Shri S.N.Prasad, Director (Marketing), Shri Binay Dayal Director (Technical) and Shri R.P. Srivastava Director (P &IR) were on the Board throughout the year. On superannuation, Shri C.K. Dey Director (Finance) ceased to be Director (Finance) w.e.f 01.10.18 and Shri S.N.Prasad, Director (Marketing) was given an additional charge as Director (Finance) from that date and he continued till 9th July' 2019. Shri Sanjiv Soni has assumed the charge of Director (Finance), CIL from 10th July' 2019 .

Shri R.K.Sinha, Joint Secretary, MoC, Mrs Reena Sinha Puri, JS &FA, MOC were on the Board throughout the year as Government Nominee Directors.

Ms. Loretta Mary Vas, Dr S.B. Agnihotri, Dr D.C. Panigrahi, Dr. Khanindra Pathak and Shri Vinod Jain were appointed as Independent Directors on the Board on 17.11.15 for a period of 3 years. On expiry of their term, all the 5 directors ceased to be Independent Directors w.e.f. 16th Nov'18. They were re-appointed as Independent Directors w.e.f 17th Nov'18 for a period of one year. Shri V.K.Thakral and Shri B.L.Gajipara were Independent Directors on the Board throughout the year.

Shri R.R. Mishra, CMD, WCL and Shri S. Saran, CMD, CMPDIL continued throughout the year as permanent invitees. Shri Anurag Addl. Member (Traffic transportation), Railway Board was permanent Invitee from 19th Jun'18 .

Your Directors wish to place on record their deep sense of appreciation for the valuable guidance and services rendered by the directors during their tenure, who ceased to be the Directors during the year.

In terms of Article 39(j) of the Articles of Association of the Company, one third of retiring Directors are liable to retire by rotation shall retire at the ensuing Annual General Meeting and they are eligible for reappointment.

The Board of Directors held 21 meetings during the year 2018-19.

**26. Composition of Audit Committee**

CIL in pursuance of excellence in corporate governance formed an Audit Committee of its Board of Directors w.e.f. 20-07-2001 and the present Audit Committee was re-constituted by the Board in its 376th meeting held on 30th Nov'18 consists of four Independent Directors, one Government Nominee, one Functional Director, one Invitee and one permanent invitee.. Details are disclosed in Corporate Governance Report under point number 3.1.

**27. Composition of CSR Committee**

Details are disclosed in Corporate Governance Report under point number 3.6.

**28. Declaration given by independent directors under sub-section (6) of Section 149.**

The following independent directors have given their consent during 2018-19 that they meet the criteria of independence as stipulated in sub-section (6) of Section 149 of the Companies Act 2013.

i. Ms. Loretta M Vas
ii. Dr. S.B.Agnihotri
iii. Dr. D.C.Panigarhi
iv. Prof. Khanindra Pathak
v. Shri Vinod Jain
vi. Shri V.K.Thakral
vii. Shri B.L.Gajipara

Further as required under Section 149(7) of the Companies Act'13 and Regulations 25(8) of SEBI (LODR) Regulations 2015 as amended, all the Seven (7) Independent Directors have submitted declaration that he/she meets the Independence Criteria as provided in Clause (b) of Regulation 16(i) of LODR 2015 and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated that could impair or impact his/her ability to discharge duties with an objective independent judgment and without any external influence. Further as required under Regulation 25(9) of LODR 2015 as amended, the Board of Directors of the Company took on record the declaration and confirmation submitted by the Independent Director under Regulations 25(8) after undertaking due assessment of the veracity of the same.

**29. Reappointment of Independent Directors- Section 149(10)**

Ms. Loretta Mary Vas, Dr S.B. Agnihotri, Dr D.C. Panigrahi, Dr. Khanindra Pathak and Shri Vinod Jain were appointed as Independent Directors on the Board on 17.11.15 for a period of three years. On expiry of their term all the 5 Directors ceased to be Independent Directors w.e.f. 16th Nov'18. They were re-appointed as Independent Directors w.e.f 17th Nov'18 for a period of one year.

**30 Recommendation of Audit Committee by the Board.**

All the recommendations made by Audit Committee were accepted by the Board.

**31. Company's policy on directors 'appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178.**

MCA vide Notification dated 5th June'2015 has exempted the above for Government companies.

**32. Remuneration policy of directors, KMPs and Senior Management - Section 178(4).**

MCA vide Notification dated 5th June'2015 has exempted the above for directors of Government companies.

**33. A statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.**

MCA vide notification dated 5th July' 2017 has exempted evaluation mechanism for Govt. Companies. However, Company has prepared a policy for formal annual evaluation of Independent Directors, Board, Committees of the Board, Executive Directors and Non Executive Directors and got it approved by Board in its 385th meeting held on 30th May'19.

**34. Contracts or Arrangements with Related Parties**

Related party transactions made with the subsidiary companies and that all such transactions were exempted under Regulation 23(5)(a) and (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 being transactions between two government companies and transactions entered between a holding and its wholly owned subsidiaries whose accounts are consolidated with holding company and placed before the shareholders at the general meeting for approval. However, the remuneration paid to Key Managerial Personnel is being disclosed separately in point no VI of **Annexure 18.**

**35. Loan, guarantees or investments by a company under section 186 of the Act**

Loan, guarantees and investments made by Coal India Limited in terms of Section 186 of the Companies Act 2013 is enclosed in **Annexure 19**.

**36. Familiarization programme of Board Members.**

Board of Directors are fully briefed on all business related matters, associated risk, new initiatives etc. of the company. The Board of directors were also briefed about the provisions of Companies Act 2013, Prohibition of Insider Trading Regulations, 2015 as emended and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. As per Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the listed entity shall familiarize Independent Directors through various programmes about the listed entity, including the following:

(a) Nature of the industry in which the listed entity operates;

(b) Business model of the listed entity;

(c) Roles, rights, responsibilities of Independent Directors; and

(d) Any other relevant information.

As per regulation 46 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the details of the familiarization programmes given to Independent Directors is to be disclosed on the website of the company. The same is disclosed on company's website. And link is given hereunder:-

https://www.coalindia.in/DesktopModules/DocumentList/documents/Familiarization%20Programmes%20imparted% 20to%20Independent%20Directors%20for%202018-19%20and%20cumulative%20till%20date.pdf

**37. Sexual Harassment of Women at the Workplace**

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) are working at every subsidiary and office of Coal India Limited to redress complaints regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under the said policy.

No sexual harassment complaint was received during the year 2018-19.

**38. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(3)(c) of the Companies Act, 2013, read with the Significant Accounting Policies at Note-2 and Additional Notes on Accounts at Note-38 forming part of:

1. CIL (Standalone) Accounts
2. CIL (Consolidated) Accounts

**It is confirmed that:**

a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;

b) The Accounting Policies have been selected and applied consistently and judgements and estimates made that are 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 profit & loss of the company for that period;

c) Proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Annual Accounts have been prepared on a going concern basis;

e) Internal Financial Controls have been laid down and that such controls are adequate and were operating effectively during the year ended 31stMarch'2019.

f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

For CIL (Consolidated) Accounts, such confirmation is based on confirmation obtained from eight Indian subsidiaries of CIL viz: Eastern Coalfields Limited, Bharat Coking Coal Limited, Central Coalfields Limited(consolidated), Northern Coalfields Limited, Western Coalfields Limited, Mahanadi Coalfields Limited (consolidated), South Eastern Coalfields Limited (consolidated) and Central Mine Planning & Design Institute Limited. However, for the overseas subsidiary viz. Coal India Africana Limitada, which was incorporated under Mozambique Commercial Code and for Joint Ventures viz. International Coal Ventures Private Limited, NTPC Urja Private Limited, Hindustan Urvarak & Rasayan Limited and Talcher Fertilizers Limited where CIL is not the majority shareholder, such confirmation have not been obtained.

**39. ACCOUNTS OF THE SUBSIDIARIES**

The statement containing the salient features of the financial statements of a company's subsidiaries, associate companies and joint ventures under the first proviso to sub-section(3) of section 129 of Companies Act,2013 is enclosed as AOC 1 in **Annexure 20.** In terms of General Circular No.2/ 2011 dated 8th Feb 2011 from Ministry of Corporate Affairs, the Annual Accounts of the subsidiary companies shall be made available to the shareholders on demand.

**40. COST AUDIT**

M/s Balwinder Singh & Associates conducted the Cost Audit of your company for the year 2017-18 and the Cost Audit Report was approved by the Board of Directors in their 372nd meeting held on 25th Sep 2018. The Cost Audit Report did not contain any adverse observation/comment or qualification from the Cost Auditor. The above report was filed in XBRL mode with MCA on 27th September 2018.

Balwinder & Associates was reappointed as Cost auditor for CIL Standalone for the year 2018-19. E-form CRA-2 has been filed with MCA portal vide SRN H16189615 dated 27.09.2018.

**41. SECRETARIAL AUDIT**

In pursuance to Section 204 of Companies Act 2013, company had conducted Secretarial Audit for the year 2018-19 by a practicing Company Secretary M/s Vinod Kothari & Co, Practising Company Secretaries. Their appointment was approved in the 379th CIL Board meeting held on 12th Feb'19. Company has obtained an 'Unqualified Report' without any matter of Emphasis and same is enclosed in **Annexure 21.** In addition CIL has 6 Material Unlisted Subsidiaries and their Secretarial Audit Report along with Observation and management Reply are also annexed as per Regulation 24A of LODR 2015. As per SEBI circular dated 08-02-2019 Practicing Company Secretaries conducted compliance of SEBI laws and same was filed with Stock Exchanges on 30th May, 2019.

**42. RISK MANAGEMENT POLICY**

CIL has approved Risk Management Charter and Risk Register to build up a strong Risk Management Culture within CIL in achieving company's goals and objectives. The entity level Risk Assessment includes:

i) Strategic Risk.
ii) Operational Risk.
iii) Financial Risk.
iv) Compliance Risk.
v) Project Related Risk.
vi) Support System Risk.

As per the Risk Register, different risks have been identified for CIL & its Subsidiaries, Risk Owner & Risk Mitigation Plan Owner have also been nominated for each risk identified to ensure continuous monitoring and mitigation thereof.

A Consultant was engaged for implementation of the governance process envisaged in the Risk Management Framework, including facilitation for formulation of Risk Mitigation plans for the Prioritized Risks of CIL. The Agency has completed Updated Risk Register, Prioritization of Risk, Risk that Matters along with Mitigation measures of the Risk that Matters.

The Consultant has submitted its final report to CIL for implementation.

**43. WEBLINK**

The following policies may be accessed on the Company's website as under:-

1. **Corporate Social Responsibility Policy:**
https://www.coalindia.in/DesktopModules/DocumentList/documents/CIL_CSR_Policy_New_Companies_Act_2013_05022016.pdf
2. **Vigil Mechanism:**
https://www.coalindia.in/DesktopModules/DocumentList/documents/Office_Order_No.57_dt_08092011_-_Coal_ India_ Whistle_ Blower_ Policy_2011.pdf
3. **Policy for determining Material Subsidiary:**
https://www.coalindia.in/DesktopModules/DocumentList/documents/POLICY_ FOR_ DETERMINING_ MATERIAL_ SUBSIDIARIES_ 21032015.pdf
4. **Related Party Transaction Policy:**
https://www.coalindia.in/DesktopModules/DocumentList/documents/Related_Party_Transaction_Policy'_01122014(1).PDF
5. **Policy on determination of Materiality under SEBI(LODR) Regulations,2015**
https://www.coalindia.in/DesktopModules/DocumentList/documents/Policy_ on_ determination_ of%20_ Materiality_ under_SEBI_ LODR_% 20Regulations_2015_03042017.PDF
6. **Policy on Preservation of documents including Archival Policy under SEBI(LODR) Regulations 2015**
https://www.coalindia.in/DesktopModules/DocumentList/documents/Policy_ on_Preservation_of_ documents_including_Archival_ Policy_under_SEBI_LODR_Regulations_2015_17052017.pdf
7. **Dividend Distribution Policy under SEBI (LODR) Regulations 2015**
https://www.coalindia.in/DesktopModules/DocumentList/documents/Dividend_ Distribution_ policy_of_Coal_ India_ Limited_ 25102017.pdf

**44. COMPANY CONFIRMS THE FOLLOWING:-**

1. None of the Directors are disqualified for appointment as per Section 164 of the Companies Act'2013.
2. Company has not issued any Equity shares with differential voting rights, Sweat Equity shares and ESOP. However Company has issued shares to Employees of CIL and its Subsidiaries as per the OFS Scheme.
3. Unclaimed Final Dividend 2010-11 and Interim Dividend 2011-12 along with the Shares on which dividend have not been claimed for Seven consecutive years were transferred to IEPF Authority as stipulated in Companies Act 2013.
4. No Statutory, Secretarial, and Cost Auditors had resigned during the year 2018-19.
5. No relative of director was appointed to place of profit.
6. As per Regulation 32(4) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 deviation of Proceeds of Public issue is not applicable to the company.
7. There is no deposit covered under Chapter V of Companies Act 2013.
8. There is no deposit, which is not under compliance of Chapter V of Companies Act 2013.
9. There is no change in the nature of business.
10. No Director is in receipt of any commission from the subsidiary companies in which he is a director.
11. Applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

**45. ADDITIONAL INFORMATION**

1. **Details in respect of frauds reported by Auditors under section 143(12) other than those which are reportable to the Central Government. :**

   No such report of frauds as per Audit Report of Standalone as well as Consolidated Accounts.

2. **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the FY and the date of the report :**

   No such material changes and commitments occurred between the end of the FY and the date of the report which may affect the Standalone as well as consolidated financial position of the company.

3. **The names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.**

   On 8th January,2013, MCL had formed a Joint Venture Company namely, Neelanchal Power Transmission Company Private Limited(NTPCPL) with Odisha Power Transmission Company Ltd (OPTCL) having 50:50 equity participation with an objective of carrying out power transmission business in Odisha. As the Company could not start its operation, the name of NTPCPL was struck off by ROC from the Register of Companies w.e.f 28.06.2018 and the Company is dissolved as per Section 248(5) of the Companies Act, 2013

**46. EXTRACT OF ANNUAL RETURN :**

As per the requirements of section 92(3) of the Companies Act and rules framed hereunder, the extract of Annual Return in form MGT-9 is included as **Annexure-18**. The same is available in Coal India website www.coalindia.in (under Investor centre, Events and Announcements). The Weblink is given hereunder :

https://www.coalindia.in/DesktopModules/DocumentList/documents/ExtractofAnnulReturn.pdf

**47. ACKNOWLEDGEMENT:**

The Board of Directors of your Company wishes to record their deep sense of appreciation for the sincere efforts put in by the employees of the Company and Trade Unions. Your Directors also gratefully acknowledges the co-operation, support and guidance extended to the Company by various Ministries of the Government of India in general and Ministry of Coal in particular, besides the State Governments. Your Directors also acknowledge with thanks the assistance and guidance rendered by Statutory Auditors, the Comptroller and Auditor General of India and Registrar of Companies, West Bengal, Secretarial Auditor and Cost Auditor and wishes to place on record their sincere thanks to Consumers for their continued patronage.

**48. ADDENDA**

The following are annexed:-

i) Pre-tax Profit of CIL & subsidiaries for 2018-19 vis-à-vis 2017-18 **(Annexure 1).**

ii) Subsidiary wise details of Dividend income of CIL Standalone **(Annexure 2).**

iii) The comments of the Comptroller and Auditor General of India on Standalone Financial Statements of Coal India Limited **(Annexure 3).**

iv) Auditors Report on the Standalone Financial Statements for the year ended 31st March, 2019 including Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") **[Annexure 3(A)].**

v) The comments of the Comptroller and Auditor General of India on Consolidated Financial Statements of Coal India Limited **(Annexure 4).**

vi) Auditors Report on the Consolidated Financial Statements for the year ended 31st March, 2019 including Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") **[Annexure 4(A)]**.

vii) Subsidiary wise Coal Off-take. **(Annexure 5)**

viii) Sector-wise dispatch of coal & coal products. **(Annexure 6)**

ix) Subsidiary wise details of Stock of Coal. **(Annexure 7)**

x) Subsidiary wise details of Trade Receivables. **(Annexure 8)**

xi) Subsidiary-wise payment of Royalty, Cess, Sales Tax, Stowing Excise Duty, Central Excise Duty, Clean Energy Cess, Entry Tax and Others. **(Annexure 9)**

xii) Subsidiary-wise Coking & Non-coking production, Production from underground and opencast mines. **(Annexure 10)**

xiii) Subsidiary-wise Washed Coal (Coking) Production. **(Annexure 10A)**

xiv) Subsidiary wise Overburden Removal. **(Annexure 10B).**

xv) Population of equipment. **(Annexure 11)**

xvi) Subsidiary wise System Capacity Utilization. **(Annexure 12).**

xvii) Project Implementation. **(Annexure 13)**.

xviii) Subsidiary wise details of Capital Expenditure. **(Annexure 14)**

xix) Salient features of continuous and sustained improvement in CIL's safety performance. **(Annexure 15)**

xx) Subsidiary wise manpower. **(Annexure 16)**

xxi) Disclosures under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. **(Annexure 17)**.

xxii) The extract of the annual return as provided under sub-section (3) of Section 92 in Form No. MGT.9 **(Annexure 18).**

xxiii) Loan and Advances, Guarantees, Investments made by the company under Section 186(4) of the Companies Act'2013 **(Annexure 19).**

xxiv) Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) as on 31st March, 2019. **(Annexure 20).**

xxv) Secretarial Audit Report under Section 204 of Companies Act 2013 and Secretarial Audit Report of Material Subsidiaries and Management Explanation. **(Annexure 21)**.

xxvi) Foreign Exchange Earning and Outgo under Rule 8 of Companies (Accounts) Rules 2014 **(Annexure 22).**

xxvii) Details about Research and Development of the Company **(Annexure 23)**.

xxviii) Disclosure as per Section 135 of Companies Act 2013 on Corporate Social Responsibility **(Annexure 24)**.

xxix) Significant and Material Orders passed by the Regulators or Courts. **(Annexure 25)**.

xxx) Corporate Governance Report. **(Annexure 26)**

For and on behalf of the Board of Directors

Sd/-
A.K.Jha
Chairman
(DIN-06645361)

Kolkata
Date : 12th July, 2019

## ANNEXURE 1

**Pre-tax Profit of CIL & subsidiaries for 2018-19 vis-à-vis 2017-18**

(₹ in crore)

| Company | 2018-19 | 2017-18 | Increase/(Decrease) |
|---|---|---|---|
| ECL | 1298.39 | -1466.73 | 2765.12 |
| BCCL | 557.05 | -2125.25 | 2682.30 |
| CCL | 2693.96 | 1387.46 | 1306.50 |
| NCL | 6659.16 | 4089.72 | 2569.44 |
| WCL | 193.72 | -2829.28 | 3023.00 |
| SECL (consolidated) | 5570.40 | 3820.67 | 1749.73 |
| MCL (consolidated) | 9277.49 | 7336.86 | 1940.63 |
| CMPDIL | 263.82 | 120.82 | 143.00 |
| CIL (Standalone) | 10562.42 | 9314.83 | 1247.59 |
| CIAL Exchange Gain/Loss | -0.15 | -25.61 | 25.46 |
| Sub-Total | 37076.26 | 19623.49 | 17452.77 |
| Less: Dividend from Subsidiaries | 8925.45 | 8853.18 | 72.27 |
| Less: Income on Buyback of Shares by Subsidiaries | 1025.35 | 0.00 | 1025.35 |
| **Profit Before Tax** | **27125.46** | **10770.31** | **16355.15** |
| Less : Tax on PBT | 9662.45 | 3732.31 | 5930.14 |
| **Profit After Tax** | **17463.01** | **7038.00** | **10425.01** |
| Less : Share in JV's/ Associates & discontinued operations Profit/(Loss) | 0.83 | -0.44 | 1.27 |
| **Profit for the Period** | **17462.18** | **7038.44** | **10423.74** |
| Add : Other Comprehensive Income (OCI) net of tax | 17.38 | 642.82 | -625.44 |
| **Total Comprehensive Income** | **17479.56** | **7681.26** | **9798.30** |

## ANNEXURE 2

**Subsidiary-wise details of Dividend income of CIL Standalone**

(₹ in crore)

| Company(paying subsidiaries) | Dividend Income of CIL Standalone | |
|---|---|---|
| | 2018-19 | 2017-18 |
| CCL | 297.04 | 531.10 |
| NCL | 2396.53 | 1750.00 |
| SECL | 2326.61 | 2202.58 |
| MCL | 3875.00 | 4350.00 |
| CMPDIL | 30.27 | 19.50 |
| **Total** | **8925.45** | **8853.18** |

ANNEXURE 3

सत्यमेव जयते

NO 145. संख्या/CA/LA-I/Accounts/CIL-Standalone/2018-1
No.

CONFIDENTIAL

भारतीय लेखा तथा लेखा परीक्षा विभाग
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
कार्यालय, महा निदेशक वाणिज्यिक लेखा-परीक्षा
OFFICE OF THE DIRECTOR GENERAL OF COMMERCIAL AUDIT
तथा पदेन सदस्य लेखा-परीक्षा बोर्ड - II
& EX-OFFICIO MEMBER AUDIT BOARD-II
कोलकाता / KOLKATA

दिनांक / Dated 11 JUL 2019 20

To
The Chairman-cum-Managing Director,
Coal India Limited,
Rajarhat,
West Bengal

**Subject : Comments of the Comptroller & Auditor General of India under section 143(6)(b) of the Companies' Act, 2013 on the Standalone Accounts of Coal India Limited for the year ended 31 March 2019.**

Sir,

I forward herewith the Comments of the Comptroller & Auditor General of India under section 143(6)(b) of the Companies' Act, 2013 on the Standalone Accounts of Coal India Limited for the year ended 31 March 2019.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encl: As stated.

**(Mausumi Ray Bhattacharyya)**
**DIRECTOR GENERAL OF COMMERCIAL AUDIT**
**& EX-OFFICIO MEMBER, AUDIT BOARD – II**
**KOLKATA**

Place: Kolkata,
Dated: 11 JUL 2019

पुराना निजाम महल, 234/4, आचार्य जगदीश चन्द्र बोस रोड, कोलकाता - 700 020, तार : ''कोयलोखा''
Old Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road, Kolkata-700 020
Phones : 2287-5380, 2287-7165, 2287-8838, 2287-2360, 2281-0043, 2281-5784, Fax : 2280-0062
E-mail : mabkolkata2@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES' ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of standalone financial statements of Coal India Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies' Act, 2013 (Act) is the responsibility of the Management of the Company. The statutory auditors appointed by the Comptroller and Auditor-General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 30.05.2019 and revised Audit Report dated 02.07.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the standalone financial statements of Coal India Limited for the year ended 31 March 2019. 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 revision made to reflect the amount transferred to Investor Education and Protection Fund and to include the gross amount under dispute in Para 3(g)(iii) of "Report on Other Legal and Regulatory Requirements" and Para No. vii(b) of "Annexure – A" respectively of the Independent Auditors' Report, as stated in (a) under 'Other Matter" as a result of my audit observations highlighted during the supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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

**(Mausumi Ray Bhattacharyya)**
**DIRECTOR GENERAL OF COMMERCIAL AUDIT**
**& EX-OFFICIO MEMBER, AUDIT BOARD – II**
**KOLKATA**

Place: Kolkata,
Dated: 11 JUL 2019




## ANNEXURE 3 (A)

**Independent Auditors' Report**

**To**
**The Members of Coal India Limited**
**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of Coal India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.We have determined the matters described below to be the key audit matters to be communicated in our report.

**Key Audit Matter:**

1. Adoption of Ind AS 115 "Revenue from Contracts with Customers" in the standalone financial statements in respect of accuracy of revenue recognition and adjustments for coal quality variances involves critical estimates.

   The revenue recognized by the Company in a particular contract is dependent on the sale agreement / allotment in e-auction for the respective customer. Subsequent adjustments are made to the transaction price due to grade mismatch/slippage of the transferred coal.

   The variation in the contract price if not settled mutually between the parties to the contract is referred to third party testing and the Company estimates the adjustments required for revenue recognition pending settlement of such dispute.

   Such adjustments in revenue are made on estimated basis following historical trend.

   Refer Note 23to the Standalone Financial Statements

**Auditor's Response:**

**Principal Audit Procedures:**

- We have assessed the application of the provisions of Ind AS 115 in respect of the Company's revenue recognition and appropriateness of the estimated adjustments in the process.
- We have selected transactions on sample basis and tested for identification of contracts involving disputes relating to grade mismatch/ slippage with respect to the terms of the contract, evaluation of the satisfaction of performance obligation, checking the adjustment to the revenue due to variation in transaction price
- We have performed tests to establish the basis of estimation of the consideration and whether such estimates are commensurate with the accounting policy of the Company

**Audit Conclusion:**

Our procedures did not identify any material exceptions.

**Key Audit Matter:**

2. Accuracy of impairment provisions in respect of exploration and evaluation assets which involves critical judgment of the management in respect of feasibility of ongoing projects.

   The Company is required to determine an accounting policy in line with the provisions of Ind AS 106, 'Exploration For and Evaluation of Mineral Resources'specifying the expenditures recognised as exploration and evaluation assets and assess such assets for impairment and apply the policy consistently.

   The financial statements include relevant disclosures that identify and explain the amounts arising from exploration for and evaluation of mineral resources with the objective that the amounts, timings and future cash flows from such assets are recognized.

   Refer Note 5 to the Standalone Financial Statements.

**Auditor's Response:**

**Principal Audit Procedures:**

- Our audit procedures include considering the facts and circumstances suggesting impairment of exploration and evaluation assets as per Ind AS 106 and to examine whether these are in line with the impairment policy of the company and the consistent application of such policy.
- We have evaluated the design of internal controls relating to assessment of technical feasibility and commercial viability of ongoing projects on the basis of available information and technical assessment reports, approval from Project and Planning Committee (PPC) and other relevant documents.
- We have selected transactions on sample basis and tested for recognition, measurement and disclosures of impairments of exploration and evaluation assets.

**Audit Conclusion:**

Our procedures did not identify any material exceptions.

**Key Audit Matter:**

3. Assessment of provisions and contingent liabilities in respect of certain litigations including direct and indirect taxes, various claims filed by other parties not acknowledged as debt.

   There is high level of judgment required in estimating the level of provisioning. The Company's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultant wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the company's reported profit and net assets. Associated uncertainty relating to the outcome requires application of judgment in interpretation of law.

   Refer Note 37(4)(a) to the Standalone Financial Statements.

**Auditor's Response:**

Principal Audit Procedures:

Our audit was focused on analyzing the facts of subject matter under consideration and judgments/ interpretation of relevant law.

Our Audit approach involved:

- Examining recent orders and/or communication received from various Tax authorities/ judicial forums and follow up action thereon.
- Understanding the current status of the litigation/tax assessments
- Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice
- Review and analysis of the contentions of the company through discussion, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

Audit Conclusion:

Our procedures did not identify any material exceptions.

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the draft Directors' Report including annexures to Directors' Report, which we obtained prior to the date of this auditors' report and other reports

included in the Annual report, which are expected to be made available to us after that date, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the full Annual report which is expected to be made available to us after the date of this auditors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Emphasis of Matter**

We draw attention to the following matter:

Investment of Rs. 10,262.54 Crores (as at March 31, 2018: Rs. 9,963.52 Crores) in its two wholly owned subsidiary companies has been shown at book value. As explained by the management, the investment in these subsidiary companies is long term and strategic in nature and the performance of these subsidiary companies is improving. Because both companies have earned profit during 2018-19 the management is of the opinion that no provisioning is required against the erosion of Rs.4,148.75 Crores (as at March 31, 2018:Rs. Rs. 5,278.75 Crores) in the value of the investment, as the same is temporary in nature.

Our opinion is not modified in respect of this matter.

**Other Matter**

a) Our Report on the Standalone Financial Statements dated May 30, 2019 as approved by the Board of Directors of the Company is revised to incorporate observations of the Comptroller and Auditor General of India and amendments made in Para (3)(g)(iii) of "Report on Other Legal and Regulatory Requirements" to replace the words "There has been no delay in transferring the amounts" instead of "There were no amounts which were"and in Para no vii(b) of "Annexure-A" to revise the gross amount under dispute, amount not deposited for dues against Income Tax and Central Excise and to replace the word (AY) in place of FY .This revised Audit Report has no impact on the reported figures in the financial statements of the Company. This audit report supersedes the original audit report dated May 30, 2019.

   Our audit procedure on events subsequent to the date of original report is restricted solely to the amendment to para (3)(g)(iii) of "Report on Other Legal and Regulatory Requirements" and para no. vii(b) of"Annexure-A" to the Independent Auditor's Report.

b) The comparative financial information of the Company for the year ended March 31, 2018 prepared in accordance with Ind AS included in this Ind AS financial statement has been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated July 06, 2018 expressed an unmodified opinion.

Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required under Section 143 (5) of the Companies Act, 2013, we give in the "Annexure - B", a statement on the Directions issued by the Comptroller and Auditor General of India after complying with their suggested methodology of audit, the action taken thereon and its impact on the accounts and financial statements of the Company.

3 As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit read with matters as reported in "Emphasis of matter" paragraph above.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

e) In pursuance to the Notification No. G.S.R 463 (E) dated 05-06-2015 issued by the Ministry of Corporate Affairs , Section 164 (2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -C".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 37(4)(a) to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)

(Nabanita Ghosh)
Partner
Membership No. 058477
UDIN:19058477AAAAAG2521

Place: Kolkata
Date: July 2, 2019

**"Annexure-A" to the Independent Auditors' Report**

***(Referred to in Paragraph 1 of "Report on Other Legal and Regulatory requirements" section of our Audit Report)***

(i) In respect of Fixed Assets:

a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets except date of commissioning of some old assets, location, identification and codifications which need to be updated.

b) The fixed assets located at Head Office, North Eastern Coalfields (NEC), New Delhi Liaison Office, various Regional Sales offices and other offices have been physically verified periodically as certified by the management. The process should be further improved by having a well-defined programme of physical verification to cover all the assets in phased manner. The reconciliation of physically verified assets with the book records is in progress. According to the information and explanations given by the management discrepancies noticed on the physical verification and consequential adjustments are not material.

c) According to the information and explanations given to us and on the basis of our examination of the title deeds, lease deeds and/ or other evidences of title, freehold land amounting to Rs.12.07 Crores and leasehold land amounting to Rs. 0.92 Crores are held in the name of the Company except for freehold land 5.60 hectares amounting to Rs. 0.03 Crores for which title deeds are not available for North Eastern Coalfields (NEC).

At North Eastern Coalfields (NEC), 946.34 hectares of freehold land and 4,489.82 hectares of leasehold land were acquired by the company or came in the possession of the company on Nationalization, for which 'nil' value is recorded in the books of accounts.

Title deeds for buildings at New Delhi Liaison Office and Delhi RSO amounting to Rs. 6.57 Crores (Written down value as on March 31, 2019) are not in the name of the Company.

ii. As informed to us, physical verification of inventories at North Eastern Coalfields, the production unit of the Company has been conducted at reasonable intervals during the year by the management. The inventories of coal have been measured on the basis of volumetric system. In our opinion and according to the information and explanations given to us, discrepancies noticed on physical verification of inventories were not material and have been properly dealt with in the books of account.

iii. According to the information and explanation given to us, the Company had not granted any unsecured loan to companies covered in the register maintained under section 189 of the Companies Act, 2013. Hence reporting under paragraph 3 (iii) of the Order is not applicable to the Company

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The company has not accepted any deposit, in terms of the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

vi. The maintenance of cost records has been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of Mining activities of the Company. We have broadly reviewed the records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of the records with a view to determine whether they are accurate or complete.

vii. a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has generally been regular in depositing the undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other statutory dues with the appropriate authorities. As informed to us, employee's state insurance is not applicable to the company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, duty of customs, duty of excise, service tax, value added tax, goods and services tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and as per the records of the Company examined by us, following dues of income tax and central excise were in arrears as at March 31,2019 :-

(₹ in crore)

| Name of the Statute | Nature of Dues | Gross Amount Under dispute | Period to which the amount relates (FY) | Forum where the dispute is pending | Amount deposited under protest | Amount not deposited |
|---|---|---|---|---|---|---|
| Income Tax Act | Income Tax | 41.81 | 2008-2009 | ITAT | 0.00 | 41.81 |
| | | 78.07 | 2011-2012 | ITAT | 20.00 | 58.07 |
| | | 81.58 | 2012-2013 | ITAT | 53.00 | 28.58 |
| | | 90.30 | 2013-2014 | ITAT* | 0.00 | 90.30 |
| **Total** | | **291.76** | | | **73.00** | **218.76** |
| Central Excise Act,1944 | Central Excise | **4.45** | 2010-11 to 2014-15 | CESTAT | **0.17** | **2.05** |

*in process

viii. The Company does not have any loans or borrowings from any financial institution, banks, Government or debenture holders during the year and as such paragraph 3(viii) of the Order is not applicable to the Company.

ix. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. As per notification no. GSR 463(E) dated June 05, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Company. Accordingly paragraph 3 (xi) of the Order is not applicable to the Company.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company as such paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)

(Nabanita Ghosh)
Partner
Membership No. 058477
UDIN:19058477AAAAAG2521

Place: Kolkata
Date: July 2, 2019

**"Annexure-B" to the Independent Auditors' Report**

***[Referred to in Paragraph 2 of "Report on Other Legal and Regulatory requirements" section of our Audit Report]***

**Part-I**

| Sl. | Details/ Directions | Auditors' Reply |
|---|---|---|
| 1. | Whether the Company has system in place to process all the accounting transactions through IT System? If Yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated. | The company uses the Coalnet IT System to process most of its accounting transactions at CIL Head Office. Operational processes and their inter-phase with Coalnet are maintained manually.<br>The accounting transactions of the ten RSOs under CIL (HO) are maintained in spreadsheet format. Accounts of Delhi Liaison office is maintained on other Software.<br>Major discrepancies in this regard are given below:<br>● All calculations related to Fixed Assets are performed separately outside IT system.<br>● GST (RCM) and TDS are calculated manually during the bill payment to suppliers or Contractors and subsequently entered in the IT system.<br>● Payroll system is not integrated with Accounts. Relevant entries are passed manually into accounting system.<br>● In NEC division, sales module is not linked with despatch of coal. Also, stock register for movement of coal is not processed through IT system.<br>Above inadequacies in design of information technology systems have been reported in our report on the Internal Financial Controls. As per the management, development of integrated ERP system is in process.The financial implications, if any, are unascertainable. |
| 2. | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. | As per the information and explanations given by the management, there is no restructuring of loan or cases of waiver/write off of debts/loans/interest etc made by a lender to the company. |
| 3. | Whether funds received/receivable for specific schemes from Central / State agencies were properly accounted for /utilised as per its term and conditions? List the cases of deviation. | As per the information and explanations given by the management, no funds were received /receivable for specific schemes from Central/State agencies during the year. |

**Part-II**

**Additional - Directions :**

| Sl. | Details/ Directions | Auditors' Reply |
|---|---|---|
| 1. | Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval of the competent authority was obtained for new heap, if any, created during the year. | The stock measurement was done keeping in view the contour map. Physical stock measurement reports are accompanied by contour maps in all cases. The new heaps have been created with the approval of the competent authority. |
| 2. | Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so, whether the concerned subsidiary followed the requisite procedure? | As per the information and explanations given by the management, there is no such merger/split/restructure of an area during the year. |
| 3. | Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account. | Separate escrow account for each mine (Tikak extension, Lekhapani OCP, Tipong, Ledo OCP, Tikak OCP and Tirap OCP) of North East Coalfields (NEC), the production unit of Coal India Limited, has been maintained. No such fund as explained by the management has been withdrawn during the year. |
| 4. | Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for? | According to the information and explanations given to us, no penalty for illegal mining has imposed by the Honourable Supreme Court during the year on the Company. |

**For RAY & RAY**

Chartered Accountants

(Firm's Registration No. 301072E)

(Nabanita Ghosh)

Partner

Membership No. 058477

UDIN:19058477AAAAAG2521

Place: Kolkata

Date: July 2, 2019

**"Annexure-C" to the Independent Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Coal India Limited (hereinafter referred to as 'the Company') as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

According to the information and explanations given to us and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

However further improvement is required in i) the documentation of Internal Financial Controls of the Company in respect of its risk assessment process, risk analysis of different functional areas and incorporating the process flows at departmental levels including risk mitigation in respect of insurance coverage, ii) strengthening of the monitoring of controls in respect of expenses and fixed assets, confirmation/ reconciliation/ adjustment of balances of other financial assets, other current & non-current assets, trade payables, other financial liabilities and other current liabilities and iii) inadequate design of information technology system and application controls that prevent the information system from providing complete and integrated information consistent with financial reporting objectives.

Our opinion is not qualified in respect of the above matters.

**For RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)

(Nabanita Ghosh)
Partner
Membership No. 058477
UDIN:19058477AAAAAG2521

Place: Kolkata
Date: July 2, 2019

ANNEXURE 4

सत्यमेव जयते

No. 143. संख्या /CA/LA-I/Accounts/CIL CFS/2018-19
No.

CONFIDENTIAL

भारतीय लेखा तथा लेखा परीक्षा विभाग
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
कार्यालय, महा निदेशक वाणिज्यिक लेखा-परीक्षा
OFFICE OF THE DIRECTOR GENERAL OF COMMERCIAL AUDIT
तथा पदेन सदस्य लेखा-परीक्षा बोर्ड - II
& EX-OFFICIO MEMBER AUDIT BOARD-II
कोलकाता / KOLKATA

दिनांक / Dated 11 JUL 2019 20

To
**The Chairman-cum-Managing Director,**
**Coal India Limited,**
**Plot No. AF-III, Action Area 1A**
**New Town, Rajarhat, Kolkata-700156.**

**Sub: Comments of the Comptroller & Auditor-General of India under section 143(6)(b) read with section 129(4) of the Companies' Act 2013 on the Consolidated Financial Statements of Coal India Limited for the year ended 31 March 2019.**

Sir,

I forward herewith the comments of the Comptroller & Auditor-General of India under section 143(6)(b) read with section 129(4) of the Companies' Act, 2013 on the Consolidated Financial Statements of Coal India Limited for the year ended 31 March 2019.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encl: As stated.

**(Mausumi Ray Bhattacharyya)**
**DIRECTOR GENERAL OF COMMERCIAL AUDIT**
**& EX-OFFICIO MEMBER, AUDIT BOARD – II**
**KOLKATA**

Place: Kolkata,
Dated: 11 JUL 2019

पुराना निजाम महल, 234/4, आचार्य जगदीश चन्द्र बोस रोड, कोलकाता - 700 020, तार : ''कोयलोखा''
Old Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road, Kolkata-700 020
Phones : 2287-5380, 2287-7165, 2287-8838, 2287-2360, 2281-0043, 2281-5784, Fax : 2280-0062
E-mail : mabkolkata2@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES' ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of consolidated financial statements of Coal India Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies' Act, 2013(Act) is the responsibility of the Management of the Company. The statutory auditor appointed by the Comptroller and Auditor-General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 30.05.2019 and revised Audit Report dated 02.07.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) read with section 129 (4) of the Act of the consolidated financial statements of Coal India Limited for the year ended 31 March 2019. We conducted a supplementary audit of the financial statements of Coal India Limited and its subsidiaries as listed in Annexure for the year ended on the date. Further, section 139(5) and 143(6) (b) of the Act are not applicable to Coal India Africana Limited (CIAL- overseas subsidiary having been incorporated in Foreign country under the respective laws) either for appointment of their Statutory Auditor or for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company. 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 revision made to the Independent Auditors' Report as indicated in item (a) under "Other Matters" therein as a result of my audit observation highlighted during supplementary audit, I have no further comments to offer upon or supplement to the Statutory Auditors' Report under section 143(6)(b) of the Act.

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

**(Mausumi Ray Bhattacharyya)**
**DIRECTOR GENERAL OF COMMERCIAL AUDIT**
**& EX-OFFICIO MEMBER, AUDIT BOARD – II**
**KOLKATA**

Place: Kolkata,
Dated: 11 JUL 2019

## Annexure

| Name of the subsidiary and JV companies of Coal India Limited | Details of Supplementary Audit for the year 2018-19 |
|---|---|
| Coal India Limited (Standalone) | Supplementary Audit conducted by the O/o the Director General of Commercial Audit, MAB-II, Kolkata |
| Bharat Coking Coal limited (BCCL) | |
| Central Coalfields Limited (CCL) | |
| Central Mine Planning & Design Institute Limited (CMPDIL) | |
| Eastern Coalfields Limited (ECL) | |
| Mahanadi Coalfields Limited (MCL) | |
| Northern Coalfields Limited (NCL) | |
| South Eastern Coalfields Limited (SECL) | |
| Western Coalfields Limited (WCL) | |
| **Joint Venture Companies** | |
| CIL –NTPC Urja Pvt. Limited | Non review certificate issued by the O/o the Director General of Commercial Audit , MAB-I, Kolkata |
| International Coal Ventures Pvt. Ltd. (ICVL) | Supplementary Audit conducted by the O/o the Principal Director of Commercial Audit, MAB Ranchi |
| Hindustan Urvarak and Rasayan Limited (HURL) | Supplementary Audit conducted by the O/o the Director General of Commercial Audit, MAB – II, Kolkata |
| Talcher Fertilizers Limited (TFL) | Supplementary audit yet to be taken up |

**ANNEXURE 4(A)**

**Independent Auditors' Report**

To the Members of Coal India Limited
Report on the Audit of the Consolidated Financial Statements

**Opinion**

We have audited the accompanying consolidated financial statements of Coal India Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss,the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2019, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.We have determined the matters described below to be the key audit matters to be communicated in our report.

**Key Audit Matter:**

1. Adoption of Ind AS 115 "Revenue from Contracts with Customers" in the consolidated financial statements in respect of accuracy of revenue recognition and adjustments for coal quality variances involves critical estimates.

   The revenue recognized by the Group in a particular contract is dependent on the sale agreement / allotment in e-auction for the respective customer. Subsequent adjustments are made to the transaction price due to grade mismatch/slippage of the transferred coal.

   The variation in the contract price if not settled mutually between the parties to the contract is referred to third party testing and the group estimates the adjustments required for revenue recognition pending settlement of such dispute. Such adjustments in revenue are made on estimated basis following historical trend.

   Refer Note 24 to the Consolidated Financial Statements

**Auditor's Response:**

**Principal Audit Procedures:**

- We have assessed the application of the provisions of Ind AS 115 in respect of the Group's revenue recognition and appropriateness of the estimated adjustments in the process.
- We have selected transactions on sample basis and tested for identification of contracts involving disputes relating to grade mismatch/ slippage with respect to the terms of the contract, evaluation of the satisfaction of performance obligation, checking the adjustment to the revenue due to variation in transaction price
- We have performed tests to establish the basis of estimation of the consideration and whether such estimates are commensurate with the accounting policy of the Group.

**Audit Conclusion:**

Our procedures did not identify any material exceptions.

**Key Audit Matter:**

2. Accuracy of impairment provisions in respect of exploration and evaluation assets which involves critical judgment of the management in respect of feasibility of ongoing projects.

   The Group is required to determine an accounting policy in line with the provisions of Ind AS 106, 'Exploration For and Evaluation of Mineral Resources' specifying the expenditures recognised as exploration and evaluation assets and assess such assets for impairment and apply the policy consistently.

The financial statements include relevant disclosures that identify and explain the amounts arising from exploration for and evaluation of mineral resources with the objective that the amounts, timings and future cash flows from such assets are recognized.

Refer Note 5 to the Consolidated Financial Statements.

**Auditor's Response:**

**Principal Audit Procedures:**

- Our audit procedures include considering the facts and circumstances suggesting impairment of exploration and evaluation assets as per Ind AS 106 and to examine whether these are in line with the impairment policy of the group and the consistent application of such policy.
- We have evaluated the design of internal controls relating to assessment of technical feasibility and commercial viability of ongoing projects on the basis of available information and technical assessment reports, approval from Project and Planning Committee (PPC) and other relevant documents.
- We have selected transactions on sample basis and tested for recognition, measurement and disclosures of impairments of exploration and evaluation assets.

**Audit Conclusion:**

Our procedures did not identify any material exceptions.

**Key Audit Matter:**

3. Assessment of provisions and contingent liabilities in respect of certain litigations including direct and indirect taxes, various claims filed by other parties not acknowledged as debt.

   A high level of judgment is required in estimating the level of provisioning. The group's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultant wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the group's reported profit and net assets. Associated uncertainty relating to the outcome requires application of judgment in interpretation of law.

   Refer Note 38(5)(a) to the Consolidated Financial Statements.

**Auditor's Response:**

**Principal Audit Procedures:**

Our audit was focused on analyzing the facts of subject matter under consideration and judgments/ interpretation of relevant law.

**Our Audit approach involved:**

- Examining recent orders and/or communication received from various Tax authorities/ judicial forums and follow up action thereon.
- Understanding the current status of the litigation/tax assessments
- Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice
- Review and analysis of the contentions of the group through discussion, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

**Audit Conclusion:**

Our procedures did not identify any material exceptions.

**Key Audit Matter:**

4. Accuracy of Stripping Activity Expense/Adjustment which involves critical estimates in the stripping ratio

   In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'. In opencast mines, the group has to incur such expenses over the life of the mine (as technically estimated).

   Therefore, as a policy, in the mines with rated capacity of one million tons per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB: COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

   Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non-Current Provisions / Other Non-Current Assets as the case may be.

   The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the permissible limits. However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

   Refer Note 21 to the Consolidated Financial Statements.

**Auditor's Response:**

**Principal Audit Procedures:**

We performed the following substantive procedures:

- Obtained working data of Stripping Adjustment and checked that the total expense incurred during the year is allocated between Coal production and Overburden. Ensured about accuracy and completeness of expenses considered in calculation of ratio.
- Checked that the ratio variance is calculated on the basis of amount allocated to overburden and OB quantity extracted during the year correctly.
- Performed analytical procedures and test of details for reasonableness of expenses considered stripping activity adjustment calculation.
- Checked that the accounting policy applied and management's judgments used for Stripping Activity Adjustment are appropriate.

**Audit Conclusion:**

Our procedures did not identify any material exceptions.

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the draft Directors' Report including annexures to Directors' Report, which we obtained prior to the date of this auditors' report and other reports included in the Annual report, which are expected to be made available to us after that date, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the full Annual report which is expected to be made available to us after the date of this auditors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures is responsible for overseeing the financial reporting process of the Group and of its joint ventures.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Emphasis of Matter**

1) In case of CCL, SECL,NCL and WCL, certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed, though letters seeking confirmation have been issued. Consequential impact on confirmation/ reconciliation/ adjustment of such balances, if any, is not ascertainable.

   In case of CMPDIL, unreconciled trade receivables balance of Rs. 579.98 crores, "other payables" included in "trade payable" amounting to Rs. 140.63 crores, "other liabilities" included in " Other financial liabilities-Non-current" of Rs. 70.24 crores and claims and other receivables balance of Rs. 39.16 crores are subject to confirmation from the parties and consequential adjustments in profitability and net assets.

2) Western Coalfield Ltd. has recognised deferred tax assets (DTA) of Rs. 142.57 crores on provisions of Rs. 408.00 crores made for coal quality variance for the first time. Also the Company has an accumulated input tax credit of GST of Rs. 404.44 crores which is not presently refundable or adjustable.

3) In BCCL, "Other Income" includes a sum of Rs. 120.53 crores write back of progressive mine closure expenses related to earlier years done in view of the compliance with the approved Mines Closure Plan. The management is of the opinion that the sum of Rs. 120.53 crores cannot be treated as Prior Period Material Error and hence does not require restatement of accounts in view of the threshold limit for materiality.

4) Washed medium coking Coal (WMCC) was being supplied by CCL at mutually agreed price under an MOU to M/s SAIL & M/s RINL. However, no MOU has been signed between CCL & SAIL/RINL for the Financial Year 2017-18 and onwards.

   From April 01, 2017, the price of WMCC has been revised quarterly, using an import parity-based Pricing Mechanism adopted by CCL as envisaged under New Coal Distribution Policy (NCDP) under which the CCL has been raising invoices to SAIL/RINL as per notified price.

   Due to non execution of MOU for the Financial Year 2017-18 and onwards, SAIL/RINL requested to appoint an external agency for price fixation mechanism. CCL decided to appoint an External Agency for fixation of a transparent import parity-based price mechanism, which is under process of competent approval, and under an interim arrangement w.e.f. July 28, 2018, CCL agreed to supply WMCC at an ad hoc price of Rs 6,500/- per tonne. CCL has decided that the price as determined by external agency shall be applicable w.e.f.July 28, 2018 and not retrospectively from April 01, 2017 as requested by SAIL and accordingly, sales prior to applicability of ad hoc price, has been recognized at the quarterly revised notified price.

In view of the above, quantification of amount of provision against the supplies made of WMCC by CCL to SAIL/RINL for the period from April 01, 2017 to June 30, 2018, if any, is presently not ascertainable.

5) In case of CCL, contingent liability of Rs.13,389.38 crores (Previous year- Rs.13,389.38 crores), towards penalty for mining of coal in excess of the environmental clearances limit in respect of 41 mines. Also the company has a sum of Rs. 514.15 crores towards mine closure receivables under progressive Mine Closure Plan Expenditure upto 2017-18 through retained earnings by corresponding debit to Receivables from Escrow account, shown under "Other Financial Assets" and "other deposits" as approved by CMPDIL and technical assessment by the areas.

6) In case of NCL, contingent liability includes Rs. 2,787.16 crores disputed income tax demands. This amount consists of principal and interest upto date of demand. The interest for the period from date of notice of demand to date of Balance Sheet has neither been calculated nor included in contingent liability.

7) In case of NCL, Gorbi mines has been closed and abandoned years back in 1998-99 as per circular from Ministry of coal vide circular No. 55011\(1)\2009-CPAM dated February 18, 2011 requirement of preparation of mine closure plan and amount to be deposited in escrow account , applies to existing and operating mines. However provision exists to the tune of Rs. 23.00 crores for the Gorbi Mine. The matter was referred to CMPDIL, who have revised the estimated cost of Rs 33.44 crores which should be the provision under mine-closure for Gorbi mines. The above amount of Rs 23.00 crores includes acid pit water management costing Rs 22.43 crores which will be taken up by NTPC at their cost as per the MOU dated January 03, 2019 entered between NCL and NTPC and hence the fund allocated for the same is no more required to be provided by NCL. However, the balance amount of Rs 0.57 crores is recommended to be retained for carrying out the mine closure activities of Gorbi mines. The matter shall be taken up with CMPDIL for final review and confirmation. Till the pending of clearance from CMPDIL, status quo is being maintained.

8) In case of CCL, pending analysis of grade of contaminated clean coal of 83,795 MT is lying as Kathara Washeries since 1995-96 presently valued at NIL.

9) In case of CMPDIL, GST liability of the company is over stated to the extent of Rs. 0.61 crores arising out of non issue of credit notes for reduction of sales of Rs. 3.36 crores due to disputes in rate and under provisioning of GST of Rs. 0.10 crores on accrued but unbilled revenue of Rs. 0.55 crores.

10) In case of CMPDIL, sales and GST Liability for the current year has been adjusted by Rs. 15.25 crores and 2.74 crores respectively for rectification of earlier periods but not shown as prior period adjustments based on materiality level.

11) In case of CMPDIL, current "provisions" include performance related pay out of Rs. 103.04 crores of which Rs. 52.79 crores pertains to financial year 2018-19 and balance Rs. 50.25 crores is for earlier years. The liability and profit of the company is over or under stated depending on the extent of change on final rating by holding company. Also 'employee benefits expenses' has been reduced by a sum of Rs. 8.67 crores as adjustments of earlier years in line with pay revision guideline. Thus current year expenditure is under stated and profit is overstated to that extent.

12) In CMPDIL excess depreciation on PPE amounting to Rs. 2.57 crores has been charged due to erroneous date of asset capitalization and the profit of the company for the current year is understated to that extent.

13) Woman director has not been appointed in the Board of Western Coalfields Ltd. as per the provisions of the Companies Act, 2013

Our opinion is not qualified in respect of these matters

**Other Matters**

a) Our Report on the Consolidated Financial Statements dated May 30, 2019 as approved by the Board of Directors of the Company is revised to incorporate observations of the Comptroller and Auditor General of India and amendments made in Para (1) of the "Emphasis of Matters" to include 'WCL and NCL', Para (b) in this report under "Other Matters" to revise the figure corresponding to cash flows and replace the words " Net Cash Outflows " instead of "Cash Flows (net)", Para (c) under "Other Matters" to include the name of unaudited joint venture, Talcher Fertilizers Limited,Para (f) to include observation related to MCL, Para (3)(g)(iii) of "Report on Other Legal and Regulatory Requirements" to replace the words "its subsidiary company and joint ventures incorporated in India" by the words " there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and joint ventures incorporated in India" and in Serial no 1 of Part II of Additional Directions of C&AG to delete the words "if any" This revised Audit Report has no impact on the reported figures in the financial statements of the Company. This audit report supersedes the original audit report dated May 30, 2019.

Our audit procedure on events subsequent to the date of original report is restricted solely to the amendment to para (3)(g)(iii) of "Report on Other Legal and Regulatory Requirements", Para (1) of the 'Emphasis of Matters', Para (b), Para (c) and Para (f) of 'Other Matters' and reporting under Serial No.1 of Part II of Additional Directions of C & AG of Independent Auditor's Report.

b) We did not audit the financial statements of nine subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.1,27,292.24 crores as at March 31, 2019, total revenues of Rs.1,05,800.43 crores, total net profit after tax of Rs. 16,943.57crores, and total comprehensive income of Rs. 28.42 crores and net cash outflowsof Rs. 1630.60 crores for the year ended on March 31, 2019, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit after tax of Rs.4.25 crores and total comprehensive income of Rs.0.38 crores for the year ended as considered in the consolidated financial results, in respect of three joint ventures, whose financial statements have not been audited by us. These financial statement have been audited by other auditors whose reports have been furnished to us by the Management upto May 30, 2019 and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors after considering the requirements of Standard of Auditing (SA 600) on 'using the work of another auditor including materiality' and the procedures performed by us as already stated above.

c) The consolidated financial results also include the Group's share of net loss after tax of Rs. 5.08 crores and total comprehensive income of Rs. NIL for the year ended March 31, 2019 in respect of one joint venture, Talcher Fertilizers Limited, whose financial statements have not been audited by us. These financial statements have been furnished to us by the Management and our opinion on the statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

d) The financial results of the foreign subsidiary Coal India Africana Limitada prepared as per General Accounting Plan for small entities in Mozambique (PGC-PE) and audited by other auditor have been considered for consolidation. No adjustment has been made for the differences between such financial results prepared as per General Accounting Plan for small entities in Mozambique (PGC-PE) and Indian Generally Accepted Accounting principles (GAAP) being insignificant as per the management and relied upon by us.

e) The comparative financial information of the group for the year ended March 31, 2018 prepared in accordance with Ind AS included in this Ind AS financial statement has been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated July 31, 2018 expressed an unmodified opinion.

f) In case of MCL, during the year provision for interest on cess on coal refundable to the customers was written back to the tune of Rs.12.64 crores. This was passed through the statement of profit and loss of the year instead of routing through opening balance of Retained Earnings.

Our opinion on the Statement is not modified in respect of the above matters

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done by the other auditors and their reports and unaudited financial statements as certified by the management.

**Report on Other Legal and Regulatory Requirements**

1) Companies (Auditor's Report) Order, 2016 ("the Order") issued by the central government of India in terms of the sub-section (11) of section 143 of the Act, is not applicable on the consolidated financial statements as referred in proviso to Para 2 of the said Order.

2) As required under Section 143(5) of the Companies Act, 2013, we give in the **"Annexure-A"**, a statement on the directions issued by The Comptroller and Auditor General of India after complying with their suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statements of the Group. This statement has been prepared incorporating the observations of the independent auditors of the subsidiary companies mentioned in their reports.

3) As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements read with as reported in "Emphasis of Matter" paragraph above.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the relevant rules issued thereunder.

(e) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate Affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of directors, is not applicable to the Government Companies.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure - B"**.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors in case subsidiary companies and joint ventures as noted in the "Other Matters" paragraph above:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures - Refer Note 38 (5)(a) to the consolidated financial statements.

(ii) The Group and its joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and joint ventures incorporated in India.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)

Place: Kolkata
Date: July 2, 2019

(Nabanita Ghosh)
Partner
Membership No. 058477
UDIN:19058477AAAAAF8824

**"Annexure-A" to the Independent Auditors' Report**

***[Referred to in Paragraph 2 of "Report on Other Legal and Regulatory requirements" section of our Audit Report]***

**Part-I**

| Sl. No. | Details/ Directions | Auditors' Reply |
|---|---|---|
| 1. | Whether the Company has system in place to process all the accounting transactions through IT System? If Yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated. | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies,<br>The Group uses the Coalnet IT System to process most of its accounting transactions. Operational processes and their inter-phase with Coalnet are maintained manually.<br>Major discrepancies in this regard are given below:<br>● All calculations related to Fixed Assets are maintained in spreadsheet format.<br>● GST (RCM) and TDS are calculated manually during the bill payment to suppliers or contractors and subsequently entered in the IT system.<br>● Payroll system is not integrated with Accounts. Relevant entries are passed manually into accounting system.<br>● Sales module is not linked with despatch of coal. Also, stock register for movement of coal is not processed through IT system.<br>Above inadequacies in design of information technology systems have been reported in our report on the Internal Financial Controls.<br>As per the management, development of an ERP system is in process which will integrate all operational process with financial module on real time basis. Such ERP will be implemented by all respective headquarters, units, regional offices, workshop etc of Holding company and its subsidiary companies. The financial implications, if any, are unascertainable. |
| 2. | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies, there is no restructuring of loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the holding company or subsidiary companies. |
| 3. | Whether funds received/receivable for specific schemes from Central / State agencies were properly accounted for /utilised as per its term and conditions? List the cases of deviation. | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies, no funds were received /receivable for specific schemes from Central/State agencies during the year except following:<br>a) In case of CCL, company has received reimbursement of the expenses incurred under CCDAC scheme against the railway siding/road being constructed by EC Railways. The same has been properly accounted for and utilized as per the terms and conditions laid down by the Central Government.<br>b) In case of ECL, funds received/receivable for specific scheme from Central/State agencies were properly accounted for/utilized as per its terms and conditions. |

**Part-II**

| Sl. No. | Details/ Directions | Auditors' Reply |
|---|---|---|
| 1. | Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies, coal stock measurement was done keeping in view of the contour map except following: |

| Sl. No. | Details/ Directions | Auditors' Reply |
|---|---|---|
| | of the competent authority was obtained for new heap, if any, created during the year. | In case of BCCL, in some of the cases, small stocks whose geometrical shape are cumbersome and not fit for measurement using contour plan / level section, are being measured by conventional method, even if such stocks are having contour plans. For the washeries the stocks of slurry, rejects and middling were building up since inception of the washery, i.e. prior to take over by BCCL. The heaps, particularly of reject, slurry, middling etc. are huge in shape and size. All these heaps are not having contour plans, as such being measured by conventional method.<br>Physical stock measurement reports are accompanied by contour maps in all cases.<br>Approval of the competent authority was obtained for new heap created during the year. |
| 2. | Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so, whether the concerned subsidiary followed the requisite procedure? | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies, there is no case of merger/split/re-structure of an area during the year and therefore no physical verification of assets and properties is required. |
| 3. | Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account. | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies, separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies except in case of CCL, where Escrow account in respect of 2 mines namely Tapin South OC and Rajhara OC have not yet been opened.<br>Funds in Escrow accounts have not been utilised during the year except the following:<br>a) In case of MCL, during the year, the company had withdrawn 1.90 crores for mine closure activity after obtaining approval from the Coal controller Office.<br>b) In case of SECL, the proposal for utilization of fund of the escrow accounts has been initiated from the area to H.O.<br>d) In case of WCL, an amount of Rs.124.52 crores is utilized during the year out of the funds earmarked in the escrow accounts based on the CCO certification. |
| 4. | Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for? | According to the information and explanations given to us by the holding company and as reported by the auditors of the subsidiary companies, no penalty for illegal mining has been imposed by the Honourable Supreme Court during the year on the Company / Group except the following.<br>a) In case of CCL, pursuant to the order of the Hon'ble Supreme Court of India, certain District Mining Officers of Jharkhand had raised a demand of Rs. 13,389.38 crores for mining in excess of the environmental clearances limit in 41 mines. Against the said demand, the company has filed a revision petition before the Hon'ble Coal Tribunal, Ministry of Coal, Govt. of India, the adjudicating authority under the MMDR Act. The Revisional Authority vide its interim order dated January 16, 2018 has stayed the execution of the demand till further order. The said demand has not been acknowledged as debt and included under Contingent Liability.<br>b) In case of ECL, there is a demand notice of Rs. 2,178.14 crore from Government of Jharkhand for producing coal in excess of the maximum production capacity in respect of Rajmahal, Mugma and S P Mines areas which has been shown as Contingent Liability. The Ministry of Coal has, however, stayed the execution of the said demand notice.<br>c) n case of MCL, Office of Deputy Directors Mines issued notices to the areas to pay compensation for production of coal beyond |

| Sl. No. | Details/ Directions | Auditors' Reply |
|---|---|---|
| | | approved environment clearance limit. The claim is of Rs. 10,289.83 crore on MCL. The Company has filed revision applications against such claims at Revisional Authority, Ministry of coal. The claim is appearing in the list of contingent liabilities. Other subsidiaries do not have any mining activity during the year.<br>d) In case of SECL, penalty of Rs.10,129.31 crores in respect of 13 mines for illegal mining has been imposed as per the order of the Hon'able Supreme Court by the state Government during the year, which have been considered in the accounts as contingent liability as appeals by the company before the competent authority are under process.<br>e) In case of BCCL, demand notices amounting to Rs. 17,344.46 crores have been issued in respect of 47 Projects/Mines/ Collieries of the Company by State Government in pursuance of the judgement dated August 02, 2017 of Hon'ble Supreme Court of India vide W.P. (C) No. 114 of 2014 in Common Cause vs. Union of India & Ors. The execution of the above demand notice is stayed in exercise of the power under rule 55(5) of Mineral Concession Rules, 1960 read with sec 30 of MMDR Act, till further order. Accordingly, the above amount has been shown as Contingent Liability. |

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)

(Nabanita Ghosh)
Partner
Membership No. 058477
UDIN: 19058477AAAAAF8824

Place: Kolkata
Date: July 2, 2019

**"Annexure-B" to the Independent Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act,2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Coal India Limited (hereinafter referred as ("the Holding Company"), and considered reports of auditors of its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

According to the information and explanations given to us, and based on our audit, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, in our opinion, have generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of

March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

However further improvement is required in i) the documentation of Internal Financial Controls of the Company in respect of its risk assessment process, risk analysis of different functional areas and incorporating the process flows at departmental levels including risk mitigation in respect of insurance coverage, ii) strengthening of the monitoring of controls in respect of expenses and fixed assets, confirmation/ reconciliation/ adjustment of balances of loans, other financial assets, other current & non-current assets, trade payables, other financial liabilities and other current liabilities, iii) inadequate design of information technology system and application controls that prevent the information system from providing complete and integrated information consistent with financial reporting objectives.

Our opinion is not qualified in respect of the above matters.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to eight subsidiary companies and three joint ventures which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. One joint venture is unaudited.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)

(Nabanita Ghosh)
Partner
Membership No. 058477
UDIN: 19058477AAAAAF8824

Place: Kolkata
Date: July 2, 2019

**ANNEXURE 5**

## Subsidiary wise Coal Off-take

(Fig in Mill.Tonnes)

**Company-wise target vis-à-vis actual off-take for 2018-19 and 2017-18 are shown below: -**

| Company | 2018-19 | | | 2017-18 | Growth over last year | |
|---|---|---|---|---|---|---|
| | AAP Target | Achieved | % Achieved | Achieved | Abs. | % |
| ECL | 46.760 | 50.407 | 107.8% | 43.629 | 6.8 | 15.5% |
| BCCL | 38.000 | 33.066 | 87.0% | 33.362 | -0.3 | -0.9% |
| CCL | 68.700 | 68.446 | 99.6% | 67.510 | 0.9 | 1.4% |
| NCL | 95.000 | 101.574 | 106.9% | 96.772 | 4.8 | 5.0% |
| WCL | 49.700 | 55.554 | 111.8% | 48.748 | 6.8 | 14.0% |
| SECL | 159.500 | 156.030 | 97.8% | 151.103 | 4.9 | 3.3% |
| MCL | 151.500 | 142.306 | 93.9% | 138.267 | 4.0 | 2.9% |
| NEC | 0.840 | 0.754 | 89.7% | 0.895 | -0.1 | -15.7% |
| CIL | 610.000 | 608.137 | 99.7% | 580.284 | 27.9 | 4.8% |

**ANNEXURE 6**

## Sector-wise dispatch of coal & coal products

(Figs. In million tonnes )

| Year | 2018-19 | | | 2017-18 | Growth over Last Year | |
|---|---|---|---|---|---|---|
| Sector | AAP Target | Despatch | % Satn. | Actual | Abs. | % |
| Power (Util)# | 489.009 | 491.540 | 100.5% | 454.224 | 37.3 | 8.2% |
| Steel * | 3.704 | 2.078 | 56.1% | 3.143 | -1.1 | -33.9% |
| Cement | 6.266 | 4.640 | 74.1% | 4.835 | -0.2 | -4.0% |
| Fertilizer | 2.629 | 1.790 | 68.1% | 1.883 | -0.1 | -5.0% |
| Others | 106.771 | 108.251 | 101.4% | 117.390 | -9.1 | -7.8% |
| Despatch | 608.379 | 608.300 | 100.0% | 581.475 | 26.8 | 4.6% |

# Power house despatches in 2018-19 and 2017-18 includes despatches under special forward e-auction to power.

* Despatch of washed coking coal & raw coking coal for direct feed, blendable coal to steel plants & to external washeries.

**ANNEXURE 7**

**Subsidiary wise details of Stock of Coal**

| Company | Net Value of stock as on 31.03.2019 | Net Value of stock as on 31.03.2018 | Stock in terms of no. of months Net Sales | |
|---|---|---|---|---|
| | (₹ In Crores) | (₹ In Crores) | As on 31.03.19 | As on 31.03.18 |
| ECL | 238.42 | 333.88 | 0.22 | 0.38 |
| BCCL | 709.83 | 968.47 | 0.91 | 1.62 |
| CCL | 1229.85 | 1206.37 | 1.31 | 1.34 |
| NCL | 243.9 | 283.49 | 0.20 | 0.28 |
| WCL | 791.22 | 1240.12 | 1.05 | 1.91 |
| SECL | 469.67 | 525.5 | 0.29 | 0.33 |
| MCL | 425.46 | 400.78 | 0.33 | 0.36 |
| NEC/CIL | 29.89 | 20.48 | 1.14 | 0.70 |
| **Total** | **4138.24** | **4979.09** | **0.53** | **0.74** |

**ANNEXURE 8**

**Subsidiary wise details of Trade Receivables** (Figs. In ₹ Crores )

| Company | Trade Receivables As on 31.03.2019 | | Trade Receivables As on 31.03.2018 | |
|---|---|---|---|---|
| | Gross | Net of provisions | Gross | Net of provisions |
| ECL | 1928.97 | 1621.92 | 1475.89 | 1109.89 |
| BCCL | 1393.81 | 613.72 | 2206.85 | 1459.92 |
| CCL | 1318.17 | 1095.13 | 1262.13 | 1121 |
| NCL | 960.19 | 954.45 | 878.9 | 870.22 |
| WCL | 387.56 | 360.17 | 674.58 | 608.76 |
| SECL | 680.57 | 387.67 | 1025.9 | 652.76 |
| MCL | 535.99 | 465.24 | 463.55 | 433.41 |
| NEC/CIL | 15.05 | 0.25 | 12.91 | 1.84 |
| **Total** | **7220.31** | **5498.55** | **8000.71** | **6257.80** |

ANNEXURE 9

**Subsidiary wise Statutory Levies paid/adjusted during the year 2018-19** *₹ in Crores*

| Company | Particulars | State Exchequer | | | | | | | | 2018-19 | State Exchequer | Central Exchequer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | MP | Chattisgarh | WB | Jharkhand | Maharashtra | UP | Orissa | Assam | | | |
| ECL | Royalty | | | 17.20 | 426.55 | | | | | 443.75 | 443.75 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | | | 0.12 | 88.81 | | | | | 88.93 | 88.93 | |
| | -NMET | | | 0.35 | 9.68 | | | | | 10.03 | | 10.03 |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | -CGST | | | 32.43 | 53.21 | | | | | 85.64 | | 85.64 |
| | -SGST | | | 32.43 | 53.21 | | | | | 85.64 | 85.64 | |
| | -IGST | | | 166.77 | 0.17 | | | | | 166.94 | | 166.94 |
| | GST Compensation Cess | | | 1,160.54 | 813.69 | | | | | 1,974.23 | | 1,974.23 |
| | Cess on coal | | | 1,592.18 | | | | | | 1,592.18 | 1,592.18 | |
| | State Sales Tax / VAT | | | | 0.08 | | | | | 0.08 | 0.08 | |
| | Central Sales Tax | | | | 0.24 | | | | | 0.24 | | 0.24 |
| | Central Excise Duty | | | 0.03 | | | | | | 0.03 | | 0.03 |
| | Entry Tax | | | | | | | | | - | - | |
| | Others | | | | | | | | | | | |
| | **Total** | | | **3,002.05** | **1,445.64** | | | | | **4,447.69** | **2,210.58** | **2,237.11** |
| BCCL | Royalty | | | 0.82 | 1,224.08 | | | | | 1,224.90 | 1,224.90 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | | | 0.25 | 314.80 | | | | | 315.05 | 315.05 | |
| | -NMET | | | 0.02 | 27.29 | | | | | 27.31 | | 27.31 |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | -CGST | | | 3.80 | 171.30 | | | | | 175.10 | | 175.10 |
| | -SGST | | | 3.73 | 165.30 | | | | | 169.03 | 169.03 | |
| | -IGST | | | - | - | | | | | | | |
| | GST Compensation Cess | | | 48.76 | 1,292.50 | | | | | 1,341.26 | | 1,341.26 |
| | Cess on coal | | | 78.67 | | | | | | 78.67 | 78.67 | |

(₹ in Crores)

| Company | Particulars | State Exchequer | | | | | | | | 2018-19 | State Exchequer | Central Exchequer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | MP | Chattisgarh | WB | Jharkhand | Maharashtra | UP | Orissa | Assam | | | |
| | State Sales Tax / VAT | | | | 5.83 | | | | | 5.83 | 5.83 | |
| | Central Sales Tax | | | | 6.08 | | | | | 6.08 | | 6.08 |
| | Central Excise Duty | | | | 4.32 | | | | | 4.32 | | 4.32 |
| | Entry Tax | | | | | | | | | | | |
| | Others | | | | 76.21 | | | | | 76.21 | 76.21 | |
| | **Total** | | | **136.05** | **3,287.71** | | | | | **3,423.76** | **1,869.69** | **1,554.07** |
| CCL | Royalty | | | | 1,500.05 | | | | | 1,500.05 | 1,500.05 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | | | | 338.78 | | | | | 338.78 | 338.78 | |
| | -NMET | | | | 27.68 | | | | | 27.68 | | 27.68 |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | -CGST | | | | 179.98 | | | | | 179.98 | | 179.98 |
| | -SGST | | | | 179.98 | | | | | 179.98 | 179.98 | |
| | -IGST | | | | 285.55 | | | | | 285.55 | | 285.55 |
| | GST Compensation Cess | | | | 2,674.00 | | | | | 2,674.00 | | 2,674.00 |
| | Cess on coal | | | | | | | | | | | |
| | State Sales Tax / VAT | | | | 1.51 | | | | | 1.51 | 1.51 | |
| | Central Sales Tax | | | | 0.66 | | | | | 0.66 | | 0.66 |
| | Central Excise Duty | | | | 2.55 | | | | | 2.55 | | 2.55 |
| | Entry Tax | | | | | | | | | - | | |
| | Others | | | | | | | | | - | | |
| | **Total** | | | | **5,190.74** | | | | | **5,190.74** | **2,020.31** | **3,170.42** |
| NCL | Royalty | 1,470.95 | | | | | 426.20 | | | 1,897.15 | 1,897.15 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | - DMF | 376.73 | | | | | 16.26 | | | 392.99 | 392.99 | |
| | - NMET | 28.61 | | | | | 9.04 | | | 37.65 | | 37.65 |

(₹ *in Crores)*

| Company | Particulars | State Exchequer | | | | | | | | 2018-19 | State Exchequer | Central Exchequer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | MP | Chattisgarh | WB | Jharkhand | Maharashtra | UP | Orissa | Assam | | | |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | -CGST | 173.56 | | | | | 58.21 | | | 231.77 | | 231.77 |
| | -SGST | 173.56 | | | | | 58.21 | | | 231.77 | 231.77 | |
| | -IGST | 0.18 | | | | | - | | | 0.18 | | 0.18 |
| | GST Compensation Cess | 3,220.57 | | | | | 808.78 | | | 4,029.35 | | 4,029.35 |
| | Cess on coal | | | | | | | | | - | - | |
| | State Sales Tax / VAT | | | | | | | | | - | - | |
| | Central Sales Tax | | | | | | | | | - | | - |
| | Central Excise Duty | | | | | | | | | - | | - |
| | Entry Tax | | | | | | | | | - | - | |
| | Others | 479.89 | | | | | 60.73 | | | 540.62 | 540.62 | |
| | **Total** | **5,924.05** | | | | | **1,437.43** | | | **7,361.48** | **3,062.53** | **4,298.95** |
| WCL | Royalty | 122.97 | | | | 1,172.94 | | | | 1,295.91 | 1,295.91 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | 38.47 | | | | 351.63 | | | | 390.10 | 390.10 | |
| | -NMET | 2.56 | | | | 23.47 | | | | 26.03 | | 26.03 |
| | *Goods and Service Tax* | | | | | | | | | | | |
| | -CGST | 17.28 | | | | 147.57 | | | | 164.85 | | 164.85 |
| | -SGST | 17.28 | | | | 147.57 | | | | 164.85 | 164.85 | |
| | -IGST | 0.01 | | | | 0.51 | | | | 0.52 | | 0.52 |
| | GST Compensation Cess | 169.72 | | | | 1,989.23 | | | | 2,158.95 | | 2,158.95 |
| | Cess on coal | | | | | | | | | | | |
| | State Sales Tax / VAT | | | | | | | | - | | - | |
| | Central Sales Tax | - | | | - | | | | | | | |
| | Central Excise Duty | - | | | - | | | | | | | |

₹ *in Crores*

| Company | Particulars | State Exchequer | | | | | | | | 2018-19 | State Exchequer | Central Exchequer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | MP | Chattisgarh | WB | Jharkhand | Maharashtra | UP | Orissa | Assam | | | |
| | Entry Tax | | | | | | | | | - | | - |
| | Other | | | | | | | | | | | |
| | **Total** | **368.29** | | | | **3,832.92** | | | | **4,201.21** | **1,850.86** | **2,350.35** |
| SECL | Royalty | 343.64 | 2,491.80 | | | | | | | 2,835.44 | 2,835.44 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | - DMF | 83.38 | 646.61 | | | | | | | 729.99 | 729.99 | |
| | - NMET | 7.45 | 50.04 | | | | | | | 57.49 | | 57.49 |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | - CGST | 45.72 | 287.75 | 0.06 | | | | | | 333.53 | | 333.53 |
| | - SGST | 45.62 | 287.75 | 0.06 | | | | | | 333.43 | 333.43 | |
| | - IGST | | 1.07 | | | | | | | 1.07 | | 1.07 |
| | GST Compensation Cess | 537.62 | 5,601.89 | 5.09 | | | | | | 6144.60 | | 6144.60 |
| | Cess on coal | | | | | | | | | - | - | |
| | State Sales Tax / VAT | | | | | | | | | | | |
| | Central Sales Tax | | | | | | | | | - | | - |
| | Central Excise Duty | | | | | | | | | - | | - |
| | Entry Tax | | 3.69 | | | | | | | 3.69 | 3.69 | |
| | Others | 125.50 | 217.82 | | | | | | | 343.32 | 343.32 | |
| | **Total** | **1,188,93** | **9,588,42** | **5.21** | | | | | | **10,782.56** | **4,245.87** | **6,536.69** |
| MCL | Royalty | | | | | | | 2,035.36 | | 2,035.36 | 2,035.36 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | | | | | | | 610.50 | | 610.50 | 610.50 | |
| | -NMET | | | | | | | 40.71 | | 40.71 | | 40.71 |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | -CGST | | | | | | | 230.62 | | 230.62 | | 230.62 |
| | -SGST | | | | | | | 230.62 | | 230.62 | 230.62 | |
| | -IGST | | | | | | | 443.00 | | 443.00 | | 443.00 |

| | | | | | | | | | | | | | ₹ *in Crores* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Company** | **Particulars** | **State Exchequer** | | | | | | | | **2018-19** | **State Exchequer** | **Central Exchequer** |
| | | **MP** | **Chattisgarh** | **WB** | **Jharkhand** | **Maharashtra** | **UP** | **Orissa** | **Assam** | | | |
| | GST Compensation Cess | | | | | | | 5,692.12 | | 5,692.12 | | 5,692.12 |
| | Cess on coal | | | | | | | | | | | |
| | State Sales Tax / VAT | | | | | | | | | - | - | |
| | Central Sales Tax | | | | | | | | | | | |
| | Central Excise Duty | | | | | | | | | - | | |
| | Entry Tax | | | | | | | | | - | - | |
| | Others | | | | | | | | | | | |
| | **Total** | | | | | | | **9,282.93** | | **9,282.93** | **2,876.48** | **6,406.45** |
| NEC | Royalty | | | | | | | | 44.82 | 44.82 | 44.82 | |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | | | | | | | | 13.45 | 13.45 | 13.45 | |
| | -NMET | | | | | | | | 0.90 | 0.90 | | 0.90 |
| | *Goods and Service Tax:* | | | | | | | | | | | |
| | -CGST | | | | | | | | 23.95 | 23.95 | | 23.95 |
| | -SGST | | | | | | | | 17.11 | 17.11 | 17.11 | |
| | -IGST | | | | | | | | 1.75 | 1.75 | | 1.75 |
| | GST Compensation Cess | | | | | | | | 30.16 | 30.16 | | 30.16 |
| | Cess on coal | | | | | | | | 3.92 | 3.92 | 3.92 | |
| | State Sales Tax / VAT | | | | | | | | - | - | | |
| | Central Sales Tax | | | | | | | | - | | | - |
| | Central Excise Duty | | | | | | | | | | | |
| | Entry Tax | | | | | | | | | | | |
| | Others | | | | | | | | | | | |
| | **Total** | | | | | | | | **136.06** | **136.06** | **79.30** | **56.76** |

₹ *in Crores*

| Company | Particulars | State Exchequer | | | | | | | | 2018-19 | State Exchequer | Central Exchequer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | MP | Chattisgarh | WB | Jharkhand | Maharashtra | UP | Orissa | Assam | | | |
| Overall | Royalty | 1,937.56 | 2,491.80 | 18.02 | 3,150.68 | 1,172.94 | 426.20 | 2,035.36 | 44.82 | 11,277.38 | 11,277.38 | - |
| | *Addnl Royalty under MMDR Act* | | | | | | | | | | | |
| | -DMF | 498.58 | 646.61 | 0.37 | 742.39 | 351.63 | 16.26 | 610.50 | 13.45 | 2,879.79 | 2,879.79 | - |
| | -NMET | 38.62 | 50.04 | 0.37 | 64.65 | 23.47 | 9.04 | 40.71 | 0.90 | 227.80 | - | 227.80 |
| | *Goods and Service Tax:* | | | | | | | | | | - | - |
| | -CGST | 236.56 | 287.75 | 36.29 | 404.49 | 147.57 | 58.21 | 230.62 | 23.95 | 1,425.44 | - | 1,425.44 |
| | -SGST | 236.46 | 287.75 | 36.22 | 398.49 | 147.57 | 58.21 | 230.62 | 17.11 | 1,412.43 | 1,412.43 | - |
| | -IGST | 0.19 | 1.07 | 166.77 | 285.72 | 0.51 | - | 443.00 | 1.75 | 899.01 | - | 899.01 |
| | GST Compensation Cess | 3,927.91 | 5,601.89 | 1,214.39 | 4,780.19 | 1,989.23 | 808.78 | 5,692.12 | 30.16 | 24,044.67 | - | 24,044.67 |
| | Cess on coal | - | - | 1,670.85 | | | - | | 3.92 | 1,674.77 | 1,674.77 | - |
| | State Sales Tax / VAT | - | - | - | 7.42 | - | - | - | - | 7.42 | 7.42 | - |
| | Central Sales Tax | - | - | - | 6.98 | - | - | - | - | 6.98 | - | 6.98 |
| | Central Excise Duty | - | - | 0.03 | 6.87 | | - | - | | 6.90 | - | 6.90 |
| | Entry Tax | - | 3.69 | - | - | - | - | - | - | 3.69 | 3.69 | - |
| | Others | 605.39 | 217.82 | - | 76.21 | | 60.73 | - | - | 960.15 | 960.15 | |
| | **Total** | **7,481.27** | **9,588.42** | **3,143.31** | **9,924.09** | **3,832.92** | **1,437.43** | **9,282.93** | **136.06** | **44,826.43** | **18,215.62** | **26,610.80** |

**ANNEXURE 10**

**Subsidiary-wise Coal Production**

(Figs. In million tonnes )

| Company | Coking | | Non-Coking | | Total | |
|---|---|---|---|---|---|---|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| ECL | 0.03 | 0.03 | 50.13 | 43.53 | 50.16 | 43.57 |
| BCCL | 24.34 | 23.30 | 6.70 | 9.30 | 31.04 | 32.61 |
| CCL | 9.34 | 9.58 | 59.38 | 53.83 | 68.72 | 63.41 |
| NCL | 0.00 | 0.00 | 101.50 | 93.02 | 101.50 | 93.02 |
| WCL | 0.19 | 0.18 | 52.99 | 46.04 | 53.18 | 46.22 |
| SECL | 0.25 | 0.18 | 157.10 | 144.53 | 157.35 | 144.71 |
| MCL | 0.00 | 0.00 | 144.15 | 143.06 | 144.15 | 143.06 |
| NEC | 0.00 | 0.00 | 0.78 | 0.78 | 0.78 | 0.78 |
| CIL | 34.14 | 33.28 | 572.75 | 534.09 | 606.89 | 567.37 |

* It includes 3.27 MT from Gare Palma IV/2&3 OC and 1.68 MT from Gare Palma IV/1 Oc for which Coal India Ltd. was appointed akin to a designated custodian w.e.f. 01.04.2015 (through SECL)

**PRODUCTION FROM UNDERGROUND AND OPENCAST MINES.**

The company-wise production from Underground, Opencast mines are as under:

(Figures in million tonnes)

| Company | Underground | | Opencast | | Total | |
|---|---|---|---|---|---|---|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| ECL | 9.06 | 8.60 | 41.10 | 34.97 | 50.16 | 43.57 |
| BCCL | 0.90 | 1.08 | 30.14 | 31.53 | 31.04 | 32.61 |
| CCL | 0.32 | 0.41 | 68.41 | 63.00 | 68.72 | 63.41 |
| NCL | 0.00 | 0.00 | 101.50 | 93.02 | 101.50 | 93.02 |
| WCL | 4.57 | 4.95 | 48.62 | 41.27 | 53.18 | 46.22 |
| SECL | 14.77 | 14.46 | 142.58 | 130.25 | 157.35 | 144.71 |
| MCL | 0.87 | 1.04 | 143.28 | 142.02 | 144.15 | 143.06 |
| NEC | 0.00 | 0.00 | 0.78 | 0.78 | 0.78 | 0.78 |
| CIL | 30.48 | 30.54 | 576.40 | 536.82 | 606.89 | 567.37 |

**ANNEXURE 10A**

**Washed Coking Coal Production**

**(in Lakh Te)**

| Company | Washed Coal (Coking) | |
|---|---|---|
| | 2018-19 | 2017-18 |
| ECL | 0.00 | 0.00 |
| BCCL | 6.34 | 8.01 |
| CCL | 8.05 | 11.15 |
| NCL | 0.00 | 0.00 |
| WCL | 0.00 | 0.00 |
| SECL | 0.00 | 0.00 |
| MCL | 0.00 | 0.00 |
| NEC | 0.00 | 0.00 |
| **CIL** | **14.39** | **19.16** |

**ANNEXURE 10B**

**Subsidiary wise Overburden Removal**

(Figures in million cubic metres)

| Company | 2018-19 | 2017-18 | % growth |
|---|---|---|---|
| ECL | 126.06 | 118.895 | 6.02 |
| BCCL | 103.25 | 110.466 | -6.54 |
| CCL | 100.49 | 95.622 | 5.09 |
| NCL | 318.22 | 316.795 | 0.45 |
| WCL | 192.03 | 185.287 | 3.64 |
| SECL | 183.44 | 205.018 | -10.53 |
| MCL | 130.00 | 138.179 | -5.92 |
| NEC | 8.50 | 7.853 | 8.28 |
| **CIL** | **1161.99** | **1178.115** | **-1.37** |

**ANNEXURE 11**

**Population of Equipments**

| Equipment | No. of Equipment | | Indicated as % of CMPDI Norm | | | |
|---|---|---|---|---|---|---|
| | | | Availability | | Utilization | |
| | As on 1.4.2019 | As on 1.4.2018 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Dragline | 32 | 35 | 92 | 93 | 87 | 80 |
| Shovel | 680 | 695 | 94 | 93 | 70 | 71 |
| Dumper | 2878 | 2781 | 112 | 111 | 68 | 69 |
| Dozer | 955 | 969 | 100 | 99 | 52 | 51 |
| Drill | 663 | 675 | 106 | 106 | 55 | 53 |

**Major Subsidiary-wise HEMM Population as on 31.03.2019**

(Figure in numbers)

| EQUIPMENT | ECL | BCCL | CCL | NCL | WCL | SECL | MCL | CIL |
|---|---|---|---|---|---|---|---|---|
| DRAGLINE | 1 | 2 | - | 22 | 2 | 4 | 1 | 32 |
| SHOVEL | 57 | 123 | 104 | 110 | 124 | 84 | 78 | 680 |
| DUMPER | 262 | 473 | 421 | 539 | 414 | 427 | 342 | 2878 |
| DOZER | 84 | 113 | 164 | 181 | 132 | 165 | 116 | 955 |
| DRILL | 52 | 88 | 116 | 134 | 75 | 111 | 87 | 663 |
| **TOTAL** | **456** | **799** | **805** | **986** | **747** | **791** | **624** | **5208** |

**ANNEXURE-12**

**Subsidiary-wise System Capacity Utilization**

(Unit %)

| Company | 2018-19 |
|---|---|
| ECL | 89.19 |
| BCCL | 61.31 |
| CCL | 79.41 |
| NCL | 83.07 |
| WCL | 80.89 |
| SECL | 71.91 |
| MCL | 80.08 |
| NEC | 97.72 |
| Overall CIL | 78.19 |

Overall capacity utilisation of CIL was affected due to various issues related to delay in physical possesion of land, R&R and related law and order issues, encroachment, diversion of forest land and contractual issues.

**ANNEXURE 13**

## Project Implementation

**A. Projects Completed During the Year 2018-19 :-**

| Sl. No. | Subsidiary | Name of the Projects | Type | Sanctioned Capacity (MTY) | Sanctioned Capital (₹ Crores) |
|---|---|---|---|---|---|
| 1 | CCL | Konar OCP | OC | 3.50 | 74.53 |
| 2 | NCL | RCE of Nigahi OCP | OC | 5.00 | 486.57 |
| 3 | SECL | RCE of Mahan OCP | OC | 0.36 | 160.04 |
| 4 | SECL | Vindhya UG | UG | 0.71 | 69.70 |
| 5 | SECL | Amlai Expn OCP | OC | 1.50 | 198.59 |
| | **Total** | | | **11.07** | **989.43** |

**B. Projects Started Production during the Year 2018-19**

| Sl. No. | Subsidiary | Name of the Projects | Type | Sanctioned Capacity(MTY) | Sanctioned Capital (₹ Crores) | Production in 2018-19 (MT) |
|---|---|---|---|---|---|---|
| 1 | ECL | New Kenda OCP | OC | 1.20 | 127.27 | 0.10 |
| 2 | MCL | Garjanbahal OCP | OC | 10.00 | 1375.38 | 2.81 |
| | | **Total** | | **11.20** | **1502.65** | **2.91** |

**Projects Sanctioned (Costing Rs. 20 Crores & above) :**

**A. PR/UCE/RPR/RCE sanctioned by CIL & Subsidiary during 2018-19:**

| **1. Sanctioned by CIL -2018-19** | | | | | |
|---|---|---|---|---|---|
| **Sl. No.** | **Name of the Projects Capacity (MTY)** | **Subsidiary** | **Date of Approval** | **Sanctioned Capacity(Mty)** | **Sanctioned Capital (Rs. Crores)** |
| 1 | Siduli UG + OC | ECL | 22/05/2018 | 2.32 | 535.18 |
| 2 | Tilaboni UG | ECL | 12/2/2019 | 1.86 | 916.62 |
| 3 | NakrakondaKumardih - B OCP | ECL | 11/8/2018 | 3.00 | 502.68 |
| 4 | North Urimari OCP | CCL | 14/03/2019 | 7.50 | 1468.72 |
| 5 | Dhuptala (Sati UG to OC) | WCL | 12/2/2019 | 2.50 | 711.01 |
| 6 | BharatpurReorganisation OCP | MCL | 12/11/2018 | 20.00 | 1928.29 |
| 7 | LakhanpurLilariBelpahar OCP | MCL | 22/05/2018 | 30.00 | 2434.75 |
| 8 | RCE of Chitra East OCP | ECL | 11/8/2018 | 2.50 | 513.99 |
| 9 | RPR of TikakExtn OCP | NEC | 7/10/2018 | 0.20 | 81.83 |
| | **SUB TOTAL (A)** | | | **69.88** | **9093.07** |
| **B. Sanctioned by Subsidiary Company -2018-19** | | | | | |
| 1 | Piparwar Phase-I UG | CCL | 18/09/2018 | 0.87 | 325.88 |
| 2 | Sharda UG | WCL | 18/04/2018 | 0.38 | 56.82 |
| 3 | Vishnupuri UG to OC | WCL | 27/07/2018 | 2.00 | 192.64 |
| 4 | Adasa UG to OC | WCL | 16/11/2018 | 1.50 | 316.00 |
| 5 | Ukni Deep OCP | WCL | 16/12/2018 | 2.00 | 237.07 |
| 6 | BelloraNaigaon Deep OCP | WCL | 16/12/2018 | 1.00 | 226.93 |
| 7 | Mahamaya UG to OC | SECL | 24-05-2018 | 1.50 | 400.73 |
| 8 | Jhiria West OCP | SECL | 28-11-2018 | 1.50 | 389.97 |
| 9 | Tawa-III UG | WCL | 10/4/2018 | 0.48 | 140.99 |
| 10 | RPR Amalgamated Inder Kamptee Deep OCP | WCL | 22/09/2018 | 3.20 | 235.90 |
| 11 | RPR Gondegaon Ghatrohan Amalgamated OCP | WCL | 10/4/2018 | 3.50 | 191.78 |
| | **SUB TOTAL (B)** | | | **17.93** | **2714.71** |
| | **SUB TOTAL (A+B) - 20 nos.** | | | **87.81** | **11807.78** |

**B. Non-Mining Projects Sanctioned by CIL Board during 2018-19:**

| Sl.No. | Project | Sub | Date of Approval | Sanctioned Capital (₹ Crores) |
|---|---|---|---|---|
| 1 | CEWRL: Rail Project - Gevra Road to Pendra | SECL | 22/05/2018 | 4970.11 |
| 2 | CERL PH-II: Dharamjaigarh to Korba | SECL | 22/05/2018 | 1686.22 |
| | **Sub Total** | | | **6656.33** |

**ANNEXURE 14**

**Subsidiary wise details of Capital Expenditure**

**Annexure (₹ in crore)**

| Company | 2018-19 | | 2017-18 | |
|---|---|---|---|---|
| | BE | Actual | BE | Actual |
| ECL | 1090.00 | 832.50 | 1050.00 | 959.99 |
| BCCL | 730.00 | 408.73 | 650.00 | 928.92 |
| CCL* | 1100.00 | 766.72 | 650.00 | 1702.34 |
| NCL | 1150.00 | 1075.06 | 1000.00 | 664.33 |
| WCL | 1150.00 | 808.70 | 1050.00 | 1236.98 |
| SECL | 2050.00 | 1565.46 | 1950.00 | 1965.16 |
| MCL | 1600.00 | 1414.64 | 1300.00 | 1367.87 |
| CMPDIL | 40.00 | 19.55 | 40.00 | 41.66 |
| CIL & Others | 590.00 | 420.10 | 810.00 | 467.30 |
| **Total** | **9500.00** | **7311.46** | **8500.00** | **9334.55** |

***CIL Standalone & includes Master Action Plan, R&D. Break-up is given below :**

**(₹ in crore)**

| Company | 2018-19 | | 2017-18 | |
|---|---|---|---|---|
| | BE | Actual | BE | Actual |
| CIL Standalone | 165.00 | 56.06 | 385.00 | 84.13 |
| R&D | 75.00 | 13.58 | 75.00 | 59.24 |
| Master Action Plan | 350.00 | 350.46 | 350.00 | 323.93 |
| **Total** | **590.00** | **420.10** | **810.00** | **467.30** |

**ANNEXURE 15**

**Salient features of continuous and sustained improvement in CIL's safety performance:**

**Table-1: Comparative Accidents Statistics of CIL of 5 Yearly Average since 1975**

| Time frame | Av. Fatal Accidents (in nos.) | | Av. Serious Accidents (in nos.) | | Av. Fatality Rate | | Av. Serious Injury Rate | |
|---|---|---|---|---|---|---|---|---|
| | Accident | Fatalities | Accident | Injuries | Per Mill. Te | Per 3 Lac Manshifts | Per Mill. Te | Per Manshifts |
| 1975-79 | 157 | 196 | 1224 | 1278 | 2.18 | 0.44 | 14.24 | 2.89 |
| 1980-84 | 122 | 143 | 1018 | 1065 | 1.29 | 0.30 | 9.75 | 2.26 |
| 1985-89 | 133 | 150 | 550 | 571 | 0.98 | 0.30 | 3.70 | 1.15 |
| 1990-94 | 120 | 145 | 525 | 558 | 0.694 | 0.30 | 2.70 | 1.19 |
| 1995-99 | 98 | 124 | 481 | 513 | 0.50 | 0.29 | 2.06 | 1.14 |
| 2000-04 | 68 | 82 | 499 | 526 | 0.28 | 0.22 | 1.80 | 1.47 |
| 2005-09 | 60 | 80 | 328 | 339 | 0.22 | 0.25 | 0.92 | 1.04 |
| 2010-14 | 56 | 62 | 219 | 228 | 0.138 | 0.23 | 0.49 | 0.80 |
| 2015-18# | 36 | 45 | 112 | 117 | 0.08 | 0.19 | 0.21 | 0.49 |

**Note:** # subject to reconciliation with DGMS & Accident Statistics are maintained calendar year-wise in conformity with DGMS practice

**Table -2: Company-wise Accident Statistics of CIL for the year 2018**

| Company | Fatal Accidents (in nos.) | Fatalities (in nos.) | Serious Accidents (in nos.) | Serious Injuries (in nos.) | Fatality Rate | | Serious Injury Rate | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Per Mill. Te | Per 3 lac manshifts | Per Mill. Te | Per 3 lac manshifts |
| ECL | 1 | 2 | 24 | 25 | 0.04 | 0.04 | 0.52 | 0.53 |
| BCCL | 2 | 2 | 7 | 7 | 0.06 | 0.06 | 0.22 | 0.22 |
| CCL | 5 | 8 | 9 | 16 | 0.12 | 0.29 | 0.24 | 0.58 |
| NCL | 3 | 3 | 8 | 8 | 0.03 | 0.26 | 0.08 | 0.69 |
| WCL | 2 | 5 | 17 | 17 | 0.10 | 0.09 | 0.34 | 0.30 |
| SECL | 12 | 15 | 18 | 19 | 0.10 | 0.34 | 0.12 | 0.43 |
| MCL | 8 | 8 | 4 | 4 | 0.06 | 0.50 | 0.03 | 0.25 |
| NEC | 0 | 0 | 0 | 0 | 0.00 | 0.00 | 0.00 | 0.00 |
| CIL | 33 | 43 | 87 | 96 | 0.07 | 0.18 | 0.16 | 0.41 |

## ANNEXURE 16

**Subsidiary wise Manpower**

(In Nos)

| Company | As on 01.04.18 | As on 01.04.19 |
|---|---|---|
| ECL | 61,796 | 59,698 |
| BCCL | 48,747 | 46,019 |
| CCL | 40,777 | 39,222 |
| WCL | 45,663 | 43,045 |
| SECL | 58,143 | 54,816 |
| DCC(SECL)* | 323 | 283 |
| MCL | 22,431 | 22,352 |
| NCL | 15,032 | 14,456 |
| CMPDIL | 3,379 | 3,286 |
| NEC(CIL)* | 1,535 | 1,395 |
| HQ-CIL | 931 | 907 |
| **Grand Total** | **2,98,757** | **2,85,479** |

**Note:** *Units of SECL & CIL respectively.

**ANNEXURE 17**

**Disclosures under rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| Name | Designation | Remuneration for F.Y. 2018-19 (in Rs) | Ratio of Remuneration to Median Remuneration of all employees | Increase in Remuneration over LY (%) |
|---|---|---|---|---|
| Anil Kumar Jha* | CHAIRMAN | 5330042 | 4.26 | - |
| S N Prasad | DIRECTOR (MARKETING) | 5748050 | 4.60 | 1.31 |
| Binay Dayal | DIRECTOR (TECHNICAL) | 5247861 | 4.20 | 3.73 |
| Ram Prakash Srivastava** | DIRECTOR (PERSONNEL) | 4073886 | 3.26 | - |
| Chandan Kumar Dey*** | DIRECTOR (FINANCE) | 4329317 | 3.46 | 0.87 |

*Shri Anil Kumar Jha joined as Chariman, Coal India Limited in 2018-19 w.e.f 18.05.18 is drawing salary as Chairman of Coal India Limited from 01st July 2018

**Shri Ram Prakash Srivastava did not draw any remuneration as Director (Personnel) in 2017-18

***Shri Chandan Kumar Dey superannuated as Director (Finance) on 01.10.2018

**Notes:**

1. The number of employees as on 31st Mar 2019 was 285479
2. Contribution towards CIL Defined Contribution Pension Scheme has not been considered, as it pertains to prior period (2007-2017)
3. Compared to the previous year 2017-18, figures for the current year 2018-19 shows that :-

a. Gross Turnover has grown by 11.10%

b. Median Remuneration of all the employees has increased by 24.46% and Average Remuneration of all employees has increased by 26.48%.

c. Salaries paid to executives are as per Department of Public Enterprises, GOI guidelines and to non-executives as per National Coal Wage Agreement X. Average remuneration of company increased by 26.48% during FY 2018-19. Main factor that contributed to the increased remuneration during FY 2018-19 is the implementation of recommendations of 3rd PRC in case of Executives, and payment of arrear salary for the same in 2018-19 and payment of NCWA-X arrear to the Non-Executives in 2018-19.

d. Average Remuneration of employees excluding KMPs has increased by 25.88%. Average Remuneration of KMPs has increased by 44.45%

4. During FY 2018-19, Directors availed variable components of remuneration, i.e., Performance Related Pay, parameters being :-
   a. Company Rating
   b. EER Rating
   c. Profit Component
   d. Ratio of required amount to available amount
   e. Grade Percentage

## 5. Name of the Top 10 Employees in terms of Remuneration drawn during Financial Year 2018-19

| EIS Code | Name | Remuneration Received (in ₹) | Designation | Shares in CIL | Nature of Employment | Qualification | Date of Commencement of Employment in CIL HQ | Date of Birth | Last Employment held |
|---|---|---|---|---|---|---|---|---|---|
| 90007139 | Mukti Pada Dikshit | 6096156 | CGM (Mining) | NIL | Retired | B Tech (Mining) | 18.11.2013 | 01.02.1955 | OSD (Planning) |
| 90174327 | Devendra Prasad | 5899352 | General Manager (Mining) | NIL | Permanent | B Tech (Mining) & MBA. | 26.07.2017 | 25.07.1960 | GM(BCCL) |
| 90173717 | S N Prasad | 5748050 | Director (Marketing) | NIL | Permanent | MBA | 01.02.2016 | 23.11.1959 | GM(SECL) |
| 90036849 | Parthapratim Gangopadhyay | 5679009 | Chief Manager (System) | NIL | Permanent | B.Com(Hons) & CA | 24.01.2014 | 03.01.1959 | CCL |
| 90097023 | R M Wanre | 5673759 | General Manager (Mining) | 100 | Permanent | B Tech(Mining) | 16.10.2018 | 30.03.1964 | GM(CMPDIL) |
| 90084922 | Soumitra Kumar Nath | 5485397 | General Manager (E&M) | NIL | Permanent | B.Sc(Engg.)/Elect. | 25.04.2012 | 01.12.1960 | Sr.Manager (MCL) |
| 90176355 | M K Singh | 5466523 | General Manager (Mining) | 100 | Permanent | B Sc(Engg)/Mining & MBA | 16.02.2016 | 16.10.1963 | WCL |
| 90065368 | P R Mittal | 5449921 | General Manager (Mining) | NIL | Permanent | B Tech(Mining) | 02.07.2018 | 27.10.1960 | ECL |
| 90134776 | Akhilesh Kumar Pandey | 5444156 | General Manager (Civil) | NIL | Permanent | B Sc (Engg) Civil | 04.06.2018 | 01.06.1959 | MCL |
| 90066309 | Bishal Chandra Prasad | 5401542 | Chief Manager (Mining) | NIL | Permanent | B Tech(Mining), M Tech,I.E & Management | 22.06.2017 | 05.11.1961 | CCL |

## FORM NO. MGT 9 Annexure-18

### EXTRACT OF ANNUAL RETURN
**As on financial year ended on 31-03-2019**

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

### I. REGISTRATION & OTHER DETAILS:

| | | |
|---|---|---|
| 1. | CIN | L23109WB1973GOI028844 |
| 2. | Registration Date | 14th June'1973 |
| 3. | Name of the Company | **Coal India Limited** (Coal Mines Authority Limited was incorporated on 14th Jun'1973 and name was subsequently changed on 1st Nov'1975) |
| 4. | Category/Sub-category of the Company | Public Company Limited by Shares/Government Company |
| 5. | Address of the Registered office & contact details | Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata-700156<br>Contact No.- 033-2324-6526<br>Fax No.:- 033 - 2324-6510<br>Email Id.:- mviswanathan2.cil@coalindia.In |
| 6. | Whether listed company | Yes (Listed in BSE and NSE) |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | **M/s Alankit Assignments Limited**<br>Alankit Height,1E/13,Jhandewalan Extension, New delhi-110 055,<br>E-mail id: alankit_rta@alankit.com,<br>Ph. no.: 011-4254-1234/2354-1234,<br>Toll Free Number : 1860-121-2155<br>Fax: 011-4154-3474 Website:www.alankit.com |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| S. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---|---|---|---|
| 1. | Coal Mining | 051-05101 and 051-05102 | 100.0 |

### III. PARTICULARS OF HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

| S. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary / Associate | % of Share Held | Applicable Section |
|---|---|---|---|---|---|
| 1. | Eastern Coalfields Limited, P.O. - Dishergarh, Sanctoria, Burdwan -713333, West Bengal | U10101WB 1975GOI030295 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 2. | Bharat Coking Coal Limited, Koyla Bhawan, Koyla Nagar, Dhanbad - 826005, Jharkhand | U10101JH 1972GOI000918 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 3. | Central Coalfields Limited, Darbhanga House, Kutchery Road, Ranchi-834029, Jharkhand | U10200JH 1956GOI000581 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 4. | Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur- 768020, Orissa | U10102OR 1992GOI003038 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 5. | Western Coalfields Limited, Coal Estate, Civil Lines, Nagpur - 440001, Maharashtra | U10100MH 1975GOI018626 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 6. | Northern Coalfields Limited, P.O. - Singrauli Colliery, Singrauli, Dist. - Sidhi - 486889, Madhya Pradesh | U10102MP 1985GOI003160 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |

| S. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary / Associate | % of Share Held | Applicable Section |
|---|---|---|---|---|---|
| 7. | South Eastern Coalfields Limited, Seepat Road, Bilaspur - 495006, Chhattisgarh | U10102CT 1985GOI003161 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 8. | Central Mine Planning and Design Institute Limited, Gondwana Place, Kanke Road, Ranchi - 834008, Jharkhand | U14292JH 1975GOI001223 | Subsidiary | 100.00 | Section 2(87) of Companies Act' 2013 |
| 9. | MNH Shakti limited, Jagruti Vihar, Burla, Sambalpur- 768020, Orissa | U10100OR 2008GOI010171 | Step-down Subsidiary | 70.00 | Section 2(87) of Companies Act' 2013 |
| 10 | MJSJ Coal Limited Jagruti Vihar, Burla, Sambalpur- 768020, Orissa | U10200OR 2008GOI010250 | Step-down Subsidiary | 60% | Section 2(87) of Companies Act' 2013 |
| 11 | Mahanadi Basin Power Limited Jagruti Vihar, Burla, Sambalpur- 768020, Orissa | U40102OR 2011GOI014589 | Step-down Subsidiary | 100% | Section 2(87) of Companies Act' 2013 |
| 12 | Mahanadi Coal Railway Limited Jagruti Vihar, Burla, Sambalpur- 768020, Orissa | U60100OR 2015GOI019349 | Step-down Subsidiary | 64% | Section 2(87) of Companies Act' 2013 |
| 13 | Jharkhand Central Railway Limited Darbhanga House, Kutchery Road, Ranchi-834029, Jharkhand | U45201JH 2015GOI003139 | Step-down Subsidiary | 64% | Section 2(87) of Companies Act' 2013 |
| 14 | Chhattisgarh East Railway Limited CSIDC Commercial Complex, Mahadev Ghat Road, Raipura Chowk, Raipur-492013 Chhattisgarh | U45203CT 2013GOI000768 | Step-down Subsidiary | 68.42% | Section 2(87) of Companies Act' 2013 |
| 15 | Chhattisgarh East-West Railway Limited , CSIDC Commercial Complex, Mahadev Ghat Road, Raipura Chowk, Raipur-492013 Chhattisgarh | U45203CT 2013GOI000729 | Step-down Subsidiary | 64.06% | Section 2(87) of Companies Act' 2013 |
| 16. | Coal India Africana Limitada, Guera Popular, 1028, 2nd Floor Moputo, Mozambique | - | Foreign Subsidiary | 100.00 | As per Mozambique Commercial Code |
| 17. | CIL NTPC Urja Private Limited, NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi - 110003 | U14105DL 2010PTC202053 | Joint Venture | 50.00 | Section 2(6) of Companies Act' 2013 |
| 18. | International Coal Ventures Private Limited, 20th Floor, Scope Minar, (Core-2), North Tower, Laxmi Nagar, District Centre, Delhi - 110092 | U10100DL 2009PTC190448 | Associate | 0.19 | Section 2(6) of Companies Act' 2013 |
| 19 | Talcher Fertilizers Limited Plot 2/H, Kalpana Area BJB Nagar, Khordha Bhubaneswar PIN-751014 | U24120OR 2015PLC019575 | Associate | 33.32 | Section 2(6) of Companies Act' 2013 |
| 20 | Hindustan Urvarak and Rasayan Limited,Coal Bhawan, Coal India Limited, 7th Floor, Plot No. AF-III, Action Area-1A, Newtown, Kolkata 700 156 | U24100WB 2016PLC216175 | Associate | 33.33 | Section 2(6) of Companies Act' 2013 |

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

*i.) Category-wise Share Holding:*

| Category of Shareholders | No. of Shares held at the beginning of the year [as on 01-04-2018] | | | | No. of Shares held at the end of the year [as on 31-03-2019] | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoter's** | | | | | | | | | |
| **(1) Indian:** | | | | | | | | | |
| a) Individual/ HUF | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Central Govt | 4875671716 | 0 | 4875671716 | 78.55 | 4373016781 | 0 | 4373016781 | 70.96 | 7.59 |
| c) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (A)(1): | 4875671716 | | 4875671716 | 78.55 | 4373016781 | | 4373016781 | 70.96 | 7.59 |
| **(2) Foreign:** | | | | | | | | | |
| a) NRIs-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Other-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks / FI. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub-Total(A)(2):** | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Total share-holding of Promoter (A)=(A)(1)+(A)(2)** | **4875671716** | **0** | **4875671716** | **78.55** | **4373016781** | **0** | **4373016781** | **70.96** | **7.59** |
| **B. Public Shareholding** | | | | | | | | | |
| **(1) Institutions** | | | | | | | | | |
| a) Mutual Funds | 97539015 | 0 | 97539015 | 1.57 | 372859704 | 0 | 372859704 | 6.05 | -4.48 |
| b) Banks / FI | 134800284 | 0 | 134800284 | 2.17 | 42776624 | 0 | 42776624 | 0.69 | 1.48 |
| c) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 566266802 | 0 | 566266802 | 9.12 | 752057789 | 0 | 752057789 | 12.20 | -3.08 |
| g) FIIs/FPI | 339977332 | 0 | 339977332 | 5.50 | 439711680 | 0 | 439711680 | 7.14 | -1.64 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| i) Others/Foreign National | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| **Sub-total (B)(1):-** | **1138583433** | **0** | **1138583433** | **18.36** | **1607405797** | **0** | **1607405797** | **26.08** | **-7.72** |

| Category of Shareholders | No. of Shares held at the beginning of the year [as on 01-04-2018] | | | | No. of Shares held at the end of the year [as on 31-03-2019] | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **(2) Non-Institutions** | | | | | | | | | |
| **Bodies Corporate:** | | | | | | | | | |
| i) i) Indian | 54645381 | 0 | 54645381 | 0.87 | 23055890 | 0 | 23055890 | 0.37 | .50 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **b) Individuals:** | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 106032924 | 8515 | 106041439 | 1.70 | 110587553 | 4812 | 110592365 | 1.79 | -.09 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 10511726 | 0 | 10511726 | 0.17 | 7223870 | 0 | 7223870 | 0.12 | 0.05 |
| **c) Others (specify):** | | | | | | | | | |
| Non Resident Indians | 8158091 | 0 | 8158091 | 0.13 | 5790883 | 0 | 5790883 | 0.09 | 0.04 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NBFC registered with RBI | 30025 | 0 | 30025 | 0.00 | 23544 | 0 | 23544 | 0.00 | 0.00 |
| Clearing Members | 2572104 | 0 | 2572104 | 0.04 | 13217810 | 0 | 13217810 | 0.22 | -0.18 |
| Trusts | 11195262 | 0 | 11195262 | 0.18 | 16467802 | 0 | 16467802 | 0.27 | -0.09 |
| Foreign Bodies – D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 5933581 | 4 | 5933585 | 0.10 | -.10 |
| **Sub-total (B)(2):-** | **193145513** | **8515** | **193154028** | **3.09** | **182300933** | **4816** | **182305749** | **2.96** | **0.13** |
| **Total Public Shareholding (B)=(B)(1)+ (B)(2)** | **1331728946** | **8515** | **1331737461** | **21.45** | **1789706730** | **4816** | **1789711546** | **29.04** | **-7.59** |
| **C. Shares held by Custodian for GDRs, AGRs** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| **Grand Total (A+B+C)** | **6207400662** | **8515** | **6207409177** | **100** | **6162723511** | **4816** | **6162728327** | **100** | **0** |

**ii) Shareholding of Promoter:**

| S. No. | Shareholder's Name | Shareholding at the beginning of the year [as on 01-04-2018] | | | Shareholding at the end of the year [as on 31-03-2019] | | | % change in shareholding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1. | President of India through Ministry of Coal | 4875671716 | 78.55 | 0.00 | 4373016781 | 70.96 | 0.00 | 7.59 |

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

| S. No. | Particulars | Shareholding at the beginning of the year [as on 01-04-2018] | | Cumulative Shareholding during the year [as on 31.03.2019] | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | At the beginning of the year | 4875671716 | 78.55 | 4875671716 | 78.55 |
| 2. | Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):' | 1. 1,39,91,488 Divestment of Shares on 29.06.18 by way of Further fund offer of sale in Bharat 22 Exchange Traded Fund 'Â', to ICICI Prudential AMC.<br>2. 19,80,03,931 Divestment of Shares on 31.10.18 and 01.11.18 by way of Offer of Sale through Stock Exchange mechanism<br>3. 13,73,11,943 Divestment on 04.12.18 by way of sale of shares in CPSE ETF to Reliance Nippon, AMC<br>4. 6,81,840 Divestment of Shares on 06.12.18 by ways of Offer of Sale to employees of the Company and subsidiaires<br>5. 2,37,79,267 Divestment of Shares on on 21.02.19 by way of further fund offer of sale in Bharat 22 Exchange Traded Fund<br>6. 4,42,93,572 Buyback of Shares of the Company on 22.03.19<br>7. 8,45,92,894 Divestment on 25.03.19 by way of sale of shares in CPSE ETF | | |
| 3. | At the end of the year | 4373016781 | 70.96 | 4373016781 | 70.96 |

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

| S. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year [as on 01-04-2018] | | For Each of the Top 10 Shareholders | Shareholding at the end of Year [as on 31-03-2019] | |
|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | | No. of shares | % of total shares of the company |
| 1. | LIFE INSURANCE CORPORATION OF INDIA | 556948456 | 8.97 | LIFE INSURANCE CORPORATION OF INDIA | 673999304 | 10.94 |
| 2. | LIFE INSURANCE CORPORATION OF INDIA P & GS FUND | 75694235 | 1.22 | CPSE ETF | 134394028 | 2.18 |
| 3. | THE INCOME FUND OF AMERICA | 38000000 | 0.61 | LIFE INSURANCE CORPORATION OF INDIA P & GS FUND | 75694235 | 1.23 |
| 4. | CPSE ETF | 29224428 | 0.47 | HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND | 43009654 | 0.70 |
| 5. | ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED | 21535658 | 0.35 | THE INCOME FUND OF AMERICA | 38000000 | 0.62 |

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

| S. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year [as on 01-04-2018] | | For Each of the Top 10 Shareholders | Shareholding at the end of Year [as on 31-03-2019] | |
|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | | No. of shares | % of total shares of the company |
| 6. | VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD | 21180306 | 0.34 | GOVERNMENT OF SINGAPORE | 28314077 | 0.46 |
| 7. | GOVERNMENT OF SINGAPORE | 19333195 | 0.31 | VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND | 23325804 | 0.38 |
| 8. | VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND | 16953673 | 0.27 | STATE BANK OF INDIA | 22914605 | 0.37 |
| 9. | NATIONAL INSURANCE COMPANY LTD | 14210351 | 0.23 | VANGUARD TOTAL INTER NATIONAL STOCK INDEX FUND | 22579810 | 0.37 |
| 10. | POWER FINANCE | 13964530 | 0.22 | ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED LIMITED | 18106377 | 0.29 |

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

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginningof the year [as on 01-04-2018] | | Shareholding at the end of the year [as on 31-03-2019] | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| **1.** | **Shri Anil Kumar Jha, Chairman-cum-Managing Director (Appointed as CMD w.e.f 18. 05.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| **2.** | **Shri R.K.Sinha, Official Part -Time Director** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginningof the year [as on 01-04-2018] | | Shareholding at the end of the year [as on 31-03-2019] | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 3. | **Ms. Reena Sinha Puri, Official Part -Time Director (Appointed as director w.e.f. 09-06-17)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| 4. | **Shri C.K. Dey Director ( Finance) (Ceased to be director w.e.f 01.10.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| 5. | **Ms. Loretta Mary Vas Independent Director (Ceased to be director w.e.f 16.11.18 and re-appointment on 17.11.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| 6. | **Dr. Satish Balram Agnihotri Independent Director (Ceased to be director w.e.f 16.11.18 and re-appointment on 17.11.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| 7. | **Dr. D.C. Panigrahi Independent Director (Ceased to be director w.e.f 16.11.18 and re-appointment on 17.11.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| 8. | **Prof. Khanindra Pathak Independent Director (Ceased to be director w.e.f 16.11.18 and re-appointment on 17.11.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginningof the year [as on 01-04-2018] | | Shareholding at the end of the year [as on 31-03-2019] | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| **9.** | **Shri Vinod Jain Independent Director (Ceased to be director w.e.f 16.11.18 and re-appointment on 17.11.18)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| **10** | **Shri S.N. Prasad Director Marketing** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| **11.** | **Shri Vinod Kumar Thakral, Independent Director** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| **12.** | **Shri B.L.Gajipara Independent Director** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| **13.** | **Shri Binay Dayal, Director (Technical)** | | | | |
| | At the beginning of the year | 300 | 300 | 300 | 300 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | 300 | 300 | 300 | 300 |
| **14.** | **Shri R.P. Srivastava, Director (P& IR)** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginningof the year [as on 01-04-2017] | | Shareholding at the end of the year [as on 31-03-2018] | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| **15.** | **Shri S.Sarkar, CFO (Appointed on 01.10.2018** | | | | |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | Nil | Nil | Nil | Nil |
| **16.** | **Shri M. Viswanathan, Company Secretary** | | | | |
| | At the beginning of the year | 400 | 0.00 | 400 | 0.00 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | - | | | |
| | At the end of the year | 400 | 0.00 | 400 | 0.00 |

**V) INDEBTEDNESS: [Indebtedness of the Company including interest outstanding/accrued but not due for payment]:**

| PARTICULARS | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year:** | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| **Total (i+ii+iii)** | NIL | NIL | NIL | NIL |
| Change in Indebtedness during the financial year | | | | |
| * Addition | NIL | NIL | NIL | NIL |
| * Reduction | NIL | NIL | NIL | NIL |
| Net Change | NIL | NIL | NIL | NIL |
| **Indebtedness at the end of the financial year:** | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| **Total (i+ii+iii)** | NIL | NIL | NIL | NIL |

VI). REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

*A. Remuneration to Managing Director, Whole-Time Directors and/or Manager :*

(In ₹)

| S.N | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | | Total Amount |
|---|---|---|---|---|---|---|---|
| | | Shri A.K. Jha | Shri C. K. Dey | Shri S.N. Prasad | Shri B. Dayal | Shri R.P. Srivastava | |
| 1. | | | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3939530 | 3401091 | 4210120 | 3768424 | 2821985 | 1,81,41,150 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 1390512 | 928226 | 1537930 | 1479437 | 1251901 | 65,88,006 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - | |
| 2. | Stock Option | - | - | - | - | - | |
| 3. | Sweat Equity | - | - | - | - | - | |
| 4. | Commission<br>- as % of profit<br>- others, specify | - | - | - | - | - | |
| 5. | Others, please specify | - | - | - | - | - | |
| | **Total (A)** | **5330042** | **4329317** | **5748050** | **5247861** | **4073886** | **2,47,29,156** |

**B. Remuneration to Other Directors :**

(In ₹)

| SN. | Particulars of Remuneration | Name of Directors | | | | | | | Total Amount |
|---|---|---|---|---|---|---|---|---|---|
| **1.** | **Independent Directors:** | **Ms. Loretta Mary Vas** | **Dr. Satish Balram Agnihotri** | **Dr. D.C. Panigrahi** | **Prof. Khanindra Pathak** | **Shri Vinod Jain** | **Shri V.K. Thakral** | **Shri B.L.Gajipara** | |
| | Fee for attending board committee meetings | 1190000 | 1730000 | 1760000 | 1350000 | 1830000 | 1700000 | 990000 | **105,50,000** |
| | Commission | - | - | - | | | - | - | - |
| | Others, please specify | - | - | - | | | - | - | - |
| | **Total (1)** | 1190000 | 1730000 | 1760000 | 1350000 | 1830000 | 1700000 | 990000 | **105,50,000** |
| **2.** | **Other Non-Executive Directors:** | **Shri R.K. Sinha** | **Ms. R.S. Puri** | | | | | | |
| | Fee for attending board committee meetings | - | - | - | | | - | - | - |
| | Commission | - | - | - | | | - | - | - |
| | Others, please specify | - | - | - | | | - | - | - |
| | **Total (2)** | - | - | - | | | - | - | - |
| | **Total (B)=(1+2)** | **1190000** | **1730000** | **1760000** | **1350000** | **1830000** | **1700000** | **990000** | **105,50,000** |

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

(In ₹)

| S. No. | Particulars of Remuneration | Key Managerial Personnel | | | Total Amount (Rs.) |
|---|---|---|---|---|---|
| | | Shri C. K. Dey, CFO till 30.09.18 | Shri S. Sarkar, CFO from 01.10.18 | Shri M. Viswanathan, CS | |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3401091 | 2888649 | 4220714 | 10510454 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 928226 | 362770 | 556032 | 1847028 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | | - | - |
| 2. | Stock Option | - | | - | - |
| 3. | Sweat Equity | - | | - | - |
| 4. | Commission | - | | - | - |
| | - as % of profit | - | | - | - |
| 5. | Others, please specify | - | | - | - |
| | **Total** | **4329317** | **3251419** | **4776746** | **12357482** |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**Sd/-**
**(A. K. Jha)**
**Chairman**
**(DIN - 06645361)**




**ANNEXURE 19**

***LOANS AND ADVANCES, GUARANTEES, INVESTMENTS BY COAL INDIA LTD.***

(Disclosure as per section 186(4) of Companies Act, 2013)

(₹ in crore)

| | For CIL Standalone As at 31.03.19 | | For CIL Consolidated As at 31.03.19 | | Purpose |
|---|---|---|---|---|---|
| **A. Non-Current Loans and Advances** | | | | | |
| **Loans to body corporate and Employees** | | | | | |
| - Secured, considered good | 0.22 | | 16.64 | | As a part of employee benefit measure |
| - Unsecured, considered good | - | | 1,125.09 | | Loan to NLCIL by MCL |
| - Credit impaired | 1.87 | | 1.97 | | |
| | 2.09 | | 1,143.70 | | |
| Less: Allowance for doubtful loans | 1.87 | 0.22 | 1.97 | 1,141.73 | |
| **Total (a)** | | **0.22** | | **1,141.73** | |
| **b. Other Financial Assets** | | | | | |
| Bank Deposits | | 0.41 | | 152.77 | Deposit of surplus fund |
| Deposit in Bank under Shifting & Rehabilitation Fund scheme | | 3,977.25 | | 3,977.25 | Deposit in shifting and rehabilitation fund |
| **Deposits and receivables for Site Restoration :** | | | | | |
| Deposit in Bank under Mine Closure Plan | | 52.01 | | 7,029.91 | Deposit in Mine closure escrow fund for requirement of Mine closure guidelines issued by Ministry of Coal |
| Receivable from Escrow Account for Mine Closure Expenses | | - | | 725.00 | Receivable from escrow fund for expenditure incurred on progressive mine closure activities. |
| Security Deposit for utilities | 3.66 | | 3.66 | | Security Deposit for P&T, |
| Less : Provision | 0.01 | 3.65 | 0.01 | 3.65 | Electricity etc. |
| Other Deposit and Receivables | 33.56 | | 469.49 | | Security Deposit for P&T, |
| Less : Allowance for doubtful | - | 33.56 | 28.40 | 441.09 | Electricity etc. |
| **Total (b)** | | **4,066.88** | | **12,329.67** | |
| **c. Other Non-Current Assets** | | | | | |
| **(i) Capital Advances** | 13.77 | | 1,767.98 | | For procurement of assets for the company |
| Less : Provision for doubtful advances | - | 13.77 | 8.59 | **1,759.39** | |
| **(ii) Advances other than capital advances** | | | | | |
| (a) Security Deposit for utilities | - | | 131.72 | | Security Deposit for P&T, |
| Less : Provision for doubtful deposits | - | - | 2.34 | **129.38** | Electricity etc. |
| (b) Other Deposits and Advances | 0.07 | | 77.80 | | Security Deposit for obtaining |
| Less : Provision for doubtful deposits | - | 0.07 | 1.56 | **76.24** | day to day services and For procurement of misc. items and other services etc. |
| **TOTAL (c)** | | **13.84** | | **1,965.01** | |
| **Total (a+b+c)** | | **4,080.94** | | **15,436.41** | |

## LOANS AND ADVANCES, GUARANTEES, INVESTMENTS BY COAL INDIA LTD.

(Disclosure as per section 186(4) of Companies Act. 2013)

( ₹ in Crore)

| | For CIL Standalone As at 31.03.18 | | For CIL Consolidated As at 31.03.18 | | Purpose |
|---|---|---|---|---|---|
| **B. Current Loans and Advances** | | | | | |
| **a. Loans** | | | | | |
| **Loans to body corporate and employees** | | | | | |
| - Secured, considered good | - | | 1.75 | | As a part of employee benefit measure |
| - Unsecured, considered good | - | | 500.58 | | Current balance inLoan to NLCIL by MCL |
| Less: Provision for doubtful loans | - | - | - | 502.33 | |
| **TOTAL (a)** | | **-** | | **502.33** | |
| **b. Other financial assets** | | | | | |
| **Deposits and receivables for Site Restoration :** Receivable from Escrow Account for Mine Closure Expenses | | | | 628.97 | Receivable from escrow fund for exenditure incurred on progressive mine closure activities. |
| Current Account with Subsidiaries | 527.55 | | - | | For transactions with subsidiaries relating to Apex Charges, Rehabilitation Charges and other transactions |
| Less: Provision for Doubtful Advances | 53.83 | 473.72 | - | - | |
| Interest accrued | | 1.21 | | 1,165.45 | Interest accrued on Investment, Bank deposit and Other lendings of surplus fund. |
| Claims & other receivables | 118.24 | | 1,785.84 | | Mainly includes claim receivable from customers and income tax refunds, amount recoverable from contractors, customers & suppliers, employee benefit funds etc. |
| Less: Allowance for doubtful claims | 7.39 | 110.85 | 65.84 | 1,720.00 | |
| **TOTAL (b)** | | **585.78** | | **3,514.42** | |
| **c. Other current assets** | | | | | |
| (b) Advance for Revenue (goods & services) | 8.98 | | 505.94 | | For procurement of misc. items and |
| Less : Provision for doubtful advances | - | 8.98 | 8.94 | 497.00 | other services etc. |
| (c) Advance payment of statutory dues | - | | 1,842.88 | | As per requirement of various Statutory Acts |
| Less : Provision for doubtful advances | - | - | 0.31 | 1,842.57 | |
| (e) Other Advances and Deposits | 6.30 | | 5,552.52 | | Recoverable Advance against dues to employees and Advance against various miscellaneous expenses, Income tax, commercial tax etc. deposited under protest,etc |
| Less : Provision for doubtful advances | - | 6.30 | 23.88 | 5,528.64 | |
| Input Tax Credit Entitlement | | 0.95 | | 4,355.64 | Input Tax Credit to be utilised/refund under GST Act |
| MAT CREDIT ENTITLEMENT | | 138.28 | | 165.20 | MAT CREDIT under Income Tax |
| **TOTAL (c)** | | **154.51** | | **12,389.05** | |
| **Total (a+b+c)** | | **740.29** | | **16,405.80** | |

(₹ in Crore)

| | For CIL Standalone As at 31.03.19 | For CIL Consolidated As at 31.03.19 | Purpose |
|---|---|---|---|
| **C. GUARANTEES** | | | |
| a. The company has given guarantee on behalf of subsidiaries Eastern Coalfields Limited and Mahanadi Coalfields Limited to the extent of their obligations under loans (principal and interest) made to Export Development Corporation, Canada and Natixis Banque. The outstanding balance of which as on 31.03.2019 are: | | | |
| Export Development Corporation, Canada | 165.55 | 165.55 | |
| Natixis Banque, Paris | 6.29 | 6.29 | |
| b. Bank guarantee | 0.84 | 438.43 | |
| **TOTAL(C)** | **172.68** | **610.27** | |

(₹ in crore)

| **Particulars** | **For CIL Standalone As at 31.03.19** | **For CIL Consolidated As at 31.03.19** | **Purpose** |
|---|---|---|---|
| **D. INVESTMENTS** | | | |
| **1. Non Current Investments(Unquoted)** | | | |
| ***a. Investment in Co-operative shares (Unquoted)*** | | | Management participation |
| "B" class shares in Coal Mines Officers Cooperative Credit Society Ltd. | - | 0.05 | |
| "D" class shares in Dishergarh colly Worker's central co-opt store Ltd. | - | 0.01 | |
| Shares of Rs 25/- each in the Mugma coalfield colly Worker's central co-opt store Ltd | - | 0.01 | |
| "B" class shares in Sodepur colly Employee's co-opt credit society Ltd. | - | 0.005 | |
| "B" class shares in Dhenomain colly. Employees' co-opt credit society Ltd. | - | 0.005 | |
| **Total (a)** | **-** | **0.08** | |
| **b. Investments in Secured Bonds (quoted)** | | | Investment of Surplus fund in various securities |
| 7.55 % Secured Non convertible IRFC Tax free 2021 series 79 bonds | - | 200.00 | |
| 8% Secured Non convertible IRFC bonds Tax free | - | 108.75 | |
| 7.22 % Secured Non convertible IRFC bond Tax free | - | 499.95 | |
| 7.22 % Secured Redeemable REC bond Tax free | - | 150.00 | |
| **Total (b)** | **-** | **958.70** | |

(₹ in crore)

| Particulars | For CIL Standalone As at 31.03.19 | For CIL Consolidated As at 31.03.19 | Purpose |
|---|---|---|---|
| **Investment in Equity Instruments** | | | |
| **(c) Equity Shares in Subsidiary Companies** | | | Strategic Investment in wholly owned subsidiary |
| Eastern Coalfields Limited (Sanctoria , West Bengal ) | 2218.45 | - | |
| Central Coalfields Limited (Ranchi , Jharkhand ) | 940.00 | | |
| Bharat Coking Coal Limited (Dhanbad, Jharkhand) | 2118.00 | - | |
| Western Coalfields Limited (Nagpur , Maharastra) | 297.10 | - | |
| Central Mine Planning & Design Institute Limited (Ranchi , Jharkhand) | 19.04 | - | |
| Northern Coalfields Limited (Singrauli, Madhya Pradesh ) | 126.19 | - | |
| South Eastern Coalfields Limited (Bilaspur, Chattisgarh) | 278.36 | - | |
| Mahanadi Coalfields Limited (Sambalpur, Orissa) | 132.37 | - | |
| Coal India Africana Limitada (Moatize, Mozambique) | 0.01 | - | |
| **Total (c)** | **6,129.52** | **-** | |
| **(d) Equity Shares in Joint Venture Companies (Unquoted)** | | | |
| International Coal Venture Private Limited , New Delhi | 2.80 | 7.35 | JV for acquisition of coking coal properties abroad |
| CIL NTPC Urja Private Limited , New Delhi | 0.08 | 0.03 | JV for setting up a joint integrated power plants along with mining of coal |
| Talcher Fertilizers Limited, Bhubaneswar, Orissa | 16.34 | 11.27 | JV for revival of Talcher unit of FCIL |
| Hidustan Urvarak & Rasayan Limited, Kolkata | 440.33 | 443.58 | JV for revival of Sindri, gorakhpur fertiliser unit of FCIL and Barauni unit of HFCL. |
| **Total (d)** | **459.55** | **462.23** | |
| **(e) Other Equity (Preference Share classifed as Equity Component)** | | | Conversion of outstanding Loan and other Current Account balance as per BIFR scheme for reconstruction |
| 5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd. | 1057.52 | - | |
| 6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd. | 855.61 | - | |
| **Total (e)** | **1913.13** | **-** | |
| **(f) Preference Shares in Subsidiary Companies -Classified as debt Component** | | | Conversion of outstanding Loan and other Current Account balance as per BIFR scheme for reconstruction |
| 5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd. | 2,350.93 | - | |
| 6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd. | 1,662.03 | - | |
| **Total (f)** | **4,012.96** | **-** | |
| **Grand Total (a+b+c+d+e+f) (1)** | **12,515.16** | **1,421.01** | |
| **2. Current** | | | |
| **Mutual Fund Investment** | | | Investment of surplus fund in various securities |
| SBI Mutual Fund | 9.04 | 827.08 | |
| UTI Mutual Fund | 13.70 | 922.88 | |
| **Total (2)** | **22.74** | **1,749.96** | |
| **Total (1 + 2)** | **12,537.90** | **3,170.97** | |

## Form AOC-1

### Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 as on 31st March' 2019

**Part "A": Subsidiaries**

Figures in Crores except entry in Sl. No 9

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Current Invest-ments | Non-Current Invest-ments | Tum over | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discon-tinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Compre-hensive Income (Net of Tax) | Total compr-hensive Income | % of Share-holding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Eastern Coalfields Limited | INR | 2218.45 | (1169.94) | 13066.45 | 13066.45 | - | 0.08 | 18385.03 | 1298.39 | 549.62 | - | - | 748.77 | (42.39) | 706.38 | 100.00 |
| 2 | Bharat Coking Coal Limited | INR | 2118.00 | (1065.68) | 10311.06 | 10311.06 | 26.40 | - | 12899.98 | 557.05 | 268.28 | - | - | 288.77 | 134.85 | 423.62 | 100.00 |
| 3 | Central Coalfields Limited | INR | 940.00 | 4203.04 | 15740.20 | 15740.20 | 52.56 | - | 16343.92 | 2693.96 | 988.32 | - | (0.42) | 1705.64 | (19.69) | 1685.95 | 100.00 |
| 4 | Northern Coalfields Limited | INR | 630.94 | 3546.76 | 16072.42 | 16072.42 | 642.12 | - | 23052.51 | 6659.16 | 2,547.88 | - | - | 4111.28 | (29.30) | 4081.98 | 100.00 |
| 5 | Western Coalfields Limited | INR | 297.10 | 827.79 | 12847.64 | 12847.64 | 5.11 | - | 13514.24 | 193.72 | (75.61) | - | - | 269.33 | (13.19) | 256.14 | 100.00 |
| 6 | South Eastern Coalfields Limited | INR | 668.06 | 2962.97 | 27769.52 | 27769.52 | 0.20 | - | 31368.72 | 5570.40 | 1,959.12 | - | 0.09 | 3611.28 | 12.89 | 3624.17 | 100.00 |
| 7 | Mahanadi Coalfields Limited | INR | 661.84 | 3190.06 | 30066.50 | 30066.50 | 1,000.83 | 958.70 | 24607.68 | 9227.49 | 3,241.54 | - | - | 6035.95 | (10.59) | 6025.36 | 100.00 |
| 8 | Central Mine Planning & Design Institute Limited | INR | 38.08 | 428.74 | 1418.02 | 1418.02 | - | - | 1503.84 | 263.82 | 90.55 | - | - | 173.27 | (4.16) | 169.11 | 100.00 |
| 9 | Coal India Africana Limitada (Mozambique) (MZN & INR in Lacs) | INR | 0.49 | -3005.83 | 43.14 | 43.14 | - | - | - | -73.20 | - | - | - | -73.20 | - | - | 100.00 |
| | | MZN | 0.25 | -2766.68 | 39.71 | 39.71 | - | - | - | -4.25 | - | - | - | -4.25 | - | - | - |

**Note**

1 Coal India Aficana Limitada (Mozambique) is yet to commence operations

2 As on 31.03.2019 1 MZN = ₹ 0.92050695

**MCL, a subsidiary of CIL has further four Subsidiaries, details of which are given below**

(₹ In Crores)

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Capital | Reserve | Total Assets | Total Liabilities | Current Invest-ments | Non-Current Invest-ments | Tum over | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discon-tinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Compre-hensive Income (Net of Tax) | Total compr-hensive Income | % of Share-holding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | MNH Shakti Limited | INR | 85.10 | (0.52) | 84.96 | 84.96 | - | - | - | - | - | - | - | - | - | - | 70.00 |
| 2 | MJSJ Coal Limited | INR | 95.10 | (1.01) | 95.36 | 95.36 | - | - | - | - | - | - | - | - | - | - | 60.00 |
| 3 | Mahanadi Basin Power Limited | INR | 0.05 | (5.96) | 18.58 | 18.58 | - | - | - | (0.03) | - | - | - | (0.03) | - | (0.03) | 100.00 |
| 4 | Mahanadi Coal Railway Limited | INR | 0.05 | (0.03) | 44.13 | 44.13 | - | - | - | (0.01) | - | - | - | (0.01) | - | - | 64.00 |

1 MNH Shakti Limited, MJSJ Limited , Mahanadi Basin Power Limited & Mahanadi Coal Railway Limited are yet to commence operations.

**SECL, a subsidiary of CIL has further two Subsidiaries, details of which are given below**

(₹ In Crores)

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Capital | Reserve | Total Assets | Total Liabilities | Current Invest-ments | Non-Current Invest-ments | Tum over | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discon-tinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Compre-hensive Income (Net of Tax) | Total compr-hensive Income | % of Share-holding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Chattisgarh East Railway Ltd | INR | 441.00 | (0.71) | 1732.86 | 1732.86 | - | - | - | (0.15) | - | - | - | (0.15) | - | (0.15) | 68.42 |
| 2 | Chattisgarh East-West Railway Ltd. | INR | 504.06 | (0.59) | 645.67 | 645.67 | - | - | - | (0.12) | - | - | - | (0.12) | - | (0.12) | 64.06 |

**Note**

1 Chattisgarh East Railway Limited & Chattisgarh East-West Railway Limited are yet to commence operations.

CCL, a subsidiary of CIL has further one Subsidiaries, details of which are given below

(₹ In Crores)

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Capital | Reserve | Total Assets | Total Liabilities | Current Investments | Non-Current Investments | Turn over | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discontinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Comprehensive Income (Net of Tax) | Total comprehensive Income | % of Shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Jharkhand Central Railway Limited | INR | 50.00 | 0.52 | 192.14 | 192.14 | - | - | - | 1.77 | 0.59 | - | - | 1.17 | - | 1.17 | 64.00 |

Note

1 Jharkhand Central railway Limited are yet to commence operations.

**For Ray & Ray**
**Chartered Accountants**
**Firm Registration No. 301072E**

**Sd/-**
**A.K.Jha**
**Chairman- Cum-Managing Director**
**DIN - 06645361**

**Sd/-**
**S.N. Prased**
**Director (Marketing/Finance)**
**DIN - 07408431**

**(Nabanita Ghosh)**
**Partner, Membership No. 058477**

**S.Sarkar**
**G.M. (Finance I / C) / CFO**

**S. Dutta**
**G.M. (Finance)**

**M. Viswanathan**
**Company Secretary**

**Part "B": Associates and Joint Ventures**

**Statement persuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(₹ in Crore)

| Name of Associates/Joint Ventures | CIL NTPC Urja Private Limited | International Coal Ventures Private Limited | Talcher Fertilizers Limited | Hindustan Urvarak & Rasayan Limited, Kolkata |
|---|---|---|---|---|
| 1. Latest audited Balance Sheet Date | 31.03.2019 | 31.03.2019 | 31.03.2019 | 31.03.2019 |
| 2. Shares of Associate /Joint Ventures held by the company on the year end | | | | |
| No. of shares | 76900 | 2800000 | 16344568 | 440325000 |
| Amount of Investment in Associates/ Joint Venture | 0.08 | 2.80 | 16.34 | 440.33 |
| Extent of Holding% | 50 | 0.19 | 33.33 | 33.33 |
| 3. Description of how there is significant influence | By virtue of Shareholding | By virtue of agreement | By virtue of agreement | By virtue of agreement |
| 4. Reason why the associate /Joint venture is not consolidated | NA | NA | NA | NA |
| 5. Networth attributable to Shareholding as per latest audited Balance Sheet | 0.02 | 4.10 | 11.28 | 443.54 |
| 6. Profit/(Loss) for the year | | | | |
| i. Considered in Consolidation | - | (0.22) | (5.08) | 4.47 |
| ii. Not Considered in Consolidation | NA | NA | NA | NA |

Note-CIL NTPC Urja Private Limited,Talcher Fertilizers Limited and Hindustan Urvarak and Rasayan Limited are yet to commence operation.

**For Ray & Ray**
**Chartered Accountants**
**Firm Registration No. 301072E**

**(Nabanita Ghosh)**
**Partner, Membership No. 058477**

**Sd/-**
**A.K.Jha**
**Chairman- Cum-Managing Director**
**DIN - 06645361**

**S.Sarkar**
**G.M. (Finance I / C) / CFO**

**Sd/-**
**S.N. Prased**
**Director (Marketing/Finance)**
**DIN - 07408431**

**S. Dutta**
**G.M. (Finance)**

**M. Viswanathan**
**Company Secretary**

**Annexure-21**

**Form No. MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
Coal India Limited
Coal Bhawan, Premises No-04 MAR
Plot No-AF-III, Action Area-1 A, 3rd Floor
New Town Rajarhat
Kolkata- 700156

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coal India Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company(as per Annexure I, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2018 to March 31, 2019 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board- processes and compliance-mechanism place to the extent, in the manner and subject to the reporting made hereinafter:

**We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:**

1. The Companies Act, 2013 (the "Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    d. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "Listing Regulations, 2015");
    e. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
    f. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
5. Corporate Governance Guidelines issued by Department of Public Enterprises vide their OM. No. 18(8)/2005-GM dated 14th May, 2010.
6. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India;

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Coal Mines Act, 1952
2. Indian Explosives Act, 1884
3. Colliery Control Order, 2000 and Colliery Control Rules, 2004
4. The Coal Mines Regulations, 2017
5. The Payment of Wages (Mines) Rules, 1956
6. Coal Mines Pension Scheme, 1998
7. Coal Mines Conservation and Development Act, 1974
8. The Mines Vocational Training Rules, 1966
9. The Mines Creche Rules, 1961
10. The Mines Rescue Rules, 1985
11. Coal Mines Pithead Bath Rules, 1946
12. Maternity Benefit (Mines and Circus) Rules, 1963
13. The Explosives Rules, 2008
14. Mineral Concession Rules, 1960
15. Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948
16. Mines and Minerals (Development and Regulation) Act, 1957
17. The Payment of Undisbursed Wages (Mines) Rules, 1989
18. Indian Electricity Act, 2003 and the Indian Electricity Rules, 1956
19. Environment Protection Act, 1986 and Environment Protection Rules, 1986
20. The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
21. The Water (Prevention & Control of Pollution)Act, 1974 and Rules made thereunder
22. The Air (Prevention & Control of Pollution) Act, 1981

**Management's Responsibility**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company or examined any books, information or statements other than Books and Papers.
4. We have not examined any other specific laws except as mentioned above.
5. Wherever required, we have obtained the Management Representation about the compliance of aforesaid Laws, Rules, Regulations, Standards, Guidelines and happening of events etc.
6. The compliance of the provisions of corporate laws and other applicable Rules, Regulations, Guidelines, Standards etc. is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above. As regards certain Corporate Governance provisions, the Company being a Central PSU, the regulatory framework applicable to Government Companies is designed to ensure compliances in respect of matters pertaining to appointment, evaluation and succession of directors.

**We further report** that subject to the aforesaid observations, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, 2015 as well as Corporate Governance Guidelines issued by Department of Public Enterprises.

**We further report** that the Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on the said date. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of law.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions made in the Board were carried out with unanimous consent of all the Directors present during the meeting.

**We further report** that based on the information provided by the Company during the Audit Period and also on the review of quarterly compliance reports by the Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable general laws.

**We further report** that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

**Buyback of equity shares of the Company**

The Board of Directors in their meeting dated 4th February, 2019 had taken approval for buyback of 4,46,80,850 fully paid-up equity shares of face value Rs. 10 each, representing 0.72% of the total number of equity shares in the issued, subscribed and paid-up equity share capital of the Company as at March 31, 2018 from the shareholders or beneficial owners of equity shares of the Company as on the Record Date i.e. 15th February, 2019 on a proportionate basis, through the "Tender Offer" route at a price of Rs. 235/- per equity share for an aggregate amount not exceeding Rs. 1050 Cr. The process for buyback was completed on 22nd March, 2019 post extinguishment of the share certificates bought back.

**For VINOD KOTHARI & COMPANY**
**Practising Company Secretaries**
**Sd/-**
**(Arun Kumar Maitra)**
*Partner*
**Membership No. A3010**
**C.P.No. 14490**

**Place: Kolkata**
**Date: 6th June, 2019**




ANNEXURE-I

**List of Documents**

**1. Corporate Matters**

1.1 Minutes books of the following meetings were provided in original

1.1.1 Board Meeting;

1.1.2 Audit Committee;

1.1.3 Nomination and Remuneration Committee;

1.1.4 Stakeholders Relationship Committee;

1.1.5 Corporate Social Responsibility Committee;

1.1.6 Risk Management Committee;

1.1.7 General Meeting;

1.1.8 Share Transfer Committee;

1.2 Agenda papers for Board and Committee Meetings along with Notice;

1.3 Annual Report for the Financial Year 2017-2018and Provisional Accounts upto December, 2018;

1.4 Disclosures under Act and Listing Regulations, 2015;

1.6 Policies framed under Act and Listing Regulations, 2015;

1.8 Documents pertaining to Listing Regulations, 2015;

1.9 Registers maintained under Act;

1.10 Forms and Returns filed with the ROC & RBI;

1.11 Documents under SEBI (Prohibition of Insider Trading) Regulations, 2015;

1.12 Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

**SECRETARIAL AUDIT EPORT**
**Form No.-MR-3**
**For the Financial Year ended 31st March, 2019**

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

To,
The Members
**M/s. Eastern Coalfields Limited**
P.O. Dishergarh, Sanatoria,
Burdwan-713333
West Bengal India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Eastern Coalfields Limited (CIN: U10101WB1975GO1030295)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has. during the audit period covering the financial year ended on 31st March, 2019, compl ied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Eastern Coalfields Limited ("the Company")** for the financial year ended on 31st March, 2019, according to the provisions of:

(i) The Companies Act, 2013 **(the Act)** and the Rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 OSEBI Act'),
(vi) Other laws specifically applicable to the Company.

***Note: The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder and The Depositories Act, 1996 and the thereunder are not applicable to the Company.***

**I have also examined compliance with the applicable clauses of the following:**

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) Guidelines on Corporate Governance of CPSE, 2010.

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

- **As per available information, company is not having sufficient number of Independent Director as required under Section 149 of the Act.**
- **The available record shows that there is a shortfall/ unexpended amount *of* Rs. 7,83 Crore in the Corporate Social Responsibility activity.**
- **As per Section 177 of Companies Act, 2013 Audit Committee is required to be constituted. It is not being properly constituted.**

**I further report that:**

The Board of Directors of the Company is duly constituted as per the Companies Act, 2013 except appointment of independent director. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance'with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the audit period under review, all decisions at Board Meetings were carried out unanimously,

**I further report that** there are adequate systems and processes in the -company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as observed below:

- The company has complied with all applicable Environmental laws as per undertaking provided by the General Manager (Environment & Forest) Department of the Company vide Ref No. ECL/ENV/210 dated 13/06/2019,
- District Mining Officers (DMOs) in the state of Jharkhand had served demand notice to 11 coal mines of Eastern Coalfields Limited for alleged violation of Environmental Clearance (EC) capacity from 2000-01 to 2016-17 under Section 21(5) of the MMDR Act 1957. The total amount of demand raised for 11 mines (Mugma Area-8 mines, Rajmahal Area-2 mines and S.P. Mines Area-1 mine) for the period mentioned above is about Rs. 2178.14 crore. ECL has filed revision application to Single Bench Revisional Authority, Ministry of Coal. New Delhi under Section 30 of the 'Mines & Minerals (Development & Regulation) Act, 1957 on 16.01.2018 and got the stay on 22.01.2018. Now the matter is under sub-judice.

**Sd/-**
**(DINESH AGARWAL)**
*Company Secretary*
**C.P.No. 5881**
**Membership No. 6315**

**Place: Kolkata**
**Date: 17th June, 2019**

**"ANNEXURE A"**

To
The Members
**M/s. Eastern Coalfields Limited**
P.O. Dishergarh, Sanatoria,
Burdwan-713333
West Bengal. India

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

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

Sd/-
**(DINESH AGARWAL)**
*Company Secretary*
**C. P. No. 5881**
**Membership No. 6315**

**Place: Kolkata**
**Date: 17th June, 2019**

**Management Reply to the Secretarial Audit Report - 2018-19 of ECL**

M/s Agarwalla Dinesh & Co., Practicing Company Secretaries, Kolkata were appointed asSecretarial Auditor of Eastern Coalfields Limited for the year 2016-17 to 2018-19. Secretarial Audit of ECL for FY-2018-19 and have submitted their report dated 27.06.2019 (Copy enclosed).

Company Secretary, CIL has sought a copy of Secretarial Audit Report-2018-19 of ECL along with Management Reply to the observations made by Secretarial Auditor. The observations made by the Secretarial Auditor along with proposed Management Reply is given below :

| SI No. | Observation by Secretarial Auditor | Management Reply |
|---|---|---|
| 1. | As per available information, company is not having sufficient number of Independent Director as required u/s 149 of the Act. | It is a statement of fact. ECL is having only two Independent Directors in the form of Prof. (Dr.) Indira Chakravarty and Shri Pravin Kant who were appointed on the Board of ECL w.e.f 17.11.2015 and 13.12.2018 respectively. |
| 2. | As per section 177 of the Companies Act, 2013 Audit Committee is required to be constituted. It is not being properly constituted. | Audit Committee is constituted, but there is only two independent directors as stated above. Appointment of Directors in ECL is being done bv Ministry of Coal, Govt of India |
| 3. | The available records show that there is shortfall/unexpended amount of ₹ 7.83 Crore in Corporate Social Responsibility activity. | It is a statement of fact. Adequate disclosure in this regard has been made in the Board's Report-2018-19. |
| 4. | District Mining Officers (DMOs) in the state of Jharkhand had served demand notice to 11 coal mines of Eastern Coalfields Limited for alleged violation of Environmental Clearance (EC) capacity from 2000-01 to 2016-17 under Section 21(5) of the MMDR Act, 1957. The total amount of demand raised for 11 mines (Mugma Area-8 mines, Rajmahal Area-2 mines and S.P. Mines Area-1 mine) for the period mentioned above is about ₹ 2178.14 crore. ECL has filed revision petition to Single Bench Revisional Authority, Ministry of Coal, New Delhi under Section 30 of the 'Mines & Minerals (Development & Regulation) Act, 1957 on 16.01.2018 and got the stay on 22.01.2018. Now the matter is under sub-judice. | It is a statement of fact. |

**SECRETARIAL AUDIT REPORT**

*For The Financial Year EndedMarch 31st, 2019*

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

**Satish Kumar & Associates**
Company Secretaries
Flat No. 201, 2nd Floor, Urmila Apartment,
UddhavBabu Lane, Tharpakhna,
Ranchi- 834001
Ph:-09334606570/ 09135009905/ 0651-2212943
E-Mail:- **cssatish26@gmail.com/skaranchioffice@gmail.com**
PAN:- ADGFS8830H

To,

The Members,

NORTHERN COALFIELDS LIMITED

P.O- Singrauli Colliery Singrauli, MP- 486889

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s NORTHERN COALFIELDS LIMITEDP.O- Singrauli Colliery Singrauli MP- 486889 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the audit period from April, 2018 to March, 2019, complied with the statutory provisions listed hereunder.

We have examined the registers, records, books and papers of M/s Northern Coalfields Limited("the Company") for the Financial Year ended on 31st March, 2019 according to the provisions of:

1. The Companies Act, 2013 and the Rules made there under.
2. Secretarial Standards issued by the Institute of Company Secretaries of India.
3. Guidelines on Corporate Governance for Central Public Sector Enterprises, issued by Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.
4. Contract Labour (Regulation and Abolition) Act, 1970.
5. The Environment (Protection) Act, 1986 and other environmental laws and rules framed thereunder.
6. Other Acts and Laws as applicable on the Company.

**I.** In our opinion, based on the examination carried out by us, verification of records produced to us and according to the information furnished to us by the Company and Officers, the Company has complied with the provisions of the Companies Act, 2013 ("the Act") and Rules made under the Act, the Memorandum and Articles of association of the Company, subject to the provisions as stated specifically herein; and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. Maintenance of various statutory registers and documents and making necessary entries therein.
2. Form of Balance Sheet as prescribed under Part I, form of Statement of Profit and Loss as prescribed under Part II and general instructions for preparation of the same as prescribed in Schedule III to the Act.
3. Composition of the Board of Directors with an adequate balance of Executive, Non-Executiveand Independent Director during the period under review.
4. Registered Office and publication of the name of the Company.
5. Filing of requisite forms and returns with the Registrar of Companies, Gwalior within the time prescribed under the Act and the rules framed there under.
6. Convening and holding of the Meetings of Board of Directors and Committees thereof.
7. Convening and holding of 33rd Annual General Meeting of the Members on Monday, 16th July, 2018.

8. Maintenance of Minutes of the proceedings of the Annual General Meeting, Extra-ordinary General Meeting, Board Meetings and Meetings of Committees of the Board, properly recorded in loose leaf form, which are being bound in a book form at regular intervals.
9. Payment of Remuneration to Directors.
10. Appointment and Remuneration of Statutory Auditors, Internal Auditors and Cost Auditors.
11. Composition and terms of reference of the Audit Committee and Nomination & Remuneration Committee.
12. Service of Documents by the Company on its Members and Auditors.
13. Undertaking of all the compliances with regard to filling of the various Statutory Returns, maintenance of Registers of Contractors, etc. as prescribed under Contract Labour (Regulation and Abolition) Act, 1970, and all other applicable Labour Laws based on the certificates received from the concerned officials.

**II. We further report that**

1. The Directors have disclosed their Shareholdings and Directorships in other companies and interests in other entities as and when required and their interests have been noted and recorded by the Board.
2. The Directors have complied with the disclosure requirements in respect of their eligibility of appointments, their being independent and compliance with the Code of Conduct of Directors and Senior Management Personnel.
3. There was no prosecution initiated and no fines or penalties were imposed on the Company, its Directors and Officers, during the period under review.
4. No compliances of any nature are pending with the company based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) & other certificate issued by the Company Secretary, Compliance Officer of the Companyand other Departmental Heads of the Company.

**MANAGEMENT'S RESPONSIBILITY**

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide a reasonable basis to form our opinion.
3. We have examined the financial records in line of the compliances of the Companies Act.
4. Wherever required, we have obtained the Management Representation/Certification about the compliance of laws, rules and regulations, happening of events, etc.
5. The compliance of the provisions of Corporate Governance and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The Company has buy back 5,18,560 no. of Fully paid equity shares, complying with the provisions of the Companies Act, 2013 laid down in this regard.

Disclaimer:-

1. We have not verified the correctness and appropriateness of financial records and books of account of the Company.
2. Further the compliances with regard to other laws are being reported as complied merely on the basis of certificates received from the concerned officials.

For **Satish Kumar & Associates**

Sd/-

**Satish Kumar**
Company Secretary
FCS No.: 8423
C.P. No.: 9788

Place: **Ranchi**

Date: **13th June, 2019**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31/03/2019

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

To,
The Members
**South Eastern Coalfields Limited**
Seepat Road. Bilaspur-495 006
Chhattisgarh

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by South Eastern Coalfields Limited, a Mini Ratna PSU, (hereinafter called the **"Company").** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 (**"Audit Period"**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the linancial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the **"Act"**) and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;

(i) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the thereunder;

**(Not Applicable to the Company during the Audit Report)**

(ii) The Depositories Act. 1996;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

**(Not Applicable to the Company during the Audit Report)**

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

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

**(Not Applicable to the Company during the Audit Report)**

**b)** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**c)** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

**(Not Applicable to the Company during the Audit Report)**

**e)** The SEBI (Share Based Employee Benefits) Regulations, 2014;

**(Not Applicable to the Company during the Audit Report)**

**f)** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008;

**(Not Applicable to the Company during the Audit Report)**

**g)** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

**(Not Applicable to the Company during the Audit Report)**

**h)** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

**(Not Applicable to the Company during the Audit Report);**

**i)** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**(Not Applicable to the Company during the Audit Report);**

(v) Other laws applicable to the Company including Environmental Laws as per the representations made by the Management.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by the Institute of Company Secretaries of India; and
- Corporate Governance Guidelines issued by Department of Public Enterprises vide their OM. No. 18(8)/2005-GM dated May 14, 2010:

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors. Non-Executive Directors and Independent Directors as prescribed under the Companies Act, 2013 read with the Corporate Governance Guidelines issued by Department of Public Enterprises vide their OM. No. 18(8)/2005-GM dated May 14, 2010.

**The Company has represented to the Ministry of Coal, Government of India, for nominating Woman Director on the Board of SECL.**

**Coal India Limited, being the Holding Company has constituted the Remuneration Committee for all its subsidiaries. The remuneration of Directors/Officers however, is decided by Government of India.**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 (seven) days in advance, ***except in case of exigencies*** and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried out unanimously while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on the information provided by the Company, during the Audit Period, in our opinion, adequate systems and processes exist in the company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, there was no specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc. except the following:

**(i) Buy-back of shares**

During the Audit Period, the Company has bought back 4,90,039 (Four Lakh Ninety Thousand and Thirty Nine) fully paid-up Equity shares of Rs. 1,000 (Rupees One Thousand) each at Rs.7244.32 (Seven Thousand Two Hundred and Forty Four Rupees and Thirty Two Paisa) per share, representing 7.453% of the Equity Share Capital and Free Reserves of the Company.

**(ii) Subscription to Rights Issue of Chhattisgarh East Railway Limited**

During the Audit Period, the Company has subscribed to 9,60,00,000 (Nine Crore Sixty Lakh) Equity shares of Rs. 10 (Rupees Ten) each, amounting to Rs. 96,00,00,000 (Rupees Ninety Six Crore), in the Rights Issue of its Subsidiary Company i.e. Chhattisgarh East Railway Limited.

**(iii) Grant of Loan to Chhattisgarh East-West Railway Limited**

During the Audit Period, the Company has approved to grant loan not exceeding Rs. 96,00,000 (Rupees Ninety Six Crore) to its Subsidiary Company, i.e. Chhattisgarh East- West Railway Limited.

*for* **M&K Associates**
**Company Secretaries**

**Sd/-**

**Manoj Kumar Koyalkar**
**FCS No.9298**
**C P No. 10004**

Hyderabad. May 6, 2019

Note: *This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.*

**Annexure-A**

To
The Members
**South Eastern Coalfields Limited**
Seepat Road, Bilaspur-495006
Chhattisgarh

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

a. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

d. We have not examined any other specific laws except as mentioned above.

e. Where ever required, we have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.

f. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

g. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

*for* **M&K Associates**
**Company Secretaries**

**Sd/-**

**Manoj Kumar Koyalkar**
**FCS No.9298**
**C P No. 10004**

Hyderabad. May 6, 2019

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 2018 – 2019

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

**To,**

**The Members,**

**Mahanadi Coalfields Limited,**

**Jagruti Vihar, Burla, Sambalpur.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MAHANADI COALFIELDS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

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

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not Applicable)**

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable)**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable)**

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

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable)**

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable)**

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable)**

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable)**

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable)**

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable)**

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable)** and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable)**

vi. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises.

vii. Compliances and processes under following Industry Specific Laws are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company by different departments and on the basis of verification of documents & records maintained by the company on test check basis:

   a. Mines Act, 1952

   b. Mines Concession Rules, 1960

c. The Mines Rescue Rules, 1985
d. The Mines Vocational Training Rules, 1966
e. Mines (Posting of Abstracts) Rules, 1954
f. Mines & Mineral (Development Regulations) Act, 1957
g. Indian Electricity Rules, 1985
h. Indian Explosives Act, 1884
i. Indian Explosives Rules, 2008
j. Coal Mines Regulations, 1957
k. Coal Mines Conservation & Development Act, 1974
l. Coal Mines Pension Scheme, 1998
m. Coal Mines provident (Miscellaneous Provisions) Act, 1948
n. Environment Protection Act, 1986
o. The Water (Prevention & Control of Pollution Act), 1974
p. The Air (Prevention and Control of Pollution) Act, 1981
q. Payment of Wages(Mines) Rules, 1956
r. Payment of Undisbursed wages (Mines) Rules, 1959
s. The Maternity Benefit(Mines) Rules, 1963
t. Colliery Control Order, 2000
u. Colliery Control Rules, 2004
v. Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules, 1990

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by the Institute of Company Secretaries of India**.**

ii. The Listing Agreements entered into by the Company with any Stock Exchange(s); (**Not Applicable**)

We are not reporting on compliance of Fiscal Laws and the maintenance of financial records and books of accounts, since those are to be reviewed by the Statutory Auditor in the course of Statutory Audit.

**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, DPE Guidelines, Secretarial Standards, etc. as applicable to the Company subject to the Observations and Qualifications specified in Annexure- B.**

**COMPOSITION OF BOARD:**

The Board of Directors of the Company is duly constituted subject to the Observations and Qualifications specified in **Annexure-B** and the changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and disclosure of information to the Board were adequate and proper board procedure had been followed by the company.

**HOLDING OF MEETINGS:**

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting. Majority decisions at Board & Committee Meetings are carried unanimously and duly recorded in the Minutes Book.

**COMPLIANCE WITH APPLICABLE LAWS, RULES, REGULATIONS & GUIDELINES:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**BUY BACK OF EQUITY SHARES:**

During the Audit Period, the Board of Directors in its meeting held on 28th January, 2019 pursuant to Section 68, 69 and 70 and all other applicable provisions if any of the Companies Act, 2013 has approved the Buy Back of Equity Shares by the Company up to 442967 no. of fully paid-up Equity shares of Rs.1000 each of the Company representing 6.27% of the total paid-up equity Share Capital of the Company at a price of Rs. 8014.13 per equity share (Buy Back Price) payable in Cash for an aggregate amount of Rs. 354,99,95,124.00 which is 6.32% of the fully paid up equity share capital and free reserves as per the latest half yearly standalone financial accounts of the Company for the half year ended September 30, 2018 on proportionate basis through the tender offer route to all the shareholders who hold equity shares as on 28.01.2019 (Record Date) and the Buy Back does not include any expenses incurred or to be incurred for the Buy Back.

**APPOINTMENT OF CMD:**

The Under Secretary to the Govt. of India, MoC, New Delhi vide letter No. 21/27/2018-BA-Part (1) dated 24.09.2018 has conveyed the approval of the Minister of Coal for entrustment of the additional charge of the post of Chairman-cum-Managing Director, Mahanadi Coalfields Limited to Shri R. R. Mishra, CMD, WCL with effect from 24.09.2018 and till further orders or till the appointment of a regular incumbent to the post whichever is the earliest. Accordingly, Shri Mishra took over the charge of CMD, MCL on 25.09.2018. The appointment of Shri Mishra was noted by MCL Board in its 204th meeting held on 5th October 2018.

The Board of Directors in its meeting has appointed, as CMD, MCL.

**RE-APPOINTMENT OF NON-OFFICIAL PART TIME DIRECTOR:**

Shri S. Bhattacharya, Under Secretary to the Govt. of India, vide his letter No. 21/33/2018-BA(V) dated 17.11.2018 has communicated the approval of the President for re-appointed of Dr. Rajib Mall and Shri Himansu Sekhar Pati w.e.f 17.11.2018 for a further period of 01 year or untill further order whichever is earlier. MCL Board noted the same in its 208th meeting held on 29th November, 2018.

Place: Bhubaneswar
Date: 14.05.2019

For Deba Mohapatra & Co,
Company Secretaries

CS Debadatta Mohapatra, Partner,
FCS No. 5474, C P No: 4583

Note: This report is to be read with our letter of even date which is annexed as **Annexure A & Annexure B** and forms an integral part of this report.

**'Annexure - A'**

**To,**
**The Members,**
**Mahanadi Coalfields Limited,**
**Jagruti Vihar, Burla, Sambalpur.**

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

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

Place: Bhubaneswar
Date: 14.05.2019

For Deba Mohapatra & Co,
Company Secretaries

CS Debadatta Mohapatra, Partner,
FCS No. 5474, C P No: 4583'

'Annexure - B'

**Observation of Secretarial Auditor & Management Reply**

| SL.No. | OBSERVATIONS | MANAGEMENT REPLY |
|---|---|---|
| 1. | No evaluation of performance of independent Directors was done by the Board of Directors during the year under the provision of Clause VIII of Schedule IV of the Companies Act, 2013. | MCA vide its Notification dated July 5, 2017, has amended Schedule IV of the Companies Act, 2013, under which Govt. Companies are exempted from the provision of evaluation of performance of independent Directors. |
| 2. | Whether Company had adhered to the Guidelines issue by the Department of Public Enterprise on Corporate Governance for CPSE Dated 14-05-2010 and the Companies Act, 2013 w.r.t Optimum Combination of Board Members in the Board & Committee. | The constitution of MCL Board has 04 Independent Directors. 03 of them have been appointed by MOC. Appointment of remaining 01 Independent Director is pending with MoC. Once, he / she appointed, the Board / Committee would meet the provisions of the Company Law and DPE guidelines as well. |

**SECRETARIAL AUDIT REPORT**

**For the Financial Year ended 31st March 2019**

**(FORM NO. MR-3)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Western Coalfields Limited
Coal Estate
Nagpur-440001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Western Coalfields Limited,** a Miniratna PSU (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 ("**Audit Period**"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

(i) The Companies Act, 2013 (the **"Act"**) and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;

(ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made there under **(Not applicable to the Company during the Audit Period);**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not applicable to the Company during the Audit Period);**

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period);**

(v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(vi) Other laws including environmental laws applicable to the Company as per the representations made by the Management.

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India,

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

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

It has been explained that the Company has represented to Ministry of Coal, Government of India, for nominating Woman Director on the Board of **Western Coalfields Limited**.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously.

**I further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-
RAMANUJ ASAWA
(Company Secretary)
F.C.S. No. 3107
C. P. No. 1872

Place: Nagpur
Date: 13/06/2019

Note: This report is to be read with my letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

**Annexure-A**

To,
The Members,
M/s Western Coalfields Limited
Coal Estate
Nagpur-440001.

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

a. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

c. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

d. Wherever required, I have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.

e. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

f. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
RAMANUJ ASAWA
(Company Secretary)
F.C.S. No. 3107
C. P. No. 1872

Place: Nagpur
Date: 13/06/2019

**SECRETARIAL AUDIT REPORT**

**(FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019)**

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

To,

**The Members,**

Central Coalfields Limited

Darbhanga House, Ranchi

Jharkhand.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the **CENTRAL COALFIELDS LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company and its officers during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March,2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

1. The Companies Act, 2013 and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
4. Policy on determination of Materiality, prescribed by the holding Company;
5. The Secretarial Slandered 1 and 2 issued by the Institute of Company Secretaries of India;
6. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India;
7. Notification of Ministry of Coal, Govt. of India for Constitution of Board.

As per the information provided by the Company it has devised proper system and ensured compliance of the provisions of the specific laws applicable to it. (List of applicable laws attached herewith as Annexure I);

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

There is one Subsidiary Company, Jharkhand Central Railway Limited, with 64% equity participation of the Company, having total paid-up Capital Rs.50 Crore,

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

Annual General Meeting for the year 2017-18 was called at a shorter notice, that specified in section 101 sub section 1 of the companies Act 2013 with due consent taken from the members.

As per section 134 (3) (f) (ii) Directors report for the financial year 2017-18 contain the Management reply on observations made by the Secretarial Auditor.

With the approval of the President of India, Ministry of Coal, Government of India, vide letter no. 21/35/2005-ASO (iv) dated 06 June, 2008 has reconstituted the Board of the Company consisting five Functional Directors, two part time Directors representing Government and Five Non -official Directors, thus making the total number of Directors to twelve and two permanent invitees one from Eastern Central Railways and another to be Secretary Mines & Geology, Govt. of Jharkhand.

At the end of financial year 2018-19, Nine Directors constitute the Board, with five Functional Directors, two Government nominee Directors as Part time Directors and two Non-official Part-time Directors. As per the Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises, the number of Non-Official Part-time Directors on a Board should be 50% of the Board.

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

a) For the reporting period ended on 31.3.2019, Nine Directors constitute the Board, with five Functional Directors, two Government nominee Directors as Part time Directors and two Non-official Part-time Directors.

b) As per provisions of the Act, Company require to appoint Women Director;

c) The Company was required to spend Rs. 45.78 Crore for CSR activities during the year; however, the actual CSR expenditure booked in the financial year is Rs.41.14 Crore. The total amount of Rs.4.64 Crore remained unspent towards the CSR activities during the year.

We further report that company is in process of strengthening the systems and processes of record keeping and compliance of the laws, rules, regulations and guidelines prescribed and there are adequate systems and processes in the Company, commensurate with the size and operations to monitor and ensure compliance.

For **Kant Sanat & Associates**

**Sd/-**

**(CS Sanat Kumar Mishra)**

Partner

C. P. No. 8705

**Place : Ranchi**

**Date : 16.07.2019**

**Annexure-A**

1. The Mines Act, 1952;
2. Mines Concession Rules, 1960;
3. The Mines Rules, 1955;
4. Coal Mines Regulations, 1957;
5. Coal Mines Conservation & Development Act, 1974;
6. The Mines Rescue Rules, 1985;
7. The Mines Vocational Training Rules, 1966;
8. The Indian Electricity Rules, 1956;
9. The Explosive Act, 1884;
10. The Explosive Rules, 2008;
11. Coal Mines Pension Scheme, 1998;
12. The Payment of Wages (Mines) Rules, 1956;
13. Coal Mines Provident (Miscellaneous Provisions) Act, 1948;
14. Mines and Minerals (Regulation and Development) Act, 1957;
15. Mines (Posting of Abstracts) Rules, 1954;
16. Payment of Undisbursed Wages (Mines) Rules, 1989;
17. Indian Bureau of. Mines, Sr. Technical Assistant (Survey), Jr. Technical Assistant (Survey) an Junior Survey Recruitment Rules, 1990';
18. The Coal Mines Pit Head Bath Rules, 1959;
19. Mines Crèches Rules, 1966;
20. Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules, 1990;
21. The Maternity Benefit (Mines) Rules, 1963;
22. Coking Coal Mines (Nationalisation) Act, 1972;
23. Coal Mines (Nationalisation) Act, 1973;
24. The Coal Mines (Nationalisation) Amendment Act, 1993;
25. The Coal Mines (Taking Over Management) Act, 1973;
26. The Coal Mines (Special Provisions) 2nd ordinance, 2014;
27. The Coal Mines Special Provisions Rules, 2014
28. The Coal Bearing Areas, (Acquisition and Development) Act, 1957;
29. The Coal Mines Nationalisation (Provident Fund, Gratuity, Pension, Welfare fund) Rules, 1978;
30. Metalliferous Mines Regulations, 1961;
31. Mining Leases (Modification of Terms) Rules, 1956;
32. Auction by Competitive bidding of coal mines rules, 2012;
33. Coal Mines Advisory Board Rules, 1973;
34. The Environment (Protection)Act, 1986;
35. Industrial Dispute Act, 1947
36. Payment of Wages Act, 1936;
37. Trade Union Act, 1926;
38. Workmen Compensation Act, 1923;
39. Hazardous Wastes (Management Handling and Trans- Boundary Movement) Rules, 2008;
40. The Water (Prevention and Control of Pollution) Act, 1974;

41. The Air (Prevention and Control of Pollution) Act, 1981;
42. The Factories Act, 1948;
43. The Minimum Wages Act, 1948;
44. The Employees State Insurance Act, 1948;
45. The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
46. Payment of Bonus Act, 1965;
47. The Payment of Gratuity Act, 1972;
48. The Contract Labour (Prohibition and Regulation) Act, 1986;
49. The Industrial Employment (Standing Orders) Act, 1946;
50. The Employees Compensation Act, 1923;
51. The Apprentices Act, 1961;
52. The Equal Remuneration Act, 1976;
53. Colliery Control Order, 2000;
54. Colliery Control Rules, 2004;
55. The Sexual Harassment of Women at work place (Prevention, Prohibition and Redressed) Act, 2013.

**Annexure 22**

**Foreign Exchange Earning and outgo under Rule 8 of Companies (Accounts) Rules, 2014**

**COAL INDIA LIMITED (STANDALONE)**

**Expenditure / Earnings in Foreign exchange – 2018-19**

(₹ in crore)

| | Current Year | Previous Year |
|---|---|---|
| **Expenditures** | | |
| i) Travelling Expenses | 0.34 | 0.32 |
| ii) Training Expenses | 0.34 | 0.18 |
| iii) Others | 0.28 | 0.05 |
| **Earnings** | Nil | Nil |

**COAL INDIA LIMITED (CONSOLIDATED)**

**Expenditure / Earnings in Foreign exchange – 2018-19**

(₹ in crore)

| | Current Year | Previous Year |
|---|---|---|
| **Expenditures** | | |
| i) Travelling Expenses | 1.48 | 1.43 |
| ii) Training Expenses | 1.39 | 0.22 |
| iii) Consultancy charges | - | - |
| iv) Interest | 0.07 | 0.07 |
| v) Others | 3.10 | 8.99 |
| **Earnings** | Nil | Nil |

**Annexure 23**

**RESEARCH & DEVELOPMENT (R&D)**

**1. Specific area in which R&D carried out**

Govt. of India through its Coal Science & Technology (S&T) Plan and Coal India Limited (CIL) through its R&D Board have been promoting R&D activities in Coal & Lignite Sectors for improvement in production, productivity, safety, quality, coal beneficiation & utilization, protection of environment & ecology, clean coal technology and allied fields. Substantial funds are being earmarked annually by Ministry of Coal and CIL R&D Board to carry out research work on the above subjects.

**2. Benefits derived as a result of the above R&D**

- Notable advances have been made through R&D efforts in coal exploration techniques,
- Introduction of mining methods like "blasting gallery and cable bolting" for recovery of coal in thick seams and shortwall mining at SECL.
- "Controlled blasting" for removal of overburden rocks and coal in opencast mines as close as to 50m from surface structures successfully.
- Rock Mass Rating (RMR) developed under R&D is now being used for designing support in underground mines.
- Applying new technique using Airborne Laser Terrain Mapper and ground based Terrestrial Laser Scanner (TLS) for OB measurement.
- To ensure the safety and to protect loss of equipment in opencast mines, Dumper Collision Avoidance System (DCAS) has been developed indigenously and was successfully undertaken at KDH opencast mine of Central Coalfields Limited (CCL).
- Self-advancing goaf edge (mobile) chock type supports have been indigenously developed and field trial conducted successfully at Bastacola mine of BCCL [in coal roof] and RK-7 mine of SCCL [shale/ sand stone roof] .
- Introduction of modern technique like Ground Penetrating Radar for detection of old unapproachable water logged workings.
- The solar photovoltaic plant has been erected and commissioned on the roof tops of CMPDI office buildings. The total installed capacity of the plant is 190 kW. This project reduces carbon footprint & maximizes renewable energy system.

Following five research projects have been completed during the year 2018-19:

i) Techno-economic evaluation and performance behaviour of Self Advancing (mobile) Goaf Edge Supports (SAGES) (Phase - II)

ii) Assessment of mine water environment and development of suitable and cost effective mine void aqua eco-system for promoting Fish culture in abandoned coal quarries of CIL

iii) Assessment of horizontal stress fields in deeper horizons and development of roof hazards maps of coal resources in SCCL

iv) Possible implications of Bioavailable Iron (BAI) in coal mine dust on coal workers' lung disease

v) Design of water network to optimize water consumption in coal washeries for removal of impurities from coal

**3. On-going R&D projects under implementation:**

(Details Have been incorporated in MD & AR as Annexure-A)

**4. Expenditure on Research & Development:**

Expenditure incurred during last 5 years (2014-15 to 2018-19) on research projects are as follows:

( Rs. in Crore)

| Year | Total Expenditure |
|---|---|
| 2014-15 | 29.68 |
| 2015-16 | 22.47 |
| 2016-17 | 24.04 |
| 2017-18 | 70.74 |
| 2018-19 | 37.50 |
| **Total** | **184.43** |

**5. Research & Development:**

CMPDIL is the nodal agency for coordination and monitoring of S&T projects in coal sector as well as R&D projects of CIL.

**6. Technology Absorption:**

CIL has taken many technological initiatives in various fields across its total operational activities.

- In underground mining, Mass Production Technology has been introduced in quite a number of mines. Continuous Miner Technology (14 nos.) has been introduced in 9 mines of CIL so far, which are under operation. Long-wall mining has been started in Moonidih UG of BCCL and Jhanjra UG of ECL.
- For the first time in India, Free Steered Vehicles for transportation of men and materials in underground have been introduced in Jhanjra mine of ECL.
- 41 Man-riding systems have been commissioned so far in 33 mines to reduce arduous walking of the miners in several other extensive mines.
- Stoppings have been constructed using expansion foam agent, which can be useful in case of fire in underground mines.
- The latest version of Geovia Minex software for planning of opencast mines has been introduced. This provides best resource planning through pit design, pit optimization, scheduling of resources and dumps, etc.
- Surface Miners in several opencast mines have been introduced to eliminate drilling and blasting and also for facilitating selective mining.
- GPRS based tracking of coal transporting vehicles have been introduced to prevent theft and pilferage of coal.
- RFID based In-Motion Road Weighbridges has ensured Real Time transmission of coal weighment data to the Central Server.
- Hydrostatic drills with PCD bits for enhancing the productivity of exploratory drills have been introduced.
- Numerical modelling software (FLAC 3D) was procured / upgraded under R & D project is being regularly used for scientific studies involving strata control. In-house job/skill has been created by the use of this software.

**7. Benefits derived out of technological initiatives undertaken:**

Most optimum sizes of HEMMs are being provisioned for opencast projects of India which are at par with the World technology. To achieve the high production target from large open cast mines, deployment of Electric Rope (ER) shovels of

42 Cum and dump trucks of 240 T was made during the past years, which is highest in sizes proposed in India so far. Using surface miners eliminates drilling and blasting operations in the opencast projects and as such, the problem of working very near to inhabited areas has been sorted out due to elimination of blasting vibrations. Moreover, because of possible selective mining, the chances of contamination of produced coal with extraneous materials has also been minimised.

**8. Details of efforts on imported technology:**

Coal India is envisaged for foreign collaboration with a view to:

- Bring in proven and advanced technologies and management skills for exploiting UG and OC mines, coal preparation and related activities.
- Exploration and exploitation of Methane from Coal bed, coal mine, ventilation air, shale gas, coal gasification, etc.
- Locating coking coal properties overseas who are interested in Joint Venture for mining.

**ANNEXURE 24**

**Disclosures as per Section 135 of Companies Act 2013 on Corporate Social Responsibility**

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CIL aims and aspires to impact and improve the quality of lives of affected persons and the communities in the proximity of its mining areas.CIL undertakes different developmental activities under CSR Policyin whole of India.

**Policy on CSR**

CIL has a well-defined CSR policy framed on DPE's guideline and on the New Companies Act, 2013. The policy has CIL Board's approval. (Referhttps://www.coalindia.in/DesktopModules/DocumentList/documents/CIL_CSR_Policy_New_Companies_Act_2013_05022016.pdf)

The budget of CSR is allocated based on 2% of average Net Profit of CIL (standalone)for three immediate preceding financial years or ₹ 2.00 per tonne of total consolidated coal production of CIL as a whole of previous year, whichever is higher. For subsidiaries of CIL, fund for CSR is allocated based on the same principle.

In respect of subsidiary companies, the CSR activities are generally undertaken within 25 kms. radius of the projects/mines and areas including Head Quarters for which 80% of the budget is allocated. Balance 20% is spent within the State/States in which the subsidiary companies operate while CIL undertakes such works in whole of country.

**Some of the Major CSR initiatives undertaken by CIL as per the 'Scope' of CIL's CSR Policy under various heads during the financial year 2018-19:**

**Water Supply**

- Installation of Hand Pumps at various places for ensuring water supply
- Commissioning of community drinking water RO plant at Bishnupur, WB

**Women Empowerment**

- Menstrual Hygiene Management (MHM) project in schools of Purulia, WB
- Providing 5,000 menstrual cups to women in flood affected Kerala

**Rural Development Projects**

- Executing different development works in 38villages of Purulia, WB

**Education**

- Construction of pre university college block building at Udupi, Karanataka

**Healthcare**

- Three more hospitals - AIIMS - New Delhi, PGI - Chandigarh and SGPGI - Lucknow have been added as Bone Marrow Transplant Centers under the project 'Cure and better management of Thalassemia' taking the count of BMT centers to six. More than 90 successful BMTs have been conducted so far.
- Construction of 100 bedded hospital cum diagnostic center at Muzaffarpur, Bihar
- Construction of blood bank with component separation facility at Kanpur

**Skill Development**

- Training of 2000 youth in various trades related to Plastic Engineering through Central Institute of Plastic Engineering and Technology (CIPET).

**Welfare of Divyangs**

- Financial support has been provided to Latika Roy Foundation, Dehradun for its Centre for Child Development which serves children with severe disabilities.

**Sanitation**

- Swachhta Pakhwada was observed during 16th to 30th June, 2018
- Construction of 200 individual household toilets in Kathua, J & K

**Environmental Sustainability**

- Installation of solar power station for supply of solar power to education and health centre at Rishi Valley Education Center, Andhra Pradesh.

**Eradicating hunger and malnutrition**

- Construction of Kitchen cum dining hall complex at Ramakrishna Math Premises, Belur, Howrah is going on.

**2. The Composition of the CSR Committee**

There are two tiers CSR Committee as per furnished below:

- CSR Committee comprising of 6 (six) below Board level executives for examination and recommendation of CSR Projects and
- A Board Level Committee on CSR comprising of four Independent Directors, two Functional Directors for deliberation and approval of CSR projects based on recommendation of the below board level CSR Committee.

**3. Average net profit of the Company (CIL-Standalone) for the last three financial years**

Profit (PBT less Dividend) for immediately preceding 3 years are as under:

**2015-16 -** ₹ 373.44 crores

**2016-17 -** ₹ 168.00 crores

**2017-18 -** ₹ 433.07 crores

The average net profit of immediately preceding 3 years is **₹324.84 crores**

4. 4. Prescribed CSR Budget (two percent of the amount as in item 3 above, as per Companies Act, 2013)

**₹ 6.50 crores** (2% of ₹324.84crores)

5. Details of CSR budget during the financial year

- Total amount for the financial year -
  - ₹ 6.50 crores (as per Companies Act 2013)
  - ₹ 113.47 crores (as per CSR policy of CIL)
- Amount unspent, if any - (as per Companies Act, 2013)
- Amount spent on CSR - ₹ 27.33 crores (subject to audit)
- Manner in which the amount spent during the financial year is furnished as **Annexure A.**

**6. I6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report**

CSR expenditure during the year was more than two percent of the average net profit of last three year.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

CIL's CSR policy is framed on the basis of DPE's guidelinesas well as Companies Act, 2013 and approved by CIL Board. The CSR activities have been undertaken and implemented in compliance with CSR objectives as per CIL's CSR Policy.

| | | |
|---|---|---|
| **Sd/-**<br>**(Chief Executive Officer or Managing Director or Director)** | **Sd/-**<br>**(Chairman, CSR Committee)** | **–**<br>**Person Specified under Clause (d) of Sub - Section (1) of Sec 380 of the Act(wherever applicable)** |

**Annexure A to the Directors' Report pertaining to CSR for FY 2018-19**

| Sl. No. | CSR project or activity identified | Sector in which the Project is Covered | Projects or Programs | | | Amount outlay (₹ Lakhs) | Amount Spent on the projects or programs (₹ Lakhs) | Cumulative Expenditure uto the reporting period (₹ Lakhs) | Amount spent : Direct or through implementing agency |
|---|---|---|---|---|---|---|---|---|---|
| | | | (1) Local Area or Other | (2) State | (3) District | | | | |
| 1 | Cure and better management of Thalassemia by providing financial assistance for Bone Marrow Transplants (BMTs) | Healthcare | Other | PAN India | NA | 2000.00 | 1080.75 | 1680.75 | 6 hospitals across India |
| 2 | Eye surgery camps in 3 districts - East Midnapore, West Midnapore and Purulia (West Bengal) | Healthcare | Other | West Bengal | East Midnapore, West Midnapore, Purulia | 25.00 | 12.50 | 25.00 | Helpage India |
| 3 | Installation of 44 nos. of handpumps in villages of Sundarbans | Water Supply | Other | West Bengal | South 24 Parganas | 97.83 | 47.55 | 97.55 | South Sundarban Janakalyan Sangha |
| 4 | Construction of 400 nos. of Individual household toilets in villages of Sundarbans | Sanitation | Other | West Bengal | South 24 Parganas | 97.10 | 46.83 | 96.83 | South Sundarban Janakalyan Sangha |
| 5 | Payment for year round cleaning and sweeping of 20 schools in Bidhan Nagar Municipality | Sanitation | Local Area | West Bengal | North 24 Parganas | 10.91 | 5.63 | 5.63 | M/s Service Master Clean Ltd. |
| 6 | Development of charitable dispensary by way of installation of medical equipment | Healthcare | Local Area | West Bengal | North 24 Parganas | 10.92 | 10.86 | 10.86 | Ramakrishna Math Barasat |
| 7 | Cure and better management of Thalassemia by providing financial assistance for Bone Marrow Transplants (BMTs) | Healthcare | Other | PAN India | NA | 16.80 | 2.61 | 10.12 | Thalassemics India |
| 8 | Construction of Blood Bank with component separation facility | Healthcare | Other | Uttar Pradesh | Kanpur | 300.00 | 17.62 | 294.37 | Indian Medical Association, Kanpur |
| 9 | Providing aids and applicances to differently abled people | Welfare of the differently abled | Local Area | West Bengal | Kolkata | 4.37 | 2.18 | 4.37 | NRS Hospital, Kolkata |
| 10 | Construction / Renovation of Prarthana Bhawan at Hooghly district | Women Empower -ment | Local Area | West Bengal | Hooghly | 4.89 | 2.44 | 4.89 | Garalgaccha Vivekananda Samaj Seva Kendra |

| Sl. No. | CSR project or activity identified | Sector in which the Project is Covered | Projects or Programs | | | Amount outlay (₹ Lakhs) | Amount Spent on the projects or programs (₹ Lakhs) | Cumulative Expenditure upto the reporting period (₹ Lakhs) | Amount spent : Direct or through implementing agency |
|---|---|---|---|---|---|---|---|---|---|
| | | | Local Area or Other | State | District | | | | |
| 11 | Kitchen cum dining hall complex at Ramakrishna Math Premises | Eradicating hunger and malnutri -tion | Local Area | West Bengal | Howrah | 10.00 | 10.00 | 10.00 | Ramakrishna Math Belur |
| 12 | Financial Support to Center for Child Development for children with severe disabilities | Welfare of the differently abled | Other | Uttarakhand | Dehradun | 68.00 | 34.00 | 34.00 | Latika Roy Foundation |
| 13 | Different development works in Purulia district of West Bengal | Rural develop-ment | Other | West Bengal | Purulia | 3291.89 | 649.53 | 2610.70 | The Energy and Resources Institute (TERI) |
| 14 | Road safety awareness campaign in Kolkata | Others | Local Area | West Bengal | Kolkata | 69.85 | 15.82 | 68.42 | Traffic Dept., Kolkata Police |
| 15 | Menstrual hygiene management project in Purulia district | Women Empower -ment | Other | West Bengal | Purulia | 85.94 | 20.47 | 85.94 | Nirmaan Foundation |
| 16 | Construction of building to facilitate medical research and medical care for underprivileged people | Healthcare | Local Area | West Bengal | North 24 Parganas | 92.76 | 62.17 | 92.17 | Institute of and Research Pulmocare |
| 17 | Training of 2000 persons at different centers of CIPET | Skill Develop-ment | Other | PAN India | NA | 1290.00 | 353.46 | 353.46 | Central Institute of Plastic Engineering & Technology (CIPET) |
| 18 | Promotion of preventive healthcare in Assam | Healthcare | Other | Assam | Kamrup | 31.45 | 5.25 | 31.45 | NILA |
| 19 | Construction of student community hall | Education | Local Area | West Bengal | North 24 Parganas | 31.22 | 20.14 | 31.22 | RK Math Baranagar |
| 20 | Construction of road in Ghazipur | Rural development | Other | Uttar Pradesh | Ghazipur | 99.13 | 25.45 | 48.23 | PWD Ghazipur |
| 21 | Construction of 200 nos. of individual toilets under Swachh Bharat Mission in Kathua, J & K | Sanitation | Other | Jammu & Kashmir | Kathua | 74.00 | 24.00 | 48.66 | District Administration, Kathua |
| 22 | Installation of 100 hand pumps in Ghazipur, Uttar Pradesh | Water Supply | Other | Uttar Pradesh | Ghazipur | 43.59 | 14.53 | 29.06 | UP Jal Nigam, Ghazipur |
| 23 | Distribution of 120 nos. of blankets at SOS Children Village | Others | Local Area | West Bengal | North 24 Parganas | 0.93 | 0.93 | 0.93 | SOS Children Village |
| 24 | Construction of 100 bedded hospital at Muzaffarpur | Healthcare | Other | Bihar | Muzaffarpur | 493.00 | 118.89 | 487.89 | Ramakrishna Mission Sevashrama |

| Sl. No. | CSR project or activity identified | Sector in which the Project is Covered | Projects or Programs | | | Amount outlay (₹ Lakhs) | Amount Spent on the projects or programs (₹ Lakhs) | Cumulative Expenditure upto the reporting period (₹ Lakhs) | Amount spent : Direct or through implementing agency |
|---|---|---|---|---|---|---|---|---|---|
| | | | Local Area or Other | State | District | | | | |
| 25 | Conducting health camps | Healthcare | Local Area | West Bengal | Kolkata | 6.00 | 0.02 | 0.02 | Medical Dept. CIL |
| 26 | Installation of 275 nos. of hand pumps in Shravasti | Water Supply | Other | Uttar Pradesh | Shravasti | 99.20 | 18.68 | 68.68 | UPSICL Allahabad |
| 27 | Providing menstrual cups in flood hit areas of Kerala | Women Empower -ment | Other | Kerala | Multiple districts in Kerala | 7.50 | 7.50 | 7.50 | HLL Lifecare Ltd |
| 28 | Financial support for solar power station for supply of solar power to education and health centre | Environment Sustainabi -lity | Other | Andhra Pradesh | Chittoor | 26.75 | 26.75 | 26.75 | Rishi Valley Education Centre |
| 29 | Setting up of Community Drinking Water Project | Water Supply | Other | West Bengal | Bankura | 96.00 | 18.00 | 96.00 | Bishnupur Municipality |
| 30 | Construction of soak pits, drains, platforms etc. for spot sources including training and IEC activities | Sanitation | Other | West Bengal | Purulia | 99.91 | 22.90 | 72.90 | WSSO - PHED West Bengal |
| 31 | Construction of pre university college block building | Education | Other | Karnataka | Udupi | 99.75 | 24.94 | 49.88 | Anandtirtha Trust |
| 32 | Renovation of juvenile home and purchase of vehicle for mentally retarded children | Education | Local Area | West Bengal | North 24 Parganas | 26.59 | 6.00 | 6.00 | Bodhana, Kolkata |
| 33 | CSR expenditure of North Eastern Coalfields (NEC) | Rural develop -ment | Local Area | Assam | Tinsukia | 30.05 | 30.05 | 30.05 | NEC |
| 34 | Adjustment of advance amount released in favour of TERI | Rural develop -ment | Other | West Bengal | Purulia | | 4.32 | | TERI |
| 35 | Amount spent on miscellanous activities through Imprest | Administra -tive Expendi- ture | | | | | 0.05 | | |
| | **GROSS CSR EXP.** | | | | | | **2742.82** | | |
| 36 | Refund of unutilized CSR fund | Women Empower -ment | Local Area | West Bengal | Kolkata | | 1.00 | | Ankur Kala |
| 37 | Refund of unutilized CSR fund | Others | Local Area | West Bengal | Kolkata | | 7.33 | | Traffic Dept., Kolkata Police |
| 38 | Reversal of old liabilities | | | | | | 1.37 | | |
| | **TOTAL OF REFUNDS/REVERSALS** | | | | | | **9.70** | | |
| | **NET CSR EXP.** | | | | | | **2733.12** | | |

ANNEXURE 25

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

**LIST OF MATTERS CONCERNING CIL, BEFORE THE NCLAT AND THE SUPREME COURT**

| Sl. No. | Name of the Court/Tribunal | Cause Title | Details and Current Status |
|---|---|---|---|
| 1. | Supreme Court of India | C.A No. 2845 of 2017<br>CIL &Anr v. CCI and Sai Wardha Power Limited | Vide Order dated 9 December 2016, the erstwhile Competition Appellate Tribunal (COMPAT) dismissed the Appeal No. 80 of 2014 filed by CIL and WCL against the order of the Commission dated 27 October 2014, holding CIL and its subsidiaries to be abusing their dominant position.<br>CIL filed an Appeal before the Hon'ble Supreme Court of India against the order of the COMPAT. The Supreme Court vide its order dated 23 February 2017 directed that the computation of compensation claims filed by Sai Wardha Power Limited may continue before the COMPAT but the same shall not be finalized.<br>Subsequently vide its order dated 3 August 2017, the Supreme Court directed WCL to supply coal from Bellora and Ukni mines at interim prices of INR 2000 per tonne and INR 2100 per tonne respectively, till the matter is finally heard.<br>In its order dated 6 November the Supreme Court noted that SWPL will initially lift 3000 tonnes of coal per day at the prices mentioned above; and that the Appellants can sell the balance quantity in the market.<br>In August 2017, CIL/WCL filed an application to raise additional grounds in relation to the applicability of the Competition Act 2002, to CIL and its subsidiaries. The CCI& SWPL have filed their replies to this application. CIL/WCL have filed rejoinders to both replies.<br>Separately, SWPL filed an IA seeking stay on the operation of the FSA while continuation of interim arrangement, on 23 February 2018 and CIL/WCL filed an IA seeking clearance of outstanding dues, replenishment of BG, lifting of ACQ from all three mines and other reliefs on 5 March 2018.<br>The matter was listed on 6 March 2018. Both parties were given 4 weeks to complete the pleadings with respect to the IA's. CIL/WCL filed a reply to SWPL's IA on 6 April 2018.<br>Separately, further to the oral opinion of the Attorney General for India, CIL/WCL filed an IA on 2 April 2018, apprising the court of the fact that coal production had stopped at Bellora Naigaon mine since December 2018 and stocks had also run out as on 24 March 2018.<br>On 10 April 2018, CIL/WCL apprised the Supreme Court of the execution application filed by SWPL before the NCLAT. The Supreme Court specifically directed that SWPL shall not take any steps for enforcement of the orders passed by the erstwhile COMPAT.<br>Due to the various constitution bench arguments that were going on before the Supreme Court, the AG and ASG have been occupied and accordingly the matter was adjourned on multiple dates.<br>The matter was mentioned on 12 December 2018, given the filing of the IA for vacation for the Supreme Court's interim orders dated 3 August and 6 November 2017. Upon briefly hearing the parties, the matter was listed for the 3rd week of January 2019.<br>The matter was heard on 17 January'19 and the Court was appraised of the insolvency process against SWPL, CIL's contractual rights of termination, and the fact that SWPL has not been lifting coal since 29 December 2018. The Supreme Court passed an order noting that the parties' were free to exercise their contractual rights.<br>Final arguments in the matter commenced on 9 April 2019 and continued briefly on 24 April 2019. The matter is now part heard and is tentatively listed for 10 July 2019. |
| 2. | Supreme Court of India | C.A No. 5697 of 2017<br>*CIL v. CCI and Bijay Poddar* | Vide Order dated 20 March 2017, the erstwhile Competition Appellate Tribunal dismissed Appeal No. 81 of 2014 filed by CIL against the order of the Commission dated 27 October 2014, holding CIL and its subsidiaries to be abusing their alleged dominant position. CIL was directed to modify terms of Spot e-auction Scheme 2007 in light of its findings in the order.<br>CIL filed an Appeal before the Hon'ble Supreme Court of India against the order of the COMPAT. The Supreme Court vide its order dated 5 May 2017 granted a stay on the COMPAT's Order.<br>The Respondents filed their reply to the Appeal. CIL has filed Rejoinder to the same.<br>The matter was taken up by the Supreme Court on 18 February 2019 whereby on behalf of CIL it was informed to the bench that certain issues of constitutional importance were pending before the Supreme Court in Civil Appeal No. 2845/2017 (Sai Wardha Matter), and the outcome of the same would impact this case as well.<br>Given this submission, the bench adjourned the matter to July 2019. No specific date has been fixed as of now. |

| Sl. No. | Name of the Court/Tribunal | Cause Title | Details and Current Status |
|---|---|---|---|
| 3. | National Company Law Appellate Tribunal | Competition Appeal (AT) No. 1-3 of 2017<br>(Case No. 3, 11, and 59 of 2012 before the CCI)<br>CIL and Ors. V. CCI, Maharashtra State Power Generation Company Limited, and Gujrat State Electricity Corporation Limited | Vide an order dated 9 December 2013 of the CCI, in Case Nos. 03, 11 & 59 of 2012, the CCI ordered CIL to cease and desist from all of 'its anti-competitive conduct', to modify its FSAs in light of the CCI's order. A penalty of INR 1773 crores, at a rate of 3% of the average of CIL's annual turnover for the last three financial years was also imposed. CIL filed an appeal against this order before the COMPAT which was allowed by COMPAT on 17 May 2016. The penalty of INR 1773 crores was set aside and the matter has been remitted to CCI for fresh hearing on the issues.<br>The CCI passed a Fresh Order on 24 March 2017 and returned with similar findings as arrived at in the Old Order dated 9 December 2013. The CCI considered mitigating circumstances such as changes made to the sampling and other clauses, and constraints imposed by various ministries upon CIL, and accordingly reduced the penalty from INR 1773 crores to INR 591 crores.<br>CIL filed an appeal against the Fresh Order of the Commission before the NCLAT and a stay has been granted on the operation of the Order.<br>The opposite parties have filed replies to the Appeal and CIL and Rejoinders have been filed by CIL.<br>The CCI has filed an application for clarification on and modification of the stay order passed by the NCLAT on 31 May 2017.CIL's request for filing a reply (which has already been prepared) was rejected by the bench.<br>The issue of deposit of penalty was taken up by the bench on 22 March 2018. After hearing counsels of both sides, no deposit was directed but an urgency was expressed in relation of commencement of final arguments.<br>Due to the non-availability of the bench on multiple dates the matter has been continuously adjourned since March 2018.<br>The matter is next listed on 22 July 2019. |
| 4. | National Company Law Appellate Tribunal | Competition Appeal (AT) No. 12 of 2017 (Case No. 5&7, 37, and 44 of 2013 before the CCI)<br>**And**<br>Competition Appeal (AT) No. 11 of 2017 (Case No. 8 of 2014 before the CCI)<br>CIL and Ors. V. CCI, Madhya Pradesh Power Generation Company Limited, West Bengal Power Development Corporation Limited, and Sponge Iron Manufacturers Association.<br>**And**<br>CIL and Anr. V. CCI and GHCL | Vide orders dated 15 April 2014 and 16 February 2016, in Case No. 5&7, 37, and 44 of 2013 and Case No. 8 of 2014 respectively, the CCI ordered CIL to cease and desist from all of 'its anti-competitive conduct', to modify its FSAs in light of the CCI's order. CIL filed an appeal against this order before the COMPAT which was allowed by COMPAT on 17 May 2016.<br>The CCI passed Fresh Orders dated 21 April 2017 and returned with similar findings as arrived at in the previous orders in both these cases. In light of the penalty imposed in the Case No. 3, 11, and 59 of 2012, no further penalty was imposed upon CIL.CIL filed an appeal against the Fresh Orders of the Commission before the NCLAT and a stay has been granted on the operation of the Fresh Orders.<br>The opposite parties have filed replies to the Appeal and CIL has filed Rejoinders to the same.<br>Both these matters have been clubbed with Competition Appeal (AT) No. 1-3 of 2017.<br>The next date of hearing is 22 July 2019. |
| 5. | National Company Law Appellate Tribunal | CA. No. 2 of 2015<br>*Compensation claimed by SWPL* | In April 2015, SWPL filed an application under Section 53N of the Competition Act, claiming a compensation of INR 908 crores. Subsequently, on 30 January 2017, SWPL filed an Interim Application (IA) raising the claim amount to over INR 1500 crores.<br>On 7 March 2017, CIL and WCL filed their response to the IA. On 20 March 2017, the erstwhile COMPAT issued notice on the main application filed in April 2015. The matter was transferred to the National Company Law Appellate Tribunal (NCLAT) after the merger of tribunals by virtue of a government notification. The NCLAT has not started hearing the matter on merits as yet.<br>CIL filed a reply to the main compensation application on 11 September 2017 and SWPL has filed their Rejoinder to the same.CIL has also filed additional submissions to address new issues raised by SWPL in its rejoinder.<br>Since 28 November 2017, the NCLAT has been adjourning the matter as the main appeal is pending before the Supreme Court.<br>On 9 April 2018, SWPL filed an application seeking execution of the Order passed by the COMPAT. Considering the interim order passed by the Supreme Court on 10 April 2018, the NCLAT bench observed that the compensation case and the execution application should await the decision of the Supreme Court. |

ANNEXURE 26

## REPORT ON CORPORATE GOVERNANCE

**1. Company's Philosophy**:

The Directors present Corporate Governance Report of the Company for the year ended 31st March, 2019 in terms of Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. CIL is committed to observe Corporate Governance practices at all levels to achieve its objectives. Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company had executed fresh Listing Agreement with the Stock Exchanges.

**2. Board of Directors :**

**2.1 Size of the Board**

Coal India Ltd is a Government Company within the meaning of Section 2, Sub-Section (45) of Companies Act, 2013. As per the Articles of Association of the Company, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. In addition to Chairman, the President shall also appoints Managing Director, whole time Functional Directors and other Directors in consultation with the Chairman who shall be liable to retire by rotation. However, Chairman is not liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government. In terms of the Articles of Association of the Company, the number of Directors of the Company shall not be less than three. These directors may be either whole time functional Directors or part time Directors.

**2.2 Composition of Board**

As on 31st March, 2019, Board of Directors comprised of Chairman, 4 Functional Directors (including one holding an additional charge) and 2 Non-Executive Directors (Government Nominees) and 7 Independent Directors. In addition, there are 3 Permanent Invitees in the Board.

2.3 Age limit and tenure of Directors

The age limit of Chairman & Managing Director and other whole -time functional Directors is 60 Years. The Chairman cum Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of assumption of charge or till the date of superannuation of the incumbent or till further orders from the Government of India whichever event occurs earlier. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2019 have been made by the Directors. None of the Directors are related to each other. Government Nominee Directors representing Ministry of Coal, retire from the Board on ceasing to be officials of Ministry of Coal.

Independent Directors are appointed by the Government of India. The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of Listing Regulations, 2015.

2.4 Board Meetings

During the year 2018-19, 21 Board meetings were held on 28-Apr-2018,10-May-2018,22-May-18, 29-May-18,11-Jun-18, 10-Jul-18, 27-Jul-18, 31-Jul-18, 11-Aug-18,12-Sep-18, 25-Sep-18, 06-Oct-18, 25-Oct-18, 12-Nov-18, 30-Nov-18,20-Dec-18, 4-Feb-19, 12-Feb-19, 25-Feb-19, 14-Mar-19 & 30-Mar-19.

The number of Board Meetings attended by the Directors, attendance at the last Annual General Meeting, number of other Directorship etc. during 2018-19 were as follows:

| Sl. No. | Name of the Director | Category of Directorship | No. of Board meetings attended during 2018-19 | Attended at the last AGM held on 12.09.2018 | No. of other Directorship as on 31.3.2019 in public companies. |
|---|---|---|---|---|---|
| 1 | Shri Gopal Singh | Chairman(Addl. Charge) till 20.04.18 | NIL | No | NIL |
| 2 | Shri Suresh Kumar | Chairman(Addl. Charge) from 23.04.18 to 18.05.18 | 2 | No | NIL |
| 3 | Shri Anil Kumar Jha | Chairman from 18.05.18 | 19 | Yes | NIL |
| 4 | Shri R.K. Sinha | Official Part Time Director | 17 | Yes | NIL |
| 5 | Ms. Reena Sinha Puri | Official Part Time Director | 17 | No | 2 |
| 6 | Ms. Loretta Mary Vas | Non Official Part Time Director | 17 | Yes | NIL |
| 7 | Dr. S.B Agnihotri | Non Official Part Time Director | 20 | Yes | NIL |
| 8 | Dr. D.C. Panigarhi | Non Official Part Time Director | 20 | No | NIL |
| 9 | Prof. Khanindra Pathak | Non Official Part Time Director | 18 | Yes | NIL |

| Sl. No. | Name of the Director | Category of Directorship | No. of Board meetings attended during 2018-19 | Attended at the last AGM held on 12.09.2018 | No. of other Directorship as on 31.3.2019 in public companies. |
|---|---|---|---|---|---|
| 10 | Shri.Vinod Jain | Non Official Part Time Director | 21 | Yes | 2 |
| 11 | Shri V.K. Thakral | Non Official Part Time Director | 20 | Yes | NIL |
| 12 | Shri B.L.Gajipara | Non Official Part Time Director | 21 | Yes | NIL |
| 13 | Shri Chandan Kumar Dey | Director (Finance) CIL- till 30.09.18 | 10 | Yes | NIL |
| 14 | Shri S.N.Prasad | Director (Marketing) CIL | 21 | Yes | NIL |
| 15 | Shri Binay Dayal | Director (Technical) | 20 | Yes | NIL |
| 16 | Shri R.P. Srivastava | Director (P &IR) CIL | 20 | Yes | NIL |
| 17. | Shri S.N. Prasad- Addl. Charge | Director (Finance)-Addl. Charge | 10 | Yes | NIL |

**Sl. No. 1**: ceased to be CMD (Addl. Charge) w.e.f 20.04.18. Sl. No. 2: Took charge on 23.04.2018 and ceased to be CMD (Addl. Charge) w.e.f 18.05.18. Sl.No. 3 : was appointed as CMD w.e.f 18.05.2018 Sl.No.6 to 10: All 5 ceased to be Independent Directors w.e.f. 16th Nov'18 and were re-appointed as Independent Director w.e.f 17th Nov'18 for one year Sl.13. ceased to be Director (Finance) w..e.f. 30.09.2018 and Sl.17. appointed as Director (Finance) (Add. Charge) w.e.f. 01.10.2018

**Information placed before the Board of Directors:**

The Company provides information as set out in Regulation 17(7) read with Part A of Schedule II of Listing Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. The Board has complete access to any information within the Company. The information regularly supplied to the Board inter-alia included the following:

a) Annual operating plans and budgets and any updates.
b) Capital budgets and any updates.
c) Quarterly financial results for the company and its operating divisions or business segments.
d) Minutes of meetings of audit committee and other committees of the board.
e) Show cause, demand, prosecution notices and penalty notices which are materially important.
f) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
g) Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
h) Any issue, which involves possible public or product liability claims of substantial nature including any judgement or order which may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
i) Details of any joint venture or collaboration agreement.
j) Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
k) Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
l) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer.

**2.6 Committees of the Board of Directors**

The Board had constituted following Committees of the Board: -

i) Audit Committee.
ii) Nomination and Remuneration Committee.
iii) Stakeholders Relationship Committee.
iv) Share Transfer Committee.
v) Risk Management Committee.
vi) Corporate Social Responsibility Committee.
vii) Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects

**Other Disclosures:**

1. Ms. Reena Sinha Puri is a director in Hindustan Zinc Ltd which is a listed Company.
2. As required under Section 149(7) of the Companies Act'13 and Regulations 25(8) of SEBI (LODR) Regulations 2015 as amended, all the Seven (7) Independent Directors have submitted declaration that he/she meets the Independence Criteria as provided in Clause b of Regulation 16(i) and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. As required under Regulation 25(9) of LODR 2015 as amended, the Board of Directors of the Company shall take on record the declaration and confirmation submitted by the Independent Director under Regulations 25(8) after undertaking due assessment of the veracity of the same. Hence Board of Directors in its 384th meeting held on 17th may'19 'took on record' the Declaration submitted by Independent Directors after undertaking due assessment of the veracity of the same.

3. As required under Regulations 34(3) and Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations 2015 a certificate has been obtained from Practising company Secretary that None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Company as the same is Annexed in this report.
4. None of the Directors in the Company is related to each other
5. As stipulated by LoDR, 2015 the list of core skills/expertise/competence of the Board of Directors identified by the Board of Directors as required in the context of its business and sector for it to function effectively are thoses actually available with the Board are as under :-
    i. Executive Leadership
    ii. Governance Experience
    iii. Financial Acumen
    iv. Sectoral/Domain Knowledge
    v. Marketing Knowledge
    vi. Human Resource management
    vii. Project Formulation and Management
    viii. Stategy/Risk Management
    ix. Occupational Health, safety and environment

This was recommended by Nomination and Remuneration Committee meeting in its 19th meeting held on 3rd July, 2019 and approved by Board in its 386th held on 6th July' 2019.

**3.1 Audit Committee**

**(a) Composition**:

CIL in pursuance of excellence in corporate governance formed an Audit Committee of its Board of Directors w.e.f. 20-07-2001 and the present Audit Committee was re-constituted by the Board in its 376th meeting held on 30th Nov'18 consists of four Independent Directors, one Government Nominee, one Functional Director, one Invitee and one permanent invitee. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of SEBI (LODR) 2015.

Director (Finance), G.M. (Internal Audit) and Statutory Auditors are invited to the Audit Committee Meeting. Company Secretary is the Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations. Senior Functional executives are also invited as and when required to provide necessary clarification to the Committee. Internal Audit Department provides necessary support for holding and conducting Audit Committee meeting.

**(b) Composition, Meetings and Attendance of Audit Committee.**

**15** Meetings were held during the financial year 2018-19 on 28-05-2018, 09-07-2018, 10-08-2018, 25-09-2018, 26-10-2018, 03-11-2018, 12-11-2018, 30-11-2018, 20-12-2018, 23-01-2019, 04-02-2019, 11-02-2019, 01-03-2019, 14-03-2019 & 25-03-2019.The details were as under:-

| Sl. No. | Name of the Director | Status | No. of meetings attended |
|---|---|---|---|
| 1 | Shri Vinod Jain | Chairman (from 06-01-16 till 16.11.18 and from 30.11.18) | **15** |
| 2 | Ms. Reena Sinha Puri | Member (w.e.f 19-07-17) | **14** |
| 3 | Ms. Loretta Mary Vas | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | **14** |
| 4 | Dr S.B. Agnihotri | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | **13** |
| 5 | Dr D C Panigrahi | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | **14** |
| 6 | Shri Vinod Kumar Thakral | Invitee (w.e.f 26.10.18) | **11** |
| 7 | Shri Binay Dayal | Member (w.e.f 28-10-17) | **13** |
| 8 | Shri C K Dey | Permanent Invitee (upto 30.09.18) | **4** |
| 9 | Shri S.N. Prasad | Permanent Invitee (from 26.10.18) | **11** |

**(c) Scope of Audit Committee:** -

The role of Audit Committee included the following:

1. Overseeing company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Remuneration of appointment of auditors of the company;
3. Recommendation to Board for approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement in terms of clause (c) of sub-section 3 of section 134 of Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and the reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by management.
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions; and
    g. Modified opinion(s) in the draft audit report

5. Reviewing with the management, the quarterly financial statements before submission to board for its approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with Statutory Auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism;
19. Reviewing the follow up action on the audit observations of C & AG Audit;
20. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the parliament;
21. Reviewing the financial statement of the subsidiary companies;
22. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**(d) Review of information by Audit Committee**:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions as defined by the Audit Committee submitted by the management;
3. Management letters/letters of internal control weakness issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. Review of the appointment, removal and terms of remuneration of out sourced internal auditors and
6. Statement of deviations:
   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of LODR 2015.
   (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of LODR 2015.

Audit Committee has to review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

**3.2 Nomination and Remuneration Committee**

CIL being a Central Public Sector Undertaking, appointment and tenure of Functional Directors are done by Govt. of India. Their remuneration is also fixed by Govt. of India. A Remuneration Committee was constituted by CIL Board of Directors in its 249th meeting held on 10-04-2009. In compliance with Section 178 of Companies Act, 2013, the Board has renamed the "Remuneration Committee" as "Nomination and Remuneration Committee" in its 303rd meeting held on 14-01-14. This committee was reconstituted in 376th meeting held on 30th Nov'18. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR 2015 are as under :-

**During the year 2018-19, Two sub-committee meetings were held on 20-06-2018 and 02-03-2019. The details were as under:**

| Sl. No. | Name of the Director | Status | No. of Meetings attended |
|---|---|---|---|
| 1. | Ms. Loretta Mary Vas | Chairman (from 06-01-16 till 16.11.18 and from 30.11.18) | 2 |
| 2. | Dr D C Panigrahi | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 1 |
| 3. | Shri R.K.Sinha | Member (from 06-01-16 till 16.11.18 and from 30.11.18 | 2 |
| 4. | Shri V.K. Thakral | Member (w.e.f 25-09-17) | 2 |
| 5. | Shri Khanindra Pathak | Member (w.e.f 30.11.18) | 1 |
| 6. | Shri B.L.Gajipara | Member (w.e.f 30.11.18) | 1 |
| 7. | Shri R.P. Srivastava | Permanent Invitee (from 31st Jan'18) | 2 |

**Remuneration of Directors:**

Remuneration of Functional Director is decided by the Government of India. Sitting fee payable to Independent Directors is fixed by the Board of Directors of CIL in pursuance of DPE guidelines and Companies Act 2013. Accordingly, the Board had decided payment of sitting fees for each meeting of the Board and Committee of the Board @ Rs. 40,000/- and Rs.30,000/- respectively to each Independent Director in its 327th meeting held on 28th May'2016.

Details of remuneration paid to Functional Directors of the Company during the financial Year 2018-19 were as under:

(in Rupees)

| SL. No. | Name of the Director | Salary | Benefits | Total | Remarks |
|---|---|---|---|---|---|
| 1. | Shri Anil Kumar Jha | 3939530 | 1390512 | 5330042 | Appointed w.e.f 18.05.18 |
| 2. | Shri C. K.Dey | 3401091 | 928226 | 4329317 | Superannuated as on 01.10.18 |
| 3. | Shri S.N. Prasad | 4210120 | 1537930 | 5748050 | |
| 4. | Shri B. Dayal | 3768424 | 1479437 | 5247861 | |
| 5. | Shri R.P. Srivastava | 2821985 | 1251901 | 4073886 | |

The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. Details of sitting fees paid to Independent Directors during the year 2018-19 were given below:

(in Rupees)

| Name of the Independent Director | Sitting Fees for Board Meeting | Sitting Fees for Committee Meetings | Total |
|---|---|---|---|
| Ms. Loretta M.Vas | 680000 | 510000 | 1190000 |
| Dr D C Panigrahi | 800000 | 960000 | 1760000 |
| Dr S.B. Agnihotri | 800000 | 930000 | 1730000 |
| Shri Vinod Jain | 840000 | 990000 | 1830000 |
| Dr. Khanindra Pathak | 720000 | 630000 | 1350000 |
| Shri V.K. Thakral | 800000 | 900000 | 1700000 |
| Shri B.L. Gajipara | 840000 | 150000 | 990000 |

The evaluation of Independent Director shall be done by the entire Board of Directors excluding the Directors who are evaluated which shall include performance of the Directors and fulfillment of independence criteria. Hence this committee has prepared the criteria for evaluation of Directors and recommended the same to CIL Board. CIL Board in its 385th meeting held on 30th May' 19 approved the same.

**3.3 Stakeholders Relationship Committee.**

Shareholders' / Investors' Grievance Committee was constituted by CIL Board of Directors in pursuance of Listing Agreement in its 258th meeting held on 05-08-2010. In compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement, the Board had renamed the "Shareholders'/Investors' Grievance Committee" as "Stakeholders' Relationship Committee" in its 307th Board Meeting held on 29-05-2014. The committee was reconstituted in the 376th meeting held on 30th Nov'18. The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act 2013.

The role of Stakeholder Relation Committee includes the following from 1st April' 2019:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year 2018-19, **three** meetings were held on 25-07-2018,12-09-2018 and 25-10-2018.

This Committee consisted of following Directors and their attendance was as follows:

| Sl. No. | Name of the Director | Status | | No. of Meeting attended |
|---|---|---|---|---|
| 1 | Dr S.B. Agnihotri | Chairman (from 06-01-16 till 16.11.18 and from 30.11.18) | Independent Director | 3 |
| 2 | Shri Vinod Jain | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | Independent Director | 2 |
| 3 | Shri C K Dey | Member (w.e.f 06.01.2016 till 30.09.18) | Director (Finance) CIL | 2 |
| 4 | Shri B.L.Gajipara | Member(w.e.f 25.09.17) | Independent Director | 3 |
| 5 | Shri R.P. Srivastava | Member(w.e.f 31.01.18) | Director (P &IR) CIL | 3 |
| 6 | Shri S.N. Prasad | Member(w.e.f 06.10.18) | Director (Finance) CIL-Additional Charge | 1 |

**a) Compliance officer:**

Shri M.Viswanathan, Company Secretary is the Compliance Officer. Company Secretary is primarily responsible to ensure compliance with the applicable statutory requirements and is the interface between Management and regulatory authorities on governance matters.

**b) Redressal of Investors' Grievances:**

The company addresses all complaints and grievances of the investors expeditiously and usually resolves the issue within 7 days except in case of dispute over facts or other legal constraints. The complaints were duly attended by the Company/ RTA.

**c) Settlement of Grievances**

Investors may register their complaints in the manner stated below:-

| Sl. No. | Nature of Compliant | Contact Officers |
|---|---|---|
| 1 | Dividend from Financial Years 2011-12 to 2018-19 and shares held in physical mode<br>For Physical Shares: Change of address, status, Bank account, ECS mandate etc. | **M/s Alankit Assignments Limited,<br>3E/7, Jhandewalan Extension, New Delhi-110055,<br>Email-id-alankit_rta@alankit.com<br>Ph. No-011-4254-1234/2354-1234<br>Fax no-011-4154-3474, Toll free no-1860-121-2155<br>Website-www.alankit.com** |
| 2 | For Dematted Shares:- Change of address, status, Bank account, ECS manadate etc. | Concerned Depository participant (DP) where the Shareholder is maintaining his/her account |
| 3 | All complaints except Sl. No 1&2 | Company Secretary, Coal India Limited, Coal Bhawan, 3rd floor, Core-2, Newtown Rajarhat, Kolkata-700156. Phone No-0332324-6526/0337110-4369, Fax No-0332324-6510 email-complianceofficer.cil@coalindia.in |

**d) Investor Relation Cell**

In line with global practices, the Company is committed to maintain the highest standards of Corporate Governance reinforcing the relationship between the company and its Shareholders. Information frequently required by the Investors and Analysts are available on the Company's corporate website www.coalindia.in under "Investor Centre". This website provides updates on investor-related events and presentations, dividend information and shareholding pattern etc. Updates on Financial Statement and Annual Report are available under 'Performances/ Financial' tab. The company is committed to take such other steps as may be necessary to fulfill the expectations of the stakeholders.

**e) Unclaimed Dividend Status as on 31.03.2019 & Date of transfer to IEPF :-**

| DESCRIPTION | AMOUNT (in INR) | Due date of transfer to IEPF |
|---|---|---|
| INTERIM DIVIDEND 2011-2012 | 11979624.00 | 11.04.2019 |
| FINAL DIVIDEND 2011-2012 | 730057.50 | 17.10.2019 |
| INTERIM DIVIDEND 2012-2013 | 6330530.40 | 13.04.2020 |
| FINAL DIVIDEND 2012-2013 | 4338544.00 | 17.10.2020 |
| INTERIM DIVIDEND 2013-2014 | 15149223.00 | 13.02.2021 |
| INTERIM DIVIDEND 2014-2015 | 9233787.00 | 01.03.2022 |
| INTERIM DIVIDEND 2015-2016 | 17924306.00 | 04.04.2023 |
| IST INTERIM 2016-17 | 17621421.00 | 05.04.2024 |
| 2ND INTERIM 2016-17 | 2314036.00 | 25.04.2024 |
| INTERIM DIVIDEND 2017-18 | 18978669.00 | 09.04.2025 |
| IST INTERIM DIVIDEND 2018-19 | 15283129.00 | 19.01.2026 |
| 2ND INTERIM DIVIDEND 2018-19 | 33044435.00 | 13.04.2026 |
| **TOTAL** | **15,29,27,761.90** | |

The Final Dividend amount for the year 2010-11 amounting to Rs 573029/- had been transferred to IEPF Account on 20th Oct'18 as the amount remained unclaimed for the last 7 years. In addition 13073 shares in respect of which dividend was unclaimed for the last 7 years was also been transferred to IEPF Account on 20th Oct'18. The details are also available in CIL website. The Company sent periodic intimation to the shareholders concerned to lodge their claims with the Company/RTA within the stipulated time or else the unclaimed dividend will be transferred to IEPF Account as stipulated under Companies Act'13. The Interim Dividend amount for the year 2011-12 amounting to Rs 11979624/- had been transferred to IEPF Account on 11th Apr'19. In addition 7104 Shares in respect of which dividend was unclaimed for the last 7 years was also been transferred to IEPF Account on 11th Apr'19.

**i) Status of complaints disposed off during 2018-19(Quarter wise):-**

| Quarter | Opening | Received | Resolved | Pending |
|---|---|---|---|---|
| 1st Qtr | 0 | 117 | 116 | 1 |
| 2nd Qtr | 1 | 90 | 91 | 0 |
| 3rd Qtr | 0 | 21 | 20 | 1 |
| 4th Qtr | 1 | 26 | 25 | 2# |

# Since Resolved.

**Consumer Forum Cases**

| Year | Opening | Received | Resolved | Pending |
|---|---|---|---|---|
| **2018-19** | 5 | 1 | 2 | 4* |

*ATR had been filed with the appropriate authorities. Awaiting final order from consumer court.

**j) Credit Ratings**

Coal India Limited has obtained following Credit rating from CRISIL for the year 2018-19 :-

| | |
|---|---|
| Total Bank Loan Facilities Rated | Rs.5550 Crore |
| Long Term Rating | CRISIL AAA/Stable (Reaffirmed) |
| Short Term Rating | CRISIL A1+ (Reaffirmed) |
| Corporate Credit Rating | CCR AAA/Stable (Renewed & Reaffirmed) |

**k) Corporate Governance Certificate**

As stipulated in the Guidelines on Corporate Governance for CPSE issued by Department of Public Enterprises vide OM 18(8)/2005-GM dated 14.05.2010 and relevant SEBI (LODR) Regulations 2015, Compliance of Corporate Governance Guidelines has been obtained from a practising Company Secretary and the same is Annexed in this report.

**3.4 Share Transfer Committee**

A Share Transfer Committee was constituted by CIL Board of Directors in its 262nd meeting held on 22-11-2010. This committee was reconstituted in 349th CIL Board meeting held on 28-10-2017. The Share Transfer Committee looks into the following:

a) Transfer or Transmission of Shares. and

b) Issue Duplicate Certificates and new Certificates on split /consolidation/renewal/demat to remat etc.

During the year 2018-19, **22** meetings of the committee were held on 06-04-2018, 19-04-2018, 05-05-2018, 23-05-2018, 02-06-2018, 19-06-2018, 04-07-2018, 30-07-2018, 09-08-2018, 14-09-2018, 12-10-2018, 24-10-2018, 21-11-2018,23-11-2018, 06-12-2018, 18-12-2018, 08-01-2019, 25-01-2019, 12-02-2019, 21-02-2019, 08-03-2019 & 27-03-2019.

| Sl. No. | Name of the Director | Status | | No. of Meeting attended |
|---|---|---|---|---|
| 1 | Shri C.K. Dey | Director (Finance) | Chairman (from 31.03.17 till 30.09.18) | 10 |
| 2 | Shri S N Prasad | Director (Marketing) | Member (w.e.f 05.10.18) | 19 |
| 3 | Shri Binay Dayal | Director (Technical) | Member (w.e.f 28-10-17) | 20 |
| 4 | Shri R.P. Srivastava | Director (Personnel) | Member (w.e.f 05.10.18) | 11 |

**3.5 Risk Management Committee.**

Corporate Governance including Risk Assessment and Minimization Procedures Committee was constituted by CIL Board of Directors in its 273rd meeting held on 20-09-2011. This committee was renamed as Risk Management Committee as approved by CIL Board in its 307th meeting held on 29th May 2014 and is in line with Regulation 21 of SEBI (LODR) Regulation, 2015. This committee was reconstituted in 376th Board meeting held on 30th Nov'18.

During the year, 2018-19, Nine meetings were held on 02-04-18, 05-05-2018, 29-05-2018, 15-06-2018, 05-10-2018, 12-10-2018, 11-11-2018,05-01-2019 & 02-03-2019 and attendance of Directors was as follows:

| Sl. No. | Name of the Director | Status | | No. of Meeting attended |
|---|---|---|---|---|
| 1 | Dr D C Panigrahi | Chairman (from 06-01-16 till 16.11.18 and from 30.11.18) | Independent Director | 9 |
| 2 | Dr. Khanindra Pathak | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | Independent Director | 9 |
| 3 | Shri V.K. Thakral | Member (w.e.f 25.09.17) | Independent Director | 9 |
| 4 | Shri S N Prasad | Member (w.e.f 06.01.16) | Director(Marketing) | 3 |
| 5 | Shri B.Dayal | Member (w.e.f 28.10.17) | Director (Technical) | 6 |

**3.6 Corporate Social Responsibility Committee.**

Sustainable Development Committee including CSR Committee was constituted by CIL Board of Directors in its 282nd meeting held on 16-04-2012. This committee was reconstituted in 376th meeting held on 30th Nov'18. This Committee was renamed as CSR Committee in pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. In addition to CSR activities, this committee will also look after Sustainable Development.

During the year 2018-19, five meetings of the committee were held on 20-07-2018, 27-07-2018, 30-11-2018, 11-02-2019 & 07-03-2019 respectively. The Corporate Social Responsibility Committee consisted of following members and their attendance was as follows:

| Sl. No. | Name of the Director | Status | | No. of Meeting attended |
|---|---|---|---|---|
| 1 | Dr S.B.Agnihotri | Independent Director | Chairman (from 06-01-16 till 16.11.18 and from 30.11.18) | 5 |
| 2 | Dr. Khanindra Pathak | Independent Director | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 5 |
| 3 | Shri Vinod Jain | Independent Director | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 5 |
| 4 | Shri R.K.Sinha | Govt. Nominee Director | Member (from 19/07/17) | 4 |
| 5 | Shri Binay Dayal | Director(Technical) | Member (w.e.f 28-10-17) | 4 |
| 6 | Shri R.P. Srivastava | Director (P &IR) CIL | Member(from 31st Jan'18) | 5 |
| 7. | Shri V.K.Thakral | Independent Director | Member from 30.11.18 | 3 |

**3.7 Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects:**

An Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects was re-constituted by CIL Board in its 349th meeting held on 28-10-2017. This committee was reconstituted in 376th meeting held on 30th Nov'18.

During the year 2018-19, Six Sub-Committee Meetings were held on 10-May-2018, 22-May-18, 28-Jul-18, 7-Oct-18, 23-Jan-19 & 12-Feb-19. The Committee consisted of following Directors and their attendance was as follows:

| Sl. No. | Name of the Director | Status | No. of Meeting attended |
|---|---|---|---|
| 1 | Chairman, CIL. | Chairman | 6 |
| 2 | Jt. Secretary (JS & FA), MOC. | Member (w.e.f 19.07.17) | 4 |
| 3 | Director(Finance), CIL | Member | 6 |
| 4 | Director (Technical), CIL. | Member | 6 |
| 5 | Dr. S.B.Agnihotri | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 5 |
| 6 | Dr. D.C.Panigrahi | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 6 |
| 7 | Dr. Khanindra Pathak | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 6 |
| 8 | Shri Vinod Jain | Member (from 06-01-16 till 16.11.18 and from 30.11.18) | 6 |

**4. General Body Meetings**

**A. Particulars of last three AGM :**

Date, Time and Venue of last three Annual General Meetings held were as under:-

| Financial Year. | Date. | Time. | Location. |
|---|---|---|---|
| 2017-18 | 12-09-2018 | 10.30 AM | Science City, Main Auditorium, JBS Haldane Avenue, Kolkata - 700 046. |
| 2016-17 | 14-09-2017 | 10.30 AM | Science City, Main Auditorium, JBS Haldane Avenue, Kolkata - 700 046. |
| 2015-16 | 21-09-2016 | 10.30 AM | Science City, Main Auditorium, JBS Haldane Avenue, Kolkata - 700 046. |

**B. Particulars of Special Resolutions passed at the last three AGM :**

| AGM | Year | Time | Particulars of Special Resolution |
|---|---|---|---|
| **44th** | **12-09-2018** | **10.30 A.M.** | **NA** |
| **43rd** | **14-09-2017** | **10.30 A.M.** | **NA** |
| **42nd** | **21-09-2016** | **10.30 A.M.** | **NA** |

**C. Particulars of Special Resolution passed through Postal Ballot and details of voting in 2017-18 : NIL**

**D. Person who conducted E-Voting at AGM in 2017-18 :** Shri A.K. Labh Practising Company, Secretary, Kolkata had been appointed as Scrutinizer for E-voting for AGM.

**E. Whether any special resolution is proposed to be conducted through postal ballot -** No.

**F.** Detailed Procedure for E-voting activity will be available under tab 'Investor Centre of Coal India website.

**5. Disclosures**

**A) Related Party Transactions :** During the year, there was no transaction of material nature with Related Parties that had potential conflict with the interests of the Company. As required under Regulation 23(1) of SEBI(LODR)Regulations, 2015, the Company has formulated a policy on dealing with Related Party Transactions.

(https://www.coalindia.in/DesktopModules/DocumentList/documents/Related_Party_Transaction_Policy'_01122014(1).PDF)

**B)** The Company had complied with requirements of Regulatory Authorities on capital markets and no penalties/strictures was imposed against it in the last three years by Stock Exchange or SEBI or any other Statutory Authority.

**C)** **Whistle Blower Policy:** Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of SEBI (LODR)Regulations, 2015, the Company had formulated Whistle Blower Policy to enable stakeholders including individual employees and their representative bodies to freely communicate their concerns about illegal or unethical practices. Accordingly, the Board of Directors of CIL in its 272nd Board Meeting held on 12th August, 2011 has approved "COAL INDIA WHISTLE BLOWER POLICY 2011" at CIL and its subsidiary companies for implementation.

CIL had provided ample opportunities to encourage directors and employees to become whistle blowers (Directors and employees who voluntarily and confidentially want to bring the unethical practices, actual or suspected fraudulent transactions in the organization to the notice of competent authority for the greater interest of the organization and the nation). It has also ensured a very robust mechanism within the same framework to protect them (whistle blowers) from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit committee.

**D)** **CEO/CFO Certification:** As required under SEBI(LODR)Regulations,2015, Certificate signed by Shri Anil Kumar Jha Chairman/CEO, Shri S.N.Prasad, Director (Marketing)/(Finance) and Sri S. Sarkar, CFO was placed before the Board of Directors in its 385th Board Meeting held on 30th May'19 and is annexed to Corporate Governance Report.

**E)** **Code of Business Conduct**

The Company has in place a Code of Business Conduct applicable to Board Members as well as to Senior Management which was revised in its 311th Board Meeting held on 29-03-2015 in line with Companies Act' 2013,Listing Regulations 2015 and the same has been uploaded in Company's website. Further, all Board Members of Coal India Limited and Senior Management Personnel have affirmed compliance to the code of conduct as on 31st March, 2019.

Declaration as required under Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the members of the Board and Senior Management Personnel have affirmed compliance to the Code of Conduct for the financial year ended on 31st March, 2019.

Kolkata
Dated 16.05.2019

Sd/
(Anil Kumar Jha)
Chairman & Managing Director
DIN: 06645361

**F)** **Code of Internal procedures and conduct for Prevention of Insider Trading**

In pursuance to Regulation 9(1) of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Company has adopted "CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES OF COAL INDIA LIMITED" with the objective of preventing purchase and/or sale of shares of Company by an insider on the basis of unpublished price sensitive information. Under this code, Insiders (Officers, Designated Employees and Connected Persons) are prevented to deal with the company's shares during the closure of Trading Window. This was approved in 314th Board Meeting held on 12th May'2015 and uploaded in website. To deal in Securities beyond limits specified, permission of Compliance Officer is required. All Directors / Officers/ Designated Employees are also required to disclose related information periodically as defined in the Code. Company Secretary has been designated as Compliance Officer for this Code.

As per amended Insider Trading Regulations 2018 and 2019, the company is in the process of amending its Insider Trading Regulations.

**G)** **Separate Meeting of Independent Directors**

As per Companies Act, 2013 and Regulation 25(3) & (4) of SEBI Listing Obligations and Disclosure Requirement 2015, Independent Directors are required to hold at least one meeting in a year to Assess the quality, quantity and timeliness of flow of information between company management and Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting of Independent directors for the year 2018-19 was held on 25-10-2018 at New Delhi. Six independent directors attended the meeting and leave of absence was granted to Dr. Khanindra Pathak .

Formal letter of appointment to Independent Directors: CIL Board in its 308th meeting had approved letter of appointment to be issued to Independent Directors on their appointment and it is also uploaded in company's website. This is as per the Schedule IV of Companies Act 2013 and Regulation 46(2) of Listing Regulations 2015. Accordingly letter of appointment has been issued to all Independent Directors .

Performance evaluation of Independent Directors: MCA vide notification dated 5th july'2017 has exempted the above for Government Companies.

Familiarisation programme for Independent Directors: Board of Directors are fully briefed on all business related matters, associated risk, new initiatives etc of the company. The Board of directors were also briefed about the provisions of Companies Act 2013, SEBI(LODR)Regulations,2015, and Prevention of Insider Trading Code of CIL etc. As and when the training programmes are conducted by the recognized Institutes on Corporate Governance, company sponsors them to attend training programme and make them familiar

with the recent developments. Details of training programme attended by Independent Directors were disclosed in company website under tab "Investor Centre".

https://www.coalindia.in/DesktopModules/DocumentList/documentsFamiliarization%20Programmes%20imparted%20to% 20Independent%20Directors%20for%202018-19%20and%20cumulative%20till%20date.pdf

**H) Sexual Harassment of woman at work place (prevention, prohibition and redressal) Act, 2013**

Details are given in point no. 37 of Director's Report.

**SUBSIDIARY COMPANIES**

Policy on Material Subsidiaries had been formulated and uploaded in company's website South Eastern Coalfields Limited (SECL) became a material subsidiary as its income exceeded 20% of CIL's income as on 31st March 2019. The Consolidated Financial Statements of Coal India limited and its Subsidiary Companies are tabled at the Audit Committee and Board Meetings on quarterly basis. Copies of the Minutes of Board Meetings of Subsidiary Companies along with a statement of significant transactions and arrangements entered into by the unlisted subsidiary company are placed to CIL Board.

https://www.coalindia.in/DesktopModules/DocumentList/documentsPOLICY_FOR_DETERMINING_MATERIAL_SUBSIDIARIES_21032015.pdf

**6. Means of Communication:**

**a) Quarterly Results:**

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures through website. The Company also communicates with its institutional shareholders through a combination of Analysts briefing, individual discussions and also participation at investor conferences from time to time. Quarterly Un-Audited Financial Results were published in the news papers as per the details given below. Information and latest updates and announcement regarding the company can be accessed at company's website ( www.coalindia.in)

| Quarter | English Newspaper | Vernacular Newspapers |
|---|---|---|
| June' 18 | Financial Express | Ei-Shomoy |
| September' 18 | Business Standard | Bartamaan |
| December' 18 | HT Mint | Ananda Bazaar Patrika |
| March' 19 | Business Line | Ananda Bazaar Patrika |

**b) Official Releases and Presentations:**

In order to make general public aware about the achievements of the company, highlights of the performance of the company are briefed to the Press for information of the stakeholders after it is intimated to Stock Exchanges.

**B) Presentation made to the Analysts:-**

The salient features of financial results presented to Audit Committee and Board were put on company website for the information of Analysts and general public after it is intimated to Stock Exchanges.

**7. General Shareholders' Information:**

a) Annual General Meeting.

Date: 21st August'2019

Day: Wednesday

Time: 10.30 AM

Venue: Science City Auditorium, J.B.S. Haldane Avenue, Kolkata-700 046.

**b) Financial Calendar for FY 2019-20:**

| Particulars | Date |
|---|---|
| Accounting period | April 1 , 2019 to March 31 , 2020 |
| Un audited Financial Results for the first three quarters | Announcement within 45 days from the end of each quarter. |
| Fourth Quarter Results | Announcement of Audited Accounts on or before May, 30, 2020. |
| AGM (Next Year) | August' 2020 |

**c) Book Closure.**

The Register of Members and Share Transfer Books of the Company will remain closed from 14th Aug'19 to 21st Aug'19 (both days inclusive).

**d) Payment of Dividend.**

The Board of Directors of CIL in its meeting held on 20th Dec'18 had approved payment of 1st Interim Dividend@ Rs.7.25 per share (72.5% on the paid up share capital) to shareholders and the same was paid 'on and from 5th Jan'19'.

The Board of Directors of CIL in its meeting held on 14th March'19 has approved payment of 2nd Interim Dividend for the year 2018-19 @ Rs. 5.85 per share (58.5% on the paid up share capital) and the same was paid 'on and from 29th March' 2019'

**e) Dividend History.**

| Year | Total Paid up Share | Total amount of Capital (₹ in crore) | Date of AGM in which dividend paid (₹ in crore) | Rate of Dividend dividend was declared |
|---|---|---|---|---|
| 2009-10 | 6316.3644 | 2210.00 | 25-05-2010 | 35% |
| 2010-11 | 6316.3644 | 2463.38 | 20-09-2011 | 39% |
| 2011-12 | 6316.3644 | 6316.36 | 18-09-2012 | 100% |
| 2012-13 | 6316.3644 | 8842.91 | 18-09-2013 | 140% |
| 2013-14 | 6316.3644 | 18317.46 | 10-09-2014 | 290% |
| 2014-15 | 6316.3644 | 13074.88 | 23-09-2015 | 207% |
| 2015-16 | 6316.3644 | 17306.84 | 21-09-2016 | 274% |
| 2016-17 | 6207.4092 | 12352.76 | 14-09-2017 | 199% |
| 2017-18 | 6207.4092 | 10242.23 | 12-09-2018 | 165% |
| 2018-19 | 6162.73 | 8105.58 | Interim Dividend declared and paid earlier | 131% |

**f) Listing on Stock Exchanges**

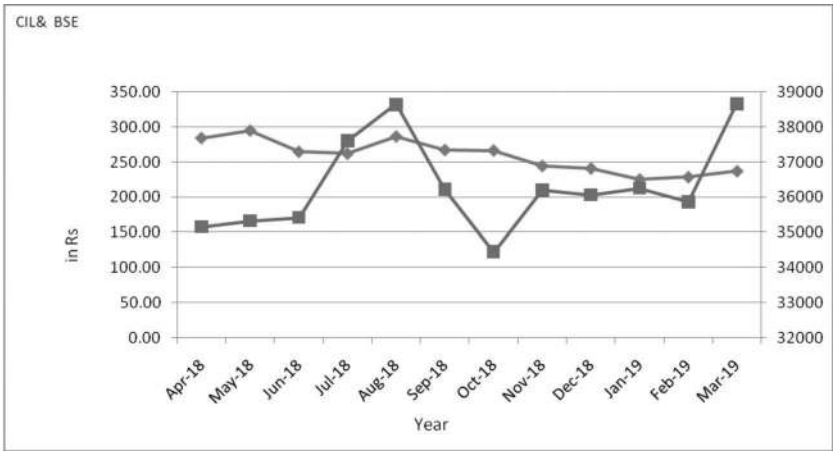
CIL equity shares are listed in the following Stock Exchanges:

| | |
|---|---|
| **National Stock Exchange of India Limited.**<br>Scrip Code: COAL INDIA<br>Stock Code: ISIN: INE522F01014. | **Bombay Stock Exchange Limited.**<br>Scrip Code: 533278. |

An annual Listing fee for the year 2019-20 had already been paid to both the Stock Exchanges.

**g) Market Price Data- BSE :**

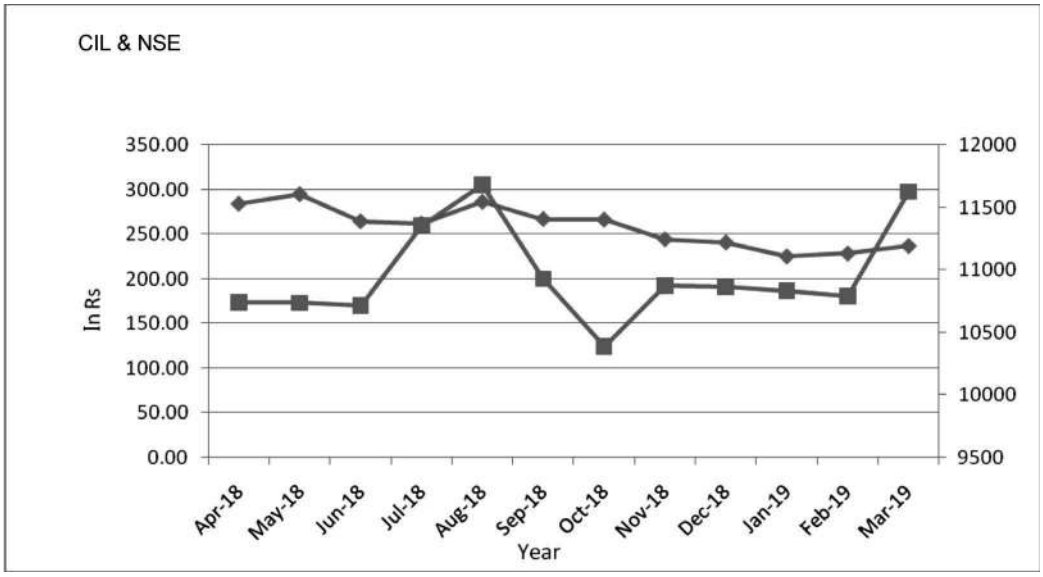
| Month | High (in ₹) | Low (in ₹) | Closing (in ₹) |
|---|---|---|---|
| **Apr-18** | 294.80 | 272.45 | 283.85 |
| **May-18** | 303.00 | 257.60 | 294.50 |
| **Jun-18** | 299.15 | 256.00 | 264.40 |
| **Jul-18** | 279.80 | 258.70 | 261.70 |
| **Aug-18** | 299.60 | 261.50 | 286.10 |
| **Sep-18** | 289.90 | 264.85 | 266.85 |
| **Oct-18** | 288.30 | 261.55 | 266.15 |
| **Nov-18** | 271.70 | 239.55 | 244.30 |
| **Dec-18** | 254.10 | 228.50 | 240.75 |
| **Jan-19** | 241.75 | 218.10 | 225.15 |
| **Feb-19** | 229.00 | 212.00 | 228.35 |
| **Mar-19** | 247.70 | 226.60 | 236.80 |




**Stock Performance of Coal India vis -a -vis Sensex (Based on closing Price)**

**h) Market Price Data- NSE :**

| Month | High (in ₹) | Low (in ₹) | Closing (in ₹) |
|---|---|---|---|
| **Apr-18** | 294.95 | 273.20 | 285.00 |
| **May-18** | 303.45 | 257.30 | 296.25 |
| **Jun-18** | 299.70 | 257.40 | 264.35 |
| **Jul-18** | 279.70 | 258.60 | 261.10 |
| **Aug-18** | 299.75 | 261.60 | 285.95 |
| **Sep-18** | 289.80 | 264.40 | 266.25 |
| **Oct-18** | 289.20 | 261.30 | 266.15 |
| **Nov-18** | 271.85 | 239.05 | 244.90 |
| **Dec-18** | 254.50 | 228.35 | 240.75 |
| **Jan-19** | 242.45 | 218.05 | 224.65 |
| **Feb-19** | 229.90 | 211.40 | 228.30 |
| **Mar-19** | 247.90 | 226.60 | 237.20 |




**Stock performance of Coal India vis a vis NIFTY (based on closing price)**

**i) Registrar and Share Transfer Agent**

| Registered Address: | Local Address: |
|---|---|
| **M/s Alankit Assignments Limited,**<br>**3E/7, Jhandewalan Extension,**<br>**New Delhi-110055,**<br>**Email-id-alankit_rta@alankit.com**<br>**Ph. No-011-4254-1234/2354-1234**<br>**Fax no-011-4154-3474**<br>**Toll Free No: 1860-121-2155**<br>**Website-www.alankit.com** | **M/s Alankit Assignments Limited,**<br>**Main Building, 2nd floor**<br>**19 R.N. Mukherjee Kolkata-700001**<br>**Email-id-alankit_rta@alankit.com**<br>**Phone no-033-4401-4100/4200**<br>**Toll Free No: 1860-121-2155** |

**j) Share Transfer System**

Share transfer activities under physical segment are being carried out by **M/s Alankit Assignments Limited**. The share transfer system consists of activities like receipt of shares along with transfer deed from transferors, its verification, preparation of Memorandum of transfers, etc. If it is in order, share transfer is approved and sent to transferee. If it is not in order, the same is returned to the transferee for further needful action. However, as mandated by SEBI, Physical transfer of shares is not permitted from 1st April' 2019.

**k) Distribution of Shareholding**

Shares held by different categories of shareholders and size of holdings as on 31st March, 2019 is given below:

**a) Shareholding pattern as on 31st March, 2019**

| Category | No. of Shareholders | Total no. of shares | % of Equity |
|---|---|---|---|
| ALTERNATE INVESTMENT FUND | 4 | 645657 | 0.01 |
| BANKS | 15 | 32562912 | 0.53 |
| BODY CORPORATE | 2509 | 23055890 | 0.37 |
| CENTRAL GOVT/STATE | 1 | 61976 | 0.00 |
| CLEARING MEMBER | 257 | 13217810 | 0.21 |
| FOREIGN INSTITUTIONAL INVESTORS | 8 | 1902123 | 0.03 |
| FOREIGN NATIONALS | 3 | 5732 | 0.00 |
| FOREIGN PORTFOLIO INVESTOR | 629 | 437803825 | 7.10 |
| HUF | 9910 | 3056863 | 0.05 |
| INDIAN FINANCIAL INSTITUTIONS | 43 | 10213712 | 0.17 |
| INSURANCE COMPANIES | 120 | 752057789 | 12.20 |
| MUTUAL FUNDS | 193 | 372859704 | 6.05 |
| NBFC | 18 | 23544 | 0.00 |
| NON RESIDENT INDIAN | 10310 | 5790883 | 0.09 |
| PROMOTERS | 1 | 4373016781 | 70.96 |
| RESIDENT (HUF) | 7139 | 2169089 | 0.04 |
| RESIDENT INDIVIDUALS | 642922 | 117816235 | 1.91 |
| TRUST | 92 | 16467802 | 0.27 |
| **Total** | **674174** | **6162728327** | **100** |

**b) Top Ten shareholders as on 31st March' 2019:**

| SL. NO. | NAME/JOINT NAME(S) | HOLDING | % TO EQT |
|---|---|---|---|
| 1 | PRESIDENT OF INDIA | 4373016781 | 70.96 |
| 2 | LIFE INSURANCE CORPORATION OF INDIA | 673999304 | 10.94 |
| 3 | CPSE ETF | 134394028 | 2.18 |
| 4 | HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND | 43009654 | 0.7 |
| 5 | THE INCOME FUND OF AMERICA | 38000000 | 0.62 |
| 6 | GOVERNMENT OF SINGAPORE | 28314077 | 0.46 |
| 7 | VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS | 23325804 | 0.38 |
| 8 | STATE BANK OF INDIA | 22914605 | 0.37 |
| 9 | VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND | 22579810 | 0.37 |
| 10 | ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED | 18106377 | 0.29 |
| | **TOTAL:** | **5453354675** | **88.5** |

**c) Distribution of shareholding according to size, % of holding as on 31st March, 2019:**

| Sl. No. | Category (Shares) | No. of Share Holders | % To Share Holders | Total No. of Shares | % To Equity |
|---|---|---|---|---|---|
| 1 | 1 - 5000 | 671604 | 99.619 | 112106620 | 1.819 |
| 2 | 5001 - 10000 | 1061 | 0.157 | 7573227 | 0.123 |
| 3 | 10001 - 20000 | 444 | 0.066 | 6393868 | 0.104 |
| 4 | 20001 - 30000 | 195 | 0.029 | 4776861 | 0.078 |
| 5 | 30001 - 40000 | 89 | 0.013 | 3047696 | 0.049 |
| 6 | 40001 - 50000 | 67 | 0.01 | 3006626 | 0.049 |
| 7 | 50001 - 100000 | 188 | 0.028 | 13649987 | 0.221 |
| 8 | 100001 and above | 526 | 0.078 | 6012173442 | 97.557 |
| | **TOTAL:** | **674174** | **100** | **6162728327** | **100** |

**d) Major Shareholders**

Details of shareholders holding more than 10% of paid up capital of the Company as on 31st March, 2019 are given below:

| Name of Shareholder | No of Shares | % to Paid - up Capital | Category |
|---|---|---|---|
| President of India | 4373016781 | 70.96 | POI |
| Life Insurance Corporation of India | 673999304 | 10.94 | Insurance |

**L) Dematerialization of Shares and Liquidity**

26.55% of the Shares of the Company issued to the Public are in dematerialized segment and are available for trading at National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL). 2.18% shares of the company is in CPSE ETF, 0.31% shares is in Bharat 22 ETF and can be traded in Stock Exchanges, which are also in dematerialized.

**No of shares held in dematerialized and physical mode as on 31st March' 19**

| Mode of holding | Shares | % Equity |
|---|---|---|
| Held in dematerialized form in CDSL | 52313989 | 0.85 |
| Held in dematerialized form in NSDL | 6110409522 | 99.15 |
| Physical | 4816 | 0 |
| **Total** | **6162728327** | **100** |

**M) Reconciliation of Share Capital Audit**

As required by Securities & Exchange Board of India (SEBI), quarterly audit of Company's share capital is being carried out by a practicing Company Secretary with a view to reconcile the total share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and in physical form, with the issued and listed capital. The Secretarial Audit Report for reconciliation of share capital is submitted to BSE Limited and National Stock Exchange of India Limited within the stipulated time for each quarter.

**N) The names and address of the Depositories are as under:**

1. National Securities Depository Ltd.
   Trade World, 4th Floor,
   Kamala Mills Compound,
   Senapati Bapat Marg,
   Lower Parel, Mumbai-400 013.
2. Central Depository Services (India) Limited.
   Phiroze Jeejeebhoy Towers,
   17th Floor, Dalal Street Fort, Mumbai – 400 001.

**O) Details of Subsidiaries of Coal India Ltd and its Location**

Coal India Ltd. is at present having nine wholly owned Subsidiaries. (Seven Coal Producing Companies, One Service Oriented Company and One Foreign Subsidiary Company). The Company's Subsidiaries are located at:

**(A) Coal Producing Companies:**

| Name of the Subsidiary Company | | Location |
|---|---|---|
| (i) | Eastern Coalfields Ltd.(ECL) | Sanctoria, Dishergarh, West Bengal |
| (ii) | Bharat Coking Coal Ltd (BCCL) | Dhanbad, Jharkhand. |
| (iii) | Central Coalfields Ltd (CCL) | Ranchi, Jharkhand. |
| (iv) | Western Coalfields Ltd (WCL) | Nagpur, Maharashtra. |
| (v) | South Eastern Coalfields Ltd (SECL) | Bilaspur, Chhattisgarh. |
| (vi) | Northern Coalfields Ltd (NCL) | Singurali, Madhya Pradesh. |
| (vii) | Mahanadi Coalfields Ltd(MCL) | Sambalpur, Odisha |

**(B) Service Oriented Company:**

| Name of the Subsidiary Company | | Location |
|---|---|---|
| (viii) | C.M.P.D.I.L. | Ranchi, Jharkhand. |

**(C) Foreign Subsidiary Company:**

| Name of the Subsidiary Company | | Location |
|---|---|---|
| (ix) | Coal India Africana Limitada(CIAL) | Tete, Mozambique |

**(D) Joint Venture Companies of CIL:**

(i) CIL NTPC Urja Pvt Ltd
(ii) Talcher Fertilizers Limited (TFL)
(iii) Hindustan Urvarak & Rasayan Ltd. (HURL)

**P) Address for Correspondence :**

**Coal India Limited**
**Coal Bhawan**
Premises No-04-MAR.Plot No-AF-III
Action Area-1A, Newtown, Rajarhat
Kolkata- 700156.
Phone- 033-23246426.
Fax- 033-23246510.
E -mail: complianceofficer.cil@coalindia.in.

**ANNEX- I**

**Non- Mandatory Requirements.**

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Reg. 27(1) of SEBI(LODR)Regulations, 2015 read with Part E of Schedule-II are produced below:

1. **The Board:** The Company is headed by an Executive Chairman.
2. **Shareholder Rights:** The quarterly Financial Results of the Company are published in leading newspapers and also posted on company's website (www.coalindia.in). These results are not separately circulated to the shareholder.
3. **Audit Qualification / Modified Opinions in audit report:** It is always Company's endeavor to present an unqualified financial statement. For the Year, company received unqualified report from statatory Auditor.
4. **Reporting of Internal Auditor:** General Manager/HoD Internal Audit reports directly to Chief Executive Officer of the company. The external/internal auditor appointed by the company submit their report to concerned GM at places where they are conducting audit. These reports are reviewed by the Audit Committee.

# CEO AND CFO CERTIFICATION (STANDALONE)

To

The Board of Directors

Coal India Limited

The Financial Statements of CIL (Standalone) for the year ended 31st March, 2019 are placed herewith before the Board of Directors for their consideration and approval.

In the light of above, We, A.K.Jha, Chairman-cum-Managing Director, S.N.Prasad, Director (Marketing)/Director (Finance),and S.Sarkar, General Manager(Finance-I/C)/CFO of Coal India Ltd. responsible for the finance function certify that:

a. We have reviewed the Financial Statements for the year ended 31st March, 2019 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2019 are fraudulent, illegal or violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee that:

   i. There has not been any significant changes in internal control over financial reporting during the period under reference;

   ii. There has not been any significant change in accounting policies during the period.

   iii. We have not become aware of any instance of significant fraud with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

| | | |
|---|---|---|
| **Sd/-** | **Sd/-** | **Sd/-** |
| **(S. Sarkar)** | **(S.N. Prasad)** | **(A.K. Jha)** |
| **General Manager** | **Director (Marketing)** | **Chairman-Cum-Managing** |
| **(Finance-I/C) CFO** | **Director (Finance)** | **Director** |
| | **DIN: 07408431** | **DIN: 06645361** |

Place: Kolkata

Date: 30/05/2019

## CEO AND CFO CERTIFICATION (CONSOLIDATED)

To

The Board of Directors

Coal India Limited

The Financial Statements of CIL (Consolidated) for the year ended 31st March, 2019 are placed herewith before the Board of Directors for their consideration and approval.

The Financial Statements for the above mentioned period for the subsidiaries of Coal India Limited have been prepared by the respective subsidiaries and have been approved by their respective Boards. The respective CEO/CFO certification on the Financial Statements of other subsidiaries for the said period as submitted to the respective Board are also placed for kind perusal. This CEO/CFO (Consolidated) certification is based on these individual subsidiary wise CEO/CFO Certification.

The Standalone Financial Statements for the above period also forms a part of the above Consolidated Financial Statements.

In the light of above, We, A.K.Jha, Chairman-cum-Managing Director, S.N.Prasad, Director (Marketing)/Director (Finance),and S.Sarkar, General Manager (Finance-I/C)/CFO, of Coal India Ltd. responsible for the finance function certify that:

a) We have reviewed the Financial Statements for the year ended 31st March, 2019 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2019 are fraudulent, illegal or violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee that:

   i. There has not been any significant changes in internal control over financial reporting during the period under reference;

   ii. There has not been any significant change in accounting policies during the period.

   iii. We have not become aware of any instance of significant fraud with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting except the following observation of Bharat Coking Coal Limited (BCCL):

| Sl. No | Case No / FIR No. | Description of the Case |
|---|---|---|
| 1 | RC 01(A) / 2019-D | CBI, ACB, Dhanbad has registered a case regarding showing excess removal of OB to the tune of 35,30,769 cum by making false entries in measurement book and other records to derive undue advantage to the tune of ₹22.16 crores to M/s AT-Libra BPL (JV), Dhanbad by some officials of the Company.<br>The said case is still under investigation. |
| 2 | Forensic Audit | During the course of Forensic Audit conducted by an external agency at the instance of the Vigilance Department, it has been revealed that a case of impersonation by a contractor during several occasions of tendering and collection of cheques of civil works of erstwhile Kustore Area without commencing/ completion of works including double payment, causing loss to the Companyof ₹1.21 crore.<br>Further, during forensic audit, it has also been revealed a case of double payment against same challan to a firm during 2011-12, causing loss to the Company of ₹0.02 crore.<br>The above cases are still under investigation |
| 3 | CA/07/2018 | A case has been registered by the Vigilance department alleging to cause an approximate loss of ₹10.00 Crore for misuse of diesel due to measurement of excess OB in Dhansar OCP (Dept.) by the BCCL officials during the period from 29.01.2013 to 13.01.2015.<br>The said case is still under investigation. |

| Sl. No | Case No / FIR No. | Description of the Case |
|---|---|---|
| 4 | CA/01/2018 | AA case has been registered by the Vigilance department for Coal Stock shortage of 1189 Tonne which is 59.21% of Book Stock of Steel-II grade in Heap no.12B of 3 Pit West Hired OCP, Bhowra (S), EJ Area on 23.09.2017.<br><br>Further, case has been registered by the Vigilance department alleging that the dispatch of1189 Tonne of Steel II Grade Coal from Heap no.12B of 3 Pit West Hired OCP, Bhowra (S), EJ Area as W-II grade caused approximate loss of ₹1.26 Crore to the company.<br><br>The above cases are still under investigation. |
| 5 | | In pursuance of the directions of the Vigilance Department, an exercise has been conducted covering a period of 01.01.2012 to 31.03.2018 in respect of Non-Executives employees whose basic pay were changed more than once in any year. Based on the exercise, an alleged excess payment of ₹12.14 crore approximately covering 1279 employees has been reported. The matter is under examination in co-ordination with the Internal Auditors of the respective Areas to quantify the excess amount and also to fix the responsibility on the Officials who are found responsible for this excess payment. |

**Sd/-**
**(S. Sarkar)**
**General Manager**
**(Finance-I/C) CFO**

**Sd/-**
**(S.N. Prasad)**
**Director (Marketing)**
**Director (Finance)**
**DIN: 07408431**

**Sd/-**
**(A.K. Jha)**
**Chairman-Cum-Managing**
**Director**
**DIN: 06645361**

Place: Kolkata

Date: 30/05/2019

## Corporate Governance Certificate

To,
The Members,
M/s. Coal India Limited,
CIN- L23109WB1973GO1028844

Address: Govt. of India Undertaking, Coal Bhawan,
3rd Floor, Core-2, Premises No. 04-MER, Plot- AF-III,
Action Area- 1A, New Town Rajarhat, Kolkata-700156

This is to certify that:

1. We have examined the compliance of conditions of corporate governance by M/s. Coal India Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2019 as stipulated in relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, with Stock exchange(s) and as stipulated in the guidelines on Corporate Governance (hereinafter referred "the Guidelines") for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India, vide OM No. 18(8)/2005-GM dated 14/05/2010.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of Certification and have been provided with such records, documents, certifications, etc. as had been required by us.
3. The Company has taken steps for reviewing of Compliances of Laws. An elaborate system is in place for management of currency as well as interest rate risk relating to Foreign Loan and steps had been taken in other areas of integration and alignment of Risk Management with corporate and operational objectives.
4. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, read with the Guidelines of Corporate Governance issued by the Department of Public Enterprises for CPSEs in the year 2010.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.



**CS Rakhi Dasgupta**
**Company Secretaries in Practice**
**Membership No. ACS- 28739**
**CP No.- 20354**

**Address: Sonarpur, Link Road, Near Power House**
**Kolkata- 700 150**

**Date- 25th June, 2019**
**Place- Kolkata**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members,
M/s. Coal India Limited,
Govt. of India Undertaking,
Coal Bhawan, 3rd Floor,
Core- 2, Premises No.-04-MAR,
Plot-AF-III, Action Area- 1A,
New Town Rajarhat, Kolkata- 700156

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Coal India Limited** having **CIN- L23109WB1973GO1028844** and having registered office at **Coal Bhawan, 3rd Floor, Core- 2, Premises No.-04-MAR, Plot-AF-III, Action Area- 1A, New Town Rajarhat, Kolkata- 700156** and (hereinafter referred to as "the Company"), produced before meby the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the Portal http://www.mca.gov.in/mcafoportal/viewSignatoryDetailsAction.do) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA) or any such other Statutory Authorities:

| Sl. No. | Name of Directors | DIN | Date of Appointment |
|---|---|---|---|
| 1 | ANIL KUMAR JHA | 06645361 | 18/05/2018 |
| 2 | VINOD JAIN | 00003572 | 17/11/2015 to 16/11/2018 and re-appointed from 17/11/2018 |
| 3 | VINOD KUMAR THAKRAL | 00402959 | 06/09/2017 |
| 4 | LORETA MARYANN VAS | 02544627 | 17/11/2015 to 16/11/2018 and re-appointed from 17/11/2018 |
| 5 | SATISH BALRAM AGNIHOTRI | 03390553 | 17/11/2015 to 16/11/2018 and re-appointed from 17/11/2018 |
| 6 | RAJESH KUMAR SINHA | 05351383 | 05/08/2016 |
| 7 | KHANINDRA PATHAK | 07348780 | 17/11/2015 to 16/11/2018 and re-appointed from 17/11/2018 |
| 8 | DURGA CHARAN PANIGRAHI | 07355591 | 17/11/2015 to 16/11/2018 and re-appointed from 17/11/2018 |
| 9 | BINAY DAYAL | 07367625 | 11/10/2017 |
| 10 | SHYAM NANDAN PRASAD | 07408431 | 01/02/2016 |
| 11 | REENA SINHA PURI | 07753040 | 09/06/2017 |
| 12 | BHARATBHAI LAXMANBHAI GAJIPARA | 07947068 | 22/09/2017 |
| 13 | RAM PRAKASH SRIVASTAVA | 08036468 | 31/01/2018 |

Furthermore, ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the appointment / continuity of Directors on Board, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



**CS Rakhi Dasgupta**
**Membership No.: ACS-28739**
**CP No.: 20354**

**Place: Kolkata**
**Date : 25/06/2019**

**Sub:- Sustainability Report 2018-19.**

In terms of Regulation 34(2) of SEBI (Listing Obligations & DisclosureRequirements) Regulations, 2015,company had prepared Sustainability Report 18-19 as per GRI Standards and the same is uploaded in the Company's website www.coalindia.in. Any shareholder desirous to get physical copy of Report may apply to General Manager (Environment), Coal India Limited, Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156, India or send an e-mail to cgmenv.cil@coalindia.in

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1.0 INDUSTRY STRUCTURE AND DEVELOPMENT

Coal remains the predominant indigenous energy sources and accounts for 55% of primary commercial energy in India. The energy security of the country and its prosperity are integrally linked to efficient and effective use of this abundant, affordable and dependent fuel, coal.

In terms of availability, coal is one is the most abundant fossil fuel available with India. The geological resources of coal in India are in excess of ~300 Billion Tonnes. At the current rate of production, the reserves are adequate to meet the demand for multiple centuries to follow.

Government of India has successfully electrified 95% of the targeted households in the last five years and envisages to provide access to clean, cheap and sustainable electricity to the rest of the needy population as well. Though the proportion of non-coal sources, particularly renewables, has increased over the last few years yet coal shall remain the dominant fuel source for electricity generation in India in near future as well.

Today India is the 2nd largest producer of coal in the world producing about 730 Million tonne (Mt) of coal in 2018-19. The coal sector in India is dominated by state producers including Coal India Limited and Singareni Collieries Company Limited. Coal India Limited (CIL), with its seven wholly-owned coal producing subsidiaries and one mine planning and Consultancy Company, is the single largest enlisted Maharatna company in the world, with a total production of 606.89 Million tonne (Mt) during the fiscal 2018-19 which is 83% of the total coal produced in the country.

### 2.0 SWOT ANALYSIS

| Strengths | Weaknesses |
|---|---|
| • Large Scale of operations allow economies in scale of production<br>• Vast coal resource base<br>• Geographical spread of operations in India allows proximity to a large and diversified customer base<br>• Strong financial credentials.<br>• Skilled and diversified workforce with experience<br>• Well positioned to cater to high demand of coal in India<br>• Consistent track record of growth & strong track record of financial performance<br>• Strong capabilities for exploration, mine planning, research and development | • High cost of production in underground (legacy) mines<br>• Evacuation infrastructure bottleneck in certain areas due to land. statutory clearance and law & Order issues.<br>• Inherent inferior quality of indigenous coal due to high ash content.<br>• Constraints in land acquisition. |
| **Threats** | **Opportunities** |
| • Resistance to part with land, creating problems in possession of land and rehabilitation.<br>• Rapid appreciation in land cost.<br>• Decrease in coal demand and Increase in proportion of renewables in the energy mix.<br>• Energy storage solutions. | • Coal to remain the key primary energy source in India<br>• Rural electrification and Power for All UDAY scheme<br>• Enhanced demand of power due to increased use of electric vehicles.<br>• Optimizing production cost through Linkage rationalization.<br>• Export opportunities to neighboring countries<br>• Strong economic growth in India and resultant demand for energy, particularly coal as an energy source<br>• Being a cheaper source of energy compared to alternate sources available in India, demand to continue to remain strong<br>• Coal to liquid and coal to gas technology |

### 3.0 SEGMENT-WISE PERFORMANCE

**Production, Off-take OBR preformances are available in Director's Report.**

**4.0 OUTLOOK:**

CIL has envisaged coal supply target of 660 Mt in 2019-20 which is a growth of about 8.5% over the previous year. About 80% of the said production would be consumed by power sector only. CIL's growth plan for the future is in synergy with the ambitious plan of the Government for 24 X 7 power supply to all homes in the country for which a roadmap to achieve 1 Bt of coal production by 2024-25 has been finalized.

For sustainability and growth, thrust on minimizing the environmental impact is laid for qualitative improvement in coal production through selective mining, beneficiation & blending and diversifying into clean coal technologies.

Apart from creating new infrastructure, optimum utilization of existing capacity through linkage auction scheme is being ensured through an in-built system of source rationalization for non-regulated sector. Further, it has been envisaged to ensure "1st mile connectivity" to consumer through non-road mode like conveyors, MGR/Rail etc.

CIL is also exploring opportunities to diversify into coal to chemical business. This is to ensure greater value addition and thereby improving financial performance of the company, and ensuring long term sustenance.

CIL has planned a capital investment of Rs 10000 Crs for maintaining its volume growth in 2019-20. In addition, the company has also envisaged for investing substantial amount in different schemes in 2019-20 such as development of railway infrastructure project, solar power, pit head power plants, surface coal gasification, Coal Bed Methane (CBM), revival of fertilizer plants etc.

**Marketing Outlook:**

Considering the demand scenario and the historic growth rate achieved by CIL, the target for the year 2019-20 has been decided at the optimistic level of 660 MT.

CIL has taken major initiatives to build matching logistics infrastructure to ensure evacuation of planned quantity of production. CIL has undertaken major Railway Infrastructure Projects, implemented either by Railways on deposit basis or JV Companies formed between the Indian Railway represented by IRCON, Subsidiary Company and concerned State Government. The following project activities have been initiated to augment rail evacuation capacity:

- The two major Railway Infrastructure Projects on deposit basis that have already been completed are: -
  a. Tori Shivpur New BG Line - This railway line caters to North Karanpura Area of CCL and it is planned to evacuate about 32 Mty of coal once the line comes through in the state of Jharkhand.
  b. Jharsuguda-Barpali-Sardega Rail Link relates to the Basundhara coalfields of MCL and the envisaged capacity evacuation is 70 Mty of coal from MCL.
- The three major railway infrastructure projects being undertaken by JV mode are as follows:
  a. East Rail Corridor (CERL) and East West Rail Corridor (CEWRL) are planned for evacuation of coal of Mand- Raigarh and Korba - Gevra Coalfields of SECL respectively by Rail JVs CERL & CEWRL in the state of Chhattisgarh. In all, about 180 MTY of coal shall be evacuated through these two corridors.
  b. The Shivpur-Kathautia rail connectivity is envisaged to be executed by Rail JV, JCRL (Jharkhand Coal Railway Limited) formed among CCL (Central Coalfields Limited), Govt of Jharkhand and Indian Railway represented by IRCON, in the state of Jharkhand. About 30 MTY coal from the mines of CCL is planned to be evacuated through this line.
  c. MCRL (Mahanadi Coal Railway Limited) has been formed among MCL (Mahanadi Coalfields Limited), Govt. of Odisha and Indian Railway represented by IRCON, for creating rail infrastructure in the state of Odisha. The work has been taken up in two phases mentioned below:

     **Phase-1:** Angul -Balram- Jarpada-Tentuloi link at Talcher CF of MCL (69.10 KM) which consists of Jharpada - Kalinga- Angul link (14.22 Km).

     **Phase-2:** Tentuloi- Budhapank (136 KM approx.)

     About 60 MTY of coal from MCL is envisaged to be evacuated from these rail lines and decongest as well as systemize the coal evacuation of the region.

Apart from the above projects undertaken by CIL, Railways have also taken up as their own projects like the Barkakana-Barwadih-Garhwa Road third line, the Jharsuguda-Bilaspur fourth line, the DFC-Dadri to Sonenagar line & Extension upto Koderma, Third & Fourth lines from Talcher to Budhapunk, Third line from Budhapunk to Rajatgarh, Doubling of line from Singrauli to Shaktinagar via Karaila Road and a Third line from Jharsuguda to Bilaspur. These lines are expected to ease the existing congestions in the critical railway routes from smoother movement of freight traffic and facilitate evacuation of about 100 MT of coal.

CIL already has a committed long term linkage of nearly 700 MTPA from Power and Non-Power Sectors. It also has a steady demand for offers of sale through various e-Auction Schemes. CIL has assured demand for its production projections, as more firm linkages shall be added under the ongoing process of allocation of linkages to various segments of Power Sector consumers through 'Scheme for Harnessing and Allocating Koyla (Coal) Transparently in India (SHAKTI)', the policy introduced by the government on 22.5.2017 for grant of coal linkages to power sector and also through further tranches of auction of linkages for Non-Regulated Sector consumers that shall be conducted by CIL.

Customer satisfaction through quality assurance and transparency in business operations have been the priority areas for CIL. The initiatives taken to build Consumers' confidence and satisfaction include supply of (-) 100 mm sized coal to power sector consumers, extension of third party sampling facility to all sectors of consumers under all schemes, NABL accreditation of the major field level laboratories and equipping them with

the Automatic "Bomb Calorimeters" for ascertaining calorific value of coal and increasing the production through Surface Miners. The objective of transparency is also achieved with the help of various simple menu driven APPs launched by CIL, like SEVA (Saral Eindhan Vitran Application) for Power Consumers, Grahak Sadak Koyla Vitran, UTTAM ((Unlocking Transparency by Third Party Assessment of Mined Coal) and CAMS (Coal Allocation Monitoring System) for distribution of coal through State Nominated Agencies, through which the consumers and other related stakeholders have access for information regarding allocation, dispatch, third party quality assessment of dispatch etc.

**Operations Outlook:**

As on date 120 Ongoing projects, having ultimate capacity of 610 Mty and sanctioned capital of Rs. 72870 Crs, are under various stages of implementation. For achieving production target in 2019-20, 76 EC proposals with incremental capacity of 184.49 Mty are under different stages of approval. In FY 19-20, Stage-I FC is required for 41 proposals involving about 5518 Ha and Stage-II FC is required for 25 proposals involving about 7943 Ha forest land to commensurate with coal production target. Also, total land to be possessed by the subsidiaries of CIL has been estimated to be about 3304 Ha for achieving target in 2019-20.

The expansion program will be managed in a structured manner with the help of IT enabled solutions. The implementation of ERP solution to enable transparency in operations, maintenance and support functions is already underway. The project implementation of vital mines is being monitored through MDMS portal and on MS Project software.

The Company has already concluded two studies through reputed consultant for assessing the possible mechanization and automation levels across a substantial number of mines. This is aimed at identification of opportunities in mine planning, exploration, survey, operations and maintenance.

In order to infuse new technology & efficiency of Private sector, initiatives have been taken for development of new blocks through MDO route.

To support increase in production on a sustainable basis, synergic growth in exploration is also envisaged. Increased use of hydrostatic drilling with PCD bits and 2D Seismic Survey Technology to achieve high rate in exploration have been planned. CIL will continue to focus on increasing its reserve base in India.

CIL is also in the process of augmenting the capacity of training institutes across subsidiaries, including IICM. Several other actions for building human resource capacity are being contemplated in collaboration with reputed institutions. Meanwhile NSDC has submitted a draft proposal to set-up a Multi-Skill Excellence Centre at Western Coalfields Limited (WCL) for developing Sustainable Livelihood for 3000 target beneficiaries and improve their socio-economic status.

**Outlook regarding Evolution of the Ecosystem:**

CIL's projected coal production in the coming years shall materialize through closer liaison with other stakeholders. These include the Indian Railways, State Governments, Regulators, Community and other market participants. For being an Eco-compliant Company, CIL's Green initiatives are as below:

- To promote Green Initiatives of GoI, CIL submitted Green Energy Commitment letter to MNRE for developing 1000 MW Solar Power Projects. For implementation of these capacities of solar projects, CIL signed MoU with Solar Energy Corporation of India (SECI).
- Further, CIL have been exploring various other opportunities for development of Rooftop Solar power projects in CIL's subsidiary companies. Subsidiaries like MCL, CCL, ECL, BCCL, and CMPDIL have already installed more than 4 MW ground mounted and roof top Solar Projects in their land/available rooftop spaces.
- Apart from above, SECI under the terms of the MoU signed with CIL, assessed further 10MW rooftop capacities of office buildings of all seven subsidiaries. The commissioning of the rooftop solar projects shall be completed within this financial year i.e FY 19-20.
- In its endeavor to become a Net Zero Energy Company CIL has also signed an MoU with NLC India Ltd (another Govt. of U/T) to form a JV to execute the solar power program of CIL.
- In pursuit of the initiatives towards development of Clean Coal Technology and alternate use of coal, it has been decided to explore the possibilities of setting-up a Coal based Methanol Plant using coal from Raniganj Coalfield in the premises of Dankuni Coal Complex(DCC).

**Research & Development:**

CMPDIL is the nodal agency for coordination and monitoring of S&T projects in the coal sector as well as the R&D projects of CIL. The details of S&T and R&D projects taken-up by CMPDI on behalf of CIL are as in **Annexure A.**

**5.0 RISKS AND CONCERNS**

CIL has a comprehensive Risk Management Framework in place, which consists of (a) a process to identify, prioritize and formulate mitigation plans for prioritized risks, and, (b) a framework of roles & responsibilities of various officials, Committees and the Board, in discharging the risk management process, periodicity of reporting (Risk Management Calendar) and related templates and enablers. As part of this Risk Management Framework, risk owners and mitigation plan owners have been identified for each risk and corresponding mitigation plans to ensure continuous risk monitoring and risk mitigation.

A sub-committee of the Board of Directors viz. Risk Management Committee (RMC) has been constituted in compliance with SEBI (LODR)Regulations 2015. The RMC, inter alia, is also responsible for the oversight of the risk identification, risk prioritization, mitigation plan formulation and risk monitoring activities in CIL.

CIL engaged a Consultant who worked under the guidance of the RMC to facilitate implementation of the governance process envisaged in the Risk Management Framework, including facilitation for formulation of risk mitigation plans for the prioritized risks of CIL.

The Consultant has completed updated Risk Register, Prioritization of Risk, Risk that Matters with its mitigation plan for all the Subsidiaries of CIL. They had also completed the details of the Key Risks which are common across the Subsidiaries and specific to one or more Subsidiaries and submitted the final report to CIL for implementation.

Risk Management is a continuous journey to align the objectives and vision of CIL through regular risk-managed business operations.

**6.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Coal India Limited (CIL) is striving to strengthen internal control systems and processes for smooth and efficient conduct of business and complies with relevant laws and regulations. A comprehensive delegation of power exists for smooth decision making. Elaborate guidelines for preparation of accounts are followed for uniform compliance. Further, all the key functional areas are governed by respective operating manuals. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of accountants in close co-ordination with the Company's Internal Audit Department.

The Internal Financial Controls of the Company were reviewed by Internal Auditors appointed. According to them, the Company has, in all material respects, laid down internal financial controls (including operational controls) and that such controls are adequate and were operating effectively during the year ended 31st March, 2019.

**7.0 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

**FINANCIAL DISCUSSION AND ANALYSIS**

Riding on the record production and offtake of coal the company also earned the highest ever profit during the year. The profit before tax (PBT) for the company was ₹27125.46 and the net profit was ₹17462.18crore registering a growth of 151.85% and 148.10% over previous years PBT of ₹10770.31 crore and net profit ₹7038.44 crore respectively.

The major reason in the growth of the profit can be attributed to the following reasons: -

- ✓ Higher sales revenue owing to volume increase and better average realisation
- ✓ Higher other operating incomes
- ✓ Reduction in expenses particularly the savings in employee benefit expenses compared to previous year.

A detailed discussion on financial performance and analysis is furnished below.

**A. Total Income:**

Total Income of the Company comprises Revenue from operations and other Income. Major revenue of the company under above two heads of total income includes income from sale of coal, other operating revenue such as loading and transportation charges recovered from customers, Evacuation Facility Charges, consultancy and other services related to mine planning & designing, interest earned on investments such as term deposits with banks, dividend income from mutual funds etc. The total income for financial Year 2018-19 is ₹105420.62 crore as against ₹91625.25 crore in the previous year registering an increase of 15.06%.

The analysis on major elements of incomes are discussed below:

**1. Revenue from Operations:**

**a) Sale of Coal**

Sales are presented as gross sales (in notes to accounts) and net of various statutory levies (in Statement of Profit & Loss) comprising royalty, GST,GST Compensation cess, cess on coal, additional royalties relating to national mineral exploration trust (NMET), district mineral foundation (DMF) and other levies etc.

Ind AS-115, 'Revenue from Contract with Customers' has been followed w.e.f. 01.04.2018. The Income from sale of coal is mainly dependent on the pricing and production of coal and distribution thereof.

The gross sales of the company stood at ₹140603.00 Crores in 2018-19 against the previous year gross sales of ₹126543.97 crore. The Net sales (net of all levies)for the year was ₹92896.08 crore as against the Net sales [net of all levies including excise duty upto 01.07.2017 ₹1376.67 crore] during the previous year was ₹81111.26 crore, thereby registering a growth of 14.53%.

During the year the company achieved highest ever offtake of 608.14 million tonne against 580.29 million tonne in previous year, a growth of 27.85 MT i.e. registering a growth over 4.80%.Further, the average realisation increased on account of full year impact of price rationalization w.e.f. 09.01.2018, control over grade slippages, higher e-auction rates etc. These mainly accounted for the growth in sales.

**b) Other Operating Revenue:**

**Loading and additional transportation charges**

Major element of other operating revenue is on account of transportation charges recovered from the customers. The company charges transportation costs for transportation of coal to dispatch points under various slabs of distance and corresponding rates. The loading and transportation charges recovered (net of all levies)during the year was ₹3814.45 crores against ₹3010.06 crores in the previous year and due to increase in volume of offtake.

**Evacuation Facility Charges**

Evacuation Facility Charges are levied at Rs 50 per tonne as on all dispatches except dispatch through rapid loading arrangement. During the year, total revenue on account of evacuation facility charges (net of all levies) was ₹2520.65 crores against ₹743.57 crores in the previous year. The increase was mainly due to full year impact of this levy which was introduced from 20th December, 2017.

**2. Other Income**

During the year other income increased by18.07% from ₹4974.88 crore in FY 2017-18 to ₹5873.73 crore in FY2018-19, an increase of ₹898.85 crore.

The increase was mainly owing to increase in average investment in bank deposits and due to increase in average rate of yield from bank deposits/ mutual funds. The average rate of yield for 6.61% in FY 2018-19 as against 6.15% in FY 2017-18. Further, there were also interest on income tax refunds and write back of provisions no longer required.

**B. Expenses**

The major elements of incomes are discussed below:

**a) Employee Benefits Expense**

Employee benefit expenses constitutes the largest component in the total cost, and is about 49.52% of the total cost. The employee benefit cost during the year ₹38770.10 crore as against ₹42621.84 crore in previous year.

During Previous Year 2017-18 the financial impact of increase in enhancement of ceiling limit of gratuity from ₹10 lac to ₹20 lac vide notification No. S-42012/02/2016-SS-II dated 29.03.2018, ₹7384.37 crore. One-time impact of increase in ceiling limit of gratuity during previous year, has resulted in net savings of ₹6770 crore during the current year.

Further, during the year (w.e.f. 01.10.2017) the company started contributing 7% of basic and DA for the employee to the pension fund. While, this 7% Contribution for executives were carved out of existing contribution of 9.84% to New Pension Scheme; for the non-executives this was an additional contribution. The impact of such additional contribution during the year (considering the period from 01.10.2017 to 31.03.2019) was ₹2017.65 crore.

**b) Contractual Expenses**

Contractual expenses primarily consist of transportation charges for coal, sand and materials carried out through third party contractors, contractor expenses relating to wagon loading operations, hiring charges for Heavy Earth Moving Machinery representing cost of coal extraction and overburden removal activities and other miscellaneous works carried out through third party contractors such as for haul road maintenance at mines and temporary lighting etc.

Contractual Expenses increased by ₹620.71 crore, from ₹12757.28 crore in FY 2017-18 to ₹13377.99 crore in FY 2018-19, i.e. 4.87%.

The increase in contractual expenses was largely on account of increase in the volume of production of coal. Further, higher diesel rates during the year in comparison to previous year also resulted in increase in contractual expenses. It may be mentioned that the contractors as per agreement are compensated for diesel price increases.

**c) Stripping Activity Adjustment**

During the year compared to high growth in production of coal, volume of overburden removal was less. This resulted in higher stripping activity adjustment in financials. In view of above, the Stripping Activity adjustment increased by ₹1712.94 crore, from ₹3358.25 crore in FY 2017-18 to ₹5071.19 crore in FY 2018-19, i.e. 51.01%.

***C. Cash Flows (in nutshell)***

(₹ in Crore)

| Particular | For the year ended 31st March | |
|---|---|---|
| | **2019** | **2018** |
| **Opening Cash & Cash equivalents** | **3,997.67** | **4,193.91** |
| Net cash from operating activities | 16,695.46 | 21,114.92 |
| Net cash from investing activities | (8,265.84) | (7,746.94) |
| Net cash used in financing activities | (10,151.58) | (13,564.22) |
| Change in Cash & Cash equivalents | (1,721.96) | (196.24) |

Net cash from operating activities for the year ended March 31, 2019 decreased by ₹4419.46 crore i.e.20.93% from the previous year. Net cash from operating activities was ₹16695.46 crore as against ₹21114.92 crore for the previous year.

Net cash outflow from investing activities for the year ended March 31, 2019 increased by ₹518.90 crore. Net cash outflow from investing activities was ₹8265.84 crore as against net cash outflow of ₹7746.94 crore for the previous year.

Net cash used in financing activities for the year ended March 31, 2019 decreased by ₹3412.64 crore i.e. 25.16% from the previous year. Net cash used in financing activities was ₹10151.58 crore as against ₹13564.22crore for the previous year.The decrease in outflow from financing activity was mainly attributable to increase in borrowings and less payment of Dividend and Dividend Distribution tax thereon.

**D. Balance Sheet – Analysis** **(Figures in ₹ crores)**

| | As at 31.03.2019 | As at 31.03.2018 | Remarks/Analysis |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| (a) Property, Plant & Equipment | 28,539.06 | 24,059.98 | Capitalization of asset during the period |
| (b) Capital Work in Progress | 9,622.94 | 10,272.70 | Completion of assets from Capital work in progress |
| (c) Exploration and Evaluation Assets | 4,036.71 | 3,484.58 | Addition of asset during the period |
| (d) Intangible Assets | 35.18 | 29.53 | Addition of asset during the period |
| (e) Intangible Assets under Development | 38.70 | - | ERP under Development |
| (f) Financial Assets | | | |
| (i) Investments | 1,421.01 | 1,303.06 | Investment made in HURL and TFL |
| (ii) Loans | 1,141.73 | 1,020.08 | |
| (iii) Other Financial Assets | 12,329.67 | 11,315.98 | Due to deposit in Mine Closure escrow fund |
| (g) Deferred Tax Assets (Net) | 4,269.16 | 5,355.05 | |
| (h) Other Non-Current Assets | 1,965.01 | 2,514.08 | Due to decrease/adjustment of capital advance |
| **Total Non-Current Assets (A)** | **63,399.17** | **59,355.04** | |
| **Current Assets** | | | |
| (a) Inventories | 5,583.93 | 6,443.85 | Due to Liquidation of inventory |
| (b)Financial Assets | | | |
| (i) Investments | 1,749.96 | 400.57 | Due to Increase of Investment in mutual funds |
| (ii) Trade Receivables | 5,498.55 | 6,257.80 | Higher realisation of receivables |
| (iii) Cash & Cash equivalents | 2,275.71 | 3,997.67 | |
| (iv) Other Bank Balances | 28,848.52 | 27,282.31 | Increase in bank Deposit |
| (v) Loans | 502.33 | 3.69 | |
| (vi) Other Financial Assets | 3,514.42 | 3,383.68 | Receivable from Escrow A/C of MCP |
| (c) Current Tax Assets (Net) | 8,957.19 | 7,996.58 | |
| (d) Other Current Assets | 12,389.05 | 10,349.48 | increase in unutilised Input Tax Credit |
| **Total Current Assets (B)** | **69,319.66** | **66,115.63** | |
| **Total Assets (A+B)** | **1,32,718.83** | **1,25,470.67** | |

| EQUITY AND LIABILITIES | As at 31.03.2019 | As at 31.03.2018 | Remarks/Analysis |
|---|---|---|---|
| **Equity** | | | |
| (a) Equity Share Capital | 6162.73 | 6207.41 | Decrease in share capital due to buy-back of shares |
| (b) Other Equity | 20291.19 | 13971.33 | Profit earned during the year |
| **Equity attributable to equity holders of the company** | **26453.92** | **20178.74** | |
| Non-Controlling Interests | 406.78 | 362.45 | |
| **Total Equity (A)** | **26860.70** | **20541.19** | |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 1472.27 | 1054.40 | Borrowing by subsidiary of SECL |
| (ii) Other Financial Liabilities | 1300.40 | 1164.92 | Increase in Security Deposit |
| (b) Provisions | 52419.56 | 50024.48 | Stripping Activity Adjustment increased |
| (c) Other Non-Current Liabilities | 4853.72 | 4366.58 | Contribution and Interest on Shifting and rehabilitation fund |
| **Total Non-Current Liabilities (B)** | **60045.95** | **56610.38** | |

| | | | |
|---|---|---|---|
| **Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 730.47 | 476.54 | Borrowing by subsidiary of SECL |
| (ii) Trade payables | | | |
| (I) Total outstanding dues of micro and small enterprises | 9.59 | 10.41 | |
| (II) Total outstanding dues to Creditors other than micro and small enterprises | 6805.92 | 6963.99 | Payment made to creditors |
| (iii) Other Financial Liabilities | 4143.39 | 4470.61 | Reduction of Liability for Capital Expenditure |
| (b) Other Current Liabilities | 26986.37 | 24364.36 | Increase in Advances from customers |
| (c) Provisions | 7136.44 | 12033.19 | Due to decrease in Gratuity provision, NCWA X Provision etc. |
| **Total Current Liabilities (C)** | **45812.18** | **48319.10** | |
| **Total Equity and Liabilities (A+B+C)** | **132718.83** | **125470.67** | |

***E. The various ratios related to the financials of Coal India : -***

| | April to March '19 | April to March '18 | Variance |
|---|---|---|---|
| **As % Net Sales** | | | |
| Profit Before Tax | 29.20% | 13.28% | 119.88% |
| Net Profit | 18.80% | 8.68% | 116.59% |
| Operation Profit | 23.18% | 7.68% | 201.82% |
| ***As % Total Expenditure*** | | | |
| Employee Benefits Expense | 49.52% | 52.71% | –6.05% |
| Cost of Materials consumed | 9.36% | 8.43% | 11.03% |
| Power Expenses | 3.12% | 3.11% | 0.32% |
| Contractual Expenditure | 17.09% | 15.78% | 8.30% |
| CSR Expense | 0.53% | 0.60% | –11.67% |
| Interest & Depreciation | 4.76% | 4.32% | 10.19% |
| All Other Expenditure | 15.62% | 15.05% | 3.79% |
| **Liquidity Ratios** | | | |
| Current Ratio | 1.51 | 1.37 | 10.22% |
| Quick Ratio | 1.39 | 1.23 | 13.01% |
| Trade receivables as no. of Days sales | 18.74 | 23.08 | –18.80% |
| Stock of Coal as no. of Days of production (Qty) | 32.57 | 35.74 | –8.87% |
| Interest Coverage Ratio (Borrowing Cost)[1] | 2838.39 | 296.00 | 858.92% |
| Structural Ratios | | | |
| Long Term Debt : Equity Capital[2] | 0.24 | 0.17 | 41.18% |
| Long Term Debt : Net Worth | 0.06 | 0.05 | 20.00% |
| Net Worth : Equity Capital[3] | 4.29 | 3.25 | 32.00% |
| Earnings Per Share (in Rs.)[4] | 28.14 | 11.34 | 148.15% |

1. Interest Coverage ratio indicates coverage of current interest payment with available earnings. Profit before tax during FY 2018-19 increased to ₹27125.46 crore against ₹10770.31 in FY 2017-18. Whereas interest on borrowing has been decreased due to repayment of borrowings. Hence due to above reasons interest coverage ratio has increased to 2838.39 times in FY 2018-19 from 296.00 times in FY 2017-18.

2. Debt equity ratio determines financial leverage of the company. For FY 2018-19 Long term Debt ₹1472.27 and ₹1054.50 in FY 2017-18. There was decrease in equity capital by ₹44.68 crore due to Buy-back of shares. Hence, Debt to equity became 0.24 times as on 31.03.2019 as against 0.17 times as on 31.03.2018.

3. Net-worth of the company includes share capital and other equity. For the FY 2018-19 Net-worth of the company stood at ₹26435.04 crore as against ₹20159.53 crore in FY 2017-18 mainly due to increase in Profit. Hence, Net-worth to equity capital increase to 4.29 times in FY 2018-19 as against 3.25 times in FY 2017-18.

4. Earnings per share (EPS) is calculated as a company's profit after tax divided by weighted average no. of shares during the year. EPS has increased mainly because of increase in Profit after tax by 120.30% over previous year.

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

**I. Manpower**

The manpower strength of the company as on 01.04.2019 against the previous year was as under:

| Year | Executive | Non-Executive | Total |
|---|---|---|---|
| 01.04.2018 | 17,558 | 2,81,199 | 2,98,757 |
| 01.04.2019 | 17,029 | 2,68,450 | 2,85,479 |

The manpower strength has come down by 13,278 during 2018-19.

**II. Talent/Skill Development Initiatives**

To ensure regular learning and development of the employees, company has established Indian Institute of Coal Management (IICM), Ranchi as an apex Training Institute and in addition a Management Development Institute at every subsidiary, Vocational Training Centers in all projects and other Training Centers for imparting management and skill development trainings are in place.

In financial year 2018-19, a total of 1,07,077 employees have been trained in house, out of which 14,526 are executives. In addition, 5,467 employees were sent outside for training out of which 4,611 were executives.

During the year, more than 6,24,815 training man-days were achieved for executives and non-executives registering a growth of 3.73% over last year.

In CIL and its subsidiaries a total of 7,606 Apprentices were engaged through NATS and NAPS.

**III. Talent Acquisition**

CIL recruited 568 as executive cadre employees during the year 2018-19 through open recruitment, campus interviews and internal promotions in order to augment executive manpower and to meet CIL's production targets.

**IV. HR Policy Initiatives**

CIL has engaged IIT-ISM Dhanbad for Study of Executive Manpower requirement of CIL & its Subsidiaries for the next 10 years. In the FY 2018-19, CIL has also implemented Pay Revision of Executives as per the Presidential Directives communicated in the month of Aug'2018. Other Policies/ Rules like Defined Contributory Pension Scheme for executives w.e.f. 2007, CIL Medical Attendance Rules, CIL Executive Job Rotation & Transfer Policy, House Building Advance Rules, CIL Furniture and Household Goods Purchase Scheme, CIL Executive Performance Management System, etc. were implemented in the FY 2018-19.

Further, CIL has successfully conducted an initial exercise of HR Audit and P-CMM (People Capability Maturity Model) level assessment through internal resources as a part of MoU on HR parameter for the FY 2018-19 for taking further needed actions for improvements.

**V. Industrial Relations**

The following pro-active and strategic Industrial Relations (IR) approaches & practices have ensured harmonious & sustainable industrial relations in the company:-

**a. Workers Participation inManagement:**

Several bilateral fora such as Safety Committee, Housing Committee, Welfare Committee, Canteen Committee, etc. are functional in order to resolve the issues pertaining to service conditions, welfare, safety, etc. of employees.

**b. Contract Labour Cell & Contract Labour Information Portal (CLIP):**

As on 01.04.2019, 73,562 Contract Labour provide support in various activities of the company. CIL has launched a portal namely -Contract Labour Information Portal (CLIP) which maintains database of all Contractors and Contractor's workers.

**c. Reservations:**

CIL complies with the Presidential Directives on reservations in appointments and promotions of candidates/employees belonging to Scheduled Caste, Scheduled Tribe, OBC (NCL), PWD etc.

**d. Diversity Management:**

CIL maintains unity in diversity by recruiting people from different regions through All India based open selection and campus selection from national level institutes. Manpower of CILconstitutes18.91% of SC,15.09 % of ST and 21.66% of OBC as on 01.01.2019. Female employees of CIL constitute 6.93% of its total manpower.

**e. Non-Discrimination:**

All employees are treated on equal platform with regard to religion, caste, region, creed, gender, languages etc.

**f. Prevention of Sexual Harassment at workplace:**

Sexual harassment of any form is misconduct under the Conduct Discipline and Appeal Rules applicable to executives as well as in the Standing Orders applicable to the non-executives.

**g. Freedom of Associations:**

Employees are free to be a part of any registered Trade Union/ Employees' Association. Representation of employees is allowed in the bipartite bodies through Trade Unions / Associations, of representative mature.

**h. Employee Welfare:**

CIL adheres to a "total care approach" towards its employee. The employee welfare programmes address not only the need of employees but also their families with respect to housing, recreation, sports, health, education of children etc. The company has also developed medical facilities at all its operational areas. It has a strong network of 69 fully equipped Hospitals with 4366 Beds, 361 Dispensaries, 542 Ambulance and 1070 Doctors including Specialists to provide Medical Services to the employees and their families. Further, for specialized treatment, facilities are available at reputedempaneled Hospitals across the country. There are 62 public schools financed by the company to provide quality education and grants-in-aid is given to 284 privately managed schools. CIL also gives assistance to other 81 schools in and around the coal field areas. The company provides scholarships to meritorious students and supports higher education of children of nonexecutive employees studying in Government Engineering Colleges & Medical Colleges.

**i. Post-Retirement Medical Support:**

CIL provides medical benefit to the employees and their spouses post retirement also. Subject to conditions, the scheme provides reimbursement of medical expenses for indoor and outdoor treatment for a maximum amount upto ₹8 lakhs and ₹25lakhs to retired Non-Executives and Executives and their spouses respectively.

**j. Social Security:**

**All employees are covered under the social security schemes in CIL as given below:**

1. Gratuity: Upto ₹20 Lakhs as per Payment of Gratuity Act w.e.f 29.03.2018
2. Coal Mines Provident Fund (CMPF): All employees are covered under the Coal Mines Provident Fund scheme with equal share of contribution both by employees and the company.
3. Coal Mines Pension Scheme (CMPS):All employees are covered under the Coal Mines Pension Scheme by which, on superannuation, they receive upto 25% of their total emoluments as monthly pension.
4. Life Cover Scheme: ₹1,25,000/- in addition to Gratuity
5. Ex-Gratia: In addition to Employee Compensation Act, Company provides additional ₹90,000 as Ex-gratia and compensation of ₹5 lakhs in case of fatal mine accident to the next of kin of the deceased employee. CIL also introduced compensation of ₹5 lakhs in FY 2018-19 to the dependent of the contract workers in case of fatal mine accident.
6. Employment/ Monthly monetary compensation in lieu of employment: It is provided to the eligible dependent of the deceased employee/ who becomes medically unfit as per the well-defined scheme.
7. Defined Contribution Superannuation Pension Scheme for Executives: CIL has formulated a DCSPS for executives as per DPE guidelines covering Board and below Board Level Executives to provide superannuation benefit in the form of annuity through an Annuity Service Provider, post retirement.

## 9.0 ENVIRONMENT PROTECTION AND CONSERVATION

Environmental protection measures are taken concurrently with mining operations for maintaining acceptable levels of major physical attributes of environment namely air & water quality, hydrogeology, noise level & land resources.

Suitable water spraying systems for arresting fugitive dust in roads, washeries, CHPs, Feeder Breakers, Crushers, coal transfer points and coal stock areas have been installed. Massive tree plantation in and around mining area, use of modern techniques reduce air and noise pollution.

Effluent treatment facilities for mine, workshop & CHP effluents like oil & grease traps, sedimentation ponds and facilities for storage of treated water and its reuse have been provided for all the major projects. Domestic sewage treatment plants have also been established for treatments of domestic effluents. Recharging of ground water is also taken up within mine premises as well as in nearby villages through rainwater harvesting, digging of ponds/development of lagoons, de-silting of existing ponds/tanks etc.

The subsidiaries of CIL have planted around 97.65 million of trees covering an area over 39029.07 Ha. till March 2019.

## 10. CORPORATE SOCIAL RESPONSIBILITY:

The budget allocated for CSR activities for F.Y. 2018-19 was Rs. 113.47 crores, higher than the amount calculated as per the provisions of the Companies Act 2013 i.e. Rs. 6.50 crores. CIL was able to spend Rs. 27.33 crores for CSR during the financial year which is more than the statutory obligation as per Companies Act 2013. This is in addition to the CSR activities undertaken by the Subsidiaries of CIL in their command areas.

CSR activities were undertaken under various thematic areas. The activities were entrusted to various implementing agencies, some of them being very prominent and well - known organizations like Christian Medical College, Rajiv Gandhi Cancer Institute & Research Centre, All India Institute of Medical Sciences (AIIMS), The Energy and Resources Institute (TERI) and Central Institute of Plastic Engineering & Technology (CIPET) to name a few.

**Theme wise Expenditure by CIL (HQ) during year 2018-19**

| Sl. No. | Thematic Area | Expenditure in F.Y. 2018-19 (Rs. Crores) | As a % of Total CSR Expenditure in F.Y. 2018-19 |
|---|---|---|---|
| 1 | Healthcare | 13.11 | 48% |
| 2 | Rural development | 7.09 | 26% |
| 3 | Skill development | 3.53 | 13% |
| 4 | Other Areas (Sanitation, Drinking Water, Education, Women Empowerment, Environment sustainability etc) | 3.60 | 13% |
| | **Total** | **27.33** | |

**Major Projects for which CSR fund was utilized in FY 18-19 by CIL (HQ)**

- Cure and better management of disease in Thalassemia patients by way of financial assistance upto Rs. 10 lakhs per patient in following six hospitals is ongoing:
  - o Christian Medical College, Vellore (CMC)
  - o Rajiv Gandhi Cancer Institute and Research Centre, New Delhi (RGCIRC)
  - o All India Institute of Medical Sciences, New Delhi (AIIMS)
  - o Sanjay Gandhi Post Graduate Institute of Medical Sciences, Lucknow (SGPGI)
  - o Post Graduate Institute of Medical Education & Research, Chandigarh (PGIMER)
  - o Tata Medical Centre, Kolkata (TMC)

More than100 successful operations have been completed.

- Training of 2000 persons at different centres of Central Institute of Plastic Engineering and Technology (CIPET) has commenced. A total of 1684 candidates have been enrolled during FY 18-19. The record of placement after training by CIPET is generally more than 80%.
- Different development works in Purulia, West Bengal through The Energy and Resources Institute (TERI) for a cluster of 38 underprivileged villages in the following areas:
  - o Promoting renewable solutions for the energy needs of the households - Installation of Integrated Domestic Energy Systems and Solar Street Lights
  - o Agriculture, greening and capacity building initiatives
  - o Sanitation - Construction of Individual Household toilets in 5,660 households
  - o Education through Knowledge cum Resources Centers in 40 schools

All these works have been completed, except sanitation related works which are in final stages of implementation.

- The project for Construction of Eye, ENT and Dental hospital cum diagnostic centre at Muzaffarpur, Bihar through Ramakrishna Mission Sevashrama is in final stages of construction.
- The project for Construction of Blood Bank with component separation facility at Kanpur through Indian Medical Association is in final stages of construction.

ANNEXURE-A*

**S & T Projects of Ministry of Coal during 2018-19**

| Sl. No. | Title of the Project | Implementing Agency | Remarks |
|---|---|---|---|
| 1 | "Design of water network to optimize water consumption in coal washeriesfor removal of impurities from coal" Project code: CP/49 | IIT, Roorkee and CMPDI, Ranchi | Completed |
| 2 | "Capacity building for extraction of CMM resource within CIL Command areas" Project code: CE/32 | CBM Cell, CMPDI, Ranchi CSIRO, Australia | On-going |
| 3 | "Electronification of Ground Water Control and Conveyor System in Mines" | NLC India Limited (NLCIL), Neyveli National Institute of Technology Tiruchirappalli (NIIT), Tamil Nadu | On-going |
| 4 | Indigenous Development of Early Warning Radar System for predicating failures/ slope instabilities in opencast minesProject code: MT/169 | Society for Applied Microwave Electronics Engineering and Research(SAMEER), ARDE, Pune, CSRE, IIT-B, Mumbai, CMPDI, Ranchi | On-going |
| 5 | Shale gas potentiality evaluation of Damodar basin of India | NGRI, Hyderabad, CIMFR, Dhanbad and CMPDI, Ranchi | On-going |
| 6 | Investigation Pertaining to geotechnical & hydrogeological aspects to stabilize the noncohesive granual soil/sand in the opencast mines adjacent to the major perennial river | Civil Engineering Department, IIT, Bombay; RI-IV, CMPDI, Nagpur WCL, Nagpur | On-going |
| 7 | Techno-economic evaluation and performance behavior of Self Advancing (mobile) Goaf Edge supports (SAGES) (Phase-II) | IIT-ISM, Dhanbad and Jaya Bharat Equipment Pvt. Ltd., Hyderabad | Completed |
| 8 | "Possible Implications of Bio-Available Iron in Coal Mine duston Coal Mine Dust on Coal workers' Lung Disease" | PIET, Nagpur; CIIMS, Nagpur & WCL, Nagpur | Completed |
| 9 | "On-Line Coal dust suppression system for opencast mines" | Centre for Development of Advanced Computing, Tiruvanthapuram; Mining Electronic Department, CMPDI, Ranchi | On-going |
| 10 | "Constructing structure on backfilled open Cast Coal Mines: An attempt to suggest viable methodologies" | IIT-ISM, Dhanbad and Civil Engineering Division, CMPDI, Ranchi | On-going |
| 11 | Assessment of mine water environment and development of suitable and cost coal effective mine void aqua eco - system for promoting Fish culture in abandoned quarries of Coal India Ltd. | Birsa Agriculture University (BAU), Ranchi and Environment Division, CMPDI, Ranchi | completed |
| 12 | Suitable livehood activities on reclaimed open cast coal mines - a technology enabled integrated approach in Indian coal sector - | TERI University, New Delhi; Environment Division, CMPDI, Ranchiand BCCL, Dhanbad | completed |

| Sl. No. | Title of the Project | Implementing Agency | Remarks |
|---|---|---|---|
| 13 | Development of Indigenous catalyst through pilot scale studies of Coal-to-liquid (CTL) conversion technology | CIMFR, Dhanbad and CMPDI, Ranchi | completed |
| 14 | Coal Bed Methane (CBM) reserves estimation for Indian Coalfields | IIEST, Shibpur, CMPDI, Ranchi TCE, Kolkata and NGRI, Hyderabad | On-going |
| 15 | Assessment of horizontal stress fields in deeper horizons and development of roof hazards maps of coal resources in SCCL | NIRM, Bangalore & SCCL | completed |
| 16 | Design and Stability of Pillars/Arrays of Pillars for Different Mining Methods in Coal Mine Workings | CIMFR, Dhanbad, IIT-ISM, Dhanbad & SCCL | On-going |
| 17 | Hybrid PRESRIX process for simultaneous remediation of acid mine drainage and recovery of individual metal sulphides | IIT, Roorkee , NEC, Margherita & SCCL | On-going |
| 18 | Reclamation of coal mined land of North Eastern Coalfields, Assam through soil amendment and revegetation with native plant species using integrated biological approach | RFRI, Jorhat & NEC, Margherita | On-going |

**CIL R&D Projects**

| Sl. No. | Title of the Project | Implementing Agency | Remarks |
|---|---|---|---|
| 1 | An integrated geo-physical approach for tectonic study in Moher main coal basin of Singrauli coalfield using 3D inverse modeling of Gravity, Magnetic and AMT data. | Indian School of Mines, Dhanbad and CMPDI(HQ), Ranchil(HQ), Ranchi | On-going |
| 2 | Development of guidelines for prevention & mitigation of explosion hazards by risk assessment and determinationof explosibility of Indian Coal Incorporating risk based mine emergency evacuation & re-entry protocol. | ISM, Dhanbad CIMFR Dhanbad, S&R Div. CIL, Kolkata | On-going |
| 3 | Demonstration of coal Dry Beneficiation system using Radiometric Techniques (Ardeesort). | CMP Deptt, CMPDI, Ranchi Ardee Hi-Tech Pvt. Ltd, Visakhapatnam | On-going |
| 4 | Indigenous Development of Through the Earth (TTE) Two-Way Voice Communication System for Underground Mines. | IIT, Bombay CMPDIL | On-going |
| 5 | Studies on the Use of Coal and Petcoke as Fuel in the Cement Industry in India" | ISM, Dhanbad & CMPDIL | On-going |
| 6 | Design of cost effective process flow sheet for improved washing efficiency of Indian Coking & Non-Coking Coals" | ISM, Dhanbad , CMPDIL & BCCL | On-going |
| 7 | Assessment of applicability and performance of Ground based Interferometry Synthetic Aperture Radar (GbInSAR) in safety zoning of surface mining slopes | IIT, KGP ECL, Sanctoria | On-going |
| 8 | Optical fiber based solar illumination of pit bottom and Underground mine roadways and working face. | IIT, KGP ECL, Sanctoria | On-going |
| 9 | Development of Virtual Reality Mine Simulator (VRMS). for improving safety and productivity in Coal mines. | ISM, Dhanbad CMPDI Ranchi, BCCL & NCL | On-going |
| 10 | High ash coal gasification and associated upstream and downstream processes (coal to chemical-CTC) | ISM-Dhanbad, IIT-Roorkee, CMPDI-Ranchi, MCL, ECL & CCL | On-going |
| 11 | Dry beneficiation of High Ash Indian Thermal Coal | NML-Jamshedpur CMPDI, Ranchi & MCL | On-going |
| 12 | Development of Guidelines for Increasing the Height of Overburden Dumps at opencast Coal Mines in India | IIT, Delhi CMPDI, Ranchi | On-going |
| 13 | Development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations. | NSRC, Hyderabad CMPDI, Ranchi | On-going |
| 14 | Requirement of air in mine for Mass Production Technology | Underground Mining Division (UMD), CMPDI | On-going |

| Sl. No. | Title of the Project | Implementing Agency | Remarks |
|---|---|---|---|
| 15 | Studies of techno-commercial efficacy of ANFO with low density porous Prilled Ammonium Nitrate for blasting overburden in Coal mines | CMPDI, Ranchi, DFPCL, Pune | On-going |
| 16 | Seismic data processing, interpretation and identification of thin coal seams using Inverse Continuous Wavelet Transform Deconvolution (ICWT-Decon) for resource estimation | Gujarat Energy Research and Management Institute (GERMI), Gandhi Nagar | On-going |
| 17 | Development of guidelines for design of all tiers of shovel-dumper dump above dragline dump, with delineation of phreatic surface, within dragline dump, throughout the year and validation study on two dragline mines of Coal India Limited (CIL) | BIT, Mesra & S&R Division, CIL (HQ), Kolkata | On-going |
| 18 | Multiple layer trial blasting for better recovery with less diluted coal. | SM, Dhanbad, CMPDI, Ranchi | On-going |
| 19 | Restoration of Orchid flora of Makum Coalfields areas of Digboi forest division | RFRI, Jorhat & NEC, Margherita | On-going |
| 20 | Design guidelines for underground coal extraction beneath massive competent strata: a case study validation | WCL, Nagpur & CIMFR, Dhanbad | On-going |
| 21 | Underground Trapped Miner Location system | TCS, CMC & CMPDI, Ranchi | On-going |
| 22 | Design and development of an integrated system for monitoring and control of man and machine, to enhance safety and security in mines. | CIMFR, Dhanbad & Aryan It Solutions (AITS), Dhanbad and CCL, Ranchi | On-going |
| 23 | Cost effective technology for beneficiation and recovery of fine coal. | CMPDI & BCCL | On-going |
| 24 | Development of a Coal Preparation Plant Simulator. | CMPDI, Ranchi | On-going |
| 25 | Demonstration of Cost-effective Technology for Dry Beneficiation of Coal by Allair Jig. | CMPDI, Ranchi & MCL | On-going |



# Annual Accounts 2018-19
## (Standalone)

## BALANCE SHEET STANDALONE AS AT 31.03.2019

(₹ in Crore)

| | Note No. | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| (a) Property, Plant & Equipments | 3 | 291.97 | 300.75 |
| (b) Capital Work in Progress | 4 | 142.63 | 119.00 |
| (c) Exploration and Evaluation Assets | 5 | 8.32 | 15.69 |
| (d) Intangible Assets | 6 | 0.46 | 0.44 |
| (e) Intangible Assets under Development | | 38.70 | - |
| (f) Financial Assets | | | |
| (i) Investments | 7 | 12,515.16 | 12,137.39 |
| (ii) Loans | 8 | 0.22 | 0.40 |
| (iii) Other Financial Assets | 9 | 4,066.88 | 3,707.87 |
| (g) Other non-current assets | 10 | 13.84 | 30.90 |
| **Total Non-Current Assets (A)** | | **17,078.18** | **16,312.44** |
| **Current Assets** | | | |
| (a) Inventories | 12 | 30.67 | 21.39 |
| (b) Financial Assets | | | |
| (i) Investments | 7 | 22.74 | 221.06 |
| (ii) Trade Receivables | 13 | 0.25 | 1.84 |
| (iii) Cash & Cash equivalents | 14 | 58.98 | 150.25 |
| (iv) Other Bank Balances | 15 | 194.53 | 142.73 |
| (v) Loans | 8 | - | 1.88 |
| (vi) Other Financial Assets | 9 | 585.78 | 536.28 |
| (c) Current Tax Assets (Net) | | 914.93 | 850.72 |
| (d) Other Current Assets | 11 | 154.51 | 226.33 |
| **Total Current Assets (B)** | | **1,962.39** | **2,152.48** |
| **Total Assets (A+B)** | | **19,040.57** | **18,464.92** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 16 | 6162.73 | 6,207.41 |
| (b) Other Equity | 17 | 7,834.66 | 6,487.30 |
| **Total Equity (A)** | | **13,997.39** | **12,694.71** |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| (a) Financial Liabilities | 19 | 1.18 | 1.37 |
| (b) Provisions | 20 | 211.93 | 236.65 |
| (c) Other Non-Current Liabilities | 21 | 4,098.18 | 3,700.98 |
| **Total Non-Current Liabilities (B)** | | **4,311.29** | **3,939.00** |
| **Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Trade payables | 18 | | |
| a) Total outstanding dues of micro and small enterprises | | - | - |
| b) Total outstanding dues of creditors other than micro and small enterprises | | 122.97 | 130.19 |
| (ii) Other Financial Liabilities | 19 | 183.98 | 1,181.55 |
| (b) Other Current Liabilities | 22 | 334.64 | 317.45 |
| (c) Provisions | 20 | 90.30 | 202.02 |
| **Total Current Liabilities (C)** | | **731.89** | **1,831.21** |
| **Total Equity and Liabilities (A+B+C)** | | **19,040.57** | **18,464.92** |

The Accompanying Notes form an integral part of these Financial Statements.

**As per our report annexed**
**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**Dated : 30th May, 2019**
**Place : Kolkata**

**On behalf of the Board**

**(A.K.Jha)**
Chairman- Cum-Managing Director & CEO
DIN-06645361

**(S.N. Prasad)**
Director (Marketing)/ Director (Finance)
DIN- 07408431

**(S. Sarkar)**
(G.M. (Finance/IC), CFO

**(S. Dutta)**
G.M. (Finance)

**(M.Viswanathan)**
Company Secretary

## STATEMENT OF PROFIT & LOSS- STANDALONE FOR THE YEAR ENDED 31.03.2019

(₹ in Crore)

| | | Note No. | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|---|
| | **Revenue from Operations** | 23 | | |
| A. | Sales (Net of statutory levies except excise duty) | | 315.39 | 358.05 |
| B. | Other Operating Revenue (Net of statutory levies except excise duty) | | 618.91 | 575.86 |
| | **(I) Revenue from Operations (A+B)** | | **934.30** | **933.91** |
| | (II) Other Income | 24 | 10,548.66 | 9,292.95 |
| | **(III) Total Income (I+II)** | | **11,482.96** | **10,226.86** |
| | (IV) Expenses | | | |
| | Cost of Materials Consumed | 25 | 7.58 | 6.93 |
| | Changes in inventories of finished goods/work in progress and Stock in trade | 26 | (9.41) | 42.09 |
| | Excise Duty | | - | 5.87 |
| | Employee Benefits Expense | 27 | 474.66 | 525.04 |
| | Power Expense | | 10.81 | 12.11 |
| | Corporate Social Responsibility Expense | 28 | 27.33 | 24.31 |
| | Repairs | 29 | 17.38 | 23.63 |
| | Contractual Expense | 30 | 134.24 | 118.01 |
| | Finance Costs | 31 | 18.04 | 16.76 |
| | Depreciation/Amortization/ Impairment expense | | 26.25 | 18.14 |
| | Provisions | 32 | 0.43 | - |
| | Write off | 33 | 0.42 | - |
| | Other Expenses | 34 | 212.81 | 119.14 |
| | **Total Expenses (IV)** | | **920.54** | **912.03** |
| | **(V) Profit before Tax (III-IV)** | | **10,562.42** | **9,314.83** |
| | (VI) Tax expense | 35 | 92.75 | 21.41 |
| | **(VII) Profit for the Year (V-VI)** | | **10,469.67** | **9,293.42** |
| | Other Comprehensive Income | 36 | | |
| A | (i) Items that will not be reclassified to profit or loss | | (17.55) | 6.25 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | 6.13 | (0.89) |
| B | (i) Items that will be reclassified to profit or loss | | | |
| | (ii) Income tax relating to items that will be reclassified to profit or loss" | | | |
| | (VIII) Total Other Comprehensive Income | | **(11.42)** | **5.36** |
| | (IX) Total Comprehensive Income for the year (VI+VIII) (Comprising Profit/(Loss) and Other Comprehensive Income for the year) | | **10,458.25** | **9,298.78** |
| | **(X) Earnings per equity share (for continuing operation):** | | | |
| | (1) Basic | | **16.87** | **14.97** |
| | (2) Diluted | | **16.87** | **14.97** |

Refer note 37 (5) (c) for calculation of EPS

The Accompanying Notes form an integral part of Financial Statements.

**As per our report annexed**
**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**Dated : 30th May, 2019**
**Place : Kolkata**

**On behalf of the Board**

**(A.K. Jha)**
Chairman- Cum-Managing Director & CEO
DIN-06645361

**(S.N. Prasad)**
Director (Marketing)/ Director (Finance)
DIN- 07408431

**(S. Sarkar)**
(G.M. (Finance/IC), CFO

**(S. Dutta)**
G.M. (Finance)

**(M. Viswanathan)**
Company Secretary

## CASH FLOW STATEMENT (INDIRECT METHOD)- STANDALONE

(₹ in Crore)

| | | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Profit before tax | | 10562.42 | 9314.83 |
| **Adjustments for :** | | | |
| Depreciation, amortisation and impairment of Fixed Assets | | 26.25 | 18.14 |
| Interest income | | (40.95) | (99.03) |
| Dividend income | | (8932.75) | (8867.82) |
| Fair Value Change | | (299.01) | (275.11) |
| Income on sale of investments in subsidiaries | | (1025.35) | 0.00 |
| Finance Cost | | 18.04 | 16.76 |
| (Profit)/ Loss on sale of Assets | | - | (0.02) |
| Liability written back | | (191.95) | (0.89) |
| Provision written back | | (34.75) | (15.24) |
| Allowance for trade Receivables and Advances | | 0.85 | - |
| **Operating Profit before Current/Non Current Assets and Liabilities** | | **82.80** | **91.62** |
| **Adjustment for :** | | | |
| Trade Receivables | | 1.59 | 12.47 |
| Inventories | | (9.28) | 47.05 |
| Loans and Advances and other financial assets | | 31.94 | (161.21) |
| Financial and Other Liabilities | | (882.24) | 388.47 |
| Trade Payables | | (7.22) | 1.16 |
| **Cash Generated from Operation** | | **(782.40)** | **379.56** |
| Income Tax Paid/Refund | | (150.83) | (77.25) |
| **Net Cash Flow from Operating Activities** | **( A )** | **(933.23)** | **302.31** |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Purchase of Property, Plant and Equipment | | (92.73) | (118.69) |
| Proceeds from Sale of Property Plant and Equipment | | (0.49) | (0.46) |
| Proceeds/(Investment) in Bank Deposit | | (409.29) | (319.97) |
| Proceeds/(Investment) in Mutual Fund | | 3.32 | 34.13 |
| Proceeds/(Investment) in Inter-Corporate Deposits | | 195.00 | 0.00 |
| Proceeds from sale of investments in subsidiaries | | 1064.99 | 0.00 |
| Investment in Joint Venture | | (118.40) | (333.22) |
| Interest from Investment | | 48.07 | 77.84 |
| Interest / Dividend from Mutual Fund | | 7.30 | 14.64 |
| Dividend from Subsidiaries | | 8925.45 | 8853.18 |
| **Net Cash from Investing Activities** | **( B )** | **9623.22** | **8207.45** |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Repayment/Increase in Borrowings | | - | 1200.00 |
| Interest & Finance cost pertaining to Financing Activities | | (15.58) | (14.48) |
| Receipt of Shifting & Rehabilitation Fund | | 397.20 | 251.31 |
| Dividend on Equity shares | | (8112.89) | (10242.24) |
| Tax on Dividend on Equity shares | | - | (279.27) |
| Buyback of Equity Share Capital | | 0.00 | - |

## CASH FLOW STATEMENT (INDIRECT METHOD)- STANDALONE

(₹ in Crore)

| | | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| **Net Cash used in Financing Activities** | **( C )** | **(7731.27)** | **(9084.68)** |
| **Net Increase / (Decrease) in Cash & Cash equivalent (A + B + C)** | | **958.72** | **(574.92)** |
| **Cash & Cash equivalent as at the beginning of the period (Refer Note 14 for components of cash & cash equivalents)** | | **150.25** | **725.17** |
| **Cash & Cash equivalent as at the end of the period (Refer Note 14 for components of cash & cash equivalents)** | | **58.98** | **150.25** |

(All figures in bracket represent outflow.)

**As per our report annexed**

**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**On behalf of the Board**

| | | | |
|---|---|---|---|
| | | **(A.K.Jha)** | **(S.N. Prasad)** |
| | | Chairman- Cum-Managing Director & CEO | Director (Marketing)/ Director (Finance) |
| | | DIN-06645361 | DIN- 07408431 |
| | **(S. Sarkar)** | **(S. Dutta)** | **(M.Viswanathan)** |
| | (G.M. (Finance/IC), CFO | G.M. (Finance) | Company Secretary |

**Dated : 30th May, 2019**

**Place : Kolkata**

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2019 - STANDALONE

### A. EQUITY SHARE CAPITAL

(₹ in Crore)

| Particulars | Balance as at 01.04.2017 | Changes in Equity Share Capital during the Year | Balance as at 31.03.2018 | Balance as at 01.04.2018 | Changes in Equity Share Capital during the Year | Balance as at 31.03.2019 |
|---|---|---|---|---|---|---|
| 6,16,27,28,327 Equity Shares of ₹10/- each (6,20,74,09,177) Equity Shares of ₹10/- each) | 6207.41 | - | 6207.41 | 6207.41 | (44.68) | 6162.73 |

### B. OTHER EQUITY

(₹ in Crore)

| | Capital Redemption Reserve | General Reserve | Retained Earning | | | Total |
|---|---|---|---|---|---|---|
| | | | Profit after tax* | Other comprehensive income | Total Retained Earning and OCI | |
| **Balance as at 01.04.2017** | 1013.13 | 4229.79 | 2477.15 | (10.04) | 2467.11 | 7710.03 |
| Profit during the year | | | 9293.42 | | 9293.42 | 9293.42 |
| Remeasurement of defined benefit plans (net of tax) | | | | 5.36 | 5.36 | 5.36 |
| Interim Dividend | | | (10242.24) | | (10242.24) | (10242.24) |
| Corporate Dividend tax | | | (279.27) | | (279.27) | (279.27) |
| Transfer to/from General Reserve | | 8.26 | (8.26) | | (8.26) | 0.00 |
| **Balance as at 31.03.2018** | **1013.13** | **4238.05** | **1240.80** | **(4.68)** | **1236.12** | **6487.30** |
| **Balance as at 01.04.2018** | **1013.13** | **4238.05** | **1240.80** | **(4.68)** | **1236.12** | **6487.30** |
| Profit during the year | | | 10469.67 | | 10469.67 | 10469.67 |
| Remeasurement of defined benefit plans (net of tax) | | | | (11.42) | (11.42) | (11.42) |
| Interim Dividend | | | (8105.58) | | (8105.58) | (8105.58) |
| Buyback of equity shares | 44.68 | - | (1049.99) | | (1049.99) | (1005.31) |
| Transfer to/from General Reserve | | 10.63 | (10.63) | | (10.63) | - |
| **Balance as at 31.03.2019** | **1057.81** | **4248.68** | **2544.27** | **(16.10)** | **2528.17** | **7834.66** |

* Profit after tax includes gain on valuation of debt component of investment in preference shares in subsidiary companies which is notional/ unrealised in nature which is not available for distribution of dividend. The details of such gain is given below:

| | (₹ crore) |
|---|---|
| Balance as at 01.04.2017 | 762.00 |
| Addition during FY 2017-18 | 275.11 |
| **Balance as at 31.03.2018** | **1037.11** |
| Addition during FY 2018-19 | 299.01 |
| **Balance as at 31.03.2019** | **1336.12** |

The Accompanying Notes form an integral part of these Financial Statements

**As per our report annexed**

**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**On behalf of the Board**

| | | | |
|---|---|---|---|
| | | **(A.K.Jha)** | **(S.N. Prasad)** |
| | | Chairman- Cum-Managing Director & CEO | Director (Marketing)/ Director (Finance) |
| | | DIN-06645361 | DIN- 07408431 |
| | **(S. Sarkar)** | **(S. Dutta)** | **(M.Viswanathan)** |
| | (G.M. (Finance/IC), CFO | G.M. (Finance) | Company Secretary |

**Dated : 30th May, 2019**

**Place : Kolkata**

NOTES TO THE FINANCIAL STATEMENTS (STANDALONE)

## Note: 1 CORPORATE INFORMATION

Coal India Limited (CIL) is a Maharatna Company having registered office at Kolkata, West Bengal and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in mining and production of Coal and also operates Coal washeries. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

CIL is an apex body with 8 wholly-owned subsidiaries in India out of which 7 subsidiaries are coal producing and 1 subsidiary is engaged in mine planning, designing and related consultancy services. The operations of the Company are spread across 8 states in India. CIL also has a fully owned mining company in Mozambique known as 'Coal India Africana Limitada' which is yet to commence operations. Further some of the subsidiaries of CIL, are also having another layer of subsidiaries. There are also Joint Ventures/Associates of CIL.

## Note 2: SIGNIFICANT ACCOUNTING POLICIES

**2.1 Basis of preparation of financial statements**

i. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of Companies Act, 2013 ("The Act") (Indian Accounting Standards) Rules, 2015. as amended & other accounting principles generally accepted in India as a going concern on accrual basis.

ii. The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.14);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.20).

**2.1.1 Rounding of amounts**

Amounts in these financial statements have been unless otherwise indicated, rounded off to 'rupees in crore 'upto two decimal points.

**2.2 Current and Non-current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
(b) it holds the asset primarily for the purpose of trading;
(c) it expects to realise the asset within twelve months after the reporting period; or
(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

**A liability is treated as current by the Company when:**

(a) it expects to settle the liability in its normal operating cycle;
(b) it holds the liability primarily for the purpose of trading;
(c) the liability is due to be settled within twelve months after the reporting period; or
(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

**2.3 Revenue recognition**

**Revenue from contracts with customers**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The principles in Ind AS 115 are applied using the following five steps:

**Step 1 : Identifying the contract:**

The Company account for a contract with a customer only when all of the following criteria are met:

a) the parties to the contract have approved the contract and are committed to perform their respective obligations;
b) the Company can identify each party's rights regarding the goods or services to be transferred;
c) the Company can identify the payment terms for the goods or services to be transferred;
d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and
e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

*Combination of contracts*

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and account for the contracts as a single contract if one or more of the following criteria are met:

a) the contracts are negotiated as a package with a single commercial objective;

b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or

c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

*Contract modification*

The Company account for a contract modification as a separate contract if both of the following conditions are present:

a) the scope of the contract increases because of the addition of promised goods or services that are distinct and

b) the price of the contract increases by an amount of consideration that reflects the company's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

**Step 2 : Identifying performance obligations:**

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

a) a good or service (or a bundle of goods or services) that is distinct; or

b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

**Step 3 : Determining the transaction price**

The Company consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

When determining the transaction price, a Company consider the effects of all of the following:

- Variable consideration;
- Constraining estimates of variable consideration;
- The existence of significant financing component;
- Non – cash consideration;
- Consideration payable to a customer.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if the company's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

In some contracts, penalties are specified. In such cases, penalties are accounted for as per the substance of the contract. Where the penalty is inherent in determination of transaction price, it form part of variable consideration.

The Company includes in the transaction price some or all of an amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised goods or service to a customer and when the customer pays for that good or service will be one year or less.

The Company recognizes a refund liability if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received (or receivable) for which the company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

After contract inception, the transaction price can change for various reasons, including the resolution of uncertain events or other changes in circumstances that change the amount of consideration to which the Company expects to be entitled in exchange for the promised goods or services.

**Step 4 : Allocating the transaction price:**

The objective when allocating the transaction price is for the Company to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the Company determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

**Step 5 : Recognizing revenue:**

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when (or as) the customer obtains control of that good or service.

The Company transfers control of a goods or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the Company performs;
b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For each performance obligation satisfied over time, the Company recognizes revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The Company applies a single method of measuring progress for each performance obligation satisfied over time and the Company applies that method consistently to similar performance obligations and in similar circumstances. At the end of each reporting period, the Company re-measure its progress towards complete satisfaction of a performance obligation satisfied over time.

Company apply output methods to recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Output methods include methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced or units delivered.

As circumstances change over time, the Company update its measure of progress to reflect any changes in the outcome of the performance obligation. Such changes to the Company's measure of progress is accounted for as a change in accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The Company recognizes revenue for a performance obligation satisfied over time only if the Company can reasonably measure its progress towards complete satisfaction of the performance obligation. When (or as) a performance obligation is satisfied, the company recognize as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained that is allocated to that performance obligation.)

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time. To determine the point in time at which a customer obtains control of a promised good or service and the Company satisfies a performance obligation, the Company consider indicators of the transfer of control, which include, but are not limited to, the following:

a) the Company has a present right to payment for the good or service;
b) the customer has legal title to the good or service;
c) the Company has transferred physical possession of the good or service;
d) the customer has the significant risks and rewards of ownership of the good or service;
e) the customer has accepted the good or service.

When either party to a contract has performed, the Company present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment. The Company present any unconditional rights to consideration separately as a receivable.

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment made or due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

**Interest**

Interest income is recognised using the Effective Interest Method.

**Dividend**

Dividend income from investments is recognised when the rights to receive payment is established.

**Other Claims**

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

**2.4 Grants from Government**

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution are recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

**2.5 Leases**

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

**2.5.1 Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease.

**2.5.1.1 Finance leases** are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**2.5.1.2 Operating lease**- Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

**2.5.2 Company as a lessor**

**2.5.2.1 Operating leases** Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

**2.5.2.2 Finance leases** Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**2.6 Non-current assets held for sale**

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded as met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

**2.7 Property, Plant and Equipment (PPE)**

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all otherProperty, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognitionof an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

| | | |
|---|---|---|
| Other Land (incl. Leasehold Land) | : | Life of the project or lease term whichever is lower |
| Building | : | 3-60 years |
| Roads | : | 3-10 years |
| Telecommunication | : | 3-9 years |
| Railway Sidings | : | 15 years |
| Plant and Equipment | : | 5-15 years |
| Computers and Laptops | : | 3 Years |
| Office equipment | : | 3-6 years |
| Furniture and Fixtures | : | 10 years |
| Vehicles | : | 8-10 years |

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of Companies Act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of "Other Land" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

**Transition to Ind AS**

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP).

**2.8 Mine Closure, Site Restoration and Decommissioning Obligation**

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work.Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

**2.9 Exploration and Evaluation Assets**

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- acquisition of rights to explore
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

**2.10 Development Expenditure**

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head "Development". All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the following criteria:

(a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or

(b) 2 years of touching of coal, or

(c) From the beginning of the financial year in which the value of production is more than total expenses.

Whichever event occurs first;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature "Other Mining Infrastructure". Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

**2.11 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

Research and Development is recognised as an expenditure as and when incurred.

**2.12 Impairment of Assets (other than financial assets)**

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount,the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

**2.13 Investment Property**

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

**2.14 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**2.14.1 Financial assets**

**2.14.1 Initial recognition and measurement**

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**2.14.2 Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**2.14.2.1 Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**2.14.2.2 Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**2.14.2.3 Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures**

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition was considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

**2.14.2.5 Other Equity Investment**

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**2.14.2.6 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**2.14.2.7 Impairment of financial assets(other than fair value)**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**2.14.3 Financial liabilities**

**2.14.3.1 Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**2.14.3.2 Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**2.14.3.3 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

**2.14.3.4 Financial liabilities at amortised cost**

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**2.14.3.5 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

**2.14.4 Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

| Original classification | Revised classification | Accounting treatment |
|---|---|---|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date. |

**2.14.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.14.6 Cash & Cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

**2.15. Borrowing Costs**

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

**2.16 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**2.17 Employee Benefits**

**2.17.1 Short-term Benefits**

All short term employee benefits are recognized in the period in which they are incurred.

**2.17.2 Post-employment benefits and other long term employee benefits**

**2.17.2.1 Defined contributions plans**

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

**2.17.2.2 Defined benefits plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

**2.17.3 Other Employee benefits**

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

**2.18 Foreign Currency**

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

**2.19 Stripping Activity Expense/Adjustment**

In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'.In opencast mines, the company has to incur such expenses over the life of the mine (as technically estimated).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB:COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Assets/ Non-Current Provisions as the case may be.

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

| Annual Quantum of OBR of the Mine | Permissible limits of variance (%) |
|---|---|
| Less than 1 Mill. CUM | +/- 5% |
| Between 1 and 5 Mill. CUM | +/- 3% |
| More than 5 Mill. CUM | +/- 2% |

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

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

**2.2 Inventories**

**2.20.1 Stock of Coal**

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method.Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries,are valued at net realisable value and considered as a part of stock of coal.

**2.20.2 Stores & Spares**

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

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

**2.20.3 Other Inventories**

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

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

**2.21 Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**2.22 Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**2.23 Judgements, Estimates and Assumptions**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

**2.23.1 Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

**2.23.1.1 Formulation of Accounting Policies**

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

   (i) represent faithfully the financial position, financial performance and cash flows of the Company;

   (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;

   (iii) are neutral, i.e. free from bias;

   (iv) are prudent; and

   (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

**2.23.1.2 Materiality**

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total revenue from Operations (net of statutory levies) as per last audited financial statement of CIL Consolidated.

**2.23.1.3 Operating lease**

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

**2.23.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**2.23.2.1 Impairment of non-financial assets**

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

**2.23.2.2 Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**2.23.2.3 Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

**2.23.2.4 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

**2.23.2.5 Intangible asset under development**

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

**2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation**

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

**2.24 Abbreviation used:**

| | | | | | |
|---|---|---|---|---|---|
| a. | CGU | Cash generating unit | l. | ECL | Eastern Coalfields Limited |
| b. | DCF | Discounted Cash Flow | m. | BCCL | Bharat Coking Coal Limited |
| c. | FVTOCI | Fair value through Other Comprehensive Income | n. | CCL | Central Coalfields Limited |
| d. | FVTPL | Fair value through Profit & Loss | o. | SECL | South Eastern Coalfields Limited |
| e. | GAAP | Generally accepted accounting principles | p. | MCL | Mahanadi Coalfields Limited |
| f. | Ind AS | Indian Accounting Standards | q. | NCL | Northern Coalfields Limited |
| g. | OCI | Other Comprehensive Income | r. | WCL | Western Coalfields Limited |
| h. | P&L | Profit and Loss | s. | CMPDIL | Central Mine Planning & Design Institute Limited |
| i. | PPE | Property, Plant and Equipment | t. | NEC | North Eastern Coalfields |
| j. | SPPI | Solely Payment of Principal and Interest | u. | IICM | Indian Institute of Coal Management |
| k. | EIR | Effective Interest Rate | v. | CIL | Coal India Limited |

## NOTES TO THE FINANCIAL STATEMENTS
## NOTE 3 : PROPERTY , PLANT AND EQUIPMENT

(₹ in crore)

| | Freehold Land | Other Land | Land Reclamation/ Site Restoration Costs | Building (including water supply, roads and culverts) | Plant and Equipments | Telecommunication | Railway Sidings | Furniture and Fixtures | Office Equipments | Vehicles | Aircraft | Other Mining Infrastructure | Surveyed off Assets | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount:** | | | | | | | | | | | | | | |
| As at 1April 2017 | 12.05 | 0.92 | 11.20 | 216.01 | 65.83 | 2.91 | 0.38 | 17.31 | 10.77 | 1.76 | 0.58 | 0.18 | 0.05 | 339.95 |
| Additions | 0.10 | - | - | 3.44 | 5.53 | 0.21 | - | 0.23 | 2.96 | 0.22 | - | - | 0.05 | 12.74 |
| Deletions/ Adjustments | - | - | - | (0.05) | (0.20) | - | - | - | (0.50) | (0.09) | - | - | (0.01) | (0.85) |
| **As at 31 March 2018** | 12.15 | 0.92 | 11.20 | 219.40 | 71.16 | 3.12 | 0.38 | 17.54 | 13.23 | 1.89 | 0.58 | 0.18 | 0.09 | 351.84 |
| As at 1April 2018 | 12.15 | 0.92 | 11.20 | 219.40 | 71.16 | 3.12 | 0.38 | 17.54 | 13.23 | 1.89 | 0.58 | 0.18 | 0.09 | 351.84 |
| Additions | - | - | - | 2.67 | 2.37 | 0.02 | - | 0.44 | 3.25 | - | - | - | 0.04 | 8.79 |
| Deletions/ Adjustments | (0.08) | - | - | - | (1.57) | (0.01) | - | 0.03 | (2.90) | (0.35) | - | - | - | (4.88) |
| **As at 31 March 2019** | 12.07 | 0.92 | 11.20 | 222.07 | 71.96 | 3.13 | 0.38 | 18.01 | 13.58 | 1.54 | 0.58 | 0.18 | 0.13 | 355.75 |
| As at 1April 2017 | - | 0.02 | 2.18 | 10.13 | 11.40 | 0.72 | - | 3.23 | 5.25 | 0.80 | - | 0.04 | 0.05 | 33.82 |
| Charge for the year | - | 0.01 | 1.09 | 5.43 | 5.91 | 0.32 | - | 1.69 | 2.78 | 0.24 | - | 0.02 | - | 17.49 |
| Impairment | - | - | - | - | - | - | - | - | 0.01 | - | - | - | - | 0.01 |
| Deletions/ Adjustments | - | - | - | (0.01) | (0.17) | - | - | - | (0.04) | (0.01) | - | - | - | (0.23) |
| **As at 31 March 2018** | - | 0.03 | 3.27 | 15.55 | 17.14 | 1.04 | - | 4.92 | 8.00 | 1.03 | - | 0.06 | 0.05 | 51.09 |
| As at 1April 2018 | - | 0.03 | 3.27 | 15.55 | 17.14 | 1.04 | - | 4.92 | 8.00 | 1.03 | - | 0.06 | 0.05 | 51.09 |
| Charge for the year | - | 0.01 | 1.08 | 5.34 | 6.02 | 0.35 | - | 1.71 | 2.21 | 0.18 | - | 0.02 | - | 16.92 |
| Impairment | - | - | - | - | - | 0.01 | - | 0.04 | 0.03 | - | - | - | - | 0.08 |
| Deletions/ Adjustments | - | - | - | - | (1.55) | (0.01) | - | - | (2.41) | (0.34) | - | - | - | (4.31) |
| **As at 31 March 2019** | - | 0.04 | 4.35 | 20.89 | 21.61 | 1.39 | - | 6.67 | 7.83 | 0.87 | - | 0.08 | 0.05 | 63.78 |
| **Net Carrying Amont** | | | | | | | | | | | | | | |
| **As at 31 March 2019** | 12.07 | 0.88 | 6.85 | 201.18 | 50.35 | 1.74 | 0.38 | 11.34 | 5.75 | 0.67 | 0.58 | 0.10 | 0.08 | 291.97 |
| **As at 31 March 2018** | 12.15 | 0.89 | 7.93 | 203.85 | 54.02 | 2.08 | 0.38 | 12.62 | 5.23 | 0.86 | 0.58 | 0.12 | 0.04 | 300.75 |

**Note:**

**1. Land:**

a. 5487.825 hectares of total land is in the possession of NEC, out of which 998.005 hectares constitutes of free hold land and remaining 4489.82 hectares as leasehold land. Out of above, 946.34 hectares of free hold land and the entire 4489.82 hectares of leasehold land were acquired by the company in the process of Nationalisation for which nil value was recorded in the books.

b. Land amounting to ₹ 0.08 crore related to Western Coalfields LImited has been transferred.

c. Land acquired in pursuance to Coal Mines (Nationalisation) Act 1973, does not require title deeds separately for corresponding land. All other title deeds for land acquired are in possession and are mutated in favour of company except in few cases of freehold lands, where same is under progress pending legal formalities.

d. Land- Others also includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894.

2. Dankuni Coal Complex / Indian Institute of Coal Management :

a. Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2019 of ₹10.21 Crore, continue to be let out to South Eastern Coalfields Ltd. for a lease rent of ₹ 1.80 Crore per annum under cancellable operating lease agreement. The above written down value of ₹ 10.21 Crore includes land of ₹ 3.73 Crore (at cost) and building of ₹ 4.41 Crore (at WDV).

b. Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2019 of ₹ 12.51 Crore have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹ 1.80 Crore under cancellable operating lease agreement.

3. Land Reclamation/Site Restoration cost comprises of estimated cost to be incurred at the stage of mine closure duly escalated for inflation (5% p.a.) and then discounted at 8 % discount rate that reflects current market rate of fair value and the risk.

4. Depreciation has been provided based on useful life as mentioned in Note 2.7. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life of the un-segregated class of assets.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 4 : CAPITAL WIP**

(₹ in crore)

| | Building (including water supply, roads and culverts) | Plant and Equipments | Railway Sidings | Other Mining infrastructure/ Development | Total |
|---|---|---|---|---|---|
| **Gross Carrying Amount :** | | | | | |
| As at 1 April 2017 | 0.44 | 0.90 | - | 12.18 | 13.52 |
| Additions | 61.95 | 0.90 | - | 43.57 | 106.42 |
| Capitalisation/ Deletions | (0.26) | (0.68) | - | - | (0.94) |
| **As at 31 March 2018** | 62.13 | 1.12 | - | 55.75 | 119.00 |
| | | | | | - |
| As at 1 April 2018 | 62.13 | 1.12 | - | 55.75 | 119.00 |
| Additions | 9.74 | 0.04 | 1.72 | 14.38 | 25.88 |
| Capitalisation/ Deletions | (1.08) | (0.90) | - | (0.07) | (2.05) |
| **As at 31 March 2019** | 70.79 | 0.26 | 1.72 | 70.06 | 142.83 |
| | | | | | - |
| As at 1 April 2017 | - | - | - | - | - |
| Charge for the year | - | - | - | - | - |
| Impairment | - | - | - | - | - |
| Deletions/Adjustments | - | - | - | - | - |
| **As at 31 March 2018** | - | - | - | - | - |
| | | | | | - |
| As at 1 April 2018 | - | - | - | - | - |
| Charge for the year | - | - | - | - | - |
| Impairment | - | 0.20 | - | - | 0.20 |
| Deletions/Adjustments | - | - | - | - | - |
| **As at 31 March 2019** | - | 0.20 | - | - | 0.20 |
| | | | | | - |
| **Net Carrying Amont** | | | | | - |
| **As at 31 March 2019** | 70.79 | 0.06 | 1.72 | 70.06 | 142.63 |
| **As at 31 March 2018** | 62.13 | 1.12 | - | 55.75 | 119.00 |

## NOTES TO THE FINANCIAL STATEMENTS

## NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in crore)

| | Exploration and Evaluation Costs |
|---|---|
| **Gross Carrying Amount:** | |
| As at 1 April 2017 | 14.89 |
| Additions | 1.21 |
| Capitalisation/ Deletions | - |
| **As at 31 March 2018** | 16.10 |
| As at 1 April 2018 | 16.10 |
| Additions | 1.41 |
| Deletions/Adjustments | 0.07 |
| **As at 31 March 2019** | 17.58 |
| As at 1 April 2017 | - |
| Charge for the year | 0.41 |
| Impairment | - |
| Deletions/Adjustments | - |
| **As at 31 March 2018** | 0.41 |
| As at 1 April 2018 | 0.41 |
| Charge for the year | - |
| Impairment[1] | 8.85 |
| Deletions/Adjustments | - |
| **As at 31 March 2019** | 9.26 |
| **Net Carrying Amont** | |
| **As at 31 March 2019** | 8.32 |
| **As at 31 March 2018** | 15.69 |

1. During the year, impairment provision of ₹ 8.85 crores has been made against Tikak Integrated, Jagun OCP and PQ Block Projects as in the opinion of management, these projects are not viable.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6 : INTANGIBLE ASSETS

(₹ in Crore)

| | Computer Software | Total |
|---|---|---|
| **Gross Carrying Amount:** | | |
| As at 1 April 2017 | 0.50 | 0.50 |
| Additions | 0.37 | 0.37 |
| Capitalisation/ Deletions | - | - |
| **As at 31 March 2018** | 0.87 | 0.87 |
| As at 1 April 2018 | 0.87 | 0.87 |
| Additions | 0.35 | 0.35 |
| Deletions/Adjustments | - | - |
| **As at 31 March 2019** | 1.22 | 1.22 |
| **Amortisation and Impairment** | | |
| As at 1 April 2017 | 0.19 | 0.19 |
| Charge for the year | 0.24 | 0.24 |
| **As at 31 March 2018** | 0.43 | 0.43 |
| As at 1 April 2018 | 0.43 | 0.43 |
| Charge for the year | 0.33 | 0.33 |
| **As at 31 March 2019** | 0.76 | 0.76 |
| **Net Carrying Amont** | | |
| **As at 31 March 2019** | 0.46 | 0.46 |
| **As at 31 March 2018** | 0.44 | 0.44 |

## NOTES TO THE FINANCIAL STATEMENTS-STANDALONE
## NOTE - 7 : INVESTMENTS

(₹ in Crore)

| Non Current | Percentage (%) holding | Number of shares | Face value per share | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|---|---|
| **(a) Investment in Equity Instruments** | | | | | |
| **(i) Equity Shares in Subsidiary Companies** | | | | | |
| Eastern Coalfields Limited | 100% | 22184500 | 1000 | 2218.45 | 2218.45 |
| (Sanctoria, West Bengal) | (100%) | (22184500) | (1000) | | |
| Central Coalfields Limited | 100% | 9400000 | 1000 | 940.00 | 940.00 |
| (Ranchi, Jharkhand ) | (100%) | (9400000) | (1000) | | |
| Bharat Coking Coal Limited | 100% | 21180000 | 1000 | 2118.00 | 2118.00 |
| (Dhanbad, Jharkhand) | (100%) | (21180000) | (1000) | | |
| Western Coalfields Limited | 100% | 2971000 | 1000 | 297.10 | 297.10 |
| (Nagpur, Maharastra) | (100%) | (2971000) | (1000) | | |
| Central Mine Planning & Design Institute | 100% | 380800 | 1000 | 19.04 | 19.04 |
| Limited (Ranchi , Jharkhand) | (100%) | (380800) | (1000) | | |
| Northern Coalfields Limited | 100% | 6309405 | 1000 | 126.19 | 136.56 |
| (Singrauli,Madhya Pradesh ) | (100%) | (6827965) | (1000) | | |
| South Eastern Coalfields Limited | 100% | 6680561 | 1000 | 278.36 | 298.78 |
| (Bilaspur, Chattisgarh) | (100%) | (7170600) | (1000) | | |
| Mahanadi Coalfields Limited | 100% | 6618363 | 1000 | 132.37 | 141.23 |
| (Sambalpur, Odisha) | (100%) | (7061330) | (1000) | | |
| Coal India Africana Limitada | 100% | (Quota Capital) | | 0.01 | 0.01 |
| (Moatize, Mozambique) | | | | | |
| **Total (a) (i)** | | | | **6129.52** | **6169.17** |
| **(ii) Equity Shares in Joint Venture Companies** | | | | | |
| International Coal Venture Private | 0.19% | 2800000 | 10 | 2.80 | 2.80 |
| Limited , New Delhi | (0.19%) | (2800000) | (10) | | |
| CIL NTPC Urja Private Limited, | 50% | 76900 | 10 | 0.08 | 0.08 |
| New Delhi | (50%) | (76900) | (10) | | |
| Talcher Fertilizers Limited, | 33.33% | 16344568 | 10 | 16.34 | 5.02 |
| Bhubneswar, Odisha | (33.32%) | (5015000) | (10) | | |
| Hidustan Urvarak & Rasayan Limited, | 33.33% | 440325000 | 10 | 440.33 | 333.25 |
| Kolkata | (33.33%) | (333250000) | (10) | | |
| **Total (a) (ii)** | | | | **459.55** | **341.15** |
| **(iii) Other Equity (Preference Share classifed as Equity Component)** | | | | | |
| 5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd. | | | | 1057.52 | 1057.52 |
| 6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd. | | | | 855.61 | 855.61 |
| **Total (a) (iii)** | | | | **1913.13** | **1913.13** |
| **Total (a)** | | | | **8,502.20** | **8,423.45** |
| **(b) Investment in Preference Shares** | | | | | |
| **Preference Shares in Subsidiary Companies-Classified as debt Component** | | | | | |
| 5% redeemable cumulative Preference | | 25390000 | 1000 | 2,350.93 | 2,176.78 |
| Shares in Bharat Coking Coal Ltd. | | (25390000) | (1000) | | |
| 6% redeemable cumulative Preference | | 20509700 | 1000 | 1,662.03 | 1,537.16 |
| Shares in Eastern Coalfields Ltd. | | (20509700) | (1000) | | |
| **Total (b)** | | | | **4,012.96** | **3,713.94** |
| **Total (a+b) :** | | | | **12,515.16** | **12,137.39** |
| Aggregate amount of unquoted investments: | | | | 12,515.16 | 12,137.39 |
| Aggregate amount of quoted investments: | | | | - | - |
| Market value of quoted investments: | | | | - | - |
| Aggregate amount of impairment in value of investments: | | | | - | - |

Refer note 37 (1) for classification

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**
**NOTE - 7 (contd.) NON - CURRENT INVESTMENTS - Unquoted at Cost**

1 Investment in Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL)

a) The investment in Equity Shares of BCCL, a wholly owned subsidiary, is long term and strategic in nature. The Book Value of investment in BCCL as on 31.03.2019 is ₹ 2118.00 (₹2118.00) crore against which the accumulated loss as on 31.03.2019 is ₹ 1751.76 crore (₹2546.82 crore). The accumulated losses as on 31.03.2019 has come down to ₹ 1751.76 crore from ₹ 4106.03 crore as on 31.03.2013 (i.e. the end of the year in which it came out of BIFR).

Similarly, the investment in Equity Shares of ECL, a wholly owned subsidiary, is also long term and strategic in nature. The Book Value of investment in ECL as on 31.03.2019 is ₹ 2218.45 (₹ 2218.45) crore against which the accumulated loss as on 31.03.2019 is ₹ 1439.29 crore (₹ 2731.93 crore). The accumulated losses as on 31.03.2019 has come to ₹ 1439.29 crore from ₹ 2716.00 crore as on 31.03.2015 (i.e. the end of the year in which it came out of BIFR).

In view of these companies turning around and the investments in these companies being long term and strategic in nature, book value of investment has been considered.

b) Investments also includes preference share which have been classified as compound financial instrument by such companies as the dividend on them is payable at the discretion of ECL and BCCL.

2 Investment in Coal India Africana Limitada (CIAL) (100% owned subsidiary –Overseas )

Coal India Ltd., has formed a 100% owned Subsidiary in Republic of Mozambique, named "Coal India Africana Limitada" to explore non-coking coal properties in Mozambique. The initial paid up capital on such formation (known as "Quota Capital") is ₹ 0.01 crore. The investment by CIL in CIAL is strategic and long term in nature. The advance given by CIL to CIAL shown under current account has been fully provided for because the expenses incurred till date are for the coal blocks which could not be turned into feasible projects. Pursuant to the directives of CIL Board, a request was made through Govt. of India for allocation of a new prospective coal block, the response for which from Mozambique government is awaited. In view of above, the investment does not have any indication for impairment and as such the same are valued at cost.

3 Investment in International Coal Ventures Pvt. Ltd.

CIL has entered into a Memorandum of Understanding (vide approval from its Board in 237th meeting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Government of India, vide its approval dated 8th November, 2007.The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. was incorporated under Companies Act, 1956 on 20th May,2009 initially with an authorised capital of ₹1.00 crore and paid up capital of ₹ 0.70 crore. The authorised Capital and paid up Capital as on 31.03.2019 stood at ₹ 3500.00 Crore and ₹ 1450.67 Crore respectively. Out of above paid up capital, Coal India Ltd. is owning 0.19% share i.e. ₹ 2.80 crore face value of equity shares.

4 Investment in CIL NTPC Urja Private Ltd.

CIL NTPC Urja Pvt.Ltd., a 50:50 joint venture company was formed on 27th April'2010 between CIL & NTPC for setting up of joint integrated power plants along with mining of coal. Coal India Ltd. is presently holding 50% equity shares of face value of ₹ 0.08 crore in the joint venture Company.

5 Investment in Talcher Fertilizers Limited

A Joint venture company named "Talcher Fertilizers Limited" (formerly known as Rashtriya Coal Gas Fertilizers Limited") was incorporated on 13th November,2015 under the Companies Act, 2013 under a joint venture agreement dated 27th October,2015, among Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited with an authorised share capital of ₹ 50 Crore. Presently Coal India Limited has invested ₹ 16.34 crore (i.e. 33.33%) in the joint venture company upto 31.03.2019.

6 Investment in Hindustan Urvarak and Rasayan Limited

By virtue of agreement dated 16th May, 2016 made between CIL and NTPC Ltd., a joint venture company named Hindustan Urvarak and Rasayan Limited (HURL) was formed. Subsequently, joint venture agreement has been revised on 31st October, 2016 to include IOCL, FCIL and HFCL as joint venture partners. The authorised share capital of the company is ₹ 5300.00 Crore. Presently Coal India Limited has invested ₹ 440.33 crore (i.e. 33.33%) in the joint venture company upto 31.03.2019.

7 During the year 2018-19 Northern Coalfields Limited (NCL), South Eastern Coalfields Limited (SECL) and Mahanadi Coalfields Limited (MCL) sanctioned Buy-back of shares upto 7.59%, 6.834% and 6.27% respectively. Number of shares bought back by NCL, SECL and MCL are 5,18,560 equity shares of Rs. 1000 each, 4,90,039 equity shares of Rs. 1000 each and 4,42,967 equity shares of Rs. 1000 each respectively.

**Current** (₹ in Crore)

| | Number of units | NAV (In ₹ ) | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|---|
| **Investment in Mutual Fund** | | | | |
| UTI Mutual Fund | 134417.509 (255591.968) | 1019.4457 (1019.4457) | 13.70 | 26.06 |
| SBI Mutual Fund | 90141.232 (Nil) | 1003.2500 (1003.2500) | 9.04 | - |
| **Investments in inter Corporate Deposits (ICD)** | | | | |
| SBI DFHI Ltd. | | | - | 101.92 |
| ICICI Securities | | | - | 93.08 |
| **Total :** | | | **22.74** | **221.06** |
| Aggregate of Quoted Investment: | | | 22.74 | 26.06 |
| Aggregate of unquoted investments: | | | - | 195.00 |
| Market value of Quoted Investment: | | | 22.74 | 26.06 |
| Aggregate amount of impairment in value of investments: | | | - | - |

Refer note 37 (1) for classification

## NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

### NOTE - 8 : LOANS

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non-Current** | | |
| **Loans to Body Corporate and Employees** | | |
| - Secured, considered good | 0.22 | 0.40 |
| - Credit impaired | 1.87 | 1.50 |
| Less: Allowance for doubtful loans | 1.87 | 1.50 |
| **TOTAL** | **0.22** | **0.40** |
| **Current** | | |
| **Loans to Body Corporate and Employees** | | |
| - Secured, considered good | - | 0.01 |
| - Unsecured, considered good | - | 1.87 |
| | - | 1.88 |
| **TOTAL** | **-** | **1.88** |

Refer note 37 (1) for classification

## NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

### NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non Current** | | |
| Bank deposits | 0.41 | 0.10 |
| Deposit in Bank under Mine Closure Plan[1] | 52.01 | 45.08 |
| Deposit in Bank under Shifting & Rehabilitation Fund scheme[3] | 3,977.25 | 3627.00 |
| Other Deposits and Receivables[2] | 33.56 | 76.98 |
| Less : Allowance for doubtful deposits | - | 45.37 |
| | 33.56 | 31.61 |
| Security Deposits for utilities | 3.66 | 4.25 |
| Less : Allowance for doubtful deposits | 0.01 | 0.17 |
| | 3.65 | 4.08 |
| **TOTAL** | **4066.88** | **3707.87** |

1. Deposit with bank under Mine Closure Plan Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan, an Escrow Account has been opened. The interest earned/accrued during the year on such Escrow Account for ₹ 2.68 crore (₹2.41 crore) is included in interest income from deposit with banks disclosed in Note-24. Up to 80% of the total deposited amount including interest accrued in the ESCROW account may be released after every five years in line with the periodic examination of the closure plan as per the Guidelines. (Refer Note 20 for Provision for Site Restoration/Mine Closure).

2. Coal India Ltd. entered into a Consortium Agreement with M/s BEML Ltd and M/s Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets of M/s Mining and Allied Machinery Corporation (under liquidation). The agreement, inter alia, provided for formation of a joint venture company with a shareholding pattern of 48:26:26 among BEML, CIL and DVC respectively. CIL has paid its proportionate share towards bid consideration of Rs 100 Crores towards the said acquisition based on the order passed by Hon'ble High Court of Calcutta. As on 31st March 2019 an amount of Rs 33.56 Crores (Rs. 31.31 Crores) was paid towards bid consideration and other miscellaneous expenditure. Further a Company in the name of MAMC Industries Limited (MIL) has been formed and incorporated on 25 August 2010 as a wholly owned subsidiary of BEML for the intended purposed of JV formation. As per terms and condition of the Consortium Agreement, a shareholders' agreement and joint venture agreement was to be executed. However shareholders' agreement and joint venture agreement are not yet executed.

3. Deposit in Bank under Shifting & Rehabilitation Fund scheme Following the direction of the Ministry of Coal, the Company has setup a fund for implementation of action plan for shifting & rehabilitation, dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect. The subsidiaries of CIL except CMPDIL and Coal India Africana Limitada are making a contribution of 6/- per tonne of their respective coal dispatch per annum to this fund, which remains in the custody of CIL as bank deposit for this purpose, till they are disbursed/utilized by subsidiaries/agencies implementing the relevant projects.

(₹ in Crore)

| | | |
|---|---|---|
| **Current** | | |
| Current Account with Subsidiaries | 527.55 | 533.03 |
| Less: Allowance for doubtful advance | 53.83 | 53.83 |
| | 473.72 | 479.20 |
| Interest accrued | 1.21 | 8.33 |
| Claims & other receivables[1] | 118.24 | 51.01 |
| Less : Allowance for doubtful claims | 7.39 | 2.26 |
| | 110.85 | 48.75 |
| **TOTAL** | **585.78** | **536.28** |

1. Claims and Other receivables of ₹ 118.24 crore includes ₹ 38.65 crore (₹ 29.72 crore) for interest receivable on deposits made on account of Shifting & rehabilitation fund.

Refer note 37 (1) for classification

## NOTES TO THE FINANCIAL STATEMENTS-STANDALONE
## NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Capital Advances | 13.77 | 30.75 |
| Other Deposits and Advances | 0.07 | 0.15 |
| **TOTAL** | **13.84** | **30.90** |

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**

**NOTE -11 : OTHER CURRENT ASSETS**

(₹ in Crore)

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| (a) | Advance for Revenue | 8.98 | 0.62 |
| | Less : Provision | - | 0.22 |
| | | 8.98 | 0.40 |
| (b) | Advance payment of statutory dues | - | 0.02 |
| | Less : Provision | - | 0.02 |
| | | - | |
| (c) | Advance to Related Parties For R& D with CMPDIL[1] | - | 90.12 |
| (d) | Other Advance and Deposits to Employees | 6.30 | 17.61 |
| | Less : Provision for doubtful advances | - | 0.74 |
| | | 6.30 | 16.87 |
| (e) | GST credit entitlement | 0.95 | 17.55 |
| (f) | MAT credit entitlement | 138.28 | 101.39 |
| | **TOTAL** | **154.51** | **226.33** |

1. Amount disbursed to implementing agencies for R&D by CMPDIL till 31.03.2019 has been recognised as R&D expenses during the year (Refer Note 34- Other Expenses)

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**

**NOTE - 12 : INVENTORIES**

(₹ in Crore)

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| A. | Stock of Coal | 29.89 | 20.48 |
| B. | Stores & Spares | 0.63 | 0.77 |
| C . | Stock of Medicine at Central Hospital | 0.15 | 0.14 |
| **Total (A+B+C)** | | **30.67** | **21.39** |

Method of valuation : Refer Note No. 2.20 - Significant Accounting Policies on "Inventories"

**NOTE - 13 : TRADE RECEIVABLES**

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Current** | | |
| Trade receivables | | |
| - Unsecured, considered good | 0.25 | 1.84 |
| - Credit impaired | 14.80 | 11.07 |
| Less : Allowance for bad & doubtful debts | 14.80 | 11.07 |
| **Total** | **0.25** | **1.84** |

1. No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.
2. Includes due from Joint Venture Companies (Refer Note No. 37 (5d))
   Refer note 37 (1) for classification

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**

**NOTE - 14 : CASH AND CASH EQUIVALENTS**

(₹ in Crore)

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| (a) | Balances with Banks | | |
| | - in Deposit Accounts | - | 80.50 |
| | - in Current Accounts | | |
| | Interest Bearing (CLTD) | 57.61 | 66.37 |
| | Non Interest Bearing | 1.07 | 1.40 |
| | - in Cash Credit Accounts | 0.29 | 1.96 |
| (b) | Cash on hand | 0.01 | 0.02 |
| **Total Cash and Cash Equivalents** | | **58.98** | **150.25** |
| **Total Cash and Cash Equivalents (net of Bank Overdraft)** | | **58.98** | **150.25** |

1. Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

   Refer note 37 (1) for classification

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**

**NOTE - 15 : OTHER BANK BALANCES**

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Balances with Banks | | |
| - Deposit accounts [2] | 179.24 | 120.13 |
| - Unpaid dividend accounts | 11.99 | 11.48 |
| - Dividend accounts | 3.30 | 11.12 |
| **Total** | **194.53** | **142.73** |

1. Other Bank Balances comprise term deposits and other bank deposits which are expected to realise in cash within 12 months after the reporting date.
2. Fixed Deposit of ₹ 3.10 crore (₹ 2.78 crore) are included above made as per the direction of The Court.

   Refer note 37 (1) for classification

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**

**NOTE - 16 : EQUITY SHARE CAPITAL**

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Authorised** | | |
| 8,00,00,00,000 Equity Shares of 10/- each (8,00,00,00,000 Equity Shares of 10/- each) | 8,000.00 | 8,000.00 |
| | **8000.00** | **8000.00** |
| **Issued, Subscribed and Paid** | | |
| 6,16,27,28,327 Equity Shares of 10/- each (6,20,74,09,177 Equity Shares of 10/- each) | 6,162.73 | 6,207.41 |
| | **6162.73** | **6207.41** |

1. Shares in the company held by each shareholder holding more than 5% Shares

| Name of Shareholder | No.of Shares held (Face value of 10 each) | % of Total Shares |
|---|---|---|
| Hon'ble President of India | 4,37,30,16,781 (4,87,56,71,716 ) | 70.959 (78.546) |
| Life Insurance Corporation of India | 67,39,99,304 (55,69,48,456) | 10.937 (8.972) |

2. Reconciliation of equity shares outstanding at the beginning and at the end of reporting period:-

| Particular | Number of Share | Amount |
|---|---|---|
| Balance as on 01.04.2016 | 63163,64,400 | 6316.36 |
| Less: Shares bought back by the company during FY 2016-17 | 1089,55,223 | 108.95 |
| Balance as on 31.03.2017 | 62074,09,177 | 6207.41 |
| Change during FY 2017-18 | - | - |
| Balance as on 31.03.2018 | 62074,09,177 | 6207.41 |
| Less: Shares bought back by the company during FY 2018-19* | 446,80,850 | 44.68 |
| Balance as on 31.03.2019 | 61627,28,327 | 6162.73 |

*The total no. of shares bought back during FY 2018-19 was 4,46,80,850 comprising Govt. shares 4,42,93,572 and balance 3,87,278 shares bought back from various financial institutions and others.

3. Listing of shares of Coal India Ltd. in Stock Exchange.The shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November,2010.

The details of disinvestment/Buyback of shares by Govt of India is furnished below:

| Sl. No. | Financial year of Disinvestment | % of shares disinvestment | No. of shares disinvested | Mode |
|---|---|---|---|---|
| 1 | 2010-11 | 10.00% | 63,16,36,440 | IPO |
| 2 | 2013-14 | 0.35% | 2,20,37,834 | CPSE-ETF |
| 3 | 2014-15 | 10.00% | 63,16,36,440 | OFS |
| 4 | 2015-16 | 0.001% | 83,104 | CPSE-ETF |
| 5 | 2016-17 | 1.248% | 7,88,42,816 | Buyback |
| 6 | 2016-17 | 0.92% | 5,71,56,437 | CPSE-ETF |
| 7 | 2017-18 | 0.31% | 1,92,99,613 | Bharat 22-ETF |
| 8 | 2018-19 | 0.225% | 1,39,91,488 | Bharat 22-ETF |
| 9 | 2018-19 | 3.19% | 19,80,03,931 | OFS |
| 10 | 2018-19 | 2.21% | 13,73,11,943 | CPSE-ETF |
| 11 | 2018-19 | 0.01% | 6,81,840 | OFS |
| 12 | 2018-19 | 0.383% | 2,37,79,267 | Bharat 22-ETF |
| 13 | 2018-19 | 1.37% | 8,45,92,894 | CPSE-ETF |
| 14 | 2018-19 | 0.194% | 4,42,93,572 | Buyback |

Hence, the number of shares held by Govt of India stood at 4,37,30,16,781 i.e. 70.959% of the total 6,16,27,28,327 number of shares outstanding as on 31.03.2019

4. The Company has only one class of equity shares having a face value 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

5. Refer Note 37 (5) (b) also for Authorised preference share capital of the company.

**NOTES TO THE FINANCIAL STATEMENTS-STANDALONE**

**NOTE 17 : OTHER EQUITY**

(₹ in Crore)

| | Capital Redemption reserve | General Reserve | Retained Earnings | | | Total |
|---|---|---|---|---|---|---|
| | | | Profit after tax* | Other Comprehensive Income | Total Retained Earnings and OCI | |
| **Balance as at 01.04.2017** | 1013.13 | 4229.79 | 2477.15 | (10.04) | **2467.11** | **7710.03** |
| Profit during the year | | - | 9293.42 | | 9293.42 | 9293.42 |
| Remeasurement of defined benefit plans (net of tax) | | - | | 5.36 | 5.36 | 5.36 |
| **Appropriations** | | | | | | |
| Transfer to/from General Reserve | | 8.26 | (8.26) | - | (8.26) | - |
| Interim Dividend | | - | (10242.24) | - | (10242.24) | (10242.24) |
| Corporate Dividend tax | | - | (279.27) | - | (279.27) | (279.27) |
| Buyback of equity shares | | | | | - | - |
| **Balance as at 31.03.2018** | **1013.13** | **4238.05** | **1240.80** | **(4.68)** | **1236.12** | **6487.30** |
| **Balance as at 01.04.2018** | **1013.13** | **4238.05** | **1240.80** | **(4.68)** | **1236.12** | **6487.30** |
| Profit during the year | | | 10469.67 | | 10469.67 | 10469.67 |
| Remeasurement of defined benefit plans (net of tax) | | | | (11.42) | (11.42) | (11.42) |
| **Appropriations** | | | | | | |
| Transfer to/from General Reserve | | 10.63 | (10.63) | | (10.63) | - |
| Interim Dividend | | | (8105.58) | | (8105.58) | (8105.58) |
| Buyback of equity shares | 44.68 | - | (1049.99) | | (1049.99) | (1005.31) |
| **Balance as at 31.03.2019** | **1057.81** | **4248.68** | **2544.27** | **(16.10)** | **2528.17** | **7834.66** |

*Profit after tax includes gain on valuation of debt component of investment in preference shares in subsidiary companies which is notional/ unrealised in nature and not available for distribution of dividend. The details of such gain is given below:

| | **(₹ crore)** |
|---|---|
| Balance as at 01.04.2017 | 762.00 |
| Addition during FY 2017-18 | 275.11 |
| **Balance as at 31.03.2018** | **1,037.11** |
| Addition during FY 2018-19 | 299.01 |
| **Balance as on 31.03.2019** | **1,336.12** |

**Details of Capital Redemption Reserve**

| **ParticularAmount** | **Amount (₹ in Crore)** | **Year** |
|---|---|---|
| Non-Cumulative 10% Redeemable Preference Share Capital Redemption | 904.18 | Upto FY 2000-01 |
| Buyback of Equity Share | 108.95 | FY 2016-17 |
| Buyback of Equity Share | 44.68 | FY 2018-19 |
| **Total** | 1057.81 | |

Balance in Capital Redemption Reserve will be utilized as per provisions of the Companies Act, 2013.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 18: TRADE PAYABLES

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Current** | | |
| Trade Payables for Micro, Small and Medium Enterprises (MSME) | - | - |
| Trade Payables for other than MSME | | |
| -Stores and Spares | 1.23 | 1.26 |
| -Power and Fuel | 1.00 | 1.55 |
| -Liability for Salary, Wages and Allowances | 17.39 | 19.02 |
| -Other expenses | 103.35 | 108.36 |
| **TOTAL** | **122.97** | **130.19** |
| Refer note 37 (1) for classification | | |
| | | |
| Trade Payables for other than MSME- Other expenses includes: | | |
| Rent | 19.40 | 19.40 |
| Municipal Tax | - | 2.77 |
| Recruitment expenses | 0.07 | 0.07 |
| Consultancy expenses | 3.37 | 24.04 |
| Other revenue expenses | 80.51 | 62.08 |
| Total | **103.35** | **108.36** |

NOTE - 19 : FINANCIAL LIABILITIES

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non Current** | | |
| Security Deposits | 1.18 | **1.37** |
| | **1.18** | **1.37** |
| **Current** | | |
| Current Account of Subsidiaries | 77.90 | 605.74 |
| Due to IICM | - | 187.77 |
| Unpaid dividends[1] | 15.29 | 22.60 |
| Security Deposits | 44.64 | 41.35 |
| Earnest Money | 35.52 | 292.69 |
| Payable for Capital Expenditure | 10.63 | 31.40 |
| **TOTAL** | **183.98** | **1,181.55** |

1. During the year 2018-19, an amount of ₹ 0.06 crore in respect of final dividend of FY 2010-11 has been transferred to Investor Education & Protection Fund (IEPF) as the same remained unpaid and unclaimed for a period of seven years from the date of transfer of such dividend to unpaid dividend account.

There is no other amount due to be transferred to IEPF within 31.03.2019

Refer note 37 (1) for classification

**NOTES TO THE FINANCIAL STATEMENTS – STANDALONE**

**NOTE - 20 : PROVISIONS**

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non Current** | | |
| Employee Benefits | | |
| - Gratuity | - | 27.95 |
| - Leave Encashment | 15.58 | 7.95 |
| - Other Employee Benefits | 153.72 | 160.58 |
| Site Restoration/Mine Closure[1] | 42.63 | 40.17 |
| **TOTAL** | **211.93** | **236.65** |
| **Current** | | |
| Employee Benefits | | |
| - Gratuity | - | 37.03 |
| - Leave Encashment | 5.95 | 6.67 |
| - Ex- Gratia | 10.79 | 11.01 |
| - Performance Related Pay | 44.25 | 13.81 |
| - Other Employee Benefits | 29.31 | 73.69 |
| - Provision for National Coal Wage Agreement X | - | 26.90 |
| - Provision for Executive Pay Revision | - | 32.84 |
| Others | - | 0.07 |
| **TOTAL** | **90.30** | **202.02** |
| **1. Reconciliation of Site restoration /Mine Closure :** | | |
| Gross value of site restoration Asset | 16.63 | 16.63 |
| Add: Unwinding of Provision charged (incl. Capitalized) in earlier years | 23.54 | 21.26 |
| Add: Unwinding of Provision charged (incl. Capitalized) For Current Year | 2.46 | 2.28 |
| Mine Closure Provision | 42.63 | 40.17 |
| **Escrow Account Balance** | | |
| Opening Balance in Escrow Account (Current/ Non Current) | 45.08 | 38.74 |
| Add: Balance Deposited during Current Year | 4.25 | 3.93 |
| Add: Interest Credited during the year | 2.68 | 2.41 |
| Less: Amount Withdrawn during Current Year | | |
| Balance in Escrow Account (Current/ Non Current) on Closing date | **52.01** | **45.08** |

**NOTES TO THE FINANCIAL STATEMENTS – STANDALONE**

**NOTE - 21 : OTHER NON CURRENT LIABILITIES**

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Shifting & Rehabilitation Fund | 4098.18 | 3700.98 |
| **Total** | **4,098.18** | **3,700.98** |

**Shifting and Rehabilitation Fund**

1- Following the direction of the Ministry of Coal, the Company has setup a fund for implementation of action plan for shifting & rehabilitation, dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect.

The subsidiaries of CIL except CMPDIL and Coal India Africana Limitada are making a contribution of ₹6/- per tonne of their respective coal dispatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects. (Refer Note 9 for deposits with bank under Shifting & Rehabilitation Fund scheme)

2- Interest earned (Net of TDS) on bank deposits earmarked for this fund is credited to this fund.

**NOTE - 22 : OTHER CURRENT LIABILITIES**

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Statutory Dues | 64.46 | 57.78 |
| Advance from customers / others | 66.75 | 57.58 |
| Others liabilities[1] | 203.43 | 202.09 |
| **Total** | **334.64** | **317.45** |

1. Other Liabilities of ₹203.44 crore includes ₹164.22 crore (₹177.00 crore) towards TDS on interest earned on deposits made against of Shifting & rehabilitation fund as referred in Note No. 21.

**NOTES TO THE FINANCIAL STATEMENTS – STANDALONE**

**NOTE - 23 : REVENUE FROM OPERATIONS**

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| A. Sale of Coal | 430.92 | 472.12 |
| Less : Statutory Levies | 115.53 | 114.07 |
| **Sales (Net) (A)** | **315.39** | **358.05** |
| **B. Other Operating Revenue** | | |
| Subsidy for Sand Stowing & Protective Works | - | 0.07 |
| Loading and additional transportation charges | 4.53 | 5.41 |
| Less : Statutory Levies | 0.23 | 0.24 |
| | **4.30** | **5.17** |
| Evacuation Facility charges | 3.97 | 2.31 |
| Less : Statutory Levies | 0.20 | 0.11 |
| | **3.77** | **2.20** |
| Other Services | 719.94 | 665.89 |
| Less : Statutory Levies | 109.10 | 97.47 |
| | **610.84** | **568.42** |
| **Other Operating Revenue (Net) (B)** | **618.91** | **575.86** |
| **Revenue from Operations (A+B)** | **934.30** | **933.91** |

1. Sale of Coal is net of Provision for Coal Quality Variance amounting is ₹ 2.91 Crore (₹ 4.88 Crore)

2. Government of India introduced Goods and Services Tax (GST) w.e.f 1st July, 2017. Consequently revenue from operations for the period from 01.07.2017 to 31.03.2019 is presented net of GST.

3. Revenue from operations for the period prior to 01.07.2017 is inclusive of Excise duty. Sale of coal includes excise duty of ₹5.87 Crore for the period 01.04.2017 to 30.06.2017. Loading and additional transportation charges includes excise duty of ₹ 0.07 Crore.

NOTES TO THE FINANCIAL STATEMENTS – STANDALONE

NOTE - 24 : OTHER INCOME

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Interest Income | 40.95 | 99.03 |
| Dividend Income | 8932.75 | 8867.82 |
| Income on sale of investments in subsidiaries | 1,025.35 | - |
| **Others** | | |
| Profit on Sale of Assets | - | 0.02 |
| Exchange Rate Variance | - | 0.04 |
| Lease Rent | 3.61 | 3.63 |
| Liability Written back | 191.95 | 0.89 |
| Provision written back | 34.75 | 15.24 |
| Fair value changes (net) | 299.01 | 275.11 |
| Miscellaneous Income | 20.29 | 31.17 |
| **Total** | **10548.66** | **9292.95** |

NOTE - 25 : COST OF MATERIALS CONSUMED

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Explosives | 4.47 | 3.45 |
| Timber | 0.14 | 0.33 |
| Oil & Lubricants | 1.47 | 1.44 |
| HEMM Spares | 0.08 | 0.13 |
| Other Consumable Stores & Spares | 1.42 | 1.58 |
| **Total** | **7.58** | **6.93** |

NOTE - 26 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Opening Stock of Coal | 20.48 | 62.57 |
| Closing Stock of Coal | 29.89 | 20.48 |
| **Change in Inventory of Coal** | **(9.41)** | **42.09** |
| **Change in Inventory { Decretion / ( Accretion) }** | **(9.41)** | **42.09** |

## NOTES TO THE FINANCIAL STATEMENTS – STANDALONE

### NOTE 27 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Salary and Wages (incl. Allowances and Bonus etc.) | 369.58 | 336.72 |
| Contribution to P.F. & Other Funds | 77.11 | 146.31 |
| Staff welfare Expenses | 27.97 | 42.01 |
| **Total** | **474.66** | **525.04** |

### NOTE - 28 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| CSR Expenses | 27.33 | 24.31 |
| **Total** | **27.33** | **24.31** |

In pursuance of section 135 of Companies Act 2013, an amount of ₹ 6.99 crore (being 2% of the average net profit of the company made during the three immediately preceding financial years - considered from the audited financial statements of the respective years prepared as per previous GAAP/Ind-AS) was required to be spent during 2018-19 towards CSR activities. The company has spent ₹ 27.33 crore during the year.

### NOTE - 29 : REPAIRS

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Building | 16.46 | 18.98 |
| Plant & Machinery | 0.52 | 0.60 |
| Others | 0.40 | 4.05 |
| **Total** | **17.38** | **23.63** |

### NOTE - 30 : CONTRACTUAL EXPENSE

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Transportation Charges : | 0.63 | 0.47 |
| Wagon Loading | 0.82 | 0.92 |
| Hiring of Plant and Equipment | 132.13 | 115.30 |
| Other Contractual Work | 0.66 | 1.32 |
| **Total** | **134.24** | **118.01** |

NOTES TO THE FINANCIAL STATEMENTS – STANDALONE

NOTE - 31 : FINANCE COSTS

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| **Interest Expenses** | | |
| Unwinding of discounts | 2.46 | 2.28 |
| Funds parked by subsidiaries[1] | 15.58 | 14.48 |
| **Total** | **18.04** | **16.76** |

1. Interest on funds parked by subsidiaries
Interest has been paid on funds parked by Subsidiaries with CIL. Such interest is paid at annualized average yield rate at which CIL earns from its investment in Fixed Deposits/Mutual Funds.

NOTE - 32 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| **Provision made for** | | |
| Doubtful debts | 0.25 | - |
| Others | 0.18 | - |
| **Total** | **0.43** | **-** |

NOTE - 33 : WRITE OFF (NET PF PAST PROVISIONS)

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Doubtful debts | 0.15 | - |
| Less :- Provided earlier | 0.15 | - |
| | 0.00 | - |
| Doubtful advances | 3.07 | - |
| Less :- Provided earlier | 2.65 | - |
| | 0.42 | - |
| **Total** | **0.42** | **-** |

**NOTES TO THE FINANCIAL STATEMENTS – STANDALONE**

**NOTE - 34 : OTHER EXPENSES**

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Travelling expenses | 12.44 | 15.07 |
| Training Expenses | 3.22 | 8.18 |
| Telephone & Postage | 2.71 | 3.59 |
| Advertisement & Publicity | 5.23 | 9.57 |
| Demurrage | 0.15 | 0.11 |
| Security Expenses | 16.13 | 9.88 |
| Hire Charges | 4.68 | 5.40 |
| CMPDI Charges | 0.54 | 1.48 |
| Legal Expenses | 10.62 | 7.35 |
| Consultancy Charges | 7.18 | 19.62 |
| Under Loading Charges | 3.45 | 4.30 |
| Auditor's Remuneration & Expenses | - | |
| - For Audit Fees | 0.25 | 0.21 |
| - For Taxation Matters | 0.05 | 0.05 |
| - For Other Services | 0.33 | 0.24 |
| - For Reimbursement of Exps. | 0.20 | 0.27 |
| Internal & Other Audit Expenses | 0.77 | 0.63 |
| Rent | 5.42 | 6.43 |
| Rates & Taxes | 3.04 | 4.33 |
| Insurance | 0.36 | 0.55 |
| Loss on Foreign Exchange Transactions | 0.02 | 0.01 |
| Printing & Stationery | 1.90 | 1.79 |
| Meeting Expenses | 3.40 | 4.23 |
| Rescue/Safety Expenses | 0.35 | 0.13 |
| Dead Rent/Surface Rent | 1.15 | 0.78 |
| Siding Maintenance Charges | 0.38 | 1.00 |
| R & D expenses[1] | 103.69 | - |
| Environmental & Tree Plantation Expenses | 7.24 | 0.41 |
| Expenses on Buyback of Shares | 8.94 | - |
| Miscellaneous expenses | 8.97 | 13.53 |
| **Total** | **212.81** | **119.14** |

1. Refer footnote of Note 11

NOTES TO THE FINANCIAL STATEMENTS – STANDALONE

NOTE - 35 : TAX EXPENSE

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current Year | 157.25 | 118.63 |
| MAT Credit Entitlement | (37.88) | (101.39) |
| Earlier Years | (27.62) | 4.17 |
| **Total** | **92.75** | **21.41** |

| **Reconciliation of tax Expenses and the accounting profit multiplied by India's domestic Tax rate for 31.03.2019** | **For the year ended 31.03.2019** | **For the year ended 31.03.2018** |
|---|---|---|
| **Profit/(Loss) before tax** | 10562.42 | 9314.83 |
| At income tax rate of 34.95% (31.03.2018: 34.6081%) | 3691.57 | 3223.69 |
| Less: Tax on exempted Income | (3480.36) | (3063.92) |
| Add: Tax on non-deductible expenses/(Income) (net) | (106.01) | (95.15) |
| Income Tax Expenses as per normal provision of tax (A) | 105.20 | 64.61 |
| Income tax under MAT provisions (Sec 115JB) [B] | 157.25 | 118.63 |
| **Tax Payable higher of A/B** | **157.25** | **118.63** |
| Adjustment in respect of current income tax of previous year | (27.62) | 4.17 |
| MAT Credit Entitlement | (36.88) | (101.39) |
| **Income Tax Expenses reported in statement of Profit & Loss** | **92.75** | **21.41** |
| **Effective income tax rate :** | **0.88%** | **0.23%** |

NOTE - 36 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

| | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| **(i) Items that will not be reclassified to profit or loss** | | |
| Changes in revaluation surplus | - | - |
| Remeasurement of defined benefit plans | (17.55) | 6.25 |
| | (17.55) | 6.25 |
| **(ii) Income tax relating to items that will not be reclassified to profit or loss** | | |
| Remeasurement of defined benefit plans | 6.13 | (0.89) |
| | 6.13 | (0.89) |
| **Total** | **(11.42)** | **5.36** |

**NOTE - 37: ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019 (STANDALONE)**

**1. Fair Value Measurement**

**(a) Financial Instruments by Category**

(₹ in Crore)

| | 31st March, 2019 | | 31st March, 2018 | |
|---|---|---|---|---|
| | FVTPL | AMORTISED COST | FVTPL | AMORTISED COST |
| **Financial Assets** | | | | |
| Investments* : | | | | |
| Preference Shares<br>-Equity Component<br>-Debt Component | <br>-<br>- | <br>1913.13<br>4012.96 | <br>-<br>- | <br>1913.13<br>3713.94 |
| Mutual Fund and ICD | 22.74 | - | 221.06 | - |
| Loans | - | 0.22 | - | 2.28 |
| Deposits & receivable | - | 4652.66 | - | 4244.15 |
| Trade receivables | - | 0.25 | - | 1.84 |
| Cash & cash equivalents | - | 58.98 | - | 150.25 |
| Other Bank Balances | - | 194.53 | - | 142.73 |
| **Financial Liabilities** | | | | |
| Trade payables | - | 122.97 | - | 130.19 |
| Security Deposit and Earnest money | - | 81.34 | - | 335.41 |
| Other Liabilities | - | 103.82 | - | 847.51 |

* Investment in Equity Shares in Subsidiary/Joint Ventures are measured at cost which stands at ₹6589.07 Crore as on 31.03.2019 (₹6510.32 Crore -31.03.2018) not included above.

**(b) Fair value hierarchy**

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

(₹ in Crore)

| **Financial assets and liabilities measured at fair value** | **31st March, 2019** | | **31st March, 2018** | |
|---|---|---|---|---|
| | Level I | Level III | Level I | Level III |
| **Financial Assets at FVTPL** | | | | |
| Investments : | **-** | **-** | **-** | **-** |
| Mutual Fund and ICD | 22.74 | - | 221.06 | - |
| **Financial Liabilities** | - | - | - | - |
| If any item | - | - | - | - |

| Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31st March, 2019 | 31st March, 2019 | | 31st March, 2018 | |
|---|---|---|---|---|
| | Leve l | Level III | Leve l | Level III |
| **Financial Assets** | | | | |
| Investments: | | | | |
| Preference Shares<br>-Equity Component<br>-Debt Component | - | 1913.13<br>4012.96 | - | 1913.13<br>3713.94 |
| Loans | - | 0.22 | - | 2.28 |
| Deposits & receivable | - | 4652.66 | - | 4244.15 |
| Trade receivables | - | 0.25 | - | 1.84 |
| Cash & cash equivalents | - | 58.98 | - | 150.25 |
| Other Bank Balances | - | 194.53 | - | 142.73 |
| **Financial Liabilities** | | | | |
| Trade payables | - | 122.97 | - | 130.19 |
| Security Deposit and Earnest money | - | 81.34 | - | 335.41 |
| Other Liabilities | - | 103.82 | - | 847.51 |

A brief of each level is given below.

**Level 1**: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

**Level 2**: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3**: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments, security deposits and other liabilities taken included in level 3.

**(c) Valuation technique used in determining fair value**

Valuation techniques used to value financial instruments include the use of quoted market prices(NAV) of instruments in respect of investment in Mutual Funds.

**(d) Fair value measurements using significant unobservable inputs**

At present there are no fair value measurements using significant unobservable inputs.

**(e) Fair values of financial assets and liabilities measured at amortised cost**

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Company considers that the Security Deposits does not include a significant financing component. The security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

**Significant estimates**: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

**2. Financial Risk Management**

**Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit Risk | Cash and Cash equivalents, trade receivables financial asset measured at amortised cost | Ageing analysis/ Credit rating | Department of Public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities |
| Liquidity Risk | Borrowings and other liabilities | Periodic cash flows | Availability of committed credit lines and borrowing facilities |
| Market Risk-foreign exchange | Future commercial transactions, recognised financial assets and liabilities not denominated in INR | Cash flow forecast sensitivity analysis | Regular watch and review by senior management and audit committee. |
| Market Risk-interest rate | Cash and Cash equivalents, Bank deposits and mutual funds | Cash flow forecast sensitivity analysis | Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee. |

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principles for overall risk management as well as policies covering investment of excess liquidity.

**A. Credit Risk**:.

**Credit risk management:**

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms

**Fuel Supply Agreements (FSAs)**

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs")); and
- FSAs with State Nominated Agencies.

**E-Auction Scheme**

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Credit risk arises when a counterparty defaults on contractual obligations resulting in financial loss to the company.

**Expected credit loss:** The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit losses for trade receivables under simplified approach

**As on 31.03.2019** (₹ in Crore)

| Ageing | Due than 1 year | Due for 1 year | Due for 2 year | Due for 3 years | Due for more than 3 years | Total |
|---|---|---|---|---|---|---|
| Gross carrying amount | - | 3.87 | 0.11 | - | 11.07 | 15.05 |
| Expected loss rate | - | 93.54% | 100% | - | 100% | 98.34% |
| Expected credit losses (Loss allowance provision) | - | 3.62 | 0.11 | - | 11.07 | 14.80 |

**As on 31.03.2018** (₹ in Crore)

| Ageing | Less than 1 year | Due for 1 year | Due for 2 year | Due for 3 years | Due for more than 3 years | Total |
|---|---|---|---|---|---|---|
| Gross carrying amount | - | 1.57 | 0.27 | - | 11.07 | 12.91 |
| Expected loss rate | - | - | - | - | 100% | 85.75% |
| Expected credit losses (Loss allowance provision) | - | - | - | - | 11.07 | 11.07 |

**Reconciliation of loss allowance provision – Trade receivables**

(₹ in Crore)

| | |
|---|---|
| **Loss allowance on 01.04.2018** | 11.07 |
| Change in loss allowance | 3.73 |
| **Loss allowance on 31.03.2019** | 14.80 |

**Significant estimates and judgments for Impairment of financial assets**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**B. Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Company. The bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stores and spare parts and book debts of CIL and its Subsidiary Companies within consortium of banks.The total working capital credit limit available to CIL is ₹535.00 Crore (₹550.00 Crore), of which fund based limit is ₹240.00 Crore (₹250.00 Crore)and non-fund based limit is ₹295.00 crore (₹300.00 Crore). Further, ₹5000.00 crore (₹5000.00 Crore) was set up as non-fund based limit outside consortium in order to facilitate import of HEMM. Coal India Limited is contingently liable to the extent such facility is actually utilised by the Subsidiary Companies.

**C. Market risk**

**a) Foreign currency risk**

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency(INR).The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

**b) Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

**Capital management**

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

**Capital Structure of the company is as follows:**

( ₹ in Crore)

| | 31.03.2019 | 31.03.2018 |
|---|---|---|
| **Equity Share capital** | 6162.73 | 6207.41 |
| **Long term debt** | - | - |

**3. Employee Benefits: Recognition and Measurement (Ind AS-19)**

**a) Gratuity**

Gratuity is maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

**b) Leave encashment**

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

**c) Provident Fund**:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund during the year is ₹53.63Crore (₹28.61Crore)has been recognized in the Statement of Profit & Loss (Note 27).

**d**) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

**(i) Funded**

- o Gratuity
- o Leave Encashment
- o Medical Benefits
- o Pension Scheme

**(ii) Unfunded**

- o Life Cover Scheme
- o Settlement Allowance
- o Group Personal Accident Insurance
- o Leave Travel Concession
- o Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2019 based on valuation made by the Actuary, details of which are mentioned below is ₹456.49 Crore.

( ₹ in Crore)

| Particulars | Opening Actuarial Liability as on 01.04.2018 | Incremental Liability/adjustment during the year | Closing Actuarial Liability as on 31.03.2019 |
|---|---|---|---|
| Gratuity | 224.66 | (7.34) | 217.32 |
| Earned Leave | 41.88 | 6.14 | 48.02 |
| Half Pay Leave | 13.16 | 3.59 | 16.75 |
| Life Cover Scheme | 0.65 | (0.04) | 0.61 |
| Settlement Allowance Executives | 1.09 | 0.20 | 1.29 |
| Settlement AllowanceNon-executives | 1.22 | (0.08) | 1.14 |
| Group Personal Accident Insurance Scheme | 0.03 | 0.00 | 0.03 |
| Leave Travel Concession | 15.87 | (13.69) | 2.18 |
| Medical Benefits Executives | 151.49 | (0.43) | 151.06 |
| Medical Benefits Non-Executives | 11.48 | 5.82 | 17.30 |
| Compensation to dependents in case of mine accidental death | 0.89 | (0.10) | 0.79 |
| **Total** | **462.42** | **(5.93)** | **456.49** |

**a) Disclosure as per Actuary's Certificate**

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

**ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2019 CERTIFICATES AS PER IND AS 19 (2015)**

(₹ in Crore)

| Changes in Present Value of defined benefit obligations | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Present Value of obligation at beginning of the year | 224.66 | 138.96 |
| Current Service Cost | 10.07 | 9.31 |
| Interest Cost | 14.98 | 9.75 |
| Plan amendments : vested portion at end of year (past service) | 0 | 98.14 |
| Actuarial (Gain) / Loss on obligations due to change in financial assumption | 1.80 | (6.83) |
| Actuarial (Gain) / Loss on obligations due to unexpected experience | 18.45 | 0.46 |
| Benefits Paid | (52.64) | (25.13) |
| Present Value of obligation at end of the year | 217.32 | 224.66 |

(₹ in Crore)

| Changes in Fair Value of Plan Assets | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Fair Value of Plan Asset at beginning of the year | 159.68 | 148.15 |
| Interest Income | 12.06 | 11.42 |
| Employer Contributions | 109.51 | 25.35 |
| Benefits Paid | (52.65) | (25.13) |
| Return on Plan Assets excluding Interest income | 2.71 | (0.11) |
| Fair Value of Plan Asset as at end of the year | 231.31 | 159.68 |

(₹ in Crore)

| Statement showing reconciliation to Balance Sheet | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Funded Status | 13.99 | (64.98) |
| Unrecognized actuarial (gain) / loss at end of the year | - | - |
| Fund Asset | 231.31 | 159.68 |
| Fund Liability | 217.32 | 224.66 |

| Statement showing Plan Assumptions: | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Discount Rate | 7.55% | 7.71% |
| Expected Return on Plan Asset | 7.55% | 7.71% |
| Rate of Compensation Increase (Salary Inflation) | Executives-9.00%<br>Non-Executives- 6.25% | Executives-9.00%<br>Non-Executives- 6.25% |
| Mortality Table | IALM 2006-2008 ULTIMATE | |
| Superannuation at Age | 60 | 60 |
| Early Retirement and Disablement | 0.30% p.a. | 0.30% p.a. |

(₹ in Crore)

| Expense Recognized in Statement of Profit / Loss | For the year ended 31.03.2019 | For the year ended As at 31.03.2018 |
|---|---|---|
| Current Service Cost | 10.07 | 9.31 |
| Past service cost (vested) | 0 | 98.14 |
| Net Interest Cost | 2.92 | (1.68) |
| Benefit Cost (Expense recognised in Statement of Profit/Loss) | 12.99 | 105.77 |

( ₹ in Crore)

| Other Comprehensive Income | For the year ended 31.03.2019 | For the year ended As at 31.03.2018 |
|---|---|---|
| Actuarial (Gain) / Loss on obligations due to change in financial assumption | 1.80 | (6.83) |
| Actuarial (Gain) / Loss on obligations due to unexpected experience | 18.46 | 0.46 |
| Total Actuarial (Gain) / Loss | 20.26 | (6.37) |
| Return on Plan Asset, excluding Interest Income | 2.71 | (0.11) |
| Net (Income) / Expense for the year recognised in Other Comprehensive Income | 17.55 | (6.25) |

**Mortality Table**

| Age | Mortality (Per Annum) |
|---|---|
| 25 | 0.000984 |
| 30 | 0.001056 |
| 35 | 0.001282 |
| 40 | 0.001803 |
| 45 | 0.002874 |
| 50 | 0.004946 |
| 55 | 0.007888 |
| 60 | 0.011534 |
| 65 | 0.0170085 |
| 70 | 0.0258545 |

| Sensitivity Analysis of Gratuity Liability | 31.03.2019 | |
|---|---|---|
| | ( ₹ in Crore) | |
| | Increased Figure | Decreased Figure |
| Discount Rate (-/+ 0.5%) | 211.79 | 223.12 |
| %Change Compared to base due to sensitivity | -2.538% | 2.673% |
| Salary Growth (-/+ 0.5%) | 219.21 | 215.21 |
| %Change Compared to base due to sensitivity | 0.874% | -0.968% |
| Attrition Rate (-/+ 0.5%) | 217.45 | 217.18 |
| %Change Compared to base due to sensitivity | 0.061% | -0.061% |
| Mortality Rate (-/+ 10%) | 218.40 | 216.23 |
| %Change Compared to base due to sensitivity | 0.499% | -0.499% |

**Maturity Analysis of Gratuity Liability as on 31.03.2019**

| Year | ( ₹ in Crore) |
|---|---|
| 1 | 37.63 |
| 2 | 40.36 |
| 3 | 28.24 |
| 4 | 30.99 |
| 5 | 27.42 |
| 6 to 10 | 88.68 |
| More than 10 years | 104.42 |
| Total Undiscounted Payments Past and Future Service | |
| Total Undiscounted Payments related to Past Service | 357.75 |
| Less Discount for Interest | 140.43 |
| Projected Benefit Obligation | 217.32 |

( ₹ in Crore)

| Bifuraction of Net Liability | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current liability | 36.29 | 37.03 |
| Non-Current Liability | 181.03 | 187.63 |
| Net Liability | 217.32 | 224.66 |

**ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2019 CERTIFICATES AS PER IND AS 19 (2015)**

( ₹ in Crore)

| Changes in Present Value of defined benefit obligations | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Present Value of obligation at beginning of the year | 55.04 | 68.89 |
| Current Service Cost | 11.85 | 8.33 |
| Interest Cost | 3.49 | 4.61 |
| Actuarial (Gain) / Loss on obligations due to change in financial assumption | 0.74 | (1.57) |
| Actuarial (Gain) / Loss on obligations due to unexpected experience | 11.23 | (7.00) |
| Benefits Paid | (17.59) | (18.22) |
| Present Value of obligation at end of the year | 64.76 | 55.04 |

( ₹ in Crore)

| Changes in Fair Value of Plan Assets | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Fair Value of Plan Asset at beginning of the year | 40.42 | 37.72 |
| Interest Income | 3.05 | 2.91 |
| Employer Contributions | 17.78 | 18.41 |
| Benefits Paid | (17.59) | (18.22) |
| Return on Plan Assets excluding Interest income | (0.43) | (0.40) |
| Fair Value of Plan Asset as at end of the year | 43.23 | 40.42 |

( ₹ in Crore)

| Statement showing reconciliation to Balance Sheet | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Funded Status | (21.53) | (14.62) |
| Fund Asset | 43.23 | 40.42 |
| Fund Liability | 64.76 | 55.04 |

| Statement showing Plan Assumptions: | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Discount Rate | 7.55% | 7.71% |
| Expected Return on Plan Asset | 7.55% | 7.71% |
| Rate of Compensation Increase (Salary Inflation) | 9.00% for Executives and 6.25% for Non-Executives | 9.00% for Executives and 6.25% for Non-Executives |
| Mortality Table | IALM 2006-2008 ULTIMATE | |
| Superannuation at Age | 60 | 60 |
| Early Retirement and Disablement | 0.30% p.a. | 0.30% p.a. |
| Voluntary Retirement | Ignored | Ignored |

(₹ in Crore)

| Expense Recognized in Statement of Profit / Loss | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current Service Cost | 11.85 | 8.33 |
| Net Interest Cost | 0.45 | 1.69 |
| Net Actuarial Gain / Loss | 12.40 | (8.17) |
| Benefit Cost (Expense recognised in Statement of Profit/Loss) | 24.70 | 1.85 |

**Mortality Table**

| Age | Mortality (Per Annum) |
|---|---|
| 25 | 0.000984 |
| 30 | 0.001056 |
| 35 | 0.001282 |
| 40 | 0.001803 |
| 45 | 0.002874 |
| 50 | 0.004946 |
| 55 | 0.007888 |
| 60 | 0.011534 |
| 65 | 0.0170085 |
| 70 | 0.0258545 |

| Sensitivity Analysis of Leave Liability | 31.03.2019 | |
|---|---|---|
| | (₹ in Crore) | |
| | Increased Figure | Decreased Figure |
| Discount Rate (-/+ 0.5%) | 62.51 | 67.19 |
| %Change Compared to base due to sensitivity | -3.482% | 3.749% |
| Salary Growth (-/+ 0.5%) | 67.15 | 62.53 |
| %Change Compared to base due to sensitivity | 3.679% | -3.452% |
| Attrition Rate (-/+ 0.5%) | 64.89 | 64.64 |
| %Change Compared to base due to sensitivity | 0.192% | -0.192% |
| Mortality Rate (-/+ 10%) | 65.09 | 64.44 |
| %Change Compared to base due to sensitivity | 0.498% | -0.498% |

| Maturity Analysis of Leave Liability as on 31.03.2019 | |
|---|---|
| Year | (₹ in Crore) |
| 1 | 6.34 |
| 2 | 8.92 |
| 3 | 8.44 |
| 4 | 8.01 |
| 5 | 7.55 |
| 6 to 10 | 30.96 |
| More than 10 years | 69.23 |
| Total Undiscounted Payments Past and Future Service | |
| Total Undiscounted Payments related to Past Service | 139.45 |
| Less Discount for Interest | 74.69 |
| Projected Benefit Obligation | 64.76 |

(₹ in Crore)

| Bifuraction of Net Liability | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current liability | 6.10 | 6.67 |
| Non-Current Liability | 58.66 | 48.37 |
| Net Liability | 64.76 | 55.04 |

**Medical Benefits for retired Employees**

The Company provides Post-Retirement Medical Facility to the retired employees and their spouse. The facilityis covered by separate Post-Retirement Medical scheme for executive and non-executive. Scheme for the medical benefit for executive retired prior to 01.01.2007 is administered through separate "Contributory Post-Retirement Medical Scheme for Executive Trust". Liability for the medical benefits are recognized based on actuarial valuation.

For executive retired prior to 01.01.2007 - funded status as on 31.03.2019 ₹5.47crore (Nil) and liability for the same as on 31.03.2019 is ₹33.52 crore (₹39.43crore).

**Pension**

The company has a defined contribution pension scheme for its employees, which is administered through CIL Executive Defined Contribution Pension Scheme - 2007 trust. Funded status as on 31.03.2019 ₹58.54 crore (Nil) and liability for the same as on 31.03.2019 is ₹53.70 crore (₹51.53crore).

**4. Unrecognized items**

**a) Contingent Liabilities**

**I. Claims against the companynot acknowledged as debt**

( ₹ in Crore)

| Sl. No. | particulars | Central Government Deptt./agencies | State Government Deptt./ Agencies and other local authorities | Central Public Sector Enterprises | Others | Total |
|---|---|---|---|---|---|---|
| **1** | Opening as on 01.04.2018 | **4.45** | **12.19** | **0.15** | **598.70** | **615.49** |
| **2** | Addition during the year | 238.91 | - | - | 1.15 | 240.06 |
| **3** | Claims settled during the year | | | | | |
| | a. From opening balance | - | - | - | - | - |
| | b. Out of addition during the year | - | - | - | - | - |
| | c. Total claims settled during the year (a+b) | - | - | - | - | - |
| **4** | **Closing as on 31.03.2019** | **243.36** | **12.19** | **0.15** | **599.85** | **855.55** |

The management believes that the outcome of the above will not have any material adverse effect on the company.

**II. Guarantee**

The company has given guarantee on behalf of subsidiaries namely, Eastern Coalfields Limited and Mahanadi Coalfields Limited to the extent of their obligations under loans (principal and interest) made to Export Development Corporation, Canada and Natexis Banque (for purchase of Machinery from Liebherr France). The outstanding balance as on 31.03.2019 stood at ₹165.55 Crore (₹161.20 Crore) and ₹6.29 Crore (₹7.09 Crore) respectively. Other bank guarantee issued is ₹0.84 Crore (₹0.84 Crore).

**III. Letter of Credit:**

As on 31.03.2019 outstanding letters of credit is Nil(Nil).

**b) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for: as on 31.03.2019 is ₹322.61 Crore (₹19.38 Crore).

Other Commitment: as on 31.03.2019 ₹306.85 Crore (₹391.02 Crore)

**5. Other Information**

**a) Provisions**

The position and movement of various provisions as per Ind AS-37 except those relating to employee benefits which are valued actuarially, as on 31.03.2019 are given below :

(₹ in Crore)

| Provisions | Opening Balance as on 01.04.2018 | Addition during the Year | Write back/Adj. during the Year | Unwinding of discounts | Closing Balance as on 31.03.2019 |
|---|---|---|---|---|---|
| **Note 3:- Property, Plant and Equipments :** | | | | | |
| Impairment of Assets : | 0.01 | 0.07 | - | - | 0.08 |
| **Note 4:- Capital Work in Progress :** | | | | | |
| Against CWIP : | - | 0.20 | - | - | 0.20 |
| **Note 5:- Exploration And Evaluation Assets :** | | | | | |
| Provision and Impairment : | - | 8.85 | - | - | 8.85 |
| **Note 8:- Loans :** | | | | | |
| Other Loans : | 1.50 | 1.87 | 1.50 | - | 1.87 |
| **Note 9:- Other Financial Assets:** | | | | | |
| Other Deposits and Receivables | 45.37 | - | 45.37 | - | - |
| Security Deposit for utilities | 0.17 | 0.01 | 0.17 | - | 0.01 |
| Current Account with Subsidiaries | 53.83 | - | - | - | 53.83 |
| Claims & other receivables | 2.26 | 5.13 | - | - | 7.39 |
| **Note 11:- Other Current Assets :** | | | | | |
| Advances for Revenue : | 0.22 | - | 0.22 | - | - |
| Advance payment of statutory dues: | 0.02 | - | 0.02 | - | - |
| Other Advances and Deposits to Employees | 0.74 | - | 0.74 | - | - |
| **Note 13:-Trade Receivables :** | | | | | |
| Provision for bad & doubtful debts : | 11.07 | 3.73 | - | - | 14.80 |
| **Note 20 :- Non-Current & Current Provision :** | | | | | |
| Gratuity | 64.98 | - | 64.98 | - | - |
| Leave Encashment | 14.62 | 20.18 | 13.27 | - | 21.53 |
| Ex- Gratia | 11.01 | 11.26 | 11.48 | - | 10.79 |
| Performance Related Pay | 13.81 | 34.54 | 4.10 | - | 44.25 |
| Other Employee Benefits | 234.27 | - | 51.24 | - | 183.03 |
| Provision for National Coal Wage Agreement X | 26.90 | - | 26.90 | - | - |
| Provision for Executive Pay Revision | 32.84 | - | 32.84 | - | - |
| Others | 0.07 | - | 0.07 | - | - |
| Site Restoration/Mine Closure | 40.17 | - | - | 2.46 | 42.63 |

**b) Authorised Preference Share capital**

(₹ in Crores)

| | As at 31.03.19 | As at 31.03.18 |
|---|---|---|
| 90,41,800 Non-Cumulative 10% Redeemable Preference Shares of 10/- each | 904.18 | 904.18 |

**c) Earnings per share**

| Sl. No. | Particulars | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| i) | Net profit after tax attributable to Equity Share Holders | 10469.67 Crores | 9293.42 Crores |
| ii) | Weighted Average no. of Equity Shares Outstanding | 6206307457 | 6207409177 |
| iii) | Basic and Diluted Earnings per Share in Rupees (Face value ₹10/- per share) | ₹16.87 | ₹14.97 |

**d)Related Party Disclosures**

**A. List of Related Parties**

**i) Subsidiary Companies**

1) Eastern Coalfields Limited (ECL)
2) Bharat Coking Coal Limited (BCCL)
3) Central Coalfields Limited (CCL)
4) Western Coalfields Limited (WCL)
5) South Eastern Coalfields Limited (SECL)
6) Northern Coalfields Limited (NCL)
7) Mahanadi Coalfields Limited (MCL)
8) Central Mine Planning and Design Institute Limited (CMPDIL)
9) Coal India Africana Limitada, Mozambique (CIAL)

**ii) Joint Venture Companies**

1) International Coal Venture Private Limited (ICVL)
2) CIL NTPC Urja Private Limited
3) Talcher Fertilizers Limited (TFL)
4) Hindustan Urvarak and Rasayan Limited (HURL)

**iii) Post Employment Benefit Fund:**

1) Group Gratuity Cash Accumulation Plan with LICI.
2) New Group Gratuity Cash Accumulation Plan with LICI (for employees joining after 01.04.2014).
3) New Group Leave Encashment Scheme with LICI.
4) Coal Mines Provident Fund (CMPF).
5) Contributory Post-Retirement Medical Scheme for Executive Trust
6) CIL Executive Defined Contribution Pension Scheme-2007

**Key Managerial Personnel**

| Name | Designation | W.e.f |
|---|---|---|
| Mr. A. K. Jha | Chairman-Cum-Managing Director | 18.05.2018 |
| Mr. Suresh Kumar | Chairman-Cum-Managing Director | Addl. Charge w.e.f 23.04.2018 to 17.05.2018 |
| Mr. Gopal Singh | Chairman-Cum-Managing Director | Addl. Charge w.e.f 01.09.2017 to 20.04.2018 |
| Mr. C.K. Dey | Director (Finance) | 01.03.2015 superannuated from w.e.f 30.09.2018 |
| Mr. S.N. Prasad | Director (Marketing) | 01.02.2016, Additional charge as D(F),CIL w.e.f. 03.10.2018 |
| Mr. Binay Dayal | Director (Technical) | 11.10.2017 |
| Mr. R. P. Srivastava | Director (P&IR) | 31.01.2018 |
| Mr. R.K.Sinha, JS & LA | Govt. Nominee Directors | 05.08.2016 |
| Mrs. Reena Sinha Puri, JS & FA | | 09.06.2017 |
| Ms. Loretta M. Vas | Independent Directors | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Mr. Vinod Jain | | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Dr. D.C. Panigrahi | | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Prof. Khanindra Pathak | | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Dr. S.B. Agnihotri | | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Mr. Vinod Kumar Thakral | | 06.09.2017 |
| Mr. Bharatbhai Laxmanbhai Gajipara | | 22.09.2017 |
| Mr. M Viswanathan, Company Secretary | Company Secretary | 14.12.2011 |
| Mr. S Sarkar, Chief Financial Officer | Chief Financial Officer | 01.10.2018 |

**Remuneration of Key Managerial Personnel**

(₹ in Crore)

| Sl. No. | Payment to CMD, Whole Time Directors and Company Secretary | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| i) | **Short Term Employee Benefits** | | |
| | Gross Salary | 1.74 | 0.81 |
| | Medical Benefits | 0.09 | 0.05 |
| | Perquisites and other benefits | 1.18 | 0.85 |
| ii) | **Post-Employment Benefits** | | |
| | Contribution to P.F. & other fund | 0.20 | 0.11 |
| | Actuarial valuation of Gratuity and Leave encashment | 1.55 | - |
| iii) | **Termination Benefits** | - | 1.26 |
| | **TOTAL** | **4.76** | **3.08** |

Note:

(i) Besides above, whole time Directors have been allowed use of cars for private journey upto a ceiling of 1000 KMs on payment of 2000 per month as per service conditions.

**Payment to Independent Directors**

(₹ in Crore)

| Sl. No. | Payment to Independent Directors | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| i) | Sitting Fees | 1.06 | 0.26 |

**Balances Outstanding with Key Managerial Personnel as on 31.03.2019**

(₹ in Crore)

| Sl. No. | Particulars | As on 31.03.2019 | As on 31.03.2018 |
|---|---|---|---|
| i) | Amount Payable | Nil | Nil |
| ii) | Amount Receivable | Nil | Nil |

Coal India Limited has entered into transactions with its subsidiaries which include Apex charges, Rehabilitation charges, Lease rent, Interest on Funds parked by subsidiaries and other expenditure incurred by or on behalf of other subsidiaries through current account.

As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions

**Subsidiary Companies**

(₹ in Crore)

| Name of Related Parties | Apex Charges | Rehabilitation Charges | Dividend Received | Lease Rent Income | Interest on Funds parked by subsidiaries | Current Account Balances | |
|---|---|---|---|---|---|---|---|
| | | | | | | Receivable | Payable |
| Eastern Coalfields Limited (ECL) | 50.16<br>(43.61) | 30.23<br>(26.17) | | | 12.83<br>(8.61) | 0.00<br>(0.00) | 36.18<br>(504.39) |
| Bharat Coking Coal Limited (BCCL) | 31.04<br>(32.64) | 19.86<br>(20.02) | | | | 306.88<br>(411.89) | 0.00<br>(0.00) |
| Central Coalfields Limited (CCL) | 68.72<br>(63.43) | 41.04<br>(40.54) | 297.04<br>(531.09) | | 1.65<br>(3.42) | 25.16<br>(0.00) | 0.00<br>(72.74) |
| Western Coalfields Limited (WCL) | 53.18<br>(46.26) | 33.33<br>(29.25) | | | 0.05<br>(1.54) | 79.52<br>(0.00) | 0.00<br>(14.73) |
| South Eastern Coalfields Limited (SECL) | 157.35<br>(144.30) | 93.62<br>(90.66) | 2326.61<br>(2202.59) | 1.80<br>(1.80) | 0.00<br>(0.91) | 27.84<br>(29.43) | 0.00<br>(0.00) |
| Northern Coalfields Limited (NCL) | 101.50<br>(93.12) | 60.95<br>(58.04) | 2396.53<br>(1750.00) | | 0.24<br>(0.00) | 0.00<br>(9.93) | 7.85<br>(0.00) |
| Mahanadi Coalfields Limited (MCL) | 144.15<br>(143.22) | 85.38<br>(82.96) | 3875.00<br>(4350.00) | | 0.80<br>(0.00) | 0.00<br>(27.95) | 33.87<br>(0.00) |

| Name of Related Parties | Apex Charges | Rehabilitation Charges | Dividend Received | Lease Rent Income | Interest on Funds parked by subsidiaries | Current Account Balances | |
|---|---|---|---|---|---|---|---|
| | | | | | | Receivable | Payable |
| Central Mine Planning and Design Institute Limited (CMPDIL) | | | 30.27<br>(19.50) | | | 34.32<br>(0.00) | 0.00<br>(13.88) |
| Coal India Africana Limitada, Mozambique (CIAL) | | | | | | 53.83<br>(53.83) | 0.00<br>(0.00) |
| **Total** | **606.10<br>(566.58)** | **364.40<br>(347.64)** | **8925.45<br>(8853.18)** | **1.80<br>(1.80)** | **15.57<br>(14.48)** | **527.55<br>(533.03)** | **77.90<br>(605.74)** |

**Joint Venture Companies**

(₹ in Crore)

| Name of Related Parties | Equity contribution | Income from Deputation of manpower | Account Balances | |
|---|---|---|---|---|
| | | | Receivable | Payable |
| Hindustan Urvarak and Rasayan Limited(HURL) | 107.08<br>(328.22) | 2.52<br>(0.84) | 0.24<br>(0.56) | |
| Talcher Fertilizer Limited(TFL) | 11.32<br>(5.00) | 2.22<br>(1.01) | 3.62<br>(1.01) | |
| **Total** | 118.40<br>(333.22) | 4.74<br>(1.85) | 3.86<br>(1.57) | |

**SALE OF INVESTMENTS IN SUBSIDIARIES**

Details of Sale of Investment in Subsidiaries during 2018-19 are shown below:

| Name of the Subsidiary | Number of shares disinvested | Amount per share disinvested(₹) | Total Value (₹ in Crore) |
|---|---|---|---|
| Mahanadi Coalfields Limited (MCL) | 442967 | 8014.13 | 354.99 |
| Northern Coalfields Limited (NCL) | 518560 | 6845.83 | 354.99 |
| South Eastern Coalfields Limited (SECL) | 490039 | 7244.32 | 354.99 |

**DANKUNI COAL COMPLEX**

Coal India Ltd. (Holding Company) has given on lease land, building and structures, plant and machinery of Dankuni Coal Complex at Kolkata from 01.04.1995, with absolute right to manufacture, sell its products including gas and by-products. The lease rent payable from 01.04.2016 onward to Coal India Ltd. is ₹1.80 Crore per annum.

**C. Entities under the control of the same government:**

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares (Refer Note-16). The Company being a Government entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government. The following transactions have been entered at arm's length price with entities under the control of the same Government.

(₹ in Crore)

| Name of the entity | Transaction | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| NTPC | Sale of Coal | 174.26 | 199.17 |

**e) Recent AccountingPronouncements**

i) Ind AS, 116- Leases

Ministry Of Corporate Affairs vide notification dated 30th March 2019 has notified Indian Accounting Standard (Ind AS) 116, Leases which shall come into force on the 1st day of April 2019.

This Standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

The standard permits two possible methods of transition:

Retrospectively to each prior reporting period presented applying IND AS 8 i.e. 1 April 2018.

Retrospectively with the cumulative effect of initially applying the standard on application date i.e. 1 April 2019.

Management is in the process of selecting the appropriate method of transition and estimating the impact in the Financial Statement.

ii) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

Ministry of Corporate Affairs vide notification dated 30th March 2019 has notified amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. Management is in the process of estimating the impact of the above in the Financial Statement.

**f) CIL AND IICM**

CIL has leased out the assets viz. land, building, structures, furniture and fixtures and other assets to IICM. The existing lease agreement is valid from 01.04.2015 to 31.03.2020. The lease rent of IICM payable to CIL is ₹1.80 Crore per annum.

Excess amount collected on behalf of IICM from subsidiaries Rs. 180.94 Crores during earlier years has been recognised as liability write back in current year as the same is no longer payable to IICM.

**g) Goods procured by Coal India Ltd. on behalf of Subsidiaries**

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

**h) Insurance and escalation claims**

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

**i) Provisions made in the Accounts**

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

**j) Current Assets, Loans and Advances etc.**

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

**k) Current Liabilities**

Estimated liability has been provided where actual liability could not be measured.

**l) Disaggregated revenue information:**

The table below presents disaggregated revenues from contract with customers information as per requirement of Ind AS 115,Revenue From Contract with Customer:

(₹ in Crore)

| | For the year ended 31st March, 2019 | For the year ended 31st March, 2018 |
|---|---|---|
| **Types of goods or service** | | |
| - Coal | 315.39 | 358.05 |
| - Others | - | - |
| **Total revenue from operations** | **315.39** | **358.05** |
| **Types of customers** | | |
| - Power sector | 171.35 | 200.09 |
| - Non-Power Sector | - | - |
| - Others or Services (CMPDIL) | 144.04 | 157.96 |
| **Total revenue from operations** | **315.39** | **358.05** |

| | For the year ended 31st March, 2019 | For the year ended 31st March, 2018 |
|---|---|---|
| **Types of contract** | | |
| - FSA | 182.45 | 214.21 |
| - E Auction | 132.94 | 143.84 |
| - Others | - | - |
| **Total revenue from operations** | **315.39** | **358.05** |
| **Timing of goods or service** | | |
| - Goods transferred at a point in time | 315.39 | 358.05 |
| - Goods transferred over time | - | - |
| - Services transferred at a point in time | - | - |
| - Services transferred over time | - | - |
| **Total revenue from operations** | **315.39** | **358.05** |

**m)** During the financial year 2013-14, a case of misappropriation of Company's fund for personal gain came to the notice of the management. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the estimate of the internal audit department of Coal India Limited, the amount involved is ₹ 1.17 Crore approximately.

**n) Significant accounting policy**

Significant accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

**o) Others**

i. Previous year figures have been restated, regrouped and rearranged wherever considered necessary.

ii. Previous Year figures in Note No. 3 to 37 are in brackets.

iii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 22 form part of the Balance Sheet as at 31st March, 2018 and 23 to 36 form part of Statement of Profit & Loss for the year ended on that date. Note – 37 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 37.

**On behalf of the Board**

| | |
|---|---|
| **(A.K.Jha)** | **(S.N.Prasad)** |
| Chairman- Cum-Managing Director & CEO | Director (Finance) Director (Marketing) |
| DIN-06645361 | DIN-07408431 |

| | | | |
|---|---|---|---|
| **Dated : 30th May, 2019** | **(S. Sarkar)** | **(S. Dutta)** | **(M.Viswanathan)** |
| **Place : Kolkata** | G. M. (Finance I/C )/CFO | G. M. (Finance) | Company Secretary |



# Annual Accounts 2018-19
## (Consolidated CIL & its Subsidiaries)

## BALANCE SHEET AS AT 31.03.2019 - CONSOLIDATED

(₹in Crore)

| | Note No. | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| (a) Property, Plant & Equipment | 3 | 28,539.06 | 24,059.98 |
| (b) Capital Work in Progress | 4 | 9,622.94 | 10,272.70 |
| (c) Exploration and Evaluation Assets | 5 | 4,036.71 | 3,484.58 |
| (d) Intangible Assets | 6 | 35.18 | 29.53 |
| (e) Intangible Assets under Development | | 38.70 | - |
| (g) Financial Assets | | | |
| (i) Investments | 7 | 1,421.01 | 1,303.06 |
| (ii) Loans | 8 | 1,141.73 | 1,020.08 |
| (iii) Other Financial Assets | 9 | 12,329.67 | 11,315.98 |
| (h) Deferred Tax Assets (net) | | 4,269.16 | 5,355.05 |
| (i) Other non-current assets | 10 | 1,965.01 | 2,514.08 |
| **Total Non-Current Assets (A)** | | **63,399.17** | **59,355.04** |
| **Current Assets** | | | |
| (a) Inventories | 12 | 5,583.93 | 6,443.85 |
| (b) Financial Assets | | | |
| (i) Investments | 7 | 1,749.96 | 400.57 |
| (ii) Trade Receivables | 13 | 5,498.55 | 6,257.80 |
| (iii) Cash & Cash equivalents | 14 | 2,275.71 | 3,997.67 |
| (iv) Other Bank Balances | 15 | 28,848.52 | 27,282.31 |
| (v) Loans | 8 | 502.33 | 3.69 |
| (vi) Other Financial Assets | 9 | 3,514.42 | 3,383.68 |
| (c) Current Tax Assets (Net) | | 8,957.19 | 7,996.58 |
| (d) Other Current Assets | 11 | 12,389.05 | 10,349.48 |
| **Total Current Assets (B)** | | **69,319.66** | **66,115.63** |
| **Total Assets (A+B)** | | **1,32,718.83** | **1,25,470.67** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 16 | 6,162.73 | 6,207.41 |
| (b) Other Equity | 17 | 20,291.19 | 13,971.33 |
| **Equity attributable to equityholders of the company** | | 26,453.92 | 20,178.74 |
| Non-Controlling Interests | | 406.78 | 362.45 |
| **Total Equity (A)** | | **26.860.70** | **20,541.19** |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 18 | 1,472.27 | 1,054.40 |
| (ii) Other Financial Liabilities | 20 | 1,300.40 | 1,164.92 |
| (b) Provisions | 21 | 52,419.56 | 50,024.48 |
| (c) Other Non-Current Liabilities | 22 | 4,853.72 | 4,366.58 |
| **Total Non-Current Liabilities (B)** | | **60,045.95** | **56,610.38** |

## BALANCE SHEET AS AT 31.03.2019 - CONSOLIDATED

(₹in Crore)

| | Note No. | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| **Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 18 | 730.47 | 476.54 |
| (ii) Trade payables | 19 | | |
| (i) Total outstanding dues of micro and small enterprises | | 9.59 | 10.41 |
| (ii) Total outstanding dues of Creditors other than micro and small enterprises | | 6,805.92 | 6,963.99 |
| (iii) Other Financial Liabilities | 20 | 4,143.39 | 4,470.61 |
| (b) Other Current Liabilities | 23 | 26,986.37 | 24,364.36 |
| (c) Provisions | 21 | 7,136.44 | 12,033.19 |
| **Total Current Liabilities (C)** | | **45,812.18** | **48,319.10** |
| **Total Equity and Liabilities (A + B + C)** | | **1,32,718.83** | **1,25,470.67** |

The Accompanying Notes No. 1 to 38 form an integral part of the Financial Statements.

**As pery our report annexed**
**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**On behalf of the Board**

**(A.K.Jha)**
Chairman- Cum-Managing Director & CEO
DIN-06645361

**(S.N.Prasad)**
Director (Finance)
Director (Marketing)
DIN-07408431

**Dated : 30th May, 2019**
**Place : Kolkata**

**(S. Sarkar)**
G. M. (Finance I/C )/CFO

**(S. Dutta)**
G. M. (Finance)

**(M.Viswanathan)**
Company Secretary

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2019- CONSOLIDATED

(₹ in Crore)

| | | Note No. | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|---|
| | **Revenue from Operations** | 24 | | |
| A | Sales (Net of statutory levies except excise duty) | | 92,896.08 | 82,487.93 |
| B | Other Operating Revenue (Net of statutory levies except excise duty) | | 6,650.81 | 4,162.44 |
| **(I)** | **Revenue from Operations (A+B)** | | **99,546.89** | **86,650.37** |
| (II) | Other Income | 25 | 5,873.73 | 4,974.88 |
| **(III)** | **Total Income (I+II)** | | **1,05,420.62** | **91,625.25** |
| **(IV)** | **EXPENSES** | | | |
| | Cost of Materials Consumed | 26 | 7,331.43 | 6,813.33 |
| | Changes in inventories of finished goods/work in progress and Stock in trade | 27 | 856.24 | 1,679.46 |
| | Excise Duty | | - | 1,406.13 |
| | Employee Benefits Expense | 28 | 38,770.10 | 42,621.84 |
| | Power Expense | | 2,443.08 | 2,516.42 |
| | Corporate Social Responsibility Expense | 29 | 416.47 | 483.78 |
| | Repairs | 30 | 1,446.41 | 1,439.01 |
| | Contractual Expense | 31 | 13,377.99 | 12,757.28 |
| | Finance Costs | 32 | 275.04 | 430.10 |
| | Depreciation/Amortization/Impairment | | 3,450.36 | 3,062.70 |
| | Provisions | 33 | 114.43 | 81.89 |
| | Write off | 34 | 1.29 | 0.72 |
| | Stripping Activity Adjustment | | 5,071.19 | 3,358.25 |
| | Other Expenses | 35 | 4,741.13 | 4,204.03 |
| | **Total Expenses (IV)** | | **78,295.16** | **80,854.94** |
| **(V)** | **Profit before exceptional items and Tax (III-IV)** | | **27,125.46** | **10,770.31** |
| (VI) | Exceptional Items | | - | - |
| **(VII)** | **Profit before Tax (V-VI)** | | **27,125.46** | **10,770.31** |
| (VIII) | Tax expense | | 9,662.45 | 3,732.31 |
| **(IX)** | **Profit for the year from continuing operations (VII-VIII)** | 36 | **17,463.01** | **7,038.00** |
| (X) | Profit/(Loss) from discontinued operations | | - | - |
| (XI) | Tax exp of discontinued operations | | - | - |
| (XII) | Profit/(Loss) from discontinued operations (after Tax) (X-XI) | | - | - |
| (XIII) | Share in JV's/Associate's profit/(loss) | | (0.83) | 0.44 |
| **(XIV)** | **Profit for the year (IX+XII+XIII)** | | **17,462.18** | **7,038.44** |
| | **Other Comprehensive Income** | | | |
| | A (i) Items that will not be reclassified to profit or loss | 37 | (42.53) | 973.37 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | 59.53 | (330.56) |
| | B (i) Items that will be reclassified to profit or loss | | 0.38 | 0.01 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| **(XV)** | **Total Other Comprehensive Income** | | **17.38** | **642.82** |

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2019- CONSOLIDATED

(₹ in Crore)

| | | Note No. | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|---|
| (XVI) | **Total Comprehensive Income for the year (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)** | | **17,479.56** | **7,681.26** |
| | Profit attributable to: | | | |
| | Owners of the company | | 17,461.85 | 7,038.56 |
| | Non-controlling interest | | 0.33 | (0.12) |
| | | | **17,462.18** | **7,038.44** |
| | Other Comprehensive Income attributable to: | | | |
| | Owners of the company | | 17.38 | 642.82 |
| | Non-controlling interest | | - | - |
| | | | **17.38** | **642.82** |
| | Total Comprehensive Income attributable to: | | | |
| | Owners of the company | | 17,479.23 | 7,681.38 |
| | Non-controlling interest | | 0.33 | (0.12) |
| | | | **17,479.56** | **7,681.26** |
| (XVII) | Earnings per equity share (for continuing operation): | | | |
| | (1) Basic | | 28.14 | 11.34 |
| | (2) Diluted | | 28.14 | 11.34 |
| (XVIII) | Earnings per equity share (for discontinued operation): | | | |
| | (1) Basic | | - | - |
| | (2) Diluted | | - | - |
| (XIX) | Earnings per equity share (for discontinued & continuing operation): | | | |
| | (1) Basic | | 28.14 | 11.34 |
| | (2) Diluted | | 28.14 | 11.34 |
| | Refer note 38 (6) (c) for calculation of EPS | | | |

The Accompanying Notes No-1 to 38 form an integral part of financial statements

**As per our report annexed**
**For Ray & Ray**
Chartered Accountants Firm
Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**(A.K.Jha)**
Chairman- Cum-Managing Director & CEO
DIN-06645361

**(S.N.Prasad)**
Director (Finance/ Director Marketing)
DIN-07408431

**Dated : 30th May, 2019**
**Place : Kolkata**

**(S. Sarkar)**
G. M. (Finance I/C )/CFO

**(S. Dutta)**
G. M. (Finance)

**(M.Viswanathan)**
Company Secretary

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2019 - CONSOLIDATED

### A. EQUITY SHARE CAPITAL

(₹ in Crore)

| Particulars | Balance as at 01.04.2017 | Changes In Equity Share Capital during the year | Balance as at 31.03.2018 | Balance as at 01.04.2018 | Changes In Equity Share Capital during the year | Balance as at 31.03.2019 |
|---|---|---|---|---|---|---|
| 6,16,27,38,327 Equity Shares of ₹10/- each (6,20,74,09,177 Equity Shares of ₹10/- each ) | 6,207.41 | - | 6,207.41 | 6,207.41 | (44.68) | 6,162.73 |

### B. OTHER EQUITY

(₹ in Crore)

| | Other Reserves | | General Reserve | Retained Earnings[1] | Other Comprehensive Income | Total |
|---|---|---|---|---|---|---|
| | Capital Redemption reserve | Capital reserve[3] | | | | |
| **Balance as at 01.04.2017** | 2,064.51 | 19.81 | 15,676.06 | 174.18 | 376.12 | 18,310.68 |
| Changes in Accounting policy | - | - | - | - | - | - |
| Prior period adjustments | - | - | - | 303.64 | - | 303.64 |
| **Restated balance as at 01.04.2017** | **2,064.51** | **19.81** | **15,676.06** | **477.82** | **376.12** | **18,614.32** |
| Addition during the Year/Transfer from retained earnings | - | 0.39 | - | - | - | 0.39 |
| Adjustments during the year | - | (0.99) | - | 0.04 | - | (0.95) |
| Profit for the year | - | - | - | 7,038.56 | - | 7,038.56 |
| Remeasurement of Defined Benefits Plans (net of Tax) | - | - | - | - | 642.82 | 642.82 |
| **Appropriations** | - | - | - | - | - | - |
| Transfer to / from General reserve | - | - | 544.89 | (544.89) | - | - |
| Transfer to / from Other reserves | - | - | - | - | - | - |
| Interim Dividend | - | - | - | (10,242.24) | - | (10,242.24) |
| Final Dividend | - | - | - | - | - | - |
| Corporate Dividend tax | - | - | - | (2,081.57) | - | (2,081.57) |
| Issue of bonus shares | (1,051.38) | 1,548.45 | (483.80) | (13.27) | - | - |
| **Balance as at 31.03.2018** | **1,013.13** | **1,567.66** | **15,737.15** | **(5,365.55)** | **1,018.94** | **13,971.33** |
| Addition during the Year/Transfer from retained earnings | 189.83 | 1.00 | - | - | - | 190.83 |
| Adjustments during the year | - | (1.33) | - | - | - | (1.33) |
| Profit for the year | - | - | - | 17,461.85 | - | 17,461.85 |
| Remeasurement of Defined Benefits Plans (net of Tax) | - | - | - | - | 17.38 | 17.38 |
| **Appropriations** | - | - | - | - | - | - |
| Transfer to / from General reserve | - | - | 782.12 | (782.12) | - | - |
| Interim Dividend | - | - | - | (8,105.58) | - | (8,105.58) |
| Final Dividend | - | - | - | - | - | - |
| Corporate Dividend tax | - | - | - | (1,833.86) | - | (1,833.86) |
| Buy Back of Shares | - | (105.51) | (1,065.00) | (24.64) | - | (1,195.15) |
| Tax on Buy back | - | - | (141.90) | (72.38) | - | (214.28) |
| **Balance as at 31.03.2019** | **1,202.96** | **1,461.82** | **15,312.37** | **1,277.72** | **1,036.32** | **20,291.19** |

1. Retained earnings includes Accumulated Losses of ECL, BCCL and WCL as on 31.03.2019 ₹7109.69 Crores (₹8416.56 Crores)

2. Opening balance of Retained earnings and General Reserves as on 01.04.2017 has been regrouped by ₹3914.17 Crores

**3. Capital Reserve:**

Grant / Funds received under S&T, PRE, EMSC, CCDA etc as an implementing agency and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received. The balance of grants as on 31.03.2019 and 31.03.2018 is ₹18.88 crore and ₹19.21 crore respectively.

Further during the previous year ended 31.03.2018 capital reserve on consolidation includes ₹1548.45 crore recognised as utilization of Capital Redemption Reserve, General Reserve and Retained Earnings on issue of bonus shares by subsidiary companies viz. Northern Coalfields Limited (NCL), Mahanadi Coalfields Limited (MCL), South Eastern Coalfields Limited (SECL) and Coal Mine Planning and Designing Institute Limited (CMPDIL) in the ratio of 4:1, 4:1, 7:5 and 1:1 respectively to Coal India Limited (holding Co.). No. of shares issued as Bonus Shares by NCL, MCL, SECL and CMPDIL are 5462372 equity shares of ₹1000 each, 5649064 equity shares of ₹1000 each, 41,82,850 equity shares of ₹1000 and 1,90,400 equity shares of 1000 each respectively.

During the Year 2018-19 Buy Back of Shares by MCL, NCL and SECL of 442967, 518560 and 490039 No. of shares respectively were made for a cash outflow of ₹ 355 Crore each along with premium of ₹310.70 Crore, ₹303.14 Crore and ₹306 Crores respectively.

Difference in Carrying Value of Investment in subsidiaries and Share capital of Subsidiaries after above Buy-Back ₹ 105.51 Crores is adjusted to Capital Reserve.

**As pery our report annexed**
**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**On behalf of the Board**

| | | | |
|---|---|---|---|
| | | **(A.K.Jha)** | **(S.N.Prasad)** |
| | | Chairman- Cum-Managing Director & CEO | Director (Finance) Director (Marketing) |
| | | DIN-06645361 | DIN-07408431 |
| **Dated : 30th May, 2019** | **(S. Sarkar)** | **(S. Dutta)** | **(M.Viswanathan)** |
| **Place : Kolkata** | G. M. (Finance I/C )/CFO | G. M. (Finance) | Company Secretary |

## CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)

(₹ in Crore)

| | | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before tax | | 27,125.46 | 10,770.31 |
| ***Adjustments for :*** | | | |
| Depreciation, amortisation and impairment expenses | | 3,450.36 | 3,062.70 |
| Interest and dividend income | | (3,406.99) | (2,951.75) |
| Finance Cost | | 275.04 | 430.10 |
| (Profit)/ Loss on sale of Assets | | 2.93 | (19.43) |
| Liability and provision written back | | (1,512.29) | (1,191.34) |
| Allowance for trade Receivables | | 17.87 | 60.45 |
| Other Provisions | | 96.56 | 21.44 |
| Stripping Activity Adjustment | | 5,071.19 | 3,358.25 |
| **Operating Profit before Current/Non Current Assets and Liabilities Adjustment for :** | | **31,120.13** | **13,540.73** |
| Trade Receivables (Net of Provision) | | 759.25 | 3,878.93 |
| Inventories | | 859.92 | 2,481.22 |
| Loans and Advances and other financial assets | | (2,535.99) | (2,751.20) |
| Financial and Other Liabilities | | (3,816.06) | 10,765.51 |
| Trade Payables | | (158.89) | 632.62 |
| **Cash Generated from Operation** | | **26,228.36** | **28,547.81** |
| Income Tax Paid/Refund | | (9,532.90) | (7,432.89) |
| **Net Cash Flow from Operating Activities** | **( A )** | **16,695.46** | **21,114.92** |
| **Cash Flow from Investing Activities** | | | |
| Purchase of Property, Plant and Equipment | | (6,787.19) | (6,762.45) |
| Addition in Exploration and Evaluation Asset | | (552.13) | (1,766.85) |
| Proceeds/(Investment) in Bank Deposit | | (2,599.69) | (1,526.04) |
| Proceeds/(Investment) in Mutual Fund, Shares etc. | | (1,349.39) | 307.91 |
| Investment in Joint Venture | | (118.40) | (333.23) |
| Interest from Investment | | 2,897.60 | 2,152.87 |
| Interest / Dividend from Mutual Fund | | 243.36 | 180.85 |
| **Net Cash from Investing Activities** | **( B )** | **(8,265.84)** | **(7,746.94)** |
| **Cash flow from financing Activities** | | | |
| Repayment/Increase in Borrowings | | 671.80 | (1,477.81) |
| Interest & Finance cost pertaining to Financing Activities | | (9.56) | (36.51) |
| Receipt of Shifting & Rehabilitation Fund | | 397.20 | 251.31 |
| Dividend on Equity shares | | (8,112.89) | (10,219.64) |
| Tax on Dividend on Equity shares | | (1,833.86) | (2,081.57) |
| Buyback of Equity Share Capital | | (1,049.99) | - |
| Tax on Buyback of Equity Share Capital | | (214.28) | - |
| **Net Cash used in Financing Activities** | **( C )** | **(10,151.58)** | **(13,564.22)** |
| **Net Increase / (Decrease) in Cash & Cash equivalent (A+B+C)** | | **(1,721.96)** | **(196.24)** |
| **Cash & Cash equivalent as at the beginning of the year (Refer Note 14 for components of cash & cash equivalents)** | | **3,997.67** | **4,193.91** |
| **Cash & Cash equivalent as at the end of the year(Refer Note 14 for components of cash & cash equivalents)** | | **2,275.71** | **3,997.67** |

(All figures in bracket represent outflow.)

**As pery our report annexed**
**For Ray & Ray**
Chartered Accountants
Firm Registration No. 301072E

**(Nabanita Ghosh)**
Partner
Membership No. 058477

**On behalf of the Board**

**(A.K.Jha)**
Chairman- Cum-Managing Director & CEO
DIN-06645361

**(S.N.Prasad)**
Director (Finance)
Director (Marketing)
DIN-07408431

**Dated : 30th May, 2019**
**Place : Kolkata**

**(S. Sarkar)**
G. M. (Finance I/C )/CFO

**(S. Dutta)**
G. M. (Finance)

**(M.Viswanathan)**
Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS (CONSOLIDATED)

**Note: 1 CORPORATE INFORMATION**

Coal India Limited (CIL) is a Maharatna Company with having registered office at Kolkata, West Bengal and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in mining and production of Coal and also operates Coal washeries. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

CIL is an apex body with 8 wholly-owned subsidiaries in India out of which 7 subsidiaries are coal producing and 1 subsidiary is engaged in mine planning, designing and related consultancy services. The operations of the Company are spread across 8 states in India. CIL also has a fully owned mining company in Mozambique known as 'Coal India Africana Limitada' which is yet to commence operations. Further some of the subsidiaries of CIL, are also having another layer of subsidiaries. There are also Joint Ventures/Associates of CIL.

**Note 2: SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

i. The financial statements of the Company (CIL Consolidated) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of Companies Act, 2013 ("The Act") Indian Accounting Standards) Rules,2015.

ii. The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.21).

**2.1.1 Rounding of amounts**

Amounts in these financial statements have been, unless otherwise indicated, rounded off to 'rupees in crore'upto two decimal points.

**2.2 Basis of consolidation**

**2.2.1 Subsidiaries**

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses between group companies are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All the companies within the CIL Consolidated normally uses accounting policies as adopted by the CIL Consolidated for like transactions and events in similar circumstances. In case of significant deviations of a particular constituent company within CIL Consolidated, appropriate adjustments are made to the financial statement of such constituent company to ensure conformity with the CIL Consolidated accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**2.2.2 Associates**

Associates are all entities over which the Company has significant influence but no control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the associates on the basis of objective evidence.

**2.2.3 Joint arrangements**

Joint arrangements are those arrangements where the Company is having joint control with one or more other parties.

Joint control is the contractually agreed sharing of control of the arrangement which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint Arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

**2.2.4 Joint Operations**

Joint operations are those joint arrangements whereby the Company is having rights to the assets and obligations for the liabilities relating to the arrangements.

Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

**2.2.5 Joint ventures**

Joint ventures are those joint arrangements whereby the Company is having rights to the net assets of the arrangements.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Investments in Joint venture are accounted for using the equity method of accounting, after initially being recognized at cost, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the joint venture on the basis of objective evidence.

**2.2.6 Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

**2.2.7 Changes in ownership interests**

The Company treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any fair value of consideration paid or received is recognised within equity.

When the Company ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

**2.3 Current and Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

**2.4 Revenue recognition**

**Revenue from contracts with customers**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The principles in Ind AS 115 are applied using the following five steps:

**Step 1 : Identifying the contract:**

The Company account for a contract with a customer only when all of the following criteria are met:

a) the parties to the contract have approved the contract and are committed to perform their respective obligations;

b) the Company can identify each party's rights regarding the goods or services to be transferred;

c) the Company can identify the payment terms for the goods or services to be transferred;

d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and

e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

*Combination of contracts*

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and account for the contracts as a single contract if one or more of the following criteria are met:

a) the contracts are negotiated as a package with a single commercial objective;

b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or

c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

*Contract modification*

The Company account for a contract modification as a separate contract if both of the following conditions are present:

a) the scope of the contract increases because of the addition of promised goods or services that are distinct and

b) the price of the contract increases by an amount of consideration that reflects the company's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

**Step 2 : Identifying performance obligations:**

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

a) a good or service (or a bundle of goods or services) that is distinct; or

b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

**Step 3 : Determining the transaction price**

The Company consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

When determining the transaction price, a Company consider the effects of all of the following:

- Variable consideration;
- Constraining estimates of variable consideration;
- The existence of significant financing component;
- Non – cash consideration;
- Consideration payable to a customer.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if the company's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

In some contracts, penalties are specified. In such cases, penalties are accounted for as per the substance of the contract. Where the penalty is inherent in determination of transaction price, it form part of variable consideration.

The Company includes in the transaction price some or all of an amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised goods or service to a customer and when the customer pays for that good or service will be one year or less.

The Company recognizes a refund liability if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received (or receivable) for which the company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

After contract inception, the transaction price can change for various reasons, including the resolution of uncertain events or other changes in circumstances that change the amount of consideration to which the Company expects to be entitled in exchange for the promised goods or services.

**Step 4 : Allocating the transaction price:**

The objective when allocating the transaction price is for the Company to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the Company determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

**Step 5 : Recognizing revenue:**

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when (or as) the customer obtains control of that good or service.

The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the Company performs;

b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;

c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For each performance obligation satisfied over time, the Company recognizes revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The Company applies a single method of measuring progress for each performance obligation satisfied over time and the Company applies that method consistently to similar performance obligations and in similar circumstances. At the end of each reporting period, the Company re-measure its progress towards complete satisfaction of a performance obligation satisfied over time.

Company apply output methods to recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Output methods include methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced or units delivered.

As circumstances change over time, the Company update its measure of progress to reflect any changes in the outcome of the performance obligation. Such changes to the Company's measure of progress is accounted for as a change in accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The Company recognizes revenue for a performance obligation satisfied over time only if the Company can reasonably measure its progress towards complete satisfaction of the performance obligation. When (or as) a performance obligation is satisfied, the company recognize as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained that is allocated to that performance obligation.

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time. To determine the point in time at which a customer obtains control of a promised good or service and the Company satisfies a performance obligation, the Company consider indicators of the transfer of control, which include, but are not limited to, the following:

a) the Company has a present right to payment for the good or service;

b) the customer has legal title to the good or service;

c) the Company has transferred physical possession of the good or service;

d) the customer has the significant risks and rewards of ownership of the good or service;

e) the customer has accepted the good or service.

When either party to a contract has performed, the Company present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment. The Company present any unconditional rights to consideration separately as a receivable.

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment made or due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

**Interest**

Interest income is recognised using the Effective Interest Method.

**Dividend**

Dividend income from investments is recognised when the rights to receive payment is established.

**Other Claims**

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

**2.5 Grants from Government**

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution should be recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

**2.6 Leases**

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

**2.6.1 Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease.

**2.6.1.1 Finance leases** are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**2.6.1.2 Operating lease**- Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

**2.6.2 Company as a lessor**

**Operating leases** Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

**Finance leases** Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**2.7 Non-current assets held for sale**

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated

- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

**2.8 Property, Plant and Equipment (PPE)**

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipmentare carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

| | |
|---|---|
| Other Land | |
| (incl. Leasehold Land) | : Life of the project or lease term whichever is lower |
| Building | : 3-60 years |
| Roads | : 3-10 years |
| Telecommunication | : 3-9 years |
| Railway Sidings | : 15 years |
| Plant and Equipment | : 5-15 years |
| Computers and Laptops | : 3 Years |
| Office equipment | : 3-6 years |
| Furniture and Fixtures | : 10 years |
| Vehicles | : 8-10 years |

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of "Other Land" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

**Transition to Ind AS**

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

**2.9 Mine Closure, Site Restoration and Decommissioning Obligation**

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work.Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

**2.10 Exploration and Evaluation Assets**

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- acquisition of rights to explore
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

**2.11 Development Expenditure**

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head "Development". All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the following criteria:

(a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or

(b) 2 years of touching of coal, or

(c) From the beginning of the financial year in which the value of production is more than total expenses.

Whichever event occurs first;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature "Other Mining Infrastructure". Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

**2.12 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

Research and Development is recognised as an expenditure as and when incurred.

**2.13 Impairment of Assets (other than financial assets)**

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount,the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

**2.14 Investment Property**

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

**2.15 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**2.15.1 Financial assets**

**2.15.1 Initial recognition and measurement**

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**2.15.2 Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**2.15.2.1 Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**2.15.2.2 Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**2.15.2.3 Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**2.15.2.4 Equity investments in subsidiaries, associates and Joint Ventures**

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

**2.15.2.5 Other Equity Investment**

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**2.15.2.6 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**2.15.2.7 Impairment of financial assets(other than fair value)**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**2.15.3 Financial liabilities**

**2.15.3.1 Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**2.15.3.2 Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**2.15.3.3 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

**2.15.3.4 Financial liabilities at amortised cost**

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**2.15.3.5 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

**2.15.4 Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

| Original classification | Revised classification | Accounting treatment |
|---|---|---|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date. |

**2.15.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.15.6 Cash & Cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

**2.16. Borrowing Costs**

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

**2.17 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**2.18 Employee Benefits**

**2.18.1 Short-term Benefits**

All short term employee benefits are recognized in the period in which they are incurred.

**2.18.2 Post-employment benefits and other long term employee benefits**

**2.18.2.1 Defined contributions plans**

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

**2.18.2.2 Defined benefits plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each

balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

**2.18.3 Other Employee benefits**

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

**2.19 Foreign Currency**

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

**2.20 Stripping Activity Expense/Adjustment**

In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'.In opencast mines, the company has to incur such expenses over the life of the mine (as technically estimated).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB: COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Provisions / Other Non-Current Assets as the case may be.

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

| Annual Quantum of OBROf the Mine | Permissible limits of variance (%) |
|---|---|
| Less than 1 Mill. CUM | +/- 5% |
| Between 1 and 5 Mill. CUM | +/- 3% |
| More than 5 Mill. CUM | +/- 2% |

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

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

**2.21Inventories**

**2.21.1 Stock of Coal**

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method.Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

**2.21.2 Stores & Spares**

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

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

**2.21.3 Other Inventories**

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

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

**2.22 Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**2.23 Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**2.24 Judgements, Estimates and Assumptions**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

**2.24.1 Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

**2.24.1.1 Formulation of Accounting Policies**

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

(i) represent faithfully the financial position, financial performance and cash flows of the Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific

areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

**2.24.1.2 Materiality**

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

W.e.f 01.04.2018 Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total revenue from Operations (net of statutory levies) as per last audited financial statement of CIL Consolidated.

**2.24.1.3 Operating lease**

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

**2.24.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**2.24.2.1 Impairment of non-financial assets**

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

**2.24.2.2 Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**2.24.2.3 Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

**2.24.2.4 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

**2.24.2.5 Intangible asset under development**

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

**2.24.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation**

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Companyestimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by Ministry of Coal, Government of India.
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

**2.25 Abbreviation used:**

| | | | | | |
|---|---|---|---|---|---|
| a. | CGU | Cash generating unit | l. | ECL | Eastern Coalfields Limited |
| **b.** | DCF | Discounted Cash Flow | m. | BCCL | Bharat Coking Coal Limited |
| **c.** | FVTOCI | Fair value through Other Comprehensive Income | n. | CCL | Central Coalfields Limited |
| **d.** | FVTPL | Fair value through Profit & Loss | o. | SECL | South Eastern Coalfields Limited |
| **e.** | GAAP | Generally accepted accounting principles | p. | MCL | Mahanadi Coalfields Limited |
| **f.** | Ind AS | Indian Accounting Standards | q. | NCL | Northern Coalfields Limited |
| **g.** | OCI | Other Comprehensive Income | r. | WCL | Western Coalfields Limited |
| **h.** | P&L | Profit and Loss | s. | CMPDIL | Central Mine Planning & Design Institute Limited |
| **i.** | PPE | Property, Plant and Equipment | t. | NEC | North Eastern Coalfields |
| **j.** | SPPI | Solely Payment of Principal and Interest | u. | IICM | Indian Institute of Coal Management |
| **k.** | EIR | Effective Interest Rate | v. | CIL | Coal India Limited |

## NOTES TO THE FINANCIAL STATEMENTS
## NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

| | Freehold Land | Other Land | Land Reclamation/ Site Restoration Costs | Building (including water supply, roads and culverts) | Plant and Equipments | Telecommu-nication | Railway Sidings | Furniture and Fixtures | Office Equipments | Vehicles | Aircraft | Other Mining Infrastructure | Surveyed off Assets | Others | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount:** | | | | | | | | | | | | | | | |
| As at 1 April 2017 | 408.65 | 6,934.87 | 2,849.06 | 2,936.56 | 11,914.39 | 136.66 | 244.98 | 187.90 | 179.73 | 102.94 | 0.58 | 1,478.24 | 251.34 | 0.89 | 27,626.79 |
| Additions | 72.80 | 1,577.99 | 104.72 | 299.47 | 2,638.19 | 35.65 | 87.78 | 35.00 | 46.83 | 19.30 | - | 254.65 | 32.95 | - | 5,205.33 |
| Deletions/Adjustments | (11.21) | 13.19 | (81.36) | 28.51 | (319.53) | 0.37 | - | 47.65 | (2.82) | (0.86) | | 18.35 | (25.29) | - | (333.00) |
| **As at 31 March 2018** | 470.24 | 8,526.05 | 2,872.42 | 3,264.54 | 14,233.05 | 172.68 | 332.76 | 270.55 | 223.74 | 121.38 | 0.58 | 1,751.24 | 259.00 | 0.89 | 32,499.12 |
| As at 1 April 2018 | 470.24 | 8,526.05 | 2,872.42 | 3,264.54 | 14,233.05 | 172.68 | 332.76 | 270.55 | 223.74 | 121.38 | 0.58 | 1,751.24 | 259.00 | 0.89 | 32,499.12 |
| Additions | 76.54 | 2,294.53 | 498.95 | 503.16 | 2,818.08 | 8.92 | 356.00 | 44.77 | 67.75 | 26.29 | - | 1,424.37 | 57.65 | - | 8,177.01 |
| Deletions/Adjustments | (1.98) | (19.77) | (23.74) | (2.93) | (387.12) | (0.36) | (42.00) | (5.88) | (40.12) | (1.52) | - | (6.30) | (59.88) | - | (591.60) |
| **As at 31 March 2019** | 544.80 | 10,800.81 | 3,347.63 | 3,764.77 | 16,664.01 | 181.24 | 646.76 | 309.44 | 251.37 | 146.15 | 0.58 | 3,169.31 | 256.77 | 0.89 | 40,084.53 |
| **Accumulated Depreciation and Impairment** | | | | | | | | | | | | | | | |
| As at 1 April 2017 | - | 672.33 | 619.24 | 270.98 | 3,417.83 | 42.63 | 46.85 | 45.02 | 71.20 | 22.59 | - | 301.09 | 84.64 | - | 5,594.40 |
| Charge for the year | - | 520.22 | 244.96 | 139.06 | 1,744.38 | 26.40 | 27.83 | 28.64 | 48.50 | 14.58 | - | 136.09 | 0.07 | - | 2,930.73 |
| Impairment | - | - | - | - | 18.87 | - | - | - | 0.01 | - | - | 93.65 | (10.43) | - | 102.10 |
| Deletions/Adjustments | - | (1.16) | - | 22.65 | (262.21) | 0.05 | (0.13) | 39.14 | (3.75) | (0.06) | - | 18.48 | (1.10) | - | (188.09) |
| **As at 31 March 2018** | - | 1,191.39 | 864.20 | 432.69 | 4,918.87 | 69.08 | 74.55 | 112.80 | 115.96 | 37.11 | - | 549.31 | 73.18 | - | 8,439.14 |
| As at 1 April 2018 | - | 1,191.39 | 864.20 | 432.69 | 4,918.87 | 69.08 | 74.55 | 112.80 | 115.96 | 37.11 | - | 549.31 | 73.18 | - | 8,439.14 |
| Charge for the year | - | 626.70 | 324.58 | 146.18 | 1,880.66 | 26.84 | 37.32 | 28.89 | 47.48 | 15.11 | - | 241.47 | - | - | 3,375.23 |
| Impairment | - | - | - | - | 19.86 | 0.01 | - | 0.04 | 0.03 | - | - | 71.45 | (13.08) | - | 78.31 |
| Deletions/Adjustments | - | (2.06) | 2.47 | (0.22) | (324.62) | (0.03) | 12.09 | (4.48) | (33.63) | (1.52) | - | 10.07 | (5.28) | - | (347.21) |
| **As at 31 March 2019** | - | 1,816.03 | 1,191.25 | 578.65 | 6,494.77 | 95.90 | 123.96 | 137.25 | 129.84 | 50.70 | - | 872.30 | 54.82 | - | 11,545.47 |
| **Net Carrying Amont** | | | | | | | | | | | | | | | |
| **As at 31 March 2019** | 544.80 | 8,984.78 | 2,156.38 | 3,186.12 | 10,169.24 | 85.34 | 522.80 | 172.19 | 121.53 | 95.45 | 0.58 | 2,297.01 | 201.95 | 0.89 | 28,539.06 |
| **As at 31 March 2018** | 470.24 | 7,334.66 | 2,008.22 | 2,831.85 | 9,314.18 | 103.60 | 258.21 | 157.75 | 107.78 | 84.27 | 0.58 | 1,201.93 | 185.82 | 0.89 | 24,059.98 |

1. Land :

a. Land acquired in pursuance to Coal Mines (Nationalisation) Act 1973, does not require title deeds separately for corresponding land. All other title deeds for land acquired are in possession and are mutated in favour of company except in few cases of freehold lands, where same is under progress pending legal formalities.

b. Land- Others also includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894.

2. Indian Institute of Coal Management :

- Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2019 of ₹ 12.51 Crore have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹ 1.80 Crore under cancellable operating lease agreement.

3. Depreciation has been provided based on useful life as mentioned in Note 2.7. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life of the un-segregated class of assets.

4. Land Reclamation/Site Restoration cost comprises of estimated cost to be incurred at the stage of mine closure duly escalated for inflation (5% p.a.) and then discounted at 8 % discount rate that reflects current market rate of fair value and the risk.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 4 : CAPITAL WIP

(₹ in Crore)

| | Building (including water supply, roads and culverts) | Plant and Equipments | Railway Sidings | Other Mining infrastructure/ Development | Rail Corridor under Construction | Others | Total |
|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount:** | | | | | | | |
| As at 1 April 2017 | 892.79 | 3,107.88 | 1,365.45 | 2,221.45 | 1,010.66 | 31.82 | 8,630.05 |
| Additions | 604.51 | 1,207.33 | 715.77 | 684.71 | 529.30 | 105.94 | 3,847.56 |
| Capitalisation/ Deletions | (289.57) | (1,397.23) | (16.83) | (300.98) | - | (95.01) | (2,099.62) |
| **As at 31 March 2018** | 1,207.73 | 2,917.98 | 2,064.39 | 2,605.18 | 1,539.96 | 42.75 | 10,377.99 |
| | | | | | | | |
| As at 1 April 2018 | 1,207.73 | 2,917.98 | 2,064.39 | 2,605.18 | 1,539.96 | 42.75 | 10,377.99 |
| Additions | 575.87 | 1,173.64 | 952.02 | 926.07 | 519.73 | 67.24 | 4,214.57 |
| Capitalisation/ Deletions | (485.23) | (2,155.08) | (308.87) | (1,818.72) | (15.86) | (69.55) | (4,853.31) |
| **As at 31 March 2019** | 1,298.37 | 1,936.54 | 2,707.54 | 1,712.53 | 2,043.83 | 40.44 | 9,739.25 |
| | | | | | | | |
| **Provision and Impairment** | | | | | | | |
| As at 1 April 2017 | 1.42 | 30.54 | 6.80 | 14.69 | - | 0.08 | 53.53 |
| Charge for the year | 2.77 | 7.42 | 3.85 | 4.28 | - | - | 18.32 |
| Impairment | 2.37 | 11.95 | - | 17.79 | - | - | 32.11 |
| Deletions/Adjustments | (0.01) | 1.95 | - | (0.52) | - | (0.09) | 1.33 |
| **As at 31 March 2018** | 6.55 | 51.86 | 10.65 | 36.24 | - | (0.01) | 105.29 |
| | | | | | | | - |
| As at 1 April 2018 | 6.55 | 51.86 | 10.65 | 36.24 | - | (0.01) | 105.29 |
| Charge for the year | 0.47 | 21.93 | 0.12 | 3.64 | - | - | 26.16 |
| Impairment | 0.11 | 0.87 | 0.12 | 10.63 | - | - | 11.73 |
| Deletions/Adjustments | (0.31) | (7.63) | (10.89) | (8.05) | - | 0.01 | -26.87 |
| **As at 31 March 2019** | 6.82 | 67.03 | - | 42.46 | - | - | 116.31 |
| **Net Carrying Amont** | | | | | | | |
| **As at 31 March 2019** | 1,291.55 | 1,869.51 | 2,707.54 | 1,670.07 | 2,043.83 | 40.44 | 9,622.94 |
| **As at 31 March 2018** | 1,201.18 | 2,866.12 | 2,053.74 | 2,568.94 | 1,539.96 | 42.76 | 10,272.70 |

The revised project cost of Tori Shivpur Rail line project for facilitating evacuation of coal is ₹ 2399.07 Crs against which ₹ 2431.13 Crores has been deposited with East Central Railway.

## NOTES TO THE FINANCIAL STATEMENTS
## NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in Crore)

| | Exploration and Evaluation Costs |
|---|---|
| **Gross Carrying Amount:** | |
| As at 1 April 2017 | 1,731.69 |
| Additions | 1,777.85 |
| Capitalisation/ Deletions | (10.55) |
| **As at 31 March 2018** | 3,498.99 |
| As at 1 April 2018 | 3,498.99 |
| Additions | 513.16 |
| Deletions/Adjustments | 50.29 |
| **As at 31 March 2019** | 4,062.44 |
| **Amortisation and Impairment** | |
| As at 1 April 2017 | 13.95 |
| Charge for the year | 0.46 |
| Impairment | - |
| Deletions/Adjustments | - |
| **As at 31 March 2018** | 14.41 |
| As at 1 April 2018 | 14.41 |
| Charge for the year | 2.47 |
| Impairment | 8.85 |
| Deletions/Adjustments | - |
| **As at 31 March 2019** | 25.73 |
| **Net Carrying Amont** | |
| **As at 31 March 2019** | 4,036.71 |
| **As at 31 March 2018** | 3,484.58 |

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6 : INTANGIBLE ASSETS

(₹ in Crore)

| | Computer Software | Intangible Exploratory Assets | Others | Total |
|---|---|---|---|---|
| **Gross Carrying Amount:** | | | | |
| As at 1 April 2017 | 12.49 | 26.88 | 25.91 | 65.28 |
| Additions | 1.64 | - | 0.30 | 1.94 |
| Capitalisation/ Deletions | - | (0.33) | 3.12 | 2.79 |
| **As at 31 March 2018** | 14.13 | 26.55 | 29.33 | 70.01 |
| As at 1 April 2018 | 14.13 | 26.55 | 29.33 | 70.01 |
| Additions | 8.54 | - | - | 8.54 |
| Deletions/Adjustments | - | - | - | - |
| **As at 31 March 2019** | 22.67 | 26.55 | 29.33 | 78.55 |
| **Amortisation and Impairment** | | | | |
| As at 1 April 2017 | 7.63 | - | - | 7.63 |
| Charge for the year | 3.50 | - | 29.33 | 32.83 |
| Impairment | - | - | - | - |
| Deletions/Adjustments | 0.02 | - | - | 0.02 |
| **As at 31 March 2018** | 11.15 | - | 29.33 | 40.48 |
| As at 1 April 2018 | 11.15 | - | 29.33 | 40.48 |
| Charge for the year | 2.89 | - | - | 2.89 |
| Impairment | - | - | - | - |
| Deletions/Adjustments | - | - | - | - |
| **As at 31 March 2019** | 14.04 | | 29.33 | 43.37 |
| **Net Carrying Amont** | | | | |
| **As at 31 March 2019** | 8.63 | 26.55 | - | 35.18 |
| **As at 31 March 2018** | 2.98 | 26.55 | - | 29.53 |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED
## NOTE - 7 : INVESTMENTS

(₹ in crore)

| NON CURRENT INVESTMENTS | No. of shares/units | Face Value per share | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|---|
| **Investment in Co-operative shares (Unquoted)** | | | | |
| "B" class shares in Coal Mines Officers Cooperative Credit Society Ltd. | 500 (500) | 1000 (1000) | 0.05 | 0.05 |
| "D" class shares in Dishergarh colly Worker's central co-opt store Ltd. | 1000 (1000) | 100 (100) | 0.01 | 0.01 |
| Shares in the Mugma coalfield colly Worker's central co-opt store Ltd | 4000 (4000) | 25 (25) | 0.01 | 0.01 |
| "B" class shares in Sodepur colly Employee's co-opt credit society Ltd. | 500 (500) | 100 (100) | 0.005 | 0.005 |
| "B" class shares in Dhenomain colly. Employees' co-opt credit society Ltd. | 500 (500) | 100 (100) | 0.005 | 0.005 |
| Consumer Cooperative Societies Ltd Baikunthpur | 250 (250) | 10 (10) | - | - |
| **Total (A)** | | | **0.08** | **0.08** |
| **Investments in Secured Bonds (quoted)** | | | | |
| 7.55 % Secured Non convertible IRFC Tax free 2021 series 79 bonds | 20000 (20000) | 100000 (100000) | 200.00 | 200.00 |
| 8% Secured Non convertible IRFC bonds Tax free | 1087537 (1087537) | 1000 (1000) | 108.75 | 108.75 |
| 7.22 % Secured Non convertible IRFC bond Tax free | 4999 (4999) | 1000100 (1000100) | 499.95 | 499.95 |
| 7.22 % Secured Redeemable REC bond Tax free | 1500000 (1500000) | 1000 (1000) | 150.00 | 150.00 |
| **Total (B)** | | | **958.70** | **958.70** |
| **Investment in Joint Venture Companies (Unquoted)** | | | | |
| International Coal Venture Private Limited, New Delhi | 2800000 (2800000) | 10 (10) | 7.35 | 7.19 |
| CIL NTPC Urja Private Limited , New Delhi | 76900 (76900) | 10 (10) | 0.03 | 0.03 |
| Talcher Fertilizers Limited, Bhubneswar, Orissa | 16344568 (5015000 ) | 10 (10) | 11.27 | 5.03 |
| Hidustan Urvarak & Rasayan Limited, Kolkata | 440325000 (333250000) | 10 (10) | 443.58 | 332.03 |
| **Total (C)** | | | **462.23** | **344.28** |
| **Grand Total (A+B+C)** | | | **1,421.01** | **1,303.06** |
| Aggregate amount of unquoted investments: | | | **462.31** | **344.36** |
| Aggregate amount of quoted investments: | | | **958.70** | **958.70** |
| Market Value of Quoted Investment | | | **997.24** | **993.40** |
| Refer note 38 (2) for classification | | | | |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE - 7 : INVESTMENTS

(₹ in crores)

| CURRENT | No. of units | NAV (in ₹) | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|---|
| **Mutual Fund Investment** | | | | |
| UTI Mutual Fund | 9052726.319<br>(803178.184) | 1019.45<br>(1019.45) | 922.88 | 81.88 |
| SBI Mutual Fund | 8244099.96<br>(1232295.041) | 1003.25<br>(1003.25) | 827.08 | 123.63 |
| Canara Robeco Mutual Fund | -<br>(198.906) | -<br>(1005.50) | - | 0.02 |
| Union KBC Mutual Fund | -<br>(199.87) | -<br>(1000.65) | - | 0.02 |
| BOI AXA Mutual Fund | -<br>(199.471) | -<br>(1002.65) | - | 0.02 |
| **Investments in Inter Corporate Deposits (ICD)** | | | | |
| SBI DFHI Ltd. | | | - | 101.92 |
| ICICI Securities | | | - | 93.08 |
| **Total :** | | | **1,749.96** | **400.57** |
| Aggregate of Quoted Investment:<br>Refer note 38(2) for classification | | | 1,749.96 | 400.57 |

### NOTE - 8 : LOANS

(₹ in crores)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non-Current** | | |
| **Loans to body corporate and employees** | | |
| - Secured, considered good | 16.64 | 19.13 |
| - Unsecured, considered good | 1,125.09 | 1,000.95 |
| - Credit impaired | 1.97 | 1.63 |
| | 1,143.70 | 1,021.71 |
| Less: Allowance for doubtful loans | 1.97 | 1.63 |
| **TOTAL** | **1,141.73** | **1,020.08** |
| **Current** | | |
| **Loans to body corporate and employees** | | |
| - Secured, considered good | 1.75 | 1.64 |
| - Unsecured, considered good | 500.58 | 2.05 |
| Less: Allowance for doubtful loans | - | - |
| **TOTAL** | **502.33** | **3.69** |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non Current** | | |
| Bank Deposits | 152.77 | 180.45 |
| Deposit in Bank under Shifting & Rehabilitation Fund scheme[1] | 3,977.25 | 3,627.00 |
| **Deposits and receivables for Site Restoration :** | | |
| Deposit in Bank under Mine Closure Plan[2] | 7,029.91 | 6,319.00 |
| Other Deposit (mine closure concurrent expense) | 584.37 | 188.20 |
| Receivable from Escrow Account for Mine Closure Expenses | 140.63 | 550.09 |
| | 7,754.91 | 7,057.29 |
| Security Deposit for utilities | 3.66 | 4.25 |
| Less : Allowance for doubtful deposits | 0.01 | 0.17 |
| | 3.65 | 4.08 |
| Other Deposit and Receivables[3] | 469.49 | 504.73 |
| Less : Allowance for doubtful deposits & receivables | 28.40 | 57.57 |
| | 441.09 | 447.16 |
| **TOTAL** | **12,329.67** | **11,315.98** |
| **Current** | | |
| **Deposits and receivables for Site Restoration :** | | |
| Other Deposit (mine closure concurrent expense) | 356.43 | 101.68 |
| Receivable from Escrow Account for Mine Closure Expenses | 272.54 | - |
| | 628.97 | 101.68 |
| Interest accrued | 1,165.45 | 899.42 |
| Claims & other receivables | 1,785.84 | 2,426.36 |
| Less : Allowance for doubtful claims | 65.84 | 43.78 |
| | 1,720.00 | 2,382.58 |
| **TOTAL** | **3,514.42** | **3,383.68** |

Notes:

**1. Deposit in Bank under Shifting & Rehabilitation Fund scheme** Following the direction of the Ministry of Coal the company has setup a fund for implementation of action plan for shifting & rehabilitation dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect. The subsidiaries of CIL [except CMPDIL and Coal India Africana Limitada] are making a contribution of ₹ 6/- per tonne of their respective coal despatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects.

**2. Deposit with bank under Mine Closure Plan** Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan, an Escrow Account has been opened. Up to 80% of the total deposited amount including interest accrued in the ESCROW account may be released after every five years in line with the periodic examination of the closure plan as per the Guidelines. (Refer Note 21 for Provision for Site Restoration/Mine Closure).

**3. Other Deposits and Receivables -** Non current includes ₹ 176.22 Crore (₹ 171.96 Crore) for deposits for P&T and electricity etc. and ₹ 191.35 Crores (₹ 186.82 Crores) deposited with tax authorities and others of South Eastern Coalfields Limited.

4. Coal India Ltd. entered into a Consortium Agreement with M/s BEML Ltd and M/s Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets of M/s Mining and Allied Machinery Corporation (under liquidation). The agreement, inter alia, provided for formation of a joint venture company with a shareholding pattern of 48:26:26 among BEML, CIL and DVC respectively. CIL has paid its proportionate share towards bid consideration of Rs 100 Crores towards the said acquisition based on the order passed by Hon'ble High Court of Calcutta. As on 31st March 2019 an amount of Rs 33.56 Crores (₹ 31.31 Crores) was paid towards bid consideration and other miscellaneous expenditure. Further a Company in the name of MAMC Industries Limited (MIL) has been formed and incorporated on 25 August 2010 as a wholly owned subsidiary of BEML for the intended purposed of JV formation. As per terms and condition of the Consortium Agreement, a shareholders' agreement and joint venture agreement was to be executed. However shareholders' agreement and joint venture agreement are not yet executed.

| **Reconciliation of Escrow Account Balance** | **31.03.2019** | **31.03.2018** |
|---|---|---|
| Balance in Escrow Account (Non Current) on 01.04.2015 (Ind AS Transition date) | 6319.00 | 5497.93 |
| Add: Balance Deposited during Current Year | 745.64 | 686.57 |
| Add: Interest Credited during the year | 359.71 | 317.58 |
| Less: Amount Withdrawn during Current Year | (394.44) | (183.08) |
| Balance in Escrow Account (Non Current) on Closing date | **7029.91** | **6319.00** |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| (i) | **Capital Advances** | 1,767.98 | 2,362.62 |
| | Less : Provision for doubtful advances | 8.59 | 9.98 |
| | | **1,759.39** | **2,352.64** |
| (ii) | Advances other than capital advances | | |
| | (a) Security Deposit for utilities | 131.72 | 128.11 |
| | Less : Provision for doubtful deposits | 2.34 | 2.37 |
| | | **129.38** | **125.74** |
| | (b) Other Deposits and Advances | 77.80 | 37.15 |
| | Less : Provision for doubtful deposits | 1.56 | 1.45 |
| | | **76.24** | **35.70** |
| | **TOTAL** | **1,965.01** | **2,514.08** |

Capital Advance includes amount of ₹ 575.49 Crore given to ECR Railway for construction of Tori-Shivpur Rail Line in Case of CCL . CERL and CEWRL subsidiaries of SECL gave advance of ₹ 726.89 (₹680.07) Crore to South East Central Railway (SECR) for acquisition of land as non-interest bearing refundable advance. Further, advance of ₹ 117.69 (₹109.43) given by CERL and CEWRL to IRCON for deposit work.

### NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| (b) Advance for Revenue (goods & services) | 505.94 | 574.24 |
| Less : Provision for doubtful advances | 8.94 | 7.33 |
| | 497.00 | 566.91 |
| (c) Advance payment of statutory dues[1] | 1,842.88 | 1,920.98 |
| Less : Provision for doubtful advances | 0.31 | 0.33 |
| | 1,842.57 | 1,920.65 |
| (e) Other Advances and Deposits | 5,552.52 | 4,808.85 |
| Less : Provision for doubtful advances | 23.88 | 23.37 |
| | 5,528.64 | 4,785.48 |
| (f) Input Tax Credit Receivable | 4,355.64 | 2,975.05 |
| (g) MAT Credit Entitlement | 165.20 | 101.39 |
| **TOTAL** | **12,389.05** | **10,349.48** |

1. In NCL, Advance payment of statutory dues includes income tax refundable Rs. 761.09 crores (Rs. 760.53 crores)

### NOTE - 12 : INVENTORIES

(₹ in Crore)

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| (a) | Stock of Coal | 4,116.71 | 4,936.30 |
| | Coal under Development | 21.53 | 42.79 |
| | **Stock of Coal** | **4,138.24** | **4,979.09** |
| (b) | Stock of Stores & Spares (at cost) | 1,170.75 | 1,180.55 |
| | Add: Stores-in-transit | 38.44 | 51.37 |
| | **Net Stock of Stores & Spares (at cost)** | **1,209.19** | **1,231.92** |
| (c) | Stock of Medicine at Central Hospital | 6.33 | 8.56 |
| (d) | Workshop Jobs and Press jobs | 230.17 | 224.28 |
| | **Total** | **5,583.93** | **6,443.85** |

Method of valuation : Refer Note No. 2.21 - Significant Accounting Policies on "Inventories"

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE - 13 : TRADE RECEIVABLES

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Current** | | |
| Trade receivables | | |
| Secured considered good | 80.16 | 210.57 |
| Unsecured considered good | 5,418.39 | 6,047.23 |
| Credit impaired | 1,721.76 | 1,742.91 |
| | 7,220.31 | 8,000.71 |
| Less : Allowance for bad & doubtful debts | 1,721.76 | 1,742.91 |
| **Total** | **5,498.55** | **6,257.80** |

Refer note 38 (2) for classification

1. No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.

### NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| (a) | Balances with Banks | | |
| | in Deposit Accounts[2] | 168.21 | 2,034.01 |
| | in Current Accounts | | |
| | - Interest Bearing (CLTD) | 1,200.85 | 1,281.50 |
| | - Non Interest Bearing | 906.04 | 673.88 |
| | in Cash Credit Accounts | 0.29 | 1.96 |
| (b) | Bank Balances outside India | 0.20 | 0.30 |
| (c) | Cheques, Drafts and Stamps in hand | 0.03 | 5.56 |
| (d) | Cash on hand | 0.07 | 0.13 |
| (e) | Others | 0.02 | 0.33 |
| **Total Cash and Cash Equivalents** | | **2,275.71** | **3,997.67** |

1. Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

2. The bank guarantees issued by CCL on account of two court cases i.e. Ghisha Lal Goyal Vs CCL in case 08/01 and M/s Nav Shakti Fuels Vs CCL & Ors in FA No. 101/2007 against lien secured by Deposits in Account no. 0404002100045433 for an amount of ₹ 0.90 crore.

Refer note 38 (2) for classification

### NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Balances with Banks | | |
| Deposit accounts | 27,926.34 | 26,421.54 |
| Deposit accounts (For specific purposes - *See Note 2 below*) | 906.89 | 838.17 |
| Unpaid dividend accounts | 11.99 | 11.48 |
| Dividend accounts | 3.30 | 11.12 |
| **Total** | **28,848.52** | **27,282.31** |

Refer note 38 (2) for classification

1. Other Bank Balances comprise term deposits and other bank deposits which are expected to realise in cash within 12 months after the reporting date.

2. Bank deposits held under lien/earmarked as per courts order and for other specific purposes is ₹ 906.89 Crores (₹ 838.17 Crores)

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

## NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Authorised** | | |
| 8,00,00,00,000 Equity Shares of ₹10/- each (8,00,00,00,000 Equity Shares of ₹10/- each) | 8,000.00 | 8,000.00 |
| | **8,000.00** | **8,000.00** |
| **Issued, Subscribed and Paid-up** | | |
| 6,16,27,28,327 Equity Shares of ₹10/- each (6,20,74,09,177 Equity Shares of ₹10/- each ) | 6,162.73 | 6,207.41 |
| | **6,162.73** | **6,207.41** |

1. Shares in the company held by each shareholder holding more than 5% Shares

| Name of Shareholder | No.of Shares Held (Face value of ₹ 10 each) | % of Total Shares |
|---|---|---|
| Hon'ble President of India | 4,37,30,16,781<br>(4,87,56,71,716) | 70.959<br>(78.546) |
| Life Insurance Corporation of India | 67,39,99,304<br>(55,69,48,456) | 10.937<br>(8.972) |

Reconcilition of equity shares outstanding at the beginning & at the end of reporting period

| Particular | Number fo shares | Amount |
|---|---|---|
| Balance as on 01.04.2016 | 631,63,64,400 | 6318.36 |
| Less: Shares bought back by company during FY 2016-17 | 10,89,55,223 | 108.45 |
| Balance as on 31.03.2017 | 620,74,09,177 | 6207.41 |
| Charge during FY 2017-18 | - | - |
| Balance as on 31.03.2018 | 620,74,09,177 | 6207.41 |
| Less: Shares bought back by the company during FY 2018-19 | 4,46,80,850 | 44.68 |
| Balance as on 31.03.2019 | 616,27,28,327 | 6162.73 |

2. Total no. of shares bought back during the FY 2018-19 was 4,46,80,850 comprising Govt. Shares 4,42,93,572 and balance 3,87,278 shares bought back from various financial institutions and others.

3. Listing of shares of Coal India Ltd. in Stock Exchange.The shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November,2010.The details of disinvestment/Buyback of shares by Govt of India is furnished below:

| Sl. No. | Financial year of Disinvestment | % of shares disinvested | No. of shares disinvested | Mode |
|---|---|---|---|---|
| 1 | 2010-11 | 10.00% | 63,16,36,440 | IPO |
| 2 | 2013-14 | 0.35% | 2,20,37,834 | CPSE-ETF |
| 3 | 2014-15 | 10.00% | 63,16,36,440 | OFS |
| 4 | 2015-16 | 0.001% | 83,104 | CPSE-ETF |
| 5 | 2016-17 | 1.248% | 7,88,42,816 | Buyback |
| 6 | 2016-17 | 0.92% | 5,71,56,437 | CPSE-ETF |
| 7 | 2017-18 | 0.31% | 1,92,99,613 | Bharat 22-ETF |
| 8 | 2018-19 | 0.225% | 1,39,91,488 | Bharat 22-ETF |
| 9 | 2018-19 | 3.19% | 19,80,03,931 | OFS |
| 10 | 2018-19 | 2.21% | 137311943 | CPSE-ETF |
| 11 | 2018-19 | 0.01% | 6,81,840 | OFS |
| 12 | 2018-19 | 0.383% | 2,37,79,267 | BHARAT 22-ETF |
| 13 | 2018-19 | 1.37% | 8,45,92,894 | CPSE-ETF |
| 14 | 2018-19 | 0.194% | 4,42,93,572 | Buyback |

Hence, the number of shares held by Govt of India stood at 4,37,30,16,781 i.e. 70.959% of the total 6,16,27,28,327 number of shares outstanding as on 31.03.2019

4. The Company has only one class of equity shares having a face value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

## NOTE 17 : OTHER EQUITY

(₹ in Crore)

| | Other Reserves | | General Reserve | Retained Earnings[1] | Other Comprehensive Income | Total |
|---|---|---|---|---|---|---|
| | Capital Redemption reserve | Capital reserve[3] | | | | |
| **Balance as at 01.04.2017** | 2,064.51 | 19.81 | 15,676.06 | 174.18 | 376.12 | 18,310.68 |
| Changes in Accounting policy | - | - | - | - | - | - |
| Prior period adjustments | - | - | - | 303.64 | - | 303.64 |
| **Restated balance as at 01.04.2017** | **2,064.51** | **19.81** | **15,676.06** | **477.82** | **376.12** | **18,614.32** |
| Addition during the Year/Transfer from retained earnings | | 0.39 | | - | | 0.39 |
| Adjustments during the year | - | (0.99) | - | 0.04 | - | (0.95) |
| Profit for the year | - | - | - | 7,038.56 | | 7,038.56 |
| Remeasurement of Defined Benefits Plans (net of Tax) | | | | | 642.82 | 642.82 |
| **Appropriations** | | | | | | - |
| Transfer to / from General reserve | - | - | 544.89 | (544.89) | | - |
| Transfer to / from Other reserves | - | - | - | - | | - |
| Interim Dividend | - | - | - | (10,242.24) | - | (10,242.24) |
| Corporate Dividend tax | - | - | - | (2,081.57) | - | (2,081.57) |
| Issue of bonus shares | (1,051.38) | 1,548.45 | (483.80) | (13.27) | - | - |
| **Balance as at 31.03.2018** | **1,013.13** | **1,567.66** | **15,737.15** | **(5,365.55)** | **1,018.94** | **13,971.33** |
| Addition during the Year/Transfer from retained earnings | 189.83 | 1.00 | | | | 190.83 |
| Adjustments during the year | - | (1.33) | - | - | - | (1.33) |
| Profit for the year | | | | 17,461.85 | - | 17,461.85 |
| Remeasurement of Defined Benefits Plans (net of Tax) | | | | - | 17.38 | 17.38 |
| **Appropriations** | | | | | | |
| Transfer to / from General reserve | - | - | 782.12 | (782.12) | - | - |
| Interim Dividend | - | - | - | (8,105.58) | - | (8,105.58) |
| Corporate Dividend tax | - | - | - | (1,833.86) | - | (1,833.86) |
| Buy Back of Shares | - | (105.51) | (1,065.00) | (24.64) | - | (1,195.15) |
| Tax on Buy back | | | (141.90) | (72.38) | - | (214.28) |
| **Balance as at 31.03.2019** | **1,202.96** | **1,461.82** | **15,312.37** | **1,277.72** | **1,036.32** | **20,291.19** |

1. Retained earnings above includes Accumulated Losses of ECL, BCCL and WCL as on 31.03.2019 ₹7109.69 Crores (₹ 8416.56 Crores)

2. Opening balance of Retained earnings and General Reserves as on 01.04.2017 has been regrouped by ₹3914.17 Crores

**3. Capital Reserve:** Grant / Funds received under S&T, PRE, EMSC, CCDA etc as an implementing agency and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received. The balance of grants as on 31.03.2019 and 31.03.2018 is ₹18.88 crores and ₹19.21 crores respectively.

During the Year 2018-19 Buy Back of Shares by MCL, NCL and SECL of 442967, 518560 and 490039 No. of shares respectively were made for a cash outflow of ₹355 Crore each along with premium of ₹310.70 Crores, ₹ 303.14 Crores and ₹ 306 Crores respectively.

Difference in Carrying Value of Investment in subsidiaries and Share capital of Subsidiaries after above Buy-Back ₹105.51 Crores is adjusted to Capital Reserve.

*Refer Statement of Changes in Equity also.

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

## NOTE 18 : BORROWINGS

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Non-Current** | | |
| **Term Loans** | | |
| Export Development Corporation , Canada[1] | 158.93 | 155.01 |
| Banque Nationale De Paris and Natexis Banque, France[1] | 5.71 | 6.50 |
| Other Banks[2] | 1,249.28 | 838.86 |
| Other Loans | 58.35 | 54.03 |
| **Total** | **1,472.27** | **1,054.40** |
| **CLASSIFICATION** | | |
| Secured | 1,249.28 | 838.86 |
| Unsecured | 222.99 | 215.54 |
| **Current** | | |
| - From Banks [2] | 730.47 | 150.00 |
| Other Loans | - | 326.54 |
| **Total** | **730.47** | **476.54** |
| **CLASSIFICATION** | | |
| Secured | 730.47 | 150.00 |
| Unsecured | - | 326.54 |
| Refer note 38 (2) for classification | | |

**Notes:**

**Non-Current Loan**

1. Loan Guaranteed by Directors & Others :

| Particulars of Loan | Amount ₹ in Crores | Nature of Guarantee |
|---|---|---|
| Export Development Corp., Canada | 158.93 | Guarantee executed by the President of India |
| Banque Nationale De Paris and Natexis Banque, France | 5.71 | The GOI provided an irrevocable and unconditional guarantee in relation to all our payment obligations. |

Current maturities of the long term borrowing for ₹6.62 Crore in respect of Export Development Corp., Canada, loan & ₹0.58 Crore in respect of Banque Nationale De Paris and Natexis Banque, France is also guaranteed as above.

Repayment Schedule :

Export Development Corp. Canada: Repayment of instalments is made semi-annually i.e. on January 31 and on July 31.

Banque Nationale De Paris and Natexis Banque, France: Repayment under these loan facilities will be completed on September 30, 2028 and September 30, 2030 .

**2 Loan from Other Banks :** CERL, a subsidiary of SECL has entered into Term Loan Financing Documents with a Consortium of Banks led by Indian Bank on 24.11.2017 for availment of Rupee Term Loan (RTL) of ₹2443.00 Crore at Interest rate of Indian Bank 1 year MCLR +0.75 BP. The repayment period of Loan shall be : (i) Principal amount over a period of 14 years after a moratorium period of 2 years; (ii) Interest amount would be paid on monthly basis. Term loan is secured by : (a) First mortgage on all immovable fixed assets (including freehold and lease hold) of the Project, both present and future, save and except the Project Assets; (b) A first ranking pari passu charge by way of hypothecation on all tangible movables in relation to the Project, both present and future, save and except the Project Assets ;(c) A first ranking pari passu charge by way of hypothecation on all the rights, interest and obligation in relation to the Project including assignment of Insurance Contracts, to the extent covered by the Concession Agreement; (d) A first ranking pari passu charge over all accounts and current assets of CERL in relation to the Project and first charge on the receivables; (e) A first ranking pari passu charge by way hypothecation on all intangible assets of CERL in relation to the Project subject to the extent permissible as per the priority specified in the Concession Agreement and Escrow Agreement; (f) Non Disposal

Undertaking for 51% of the aggregate shareholding of the CERL, with a condition that 24% of the aggregate shareholding shall be pledged in favour of Security Trustee upon occurrence of event of default;(g) Project Assets shall not form part of the Security. During the period CERL had received the drawdown from Banks.

**3 Other Loans**

Loan from IRCON International Ltd.

Loan from IRCON International Ltd. consist ₹39.00 Crore (₹39.00 Crore) of M/s Chhattisgarh East-West Railway Limited (CEWRL) which are secured by first charge on all infrastructures to be created/ developed and all future receivables of borrower. Repayment period of loan would be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Rate of interest are @12% per annum with compounding at quarterly rests.

Loan from CSIDCL

Loan from CSIDCL consist ₹15.00 Crore (₹15.00 Crore) of M/s Chhattisgarh East-West Railway Limited (CEWRL) which are secured by first charge on all infrastructures to be created/developed and all future receivables of borrowers. Repayment period of loan would be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Rate of interest are @12% per annum with compounding at quarterly rests.

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

## NOTE - 19 : TRADE PAYABLES

(₹ in Crore)

| | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| **Current** | | |
| Trade Payables for Micro, Small and Medium Enterprises | 9.59 | 10.41 |
| Other Trade Payables for | | |
| Stores and Spares | 732.93 | 792.09 |
| Power and Fuel | 361.68 | 363.13 |
| Liability for Salary, Wages and Allowances | 2,392.79 | 2,320.66 |
| Other expenses | 3,318.52 | 3,488.11 |
| **TOTAL** | **6,815.51** | **6,974.40** |

**Trade payables -Total outstanding dues of Micro & Small enterprises**

| | | | |
|---|---|---|---|
| a) | Principal & Interest amount remaining unpaid but not due as at year end | 9.59 | 10.41 |
| b) | Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year. | - | - |
| c) | Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| d) | Interest accrued and remaining unpaid as at year end | - | - |
| e) | Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise. | - | - |

Refer note 38 (2) for classification

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

| | As at 31.03.2019 | 31.03.2018 |
|---|---|---|
| **Non Current** | | |
| Security Deposits | 655.56 | 551.88 |
| Earnest Money | 17.75 | 11.98 |
| Others | 627.09 | 601.06 |
| | **1,300.40** | **1,164.92** |
| **Current** | | |
| Current Account of IICM | - | 187.77 |
| Current maturities of long-term debt | 7.20 | 6.78 |
| Unpaid dividends[2] | 15.29 | 22.60 |
| Security Deposits | 1,226.77 | 1,129.95 |
| Earnest Money | 589.07 | 767.81 |
| Payable for Capital Expenditure | 1,399.81 | 1,453.29 |
| Others | 905.25 | 902.41 |
| **TOTAL** | **4,143.39** | **4,470.61** |

1. Other financial liabilities - Non Current of ₹ 627.09 Crore includes ₹ 527.92 Crore (₹510.85 Crore) relating to amount realized from customers and employees on account of cases pending before various courts/arbitration with interest earned on bank deposits related to such liabilities in South Eastern Coalfields Limited.

2. During the year 2018-19, an amount of ₹ 0.06 crore in respect of final dividend of FY 2010-11 has been transferred to Investor Education & Protection Fund (IEPF) as the same remained unpaid and unclaimed for a Year of seven years from the date of transfer of such dividend to unpaid dividend account.

There is no other amount due to be transferred to IEPF within 31.03.2019

Refer note 38 (2) for classification

### NOTE - 21 : PROVISIONS

(₹ in Crore)

| | As at 31.03.2019 | 31.03.2018 |
|---|---|---|
| **Non Current** | | |
| **Employee Benefits** | | |
| Gratuity | 770.65 | 3,463.26 |
| Leave Encashment | 1,441.59 | 951.74 |
| Other Employee Benefits | 1,207.23 | 1,478.57 |
| | **3,419.47** | **5,893.57** |
| Site Restoration/Mine Closure[1] | 7,000.10 | 6,521.45 |
| Stripping Activity Adjustment | 41,936.27 | 37,483.29 |
| Others | 63.72 | 126.17 |
| **TOTAL** | **52,419.56** | **50,024.48** |
| **Current** | | |
| **Employee Benefits** | | |
| Gratuity | 2,188.17 | 2,715.70 |
| Leave Encashment | 344.09 | 313.18 |
| Ex- Gratia | 1,649.64 | 1,634.11 |
| Performance Related Pay | 1,196.88 | 481.63 |
| Other Employee Benefits | 1,019.79 | 2,083.47 |
| NCWA-X | 176.75 | 3,742.83 |
| Executive Pay Revision | 30.83 | 995.14 |
| | **6,606.15** | **11,966.06** |
| Others | 530.29 | 67.13 |
| **TOTAL** | **7,136.44** | **12,033.19** |

1. Provision for Site Restoration/Mine Closure

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The estimate of obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate (@8%) that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses. In reference to above guidlines for preparation of mine closure plan, an escrow account has been opened. (Refer Note - 9)

**Reconciliation of Relamation of Land/ Site restoraion /Mine Closure :**

| | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Gross value of site restoration Asset as on 01.04.2015 (Ind AS Transition date) | 3,813.30 | 3,712.55 |
| Addition of further Site restoration | 562.93 | 477.44 |
| Add: Unwinding of Provision charged (incl. Capitalised) Upto Previous Year | 2,438.98 | 1,980.34 |
| Add: Unwinding of Provision charged (incl. Capitalised) For Current Year | 455.85 | 474.83 |
| Less: Withdrawal from escrow account adjusted upto 31.03.2019 | (270.96) | (123.71) |
| Mine Closure Provision | **7,000.10** | **6,521.45** |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

## NOTE - 22 : OTHER NON CURRENT LIABILITIES

(₹ in Crore)

| | As at 31.03.2019 | 31.03.2018 |
|---|---|---|
| Shifting & Rehabilitation Fund | 4,098.18 | 3,700.98 |
| Deferred Income | 755.54 | 665.60 |
| **Total** | **4,853.72** | **4,366.58** |

1.Shifting and Rehabilitation Fund

Following the direction of the Ministry of Coal the company has setup a fund for implementation of action plan for shifting & rehabilitation dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect. The subsidiaries of CIL [except CMPDIL and Coal India Africana Limitada] are making a contribution of ₹ 6/- per tonne of their respective coal despatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects. Refer Note: 9

2. Deferred Income includes subsidy received under The Coal Mines (Conservation and Development) Act, 1974 on account of capital nature works. It includes ₹ 536.55 Crores (₹ 434.17 Crores) received by Central Coalfields Limited from Coal Controller Development Authority C for Tori-Shivpur project.

## NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

| | As at 31.03.2019 | 31.03.2018 |
|---|---|---|
| Statutory Dues | 6,203.92 | 5,325.92 |
| Advance from customers / others | 14,699.14 | 13,772.13 |
| Cess Equalization Account | 2,239.60 | 1,879.01 |
| Others liabilities | 3,843.71 | 3,387.30 |
| **TOTAL** | **26,986.37** | **24,364.36** |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

## NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

| | | For the Year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| **A.** | **Sales of Coal** | 1,40,603.00 | 1,26,543.97 |
| | Less: Statutory Levies | 47,706.92 | 44,056.04 |
| | **Sales of Coal (Net) (A)** | **92,896.08** | **82,487.93** |
| **B.** | **Other Operating Revenue** | | |
| | Subsidy for Sand Stowing & Protective Works | 7.64 | 80.79 |
| | Loading and additional transportation charges | 4,004.35 | 3,156.23 |
| | Less : Statutory Levies | 189.90 | 146.17 |
| | | **3,814.45** | **3,010.06** |
| | Evacuation Facility Charges | 2,649.07 | 772.52 |
| | Less: Statutory Levies | 128.42 | 28.95 |
| | | **2,520.65** | **743.57** |
| | Revenue from services | 363.18 | 384.94 |
| | Less: Statutory Levies | 55.11 | 56.92 |
| | | **308.07** | **328.02** |
| | **Other Operating Revenue (Net) (B)** | **6,650.81** | **4,162.44** |
| | **Revenue from Operations (A + B)** | **99,546.89** | **86,650.37** |

1. Sale of Coal is net of provision for Coal Quality variance amounting to ₹510.25 (₹ 879.26) Crores
2. Government of India introduced Goods and Services Tax (GST) w.e.f 1st July,2017. Consequently revenue from operations for the Year is presented net of GST.
3. Revenue from operations for the Year prior to 01.07.2017 is inclusive of Excise duty for the Year from 01.04.2017 to 30.06.2017.
4. Net sales (net of excise duty) includes ₹550.83 crore (₹530.09 crore) on sale of 32.00 Lakh Te (40.53Lakh Te) coal related to Gare Palma IV/2&3 Mine and ₹300.78 crore (₹127.38 crore) on sale of 18.39 Lakh Te (13.01 Lakh Te) coal of Gare Palma IV/1 for which Coal India Ltd. has been appointed akin to a designated custodian w.e.f 01.04.2015 (through SECL).
5. Revenue from services includes consultancy and other services provided by CMPDIL, a subsidiary of CIL.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 25 : OTHERS INCOME

( ₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Interest Income | 3,163.63 | 2,770.90 |
| Dividend Income | 243.36 | 180.85 |
| **Others** | | |
| Profit on Sale of Assets | - | 19.43 |
| Gain on Foreign exchange Transactions | - | 11.24 |
| Lease Rent | 37.97 | 44.17 |
| Liability Written Back | 812.75 | 930.07 |
| Provision Written Back | 699.54 | 261.27 |
| Miscellaneous Income | 916.48 | 756.95 |
| **Total** | **5,873.73** | **4,974.88** |

Interest Income above includes ₹ 269.69 crores received from income tax department in Western Coal fields Limited Liability write back includes ₹ 249.20 Crores on account of amount receivable from Escrow account against progressive mine closure activity.

Provision write back includes an amount of ₹ 618.21 Crores has been written back towards stripping activity adjustment of exhausted Neeljay OC mine along with change in standard ratio of Neeljay OC Mine of Western Coalfields Limited

NOTE 26 : COST OF MATERIALS CONSUMED

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Explosives | 1,886.06 | 1,712.00 |
| Timber | 24.99 | 23.76 |
| Oil & Lubricants | 3,003.64 | 2,620.44 |
| HEMM Spares | 1,384.50 | 1,407.65 |
| Other Consumable Stores & Spares | 1,032.24 | 1,049.48 |
| **Total** | **7,331.43** | **6,813.33** |

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Opening Stock of Coal | 4,935.22 | 6,631.85 |
| Opening Stock brought to Revenue | 42.79 | - |
| Closing Stock of Coal | 4,115.87 | 4,935.22 |
| **A. Change in Inventory of Coal** | **862.14** | **1,696.63** |
| Opening Stock of Workshop made finished goods ,WIP and Press Jobs | 224.28 | 207.11 |
| Closing Stock of Workshop made finished goods and WIP and Press Jobs | 230.18 | 224.28 |
| **B. Change in Inventory of workshop** | **(5.90)** | **(17.17)** |
| **Change in Inventory of Stock in trade (A+B) { Decretion / ( Accretion) }** | **856.24** | **1,679.46** |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE 28 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Salary and Wages (incl. Allowances and Bonus etc.) | 28,293.13 | 28,008.89 |
| Contribution to P.F. & Other Funds | 8,053.38 | 12,035.02 |
| Staff welfare Expenses | 2,423.59 | 2,577.93 |
| | **38,770.10** | **42,621.84** |

### NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| CSR Expenses | 416.47 | 483.78 |
| **Total** | **416.47** | **483.78** |

**Details of subsidiary wise CSR expenditure vis-à-vis amount required to be spent u/s 135 of the Companies Act, 2013.**

| Subsidiary | Amount required to be spent in accordance with Section 135 of the Companies Act, 2013 | Actual CSR Expenditure for 2018-19 |
|---|---|---|
| ECL | 0.32 | 16.46 |
| BCCL | 6.52 | 1.43 |
| CCL | 45.78 | 41.14 |
| NCL | 75.44 | 73.57 |
| WCL* | - | 4.25 |
| SECL | 81.04 | 83.55 |
| MCL | 136.36 | 167.16 |
| CMPDIL | 1.53 | 1.58 |
| CIL | 6.99 | 27.33 |
| **Total** | **353.98** | **416.47** |

* Due to average loss in three immediately preceding financial year.

### NOTE 30 : REPAIRS

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Building | 608.41 | 484.47 |
| Plant & Machinery | 763.98 | 889.61 |
| Others | 74.02 | 64.93 |
| | | - |
| **Total** | **1,446.41** | **1,439.01** |

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 31 : CONTRACTUAL EXPENSES

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Transportation Charges | 3,456.08 | 3362.22 |
| Wagon Loading | 196.11 | 134.89 |
| Hiring of Plant and Equipments | 8,535.14 | 8,133.45 |
| Other Contractual Work | 1,190.66 | 1,126.72 |
| **Total** | **13,377.99** | **12,757.28** |

NOTE 32 : FINANCE COST

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| **Interest Expenses** | | |
| Unwinding of discounts | 265.48 | 393.59 |
| Other Borrowing Costs | 9.56 | 36.51 |
| | **275.04** | **430.10** |

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

| | | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|---|
| **(A)** | **Provision made for** | | |
| | Doubtful debts | 268.14 | 356.27 |
| | Doubtful Advances & Claims | 20.11 | 6.43 |
| | Stores & Spares | 11.29 | 15.86 |
| | Others | 122.52 | - |
| | **Total** | **422.06** | **378.56** |
| **(B)** | **Allowance Provision Reversal** | | |
| | Doubtful debts | 250.27 | 295.82 |
| | Doubtful Advances & Claims | 2.39 | 0.02 |
| | Stores & Spares | 4.59 | 0.83 |
| | Others | 50.38 | - |
| | **Total (B)** | **307.63** | **296.67** |
| | **Total (A-B)** | **114.43** | **81.89** |

## NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

### NOTE 34 : WRITE OFF (NET OF PAST PROVISIONS )

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Doubtful debts | 38.35 | 258.97 |
| Less :- Provided earlier | 38.35 | 258.25 |
| | - | 0.72 |
| Doubtful advances | 3.98 | 1.59 |
| Less :- Provided earlier | 2.69 | 1.59 |
| | 1.29 | - |
| Others | 0.02 | - |
| Less :- Provided earlier | 0.02 | - |
| | - | - |
| **Total** | **1.29** | **0.72** |

Refer Note 38 (4) for additional informations.

### NOTE 35 : OTHER EXPENSES

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Travelling expenses | 160.82 | 153.36 |
| Training Expenses | 54.02 | 45.80 |
| Telephone & Postage | 54.10 | 41.92 |
| Advertisement & Publicity | 54.31 | 62.46 |
| Freight Charges | 16.09 | 13.25 |
| Demurrage | 132.71 | 86.90 |
| Security Expenses | 868.26 | 818.41 |
| Hire Charges | 347.96 | 313.04 |
| Legal Expenses | 36.06 | 25.96 |
| Consultancy Charges | 44.67 | 44.84 |
| Under Loading Charges | 772.58 | 662.36 |
| Loss on Sale/Discard/Surveyed of Assets | 2.93 | - |
| Auditor's Remuneration & Expenses | | |
| For Audit Fees | 1.79 | 1.77 |
| For Taxation Matters | 0.22 | 0.18 |
| For Other Services | 1.87 | 1.83 |
| For Reimbursement of Exps. | 1.52 | 1.41 |
| Internal & Other Audit Expenses | 19.02 | 16.69 |
| Rehabilitation Charges | 364.46 | 347.64 |
| Rent | 10.51 | 10.09 |
| Rates & Taxes | 557.80 | 658.41 |
| Insurance | 5.06 | 4.69 |
| Loss on Exchange rate variance | 10.45 | - |
| Rescue/Safety Expenses | 57.38 | 55.50 |
| Dead Rent/Surface Rent | 15.80 | 14.15 |
| Siding Maintenance Charges | 119.09 | 67.59 |
| R & D expenses | 104.44 | 3.33 |
| Environmental & Tree Plantation Expenses | 171.65 | 122.52 |
| Expenses on Buyback of shares | 8.96 | 0.03 |
| Miscellaneous expenses | 746.60 | 629.90 |
| **Total** | **4,741.13** | **4,204.03** |

**NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED**

**NOTE 36 : TAX EXPENSES**

(₹ in Crore)

| | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|
| Current Year | 8,887.44 | 6,737.84 |
| Deferred tax* | 1,095.07 | (2,671.82) |
| MAT Credit Entitlement | (64.44) | (101.39) |
| Earlier Years | (255.62) | (232.32) |
| **Total** | **9,662.45** | **3,732.31** |
| **Reconciliation of tax Expenses and the accounting profit multiplied by India's domestic Tax rate** | | |
| **Profit/(Loss) before tax** | 27,125.46 | 10,770.31 |
| At India's statutory income tax rate of 34.944% (31 March 2018: 34.6081%) | 9478.72 | 3727.40 |
| Less : Adjustment in respect of current income tax of previous year | (255.62) | (232.32) |
| Less: Income exempt form Tax | (329.62) | (159.86) |
| Add: Non-deductible expenses for tax purposes | 768.97 | 397.09 |
| Income Tax Expenses reported in statement of Profit & Loss | **9,662.45** | **3,732.31** |
| Effecive income tax rate : | 35.62% | 34.65% |
| **Deferred tax liability relates to following:** | | |
| Deferred Tax Assets: | | |
| Provision for Doubtful Advances, Claims & Debts | 1252.61 | 1145.61 |
| Employee Benefits | 2065.96 | 3349.90 |
| Others (Includes taxable losses) | 2034.41 | 1774.87 |
| **TOTAL OF (A)** | **5352.98** | **6270.38** |
| Deferred Tax Liability: | | |
| Related to Fixed Assets | 707.08 | 617.33 |
| Others | 376.74 | 298.00 |
| **TOTAL OF (B)** | **1083.82** | **915.33** |
| **Net Deferred Tax Asset/ (Deferred Tax Liability) (A-B)** | **4269.16** | **5355.05** |

**NOTE 37 : OTHER COMPREHENSIVE INCOME**

(₹ in Crore)

| | | For the Year ended 31.03.2019 | For the Year ended 31.03.2018 |
|---|---|---|---|
| **(A)** | **(i) Items that will not be reclassified to profit or loss** | | |
| | Remeasurement of defined benefit plans | (42.53) | 973.37 |
| | | (42.53) | 973.37 |
| | **(ii) Income tax relating to items that will not be reclassified to profit or loss** | | |
| | Remeasurement of defined benefit plans | 59.53 | (330.56) |
| | | 59.53 | (330.56) |
| | **Total (A)** | **17.00** | **642.81** |
| **(B)** | **(i) Items that will be reclassified to profit or loss** | | |
| | Share of OCI in Joint ventures | 0.38 | 0.01 |
| | | 0.38 | 0.01 |
| | **(ii) Income tax relating to items that will be reclassified to profit or loss** | | |
| | Share of OCI in Joint ventures | - | - |
| | | - | - |
| | **Total (B)** | **0.38** | **0.01** |
| | **Total (A+B)** | **17.38** | **642.82** |

## NOTE – 38: ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019 (CONSOLIDATED)

**1. Principles of Consolidation and Financial Reporting of Interest in Jointly Controlled Entities and Subsidiaries**

i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Parent Company, i.e. for the year ended 31ST MARCH, 2019.

ii) The consolidated financial statements relate to Coal India Limited, its wholly owned subsidiary companies, namely, Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Northern Coalfields Limited (NCL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Mahanadi Coalfields Limited (MCL), Central Mine Planning & Design Institute Limited (CMPDIL) & Coal India Africana Limitada (Overseas Subsidiary); joint venture companies, namely, CIL- NTPC Urja Pvt. Limited, International Coal Ventures Pvt. Ltd. (ICVL), Hindustan Urvarak and Rasayan Limited (HURL) and Talcher Fertilizers Limited.

iii) CIL NTPC Urja Pvt. Ltd., a 50:50 joint venture company was formed on 27th April, 2010 between CIL & NTPC and CIL has invested ₹ 0.08 Crore upto 31.03.2019. The management certified financial statements of the above joint venture company upto the year ended 31.03.2019 have been considered in consolidation using Equity Method.

iv) A joint venture company named Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited) was incorporated on 13th November, 2015 under the Companies Act, 2013 by virtue of a joint venture agreement dated 27th October, 2015 among Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited. The joint venture company has authorised share capital of ₹ 100 Crore and issued capital of ₹ 49.03 Crore out of which Coal India Ltd. owns 16344568 shares worth ₹ 16.34 Crore face value of equity shares as on 31.03.2019.The management certified financial statements of the joint venture company for the year ended 31.03.2019 have been considered in consolidation using Equity Method.

v) CIL had entered into a Memorandum of Understanding (vide approval from its Board in 237th meeting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Cabinet, Govt. of India, vide its approval dated 8th November, 2007. The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. has been formed by incorporation under erstwhile Companies Act, 1956 on 20th May, 2009 with an authorised capital of ₹ 1.00 Crore and paid up capital of ₹ 0.70 Crore. The authorised Capital and paid up Capital as on 31.03.2019 stood at ₹ 3500.00 Crore and ₹ 1450.67 Crore respectively. Out of above paid up capital, Coal India Ltd. owns 0.19% share i.e. worth ₹ 2.80 Crore face value of equity shares. The audited financial statements of the joint venture company for the year ended 31.03.2019 have been considered in consolidation using Equity Method.

vi) A joint venture agreement between Coal India Limited (CIL) and NTPC Limited for revival of Sindri& Gorakhpur Fertilizer units of FCIL was executed on 16th May, 2016. Accordingly, a joint venture company named Hindustan Urvarak and Rasayan Limited (HURL) was incorporated on 15th June, 2016 under the Companies Act, 2013.Thereafter, a Supplemental Agreement was executed dated 31st October, 2016 among Coal India Limited (CIL), NTPC Limited, Indian Oil Corporation Limited (IOCL), Fertilizer Corporation of India Limited (FCIL) and Hindustan Fertilizer Corporation Limited (HFCL) for revival of Sindri & Gorakhpur Fertilizer units of FCIL and Barauni unit of HFCL through HURL. The joint venture company has authorised share capital of ₹ 5300 Crore divide into 530 crore equity shares of ₹ 10 each. It is agreed in line with cabinet approval dated 13.07.2016 that FCIL and HFCL shall together hold 10.99% equity shareholding in the company at the time of commencement of commercial production of the Project and the other three parties i.e. CIL, NTPC and IOCL shall have equal equity shareholding after providing shares to FCIL and HFCL together.

The joint venture company has issued and paid up share capital of ₹ 1321.00 Crore out of which Coal India Ltd. owns 440325000 shares worth ₹ 440.32 Crore face value of equity shares as on 31.03.2019. The audited financial statements of the joint venture company for the year ended 31.03.2019 have been considered in consolidation using Equity Method.

vii) The financial statements of Mahanadi Coalfields Ltd. (MCL) have been consolidated with its four subsidiary companies – MNH Shakti Limited, MJSJ Coal Limited, Mahanadi Basin Power Limited and Mahanadi Coal Railways Limited.

viii) In Mahanadi Coalfields Ltd. (MCL), a joint venture company named Neelanchal Power Transmission Company Pvt. Limited was incorporated by virtue of a joint venture agreement between MCL and Odisha Power Transmission Corporation Limited on 8th January, 2013. Upto30.09.2018, MCL has incurred 0.02 Crore (0.02 Crore) for miscellaneous expenses incidental for incorporation. The Company has now been dissolved and struck off from ROC, Cuttack on 28.06.2018, hence the amount receivable from the JV has been written off from the book of accounts.

ix) On incorporation of subsidiaries on the basis of joint venture agreement as per directives from the Ministry of Coal, MCL has deposited money / transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2019 is as under:-

| Name of Subsidiary | Stake in Subsidiary | Date of Incorporation | Address | % of Equity interest | |
|---|---|---|---|---|---|
| | | | | 31.03.2019 | 31.03.2018 |
| 1) MNH Shakti Ltd. | 70% | 16.07.2008 | Ananda Vihar, Burla, Sambalpur | 70 | 70 |
| 2) MJSJ Coal Ltd. | 60% | 13.08.2008 | House No. 42,1st Floor, Anand Nagar, Hakim Para, Angul | 60 | 60 |
| 3) Mahanadi Basin Power Ltd. | 100% | 02.12.2011 | Plot No. G-3, Mancheswar Railway Colony, Bhubaneswar | 100 | 100 |
| 4) Mahanadi Coal Railway Ltd. | 64% | 31.08.2015 | MDF Room, Corporate Office, MCL HQ, Jagriti Vihar, Burla, Sambalpur | 64 | 64 |

All the subsidiaries are in development stage and the related expenditure has been consolidated.

x) On incorporation of subsidiaries, in terms of Memorandum of Understanding (MOU) signed on 03.11.2012 between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh (GoCG) for establishment of two Railway Corridors viz., East Corridor and East West Corridor, 2 (two) Subsidiary Companies of SECL have been incorporated under the erstwhile Companies Act, 1956 viz., M/s Chhattisgarh East Railway Limited (CERL) and M/s Chhattisgarh East-West Railway Limited (CEWRL) has deposited money/transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2019 is as under:-

| Name of Subsidiary | Stake in Subsidiary | Date of Incorporation | Address | Non-Controlling Interest |
|---|---|---|---|---|
| 1) M/s Chhattisgarh East Railway Limited | 67.23% | 12.03.2013 | Mahadeo Ghat Road, Raipura Chowk, Raipur-492013 | 139.04 Crore |
| 2) M/s Chhattisgarh East-West Railway Limited | 64.06% | 25.03.2013 | Mahadeo Ghat Road, Raipura Chowk, Raipur-492013 | 180.97 Crore |
| **Total** | | | | **₹ 320.01 Crore** |

All the subsidiaries are in development stage and the related expenditure has been consolidated.

xi) In terms of Memorandum of Understanding signed on 07.05.2015 between Central Coalfields Limited (CCL), IRCON International Limited (IRCON) and the Govt. of Jharkhand for development, financing and implementation of Railway Infrastructure works in the State of Jharkhand, a Subsidiary Company named as Jharkhand Central Railway limited (JCRL) has been incorporated on 31.08.2015 under the Companies Act, 2013 with an authorised share capital of ₹ 5 Crore, which was subsequently been increased to ₹ 500 Crores. The committed equity share holding pattern, as per MOA of CCL, IRCON International Limited and Govt. of Jharkhand are 64%, 26% and 10% respectively.

As on Balance sheet date, JCRL has allotted shares to the value of ₹ 32.00 Crore to CCL and in case of IRCON International Limited and Government of Jharkhand, shares have been allotted for ₹ 13.00 Crore and ₹ 5.00 Crore respectively. The paid-up capital of JCRL as on 31.03.2019 is ₹ 50.00 Crore.

JCRL has a Profit Before Tax of ₹ 1.77 Crore (Loss- ₹ 0.03Crore) for the year ended 31.03.2019.

The reviewed Financial Statements of the above subsidiary company upto the year ended 31.03.2019 have been considered in consolidation.

xii) **Investment in Subsidiary (Overseas)**

Coal India Ltd., formed a 100% owned subsidiary in Republic of Mozambique, named "Coal India Africana Limitada" (CIAL). The initial paid up capital on such formation (known as "Quota Capital") was ₹ 0.01 Crore (USD 1000). The financial statements upto 31.03.2019 of CIAL has been prepared in accordance with General Accounting Plan for small entities in Mozambique (PGC-PE) and has been audited by the auditor of Mozambique which have been considered for consolidation. Adjustment for difference with Indian GAAP, if any, being insignificant has not been considered.

xiii) Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding the consolidated position of the group. Recognizing this purpose, the Group has disclosed only such Policies and Notes from individual financial statements, which fairly present the needed disclosure.

xiv) **Additional information relating to Subsidiaries/ Joint Ventures (As per schedule III of Companies Act, 2013)**

| Name of the entity | Net Assets, i.e., Total Assets minus Total Liabilities | | Share in Profit or Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| | As % of Consolidated Net Assets | Amount (₹in Crore) | As % of Consolidated Profit or Loss | Amount (₹in Crore) | As % of Consolidated Other Comprehensive Income | Amount (₹in Crore) | As % of Consolidated Income | Amount (₹in Crore) |
| **Coal India Limited** | 22.43 | 5,932.31 | 2.98 | 519.77 | -65.71 | (11.42) | 2.91 | 508.35 |
| **Subsidiaries** | | | | | | | | |
| **Indian** | | | | | | | | |
| Eastern Coalfields Ltd. | 3.96 | 1048.51 | 4.29 | 748.77 | (243.90) | (42.39) | 4.04 | 706.38 |
| Bharat Coking Coal Ltd. | 3.98 | 1052.32 | 1.65 | 288.77 | 775.89 | 134.85 | 2.42 | 423.62 |
| Central Coalfields Ltd. | 19.45 | 5143.04 | 9.77 | 1705.22 | (113.29) | (19.69) | 9.64 | 1685.53 |
| Northern Coalfields Ltd. | 15.79 | 4177.70 | 23.54 | 4111.28 | (168.58) | (29.30) | 23.35 | 4081.98 |
| Western Coalfields Ltd. | 4.25 | 1124.89 | 1.54 | 269.33 | (75.89) | (13.19) | 1.47 | 256.14 |
| South Eastern Coalfields Ltd. | 13.73 | 3631.03 | 20.68 | 3611.37 | 74.17 | 12.89 | 20.73 | 3624.26 |
| Mahanadi Coalfields Ltd. | 14.56 | 3851.90 | 34.57 | 6035.95 | (60.93) | (10.59) | 34.47 | 6025.36 |
| Central Mine Planning & Design Institute Ltd. | 1.76 | 466.82 | 0.99 | 173.27 | (23.94) | (4.16) | 0.97 | 169.11 |
| **Foreign** | | | | | | | | |

| Name of the entity | Net Assets, i.e., Total Assets minus Total Liabilities | | Share in Profit or Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| | As % of Consolidated Net Assets | Amount (₹in Crore) | As % of Consolidated Profit or Loss | Amount (₹in Crore) | As % of Consolidated Other Comprehensive Income | Amount (₹in Crore) | As % of Consolidated Income | Amount (₹in Crore) |
| Coal India Africana Limitada, Mozambique | (0.11) | (30.05) | (0.01) | (0.72) | 0.00 | 0.00 | 0.00 | (0.72) |
| **Less: Non Controlling Interest in all Subsidiaries** | 1.54 | 406.78 | 0.01 | 0.33 | 0.00 | 0.00 | 0.00 | 0.33 |
| **Total (A)** | **98.25** | **25991.69** | **100.00** | **17462.68** | **97.81** | **17.00** | **100.00** | **17479.68** |
| **Joint Ventures (Investment as per the Equity Method)** | | | | | | | | |
| **Indian** | | | | | | | | |
| International Coal Ventures Private Ltd. | 0.03 | 7.35 | 0.00 | (0.22) | 2.19 | 0.38 | 0.00 | 0.16 |
| CIL NTPC Urja Private Ltd. | 0.00 | 0.03 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Talcher Fertilizers Ltd. | 0.04 | 11.27 | (0.03) | (5.08) | 0.00 | 0.00 | (0.03) | (5.08) |
| Hindustan Urvarak and Rasayan Limited | 1.68 | 443.58 | 0.03 | 4.47 | 0.00 | 0.00 | 0.03 | 4.47 |
| **Total (B)** | **1.75** | **462.23** | 0.00 | **(0.83)** | **2.19** | **0.38** | **0.00** | **(0.45)** |
| **Total (A+B)** | **100.00** | **26453.92** | **100.00** | **17461.85** | **100.00** | **17.38** | **100.00** | **17479.23** |

xv) Statement containing salient features of the financial statements of Subsidiaries/Joint Ventures of Coal India Limited pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, in form AOC I is attached in ANNEXURE-X.

**2. Fair Value Measurement**

**(a) Financial Instruments by Category** **(₹ in Crore)**

| | 31st March, 2019 | | 31st March 2018 | |
|---|---|---|---|---|
| | FVTPL | Amortised cost | FVTPL | Amortised cost |
| **Financial Assets** | | | | |
| Investments* : | | | | |
| Secured Bonds | | 958.70 | | 958.70 |
| Co-Operative Shares | | 0.08 | | 0.08 |
| Mutual Fund/ ICD | 1749.96 | | 400.57 | |
| Loans | | 1644.06 | | 1023.77 |
| Deposits & receivable | | 15844.09 | | 14699.66 |
| Trade receivables** | | 5498.55 | | 6257.80 |
| Cash & cash equivalents | | 2275.71 | | 3997.67 |
| Other Bank Balances | | 28848.52 | | 27282.31 |
| **Financial Liabilities** | | | | |
| Borrowings | | 2202.74 | | 1530.94 |
| Trade payables*** | | 6815.51 | | 6974.40 |
| Security Deposit and Earnest money | | 2489.15 | | 2461.62 |
| Other Liabilities*** | | 1554.83 | | 1720.62 |

* Investment in Equity Shares in Joint Ventures are measured using Equity method which stands at ₹ 462.23 Crore as on 31.03.2019 (₹ 344.28 Crore -31.03.2018) and are not included above.

** Allowance for Coal Quality Variance deducted from Trade Receivable.

***Liability for Salary, Wages and Allowances included in Trade Payables instead of Other Financial Liabilities

**(b) Fair value hierarchy**

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard.

(₹ in Crore)

| Financial assets and liabilities measured at fair value | 31st March, 2019 | | 31st March 2018 | |
|---|---|---|---|---|
| | Level 1 | Level 3 | Level 1 | Level 3 |
| **Financial Assets at FVTPL** | | | | |
| Investments : | | | | |
| Mutual Fund/ICD | 1749.96 | | 400.57 | |

(₹ in Crore)

| Financial assets and liabilities measured at amortised cost for which fair values are disclosed | 31st March, 2019 | | 31st March 2018 | |
|---|---|---|---|---|
| | Level 1 | Level 3 | Level 1 | Level 3 |
| **Financial Assets** | | | | |
| Investments : | | | | |
| Secured Bonds | | 958.70 | | 958.70 |
| Co-Operative Share | | 0.08 | | 0.08 |
| Loans | | 1644.06 | | 1023.77 |
| Deposits & receivable | | 15844.09 | | 14699.66 |
| Trade receivables | | 5498.55 | | 6257.80 |
| Cash & cash equivalents | | 2275.71 | | 3997.67 |
| Other Bank Balances | | 28848.52 | | 27282.31 |
| **Financial Liabilities** | | | | |
| Borrowings | | 2202.74 | | 1530.94 |
| Trade payables | | 6815.51 | | 6974.40 |
| Security Deposit and Earnest money | | 2489.15 | | 2461.62 |
| Other Liabilities | | 1554.83 | | 1720.62 |

A brief of each level is given below:

**Level 1**: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

**Level 2**: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3**: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments, security deposits and other liabilities taken included in level 3.

**(c) Valuation technique used in determining fair value**

Valuation techniques used to value financial instruments include the use of quoted market prices (NAV) of instruments in respect of investment in Mutual Funds.

**(d) Fair value measurements using significant unobservable inputs**

At present there are no fair value measurements using significant unobservable inputs.

**(e) Fair values of financial assets and liabilities measured at amortised cost**

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Group considers that the Security Deposits does not include a significant financing component. Security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the group, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

**Significant estimates**: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a method and makes suitable assumptions at the end of each reporting year.

**3. Financial Risk Management**

**Financial risk management objectives and policies**

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Group. The risk committee provides assurance to the Board of Directors that the Group's financial risk activities are governed

by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit Risk | Cash and Cash equivalents, trade receivales financial asset measured at amortised cost | Ageing analysis/ Credit rating | Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities |
| Liquidity Risk | Borrowings and other liabilities | Yearly cash flows | Availability of committed credit lines and borrowing facilities |
| Market Risk-foreign exchange | Future commercial transactions, recognised financial assets and liabilities not denominated in INR | Cash flow forecast sensitivity analysis | Regular watch and review by senior management and audit committee. |
| Market Risk-interest rate | Cash and Cash equivalents, Bank deposits and mutual funds | Cash flow forecast sensitivity analysis | Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee. |

The Group risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principles for overall risk management as well as policies covering investment of excess liquidity.

**Credit risk management:**

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms

**Fuel Supply Agreements (FSAs)**

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the group enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs")); and
- FSAs with State Nominated Agencies.

**E-Auction Scheme**

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

**Provision for expected credit loss:** The Group provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit Losses for trade receivables under simplified approach:-

**As on 31.03.2019** **(₹ in Crore)**

| Ageing | Due for 2 months | Due for 6 months | Due for 1 year | Due for 2 year | Due for 3 year | Due for more than 3 year | Total |
|---|---|---|---|---|---|---|---|
| Gross carrying amount | 3595.73 | 929.91 | 701.66 | 622.53 | 428.67 | 941.81 | 7220.31 |
| Expected loss rate | 3.02% | 21.14% | 55.11% | 27.13% | 20.13% | 82.25% | 23.85% |
| Expected credit losses (Loss allowance provision) | 108.72 | 196.54 | 386.65 | 168.92 | 86.31 | 774.62 | 1721.76 |

**As on 31.03.2018** **(₹ in Crore)**

| Ageing | Due for 2 months | Due for 6 months | Due for 1 year | Due for 2 year | Due for 3 year | Due for more than 3 year | Total |
|---|---|---|---|---|---|---|---|
| Gross carrying amount | 2727.83 | 947.47 | 1491.52 | 995.37 | 832.31 | 1006.21 | 8000.71 |
| Expected loss rate | 3.66% | 9.56% | 27.43% | 18.21% | 20.70% | 78.50% | 21.78% |
| Expected credit losses (Loss allowance provision) | 99.82 | 90.54 | 409.17 | 181.24 | 172.27 | 789.87 | 1742.91 |

**Reconciliation of loss allowance provision – Trade receivables**

**(₹ in Crore)**

| | |
|---|---|
| Loss allowance on 31.03.2018 | 1742.91 |
| Change in loss allowance | (21.15) |
| Loss allowance on 31.03.2019 | 1721.76 |

**Significant estimates and judgments for Impairment of financial assets**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Group.The bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stores and spare parts and book debts of CIL and its Subsidiary Companies within consortium of banks. The total working capital credit limit available to CIL is ₹ 535.00 Crore (₹ 550.00 Crore), of which fund based limit is ₹ 240.00 Crore (₹ 250.00 Crore) and non-fund based limit is ₹ 295.00 crore (₹ 300.00 Crore). Further, ₹ 5000.00 crore (₹ 5000.00 Crore) was set up as non-fund based limit outside consortium in order to facilitate import of HEMM. Coal India Limited is contingently liable to the extent such facility is actually utilized by the Subsidiary Companies.

**Market risk**

**a) Foreign currency risk**

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Group's functional currency(INR).The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Group also imports and risk is managed by regular follow up. Group has a policy which is implemented when foreign currency risk becomes significant.

**b) Cash flow and fair value interest rate risk**

The Group's main interest rate risk arises from bank deposits with change in interest rate exposes the Group to cash flow interest rate risk. Grouppolicy is to maintain most of its deposits at fixed rate.

Group manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

**Capital management**

The Group being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

**Capital Structure of the Group is as follows:**

**(₹ in Crore)**

| | **31.03.2019** | **31.03.2018** |
|---|---|---|
| **Equity Share capital** | 6162.73 | 6207.41 |
| **Long term debt** | 1472.27 | 1054.40 |

**4. Employee Benefits: Recognition and Measurement (Ind AS-19)**

**a) Gratuity**

Gratuity is maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting year less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income.

**b) Leave encashment**

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting year using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting year that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

**c) Provident Fund**:

Group pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund during the year is ₹ 4798.91 Crore (₹ 2781.26 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

**d)** The Group operates some defined benefit plans as follows which are valued on actuarial basis:

**(i) Funded**

- o Gratuity
- o Leave Encashment
- o Medical Benefits
- o Pension Scheme

**(ii) Unfunded**

- o Life Cover Scheme
- o Settlement Allowance
- o Group Personal Accident Insurance
- o Leave Travel Concession
- o Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2019 based on valuation made by the Actuary, details of which are mentioned below

**(₹ in Crore)**

| Particulars | Opening Actuarial Liability as on 01.04.2018 | Incremental Liability during the period | Closing Actuarial Liability as on 31.03.2019 |
|---|---|---|---|
| Gratuity | 19835.52 | 126.62 | 19962.14 |
| Earned Leave | 2941.73 | 265.66 | 3207.39 |
| Half Pay Leave | 408.13 | 88.10 | 496.23 |
| Life Cover Scheme | 77.22 | (1.97) | 75.25 |
| Settlement Allowance Executives | 57.04 | (0.37) | 56.67 |
| Settlement Allowance Non-executives | 140.25 | (4.24) | 136.01 |
| Gross Personal Accident Insurance Scheme | 1.07 | (0.01) | 1.06 |
| Leave Travel Concession | 317.81 | (46.13) | 271.68 |
| Medical Benefits Executives | 1123.76 | (12.29) | 1111.47 |
| Medical Benefits Non-Executives | 101.67 | 57.14 | 158.81 |
| Compensation to dependents in case of mine accidental death | 176.25 | (9.28) | 166.97 |
| **Total** | 25180.45 | 463.23 | 25643.68 |

**ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2019**
**CERTIFICATES AS PER IND AS 19 (2015)**

**(₹ in Crore)**

| Changes in Present Value of defined benefit obligations | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Present Value of obligation at beginning of the year | 19835.52 | 13082.73 |
| Current Service Cost | 838.56 | 819.28 |
| Interest Cost | 1409.66 | 954.69 |
| Plan amendments : vested portion at end of year (past service) | 0.00 | 7372.94 |
| Actuarial (Gain) / Loss on obligations due to change in financial assumption | 199.43 | (807.73) |
| Actuarial (Gain) / Loss on obligations due to unexpected experience | 8.28 | (183.90) |
| Benefits Paid | (2329.31) | (1402.49) |
| Present Value of obligation at end of the year | 19962.14 | 19835.52 |

**(₹ in Crore)**

| Changes in Fair Value of Plan Assets | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Fair Value of Plan Asset at beginning of the year | 13905.57 | 12900.40 |
| Interest Income | 1050.44 | 991.29 |
| Employer Contributions | 4522.94 | 1434.62 |
| Benefits Paid | (2329.31) | (1402.49) |
| Return on Plan Assets excluding Interest income | 165.17 | (18.25) |
| Fair Value of Plan Asset as at end of the year | 17314.81 | 13905.57 |

(₹ in Crore)

| Statement showing reconciliation to Balance Sheet | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Funded Status | (2647.33) | (5929.95) |
| Unrecognized actuarial (gain) / loss at end of the year | - | - |
| Fund Asset | 17314.81 | 13905.57 |
| Fund Liability | 19962.14 | 19835.52 |

(₹ in Crore)

| Statement showing Plan Assumptions: | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Discount Rate | 7.55% | 7.71% |
| Expected Return on Plan Asset | 7.55% | 7.71% |
| Rate of Compensation Increase (Salary Inflation) | Executives-9.00%<br>Non-Executives- 6.25% | Executives-9.00%<br>Non-Executives- 6.25% |
| Mortality Table | IALM 2006-2008 ULTIMATE | |
| Superannuation at Age | 60 | 60 |
| Early Retirement and Disablement | 0.30% p.a. | 0.30% p.a. |

(₹ in Crore)

| Expense Recognized in Statement of Profit / Loss : | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current Service Cost | 838.56 | 819.28 |
| Past service cost (vested) | 0.00 | 7372.94 |
| Net Interest Cost | 359.22 | (36.60) |
| Benefit Cost (Expense recognised in Statement of Profit/Loss) | 1197.78 | 8155.62 |

(₹ in Crore)

| Other Comprehensive Income : | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Actuarial (Gain) / Loss on obligations due to change in financial assumption | 199.43 | (807.73) |
| Actuarial (Gain) / Loss on obligations due to unexpected experience | 8.28 | (183.90) |
| Total Actuarial (Gain) / Loss | 207.71 | 991.63 |
| Return on Plan Asset, excluding Interest Income | 165.17 | (18.25) |
| Net (Income) / Expense for the year recognised in Other Comprehensive Income | 42.54 | (973.38) |

| Mortality Table | |
|---|---|
| Age | Mortality (Per Annum) |
| 25 | 0.000984 |
| 30 | 0.001056 |
| 35 | 0.001282 |
| 40 | 0.001803 |
| 45 | 0.002874 |
| 50 | 0.004946 |
| 55 | 0.007888 |
| 60 | 0.011534 |
| 65 | 0.0170085 |
| 70 | 0.0258545 |

| Sensitivity Analysis of Gratuity Liability | 31.03.2019 (₹ in Crore) | |
|---|---|---|
| | Increased Figure | Decreased Figure |
| Discount Rate (-/+ 0.5%) | 19350.69 | 20609.70 |
| %Change Compared to base due to sensitivity | -3.063% | 3.244% |
| Salary Growth (-/+ 0.5%) | 20355.62 | 19558.49 |
| %Change Compared to base due to sensitivity | 1.871% | -2.022% |
| Attrition Rate (-/+ 0.5%) | 19976.90 | 19947.36 |
| %Change Compared to base due to sensitivity | 0.074% | -0.074% |
| Mortality Rate (-/+ 10%) | 20072.52 | 19851.74 |
| %Change Compared to base due to sensitivity | 0.553% | -0.553% |

**(₹ in Crore)**

| Bifurcation of Net Liability | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current Liability | 2696.88 | 2543.14 |
| Non-Current Liability | 17265.26 | 17292.38 |
| Net Liability | 19962.14 | 19835.52 |

**ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2019**
**CERTIFICATES AS PER IND AS 19 (2015)**

**(₹ in Crore)**

| Changes in Present Value of defined benefit obligations | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Present Value of obligation at beginning of the year | 3349.86 | 3852.50 |
| Current Service Cost | 483.11 | 365.90 |
| Interest Cost | 222.90 | 267.55 |
| Actuarial (Gain) / Loss on obligations due to change in financial assumption | 45.26 | (164.02) |
| Actuarial (Gain) / Loss on obligations due to unexpected experience | 398.01 | (207.43) |
| Benefits Paid | (795.52) | (764.64) |
| Present Value of obligation at end of the year | 3703.62 | 3349.86 |

**(₹ in Crore)**

| Changes in Fair Value of Plan Assets | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Fair Value of Plan Asset at beginning of the year | 2092.79 | 1879.82 |
| Interest Income | 158.01 | 144.93 |
| Employer Contributions | 488.80 | 819.09 |
| Benefits Paid | (778.87) | (754.31) |
| Return on Plan Assets excluding Interest income | (32.25) | 3.26 |
| Fair Value of Plan Asset as at end of the year | 1928.48 | 2092.79 |

**(₹ in Crore)**

| Statement showing reconciliation to Balance Sheet | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Funded Status | (1775.14) | (1257.07) |
| Fund Asset | 1928.48 | 2092.79 |
| Fund Liability | 3703.62 | 3349.86 |

(₹ in Crore)

| Statement showing Plan Assumptions: | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Discount Rate | 7.55% | 7.71% |
| Expected Return on Plan Asset | 7.55% | 7.71% |
| Rate of Compensation Increase (Salary Inflation) | 9.00% for Executives and 6.25% for Non-Executives | 9.00% for Executives and 6.25% for Non-Executives |
| Mortality Table | IALM 2006-2008 ULTIMATE | |
| Superannuation at Age | 60 | 60 |
| Early Retirement and Disablement | 0.30% p.a. | 0.30% p.a. |
| Voluntary Retirement | Ignored | Ignored |

(₹ in Crore)

| Expense Recognized in Statement of Profit / Loss | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current Service Cost | 483.11 | 365.90 |
| Net Interest Cost | 64.89 | 122.62 |
| Net Actuarial Gain / Loss | 475.52 | (374.71) |
| Benefit Cost (Expense recognised in Statement of Profit/Loss) | 1023.52 | 113.81 |

| Mortality Table | |
|---|---|
| Age | Mortality (Per Annum) |
| 25 | 0.000984 |
| 30 | 0.001056 |
| 35 | 0.001282 |
| 40 | 0.001803 |
| 45 | 0.002874 |
| 50 | 0.004946 |
| 55 | 0.007888 |
| 60 | 0.011534 |
| 65 | 0.0170085 |
| 70 | 0.0258545 |

(₹ in Crore)

| Bifurcation of Net Liability | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|
| Current Liability | 371.44 | 330.01 |
| Non-Current Liability | 3332.18 | 3019.85 |
| Net Liability | 3703.62 | 3349.86 |

**5. Unrecognized items**

**a) Contingent Liabilities**

**I. Claims against the group not acknowledged as debt**

(₹ in Crore)

| | Central Govt. | State Govt. and Local authorities | Central Public Sector Enterprises | Others | Total |
|---|---|---|---|---|---|
| **Opening as on 01.04.2018** | **22,011.49** | **51352.73** | **92.11** | **4,514.30** | **77970.63** |
| Addition during the year | 6147.64 | 2482.64 | - | 555.44 | 9185.72 |
| **Claim settled during the year:** | | | | | |
| a. From Opening Balance | 2869.35 | 701.75 | - | 1029.18 | 4600.28 |
| b. Out of addition during the year | 0.20 | - | - | 3.19 | 3.39 |
| **Closing as on 31.03.2019** | **25289.58** | **53133.62** | **92.11** | **4037.37** | **82552.68** |

The management of the group believes that the outcome of the above will not have any material adverse effect on the group.

**CIL**

The Competition Commission of India (CCI), on the basis of complaints by few coal customers (called as 'informant' in the case) against certain conducts of M/s Coal India Limited, M/s Western Coalfields Limited, M/s South Eastern Coalfields Limited, M/s Mahanadi Coalfields Limited (called as 'opposite' party in the case) heard the case and vide its order dated 09.12.2013, had inter-alia imposed a penalty of ₹1773.05 Crores. The appeal against the above order was filed with Competition Appellate Tribunal and as per their judgement dated 17.05.2016 appeal of Coal India Limited has been allowed, impugned orders of CCI have been set aside and the matters are remitted back to the Commission for deciding the issues arising out of the information afresh. The CCI passed the fresh impugned Order on 24th March,2017 with a reduction of penalty to ₹ 591.01 Crores. Coal India Ltd. has filed appeal before the NCLAT against the Fresh Impugned Order and a stay has been granted on the operation of Impugned Order

**ECL**

**Demand of State of Jharkhand and District Mining Officer Dhanbad as penalty for illegal or unlawful Mined Mineral under MMDR Act 1957 on the basis of judgment of Hon'ble Supreme Court:**

Government of Jharkhand has raised a demand under Mines and Minerals (Development and Regulation) Act, 1957 as a penalty for illegally or unlawfully mined mineral of ₹ 2,178.14 Crore. State of Jharkhand and District Mining Officer, Dhanbad had issued 11 Demand notices to Rajmahal area, S.P Mines and Mugma area claiming the penalty mentioned above. CGM (GM I/C), Rajmahal, SP Mine, Mugma Area of ECL have filed 11 Revision Application challenging the Demand notices issued by the State of Jharkhand regarding alleged violation before the Revisional Authority, Ministry of Coal, Government of India.

The above Revision Applications are admitted by MOC by staying the execution of the 11 notices as mentioned above in the exercise of power under rule 55(v) of Mineral Concession Rules 1960 read with section 30 of MMDR Act. MOC had also directed that no coercive action will be taken against the applicants by the respondents pursuant to the impugned Demand notices. Government of Jharkhand was directed to file a reply to the revision applications within the prescribed time of 3 months from the date of service of copy revision applications. The reply to the Revision Applications by the Government of Jharkhand has not yet been forwarded to the applicant i.e. Rajmahal Area, ECL for filing Rejoinders. In view of above Rajmahal, S. P. Mines and Mugma area of ECL have made a prima facie case and the balance of convenience is in their favour subject to decision of revision petition.

**BCCL**

Demand notices amounting to ₹ 17344.46 crore have been issued in respect of 47 Projects/Mines/Collieries of the Company by State Government in pursuance of the judgment dated 02.08.2017 of Hon'ble Supreme Court of India vide W.P. (C) No. 114 of 2014 in Common Cause vs. Union of India & Ors. It has been alleged that Coal Production have been undertaken either without Environmental Clearance, Forest Clearance, Consent to operate and/or NOC/Consent to Establish or beyond the approved limits of production given under such clearances. The execution of the above demand notices is stayed in exercise of the power under rule 55(5) of Mineral Concession Rules, 1960 read with Sec 30 of the MMDR Act, till further order. Accordingly, the above amount has been shown as Contingent Liability

In BCCL, due to dispute on Lease Agreement of Captive Power Plant (WJ Area), the Service Tax on outstanding Lease Rent from 2nd Nine-Months of 2014-15 (Service Tax for the 1st Nine-Months of 2014-15 on the corresponding outstanding Lease Rent already paid) to 3rd Nine-Months of 2015-2016 (Plant handed over to the Company on 15.12.2016) amounting to ₹1.06 Crore has been shown under Contingent Liability.

BCCL has preferred a writ petition bearing no. WP(T)3583 of 2015 before Hon'ble Jharkhand High Court against Demand Notice from Dhanbad Municipal Corporation for payment of Holding Tax amounting to ₹252.23 Crore. Since the matter is sub-judice the same has been shown as Contingent Liability.

As per the terms of Agreement, there are Receivables from DLF against cost of supply of (i) rejects and (ii) startup/back up / emergency power by Madhuban Coal Washery (MCW) to DLF and Payables to DLF for Energy received by MCW from Captive Power Plant (CPP) installed by DLF. The matter is sub-judice-one at Dhanbad Court and another at Appellate Tribunal for Electricity, New Delhi—on account of disputes over price/quality of rejects vis-à-vis below guaranteed performance of CPP. Accordingly, Interest receivable/payable on net outstanding has not been accounted for at this stage. However, the net interest @ 18% p.a simple upto 31st March, 2019 comes to ₹28.40 Crore (upto 31st March, 2018 ₹ 26.69 Crore) payable to DLF and has so been considered as Contingent Liability.

**CCL**

Following the judgment of the Hon'ble Supreme Court of India in the case of Common Cause vs. UOI and Others (W.P. (C) No. 114 of 2014), certain District Mining Officers of Jharkhand, issued demand notices in 41 projects, alleging the production in these projects exceeding the available Environmental Clearances limits.

The Company has duly filed revision petition against the above demands, before the Hon'ble Coal Tribunal, Ministry of Coal, Govt. of India, the adjudicating authority under the MMDR, Act. The Revisional Authority Ministry of Coal Govt. of India in their interim order dated 16.01.2018 has admitted the revision application and stayed the execution of the demand order (of ₹13389.38 Crores) till further order.

The demand notice was issued in favour of CCL on behalf of 41 projects and the issue is dealt by Environmental Department of CCL, hence, the same is kept at HQ. and shown under contingent liability of CCL.

**SECL**

Collector –Raigarh & Korba have issued show cause / demand notices demanding ₹ 10129.21 Crore for excess production beyond the limit of Environment clearance, Mining plans and Section 21(5) of the MMDR Act etc. Replies /Appeal to some notices has been submitted to respective collectors and some replies are under process for legal vetting.

**MCL**

₹ 86.66 crores towards demand received from Executive Engineer Burla Irrigation Division, Burla for drawal of Surface water and ground water by Lajkura OCP & Samleswari OCP of IB Valley Area for the period 01.10.2010 to 31.08.2017. As decided in the meeting held on 29.03.2017 under the Chairmanship of Chief Secretary, Odisha, all dues of MCL were settled up to 28.02.2017 after one time settlement of ₹147.83 crores. As per the

letter from Head of Directorate of Water services to the EIC- cum - Special Secretary to Government in DoWR, raising of demand in penal rates is not justified after the date of receipt of their application in Form 'J' and directed the Executive Engineers to review their demands as per provision of the Orissa Irrigation Act: section 28(B). Further no revised demand has been received till date. As the reliable estimate of demand for principal amount cannot be made & as per Ind AS 37, in the absence of reliable estimate, provision /contingent liability are not to be recognized. Hence there is no recognition in the books of accounts.

**II. Guarantee**

As on 31.03.2019 Bank guarantee issued is ₹438.43Crore (₹410.83Crore).

**III. Letter of Credit**

As on 31.03.2019 outstanding letters of credit is ₹109.56 Crore (₹118.14Crore).

**b) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for: ₹6788.67 Crore (₹5660.43Crore).

Other Commitments: ₹40244.68 Crore (₹36274.58 Crore).

**6. Group Information**

| Name | Principal activities | Country of Incorporation | % Equity Interest | |
|---|---|---|---|---|
| | | | 31st March, 2019 | 31st March, 2018 |
| Eastern Coalfields Limited | Coal mining | India | 100 | 100 |
| Bharat Coking Coal Limited | Coal mining | India | 100 | 100 |
| Central Coalfields Limited | Coal mining | India | 100 | 100 |
| Northern Coalfields Limited | Coal mining | India | 100 | 100 |
| Western Coalfields Limited | Coal mining | India | 100 | 100 |
| South Eastern Coalfields Limited | Coal mining | India | 100 | 100 |
| Mahanadi Coalfields Limited | Coal mining | India | 100 | 100 |
| CMPDI Limited | Consultancy support in Coal and Mineral exploration | India | 100 | 100 |

**7. Other Information**

**a) Provisions**

The position and movement of various provisions as per Ind AS-37 except those relating to employee benefits which are valued actuarially,as on 31.03.2019 are given below:

**(₹ in Crore)**

| Provisions | Opening Balance as on 01.04.2018 | Addition during the year | Write back/Adj./ Paid during the year | Unwinding of Discount | Closing Balance as on 31/03/2019 |
|---|---|---|---|---|---|
| **Note 3:- Property, Plant and Equipments :** | | | | | |
| Impairment of Assets : | 102.10 | 1.06 | 24.85 | — | 78.31 |
| **Note 4:- Capital Work in Progress :** | | | | | |
| Against CWIP : | 32.11 | 0.12 | 20.50 | — | 11.73 |
| **Note 5:- Exploration And Evaluation Assets :** | | | | | |
| Provision and Impairment : | - | 8.85 | — | — | 8.85 |
| **Note 8:- Loans :** | | | | | |
| Other Loans : | 1.63 | 0.34 | — | — | 1.97 |
| **Note 9:- Other Financial Assets:** | | | | | |
| Security Deposit for utilities | 0.17 | — | 0.16 | — | 0.01 |
| Other Deposit and Receivables | 57.57 | — | 29.17 | — | 28.40 |
| Claims & other receivables | 43.78 | 22.06 | — | — | 65.84 |
| **Note 10:- Other Non-Current Assets :** | | | | | |
| Capital Advances | 9.98 | — | 1.39 | — | 8.59 |
| Security Deposit for utilities | 2.37 | — | 0.03 | — | 2.34 |
| Other Deposits and Advances | 1.45 | 0.11 | — | — | 1.56 |
| **Note 11:- Other Current Assets:** | | | | | |
| Advance for Revenue (goods & services) | 7.33 | 1.61 | — | — | 8.94 |
| Advance payment of statutory dues | 0.33 | — | 0.02 | — | 0.31 |

| Provisions | Opening Balance as on 01.04.2018 | Addition during the year | Write back/Adj./ Paid during the year | Unwinding of Discount | Closing Balance as on 31/03/2019 |
|---|---|---|---|---|---|
| Other Advances and Deposits | 23.37 | 0.51 | — | — | 23.88 |
| **Note 13:-Trade Receivables :** | | | | | |
| Provision for bad & doubtful debts : | 1742.91 | — | 21.15 | —- | 1721.76 |
| **Note 21 :- Non-Current & Current Provision :** | | | | | |
| Gratuity | 6194.22 | | 3235.40 | | 2958.82 |
| Leave Encashment | 1266.79 | 1581.26 | 1062.37 | | 1785.68 |
| Ex- Gratia | 1634.11 | 1564.06 | 1548.53 | | 1649.64 |
| Performance Related Pay | 481.63 | 1546.77 | 831.52 | | 1196.88 |
| Other Employee Benefits | 3562.04 | | 1335.02 | | 2227.02 |
| NCWA-X | 3742.83 | | 3742.83 | | 176.75 |
| Executive Pay Revision | 995.14 | | 964.31 | | 30.83 |
| Site Restoration/Mine Closure | 6521.45 | | | 478.65 | 7000.10 |
| Stripping Activity Adjustment | 37483.29 | | 4452.98 | | 41936.27 |
| Others | 193.30 | 400.71 | | | 594.01 |

**b) Segment Reporting**

The Group is primarily engaged in a single segment business of production and sale of Coal. The income from interest and other income is less than 10% of the total revenue; hence no separate segment is recognized for the same.

**c) Earnings per share**

| Sl. No. | Particulars | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| i) | Net profit after tax attributable to Equity Share Holders **(₹ in Crore)** | 17462.18 | 7038.44 |
| ii) | Weighted Average no. of Equity Shares Outstanding | 6206307457 | 6207409177 |
| iii) | Basic and Diluted Earnings per Share in Rupees (Face value 10/- per share) | ₹ 28.14 | ₹ 11.34 |

**d) Related Party Disclosures**

**Post-Employment Benefit Fund:**

i. Group Gratuity Cash Accumulation Plan with LICI.
ii. New Group Gratuity Cash Accumulation Plan with LICI (for employees joining after 01.04.2014).
iii. New Group Leave Encashment Scheme with LICI.
iv. Coal Mines Provident Fund (CMPF).
v. Contributory Post-Retirement Medical Scheme for Executive Trust
vi. CIL Executive Defined Contribution Pension Scheme-2007

**Details list of Related Parties:**

Attached in ANNEXURE - Y

**Remuneration of Key Managerial Personnel**

**(₹ in Crore)**

| Sl. No. | Payment to CMD, Whole Time Directors and Company Secretary | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| i) | **Short Term Employee Benefits** | | |
| | Gross Salary | 18.99 | 14.40 |
| | Medical Benefits | 0.48 | 0.30 |
| | Perquisites and other benefits | 2.80 | 2.63 |
| ii) | **Post-Employment Benefits** | | |
| | Contribution to P.F. & other fund | 8.31 | 3.97 |
| iii) | **Termination Benefits** | 1.29 | 4.37 |
| | **TOTAL** | **31.87** | **25.67** |

Note:

(i) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹ 2000 per month as per service conditions.

**Payment to Independent Directors**

**(₹ in Crore)**

| Sl. No. | Payment to Independent Directors | For the year ended 31.03.2019 | For the year ended 31.03.2018 |
|---|---|---|---|
| i) | Sitting Fees | 2.40 | 1.43 |

**Balances Outstanding with Key Managerial Personnel as on 31.03.2019**

**(₹ in Crore)**

| Sl. No. | Particulars | As on 31.03.2019 | As on 31.03.2018 |
|---|---|---|---|
| i) | Amount Payable | 0.25 | Nil |
| ii) | Amount Receivable | Nil | Nil |

**Entities under the control of the same government:**

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares (Refer Note-16). The Company being a Government entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government. The following transactions have been entered at arm's length price with entities under the control of the same Government.

**(₹ in Crore)**

| Name of the entity | Transaction | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| NTPC | Sale of Coal | 24920.27 | 23766.45 |

**e) Deferred tax Asset and Liability are being offset as they relate to taxes on income levied by the same governing taxation laws.**

Deferred tax Asset/ Liability as at 31st March, 2019 is given below

**(₹ in Crore)**

| | | | 31.03.2019 | 31.03.2018 |
|---|---|---|---|---|
| A. | | **Deferred Tax Assets:** | | |
| | | Provision for Doubtful Advances, Claims & Debts | 1252.61 | 1145.61 |
| | | Employee Benefits | 2065.96 | 3349.90 |
| | | Others | 2034.41 | 1774.86 |
| | | **TOTAL OF (A)** | **5352.98** | **6270.37** |
| B. | | **Deferred Tax Liability:** | | |
| | | Related to Fixed Assets | 707.08 | 617.32 |
| | | Others | 376.74 | 298.00 |
| | | **TOTAL OF (B)** | **1083.82** | **915.32** |
| | | **Net Deferred Tax Asset/ (Deferred Tax Liability) (A-B)** | **4269.16** | **5,355.05** |

**f) Other matters**:

i) During the financial year 2013-14, a case of misappropriation of Company's fund for personal gain came to the notice of the management. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the estimate of the internal audit department of Coal India Limited, the amount involved is ₹1.17 Crore approximately.

ii) Certain forged / extra payments of TA Bills were found in Hasdeo Area. On detailed checking by the Internal Audit Department/ Vigilance Department the extra/ irregular payment for the years 2005-06 to July 2012 of about ₹0.37 Crore on account of TA Bills has been detected. Departmental action has already been initiated against the erring staff and the involved persons i.e. one Cashier and one Cost Assistant have been suspended. Based on this investigation, case was forwarded to CBI, Bhilai. Punishment has been awarded from special court for trail of CBI Cases, Raipur

iii) One fraud case has been cropped up at Sohagpur Area in respect of salary/ wages billing by a clerk amounting to ₹0.16 Crore, out of which ₹0.09 Crore has been deposited by him. Balance amount is not recovered till date and involved person has been terminated from the service. The case is being investigated by CBI, Jabalpur and is under trial, prosecution evidence stage at CBI Trail Court, Jabalpur

Iv) Excess payment is reported to be made to a security agency at Bishrampur Area amounting to ₹1.21 Crore. The cases are being dealt by CBI, Raipur and sanction order for prosecution has been issued by CIL

v) Excess payment is reported to be made to a security agency at Korba Area amounting to ₹0.32 Crore. The cases is being dealt by CBI, Raipur and is in trial stage

vi) Excess payment is reported to be made to security agency at Jamuna Kotma Area amounting to ₹1.40 Crore. The case is being dealt by CBI Jabalpur and is under trial pre charge stage

vii) Excess payment is reported to be made to a security agency at Johilla Area amounting to ₹ 1.10 Crore. The case is being dealt by CBI, Jabalpur and is under trail pre charge Stage

viii) Irregularities in deployment of OB Contractor at Amera OC of Bisrampur Area and payment involving ₹0.28 Crores. The case is under investigation stage at CBI, Raipur.

ix) Theft of goods during the year is ₹0.46 Crores (Previous year ₹0.44 Crores), which has been duly accounted for.

x) Alleged fraudulent payment to the tune of ₹0.80 Crores has been detected against 104 fake bills at Barkasayal area in 2015-16. The matter is still under investigation and pending before CBI.

**g) Fund under Master Plan**

Bharat Coking Coal Limited (BCCL) receives fund from Coal India Limited against Master Plan for dealing with fire and rehabilitation of persons dwelling in coal bearing / fire affected area of the Company leasehold. The Company is the implementing agency for fire projects and rehabilitation of persons dwelling in the Company houses. Jharia Rehabilitation & Development Authority (JRDA) is the implementing agency for rehabilitation of persons dwelling in non-BCCL houses, for which the Company acts as a nodal agency. Fund received as nodal agency is advanced to JRDA and such Advance (shown under Other Advance in Note-11) as well as the relevant Fund, both are adjusted on the basis of utilization statement submitted by JRDA. There is an Advance of ₹ 262.57 Crore as on 31st March, 2019 (P.Y ₹124.46Crore) to JRDA awaiting utilization certificate for their adjustment.

Position of Unutilized Fund under Master Plan as on 31st March, 2019 is shown hereunder:

**[₹ in Crore]**

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|
| Opening balance of unutilized fund under Master Plan at the beginning of the year | 173.10 | 324.23 |
| Fund Received during the year | 241.29 | 25.60 |
| Utilization /adjustment during the year | 88.34 | 176.73 |
| Closing balance of unutilized fund | 326.05 | 173.10 |

**h) Leases**

i) South Eastern Coalfields Limited in terms of License Agreement dated 19th day of March 2001 executed with M/s Apollo Hospital Enterprises Ltd., Chennai has granted the latter a right to occupy and use the fully constructed main hospital building measuring 2,97,099.74 Sq.ft. (27611.50 Sqm) and the residential quarters measuring 55,333 Sq.ft. (5142.47 Sqm) together with superstructures on the land such as substation building, sewerage treatment plant and pump house. The license agreement provides for a lease year of 30 years from the effective date of the commencement of the lease i.e. November 2001.

The lease rental payable by the Apollo Hospital is accounted for as per the agreement. As per the agreement, the lease rental receivable from Apollo Hospital on the Balance Sheet date, for main hospital building is ₹4/- per Sq.ft. per month (₹4/- per Sq.ft. per month) ₹1.43 Crore or 1/3rd of net profit arrived from the operation of this division of the hospital of the licensee, whichever is more and for residential quarters the rate is ₹2/- per Sq.ft. per month (₹2/- per Sq.ft. per month) ₹0.13 Crore. The lease rental by Apollo Hospital for the year ended on Balance Sheet date accounted for is ₹1.56 Crore (₹1.56 Crore) towards minimum rental.

The cost of the gross assets leased to Apollo Hospital Enterprises Ltd. furnished under the schedule of Fixed Assets is ₹31.32 Crore (₹31.32 Crore) accumulated depreciation as on Balance Sheet date is ₹10.82 Crore (₹10.82 Crore), the depreciation recognized in the Statement of Profit & Loss for the year ended is ₹0.54 Crore (₹0.54 Crore).

The future minimum lease receivable in the aggregate as on 31.03.2019 is ₹18.69 Crore (₹20.25 Crore) for each of the following years is as under

**(₹ in Crore)**

| | | As at 31.03.2019 | As at 31.03.2018 |
|---|---|---|---|
| (I) | Not later than one year | 1.56 | 1.56 |
| (II) | Later than one year and not later than five years | 6.23 | 6.23 |
| (III) | Later than five years and till the year of lease | 10.90 | 12.46 |

ii) SECL in terms of License Agreements dated 03.01.2007 and 16.05.2008 executed with M/s Aryan Coal Beneficiations Pvt. Ltd., New Delhi has granted the later a right to use the fully constructed Railway Siding Junadih No.3 at Gevra Area on lease for a year of 20 years with effect from 23.05.2006. Lease Rent ₹1.64 Crores (₹1.47 Crores) received / receivable for the current year.

SECL in terms of License Agreements dated 03.01.2007 and 16.05.2008 executed with M/s Aryan Coal Beneficiations Pvt. Ltd., New Delhi has granted the later a right to use the fully constructed Railway Siding Junadih No.4 at Gevra Area for a lease year of 20 years w.e.f.23.08.1999. Lease Rent ₹1.67 Crores (₹1.49 Crores) received / receivable for the current year.

SECL in terms of Lease Agreements dated 15.10.2007 executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the fully constructed Railway Siding line no. 2 Dipka Area for an applied lease year of 30 years w.e.f Oct 2007 vide letter no. 13-14/81 dated 18.07.14. Lease Rent ₹1.90 Crores (₹1.05 Crores) received/ receivable for the year ended 31-03-19.

Leased out Assets (junidih-3, 4) valued ₹8.02 Crores (₹8.02 Crores) and accumulated depreciation as on Balance Sheet date is ₹7.57 Crores (₹7.58 Crores), the depreciation recognized in the Statement of Profit & Loss for the year is ₹0.01 Crore (₹0.01 Crore).

Leased out Assets (Line No-2) to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) ₹15.74 Crores and accumulated depreciation as on Balance Sheet date is ₹12.93 Crores (₹11.54 crores).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹118.93 Crores (₹117.80 Crores) for each of the following years is as under:

**(₹ in Crore)**

| Year | As at 31.03.2019 | | | | As at 31.03.2018 |
|---|---|---|---|---|---|
| | Junadih Sdg-3 (a) | Junadih Sdg-4 (b) | Line No 2 | **Total** | |
| Not later than one year | 1.81 | 0.72 | 2.09 | 4.62 | 5.21 |
| Later than one year and not later than five year | 9.25 | - | 10.66 | 19.91 | 18.56 |
| Later than five years and till the year of lease | 6.63 | - | 87.77 | 94.40 | 94.03 |
| | 17.69 | 0.72 | 100.52 | 118.93 | 117.80 |

No contingent rents are recognized as income in the Profit and Loss Account.

iii) SECL in terms of License agreement with M/s Gujarat State Electricity Board, Vadodara, Gujarat dated 17.10.2005 has granted the later a right to use land for construction & operation of Railway siding Junadih line no 5 at Gevra area for a year of 20 years with effect from 17.10.2005. Lease Rent ₹1.01 Crores (₹0.78 Crores) has been received for the current year.

The Company in terms of Lease Agreements executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the land for construction of washery and siding facilities at Dipka Project on lease for a year of 30 years with effect from 01.11.1996. Lease Rent ₹2.92 Crore (₹2.65 Crore) received/receivable during the year ended 31.03.2019.

Leased out Assets to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) valued ₹0.83 Crore (₹0.83 Crore) for Land and accumulated depreciation as on Balance Sheet date is ₹0.42 Crore (₹0.40 Crore).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹112.95 Crores (₹117.80 Crores) for each of the following years is as under :

**(₹ in Crore)**

| Year | As at 31.03.2019 | | | As at 31.03.2018 |
|---|---|---|---|---|
| | Land for Junadih Sdg-5 (a) | Land for Washery & Siding (b) | **Total** (a+b) | |
| Not later than one year | 1.01 | 3.21 | 4.22 | 3.93 |
| Later than one year and not later than five year | 4.05 | 16.41 | 20.46 | 19.95 |
| Later than five years and till the year of lease | 1.56 | 13.72 | 15.28 | 19.94 |
| | 6.62 | 33.34 | 39.96 | 43.82 |

No contingent rents are recognized as income in the Profit and Loss Account.

iv) CCL in terms of lease agreement with M/s Imperial Fastners Pvt. Limited, has been granted a right to occupy and use the assets of the Company. The cost of gross carrying amount of the asset is ₹80.19 Crores and progressive depreciation there on is ₹77.69 Crores and WDV is ₹2.50 Crores (reserve value). The future minimum lease payment receivable in the aggregate during the year of lease is ₹28.32 Crores. The details of future lease payment receivables are as under:

**(₹ in Crore)**

| | **Particulars** | **As at 31.03.2019** | **As at 31.03.2018** |
|---|---|---|---|
| (I) | Not later than one year | 3.84 | 3.84 |
| (II) | Later than one year and not later than five years | 15.36 | 15.36 |
| (III) | Later than five years and till the year of lease | 9.12 | 12.96 |
| | Total | 28.32 | 32.16 |

v) CCL in terms of lease agreement with Punjab State Electricity Board,, has been granted a right to use 15.50 acres of land of the company. The cost of gross carrying amount of the asset is ₹7.90 Crores and progressive depreciation there on is ₹7.90 Crores and WDV is Nil. The future minimum lease payment receivable in aggregate during the year of lease is ₹3.36 Crores. The details of future lease payments receivable are as under: -

**(₹ in Crore)**

| | | **As at 31.03.2019** | **As at 31.03.2018** |
|---|---|---|---|
| (I) | Not later than one year | 0.19 | 0.19 |
| (II) | Later than one year and not later than five years | 0.77 | 0.77 |
| (III) | Later than five years and till the year of lease | 2.40 | 2.59 |
| | Total | 3.36 | 3.55 |

vi) CCL has entered Lease agreement with M/s. IFPL was entered in the year 2005 for a period of 20 years, and is valid up to 2025. As per Agreement, the company will supply washery rejects and IFPL will generate power and supply to Kathara Area. As per the provisions of Lease agreement, IFPL will pay ₹32 Lakhs per month as Lease rent. IFPL has suspended operation from July 2018 and also not making payment of Lease rent. As a result, a provision to the tune of ₹1.60 Crores has been made during the year 2018-19 towards the differential amount of lease rental receivables amounting to ₹ 4.02 Crores and Power expenses payable to IFPL for ₹2.42 Crores.

vii) **Captive Power Plant of Western Jharia Area**

In BCCL, as per lease agreement dated 18th march 2010 lease rent @ ₹6.60 Crore per annum (inclusive of Taxes) was receivable from the lessee M/s OSD Coke (Consortium) Pvt. Ltd. towards lease of Captive power plant of Western Jharia area. The lease was valid for 20 years. The lessee has filed a writ petition in the Jharkhand high Court on disputes over tariff valuation etc. and has stopped operating the power plant as well as payment of lease rent. The Plant has been handed over to BCCL from 16th Dec'2015 as per decision of Arbitrator appointed by Jharkhand High Court. In view of the above, the outstanding lease rent amounting to ₹6.60 Crore for the year 2014-15 and ₹4.67 Crore for the year 2015-16 (upto 15th Dec'2015) has not been accounted for.

**i) Insurance and escalation claims**

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

**j) Provisions made in the Accounts**

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

**k) Current Assets, Loans and Advances etc.**

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

**l) Current Liabilities**

Estimated liability has been provided where actual liability could not be measured.

**m) Balance Confirmations**

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

**n) Possession of Parbatpur (Central) Coal Mine of BCCL**

Allocation of Parbatpur (Central) Coal Mine (Bokaro) in 2006 by Government of India (GOI) to Electro steel Casting Limited stood de-allocated w.e.f. 31.03.2015 and thereafter Govt. of India (GOI) assigned the said mine to the designated Custodian i.e. 'Chairman, CIL' in terms of the provisions of the Coal Mines (Special Provisions) Second Ordinance, 2014 (DO No. 13016/36/2015-CA-III dated 31.03.2015 issued by the Joint Secretary MOC). Chairman CIL, in turn, authorized 'CMD, BCCL' to act on his behalf (CIL/CH/CUSTODIAN/27/1608 dated 31.03.2015). Accordingly, Parbatpur (Central) Coal Mine was placed under the administrative control of Eastern Jharia Area (Dhanbad) of the Company (Office Order No. the Company: CS: F17 (A):138 dated 03/04/2015 issued by Company Secretary the Company). Now, vide Office Memorandum No.13016/77/2015-CA-III dated 06.10.2015 of GOI, MOC, Parbatpur (Central) Coal Mine has been allotted to M/s SAIL and the Designated Custodian i.e. Chairman, CIL has been advised to hand over possession of the mine to SAIL. Accordingly, it has been handed over to SAIL as confirmed by GM, Eastern Jharia Area vide his Letter No. BCCL/GM/EJA/2016/1429 dated 28.07.2016 enclosing there with charge hand-over and take-over report. Further, the Company has spent ₹5.08 Crore up to 28.07.2016 (Power bill 4.04 Crore, Repair & Maintenance and others ₹1.04 Crore) on maintaining the possession of the mine as custodian which has been booked as 'Receivable' in the Accounts. The amount is recoverable from SAIL.

**o) Construction of Mahanadi Institute of Coal Management**

The Group is constructing an Institute 'Mahanadi Institute of Coal Management, Bhubaneswar' with an estimated total value of Rs. 138.83 crores through the contractor M/S. NBCC. As per the clause no. 5.18 of MOU between the Company & the contractor, it is the responsibility of the contractor to obtain necessary approval /clearances related to construction & completion of the project from the statutory authorities. However, Bhubaneswar Development Authority did not consider the proposal for approval due to the project falls on the proposed ring road alignment finalized in CDP-2010. Now the said CDP-2010 ring road has been re-aligned in CDP-01/2016 which has been approved by Govt. of Odisha vide no. HUD-TP-SCH-0022/2014/8008/HUD dtd. 28.03.18. NBCC, consultant of MCL has again applied to BDA for approval of plan of MICM and on 02.11.2018 BDA have granted necessary permission in favour of MCL. Now the work is under progress. The Group has incurred ₹104.48 crores towards construction of the institute till now.

**p) Matters reported in Central Coalfields Limited**

i) The Government of Jharkhand has demanded Royalty for ₹2.55 Crores in respect of 9 LT non-vendable coal at Rajrappa Area written-off in the year 1989. CCL preferred to appeal before Commissioner of Mines, Jharkhand but the same was rejected. On rejection, the company filed writ petition WP 1754( c) of 2014 before Hon'ble High Court of Jharkhand and the same was pending at the court. Last hearing date was 09.05.2016. Hon'ble High Court has directed Government of Jharkhand to produce documentary evidence in support of their claim which has not been filed till date.

ii) There is a long pending dispute over capitalization cost of Rajrappa and Giddi Captive Power Plant, commissioned by EIPL on Built Own and Operate ( BOO) basis and the dispute is pending in Civil Appeal No. 7403 of 2009, filed by the Company before the Hon'ble Supreme Court against the Order dated 31.07.2009 of the Jharkhand State Electricity Regulatory Commission duly confirmed by the Appellate Tribunal.

Pursuant to Interim Orders of the Hon'ble Supreme Court dated 14.09.12 and 23.11.12 passed in the said Appeal, the Company had accounted for a liability of ₹94.33 Crores. in 2012-13 upto the period March, 2008. Out of which ₹83.03 Crores had been paid to EIPL (erstwhile DLF Ltd ) as 25% deemed energy charges during the said period. Further, an ad-hoc payment of ₹75 Crores and ₹ 25 Crores had been made on 20.11.13 and 10.01.14 respectively as per directives of the Hon'ble Supreme Court. As directed by the Hon'ble Supreme Court revised amount payable from April'08 to March'14 had been calculated based on the methodology adopted by JSERC in determining the revised tariff up to the period March' 08. Accordingly, an amount of ₹23.25 Crores had been provided during the financial year 2013-14 in addition to ₹ 94.33 Crores, which was already provided in the Financial Statements of 2012-13. For the financial year 2014-15, additional liability of ₹ 3.26 Crores has been provided. For the financial year 2015-16 additional liability of ₹ 0.26 Crores has also been provided.

The details of balance receivable amount from EIPL are as under:

| | | |
|---|---|---|
| a) | Differential Tariff for the period upto March'08-in respect of which liability has been provided in the Financial Statements of 2012-13. | ₹ 94.33 Crores |
| b) | Differential Tariff for the period April'08- to March'14 in in respect of which liability has been provided in the year 2013-14. | ₹ 23.25 Crore. |
| c) | Old keep back amount in respect of deemed energy charges | ₹ 31.36 Crores |
| d) | Differential tariff for the year 2014-15 | ₹ 3.26 Crores |
| e) | Differential tariff for the year 2015-16 | ₹ 0.26 Crores |
| | (A/C-Rajrappa Area) | ₹ 152.46 Crores |
| | Less: Ad-hoc payment (as per Order of the Hon'ble Supreme Court) | ₹ 183.03 Crores |
| | Net Balance amount (shown in Note-9 under the head Other Receivables) | ₹ 30.57 Crores |

However, EIPL has submitted their demand for ₹302.63 Crores on 17.09.2012 including ₹134.20 Crores on account of interest on delayed payment which is beyond the purview of PPA and the matter is pending before the Hon'ble Supreme Court.

As per clause 1.18.3 of the Power Purchase Agreement with M/s. EIPL, from the date of expiry of one year from commissioning of the respective power plant, increase/decrease of fuel components of tariff due to variation in fuel cost shall be determined. The initial price of rejects as per clause 1.14 of PPA was ₹ 90 per tonne.

Accordingly, calculation had been made as per clause 1.18.3 of PPA and additional revenue receivable on account of revision in price of rejects net off with additional tariff payable on account of revised tariff due to increase in fuel cost had been considered in the Financial Statements for the year 2013-14 and supplementary bill to EIPL had also been raised.

Subsequently, during the financial year 2014-15 the price of rejects was again revised based on the recommendations of the CCL standing committee of Sales and Marketing department and the same was communicated to Director(Operation) of DLF Ltd. vide letter Ref. No. GM(E&M)/DLF/14/ 3530-36 dated. 17.11.2014. As per letter, G grade slake coal which was the lowest grade under UHV system of pricing applicable prior to 01.01.2012 will be charged for the period from July, 2000 to December, 2011 from EIPL. Consequent upon the issue of above letter, Sales bill and power tariff has been revised.

As on 31.03.2016, the amount receivable from EIPL on account of supply of rejects after adjusting enhanced tariff was ₹38.69 Crores. Due to non-payment of the same, the following action has been taken:

As per clause 2.6 of the Power Purchase Agreement dated. 8th February, 1993, in the event of any dispute arising out of or in relation to the agreement, the same shall be referred to the sole arbitration of an arbitrator mutually acceptable to CIL & EIPL as per provisions of Arbitration Act. The emerging situation is that as the parties to the agreement have failed to mutually agree to the appointment of an arbitrator, the petitioner (CCL) is left with no other alternative but to move to the Hon'ble High Court for appointment of an arbitrator in exercising powers under section 11(6) of the Arbitration and Conciliation Act, 1996. The Arbitration Application has been filed on 7th April, 2016. However, provision for ₹38.69 Crores has been made in the financial year 2015-16. The present status of this case is the Hon'ble Supreme Court has appointed Ld. Arbitrator as per Agreement claim during 2017-18 and the same is pending before Ld. Arbitrator.

iii) M/s. Garden reach Ship Builders & Engineering Company had been awarded contracts for supply and repairs of equipment in the year 1990. Since, the work was not to the satisfaction, the company withheld the payment. Subsequently against the demand of ₹ 49.68 Crores, the company agreed to pay ₹12.58 Crores, and the same has been provided in the accounts.

iv) CCL has signed a MOU with the President of India acting through Sri R. Subrahmanyam, Additional Secretary, and Ministry of Human Resource Development on 12th December, 2015 as third industry partner for setting of Indian Institute of Information Technology, Ranchi (IIIT) under Public Private Partnership (PPP) mode in the state of Jharkhand. An amount of ₹3.20 Crores was remitted through RTGS to IIIT, Ranchi by the company

v) Consequent upon the agreement made with Coal India Limited and President of India for allocation of coal block Kotre Basantpur and Panchmo Coal Blocks under Coal Mines (Special Provisions) Act, 2015, and subsequent allocation to CCL for operation and commercial use of mines, the CCL has deposited 50% of Upfront fees amounting to ₹20.65 Crores and fixed amount for ₹9.91 Crores and furnished Performance Bank Guarantee (Performance Security) amounting to ₹286.14 Crores, in designated bank account of Nominated Authority for allotment. ₹30.56 Crores (upfront fees ₹20.65 Crores and Security deposit ₹9.91 Crores) is appearing under Exploration Evaluation Assets in Note-5. As the conditions of prescribed guidelines for making payment of 2nd and 3rd instalment is not yet fulfilled, the balance amount of ₹20.65 Crores is shown under Capital Commitment.

vi) The Hon'ble Supreme Court of India, in Transferred Case (CIVIL) No. 43 of 2016 vide order dated 13.10.2017 has held that DMF will be applicable in the State of Jharkhand on and from the date of establishment of DMF Trust i.e. 07.12.2015. Accordingly, the

amount of ₹ 286.31 Crore deposited with the State Govt. relating to the period prior to 07.12.2015 shall be refunded/adjusted from the DMF payable by the company. Out of the said amount a sum of ₹169.37 Crore has been adjusted and balance amount of ₹116.94 Crore is yet to be refunded/ adjusted from the State Government. As per directive of State Govt., Areas have submitted their claim to the respective DMO for getting Refund / adjustment

vii) Against the demand of Income Tax Department under section 206 C of the Income Tax Act, 1961, for an amount of ₹106.56 Crores, the department has collected ₹71.79 Crores by attaching the bank account of the company and the balance amount of ₹34.77 Crores has been deposited by the company. CCL has recovered ₹75.62 Crores from the customers as on balance sheet date and the balance ₹30.94 Crores is under process of recovery. Out of ₹30.94 Crores, ₹26.85 Crores relates to the period of 01.04.2012 to 30.06.2012 when there was no TCS on Coal. As TCS was implemented on coal on and from 01.07.2012 a rectification petition u/s 154 of Income Tax Act, 1961 has already been filed on 02.02.2018 to rectify the error, the hearing of which has not yet started.

vii) CCL used to supply Washed Medium Coking Coal (WMCC) to M/S SAIL & RINL at the price mutually agreed in MOU entered between CCL & SAIL / RINL, duly signed by the representatives of CCL & SAIL/RINL with validity upto 31.03.2017. As per CIL's guidelines, CCL had notified the price of WMCC at ₹11,500 per tonne with effect from 14/01/2017 in compliance with doctrine of Import Parity as envisaged by New Coal Distribution Policy (NCDP) of Government with bonus/penalty clause variable in line with ash content. As the MOU was valid up to 31/03/2017, but the Price Notification was issued on 14/01/2017, a provision for the period from 14/01/2017 to 31/03/2017 for the difference of MOU price and Notified price on the quantity despatched, amounting to ₹155.80 Crores (₹126.16 Crore in respect of SAIL and ₹29.64 Crore in respect of RINL) has been made in the accounts during the year 2018-19.After repetitive requests of M/S SAIL, CCL Board dated 28/07/2018 agreed to supply WMCC at an ad hoc price of Rs. 6,500 per tonne with a condition that the report of the external agency to be appointed/engaged for establishment of fair and transparent Price Determination Mechanism shall be applicable and accordingly SAIL/RINL has agreed with the decision of CCL Board.The proposal for engagement of external agency i.e M/s. PWC being the L1 bidder, has been forwarded to CIL for obtaining the approval of Coal India Board as the value of the proposal is beyond the financial power of CCL Board. After issuing the work order and acceptance of the report of the agency by the competent authority of CCL, provision if necessary, will be considered in the Financial Year 2019-20.

**q) Matters reported in Mahanadi Coalfields Limited**

MJSJ Coal Limited, subsidiary of MCL has submitted a Bank Guarantee bearing No.50/48 issued by State Bank of India, Talcher, for an amount of ₹22.248 crores in favour of The President of India, acting through Ministry of Coal, Shastri Bhavan, New Delhi which has been renewed on 18.02.2019 for 6 months (from 01.01.2019 to 30.06.2019) vide no-50/48(11) and under protest, since MJSJ Coal Ltd is a Government Company. A letter received from F.No-47011/7(6)/93-CPAM/CA from Govt. of India, Ministry of Coal, dated 9th July, 2013 regarding deduction of 20% of BG (i.e. ₹22.248 Crores) against which Private shareholders of company proceeding for appeal at Hon'ble High Court of Delhi. This deduction is proposed to be made in view of the company not being able to meet the targeted production by the specified/extended time limit.

On 24th September 2014, the Hon'ble Supreme Court cancelled allocation of 204 coal blocks made during 1993-2012 citing the allocation process as arbitrary and allocations as illegal.

Accordingly, the Coal Block namely Utkal-A (MJSJ Coal Limited, subsidiary of MCL) and Talabira II & III (MNH Shakti Limited, subsidiary of MCL) allocated earlier in favour of the Company also got de-allocated. However, the company has not yet received any letter of de-allocation from Ministry of Coal, Govt. of India. The Other coal block namely Gopal Prasad (W) is still with the MJSJ Coal Limited

As per the provisions of the Coal Mines (Special Provisions) Act 2015, the Government has allocated Talabira II & III coal block to Neyveli Lignite Corporation Limited (one of the previous allottees) as communicated vide its letter dated 17th February, 2016. MNH Shakti Ltd., a subsidiary of MCL is entitled to get compensation from the new allottee through the Nominated Authority, MoC towards the amount spent by it for acquisition of land, capital work in progress and intangible assets. The compensation is being determined by the Nominated Authority under the Coal Mines (Special Provisions) Act and will be received by the company in phased manner.The office of the nominated authority has transferred the compensation amount towards cost of Geological Reports and cost consents to the commissioner of payment i.e. Coal Controller Office (CCO), Kolkata for further disbursal to prior allottee vide Letter no. 110/13/2015/NA, dated 12.09.2016. This includes the compensation amount of ₹ 15.89 crores towards Talabira-II & III Coal Mine. Subsequently Coal Controller office has transferred the amount in the name of MNH Shakti Limited on 04.01.2017. Once again the office of the nominated authority has transferred the compensation towards cost of Mine Infrastructure to the commissioner of payment i.e. Coal Controller Office, Kolkata for further disbursal to prior allottee vide Letter No. 110/9/2015/NA (Part-II), Dated: 01.12.2016. This includes the compensation amount of ₹2.67 Crores only towards Talabira- II & III Coal Mine. Subsequently Coal Controller office has transferred the amount in the name of MNH Shakti Limited on 08.02.2017.

**r) Matters reported in Western Coalfields Limited**

i) Against the levy of 5% tax under "Madhya Pradesh Gramin Avsanrachana Tatha Sadak Vikas Adhiniyam, 2005" (MPGATSVA 2005), some consumers as well as WCL has moved to the Hon'ble High Court of Madhya Pradesh, Jabalpur whereby vide interim order dated 15/02/2006 the Company is being directed not to deposit this tax to the State Government but to keep in a fixed deposit. The matter was later decided by the Jabalpur High Court in favour of MP Government against which the WCL has filed an SLP before the Hon'ble Supreme Court and the matter is still subjudice. The Hon'ble Supreme Court of India vide its interim order dated 02-08-2010 directed the Company to file its returns for all the years under protest as per MPGATSVA (2005) and also directed the assessing officer to complete the assessments of returns filed by the Company. In compliance with the Supreme Court directions, up to 31/03/2019 the assessing officers raised total demand of ₹617.26 Crores against the Company (₹ 566.24 Crores) which is paid in full as per the legal advice. However, the Company has preferred Appeals against the assessment orders / demand notes with Competent Appellate Authority, Jabalpur and Bhopal. Up to 31/03/2019, an amount of ₹651.25 Crores (₹608.94 Crores) has been received from customers on account of MPGATSVA Tax (including VAT/CST thereon up to 31st March 2016). Against this ₹ 617.26 Crores is paid under protest (including ₹2.86 Crores on accounts of for VAT/CST) against the demand raised by Assessing Officer

up to 31/03/2019. Out of balance amount, ₹42.31 Crores has been kept in deposit leaving balance of ₹4.01 Crores to be deposited. The cumulative interest accrued on fixed deposits made on this account is added to liability.

ii) By virtue of enactment of Mineral Validation Act, 1992, the Company has raised supplementary bills on customers' up to 4.4.1991 on a/c of Cess and Other Taxes amounting to ₹3.21Crores (₹3.21 Crores). Pending outcome of Special Leave Petition in Supreme Court, against the judgment of Ranchi Bench of Hon'ble Patna High Court in favour of the Company the same is shown as liability for Cess on Royalty under the head Other Current Liabilities.

iii) The Rate Contracts (RC) for supply of explosives by different suppliers was expired on 28th February'2006 and pending renewal of the same the suppliers were asked to continue the supplies at the same prevalent rates, subject to the condition that supplies during such extended period would be governed by the rates as may be fixed in the new RC. This continued up to 28th July, 2006.

The new RC was finalised and came into effect from 29th July, 2006 with a reduced price of the explosives and recovery of excess amount paid was made from the suppliers against which some of the suppliers filed a Civil Suit before Hon'ble Calcutta High Court granted a stay against recovery in December 2006. Accordingly, CIL directed WCL to refund the amount deducted from the six suppliers.

The Hon'ble High Court of Calcutta asked these suppliers to deposit the disputed amount in question in an account with the Joint Receiver appointed by the Hon'ble High Court. But the suppliers failed to do so and the Hon'ble Calcutta High Court in July 2008 vacated the stay of recovery of excess payment made to such suppliers.Hence, CIL directed WCL to restart the recovery of such amount from the running bills of the suppliers as per directives of Court. However, pending disposal of the case since 2008-09 the recovery of ₹2.58 Crores is kept under liability in the books of account.

iv) As per tripartite Agreement between WCL and Power Utilities companies with CSIR-CIMR, third party sampling agency, coal sampling is carried out by CIMFR. Based on result of CIMFR duly accepted by WCL & power utilities, credit/debit note is issued to power utilities and accounted for. Further Provision for grade slippage amounting ₹286.07 Crore for current year is made, based on past trend on account of quality on coal sampling done by CIMFR for which the report is yet to be received as well report from the Referee in case of dispute.

v) Prospecting Boring and Development expenses amounting to ₹0.08 Crore (₹11.76 Crore) along with provision for depreciation have been taken out from accounts during the year after expiry of two years, following the year in which these are fully amortized.

vi) As per directives of the Government of India through Coal India Ltd, WCL has taken the custody of Gatitoria OC and Makri Mangoli OC mines w.e.f. 01.04.2015. During the current period an amount of ₹1.24 Crores as incurred charged to the Statement of Profit and Loss.

**s) Claims lodged by the Company in the Court of Law**

The Company (BCCL, Kolkata Office) has filed a civil suit in the High Court at Kolkata (G.A. No.2797 of 2013/ C.S. No. 11 of 2013) against M/s Turner Morrison Limited, Kolkata for (i) a declaration that the Company is the lawful owner of the its present office premises at 6, Lyons Range, Kolkata-700001, (ii) a declaration that there was no relationship as the landlord and the tenant between them and (iii) a decree of ₹187.74 crore with interest against the Rent etc. already paid by the Company to M/s Turner Morrison Limited, Kolkata.Besides this there are some more claims of the Company in the court of law amounting to ₹ 0.04 crore.

**t) Disaggregated revenue information:**

The table below presents disaggregated revenues from contract with customers information as per requirement of Ind AS 115, Revenue From Contract with Customer :

**(₹ in Crore)**

| **Disaggregated revenue information:** | **31.03.2019** | **31.03.2018** |
|---|---|---|
| **Types of goods or service** | | |
| - Coal | 92851.84 | 81445.25 |
| - Others | 1318.80 | 1225.13 |
| Total revenue from contracts with customers | 94170.64 | 82670.38 |
| **Types of customers** | | |
| - Power sector | 65983.07 | 56280.43 |
| - Non-Power Sector | 28005.66 | 26176.85 |
| - Others or Services | 181.91 | 213.10 |
| Total revenue from contracts with customers | 94170.64 | 82670.38 |
| **Types of contract** | | |
| - FSA | 73164.69 | 60522.30 |
| - E Auction | 18132.40 | 19768.11 |
| - Others | 2873.55 | 2379.97 |
| Total revenue from contracts with customers | 94170.64 | 82670.38 |
| **Timing of goods or service** | | |
| - Goods transferred at a point in time | 79981.73 | 70889.62 |
| - Goods transferred over time | 12914.35 | 10626.01 |
| - Services transferred at a point in time | 350.98 | 294.59 |
| - Services transferred over time | 923.58 | 860.16 |
| Total revenue from contracts with customers | 94170.64 | 82670.38 |

**c) CIL AND IICM**

CIL has leased out the assets viz. land, building, structures, furniture and fixtures and other assets to IICM. The existing lease agreement is valid from 01.04.2015 to 31.03.2020. The lease rent of IICM payable to CIL is ₹ 1.80 Crore per annum.

Excess amount collected on behalf of IICM from subsidiaries Rs. 180.94 Crores during earlier years has been recognised as liability write back in current year as the same is no longer payable to IICM.

**d) Shortage/Excess of Stock of Coal**

Coal stock shortage in measured stock beyond 5% (Permissible limit) compared to book stock as on 31.03.2019 reported by SECL,BCCL & MCL are

| | Book Stock (in lacs tonnes) | Measured Stock (in lacs tonnes) | Shortage (in lacs tonnes) | Amount (in crores) |
|---|---|---|---|---|
| BCCL | 3.00 | 1.46 | 1.54 | 24.92 |
| SECL | 92.78 | 92.00 | 0.78 | 4.50 |
| MCL | 1.17 | 0 | 1.17 | 19.43 |
| Total | 96.95 | 93.46 | 3.49 | 48.85 |

**w) Recent Accounting Pronouncements**

**i) Ind AS, 116- Leases**

Ministry Of Corporate Affairs vide notification dated 30th March 2019 has notified Indian Accounting Standard (Ind AS) 116, Leases which shall come into force on the 1st day of April 2019.

This Standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

The standard permits two possible methods of transition:

Retrospectively to each prior reporting year presented applying IND AS 8 i.e. 1 April 2018.

Retrospectively with the cumulative effect of initially applying the standard on application date i.e. 1 April 2019.

Management is in the process of selecting the appropriate method of transition and estimating the impact in the Financial Statement.

**ii) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-**

Ministry of Corporate Affairs vide notification dated 30th March 2019 has notified amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the year after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual year beginning on or after 1 April 2019. Management is in the process of estimating the impact of the above in the Financial Statement.

**x) Significant accounting policy :**

Significant accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Group in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

**y)** The reconciliation between Total Comprehensive Income (TCI) for the quarter/year ended 31.03.2018 and now restated, as per Ind AS 8, is as under :

(₹ in Crore)

| | **For the quarter ended March, 2018** | **For the Year ended March, 2018** |
|---|---|---|
| **Total Comprehensive income attributable to Owners of the company - reported earlier** | **1534.06** | **7652.85** |
| Adjustment for Prior year items: | | |
| Cost of Materials Consumed | 4.18 | 16.24 |
| Employee Benefit expenses | 2.66 | 11.76 |
| Repairs | 0.11 | 0.46 |
| Contractual Expenses | 2.94 | 9.69 |
| Depreciation/Amortisation/Impairment expenses | 1.00 | 4.20 |
| Finance Cost | 0.20 | 1.20 |
| Other Expenses | 0.12 | 0.32 |
| Income Tax | (3.92) | (15.34) |
| **Net Increase(Decrease) in Total Comprehensive income** | 7.29 | 28.53 |
| **Total Comprehensive income attributable to Owners of the company - now restated** | 1541.35 | 7681.38 |
| **EPS (Basic & diluted) now restated** | 2.10 | 11.34 |
| **EPS (Basic & diluted) reported earlier** | **2.09** | **11.31** |

Reconciliation of Other Equity as at 31.03.2018:-

| Particulars | Amount (₹ in crore) |
|---|---|
| **Other Equity as at 31.03.2018 reported earlier (Audited)** | **13639.16** |
| Adjustment for prior year items: | |
| Increase in retained earnings as on 01.04.2017 for incomes/expenses relating to years prior to FY 2017-18 (net of tax) | 303.64 |
| Increase in the profits for FY 2017-18 for incomes/expenses relating to FY 2017-18 (Refer above table) | 28.53 |
| **Other Equity as at 31.03.2018 now restated** | **13971.33** |

**z) Others**

i. Previous year's figures have been restated, regrouped and rearranged wherever considered necessary.

ii. Previous year's figures in Note No. 3 to 38 are in brackets.

iii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31st March, 2019 and 24 to 37 form part of Statement of Profit & Loss for the year ended on that date. Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

**On behalf of the Board**

**(A. K. Jha)**
**Chairman-Cum-Managing Director & CEO**
**DIN – 06645361**

**(S.N.Prasad)**
**Director (Marketing)/ Director (Finance)**
**DIN -07408431**

**(S.Sarkar)**
GM (Finance/IC), CFO

**(S.Dutta)**
GM(Finance)

**(M.Viswanathan)**
Company Secretary

Dated: 30th May, 2019
Place: Kolkata

## Form AOC1

pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salfent features of the financial statement of subsidiaries / associate companies /Joint ventures

### Part "A": Subsidiaries

Figures in Crores except entry in Sl. No 9

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Current Investments | Non-Current Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discontinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Comprehensive Income (Net of Tax) | Total comprehensive Income | % of Shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 11 | Eastern Coalfields Limited | INR | 2218.45 | (1169.94) | 13066.45 | 13066.45 | - | 0.08 | 18385.03 | 1298.39 | 549.62 | - | - | 748.77 | (42.39) | 706.38 | 100.00 |
| 2 | Bharat Coking Coal Limited | INR | 2118.00 | (1065.68) | 10311.06 | 10311.06 | 26.40 | - | 12899.98 | 557.05 | 268.28 | - | - | 288.77 | 134.85 | 423.62 | 100.00 |
| 3 | Central Coalfields Limited | INR | 940.00 | 4203.04 | 15740.20 | 15740.20 | 52.56 | - | 16343.92 | 2693.96 | 988.32 | - | (0.42) | 1705.64 | (19.69) | 1685.95 | 100.00 |
| 4 | Northern Coalfields Limited | INR | 630.94 | 3546.76 | 16072.42 | 16072.42 | 642.12 | - | 23052.51 | 6659.16 | 2,547.88 | - | - | 4111.28 | (29.30) | 4081.98 | 100.00 |
| 5 | Western Coalfields Limited | INR | 297.10 | 827.79 | 12847.64 | 12847.64 | 5.11 | - | 13514.24 | 193.72 | (75.61) | - | - | 269.33 | (13.19) | 256.14 | 100.00 |
| 6 | South Eastern Coalfields Limited | INR | 668.06 | 2962.97 | 27769.52 | 27769.52 | 0.20 | - | 31368.72 | 5570.40 | 1,959.12 | - | 0.09 | 3611.28 | 12.89 | 3624.17 | 100.00 |
| 7 | Mahanadi Coalfields Limited | INR | 661.84 | 3190.06 | 30066.50 | 30066.50 | 1,000.83 | 958.70 | 24607.68 | 9227.49 | 3,241.54 | - | - | 6035.95 | (10.59) | 6025.36 | 100.00 |
| 8 | Central Mine Planning & Design Institute Limited | INR | 38.08 | 428.74 | 1418.02 | 1418.02 | - | - | 1503.84 | 263.82 | 90.55 | - | - | 173.27 | (4.16) | 169.11 | 100.00 |
| 9 | Coal India Africana Limitada (Mozambique) (MZN & INR in Lacs) | INR | 0.49 | -3005.83 | 43.14 | 43.14 | - | - | - | -73.20 | - | - | - | -73.20 | - | - | 100.00 |
| | | MZN | 0.25 | -2766.68 | 39.71 | 39.71 | - | - | - | -4.25 | - | - | - | -4.25 | - | - | |

**Note**

1 Coal India Africana Limitada (Mozambique) is yet to commence operations

2 As on 31.03.2019 1 MZN = ₹ 0.92050695

**MCL, a subsidiary of CIL has further four Subsidiaries, details of which are given below**

(₹ In Crores)

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Capital | Reserve | Total Assets | Total Liabilities | Current Investments | Non-Current Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discontinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Comprehensive Income (Net of Tax) | Total comprehensive Income | % of Shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | MNH Shakti Limited | INR | 85.10 | (0.52) | 84.96 | 84.96 | - | - | - | - | - | - | - | - | - | - | 70.00 |
| 2 | MJSJ Coal Limited | INR | 95.10 | (1.01) | 95.36 | 95.36 | - | - | - | - | - | - | - | - | - | - | 60.00 |
| 3 | Mahanadi Basin Power Limited | INR | 0.05 | (5.96) | 18.58 | 18.58 | - | - | - | (0.03) | - | - | - | (0.03) | - | (0.03) | 100.00 |
| 4 | Mahanadi Coal Railway Limited | INR | 0.05 | (0.03) | 44.13 | 44.13 | - | - | - | (0.01) | - | - | - | (0.01) | - | - | 64.00 |

1 MNH Shakti Limited, MJSJ Limited , Mahanadi Basin Power Limited & Mahanadi Coal Railway Limited are yet to commence operations.

**SECL, a subsidiary of CIL has further two Subsidiaries, details of which are given below**

(₹ In Crores)

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Capital | Reserve | Total Assets | Total Liabilities | Current Investments | Non-Current Investments | Turn over | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discontinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Comprehensive Income (Net of Tax) | Total comprehensive Income | % of Shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Chattisgarh East Railway Ltd | INR | 441.00 | (0.71) | 1732.86 | 1732.86 | - | - | - | (0.15) | - | - | - | (0.15) | - | (0.15) | 68.42 |
| 2 | Chattisgarh East-West Railway Ltd | INR | 504.06 | (0.59) | 645.67 | 645.67 | - | - | - | (0.12) | - | - | - | (0.12) | - | (0.12) | 64.06 |

**Note**

1 Chattisgarh East Railway Limited & Chattisgarh East-West Railway Limited are yet to commence operations.

**CCL, a subsidiary of CIL has further one Subsidiaries, details of which are given below**

(₹ In Crores)

| Sl.No. | Name of Subsidiary Company | Reporting Currency | Capital | Reserve | Total Assets | Total Liabilities | Current Investments | Non-Current Investments | Turn over | Profit Before Taxation | Provision for Taxation | Profit/ (Loss) from discontinuing operations | Share of Minority | Profit After Taxation e.t.c. | Other Comprehensive Income (Net of Tax) | Total comprehensive Income | % of Shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Jharkhand Central Railway Limited | INR | 50.00 | 0.52 | 192.14 | 192.14 | - | - | - | 1.77 | 0.59 | - | - | 1.17 | - | 0.17 | 64.00 |

**Note**

1 Jharkhand Central railway Limited are yet to commence operations.

**For Ray & Ray**
**Chartered Accountants**
**Firm Registration No. 301072E**

**(Nabanita Ghosh)**
**Partner**

**S.N. Prased**
**Director (Marketing/Finance)**
**DIN - 07408431**

**S.Sarkar**
**G.M. (Finance I / C) / CFO**

**Sd/-**
**A.K.Jha**
**Chairman- Cum-Managing Director**
**DIN - 06645361**

**S. Dutta**
**G.M. (Finance)**

**M. Viswanathan**
**Company Secretary**

**Part "B": Associates and Joint Ventures**

**Statement persuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(₹ in Crore)

| Name of Associates/Joint Ventures | NTPC Urja Private Limited | International Coal Ventures Private Limited | Talcher Fertilizers Limited | Hindustan Urvarak & Rasayan Limited, Kolkata |
|---|---|---|---|---|
| 1. Latest audited Balance Sheet Date | 31.03.2019 | 31.03.2019 | 31.03.2019 | 31.03.2019 |
| 2. Shares of Associate /Joint Ventures held by the company on the year end | | | | |
| No. | 76900 | 2800000 | 16344568 | 440325000 |
| Amount of Investment in Associates/Joint Venture | 0.08 | 2.80 | 16.34 | 440.33 |
| Extent of Holding% | 50 | 0.19 | 33.33 | 33.33 |
| **3. Description of how there is significant influence** | By virtue of Shareholding | By virtue of agreement | By virtue of agreement | By virtue of agreement |
| **4. Reason why the associate /Joint venture is not consolidated** | NA | NA | NA | NA |
| **5. Networth attributable to Shareholding as per latest audited Balance Sheet** | 0.02 | 4.10 | 11.28 | 443.54 |
| **6. Profit/(Loss) for the year** | | | | |
| i. Considered in Consolidation | - | (0.22) | (5.08) | 4.47 |
| ii. Not Considered in Consolidation | NA | NA | NA | NA |

Note-CIL NTPC Urja Private Limited,Talcher Fertilizers Limited and Hindustan Urvarak and Rasayan Limited are yet to commence operation.

**For Ray & Ray**
**Chartered Accountants**
**Firm Registration No. 301072E**

**(Nabanita Ghosh)**
**Partner, Membership No. 058477**

**Sd/-**
**A.K.Jha**
**Chairman- Cum-Managing Director**
**DIN - 06645361**

**S.Sarkar**
**G.M. (Finance I / C) / CFO**

**Sd/-**
**S.N. Prased**
**Director (Marketing/Finance)**
**DIN - 07408431**

**S. Dutta**
**G.M. (Finance)**

**M. Viswanathan**
**Company Secretary**

ANNEXURE - Y

**Coal India Limited**

| Name | Designation | W.e.f |
|---|---|---|
| Mr. A. K. Jha | Chairman-Cum-Managing Director | 18.05.2018 |
| Mr. Suresh Kumar | Chairman-Cum-Managing Director | Addl. Charge w.e.f 23.04.2018 to 17.05.2018 |
| Mr.Gopal Singh | Chairman-Cum-Managing Director | Addl. Charge w.e.f 01.09.2017 to 20.04.2018 |
| Mr. C.K. Dey | Director (Finance) | 01.03.2015 superannuated from w.e.f 30.09.2018 |
| Mr. S.N. Prasad | Director (Marketing) | 01.02.2016, Additional charge as D(F),CIL w.e.f. 03.10.2018 |
| Mr. BinayDayal | Director (Technical) | 11.10.2017 |
| Mr. R. P. Srivastava | Director (P&IR) | 31.01.2018 |
| Mr R.K.Sinha, JS & LA | Govt. Nominee Directors | 05.08.2016 |
| Mrs. Reena Sinha Puri, JS & FA | Govt. Nominee Directors | 09.06.2017 |
| Ms. Loretta M. Vas | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Mr. Vinod Jain | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Dr. D.C. Panigrahi | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Prof.Khanindra Pathak | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Dr. S.B. Agnihotri | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f. 17.11.2018 |
| Mr. Vinod Kumar Thakral | Independent Director | 06.09.2017 |
| Mr. Bharatbhai Laxmanbhai Gajipara | Independent Directors | 22.09.2017 |
| Mr. M Viswanathan | Company Secretary | 14.12.2011 |
| Mr. S Sarkar, Chief Financial Officer | Chief Financial Officer | 01.10.2018 |

**Eastern Coalfields Limited**

| | | |
|---|---|---|
| Shri Prem Sagar Mishra | CMD, ECL | w.e.f 20.08.2018 |
| Shri S.K. Jha | CMD (Additional charge) | w.e.f 01.07.2018 upto 19.8.2018 |
| Shri A. K. Singh | CMD (Additional charge) | from 01.04.2018 to 30.06.2018 |
| Shri K. S. Patro | Director (Personnel) | upto 30.04.2018 |
| Shri Sanjiv Soni | Director (Finance) | w.e.f 19.06.2018 |
| Shri Jaiprakash Gupta | Director (Technical) P&P | w.e.f 18-06-2018 |
| Shri Vinay Ranjan | Director (Personnel) | w.e.f 16.08.2018 |
| Shri C. K. Dey | Part-time Official Director | up to 30.09.2018 |
| Shri N.K. Sudhansu | Joint Secretary, MoC, Part-time Official Director | 30-10-2017 to 02.10.2018 |
| Ms. Vismita Tej | Joint Secretary, MoC, Part-time Official Director | 03.10.2018 to 10.01.2019 |
| Shri B. P. Pati | Joint Secretary, MoC, Part-time Official Director | w.e.f 11.01.2019 |
| Shri S.N. Prasad | Part-time Official Director | w.e.f 10.12.2018 |
| Dr. (Prof.) Indira Chakravarty | Independent Director | whole year |
| Shri Pravin Kant | Independent Director | w.e.f 13.12.2018 |
| Shri Rambabu Pathak | Company Secretary | w.e.f 02-07-2018 |
| Shri V. R. Reddy | Company Secretary | Upto 30.06.2018 |

**Bharat Coking Coal Limited**

| | | |
|---|---|---|
| Shri Ajay Kumar Singh | CHAIRMAN-CUM-MANAGING DIRECTOR | From 25.09.2017 to 18.10.2018 |
| Shri Gopal Singh | CHAIRMAN-CUM-MANAGING DIRECTOR | 18.10.2018 |
| Shri K.S. Rajashekar | DIRECTOR (FINANCE) | 01.03.2015 |
| Shri D.Gangopadhyay | DIRECTOR TECHNICAL | From 26.07.2016 to 31.12.2018 |
| Shri N.K. Tripathi | DIRECTOR TECHNICAL | From 22.12.2017 to 20.02.2019 |
| Shri R.S. Mahapatra | DIRECTOR (PERSONNEL) | 22.12.2017 |
| Shri S.K. Jha | DIRECTOR TECHNICAL | From 01.01.2019 to 12.03.2019 |
| Shri K.K.Mishra | DIRECTOR (TECHNICAL/OP) | 14.03.2019 |
| Shri Rakesh Kumar | DIRECTOR (TECHNICAL/P&P) | 12.03.2019 |
| Shri Binay Dayal | CIL NOMINEE DIRECTOR | 09.11.2017 |
| Shri N.K. Sudhansu, JS | GOVT. NOMINEE DIRECTOR | From 30.10.2017 to 03.10.2018 |
| Shri B.P.Pati, JS | GOVT. NOMINEE DIRECTOR | 04.10.2018 |
| Dr. A.K. Lomas | INDEPENDENT DIRECTOR | 17.11.2015 |
| Dr. Hari Singh Yadav | INDEPENDENT DIRECTOR | 17.11.2015 |
| Shri Bishnu Prasad Das | INDEPENDENT DIRECTOR | 02.02.2017 |
| Dr. K.S. Khobragade | INDEPENDENT DIRECTOR | 06.09.2017 |
| Shri B.K. Parui | COMPANY SECRETARY | 30.08.2013 |

**Central Coalfields Limited**

| | | |
|---|---|---|
| Sri. Gopal Singh | Chairman-cum-Managing Director | 01.03.2012 |
| Sri D.K.Ghosh | Director (Finance) | 04.07.2013 |
| Sri R.S.Mahapatro | Director (Personnel) | 08.06.2015 |
| Sri V.K.Srivastava | Director (Technical/Operations) | 15.05.2018 |
| Sri Bhola Singh | Director (Technical/P&P) | 15.01.2019 |
| Sri Bharat Bhusan Goyal | Independent Director | 14.11.2015 |
| Sri Ashish Upadhyay, Jt. Secretary, Ministry of Coal | Government Director | 05.02.2018 |
| Sri Subhanu Kashyap | Independent Director | 13.12.2018 |
| Sri Ram Prakash Srivastava | Government Director | 19.02.2018 |
| Sri Ravi Prakash | Company Secretary | 13.07.2017 |

**Nortern Coalfields Limited**

| | | |
|---|---|---|
| Shri P.K. Sinha | Chairma-cum Managing Director | w.e.f. 22.12.2017 |
| Smt. R.S. Puri | Part Time Official Director | w.e.f. 09.06.2017 |
| Shri S.N.Prasad | Part Time Official Director | w.e.f. 16.02.2016 |
| Prof. A.K. Agrawal | Independent Director | w.e.f. 17.11.2015 |
| Shri S.K. Maheshwari | Independent Director | w.e.f. 17.11.2015 |
| Dr. S.M. Jharwal | Independent Director | w.e.f. 02.02.2017 |
| Smt. Ramilaben Bara | Independent Director | w.e.f. 13.12.2018 |
| Shri B. P. Pandey | Independent Director | w.e.f. 13.12.2018 |

| | | |
|---|---|---|
| Shri Gunadhar Pandey | Director (Technical/ Operations) | w.e.f. 01.02.2015 |
| Shri P.M.Prasad | Director (Technical/ P&P) | w.e.f. 30.01.2018 |
| Shri N.N. Thakur | Director (Finance) & C F O | w.e.f. 19.06.2018 |
| Shri P. S. R. K. Sastry | Director (Finance) & C F O | Upto 31.05.2018 |
| Shri P. Lazar | Company Secretary | Upto 31.07.2018 |
| Shri Harsh Chauhan | Company Secretary | w.e.f. 28.01.2019 |

**Western Coalfields Limited**

| | | |
|---|---|---|
| Mr. Rajiv R Mishra | Chairman-Cum-Managing Director | 11.10.2014 |
| Mr. S M Choudhary | Director (Finance) | 02.03.2016 |
| Mr. Manoj Kumar | Director (Technical) | 29.11.2018 |
| Mr. Ajit Kumar Choudhary | Director (Technical) | 14.12.2018 |
| Mr. P M Prasad | Director (Technical) | Addl Charge w.e.f 27.09.2018 to 14.12.2018 |
| Mr. T N Jha | Director (Technical) | 01.08.2016 (Superannuated on 31.08.2018) |
| Mr. B K Mishra | Director (Technical) | 23.05.2015 (Ceased as on 18.06.2018) |
| Dr. Sanjay Kumar | Director (Personnel) | 23.07.2015 |
| Mr. Animesh Bharti | Govt. Nominee Directors | 15.07.2015 |
| Mr. R P Shrivastava | Govt. Nominee Directors | 19.02.2018 |
| Mr. Kirit N Shelat | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f 17.11.2018 |
| Mr. N Ramarao | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f 17.11.2018 |
| Mr. Indra Ghosh | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f 17.11.2018 |
| Mr. Mahendrakumar Bhatt | Independent Director | 17.11.2015 Reappointed for 1 year w.e.f 17.11.2018 |
| Mr. D K Singh | Permanent Invitee | 07.05.2018 |
| Mr. Rameher | Company Secretary | 01.02.2008 |

**Mahanadi Coalfields Limited**

| | | |
|---|---|---|
| Shri R. R. Mishra | Chairman-cum-Managing Director | 25.09.2018 |
| Mr. L N Mishra | Director (P& IR) | 01.02.2016 to 31.12.2018 |
| Mr. J.P. Singh | Director (Technical-Operation) | 01.06.2013 to 28.02.2019 |
| Mr. O. P. Singh | Director (Technical-P&P) | 01.09.2016 |
| Mr. K. R. Vasudevan | Director (Finance) | 04.02.2018 |
| Mr. A. K. Singh | Company Secretary | 19.11.2012 |
| Mr. H. S. Pati | Independent Directors | 17.11.2015 |
| Dr. R. Mall | Independent Directors | 17.11.2015 |
| Ms. Seema Sharma | Independent Director | 06.09.2017 |
| Shri S. N. Prasad | Part-Time Director | 16.02.2016 |
| Shri R. K. Sinha | Government Nominee | 12.06.2017 |

**South Eastern Coalfields Limited**

| | | |
|---|---|---|
| Sri A.P. Panda | Chairman-Cum-Managing Director (CMD) | Additional charge of CMD w.e.f. 01.07.2018 and appointed as CMD w.e.f. 28.12.2018 |
| Sri. A.P. Panda | Director (Finance) | w.e.f. 01.08.2013 to 28.12.2018 |
| Sri. B.R. Reddy | CMD | w.e.f. 01.03.2016 to 30.06.2018 |

| | | |
|---|---|---|
| Dr. R.S. Jha | Director (Personnel) | w.e.f. 29.09.2014 |
| Sri. Kuldip Prasad | Director (Technical )/ Operation | w.e.f. 10.02.2016 to 30.04.2019 |
| Sri. R.K. Nigam | Director (Technical) / P&P | w.e.f. 28.12.2018 |
| Sri. S.M. Choudhary | Director (Finance) | w.e.f. 15.01.2019 to 31.03.2019 |
| Sri. Sanjiv Soni | Director (Finance) | w.e.f. 04.04.2019 |
| Sri. S.M. Yunus | Company Secretary | w.e.f . 17.08.2010 |
| Mr. C. K. Dey | Govt. Nominee Director | w.e.f. 19.03.2015 to 30.09.2018 |
| Mr. S. N. Prasad | Govt. Nominee Director | w.e.f. 10.12.2018 |
| Mr. Mukesh Choudhary | Govt. Nominee Director | w.e.f. 09.06.2017 to 10.01.2019 |
| Mr. Ashish Upadhayaya | Govt. Nominee Director | w.e.f. 11.01.2019 |
| Dr. Sunil Kumar | Independent Director | w.e.f 17.11.2018 |
| Dr. B.S. Sahay | Independent Director | w.e.f. 17.11.2018 |
| Mr. Vinod Jain | Independent Director | w.e.f 19.02.2019 |

**CMPDIL**

| | | |
|---|---|---|
| Shekhar Saran | Chairman Cum Managing Director | 01.01.2016 |
| BN Shukla | Director technical | 17.08.17 |
| A k Chakraborty | Director technical | 03.08.16 |
| K K Mishra | Director technical | 11.10.18 |
| R N Jha | Director technical | 30.01.19 |
| Anindya Sinha | Govt Nominee Director | 05.02.18 |
| Rajender Parshad | Independent Director | 17.11.15 Reappointed on 17.11.18 |
| Debashis Gupta | Independent Director | 17.11.15 Reappointed on 17.11.18 |
| S N Shaw | Chief Financial Officer | 18.06.18 |
| Abhishek Mundra | Company Secretary | 18.02.16 |

## GREEN INITIATIVE APPEAL TO THE SHAREHOLDERS

The Shareholders holding shares in demat form are requested to register their e-mail id with their Depository. Shareholders holding shares in physical form are requested to send their consent to our Registrar and Transfer Agent, M/s Alankit Assignments Limited. on the following format.

Date: _____

M/s. Alankit Assignments Limited.
Unit: COAL INDIA
Alankit Height, 1E/13, Jhandewalan Extension,
New Delhi – 110 055
Phone No: 011-4254-1234/2354-1234
Fax No: 011-4154-3474
E-mail id: alankit_rta@alankit.com
Website: www.alankit.com
Toll Free No. - 18601212155

I/We_____holding_____shares of the Company in physical form intend to receive all communications including notices, annual reports, through my/our e-mail id given hereunder:

Folio No _____ E-mail id _____

_____

Signature of the first holder

# NOTES

# NOTES


44th
ANNUAL
GENERAL
MEETING
12th September, 2018
Coal India Limited
A MAHARATNA COMPANY
EMPOWERING INDIA
NURTURING NATURE
ENABLING LIFE


44th ANNUAL GENERAL MEETING
12th September, 2018
Coal India Limited
A Maharatna Company
EMPOWERING INDIA
ENABLING LIFE



www.coalindia.in



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Kolkata - 700 056

COAL INDIA LIMITED
A Maharatna Company
Coal Bhawan, Premise No-04 MAR,
Plot No-AF-III, Action Area-1A
New Town, Rajarhat, Kolkata-700 156

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